



**TWENTY FIRST ANNUAL REPORT
2014 - 2015**

BOARD OF DIRECTORS

| | |
|--------------------------|-------------------|
| Mr. Laxmi Narayan Sharma | Managing Director |
| Mr. Vinod Kumar Sharma | Chairman |
| Mr. Anand D Bagwe | |
| Mr. Beni Prasad Rauka | |
| Mr. Kishan Sharma | |
| Ms. Poonam Sharma | |

REGISTERED OFFICE

502, Chartered House,
292 Dr. C.H. Street, Near Marine Lines Church,
Mumbai 400 002

AUDITORS

S.K. Rathi & Co., Chartered Accountants,
G-075, Profit Center, Mahavir Nagar Road,
Mahavir Nagar, Kandivali (W)
Mumbai-400 067

BANKERS

HDFC Bank Ltd.

SHARE TRANSFER AGENTS

System Support Services
209, Shivai Industrial Estate,
Next to Parke Davis,
89, Andheri Kurla Road,
Saki Naka, Mumbai 400 072.

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INDERGIRI FINANCE LIMITED
CIN No.:L65923MH1995PLC161968

Regd. Office: 502, Chartered House, 292 Dr. C. H. Street, Near Marine Lines Church, Mumbai - 400 002.

NOTICE

NOTICE is hereby given that the Twenty first Annual General Meeting of the members of INDERGIRI FINANCE LIMITED will be held at registered office of the Company situated at 502, Chartered House, 292 Dr. C. H. Street, Near Marine Lines Church, Mumbai - 400 002 on Saturday, the 26th September 2015 at 12:30 P.M. to transact following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Balance Sheet, Cash Flow Statement as at 31st March 2015 and the Statement of Profit & Loss for the year ended 31st March 2015 and the Auditors' Report and Directors' report thereon.
2. To appoint a Director in place of Mr. Beni Prasad Rauka (DIN 00295213), who retires by rotation and being eligible offers himself for reappointment.
3. To ratify the appointment of M/s. S. K. Rathi & Co., Chartered Accountants, Mumbai (Firm Registration No. 108724W) as approved by Members at the Twentieth Annual General Meeting as Statutory Auditors of the Company, to hold office until the conclusion of Twenty third Annual General Meeting, and to fix their remuneration for the financial year ending 31st March, 2016.

SPECIAL BUSINESS

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

“RESOLVED that Ms. Poonam Kishan Sharma (DIN 07204660) who was appointed by the Board of Directors as an Additional Director of the Company with effect from 29th June, 2015 and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 (“Act”) and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act proposing her candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company.”

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

“RESOLVED THAT pursuant to Section 13 of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 and any other applicable provisions or rules of Companies Act, 2013 thereto (including any statutory modification(s) or re-enactment thereof, for the time being in force) and subject to the approval of Central Government and other regulatory authorities as may be necessary, consent of the members be and is hereby given for the change of name of the Company from “INDERGIRI FINANCE LIMITED” to “IFL FINVEST LIMITED”.

“RESOLVED FURTHER THAT the name “INDERGIRI FINANCE LIMITED” wherever it occurs in the Memorandum and Articles of Association of the Company be substituted by the new name “IFL FINVEST LIMITED”.

“RESOLVED FURTHER THAT Board of Directors of the Company be and are hereby authorized to do all such acts, deeds and things on behalf of the Company, as may be necessary, desirable or expedient to give effect to the above resolution.”

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIM SELF AND SUCH PROXY NEED NOT BE MEMBER OF THE COMPANY. THE PROXIES IN ORDER TO BE EFFECTIVE, SHOULD BE DULY STAMPED, SIGNED, COMPLETED AND LODGED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. All documents referred in the Notice are open for inspection at the Registered Office of the Company on all working days except Saturdays between 11.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting.

3. Electronic copy of the Annual Report and notice for 2015 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual for the financial year ended 31st March, 2015 is being sent in the permitted mode.
4. Members holding shares in physical form are requested to submit their e-mail address to the Company/RTA, duly quoting their Folio number and Members holding shares in electronic form who have not registered their e-mail address with their DP are requested to do so at the earliest, so as to enable the Company to send the said documents in electronic form, thereby supporting the green initiative of the MCA.
5. Register of Share transfer and members will remain closed from Monday, 21st September, 2015 to Saturday, 26th September, 2015 (inclusive of both days).
6. Members seeking any information with regard to the Accounts are requested to write to the Company at an early date, so as to enable the Management to keep the information ready at the Meeting.
7. Relevant Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
8. Members are requested to bring their Annual Report and the Attendance Slip with them at the Annual General Meeting
9. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the clause 35B of the listing agreement, the Members are provided with the facility to cast their vote electronically, through the remote e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to remote e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice by the Ballot Form, the facility for voting through Ballot Form shall be made available at the Annual General Meeting. Resolution(s) passed by Members through Ballot Forms or remote e-voting is / are deemed to have been passed as if they have been passed at the AGM.
10. Mr. Dinesh Kumar Deora, Practicing Company Secretaries (Membership No. FCS 5683), has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
11. The facility for voting, either through electronic voting system or ballot or polling paper shall also be made available at the meeting and Members attending the meeting who have not already cast their vote by remote e-voting or by ballot form shall be able to exercise their right at the meeting.
12. The Members who have cast their vote by remote e-voting prior to the meeting may also attend the meeting but shall not be entitled to cast their vote again
13. Members can opt for only one mode of voting, i.e., either by Ballot Form or e-voting. In case Members cast their votes through both the modes, voting done by e-voting shall prevail and votes cast through Ballot Form shall be treated as invalid.
14. The instructions for e-voting are as under:
 - A. In case a Member receives an e-mail from NSDL (for Members whose email addresses are registered with the Company / Depositories):
 - i. Open the e-mail and also open PDF file, namely, "IFL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
 - ii. Open the internet browser and type the following URL: <https://www.evoting.nSDL.com>
 - iii. Click on Shareholder-Login
 - iv. If you are already registered with NSDL for e-voting, then you can use your existing user ID and password for casting your vote.
 - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
 - vi. Once the e-voting home page opens, click on e-Voting> Active Voting Cycles.
 - vii. Select "EVEN" (E-voting Event Number) of Indergiri Finance Limited. Now you are ready for remote e-voting as Cast Vote page opens.

- viii. Cast your vote by selecting the appropriate option and click on “Submit” and also “Confirm” when prompted.
- ix. Upon confirmation, the message “Vote cast successfully” will be displayed.
- x. Once the vote on a resolution is cast, the Member shall not be allowed to change it subsequently.
- xi. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution and / or Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to IFL.scrutinizer@gmail.com, with a copy marked to evoting@nsdl.co.in.
- xii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) and e-voting user manual for Shareholders available at the Downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.

B. In case a Member receives physical copy of the Notice of the AGM (for Members whose e-mail addresses are not registered with the Company / Depositories):

- i. Initial password is provided by email: EVEN (E-voting Event Number) + USER ID and PASSWORD
- ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.

C. Other Instructions

The remote e-voting period commences on Wednesday, September, 23rd 2015 (9.00 a.m. IST) and ends on Friday, September, 25th 2015 (5.00 p.m. IST). During this period, Members holding shares either in physical form or in dematerialized form, as on September, 21st 2015 i.e. cut-off date, may cast their vote electronically. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he / she shall not be allowed to change it subsequently or cast vote again.

- ii. The voting rights of members shall be in proportion to their shares in the paid up equity share capital of the Company as on cut-off date. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-Voting and voting through ballot form.
- iii. Any person, who acquires shares of the Company and becomes a member of the Company after dispatch of the Notice and holding shares as of the cut-off date, may obtain the login ID and password by sending a request at evoting@nsdl.co.in. However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote.

If you forget your password, you can reset your password by using “Forgot User Details / Password” option available on www.evoting.nsdl.com.

- iv. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, would count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and make, not later than three days of conclusion of the meeting, a consolidated Scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same.
- v. The results declared along with the Scrutinizer’s Report shall be placed on the Company’s website www.indergiri.com and on the website of NSDL www.evoting.nsdl.com immediately after the result is declared. The Company shall simultaneously forward the results to BSE Limited (“BSE”), where the shares of the Company are listed.

For and on behalf of the Board of Director

Place : Mumbai
Date: 19th August, 2015

| | |
|----------------------------|----------------------|
| Laxminarayan Sharma | Kishan Sharma |
| Managing Director | Director |
| DIN: 01731396 | DIN: 01168525 |

EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board appointed Ms. Poonam Kishan Sharma, as Additional Director with effect from 29th June 2015 and has considered her as a Woman Director in terms of the provision of The Companies Act 2013 and pursuant to Clause 49 of Listing Agreement.

Ms. Poonam Kishan Sharma, Completed article ship training from a Chartered Accountancy firm and was involved in auditing assignment of finance and investment companies and thereafter involved in understanding nuances of finance.

As per the provisions of Section 161(1) of the Act, she holds office of Additional Director only up to the date of the forthcoming Annual General Meeting of the Company, and is eligible for appointment as Director. The Company has received a notice under Section 160 of the Act proposing her candidature for the office of Director of the Company, along with the requisite deposit.

Except Ms. Poonam Kishan Sharma, being an appointee and Mr. Kishan Sharma being relative of Director, 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.

Item No. 5

Indergiri Finance Limited is a Non-Banking Financial Company (NBFC) registered with Reserve Bank of India (RBI)

The first word "Indergiri" existing name of the Company indicate a group of follower of "Inder Baba" who is a saint from the birth place of one of the promoter directors, who is of the view that the Company may stop use of the word and shall take steps to change the name. Keeping in mind the sentiments, initial name availability it is advisable to change the name of Company as "IFL FINVEST LIMITED".

The name "IFL" abbreviation of existing name "Indergiri Finance Ltd" (IFL) and Company is engaged in the business of investment & finance, hence 'FINVEST' reflect finance & Invest accordingly in order to clearly reflect the moto of business, the name suggested as 'IFL FINVEST LIMITED'.

Pursuant to the provisions of Section 13(2) of the Companies Act, 2013, any alteration in the name clause of the Memorandum of Association of the Company shall be made only after obtaining the consent of the shareholders by passing a Special resolution and the approval of the Central Government, Registrar of Companies and all other statutory approvals. The Board of Directors has proposed the name of the Company be changed from "INDERGIRI FINANCE LIMITED" to "IFL FINVEST LIMITED". Availability of proposed new name has been confirmed by the Registrar of Companies, Mumbai vide their letter dated 18th August, 2015 which is valid for 60 days.

The Company being a registered NBFC has furnished the application to Reserve Bank of India (RBI) for obtaining NOC for change in the Name and the proposed change shall be carried out subject to approval of RBI.

The Board recommends passing of the Special Resolution set out in Item no. 5 of the Notice. None of the Directors / Key Managerial Personnel of the Company / their relatives are in any way, concerned or interested, in the Special Resolution, except as shareholders of the Company.

For and on behalf of the Board of Director

Place : Mumbai
Date: 19th August, 2015

| | |
|----------------------------|----------------------|
| Laxminarayan Sharma | Kishan Sharma |
| Managing Director | Director |
| DIN: 01731396 | DIN: 01168525 |

As required under Clause 49 of the Listing Agreement, the particulars of Directors who are proposed to be appointed/re-appointed are given below:

| Name of the Director | Mr. Beni Prasad Rauka | Ms. Poonam Kishan Sharma |
|---|--|--|
| Date of Birth | 1st April 1964 | 3rd October 1990 |
| Nationality | Indian | Indian |
| Date of appointment on the board | 28th March 1995 | 29th June 2015 |
| Qualifications | Qualified Chartered Accountant and Company Secretary. | Pursing for C.A. Final |
| Expertise in specific functional area | More than 27 years in Finance, Investment Banking & Manufacturing | Completed article ship training from a Chartered Accountancy firm and was involved in auditing assignment of finance and investment companies and thereafter involved in understanding nuances of finance. |
| Number of shares held in the Company | 380860 | NIL |
| Number of Meetings of the Board attended/ held | 4/4 | Nil/Nil* |
| Directorships held in other public companies (excluding foreign companies and Government Bodies) | <ol style="list-style-type: none"> 1. Manoo Finance and Investment Private Limited 2. Pranoo Financial Services Private Limited 3. Indergiri Securities Private Limited. 4. Indergiri Share and Stock Brokers Private Limited. 5. Advanced EnzyTech Solutions Limited 6. Advanced Bio-Agro Tech Limited 7. Capri Global Capital Limited 8. Capri Global Housing Finance Private Limited 9. Capri Global Resources Private Limited 10. Capri Global Distribution Company Private Limited 11. Capri Global Research Private Limited 12. Capri Global Finance Private Limited 13. Capri Global Investment Advisors Private Limited | NIL |
| Chairman/ member in the committees of the Boards of companies in which he is Director (includes only Audit Committee, Stakeholders' Relationship Committee and Nomination and Remuneration Committee) | <ol style="list-style-type: none"> 1. Audit Committee - Chairman Capri Global Capital Limited 2. Stakeholders' Relationship Committee - Chairman Capri Global Capital Limited 3. Nomination and Remuneration Committee-Member Capri Global Capital Limited | NIL |

*No Board meeting held during her tenure.

DIRECTOR'S REPORT

To,

The Members,

The Directors are pleased to present Twenty first Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2015.

FINANCIAL RESULTS

The financial results of the company are summarized as below:

| | (Rs. in lacs) | (Rs. in lacs) |
|----------------------------------|----------------------|---------------|
| | Year ended | Year ended |
| | 31/03/2015 | 31/03/2014 |
| Income | 69.43 | 69.21 |
| Profit/(Loss) before tax | 2.44 | 0.12 |
| Profit after Tax and adjustments | 1.70 | 0.09 |
| Balance carried to Balance Sheet | (13.54) | (16.29) |

REVIEW OF OPERATIONS

During the FY 2015, your company has earned a net profit of Rs.1.70 lacs after taking into account tax provisions and MAT credit entitlement as against Rs. 0.09 lacs during FY 2014.

DIVIDEND

In view of inadequate profits, the Board of Directors is not in a position to recommend any dividend for the year.

RESERVES

No amount is proposed for transfer to the General Reserve Account during the financial year 2015.

SUBSIDIARY COMPANY AND CONSOLIDATED FINANCIAL STATEMENT

The Company does not have any subsidiary company hence the requirement of consolidated financial statement pursuant to Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014 is not applicable.

CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall under the preview of the Section 135 of the Companies Act, 2013.

DEPOSITS

The Company being a Non-Deposit Accepting Non-Banking Finance Company has not accepted any deposits from the public during the year under review and shall not accept any deposits from the public without obtaining prior approval of the Reserve Bank of India (RBI).

FUTURE OUTLOOK

The Company is operating with its own limited resources. As the Financial market is facing lot of challenges interest rates are constantly changing, recoveries have become major concern, therefore survival of small NBFC with limited resource is becoming difficult. In the present scenario and based on the present business model the growth potential in its business is limited.

DISCLOSURE UNDER THE LISTING AGREEMENT UNDER CLAUSE 32

Cash flow statement pursuant to Clause 32 of listing agreement is annexed to the financial statement of the Company and forming part of this Annual Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company Mr. Beni Prasad Rauka, retires by rotation at the ensuing Annual General Meeting and offers himself for reappointment.

The Board appointed Ms. Poonam Kishan Sharma, as Additional Director with effect from 29th June, 2015 and has considered her as a Woman Director in terms of the provision of the Companies Act 2013 and pursuant to Clause 49 of Listing Agreement.

Mr. Dilip Lokoram Arora, Member of the Board, resigned from the Board of the Company effective from 11th August, 2014. The Board thanks him for his insights that have helped the Company immensely.

The resolution seeking approval of the Members for the appointment of Ms. Poonam Kishan Sharma have been incorporated in the notice of the annual general meeting of the Company along with brief details about her. The Company has received a notice under Section 160 of the Act along with the requisite deposit proposing the appointment of Ms. Poonam Kishan Sharma.

Declaration by Independent Director(s)

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence prescribed both under the Companies Act, 2013 and Clause 49 of the Listing Agreement.

Formal Annual Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board has carried out an annual performance evaluation of Independent Directors, Board, Committees and other individual Directors, process of evaluation was followed as per the Policy laid down in this regard. The manner in which the evaluation has been carried out has been explained in the Report on Corporate Governance.

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection of Directors, determining Directors independence and payment of remuneration to Directors, Key Managerial Personnel and other employees. The Nomination and Remuneration Policy is stated in the Report on Corporate Governance. In accordance with the provisions of Section 178 of Companies Act, 2013 the Board of Directors have adopted a Policy on Board Diversity and Director Attributes and the Remuneration Policy. The Policy on Board Diversity and Director Attributes has been framed and adopted by the Board on 13th November 2014 to encourage diversity of thought, experience, knowledge, perspective, age and gender in the Board. The Nomination and remuneration policy of the Board has provided as “Annexure-C” to this Report.

Familiarization Program

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of program for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company at link: http://www.indergiri.com/images/policies/Familiarisation_Programme_for_Independent_Director.pdf

Number of meetings of the Board

Four meetings of the Board were held during the year. For details of the meetings of the Board, please refer to the corporate governance report, which forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- a) in the preparation of the annual accounts for the year ended March 31, 2015, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;
- b) the Directors have 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 as at March 31, 2015 and of the profit of the Company for the year ended on that date;
- c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 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 are operating effectively; and
- f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

The Company as part of the 'vigil mechanism' has in place a 'Whistle Blower Policy' to deal with instances of fraud and mismanagement, if any. The Whistle Blower Policy has been approved by the Board at its meeting held on 31st May, 2014 and has been placed on the website of the Company.

This vigil mechanism of the Company is overseen by the Audit Committee and provides adequate safeguard against victimization of employees and directors who avail of the vigil mechanism and also provide direct access to the Chairperson of the Audit Committee in exceptional circumstances.

RISK MANAGEMENT

A Risk Management Policy for the Company has been adopted by the Board. The Company manages risk through a detailed Risk Management Policy framework which lays down guidelines in identifying, assessing and managing risks that the businesses are exposed to. Risk is managed by the Board/Risk Management Committee of the Board through appropriate structures including suitable reporting mechanisms.

INTERNAL CONTROL SYSTEMS

IFL Internal Control System is designed to ensure operational efficiency, protection and conservation of resources. The internal control system is supported by an internal audit process for reviewing the adequacy and efficacy of internal control including its system, process and compliance with regulations and procedures. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board.

POLICY ON PREVENTION OF SEXUAL HARASSMENT

The Board of Directors at its meeting held on 7th February, 2014, approved the "IFL Policy on Prevention and Redressal Sexual Harassment at Workplace" in terms of The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The said policy is uploaded on the website of the Company.

During the year under review, there were no complaints received against any employee.

AUDITORS' REPORT

The notes referred to by the Auditors in their report are self-explanatory and do not require any further clarification.

STATUTORY AUDITORS

Pursuant to the provisions of Section 139 and 141 of the Companies Act, 2013, M/s. S.K. Rathi & Co, Chartered Accountants, were appointed as Statutory Auditors of the Company to hold office upto the 23rd Annual General Meeting, subject to the ratification by the members at every Annual General Meeting to be held during their term.

The appointment of M/s. S.K. Rathi & Co, Chartered Accountants, as Statutory Auditors of the Company, is eligible for ratification and they have consented to the same and have confirmed that the appointment, if ratified, shall be within the limits prescribed under the Companies Act, 2013 and that they are not disqualified for such appointment within the meaning of Section 139 and 141 of the Companies Act, 2013, read with Companies (Audit and Auditors) Rules, 2014.

The Board recommends the ratification of M/s. S.K. Rathi & Co, Chartered Accountants, as Statutory Auditors of the Company for financial year 2015 -16, to the members at the ensuing Annual General Meeting.

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, the Company has appointed Ms. S. K. Jain and associates, Practicing Company Secretaries to undertake the Secretarial Audit of the Company for the financial year 2014-15. The Secretarial Audit Report in Form MR-3 is annexed herewith marked as "Annexure-A" to this Report.

Ms. S.K. Jain and associates, in their secretarial audit report have stated that,

- 1) The Company does not have a Company Secretary during the audit period as required under section 203 of the Companies Act, 2013.
- 2) The Company is not registered under the Bombay Shops and Establishment Act, 1948.
- 3) The Company has not appointed Woman Director during the audit period as required under 2nd proviso to Sub-section (1) of Section 149 of the Companies Act, 2013.
- 4) The Company has not provided the E-voting facility to the shareholders of the Company as required under section 108 of the Companies Act read with Rules made thereunder and clause 35B of the Listing Agreement.

The Directors are of the view that

- 1) The Company could not get a Company Secretary in employment due to the size and volume of the business and current profitability, however as the Board of Directors consists of qualified chartered accountants and also one of the Directors is a qualified Company Secretary, therefore all compliance are done regularly and timely basis.
- 2) The Company is in the process of obtaining required permission from the owner/tenant and shall arrange to get the registration done as soon as possible.
- 3) The Company has appointed woman Director with effect from 29th June, 2015 in compliance with the proviso to sub-section (1) of Section 149 of the Companies Act, 2013.
- 4) The Board is of the opinion that e-voting was optional pursuant to the general circular no. 20/2014 dated 17th June, 2014 of Ministry of Corporate affairs, the e-voting facility was not mandatory till 31st December, 2014. The Shareholder meeting was held on 27th September, 2014.

INTERNAL AUDIT AND COMPLIANCE

The Company conducts its internal audit and compliance functions within the parameters of regulatory framework which is well commensurate with the size, scale and complexity of operations. The internal controls and compliance functions are installed, evolved, reviewed, and upgraded periodically.

The Company has appointed Manoj Sharma & Associates, Chartered Accountants, to conduct internal audit covering all areas of operations of the Company. The reports are placed before the Audit Committee of the Board.

The Audit Committee reviews the performance of the audit and compliance functions, the effectiveness of controls and compliance with regulatory guidelines and gives such directions to the Management as necessary / considered appropriate. The Company has framed a compliance policy to effectively monitor and supervise the compliance function in accordance with the statutory requirements.

RELATED PARTY TRANSACTIONS

There have been no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Directors that may have potential conflict with the interest of the Company.

The Company has adopted a Framework on Related Party Transactions for the purpose of identification and monitoring of such transaction.

All related party transactions are placed before the Audit Committee as also the Board for their approval on quarterly basis. Transactions with related parties, as per the requirements of Accounting Standard 18, are disclosed to the notes to accounts annexed to the financial statements.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The provisions of Section 134(3) (m) of the Companies Act, 2013, and the rules made there under relating to conservation of energy, technology absorption do not apply to your Company as it is not a manufacturing Company.

However, your Company has been increasingly using information technology in its operations and promotes conservation of resources. During the year under review, there was no foreign earning or expenditure in the Company.

CORPORATE GOVERNANCE REPORT

The report on Corporate Governance for the Company forms an integral part of this Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The provisions of Section 186 of the Act pertaining to investment and lending activities is not applicable to the Company since the Company is an NBFC whose principal business is acquisition of securities.

Details of guarantees and/or security in connection with loans to other bodies corporates or persons as covered under the provisions of Section 186 of the Act, are given in Note No. 9 to the Financial Statements.

INSURANCE

The Company does not possess any material properties, which need insurance.

STANDARD ASSETS' PROVISIONING

Pursuant to the Notification No. DNBS.222/CGM (US)-2011 dated 17th January, 2011 issued by the RBI for making a general provision at 0.25% on the outstanding Standard Assets of NBFCs, your Company has made provision as per the statutory requirements.

EXTRACT OF ANNUAL RETURN

Extract of Annual Return of the Company in Form MGT-9 is annexed herewith as “**Annexure-B**” to this Report.

PARTICULARS OF EMPLOYEES

None of the employees was in receipt of remuneration in excess of limits prescribed under Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

ACKNOWLEDGEMENTS:

The Company gratefully acknowledges the co-operation and supports extended by the Banker, Shareholders and Clients of the Company and place on record its appreciation for the active support and assistance of the employees for the performance.

For and on behalf of the Board of Director

Place : Mumbai
Date: 27th May, 2015

| | |
|----------------------------|----------------------|
| Laxminarayan Sharma | Kishan Sharma |
| Managing Director | Director |
| DIN: 01731396 | DIN: 01168525 |

MANAGEMENT'S DISCUSSION AND ANALYSIS

NBFC- INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS

The year 2014 has been a landmark year in the history of Indian Politics as the new NDA government came into power and formed the government with sweeping majority. The new government presented the Budget for the FY 15-16 which focused on growth, weaker sections and social security and at the same time, fiscal responsibility was maintained. 2015 was a year of recovery for the global economy

The measures and policies taken by the RBI have controlled the inflation in India. In April 2014, the CPI was at 8.48% which has been come down significantly after the new Government has been formed at the Centre.

Looking ahead, it appears that the economy is headed for an upcycle of growth as interest rates are trending downward and inflation has been reigned in. These macro indicators, coupled with buoyant business and consumer sentiments bode well for the near-term future of the economy

The NBFC sector in India is integral to the financial framework of the country. Non-banking finance companies (NBFCs) continued to play a critical role in making financial services accessible to a wider set of India's population. NBFCs continues to be stable with around 34% of total borrowing coming from capital market sources including NCDs, subordinated debt, preference shares, etc and 31% from bank funding.

OPPORTUNITIES & THREATS, RISKS & CONCERNS, PERFORMANCE AND OUTLOOK

Opportunities: The Monetary Policy Framework Agreement between the Government of India and Reserve Bank of India is a vital step to keep inflation below 6%. This is also supported by the steep decline in the international crude oil prices, which controlled food inflation and increased consumption of the basic commodities in rural areas. Government has announced a number of policy measures to achieve the projected GDP growth in 2015-16 like approval of large infrastructure projects, addressing challenges of mining and power sectors, increasing foreign investment limits in Insurance, Railways, Defence manufacturing and Aerospace. Growth in agricultural sector output will drive demand from rural areas. In view of the aforesaid initiatives of the Government, NBFCs can also look for growth in asset financing and collateral backed lending activities.

Threats: Ability to raise funds depend significantly on growth of the Company's asset book, quality of assets and the economy. Unfavorable events in the Indian economy can affect consumer sentiment and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial services providers, unstable political environment and changes in Government policy / regulatory framework could impact the Company's operations.

Risk and Risk Management: A NBFC contains both internal risk and external risk. The IFL is exposed to credit risk, liquidity risk and interest rate risk as an internal risk and External risk due to exposure to interest rate risks might result in increased cost of lending to customers. Slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc.

Concern: Your Company recognizes the importance of risk management. The Company on regular basis reviews its Risk Management Policy and takes proactive steps to safeguard and minimize any adversity.

FINANCIAL

The financial performance of the Company is given as under:-

| PERFORMANCE | Year ended 31/03/2015 Amount in Rs. | Year ended 31/03/2014 Amount in Rs. |
|--|--|--|
| Gross Profit before Depreciation and Provisioning | 244,054 | 16,964 |
| Less : Depreciation | - | 4,620 |
| Less : Provision for Income Tax (net of MAT Entitlement) including deferred tax and earlier year tax liability | 73,859 | 3,558 |
| Net Profit/(Loss) | 170,196 | 8,786 |

OUTLOOK

The Company operates with its own limited resource; based on the present business model the growth potential in its business is limited. IFL expects to maintain its performance in FY2016. The approach would be to continue with the growth momentum while balancing risk.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an Internal Control System which is commensurate with the size, scale and complexity of its operations. The Internal Auditors monitor the efficiency and efficacy of the internal control systems in the Company, compliance with operating systems/accounting procedures and policies of the Company. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board. The Company has adequate systems and procedures to provide assurance of recording transactions in all material respects. The Audit Committee of the Board of Directors, Statutory

Auditors are periodically appraised of the internal audit findings and corrective actions taken .During the year M/s. Manoj Sharma & Associates, Chartered Accountants, reviewed the adequacy and operating effectiveness of the internal financial controls as per Section 134 (5) of the Companies Act, 2013.

HUMAN RESOURCES

The Company recognizes people as its most valuable asset and it has built an open, transparent and meritocratic culture to nurture this asset. In an increasingly competitive market for human resources, it seriously focuses on attracting and retaining the right talent. It provides equal opportunity to employees to deliver results. Company's current business activity does not require any technology up gradation or modernization.

DISCLAIMER

Statements in this Management Discussion and Analysis describing the Company's objectives, projections, estimates and expectations may be 'forward looking' within the meaning of applicable laws and regulations. Actual results may differ from those expressed or implied. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties. The Company does not undertake to update these statements.

For and on behalf of the Board of Director

Place : Mumbai
Date: 27th May, 2015

Laxminarayan Sharma **Kishan Sharma**
Managing Director Director
DIN: 01731396 DIN: 01168525

CORPORATE GOVERNANCE - 2014-15

The Company’s philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and meeting its obligations to stakeholders and is guided by a strong emphasis on transparency, accountability and integrity. The Company continued to shares with you from time to time various information through public notices and through Annual Reports. In addition, we give below the information on areas covered under Corporate Governance.

In terms of the Company’s Corporate Governance Policy, all statutory and other significant and material information are placed before the Board.

BOARD OF DIRECTORS

The present strength of Board of Directors is six (6) Directors. The Board comprises of one (1) Executive and five (5) Non-Executive Directors including two (2) Independent Directors. Pursuant to circular resolution passed by 29th June, 2015, The Board also inducted to Ms. Poonam Kishan Sharma, as an Additional Director and she will be considered as Woman Director under the provision of Companies Act 2013.

As on 31st March 2015, the Board of Directors of your Company consisted of five directors.

The Composition of Board and attendance record of the Directors as of 31.03.2015 was as follows:

| Sr. No. | Name | No. of outside Directorships held | No. of Membership in Committee of Board |
|---------|-------------------|-----------------------------------|---|
| 1 | Mr. B.P. Rauka | 13 | 3 |
| 2 | Mr. L.N. Sharma | - | - |
| 3 | Mr. Kishan Sharma | 6 | 3 |
| 4 | Mr. Vinod Sharma# | - | 2 |
| 5 | Mr. Anand D Bagwe | 1 | 2 |

Mr. Vinod Sharama has been appointed as a Director by the shareholders with effect from 27th September, 2014

Details of Board meeting held during the year 2014-15.

| Meeting No. | Date of meetings |
|-------------|------------------|
| 2/2014 | 31.05.2014 |
| 3/2014 | 08.08.2014 |
| 4/2014 | 13.11.2014 |
| 1/2015 | 07.02.2015 |

Attendance record of the Directors at the Board meetings held during the financial year 2014-15 and the last AGM held on 27.09.2014

| Name | No. of Board meeting attended | Whether last Annual General meeting Attended |
|--------------------|-------------------------------|--|
| Mr. B. P. Rauka | 4 | YES |
| Mr. Kishan Sharma | 4 | YES |
| Mr. Vinod Sharma | 2 | YES |
| Mr. L. N. Sharma | 4 | YES |
| Mr. Anand D. Bagwe | 3 | YES |
| Mr. Dilip Arora | 2 | NO |

*Mr. Dilip Arora has been resigned in the Board meeting held on 8th August 2014

COMMITTEE OF THE BOARD

AUDIT COMMITTEE

The Audit committee met four times during the year at their meeting held on 31.05.2014, 08.08.2014, 13.11.2014 and 07.02.2015. During the year under review the Audit Committee was reconstituted in terms of the provisions of Section 177 of the Companies Act, 2013 by the Board, as detailed under:

| Director | Status | No of audit committee meeting attended |
|--------------------|---------------------------------|--|
| Vinod Kumar Sharma | Chairman-Independent Director | 2 |
| Beni Prasad Rauka | Member-Non-Independent Director | 4 |
| Kishan Sharma | Member-Non-Independent Director | 4 |
| Anand Bagwe | Member-Independent Director | 4 |
| Dilip Arora | Member-Independent Director | 2 |

Note: Mr. Vinod Kumar Sharma was inducted to the Audit Committee effective 13th November, 2014. Mr. Dilip Arora ceased to be members of the Audit Committee effective 16th August, 2014 due to his resignation.

The Audit Committee has discussions with the auditors on periodical basis pertaining to the scope of audit including the observations of the auditors, reviews the audited / unaudited quarterly and annual financial statements before submission to the Board and also oversees compliance of internal control systems.

Committee’s responsibilities include:

- i. the recommendation for appointment, remuneration and terms of appointment of auditors
- ii. review and monitor the auditor’s independence and performance, and effectiveness of audit process
- iii. examination of the financial statement and the auditors’ report thereon

NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors at its meeting held on 13th November, 2014 had constituted the Nomination and Remuneration Committee as per Section 178 of the Companies Act, 2013, as detailed below:

| | |
|--------------------|--------------------------------|
| Vinod Kumar Sharma | Chairman- Independent Director |
| Beni Prasad Rauka | Member - Independent Director |
| Kishan Sharma | Member-Non-Executive Director |
| Anand Bagwe | Member-Non-Executive Director |

During the year under review, your Company has adopted a Nomination and Remuneration Policy in terms of the provisions of Section 178 of the Companies Act, 2013. The remuneration paid by the Company to its employees and directors is as per this Nomination and Remuneration Policy, which is annexed as “Annexure-C”

RISK MANAGEMENT COMMITTEE

The Board of Directors of your Company monitors the risk management strategy of the Company through the Risk Management Committee consisting of Mr. Kishan Sharma-Chairman, Mr. Beni Prasad Rauka, Mr. Anand Bagwe and Mr. Vinod Kumar Sharma as other members of the Committee.

The terms of reference of Risk Management Committee shall, inter-alia, include the following:

- To formulate and recommend to the Board, a Risk Management policy;
- To consider the Company’s risk management strategies;
- To consider, review and approve risk management policies and guidelines;
- To decide on risk levels, risk appetite and related resource allocation;
- To approve major risk management activities such as hedging transactions;
- To provide an update report to the Board in this regard no less frequent than annually;
- Any other matter as the Risk Management Committee may deem appropriate after approval of the Board of Directors or as may be directed by the Board of Directors from time to time”.

SHAREHOLDERS COMMITTEE /TRANSFER COMMITTEE

Shareholders Committee consists of two Directors viz. Mr. B.P. Rauka & Kishan Sharma. The Committee looks into the redressing of shareholders & investors complaints like transfer of shares, non-receipt of annual Report etc. During the year the committee met four times.

Mr. Kishan Sharma Director monitors the activities of Registrar & transfers Agent & look after the issues relating to shareholders. Share transfers / transmission are approved by a sub-committee during the period from 01.04.2014 to 31.03.2015, there were no transfers/transmission request and hence no such approval of transfer/transmission of shares.

Mr. Kishan Sharma is the Compliance officer in terms of the Requirement of the Stock Exchange.

The Company has around 1501 shareholders. The Company regularly interacts with the shareholders through letters and at the AGM wherein the activities of the Company, its performance, its future plans are provided for information of the shareholders. The quarterly results are published in the newspapers.

The numbers of shares transferred during the last three years are as given below:

| | 2014-15 | 2013-14 | 2012-13 |
|--|---------|---------|---------|
| Number of meetings for transfer of shares | - | - | 4 |
| Average number of shares transfers per meeting | - | - | 275 |
| Number of shares transferred | - | - | 1,100 |

Shares demoted / remated during the year 2014-15 : 4200

Total number of shares demoted till 31st March 2015 : 4,573,600

The Company has also been taking all steps to ensure that shareholders related activities are given due priority and matters are resolved at the earliest.

GENERAL BODY MEETING

Details of location, time & date of last three AGM & one EGM are given below:

| Sr. No. | Date | Location | Time | Meeting |
|---------|------------|--------------------------------------|------------|---------|
| 1 | 27.09.2014 | Hotel Classic Comfort, Goregaon East | 11.30 A.M. | AGM |
| 2 | 30.09.2013 | Hotel Classic Comfort, Goregaon East | 11.00 A.M. | AGM |
| 3 | 28.09.2012 | Sai Leela, Goregaon East | 10.00 A.M. | AGM |

Key special business if any transacted during the last three years at the General Body Meeting in the order of Sr. No. as given above.

| Sr. No. | Special Business | Type of Resolution | Date of Meeting |
|---------|---|--------------------|-----------------|
| 1 | (i) Appointment of Mr. Vinod Kumar Sharma as independent director for a period of 5 years | Ordinary | 27.09.2014 |
| | (ii) Appointment of Mr. Anand Bagwe as independent director for a period of 5 years | Ordinary | 27.09.2014 |
| 2 | Reappointment of Managing Director for a period of 5 years | Special | 30.09.2013 |
| 3 | N.A | N.A | 28.09.2012 |

Although the notification prescribing the important items to be considered by postal ballot was issued by the Government of India, as far as the Company is concerned the necessity of passing such resolutions relating to business specified in the Rules did not arise.

MEETINGS OF INDEPENDENT DIRECTORS

The Company's Independent Directors met once during last year without the presence of Non Independent Directors or management personnel. Such meeting was conducted to enable Independent Directors to discuss matters pertaining to the Company's affairs.

DISCLOSURES

There was no material transaction with directors or the management or their relatives having potential conflict with the interest of the Company at large,

There have been no instances of non-compliance by the Company, Penalty / Structures / imposed on the Company by the Stock Exchange or SEBI or any Statutory Authorities on any matter related to Capital Market during the Last three years.

MEANS OF COMMUNICATION

Your directors take on record the unaudited Financial Results, in the Prescribed Performance of every quarter & announce the results to all the listed Stock Exchanges.

GENERAL INFORMATION TO SHAREHOLDERS

| | |
|-------------------|--|
| Number of AGM | 21 st |
| Day & time | Saturday, 26 th September, 2015, At 12:30 P.M. |
| Venue | 502, Chartered House, 292 Dr. C. H. Street, Near Marine Lines Church, Mumbai - 400 002. |
| Book Closure | Monday, 21 st September, 2015 to Saturday, 26 th September, 2015 (Both days inclusive) |
| Proposal Dividend | NIL |

The Company has paid listing fees of the Stock Exchange, Mumbai upto 2014-15

Code Number:

| |
|---|
| Stock Exchange :Mumbai, Stock Code: 531505, Trade Symbol: INDERGIRI FN ISN NO for Dematerialized Shares: INE628F01019 |
|---|

Shares Price movement in the Stock Exchange Mumbai from April 2014 to 31st March 2015

| MONTH | NO. OF SHARES TRADED | HIGH | LOW |
|--------|----------------------|-------|-------|
| Apr-14 | 2 | 10.32 | 10.32 |
| May-14 | 200 | 9.81 | 9.81 |
| Jun-14 | 1741 | 9.32 | 7.25 |
| Jul-14 | 1697 | 7.10 | 5.65 |
| Aug-14 | 84789 | 6.20 | 5.50 |
| Sep-14 | 20186 | 5.24 | 4.52 |
| Oct-14 | 2627 | 4.30 | 3.36 |
| Nov-14 | 518 | 3.34 | 3.34 |
| Dec-14 | 20 | 4.45 | 4.45 |
| Jan-15 | 1474 | 4.45 | 3.84 |
| Feb-15 | 75724 | 4.00 | 3.80 |
| Mar-15 | 117 | 5.36 | 4.85 |

REGISTRAR & TRANSFER AGENT

System Support Services, 209, Shivai Industrial Estate 89, Andheri Kurla Road, Next to Parke Davis, Andheri (East) 400072

SHARES TRANSFER SYSTEM

A committee of directors of the Company is authorized to approve transfer of shares, transmission, transposition etc and dematerialization of shares. If the transfer documents are in order, the transfer of share(s) is registered within 15 days of receipt of transfer documents.

No of Shares transferred during the year NIL and NIL shares were received for dematerialization during the year under review. There is no pending request for dematerialization of shares.

DEMATERIALIZATION OF SHARES & LIQUIDITY

The shares of the Company are under the category of compulsory delivery in dematerialization mode by all categories of investors.

As on 31st March 2015, 4,573,600 Shares constituting 90.37 % shares of the Company were dematerialized. For details and status of dematerialized shares refer the details given herein after.

Distribution of shares as on 31.03.2015

| Shareholding of Nominal Value | No. of Shareholders | | | No. of Shares | | | % of holding | | |
|-------------------------------|---------------------|----------|-------|---------------|----------|---------|--------------|----------|--------|
| | Demat | Physical | Total | Demat | Physical | Total | Demat | Physical | Total |
| Upto 1000 | 297 | 1025 | 1322 | 95647 | 269400 | 365047 | 1.89 | 5.323 | 7.213 |
| 1001-5000 | 68 | 52 | 120 | 154794 | 113800 | 268594 | 3.06 | 2.248 | 5.308 |
| 5001-10000 | 14 | 3 | 17 | 108831 | 21300 | 130131 | 2.15 | 0.421 | 2.571 |
| 10001 & above | 40 | 3 | 43 | 4214328 | 82900 | 4297228 | 83.27 | 1.638 | 84.908 |
| Total | 419 | 1083 | 1502 | 4573600 | 487400 | 5061000 | 90.37 | 9.63 | 100 |

Shareholdings Pattern as on 31.03.2015

| Shares held by | No. of shares | | Total Shares | Percentage |
|---|---------------|-----------|--------------|------------|
| | Physical | Demat | | |
| Mutual Funds | Nil | Nil | Nil | Nil |
| FII | Nil | Nil | Nil | Nil |
| NRI | Nil | 300 | 300 | 00.01 |
| Employees | Nil | Nil | Nil | Nil |
| Bodies Corporate other than promoters holding | 91,800 | 855,298 | 947,098 | 18.72 |
| Indian Public | 393,100 | 1,600,282 | 1,993,382 | 39.39 |
| Promoters | 2,,500 | 2,117,720 | 2,120,220 | 41.89 |
| Total | 487,400 | 4,573,600 | 5,061,000 | 100.00 |

The Company has not issued any GDR / ADR / Convertible instruments.

Address for Correspondence:

502, Chartered House,
292 Dr. C.H. Street,
Near Marinelines Church,
Mumbai 400 002
Phone 022 2201 6956
Email. Kishan1107@hotmail.com
benibeni@rediffmail.com

For and on behalf of the Board of Director

Laxminarayan Sharma **Kishan Sharma**
Managing Director Director
DIN: 01731396 DIN: 01168525

Place : Mumbai
Date: 27th May, 2015

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To,
The Members,
Indergiri Finance Ltd.,

We have examined the compliance of the conditions of Corporate Governance by Indergiri Finance Ltd. For the year ended 31st March, 2015, as stipulated in clause 49 of the Listing Agreement entered into by the said Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of the procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance as stipulated in the said Clause 49. It is neither an audit nor an expression of an opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, and bases on representations made by directors and Management , we certify that the company has complied with the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreement ..

As required by the Guidance Note issued by the Institute of Chartered Accountants of India we have to state that no investor grievances were pending as on 31.03.2015 against the Company as per the records maintained by the Shareholders/ Transfer Committee.

We further state that, such compliance is neither an assurance as to the future viability of the Company, nor of the efficiency or effectiveness with which the management has conducted the affairs of the company.

For S.K.Rathi & Co.
Chartered Accountants
Firm Registration No.108724W

(S.K. Rathi)
(Proprietor)
Membership No. 031071

Place: Mumbai
Date : 27th May, 2015

**“Annexure A” to the Director Report
Secretarial Audit Report**

[Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies
(Appointment and Remuneration Personnel) Rules, 2014]

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2015

NOTICE To,
The Board of Directors,
INDERGIRI FINANCE LIMITED
502, Chartered House,
292 Dr.C.H.Street,
Near Marine lines Church,
MUMBAI-400001

Dear Sirs,

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practice by Indergiri Finance Limited (hereinafter called “the Company”). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on my verification of the Company’s Books, Papers, Minutes Books, Forms and Returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the financial year ended 31st March, 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by Indergiri Finance Limited (“the Company”), as given in Annexure I , for the financial year ended on 31st March, 2015, according to the provisions of:
 - (i) The Companies Act, 2013 (the Act) and the Rules made thereunder for specified Sections notified and came into effect from 12th September, 2013 and Sections and Rules notified and came into effect from 1st April, 2014;
 - (ii) The Securities Contracts (Regulation) Act, 1956 (‘SCRA’) and the Rules made thereunder;
 - (iii) The Depositories Act, 1996 and Regulations and the Bye-laws framed thereunder;
 - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment(FDI), Overseas Direct Investment(ODI) and External Commercial Borrowings(ECB); (Not applicable to the Company during Audit period as the Company has not received any FDI, ECB and made any ODI.)
2. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’):-
 - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - iii. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agent) Regulations, 1993 regarding the Companies Act and dealing with client;
3. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (‘SEBI Act’) were not applicable to the Company under the financial year under report:-
 - i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; (Not applicable to the Company during Audit period as the Company has not made any further issue of the shares)
 - ii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not applicable to the Company during Audit period as the Company has not introduced any such Scheme)

- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not applicable to the Company during Audit period as the Company has not issued any Debt Securities)
 - iv. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not applicable to the Company during Audit period as the Company has not delisted /propose to de-list any equity shares from any stock Exchange)
 - v. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not applicable to the Company during Audit period as the Company has not brought back / proposed to Buy back any Securities.
4. The Company has complied with the following specific laws applicable to the Company
- i. Reserve Bank of India, 1934
5. I have relied on the Representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other applicable Acts, Laws and Regulations to the Company. The Compliance of the provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis. The list of major head/groups of Acts, Laws and Regulations as applicable to the Company is given in Annexure II.
6. In case of Direct and Indirect Tax Laws like Income Tax Act, Service Tax Act, Excise & Custom Acts we have relied on the Reports given by the Statutory Auditors of the Company.

I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India under the provisions of Companies Act, 1956; (Not notified and hence not applicable to the Company during Audit period) and
- ii. The Listing Agreements entered into by the Company with Bombay Stock Exchange;

During the financial year under report, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above subject to the following observations:

- i. The Company does not have Company Secretary during the audit period as required under section 203 of the Companies Act, 2013 read with Rules made there under.
- ii. The Company is not registered under the Bombay Shops and Establishment Act, 1948.
- iii. The Company has not appointed Woman Director during the audit period as required under 2nd proviso to Sub-section (1) of Section 149 of the Companies Act, 2013.
- iv. The Company has not provided the E-voting facility to the shareholders of the Company as required under section 108 of the Companies Act read with Rules made thereunder and clause 35B of the Listing Agreement.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice was given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views, if any, are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the year under report, the Company has undertaken event / action having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above.

For **S. K. Jain & Co.**

(Dr. S.K. Jain)
Proprietor
Company Secretary
FCS: 1473
COP: 3076

Place : Mumbai
Date: 27th May, 2015

ANNEXURE – I

In my opinion and the best of my information and according to the examinations carried out by me and explanations furnished and representations made to me by the Company, its officers and agents, I report that the Company has, during the financial year under review, complied with the provisions of the Acts, the Rules made thereunder the Memorandum & Articles of the Association of the Company with regard to:-

1. Minutes of the Meetings of the Board of Directors, Committee meetings held during the Financial Year under report;
2. Minutes of General Body Meetings held during the Financial Year under report;
3. Maintenance of various Statutory Registers and Documents and making necessary entries therein;
4. Notice of Agenda papers submitted to all the Directors for the Board Meetings;
5. e-Forms filed by the Company, from time-to-time, under applicable provisions of the Companies Act, 2013 and attachments thereof during the financial year under report;
6. Intimations / documents / reports / returns filed with the Stock Exchanges pursuant to the provisions of Listing Agreement during the financial year under report;
7. Disclosure of Interest and Concerns in contracts and arrangement, shareholdings and directorships in other Companies and interest in other entities by Directors;
8. Declarations received from the Directors of the Company pursuant to the provisions of Section 184 of the Companies Act, 2013 and attachments thereto during the Financial Year under Report;
9. Appointment and remuneration of Internal and Statutory Auditor;
10. Closure of Register of Members/record date for dividends
11. Declaration and payment of dividend;

ANNEXURE - II

Registered & Corporate office
 INDERGIRI FINANCE LIMITED
 502, Chartered House,
 292, Dr. C.H. Street,
 Near Marine lines Church,
 MUMBAI-400001

List of applicable laws to the Company

1. Professional Tax Act, 1975;
2. The Bombay Shops and Establishment Act, 1948;
3. Bombay Stamp Act, 1958
4. Income Tax Act, 1961;

To,
 The Members,
 INDERGIRI FINANCE LIMITED
 502, Chartered House, 292, Dr. C.H. Street,
 Near Marine lines Church, MUMBAI-400001

Our Secretarial Audit Report of even date is to be read along with this letter.

Management’s Responsibility

1. It is responsibility of the management of the Company to maintain secretarial records, devise proper systems to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor’s Responsibility

2. Our responsibility is to express an opinion on these secretarial records, system, standards and procedures based on our audit
3. Wherever required, we have obtained the management’s representations about the compliance of laws, rules and regulations and happening event etc.

Disclaimer

4. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **S. K. Jain & Co.**

(Dr. S.K. Jain)
 Proprietor
 Company Secretary
 FCS: 1473
 COP: 3076

Place : Mumbai
 Date: 27th May, 2015

**ANNEXURE “B” TO THE DIRECTOR’S REPORT
FORM NO. MGT 9**

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company
(Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

| | | |
|----|---|--|
| 1 | CIN | L65923MH1995PLC161968 |
| 2 | Registration Date | 27/01/1996 |
| 3 | Name of the Company | INDERGIRI FINANCE LIMITED |
| 4 | Category | Public Listed Company |
| 5 | Sub-category | Company Limited by Shares |
| 6 | Address of the Registered office | 502, Chartered House, 292 Dr. C.H.Street, Near Marineline Church, Mumbai 400 002 |
| 7 | Contact details | 022-22016956 |
| 8 | Whether listed company | Listed |
| 9 | Name of the Registrar & Transfer Agent, if any. | System Support Services |
| 10 | Address | 209, Shivai Industrial Estate, 89, Andheri Kurla Road, Next to Parke Davis, Andheri East, Mumbai 400072 |
| 11 | Contact details | 022 -28500834/28500835 |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

(All the business activities contributing 10% or more of the total turnover of the company shall be stated)

| Sr. No. | Name and Description of main products / services | NIC Code of the Product/service | % to total turnover of the company |
|---------|--|---------------------------------|------------------------------------|
| 1 | Finance & Investment | 64920 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES – NIL

IV. SHAREHOLDING PATTERN

(Equity Share Capital Breakup as percentage of Total Equity)

i) Category-wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | | % Change during |
|--------------------------|---|-------------|----------------|-------------------|---|-------------|----------------|-------------------|-----------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 507720 | 2500 | 510220 | 10.08 | 507720 | 2500 | 510220 | 10.08 | NIL |
| b) Central Govt | - | - | - | - | - | - | - | - | - |
| c) State Govt(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 1611000 | - | 1611000 | 31.83 | 1610000 | - | 1610000 | 31.81 | -0.02 |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | 81900 | - | 81900 | 1.62 | - | - | - | - | -1.62 |
| Sub-Total (A)(1): | 2200620 | 2500 | 2203120 | 43.53 | 2117720 | 2500 | 2120220 | 41.89 | -1.64 |

| Category of Shareholders | No. of Shares held at the beginning of the year [As on 31-March-2014] | | | | No. of Shares held at the end of the year [As on 31-March-2015] | | | | % Change during |
|--|---|---------------|-----------------|-------------------|---|---------------|-----------------|-------------------|-----------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| (2) Foreign | | | | | | | | | |
| a) NRIs - Individuals | - | - | - | - | - | - | - | - | - |
| b) Other- Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks / FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(2): | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) = (A)(1)+(A)(2) | 2200620 | 2500 | 2203120 | 43.53 | 2117720 | 2500 | 2120220 | 41.89 | -1.64 |
| B. Public Shareholding | - | - | - | - | - | - | - | - | - |
| 1. Institutions | - | - | - | - | - | - | - | - | - |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIIs | - | - | - | - | - | - | - | - | - |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 1182517 | 91800 | 1274317 | 25.18 | 855298 | 91800 | 947098 | 18.71 | - 6.47 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | - | - | - | - | - | - | - | - | - |
| i) Individual shareholders holding nominal share capital upto Rs. 1 lakh | 290388 | 397300 | 687688 | 13.59 | 298012 | 393100 | 691112 | 13.66 | 0.07 |
| ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh | 895575 | - | 895575 | 17.70 | 1302270 | - | 1302270 | 25.73 | 8.03 |
| c) Others (specify) | - | - | - | - | - | - | - | - | - |
| Non Resident Indians | 300 | - | 300 | 0.01 | 300 | - | 300 | 0.01 | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Hindu Undivided Family | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | 2368780 | 489100 | 2857880 | 56.47 | 2455880 | 484900 | 2943280 | 58.11 | 1.64 |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 2368780 | 489100 | 2857880 | 56.47 | 2455880 | 484900 | 2943280 | 58.11 | |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 4569400 | 491600 | 50610000 | 100 | 4573600 | 487400 | 50610000 | 100 | - |

ii) Shareholding of Promoter

| Sr. No. | Shareholder's Name | Shareholding at the beginning of the year | | | Shareholding at the end of the year | | | % change in shareholding during the year |
|---------|---|---|----------------------------------|---|-------------------------------------|----------------------------------|---|--|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged/ encumbered to total shares | |
| 1 | Kishan Sharma | 103860 | 2.05 | NIL | 103860 | 2.05 | NIL | 0.000% |
| 2 | Kaizen Finance Pvt. Ltd. | 112000 | 2.21 | NIL | 112000 | 2.21 | NIL | 0.000% |
| 3 | Bagra Finance Pvt. Ltd. | 200000 | 3.95 | NIL | 200000 | 3.95 | NIL | 0.000% |
| 4 | L. N. Sharama | 500 | 0.01 | NIL | 500 | 0.01 | NIL | 0.000% |
| 5 | Sudha Sharma | 17700 | 0.35 | NIL | 17700 | 0.35 | NIL | 0.000% |
| 6 | Neha Sharma | 5400 | 0.11 | NIL | 5400 | 0.11 | NIL | 0.000% |
| 7 | Beni Prasad Rauka | 380860 | 7.53 | NIL | 380860 | 7.53 | NIL | 0.000% |
| 8 | Manoo Finance & Investment Pvt. Ltd. | 360000 | 7.11 | NIL | 360000 | 7.11 | NIL | 0.000% |
| 9 | Pranoo Financial Services Pvt. Ltd. | 85500 | 1.69 | NIL | 85500 | 1.69 | NIL | 0.000% |
| 10 | Vishnu Rauka | 300 | 0.01 | NIL | 300 | 0.01 | NIL | 0.000% |
| 11 | Urmila Rauka | 400 | 0.01 | NIL | 400 | 0.01 | NIL | 0.000% |
| 12 | Sharda Rauka | 600 | 0.01 | NIL | 600 | 0.01 | NIL | 0.000% |
| 13 | Ramawatar Sharma | 600 | 0.01 | NIL | 600 | 0.01 | NIL | 0.000% |
| 14 | Indergiri Securities Pvt. Ltd. | 460000 | 9.09 | NIL | 460000 | 9.09 | NIL | 0.000% |
| 15 | Indergiri Share And Stock Brokers Pvt. Ltd. | 392500 | 7.75 | NIL | 392500 | 7.75 | NIL | 0.000% |
| | TOTAL | 2120220 | | NIL | 2120220 | | NIL | |

iii) Change Promoter holding (Please specify, if there is no change)

There is no change in shareholding of promoters except earlier Mr. Dilip L Arora and Roomali Consultancy Services LLP, holding 81900 Shares and 100 Shares, included under Promoters and Promoters Group, however subsequent to resignation of the Mr. Dilip Arora , from directorship of the Company, the shares are excluded from this category and forms part of the public shareholding.

iv) Shareholding Pattern of top ten Shareholders:

(Other than Directors, Promoters and Holders of GDRs and ADRs):

| Sr. No. | For Each of the Top 10 Shareholders (Name of the Shareholder) | Shareholding at the beginning of the year | | Date wise Increase/ (Decrease) in Shareholding during the year specifying the Reason for increase / decrease | | | Shareholding at the end of the year | |
|---------|---|---|----------------------------------|--|---------------|---------------------------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total Shares of the company | Date | No. of shares | Reason | No. of shares | % of total Shares of the company |
| 1 | Shailesh Rajesh Agrawal | 252100 | 4.98 | - | - | - | 252100 | 4.98 |
| 2 | Carnation Commodities** | NIL | NIL | * | 241658 | Purchase of Shares on BSE | 241658 | 4.77 |
| 3 | Pritam Dutt** | NIL | NIL | * | 162586 | Purchase of Shares on BSE | 162586 | 3.21 |
| 4 | Hariom Sharma | 149600 | 2.96 | - | - | - | 149600 | 2.96 |
| 5 | Shri Parasram Holdings Pvt. Ltd. | 315519 | 6.23 | * | 174344 | Sale of Shares on BSE | 141175 | 2.79 |
| 6 | Multiplex Capital Ltd. | 128498 | 2.54 | * | 201 | Sale of Shares on BSE | 128297 | 2.53 |
| 7 | Vandana | 110910 | 2.19 | - | - | - | 110910 | 2.19 |
| 8 | Hemant Dembla | 108202 | 2.14 | - | - | - | 108202 | 2.14 |
| 9 | Hargovind Gupta HUF | 83243 | 1.64 | - | - | - | 83243 | 1.64 |
| 10 | Bridgeway Fiduciary Advisors Private Ltd. | 82137 | 1.62 | - | - | - | 82137 | 1.62 |
| 11 | Quest Securities Limited # | 403839 | 7.98 | * | 403839 | Sale of Shares on BSE | NIL | NIL |
| 12 | Upsurge Investment & Finance Ltd. # | 57343 | 1.13 | * | 57343 | Sale of Shares on BSE | NIL | NIL |

* The shares of the Company are traded on day to day basis hence date wise increase/decrease in shareholding is not indicated.

** Not in the list of Top 10 shareholders as on 01-04-2014. The same has been reflected above since the shareholder was one of the Top 10 shareholders as on 31-03-2015.

Ceased to be in the list of Top 10 shareholders as on 31-03-2015. The same is reflected above since the shareholder was one of the Top 10 shareholders as on 01-04-2014.

**v) Shareholding of Directors and Key Managerial Personnel:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

| Sr. No. | Name of the Director / Key Managerial Personnel | Shareholding at the beginning of the year | | Increase/(Decrease) in Shareholding during the year specifying the Reason for increase/decrease | | Shareholding at the end of the year | |
|---------|---|---|----------------------------------|---|-----------|-------------------------------------|----------------------------------|
| | | No. of shares | % of total Shares of the company | No. of shares | Reason | No. of shares | % of total Shares of the company |
| 1 | Kishan Sharma | 103860 | 2.05 | - | No Change | 103860 | 2.05 |
| 2 | L. N.Sharama | 500 | 0.01 | - | No Change | 500 | 0.01 |
| 3 | Beni Prasad Rauka | 380860 | 7.53 | - | No Change | 380860 | 7.53 |

V. INDEBTEDNESS

The Company does not have any borrowing

Rs. in Million

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|--|----------------------------------|-----------------|----------|--------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |
| Change in Indebtedness during the financial year | | | | |
| • Addition | - | - | - | - |
| • Reduction | - | - | - | - |
| Net Change | - | - | - | - |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | - | - | - | - |
| ii) Interest due but not paid | - | - | - | - |
| iii) Interest accrued but not due | - | - | - | - |
| Total (i+ii+iii) | - | - | - | - |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Director and/or Manager

| Sr. No. | Particulars of Remuneration | L.N.Sharma, Managing Director |
|---------|---|-------------------------------|
| 1 | Gross salary | Rupees |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | 180,000 |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - |
| | (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961 | - |
| 2 | Stock Option | - |
| 3 | Sweat Equity | - |
| 4 | Commission | |
| | - as % of profit - others, specify | - - |
| 5 | Others, please specify | - |
| | Total (A) | 180,000 |

B. Remuneration to other Directors: NIL during the year

C. Remuneration to key managerial personnel other than MD/Manager/WTD: NIL during the year

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

| Type | Section of the Companies Act | Brief Description | Details of Penalty/Punishment/ Compounding fees imposed | Authority [RD / NCLT/ COURT] | Appeal made, if any (give Details) |
|-------------------------------------|------------------------------|-------------------|---|------------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | None | | |
| Punishment | | | | | |
| Compounding | | | | | |

**ANNEXURE “C” TO THE DIRECTOR’S REPORT
INDERGIRI FINANCE LIMITED.
(CIN: L65923MH1995PLC161968)**

Nomination and Remuneration Policy (‘Policy’)

Pursuant to Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Board of Directors of every listed Company shall constitute a Nomination and Remuneration Committee. The Company has constituted a Nomination and Remuneration Committee as required by the Listing Agreement entered into with the Stock Exchanges and the Companies Act, 2013.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Clause 49 of the Listing Agreement.

Objectives

The Key Objectives of the Committee are:

- (a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- (b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- (c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

Definitions

- i. “Board” means Board of Directors of the Company.
- ii. “Company” means “Indergiri Finance Limited.”
- iii. “Employees’ Stock Option” means the option given to the Directors, Officers or Employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, Officers or Employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- iv. “Independent Director” means a director referred to in Section 149 (6) of the Companies Act, 2013.
- v. “Key Managerial Personnel” (KMP) means
 - a) Chief Executive Officer or the Managing / Executive Director or the Manager (Managerial Person),
 - b) Company Secretary,
 - c) Whole-time Director,
 - d) Chief Financial Officer and
 - e) Such other officer as may be prescribed.
- vi. “Committee” shall mean the Nomination & Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.
- vii. “Policy or This Policy” means, “Nomination and Remuneration Policy.”
- viii. “Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.
- ix. “Senior Management” means, personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Act, 1992, Listing Agreement and Regulations as notified by the Securities and Exchange Board of India from time to time.

Appointment and Removal of Managerial Person, Director, Key Management Personnel and Senior Management**i. Appointment criteria and qualifications:**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Person, Director, KMP or Senior Management Personnel and recommend to the Board his / her appointment.
- b) The Committee has discretion to decide the adequacy of qualification, expertise and experience for the concerned position.

ii. Term/ Tenure:

- a) The Company shall appoint or re-appoint any person as its Managerial Personnel for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.
- b) The Company shall appoint or re-appoint a person as its Managerial Person by passing of a special resolution and disclosure of such appointment in the Directors Report forming part of the Annual Report.
- c) No Independent Director shall hold office for more than two consecutive Terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Term can be for a maximum period of five years.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

- d) At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

iii. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Person, Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.

iv. Retirement:

The Managerial Person, Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managerial Person, Director, and KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

Disqualifications for Appointment of Directors

Pursuant to section 164 of the Companies Act, 2013

i. A person shall not be eligible for appointment as director of the company if:

- a) he is of unsound mind and stands so declared by a competent court;
- b) he is undischarged insolvent;
- c) he has applied to be adjudicated as an insolvent and his application is pending;
- d) He has been convicted by a court of any offence, weather involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company:

- 1) An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order in force;
- 2) He has not paid any calls in respect of any shares of the company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call;
- 3) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
- 4) He has not complied with sub-section (3) of section 152 of the Companies Act, 2013.

- ii. A person who has been a Director of the company which:
 - a) Has not filed financial statements or annual returns for any continuous period of three financial years; or
 - b) Has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay dividend declared and such failure to pay or redeem continues for one year or more, shall be eligible to be re-appointed as a director of that company or appointed in other company for a period of five years from the date on which the company fails to do so.
- iii. A person shall not be eligible for appointment and continuance as a Director, if he / she is not found 'fit and proper' as per criteria laid down by the Company.

Remuneration Policy

The remuneration / compensation / commission etc. to Managerial Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the approval of the shareholders of the Company and Central Government, wherever required.

The remuneration and commission to be paid to the Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Personnel.

Remuneration to Managerial Personnel, KMP, Senior Management and other Employees.

Fixed Pay

Managerial Personnel shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to provident fund, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

Minimum Remuneration

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

Provisions for excess remuneration

If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

The remuneration to Personnel of Senior Management and other employees shall be governed by the IFL HR Policy.

Remuneration to Non-Executive / Independent Director

Remuneration / Commission

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

Sitting Fees

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof.

Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

The sitting fee paid to Independent Directors and Women Directors, shall not be less than the sitting fee payable to other directors.

Limit of Remuneration / Commission

Remuneration / Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

Deviations from the Policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

Amendments

The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

INDEPENDENT AUDITOR'S REPORT

To The Members of INDERGIRI FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of INDERGIRI FINANCE LIMITED. ("the Company"), which comprise the Balance Sheet as at March 31, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors are responsible for the matters in section 134(5) of the Companies Act 2013 ("the act") with respect to preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Companies Act, 2013 read with Rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the company and for prevention and detection of the frauds and other irregularities; selection and application of the appropriate accounting policies ; making judgments and estimates that are responsible and prudent; and design, implementation and maintenance of internal control, that are operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and the matters that are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the standards on auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2015;
- (b) In the case of the Profit and Loss Account, of the profit for the year ended on that date.
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by section 143(3) of the Act, we report that:

- a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books [and proper returns adequate for the purposes of our audit have been received from branches not visited by us];
- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion, the aforesaid financial statements comply with the accounting standards specified under Section 133 of the Act, read with Rule 7 of the companies (Accounts) Rules, 2014.
- e. On the basis of the written representations received from the directors as on 31 March, 2015, taken on the records by the Board of Directors, none of the director is disqualified as on 31 March, 2015 from being appointed as the director in terms of Section 164(2) of the Act.
- f. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contract including derivatives contract for which there were any material foreseeable losses.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For S.K.Rathi & Co.
Chartered Accountants
Firm Registration No.108724W

(S.K. Rathi)
(Proprietor)
Membership No. 031071

Place: Mumbai
Date : 27th May, 2015

Annexure to the Independent Auditors' Report**Re: INDERGIRI FINANCE LTD**

(Referred to in paragraph under 'Report on Other Legal and Regulatory Requirement's section of our report of even date)

(1) In Respect of Fixed Assets

- (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(2) In Respect of Inventory

- (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business. There is no inadequacies in such procedures that should be reported.
- (c) Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

(3) Loans and advances to parties covered under section 189

- (a) During the Year Company not Loan taken from Group Companies .
- (b) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (c) There is no overdue amount of any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act

(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control

There are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been noticed in the internal control system.

(5) Rules followed while accepting Deposits

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed there under have been accepted by the Company.

(6) Maintenance of cost records

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act.

(7) According to the information and explanations given to us in respect of statutory dues

- (a) The Company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor education protection fund, Employees` state insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it.
- (b) According to the records of the Company, there are no dues of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities that have been not been deposited on amount of any dispute.
- (c) Company was not required to the Investor Education and protection Fund in accordance with the relevant provisions of the Companies Act, 1956.

(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses

The Company is registered for a period exceeding for a period over five year and does have accumulated losses at the end of the financial year , however, during the year Company not incurred cash losses and in the immediately preceding financial year.

(9) Default in Repayment of Loans taken from Bank or Financial Institutions

The Company has not defaulted in repayment of dues to financial institution or bank.

(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the Company

On the basis of records examined by us and information provided by the management, we are of the opinion that the Company has not given guarantees for loans taken by other from banks or financial institutions.

(11) Application versus purpose for which Loan Granted

The Company did not have any term loans outstanding during the year.

(12) Reporting of Fraud During the Year Nature and Amount

According to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year.

For S.K.Rathi & Co.
Chartered Accountants
Firm Registration No.108724W

(S.K. Rathi)
(Proprietor)
Membership No. 031071

Place: Mumbai
Date : 27th May, 2015

BALANCE SHEET AS AT 31ST MARCH, 3015

| | Notes | As At 31-03-2015 (Rupees) | As At 31-04-2014 (Rupees) |
|----------------------------------|-------|---------------------------------|---------------------------------|
| I. EQUITY AND LIABILITIES | | | |
| 1 Shareholders' Fund | | | |
| Share Capital | 2 | 50,610,000 | 50,610,000 |
| Reserves and Surplus | 3 | (1,354,117) | (1,629,354) |
| | | <u>49,255,883</u> | <u>48,980,646</u> |
| 2 Non-Current Liabilities | | | |
| Deferred Tax Liabilities (Net) | 4 | 396 | 9,671 |
| | | <u>396</u> | <u>9,671</u> |
| 3 Current Liabilities | | | |
| Other Current Liabilities | 5 | 100,409 | 330,771 |
| Short Term Provisions | 6 | 113,700 | 102,550 |
| | | <u>214,109</u> | <u>433,321</u> |
| Total | | <u>49,470,388</u> | <u>49,423,638</u> |
| II. ASSETS | | | |
| 1 Non Current Assets | | | |
| Fixed Assets | | | |
| Tangible Assets | 7 | 1,425 | 9,117 |
| | | <u>1,425</u> | <u>9,117</u> |
| Non Current Investments | 8 | 150,000 | 50,000 |
| Long Term Loans and Advances | 9 | 1,415,700 | 1,996,700 |
| Inventories | 10 | 379,600 | 390,525 |
| | | <u>1,946,725</u> | <u>2,446,342</u> |
| 2 Current Assets | | | |
| Inventories | 10 | 512,567 | 415,728 |
| Trade Receivables | 11 | 3,428,305 | 3,860,240 |
| Cash and Bank Balances | 12 | 4,262,010 | 894,517 |
| Short Term Loans and Advances | 9 | 39,320,781 | 41,806,811 |
| | | <u>47,523,663</u> | <u>46,977,296</u> |
| Total | | <u>49,470,388</u> | <u>49,423,638</u> |
| Significant Accounting Policies | 1 | | |

The accompanying notes are an integral part of the Financial Statements.
As per our report of even date attached

For S. K. Rathi & Co.
Chartered Accountants

Surendra Kumar Rathi
Proprietor
M.No. 31071
FIRM Reg. No. 108724W
Place: Mumbai
Date: 27th May, 2015

For and on behalf of the Board of Director

Laxminarayan Sharma **Kishan Sharma**
Managing Director Director
(DIN: 01731396) (DIN: 01168525)

Beni Prasad Rauka
Director
(DIN: 00295213)
Place: Mumbai
Date: 27th May, 2015

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2015

| | Notes | Year ended 31-03-2015 (Rupees) | Year ended 31-04-2014 (Rupees) |
|--|-------|--------------------------------------|--------------------------------------|
| I. INCOME | | | |
| Revenue from Operations | 13 | 6,713,217 | 6,921,333 |
| Other Income | 13A | 229,354 | - |
| Total Revenue | | 6,942,571 | 6,921,333 |
| II. EXPENSES | | | |
| Purchases of Traded Goods | 14 | 5,006,389 | 4,597,086 |
| Changes in Inventories of Traded Goods | 15 | (85,914) | 747,564 |
| Employee Benefit Expenses | 16 | 1,260,000 | 1,119,000 |
| Depreciation and Amortization Expenses | 17 | - | 4,620 |
| Other Expenses | 18 | 407,639 | 440,719 |
| Loan Provision | 19 | 110,403 | - |
| Total Expenses | | 6,698,517 | 6,908,990 |
| III. Profit before Tax | | 244,054 | 12,344 |
| Less: Tax Expenses | | | |
| Current Tax | | 67,545 | 3,200 |
| Less: MAT Credit Entitlement | | 22,037 | 3,114 |
| | | 45,508 | 86 |
| Deferred Tax | | (6,944) | 3,472 |
| Earlier years adjustments | | 35,295 | - |
| | | 73,859 | 3,558 |
| IV. Profit for the year | | 170,196 | 8,786 |
| V. Earnings per Equity Share | | | |
| (Nominal Value of share Rs.10/- each) | 22 | | |
| Basic | | 0.034 | 0.002 |
| Diluted | | 0.034 | 0.002 |
| Significant Accounting Policies | 1 | | |

The accompanying notes are an integral part of the Financial Statements.

For S. K. Rathi & Co.
Chartered Accountants

Surendra Kumar Rathi
Proprietor
M.No. 31071
FIRM Reg. No. 108724W
Place: Mumbai
Date: 27th May, 2015

For and on behalf of the Board of Director

Laxminarayan Sharma **Kishan Sharma**
Managing Director Director
(DIN: 01731396) (DIN: 01168525)

Beni Prasad Rauka
Director
(DIN: 00295213)
Place: Mumbai
Date: 27th May, 2015

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015**PURSUANT TO CLAUSE 32 OF LISTING AGREEMENT**

| | For the year ended 31-03-2015 (Rupees) | For the year ended 31-04-2014 (Rupees) |
|--|--|--|
| A. CASH FLOW FROM OPERATING ACTIVITIES | | |
| Net Profit/Loss(-) Before Tax and Extraordinary Items | 244,054 | 12,344 |
| Adjustment for : | | |
| Provision for Standard Assets | 110404 | - |
| Depreciation | - | 4,620 |
| | <u>110,404</u> | 4,620 |
| Operating Profit Before Working Capital Changes | 354,458 | 16,964 |
| Adjustment for : | | |
| Sundry Debtors | 431,935 | 546,193 |
| Loans & Advances | 3,067,028 | (819,308) |
| Inventories | (85,914) | 747,564 |
| Trade & Other payable | (219,212) | (17,279) |
| Short Provisions | | |
| (Increase)/Decrease in Net Current Assets | 3,193,837 | 457,170 |
| Tax Adjustment | (80,803) | (86) |
| Cash Generated From Operations | 3,467,492 | 474,048 |
| B. CASH FLOW FROM INVESTING ACTIVITIES | | |
| (Purchase)/sales of Investments(net) | (100,000) | - |
| Net Cash used in Investing Activities | <u>(100,000)</u> | - |
| C. CASH FLOW FROM FINANCING ACTIVITIES | | |
| | - | - |
| Net increase in Cash and Cash Equivalents | 3,367,492 | 474,048 |
| Cash and Cash Equivalents at the beginning of the year | 894,517 | 420,470 |
| Cash and Cash Equivalents at the close of the year | 4,262,010 | 894,517 |

This is cash flow statement referred to in our report of even date.

For S. K. Rathi & Co.
Chartered Accountants

For and on behalf of the Board of Director

Surendra Kumar Rathi
Proprietor
M.No. 31071
FIRM Reg. No. 108724W
Place: Mumbai
Date: 27th May, 2015

Laxminarayan Sharma
Managing Director
(DIN: 01731396)

Kishan Sharma
Director
(DIN: 01168525)

Beni Prasad Rauka
Director
(DIN: 00295213)

Place: Mumbai
Date: 27th May, 2015

AUDITORS CERTIFICATE

We have verified the above Cash Flow Statement of INDERGIRI FINANCE LTD. derived from the audited financial statements for the year ended March 31, 2015 and for the year ended March 31, 2014 and found the same to be drawn in accordance and also with the requirements of clause 32 of the listing agreement with The Stock Exchange, BSE, Mumbai.

For S.K.Rathi & Co.
Chartered Accountants
Firm Registration No.108724W

Place: Mumbai
Date : 27th May, 2015

(S.K. Rathi)
(Proprietor)
Membership No. 031071

Notes to Financial Statements for the year ended 31 March, 2015**1. Significant Accounting Policies****1.1 Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 2013 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

1.2 Change in Accounting Policy

Provisioning in Standard Assets

The Reserve Bank of India (RBI) vide Notification No. DNBS 223/CGM (US) - 2011 dated January 17, 2011 has issued directions to all NBFCs to make provision of 0.25% on standard assets, accordingly the Company has made the provision during the year, due to this the profit for year is lower by Rs. 1,10,404.

1.3 Use of Estimates

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.4 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

1.5 Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets is provided on a straight line basis from the date the asset is ready to use or put to use, whichever is earlier based on the useful life of the assets and residual value as per the Schedule II to the Companies Act 2013. In respect of assets sold, depreciation is provided upto the date of disposal. In case useful life of assets already expired before 1st April 2014, the carrying value of the assets after reducing residual value adjusted against the opening balance of retained earning.

1.6 Impairment of Tangible and Intangible Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.7 Investments

Investments are classified as long term and current in accordance with the Accounting Standard on 'Accounting for Investments' (AS 13) issued by the Institute of Chartered Accountants of India. Long-term investments are valued at acquisition cost unless the fall in value is of permanent nature. Current investments are valued at lower of cost and market value and in case of unquoted shares lower of cost or break up value. The break up value of unquoted investment is determined as per the Non Banking Prudential Norms Directions, 1998. Provision for diminution in the value of investments is made in accordance with the directions issued by Reserve Bank of India and recognized through provision for diminution in the value of investments.

In accordance with the Schedule III to the Companies Act, 2013, the portion of the Long Term Investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.8 Stock in Trade

The securities acquired with the intention of short term holding and trading positions are considered as stock-in-trade and disclosed as current assets. Stock in trade of shares being current in nature is valued in accordance accounting policy mentioned under the head investments.

1.9 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

a) Income from Advisory Services

Income from Advisory Services are accounted for as and when the relevant services are rendered and revenue is recognised using completed service contract method except where the recovery is uncertain in which case it is accounted for on receipt.

b) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from Operations" in the statement of profit and loss.

c) Dividends

Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

d) Profit/ Loss on sale of Investments/ Stock in Trade

Profit/loss on the sale of investments/ stock in trade is dealt with at the time of actual sale except for shares held as stock in trade if the fall in value is other than temporary, the valuation of the same is done as per RBI prudential norms as applicable to the NBFC.

1.10 Retirement and other employee benefits

The Company has adopted the revised Accounting Standard 15 – Accounting for Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

Gratuity: Short term employee benefits are accounted in the period during which the services have been rendered. Defined contribution plans such as Provident Fund Act 1952 is not applicable to the Company

"Leave Encashment:The employees of the Company are entitled to leave as per the leave policy of the Company however no carry forward is permitted and the same if any remain balance is encashed at the end of the year."

1.11 Income Taxes

Income tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) & the deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

"Deferred Taxation: The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised."

1.12 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earning per Share prescribed by the Companies (Accounting Standards) Rules, 2006.

1.13 Segment Reporting Policies

Identification of segments: The Company's operating businesses are organized and managed separately according to the nature of products and services provided, with each segment representing a strategic business unit that offers different products and serves different markets.

Unallocated items: Unallocated items include income and expenses which are not allocated to any business segment.

Segment Policies: The company prepares its segment information in conformity with the accounting policies for preparing and presenting the financial statements of the company as a whole.

1.14 Provisions

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. . If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.15 Contingent Liabilities /Assets

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will rise, asset and related income are recognised in the period in which the change occurs.

1.16 Cash and Cash Equivalent

Cash and Cash Equivalent for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, as per Accounting Standard 3 "Cash Flows".

| | | As at 31-03-2015 (Rupees) | | As at 31-04-2014 (Rupees) | |
|------------|--|---------------------------------|-------------------|---------------------------------|-------------------|
| 2 | Share Capital | | | | |
| | Authorized Shares | | | | |
| | 5,500,000 (31 March 2014: 5,500,000) Equity Shares of Rs. 10 each | <u>55,000,000</u> | | <u>55,000,000</u> | |
| | | <u>55,000,000</u> | | <u>55,000,000</u> | |
| | Issued, Subscribed and fully paid up Shares | | | | |
| | 5,061,000 (31 March 2014: 5,061,000) Equity Shares of Rs.10/- Each fully paid up | <u>50,610,000</u> | | <u>50,610,000</u> | |
| | | <u>50,610,000</u> | | <u>50,610,000</u> | |
| 2.1 | Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period | | | | |
| | Equity Shares: | <u>31-03-2015</u> | | <u>31-03-2014</u> | |
| | | Nos. | (Rupees) | Nos. | (Rupees) |
| | At the beginning of the period | 5,061,000 | 50,610,000 | 5,061,000 | 50,610,000 |
| | Issued during the period | | | | |
| | Outstanding at the end of the period | <u>5,061,000</u> | <u>50,610,000</u> | <u>5,061,000</u> | <u>50,610,000</u> |
| 2.2 | Terms/Rights attached to equity shares: | | | | |
| | The company has only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. | | | | |
| | During the year ended 31st March 2015, the amount of per share dividend recognized as distributions to equity shareholders was Rs. Nil (31st March 2014 Rs. Nil) | | | | |
| | In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be proportional to the number of equity shares held by the shareholders. | | | | |
| 2.3 | Details of shareholders holding more than 5% share in the company | | | | |
| | Equity Shares of Rs. 10 each fully paid up: | <u>31-03-2015</u> | | <u>31-03-2014</u> | |
| | Name of Shareholder | Nos. | % | Nos. | % |
| | Beni Prasad Rauka | 380,860 | 7.53 | 380,860 | 7.53 |
| | Indergiri Securities Pvt Ltd | 460,000 | 9.09 | 460,000 | 9.09 |
| | Indergiri Share And Stock Brokers Pvt Ltd | 392,500 | 7.75 | 392,500 | 7.75 |
| | Manoo Investment & Finance Pvt Ltd | 360,000 | 7.11 | 360,000 | 7.11 |
| | Shri Parsaram Holding Pvt Ltd | 141,175 | 2.79 | 315,519 | 6.23 |
| | As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares. | | | | |
| | | As at 31-03-2015 (Rupees) | | As at 31-04-2014 (Rupees) | |
| 3 | Reserve and Surplus | | | | |
| 3.1 | Surplus / (Deficit) in the statement of profit and loss | | | | |
| | Balance as per the last financial statements | (1,629,354) | | (1,638,140) | |
| | Profit for the year | 170,196 | | 8,786 | |
| | Less: Transitional Provision | (5,361) | | - | |
| | Net surplus in the statement of profit and loss | <u>(1,464,521)</u> | | <u>(1,629,354)</u> | |
| | Statutory Provision on Standard Assets as per RBI directions | 110,404 | | - | |
| | Total Reserves and Surplus | <u>(1,354,117)</u> | | <u>(1,629,354)</u> | |
| 4 | Deferred Tax Liabilities (Net) | | | | |
| | (Disclosure as per AS-22 "Accounting for Taxes on Income") | | | | |
| | Excess of WDV of the assets as per Financial Books over the WDV as per Income Tax Act, 1961. | 396 | | 9,671 | |
| | Total Deferred Tax Liabilities | <u>396</u> | | <u>9,671</u> | |
| 5 | Other Current Liabilities: | | | | |
| | Other Payables | | | | |
| | Sundry Creditors for expenses | 100,409 | | 330,771 | |
| | | <u>100,409</u> | | <u>330,771</u> | |
| 6 | Short Term Provisions | | | | |
| 6.1 | Provisions for employee benefits: | | | | |
| | Salary and Reimbursements | 113,700 | | 102,550 | |
| | | <u>113,700</u> | | <u>102,550</u> | |

| | Year ended 31-03-2015 (Rupees) | Year ended 31-04-2014 (Rupees) | |
|---|--------------------------------------|---|---|
| 13 Revenue from Operations | | | |
| 13.1 Interest Income | | | |
| Interest on Loans given | 4,121,667 | 3,842,127 | |
| | <u>4,121,667</u> | <u>3,842,127</u> | |
| 13.2 Sale of Traded Goods | | | |
| Sale of Shares | 516,873 | 2,900,243 | |
| F&O Sales | 2,074,178 | 178,963 | |
| | <u>2,591,050</u> | <u>3,079,206</u> | |
| 13.3 Other Operating Income | | | |
| Dividend | 500 | - | |
| | <u>500</u> | <u>-</u> | |
| Total Revenue from Operations | <u>6,713,217</u> | <u>6,921,333</u> | |
| 13A Other Income | | | |
| Other non-operating income | | | |
| Sundry balance written off | 229,354 | - | |
| | <u>229,354</u> | <u>-</u> | |
| 14 Purchase of Traded Goods | | | |
| Purchase of Shares | 1,698,911 | 4,470,328 | |
| Purchases of F&O | 3,307,478 | 126,759 | |
| | <u>5,006,389</u> | <u>4,597,086</u> | |
| | 31-03-2015 | 31-03-2014 | (Increase)/ Decrease (Rupees) |
| | (Rupees) | (Rupees) | |
| 15 Changes in Inventories of Traded Goods | | | |
| 15.1 Details at the end of the year | | | |
| Shares | 892,167 | 806,253 | (85,914) |
| | <u>892,167</u> | <u>806,253</u> | <u>(85,914)</u> |
| 15.2 Details at the beginning of the year | | | |
| Shares held as stock in trade | 806,253 | 1,553,817 | 747,564 |
| | <u>806,253</u> | <u>1,553,817</u> | <u>747,564</u> |
| | | Year ended 31-03-2015 (Rupees) | Year ended 31-04-2014 (Rupees) |
| 16 Employee Benefit Expenses | | | |
| Salaries, Wages and Bonus (including managing director) | 1,164,000 | 1,047,000 | |
| Staff Welfare Expenses | 96,000 | 72,000 | |
| | <u>1,260,000</u> | <u>1,119,000</u> | |
| 17 Depreciation and Amortization Expenses | | | |
| Depreciation of Tangible Assets | - | 4,620 | |
| | <u>-</u> | <u>4,620</u> | |
| 18 Other Expenses | | | |
| STT, Service Tax & Other Charges | 6,075 | 7,411 | |
| Advertisement Expenses | 38,458 | 48,477 | |
| NSDL & CDSL Fees | 44,944 | 33,708 | |
| Filing Fees to ROC | 5,514 | 1,533 | |
| General Expenses | 51,000 | 40,156 | |
| Bank Commission & Charges | 2,675 | - | |
| Bad Debts written off | - | 146,750 | |
| Legal & Professional Fees | 19,664 | 16,015 | |
| Listing Fees & Stock Exchange Fees | 112,360 | 28,090 | |
| Payment to Auditors (as per details given below) | 12,500 | 19,663 | |
| Printing & Stationery | 13,000 | 15,000 | |
| Registrar & Transfer Charges | 28,749 | 24,416 | |
| Books & Periodicals | 34,200 | 28,200 | |
| Rates & Taxes | 2,500 | 2,500 | |
| Telephone and Internet Expenses | 36,000 | 28,800 | |
| | <u>407,639</u> | <u>440,719</u> | |
| Payment to Auditors | | | |
| Statutory Audit Fees | 10,000 | 8,427 | |
| Tax Audit Fees | - | 2,809 | |
| Limited Review | 2,500 | 2,809 | |
| | <u>12,500</u> | <u>14,045</u> | |

| | | Year ended 31-03-2015 (Rupees) | Year ended 31-04-2014 (Rupees) | |
|---|------------------------------|--------------------------------------|--------------------------------------|--------------------|
| 19 Loan Provisions | | | | |
| General Provision for Standard Assets | | <u>110,403</u> | - | |
| | | <u>110,403</u> | - | |
| 20 Segment Information (AS-17) | | | | |
| The primary reporting of the company has been performed on the basis of business segment. The company is engaged into three business segments, providing financial services, investment (Finance & Investment) and trading in shares (Trading in Shares). Segments have been identified and reported based on the nature of the products, the risks and returns, the organisation structure and the internal financial reporting systems. | | | | |
| Particulars | Trading in Shares | Finance & Investment | Unallocated | Total |
| Revenues | | | | |
| Sales/Income from finance & investment | 2,591,050 | 4,122,167 | - | 6,713,217 |
| Previous Year | 3,079,206 | 3,842,127 | - | 6,921,333 |
| Increase/ (Decrease) in stocks | 85,914 | - | - | 85,914 |
| Previous Year | (747,564) | - | - | (747,564) |
| Total | 2,676,965 | 4,122,167 | - | 6,799,132 |
| Previous Year | 2,331,642 | 3,842,127 | - | 6,173,769 |
| Costs | | | | |
| Segment costs | 5,012,464 | - | 1,661,564 | 6,674,028 |
| Previous Year | 4,604,497 | - | 1,556,928 | 6,161,426 |
| Segment results | (2,335,500) | 4,122,167 | (1,661,564) | 125,103 |
| Previous Year | (2,272,855) | 3,842,127 | (1,556,928) | 12,344 |
| Other income | - | - | 229,354 | 229,354 |
| Previous Year | - | - | - | - |
| Operating profit/(loss) | (2,335,500) | 4,122,167 | (1,432,210) | 354,457 |
| Previous Year | (2,272,855) | 3,842,127 | (1,556,928) | 12,344 |
| Depreciation | - | - | - | - |
| Previous Year | - | 4,620 | 4,620 | - |
| Income tax - Current, deferred & earlier year adjustments | - | - | 73,859 | 73,859 |
| Previous Year | - | - | 3,558 | 3,558 |
| Net Profit/ (loss) | (2,335,500) | 4,122,167 | (1,506,069) | 280,599 |
| Previous Year | (2,272,855) | 3,842,127 | (1,565,106) | 4,166 |
| Other information | | | | |
| Segment assets | 892,167 | 44,314,786 | 4,263,435 | 49,470,388 |
| Previous Year | 831,794 | 47,688,210 | 903,634 | 49,423,638 |
| Segment liabilities | - | - | 214,505 | 214,505 |
| Previous Year | - | - | 442,992 | 442,992 |
| Accumulated (losses)/ profits | - | - | (1,354,117) | (1,354,117) |
| Previous Year | - | - | (1,629,354) | (1,629,354) |
| Segment revenue and result | | | | |
| The expenses that are not directly attributable and that cannot be allocated to a business segment on a reasonable basis are shown as unallocated corporate expenses. | | | | |
| Segment assets and liabilities | | | | |
| Segment assets include all operating assets used by the business segment and consist principally of fixed assets, investments and current assets. Segment liabilities comprise of loan funds which can be identified directly against the respective segments and includes segment current liabilities and provisions. Assets and liabilities that have not been allocated between segments are shown as part of unallocated corporate assets and liabilities respectively. | | | | |
| 21 Related Party Disclosures (AS-18) | | | | |
| Name of related parties and related party relationship: | | | | |
| a) Related parties where control exists: | | | | |
| Holding Company | | Nil | | |
| b) Key Management Personnel: | | | | |
| L. N. Sharma | | Managing Director | | |
| c) Fellow Subsidiary Companies: | | Nil | | |
| d) Fellow Step Down Subsidiary | | Nil | | |
| e) Other Related Parties (in which either of the directors or their relatives have significant influence) | | | | |
| Indergiri Securities Pvt Ltd | | | | |
| Indergiri Share & Stock Brokers Pvt Ltd | | | | |
| Manoo Finance And Investment Pvt Ltd | | | | |
| Pranoo Financial Services Pvt Ltd | | | | |
| Bagra Financial Services Pvt Ltd | | | | |
| Kaizen Finance Pvt Ltd | | | | |

f) Related parties with whom transaction have taken place during the year

| Nature of Transactions | Key Management Personnel | Enterprises over which person described in (b) has control |
|---|--------------------------|--|
| Advance Taken | Nil (Nil) | Nil (Nil) |
| Advance repaid | Nil (Nil) | Nil (Nil) |
| Expenses incurred on behalf | Nil (Nil) | Nil (Nil) |
| Directors Remuneration | 216,000 (180,000) | (Nil) (Nil) |
| Amount outstanding as at 31.03.2015 | | |
| Share Application Money | Nil (Nil) | Nil (Nil) |
| Maximum Amount Outstanding during the year | Nil (Nil) | Nil (Nil) |
| Non Current Stock in Trade | Nil (Nil) | 2,150,000 (2,150,000) |
| Maximum Amount Outstanding during the year | Nil (Nil) | 2,150,000 (2,150,000) |
| Non Current Stock in Trade (Net of provision for diminution in the value) | Nil (Nil) | 379,600 (390,525) |

(Figures in bracket represent previous year's figures)

Note : Related Parties are as disclosed by the Management and relied upon by the Auditors

22 In accordance with Accounting Standard - 20 Earnings per Share, the computation of earnings per share is set out below:

| Particulars | 31st March, 2015 | 31st March, 2014 |
|--|------------------|------------------|
| Number of shares at the beginning of the period | 5,061,000 | 5,061,000 |
| Number of shares at the end of the period | 5,061,000 | 5,061,000 |
| Net Profit after tax available for equity shareholders | 170,196 | 8,786 |
| Basic Earnings Per Share (In Rs.) | 0.034 | 0.002 |

23 The Company provided loss on impairment of assets during the year as per the recommendations of Accounting Standard - 28 Impairment of Assets, issued by the Institute of Chartered Accountants of India.

24 **Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006**

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

25 **Previous year figures**

The previous year figures have been regrouped and reclassified wherever necessary to make them comparable with the current year figures

26 In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

Significant Accounting Policies and the accompanying notes are an integral part of the Financial Statements.

As per our report of even date attached

For S. K. Rathi & Co.
Chartered Accountants

Surendra Kumar Rathi
Proprietor
M.No. 31071
FIRM Reg. No. 108724W
Place: Mumbai
Date: 27th May, 2015

For and on behalf of the Board of Director

Laxminarayan Sharma **Kishan Sharma**
Managing Director Director
(DIN: 01731396) (DIN: 01168525)
Beni Prasad Rauka
Director
(DIN: 00295213)
Place: Mumbai
Date: 27th May, 2015

To,
The Board of Directors
Indergiri Finance Ltd.
Mumbai

As required by the Non-Banking Financial Companies Auditor’s Report (Reserve Bank) Directions 1998 as per RBI Notification No. DFC 114/DGSPT)-98 dated 02.01.1998 issued by the Reserve Bank of India and on the basis of such examinations of the books and records of the Company as we considered appropriate and according to the information and explanation given to us during the course of our audit of the Company for the Accounting year ended on 31st March, 2015, we report that:

(i) The Company incorporated prior to 09.01.1997 has applied for Registration as provided in Section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934). As informed to us the Company has received the Registration Certificate No.B-13.01893 under Non-Banking Financial Companies (Reserve Bank) Directions 1998 issued vide Notification No. DFC 114/DG (SPT) dated January 02, 1998 issued by RBI, Regional Office at Mumbai, consequent to change of the registered office of the Company from the state of Rajasthan to the state of Maharashtra at Mumbai.

The Board of Directors of the Company has passed a resolution for non-acceptance of any public deposits.

The Company has not accepted any public deposits during the year under reference i.e. Financial Year 2014-15.

The Company has complied with the prudential norms relating to income recognition, accounting standards, asset calcification and provisioning of bad and doubtful debts as applicable to it.

For S.K.Rathi & Co.
Chartered Accountants
Firm Registration No.108724W

(S.K. Rathi)
(Proprietor)
Membership No. 031071

Place: Mumbai
Date : 27th May, 2015

ANNEXURE “A”

Schedule to the Balance Sheet of a Non-Banking Financial Company disclosure of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1999.

| Sr. No. | Particulars | Amount out-standing | | Amount Overdue | |
|---------|--|---------------------|------------|----------------|------------|
| | | 31.03.2015 | 31.03.2014 | 31.03.2015 | 31.03.2014 |
| | Liabilities side : | | | | |
| (1) | Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid: | | | | |
| | a) Debentures (other than falling within the meaning of public deposits*) | | | | |
| | : Secured | Nil | Nil | Nil | Nil |
| | : Unsecured | Nil | Nil | Nil | Nil |
| | b) Deferred Credits | Nil | Nil | Nil | Nil |
| | c) Term Loans | Nil | Nil | Nil | Nil |
| | d) Inter-corporate loans and borrowing | Nil | Nil | Nil | Nil |
| | e) Commercial Paper | Nil | Nil | Nil | Nil |
| | f) Public Deposits* | Nil | Nil | Nil | Nil |
| | g) Other Loans (specify nature) | Nil | Nil | Nil | Nil |
| | *Please see Note 1 below | | | | |
| (2) | Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid): | N.A. | N.A. | N.A. | N.A. |
| | In the form of Unsecured debentures | Nil | Nil | Nil | Nil |
| | In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security | Nil | Nil | Nil | Nil |
| | (c) Other public deposits | | | | |
| | *Please see Note 1 below | | | | |

Assets side:

| Sr. No. | Particulars | Amount outstanding | |
|---------|---|--------------------|------------|
| | | 31.03.2015 | 31.03.2014 |
| (3) | Break-up of Loans and Advances including bills receivables [other than those included in (4) below] : | | |
| | (a) Secured | Nil | Nil |
| | (b) Unsecured | 441.64 | 476.64 |
| (4) | Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities | Nil, N.A. | Nil, N.A. |
| | (i) Lease assets including lease rentals under sundry debtors : | Nil | Nil |
| | (a) Financial lease | | |
| | Operating lease | | |
| | Stock on hire including hire charges under sundry debtors: | Nil | Nil |
| | Assets on hire | | |
| | Repossessed Assets | | |
| | Hypothecation loans counting towards EL/HP activities | Nil | Nil |
| | Loans where assets have been repossessed | | |
| | (b) Loans other than (a) above | | |

| Sr. No. | Particulars | Amount outstanding | |
|---------|-----------------------------|--------------------|------------|
| | | 31.03.2015 | 31.03.2014 |
| (5) | Break-up of Investments : | | |
| | Current Investments : | | |
| | Quoted : | | |
| | (i) Shares : (a) Equity | 5.13* | 4.16* |
| | (b) Preference | Nil | Nil |
| | (ii) Debentures and Bonds | Nil | Nil |
| | (iii) Units of mutual funds | Nil | Nil |
| | (iv) Government Securities | Nil | Nil |
| | (v) Others (please specify) | Nil | Nil |
| | Unquoted : | | |
| | Shares : (a) Equity | 3.80* | 3.90* |
| | (b) Preference | Nil | Nil |
| | Debentures and Bonds | Nil | Nil |
| | Units of mutual funds | Nil | Nil |
| | Government Securities | Nil | Nil |
| | Others (Please specify) | Nil | Nil |
| | Long Term investments : | | |
| | 1. Quoted : | | |
| | Share : (a) Equity | Nil | Nil |
| | (b) Preference | Nil | Nil |
| | Debentures and Bonds | Nil | Nil |
| | Units of mutual funds | Nil | Nil |
| | Government Securities | Nil | Nil |
| | Others (Please specify) | Nil | Nil |
| | 2. Unquoted : | | |
| | (i) Shares : (a) Equity | 6.00 | 5.00 |
| | (b) Preference | Nil | Nil |
| | (ii) Debentures and Bonds | Nil | Nil |
| | (iii) Units of mutual funds | Nil | Nil |
| | (iv) Government Securities | Nil | Nil |
| | (v) Others (Please specify) | Nil | Nil |

| (6) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances: Please see Note 2 below | | | |
|--|--------------------------|-----------|--------|
| Category | Amount net of provisions | | |
| | Secured | Unsecured | Total |
| 1. Related Parties ** | | | |
| (a) Subsidiaries | Nil | Nil | Nil |
| (b) Companies in the same Group | Nil | Nil | Nil |
| (c) Other related parties | Nil | Nil | Nil |
| 2. Other than related parties | Nil | 441.64 | 441.64 |
| Total | Nil | 441.64 | 441.64 |

| (7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below | | |
|---|--|--------------------------------|
| Category | Market Value/Break up or fair value or NAV | Book Value (Net of Provisions) |
| 1. Related Parties ** | | |
| (a) Subsidiaries | Nil | Nil |
| (b) Companies in the same Group | 3.80 | 3.80 |
| (c) Other related parties | Nil | Nil |
| 2. Other than related parties | 0.50 | 0.50 |
| Total | 4.30 | 4.30 |

** As per Accounting Standard of ICAI (Please see Note 3)

| (8) Other information | |
|---|--------|
| Particulars | Amount |
| (i) Gross Non-Performing Assets | |
| (a) Related parties | 21.50 |
| (b) Other than related parties | 5.00 |
| (ii) Net Non-Performing Assets | |
| (a) Related parties | 3.80 |
| (b) Other than related parties | 1.50 |
| (iii) Assets acquired in satisfaction of debt | Nil |

Notes:

- As defined in Paragraph 2(1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

For and on behalf of the Board of Director

Laxminarayan Sharma **Kishan Sharma**
 Managing Director Director
 (DIN: 01731396) (DIN: 01168525)

Beni Prasad Rauka
 Director
 (DIN: 00295213)

Place: Mumbai
 Date: 27th May, 2015

INDERGIRI FINANCE LIMITED

Regd. Office : 502, Chartered House, 292, Dr. C. H. Street, Near Marinelines Church, Mumbai - 400 002

PROXY FORM

Ref. Folio No. _____ No. of Equity Shares held _____

I/We _____ of _____ in the District of _____ being a member / members of the above named Company, hereby appoint _____ of in the district _____ of _____ or failing him / her _____ of _____ in the district of _____ as my / our Proxy to attend and vote for me /us and on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Saturday, the 26th September, 2015 at 12:30 P.M. and at any adjournment thereof.

Signed this _____ day of _____ 2015.

Signature _____

Ref. Folio No. _____

Affix a
1 Rupee
Revenue
Stamp

Note : this Form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered office of the Company, 48 hours before the meeting.

Member's / Proxy's Signature

Note : Please fill the attendance slip and hand it over at the ENTRANCE.

----- (TEAR HERE) -----

ATTENDANCE SLIP

21st Annual General Meeting 26th September, 2015

Shareholder's Folio No. _____ No. of shares held _____

Name of the attending shareholder
(to be filled in by the proxy attending
instead of the shareholder)

Name of Proxy

I hereby record my presence at the 21st Annual General Meeting of the Company

If undelivered, please return to:
INDERGIRI FINANCE LIMITED
502, Chartered House,
292, Dr. C. H. Street, Near Marine Lines Church, Mumbai - 400 002.

BOOK-POST

Route Map for the 21st Annual General Meeting Venue.

