

26th
Annual Report
2016 - 2017

Fortune Financial Services (India) Limited

Passion to Excel !



Fortune
FINANCE GROUP

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Board of Directors

Mr. Chintan Valia	Non Executive Director
Ms. Khyati Valia	Non Executive Director
Mr. Pankaj Bhuta	Independent Director
Mr. Alok Kumar Misra	Additional Independent Director (w. e. f. 6th October, 2016)
Mr. Nishit Dhruva	Independent Director (up to 24th August, 2016)
Ms. Deena Mehta	Independent Director (up to 29th March, 2017)

Committees

Audit Committee

Mr. Pankaj Bhuta	Chairman
Mr. Chintan Valia	Member
Mr. Alok Kumar Misra	Member (w. e. f. 6th October, 2016)
Mr. Nishit Dhruva	Member (up to 24th August, 2016)

Stakeholders Relationship Committee

Mr. Chintan Valia	Chairman
Mr. Pankaj Bhuta	Member
Mr. Alok Kumar Misra	Member (w. e. f. 6th October, 2016)
Mr. Nishit Dhruva	Member (up to 24th August, 2016)

Nomination & Remuneration Committee

Mr. Alok Kumar Misra	Chairman (w. e. f. 6th October, 2016)
Mr. Chintan Valia	Member
Mr. Pankaj Bhuta	Member
Mr. Nishit Dhruva	Chairman (up to 24th August, 2016)

Internal Finance Committee

Mr. Chintan Valia	Chairman
Mr. Pankaj Bhuta	Member
Mr. Alok Kumar Misra	Member (w. e. f. 6th October, 2016)
Mr. Nishit Dhruva	Member (up to 24th August, 2016)



Key Managerial Personnel

Mr. Aalok Dave	Manager (up to 5th October, 2016)
Mr. Prateek Tayal	Manager (w. e. f. 6th October, 2016)
Mr. S. G. Muthu Kumar	Chief Financial Officer

Company Secretary

Mr. Haroon Mansuri

Statutory Auditors

M/s. Bathiya & Associates LLP.
Chartered Accountants

Internal Auditors

M/s. Sandeep R. Maheshwari & Co.
Chartered Accountants

Bankers

Axis Bank Limited
HDFC Bank Limited
Kotak Mahindra Bank Limited
Yes Bank Limited

Registrar & Share Transfer Agent

Purva Sharegistry (India) Private Limited
(Unit : Fortune Financial Services (India) Limited)
Shivshakti Industrial Estate, Unit No. 9
7/B, Sitaram Mill Compound
J. R. Boricha Marg
Lower Parel, Mumbai – 400 011
Telephone : +91-22-2301 6761 / 8261
Fax : +91-22-2301 2517
e-mail : busicomp@gmail.com
purvashare@gmail.com
Website : www.purvashare.com

Registered Office

Naman Midtown, "A" Wing
21st Floor, Unit No. 2103
Senapati Bapat Marg
Elphinstone Road, Mumbai - 400 013
Telephone : +91-22- 4027 3600
Fax : +91-22- 4027 3700
e-mail : cosecretary@ffsil.com
Website : www.fortune.co.in

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the **Twenty Sixth Annual Report** and **Audited Financial Statements** of the Company for the year ended 31st March, 2017.

Financial Results

(₹ in lakhs)

	2016-2017	2015-2016	2016-2017	2015-2016
	Stand-alone		Consolidated	
Total Income	1,786.59	352.52	16,838.41	14,153.11
Profit/(Loss) before depreciation, exceptional item and tax	(166.43)	(52.55)	3,805.45	1,528.02
Depreciation and amortization	5.63	3.67	818.62	845.06
Profit/(Loss) before exceptional item and tax	(172.06)	(56.22)	2,986.83	682.96
Exceptional item	317.98	68.75	257.09	21.40
Profit before tax	145.92	12.53	3,243.92	704.36
Provision for tax				
- Current tax	75.00	1.40	1,242.56	237.98
- Current tax relating to prior years (including MAT credit)	0.53	---	(20.48)	2.43
- Deferred tax	(1.37)	0.24	(53.47)	155.50
Profit after tax but before minority interest	71.76	10.89	2,075.31	308.45
Less : Minority Interest	---	---	127.90	27.25
Add : Share of profit from Associate Company	---	---	784.11	285.18
Profit for the year	71.76	10.89	2,731.52	566.38
Add: Balance as per last financial statements	2,200.78	2,189.89	1,697.72	2,086.52
Adjustments pursuant to Scheme of amalgamation	---	---	---	(1,022.19)
Discontinuation of a subsidiary	---	---	---	(67.91)
Adjustment on account of investments in associates	---	---	(8.52)	135.98
Profit available for appropriations	2,272.54	2,200.78	4,420.72	1,698.78
Less: Transfer to statutory reserve	---	---	2.44	0.63
Less: Preference Dividend	---	---	1.50	0.36
Less: Tax on preference dividend	---	---	0.31	0.07
Net Surplus in Statement of Profit and Loss	2,272.54	2,200.78	4,416.47	1,697.72
Nominal value per share (in ₹)	10.00	10.00	10.00	10.00
Basic and diluted earnings per share				
- Basic (in ₹)	0.14	0.03	5.49	1.60
- Diluted (in ₹)	0.14	0.03	5.49	1.60

The state of Company's affairs

Standalone

The total income during the year 2016-2017 stood at ₹ 1,786.59 lakhs as against ₹ 352.52 lakhs during the previous year, showing an increase of income by four times as compared to the previous year. The Company has earned a profit before tax ₹ 145.92 lakhs as compared to a profit of ₹ 12.53 lakhs in the previous year. The profit after tax stood at ₹ 71.76 lakhs as against the profit of ₹ 10.89 lakhs in the previous year.

Consolidated

The consolidated income during the year 2016-2017 stood at ₹ 16,838.41 lakhs as against ₹ 14,153.11 lakhs during the previous year. The consolidated income has been increased by 18.97% as compared to the previous year. During the year under review the Company has on consolidated basis earned a profit of ₹ 2,731.52 lakhs after tax as against the profit of ₹ 566.38 lakhs in the previous year.

Consolidated Financial Statements

The Board of Directors of your Company at its meeting held on 17th May, 2017 approved the consolidated financial statements for the financial year 2016-2017 in accordance with the Accounting Standard (AS-21) and other applicable Accounting Standards issued by the Institute of Chartered Accountants of India as well as Regulation 34 (2) (c) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which includes financial information of all its subsidiaries.


Dividend

In view of the marginal profit earned by the Company, the Board of Directors do not recommend any dividend for the financial year 2016 - 2017.

Transfer to General Reserves

The Board of Directors do not propose to transfer any amount to General Reserve for the financial year 2016 - 2017.

Fixed Deposits

The Company does not hold and has not accepted any deposits from the public during the year under review, within the meaning of Section 73 of the Companies Act, 2013 and the rules made there under.

Share Capital

During the year under review, the Company has not issued any equity shares with differential rights or sweat equity shares or stock options and has not made any provision of money for purchase of its own shares by employees or by trustees for the benefit of employees.

Subsidiaries, Associates and Step down Subsidiaries :

As on 31st March, 2017 the Company had eight wholly owned subsidiaries, four subsidiaries, two step down subsidiaries and two associates. The Board of Directors reviews the performance of these companies on quarterly basis.

In terms of section 129 (3) of the Companies Act, 2013 the Company has prepared consolidated financial statements and a statement of salient features of the subsidiaries in form AOC 1 which is attached to the notes forming part of financial statements.

Accounts of subsidiary companies

In terms of proviso to section 136 of the Companies Act, 2013 the Company has not attached the financial statements of its subsidiaries with the accounts of the Company. However, the audited annual financial statements of the subsidiary companies will be made available for inspection by the members of the holding and subsidiary companies at the registered office of the Company and will also be uploaded on the website of the Company. The audited annual financial statements of the subsidiary companies will be made available on request to members of the company and its subsidiaries, seeking such information at any point of time.

Investments

During the year under review, the Company has subscribed and/or acquired shares as investment in the following companies:

Sr. No.	Date	Name of the Company	Nature of Securities	Face Value (₹)	No. of securities	Amount (₹ in lakhs)
Investments made during the year 2016 - 2017						
1	21/04/2016	ITI Gilts Private Limited (earlier known as Crest Debt Capital Markets Private Limited)	Equity shares	10	51,00,000	510.00
2	25/04/2016	Fortune Credit Capital Limited	Equity shares	10	1,00,00,000	4,000.00
3	02/05/2016	United Petro Finance Limited	Equity shares	10	34,60,000	346.00
4	03/05/2016	Fortune Integrated Assets Finance Limited	Equity shares	10	17,04,545	1874.99
5	20/05/2016	ITI Asset Management Limited (earlier known as ITI Investment Advisors Limited)	Equity shares	10	4,00,000	5,000.00
6	12/08/2016	Fortune Integrated Home Finance Limited	Equity shares	10	17,50,000	525.00
7	22/11/2016	ITI Reinsurance Limited (earlier known as Kohinoor India Reinsurance Co. Limited)	Equity shares	10	9,50,00,000	142,50.00
8	23/11/2016	ITI Reinsurance Limited (earlier known as Kohinoor India Reinsurance Co. Limited)	Equity shares	10	6,90,00,000	103,50.00
9	24/10/2016	ITI Mutual Fund Trustee Private Limited	Equity shares	10	10,000	1.00
10	23/03/2017	United Petro Finance Limited	Equity shares	10	41,60,000	603.20
11	29/03/2017	ITI Reinsurance Limited (earlier known as Kohinoor India Reinsurance Co. Limited)	Equity shares	10	5,33,60,000	8,004.00
		Total (A)				45,464.19
Disinvestments during the year 2016 - 2017						
1	30/11/2016	ITI Asset Management Limited (earlier known as ITI Investment Advisors Limited)	Equity shares	10	4,00,000	2,025.00
2	10/08/2016	BSE Limited	Equity shares	1	70,694	0.05
		Total (B)				2,025.05
		Total (A - B)				43,439.14

Merger

The Company has received in-principle approval from BSE Limited for merger with The Investment Trust of India Limited (earlier known as ITI Wealth Management Private Limited). The Scheme has been approved by the High Court Judicature at Bombay and the approval from the National Company Law Tribunal at Chennai is awaited as all the merger applications with the high courts have been transferred to the respective National Company Law Tribunals (NCLTs).

Demerger of United Petro Finance Limited

In the Board meeting held on 31st March, 2017, the Board has unanimously approved Scheme of Arrangement between United Petro Finance Limited ('UPFL' or the 'Demerged Company') and Fortune Credit Capital Limited ('FCCL' or the 'Resulting Company') and Fortune Financial Services (India) Limited ('FFSIL' or the 'Holding Company of the Resulting Company') and their respective shareholders providing for the demerger of Lending Business ('NBFC Business') of UPFL to FCCL (Wholly Owned Subsidiary of FFSIL), and issue of equity shares of FFSIL to the shareholders of UPFL. By operation of section 2(19AA) read with 2(41A) of the Income Tax Act, 1961, the consideration for demerger will be discharged by the Company to the shareholders of UPFL.

Merger of Fortune Integrated Assets Finance Limited with the Company

In the Board meeting held on 25th April, 2017, the Board has Unanimously approved Scheme of Amalgamation of Fortune Integrated Assets Finance Limited ('FIAPL' or the 'Transferor Company') with Fortune Financial Services (India) Limited ('FFSIL' or the 'Transferee Company') and their respective shareholders providing for the merger of Fortune Integrated Assets Finance Limited with Fortune Financial Services (India) Limited.

Incorporation of new subsidiary

During the year under review a new subsidiary in the name of ITI Mutual Fund Trustee Private Limited has been incorporated. The object of the new company is to undertake and carry on the functions and duties and act as a trustee, executor, administrator, attorney or nominee of, or for funds of all kinds including Mutual funds, offshore funds, pension funds, superannuation funds, provident funds, venture capital funds, growth funds, "Alternative investment Funds", "Portfolio Investment Schemes", debenture-holders, Insurance Funds, Collective or private investment schemes or any other schemes and to hold the property in trust for the benefit of the beneficiaries of the trust and devise various schemes for raising funds etc.

Incorporation of step down subsidiary

During the year under review a new subsidiary in the name of Antique Stock Broking (IFSC) Private Limited has been incorporated by Antique Stock Broking Limited. The object of the new company is to carry on the business as IFSC (International Financial Service Centre) unit in accordance with the Securities and Exchange Board of India (IFSC) Guidelines, 2015 to act as intermediary as per such guidelines in IFSC, Investment Consultants, stock brokers, underwriters and to invest, sell, purchase, exchange, surrender, extinguish, relinquish, subscribe, acquire, undertake, underwrite, hold, auction, convert, or otherwise deal in any shares, stocks, debentures, debentures stock, bonds, depository receipts, hedge instruments, warrants, certificates, options futures, money market securities, marketable or non-marketable securities, derivatives and other instruments or securities etc.

Setting up of Mutual Fund

During the year, the Company received in-principle approval from SEBI for setting up Mutual Fund vide its letter dated July 28, 2016 together with one of its subsidiaries viz. Fortune Credit Capital Limited. The Company's shareholding in ITI Asset Management Limited is 60% while that of subsidiary is 40%.

ITI Asset Management Limited (ITIAML) is a subsidiary of FFSIL. The company's principal activity is to act as an Investment Manager to the proposed "ITI Mutual Fund". The Investment Management Agreement was executed between ITI Mutual Fund Trustee Private Limited and ITIAML on April 7, 2017. The entire infrastructure of the business including all systems, processes, policies and personnel are in place and the Company is fully geared to enter the markets as soon as the necessary regulatory approvals are received.

ITI Mutual Fund Trustee Private Limited (ITIMFTPL) is subsidiary of FFSIL. The company's principal activity is to act as Trustee to the proposed "ITI Mutual Fund". The Trust Deed was executed on April 6, 2017 between Fortune Financial Services (India) Limited, Fortune Credit Capital Limited and ITIMFTPL.

Setting up of Alternate Investment Fund

During the year, the Company has in capacity of Sponsor and Investment Manager along with Trustee formed an Alternative Investment Fund i.e. ITI Infrastructure Fund a Category I Infrastructure Fund under Securities and Exchange Board of India (Alternative Investment Funds) Regulations, 2012. The said Alternative Investment Fund has received certificate of Registration from SEBI dated January 17, 2017. The operations of the fund is yet to be commenced.

New line of business

During the year under the Company has obtained members approval for commencement of new line of business for trading in goods. The Company has commenced the business in trading of textile items.

Postal Ballot

During the year under review, the Company had issued Postal Ballot Notice dated 12th December, 2016 to the members of the Company seeking approvals alteration of Object Clause of the Memorandum of Association of the Company and for related party transactions.

The Scrutinizer appointed by the Board of Directors has submitted his report on the Postal Ballot on January 27, 2017 and the following result was announced by Director of the Company on January 27, 2017 at the registered Office of the company situated at Naman Midtown, "A" Wing, 21st Floor, Unit No. 2103, Senapati Bapat Marg, Elphinstone Road, Mumbai - 400 013.

Resolutions	Particulars		
	No. of valid votes polled	Votes casted in favour of the Resolution	Votes casted against the Resolution
Item No. 1 (Special Resolution) Alteration of Object Clause III of the Memorandum of Association of the company	4,04,33,828	4,04,33,813	15
Item No. 2 (Ordinary Resolution) Approval for related party transactions for acquiring equity shares of Suraksha Asset Reconstruction Private Limited	29,36,382	29,25,014	11,368

Material changes and commitments affecting financial statements between financial year end

During the year under review the Company has allotted / issued 226,77,777 equity shares of ₹ 10 each fully paid on rights basis to the then existing shareholders of the Company. The Company had issued abridged letter of offer to the shareholders of the Company. The issue was oversubscribed by 1.2022 times. The post rights issue, the Company's paid up capital increased to ₹ 5,102.38 lakhs divided in to 5,10,23,767 equity shares of ₹ 10 each fully paid.

Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future - Not applicable

Adequacy of internal financial controls with reference to the Financial Statements.

The Company has in place adequate systems of internal control that are commensurate with its size and nature of the business and documented procedures covering all financial and operating functions. The Company being in service industry, it has in place clear processes and well-defined roles and responsibilities for its staff at various levels. The Management has a defined reporting system, which facilitates monitoring and adherence to the process and systems in place.

Number of meetings of the Board

During the year under review six meetings of the Board of Directors of the Company were held on 24th May, 2016, 8th August, 2016, 14th November, 2016, 12th December, 2016, 31st January, 2017 and 31st March, 2017

The details of the meetings held and the attendance thereto are given in the Corporate Governance Report of the Company for the financial year 2016 - 2017, the same forms part of the annual report of the Company.

In addition to the above a separate meeting of the Independent Directors was held on 31st March, 2017

Directors

Ms. Khyati Valia, Director of the Company retires by rotation and being eligible offers herself for re-appointment.

Mr. Alok Kumar Misra has been appointed as an Additional Independent Director of the Company effective from 16th September, 2016. Mr. Alok Kumar Misra holds office up to the date of this Annual General Meeting The Company has received requisite deposit from a member of the Company proposing the candidature of Mr. Alok Kumar Misra as an Independent Director of the Company and not liable to retire by rotation.

Brief profiles of the Directors to be appointed/re-appointed in the ensuing Annual General Meeting of the members of the Company have been provided as an annexure to the notice.

Company's policy on directors appointment, remuneration etc.
Section 178 (3) and disclosure of details as provided in Rule 5 of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Particulars	Remarks		
1	Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year	Not applicable – as the Company has no executive Director on the Board.		
		The details of the sitting fees paid during the financial year 2016-2017 to the Directors of the Company are as under :		
		Sr. No.	Name of the Directors	Amount paid (₹)
		1	Mr. Chintan Valia	2,85,000
		2	Mrs. Khyati Valia	1,45,000
		3	Mr. Pankaj Bhuta	2,85,000
		4	Mr. Alok Kumar Misra	2,05,000
		5	Mr. Nishit Dhruva	80,000
		6	Mrs. Deena Mehta	95,000
			Total	10,95,000

2	The percentage increase in remuneration of each director, CFO, CEO, CS or manager if any, in the financial year 2016-2017.	Directors – Not applicable CFO Nil CEO – Not applicable CS Nil																			
3	The percentage increase in the median remuneration of the employees of the Company for the financial year 2016-2017.	Nil																			
4	The number of permanent employees on the roll of the Company as on 31st March, 2017	24																			
5	The explanation on the relationship between average increase in remuneration and Company performance	During the year the management has not revised remuneration of the employees, hence relationship between average increase in remuneration and Company performance is not required to be given.																			
6	Comparison of remuneration of the KMP against the performance of the Company	Remuneration to KMP ₹ 47,75,845 (Manager, CFO & CS) Performance of the Company on stand-alone basis after tax for the year 2016-2017 ₹ 71.76 lakhs after considering exceptional items aggregating to ₹ 317.98 lakhs as compared to ₹ 10.89 lakhs in the previous year.																			
7	Variations in the market capitalization of the Company, price earnings ratio as at the date of closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer in case of listed companies and in case of unlisted companies, the variations in the net worth of the Company as at the close of the current financial year and previous year	<table><tr><td colspan="2">Market capitalization (BSE) Ltd. (₹ in lakhs)</td></tr><tr><td>as on 31/03/2017</td><td>157,816.51</td></tr><tr><td>as on 31/03/2016</td><td>37,473.40</td></tr><tr><td colspan="2">Price earning ratio = Market price / EPS</td></tr><tr><td>as on 31/03/2017 Market price ₹309.30 EPS ₹ 0.14</td><td>2,209</td></tr><tr><td>as on 31/03/2016 Market price ₹ 132.20 EPS ₹ 0.04</td><td>3,305</td></tr><tr><td colspan="2">Market quotation of the Company's shares</td></tr><tr><td>as on 31/03/2017</td><td>₹ 309.30</td></tr><tr><td>as on 31/03/2016</td><td>₹ 132.20</td></tr></table>		Market capitalization (BSE) Ltd. (₹ in lakhs)		as on 31/03/2017	157,816.51	as on 31/03/2016	37,473.40	Price earning ratio = Market price / EPS		as on 31/03/2017 Market price ₹309.30 EPS ₹ 0.14	2,209	as on 31/03/2016 Market price ₹ 132.20 EPS ₹ 0.04	3,305	Market quotation of the Company's shares		as on 31/03/2017	₹ 309.30	as on 31/03/2016	₹ 132.20
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8	Average percentile increase already made in the salaries of employees other than managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	The Company has not paid any remuneration to any Director except for the Sitting fees. The details of payment of sitting fees provided in item no. 1 above and also Corporate Governance Report.																			
9	Comparison of the each of the remuneration of the KMP as against the performance of the Company	<table><tr><td colspan="2">Performance of the Company</td></tr><tr><td colspan="2">₹ 71.76 lakhs after tax on stand-alone basis (after considering the exceptional items aggregating to ₹ 317.98 lakhs) as compared to ₹ 10.89 lakhs in the previous year.</td></tr><tr><td>Name of the KMP & Designation</td><td>Amount of Remuneration paid</td></tr><tr><td>Mr. Prateek Tayal Manager (w. e. f. 6th October, 2016)</td><td>₹ 18,55,874</td></tr><tr><td>Mr. Aalok Dave Manager (up to 5th October, 2016)</td><td>₹ 51,82,138</td></tr><tr><td>Mr. S. G. Muthu Kumar Chief Financial Officer</td><td>₹ 20,00,509</td></tr><tr><td>Mr. Haroon Mansuri Company Secretary</td><td>₹ 9,19,462</td></tr></table>		Performance of the Company		₹ 71.76 lakhs after tax on stand-alone basis (after considering the exceptional items aggregating to ₹ 317.98 lakhs) as compared to ₹ 10.89 lakhs in the previous year.		Name of the KMP & Designation	Amount of Remuneration paid	Mr. Prateek Tayal Manager (w. e. f. 6th October, 2016)	₹ 18,55,874	Mr. Aalok Dave Manager (up to 5th October, 2016)	₹ 51,82,138	Mr. S. G. Muthu Kumar Chief Financial Officer	₹ 20,00,509	Mr. Haroon Mansuri Company Secretary	₹ 9,19,462				
Performance of the Company																					
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Mr. S. G. Muthu Kumar Chief Financial Officer	₹ 20,00,509																				
Mr. Haroon Mansuri Company Secretary	₹ 9,19,462																				
10	The key parameters for any variable component of the remuneration availed by the directors	The Company has not paid any variable component to any Director and/or KMPs.																			
11	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year and	Not Applicable																			
12	Affirmation that the remuneration is as per the remuneration policy of the Company	The Remuneration paid to the KMPs is as per remuneration policy of the Company.																			

Statement of particulars of appointment and remuneration of managerial personnel

[Pursuant to section 134 (3) (q) of the Companies Act, 2013 read with rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rule, 2014]

1	Name	Mr. Prateek Tayal	Mr. Aalok Dave
2	Designation	Manager under the Companies Act	Manager under the Companies Act
3	Remuneration received	₹ 18,55,874 (w. e. f. 6th October, 2016)	₹ 51,82,138 (up to 5th October, 2016)
4	Nature of employment, whether contractual or otherwise	Contractual	Contractual
5	Qualifications and experience of the employee	MBA from S P Jain School of Global Management & BBA	B. Com., ACA
6	Date of commencement of employment	6th October, 2016	31st July, 2015
7	The age of employee	28 years	38 years
8	Last employment held by such employee before joining the Company	Sunmarg Securities Private Limited	Asset Reconstruction Company (India) Limited
9	The percentage of equity shares held by the employee in the Company within meaning clause (iii) of sub rule 2 above as on 31st March, 2017	Nil	Nil
10	Whether any such employee is a relative of any director or manager of the Company and if so, name of such director or manager	No	No

Key Managerial Personnel (KMP)

The followings have been designated as Key Managerial Personnel of the Company pursuant to section 2(51) and 203 of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. Mr. Aalok Dave - Manager under the Companies Act (ceased w e f 5th October, 2016)
2. Mr. Prateek Tayal - Manager under the Companies Act (appointed w e f 6th October, 2016)
3. Mr. S. G. Muthu Kumar - Chief Financial Officer
4. Mr. Haroon Mansuri - Company Secretary

Statement on declaration given by independent directors

The Independent Director of the Company has submitted the declaration of independence, as required under section 149 (7) of the Companies Act, 2013 confirming that they all meet the criteria of independence as required in sub section 6 of section 149 of the Companies Act, 2013.

Committees

The Company has four committees of the Board of Directors. These committees are – Audit Committee, Nomination & Remuneration Committee, Stakeholder Relationship Committee and Internal Finance Committee.

The terms of reference, composition and the details of the meetings of the committees held during the year under review are provided in corporate governance report.

Corporate Governance

A report on the corporate governance along with a certificate from the auditors of the Company regarding the compliance of conditions of the corporate governance as stipulated under Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is included and forms part of this annual report.

All Board members and senior management personnel of the Company have affirmed compliance with code of conduct for the year 2016-2017. A declaration to this effect certified by the Director of the Company is also attached in the annual report.

The Director and the Chief Financial Officer (CFO) of the Company have certified to the Board with regard to the financial statements and other matters as required under Regulation 17 (8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the said certificate is attached in the annual report.

Management Discussion and Analysis

A detailed review of operations, performance and future outlook of your Company and its businesses is given in the Management Discussion and Analysis, which forms part of this annual report.