

ANNUAL REPORT OF JAIN SONS FINLEASE LIMITED 2017 - 2018

BOARD OF DIRECTORS:

Vineet Chandra Rai	Chairman
Rakesh Rewari	Independent Director
Bhama Krishnamurthy	Independent Director
Pradeep Pursnani	Nominee Director
Anuradha Ramachandran	Nominee Director
Aleem Remtula (w.e.f. 24-May-2017)	Nominee Director
Arvind Kodikal (w.e.f. 24-May-2017 upto 06-Nov-2017)	Nominee Director
Sarunas Kubilickas (w.e.f. 06-Nov-2017)	Nominee Director
Anurag Agrawal	Director
Akbar Khan (w.e.f. 24-May-2017)	Executive Director & Chief Executive Officer (CEO)
John Arunkumar Diaz (w.e.f.24-Apr-2018)	Additional (Managing) Director

KEY MANAGERIAL PERSONNEL:

John Arunkumar Diaz (w.e.f. 24-Apr-2018)	Additional (Managing) Director
Akbar Khan	Executive Director & CEO
Nitin Agrawal	Dy. CEO & Chief Financial Officer (CFO)
Chirag Desai	Company Secretary

BANKERS:

Kotak Mahindra Bank
IDBI Bank Limited
Axis Bank Limited

DEBENTURE TRUSTEE:

1. Catalyst Trusteeship Limited
GDA House, Plot No. 85, Bhusari Colony, Paud Road,
Pune – 411 038.
2. Beacon Trusteeship Limited
4C, Siddhivinayak Chambers,
Gandhi Nagar, Opp. MIG Cricket Club, Bandra (East),
Mumbai – 400051.

REGISTRAR AND SHARE TRANSFER AGENT:

For Debentures:
Satellite Corporate Services Pvt. Ltd.
B-302, Sony Apartment,
Opp. St. Jude High School,
90 Feet Road, Jarimari, Sakinaka,
Mumbai – 400072.

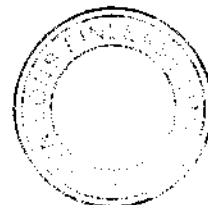
STATUTORY AUDITORS:

Walker Chandio & Co LLP
Chartered Accountants
7th Floor, Block III, White House,
Kundan Bagh, Begumpet,
Hyderabad – 500016, India

20th Annual General Meeting of Jain Sons Finlease Limited will be held on Wednesday, the 25-Apr-2018 at 4:30 pm at 1002, 10th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500032, Telangana, India

REGISTERED OFFICE:

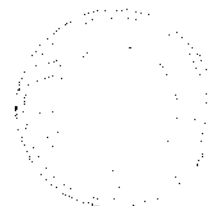
1002, 10th Floor, A Block,
The Platina, Gachibowli,
Hyderabad – 500034, Telangana
Tel: 91-40-4030 0200: Fax: 91-40-4030 0275
Website: www.intellegrow.com
CIN: U65910AP1998PLC088941



CORPORATE OFFICE:

12B, 3rd Floor, Techniplex-II IT Park,
Off. Veer Savarkar Flyover,
Goregaon (West), Mumbai – 400062
Tel: 91-22-6249 2700; Fax: 91-22-6249 2787

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NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of Jain Sons Finlease Limited will be held on Wednesday, the 25-Apr-2018 at IST 4:30PM at the Registered Office of the company at 1002, 10th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500032, Telangana, India, to transact the following business:

ORDINARY BUSINESS:**1. Adoption of Audited Financial Accounts for the financial year ended 31-Mar-2018:**

To receive, consider and adopt the Audited Financial Accounts of the company for the financial year ended 31-Mar-2018 together with the reports of the Directors' and Auditors' thereon.

2. Re-appointment of Mr. Vineet Chandra Rai, Chairman of the company, who retires by rotation:

To appoint a Director in place of Mr. Vineet Chandra Rai (DIN: 00606290), who retires by rotation and being eligible, offers himself for re-appointment.

3. Re-appointment of Mr. Pradeep Pursnani, Nominee Director of the company, who retires by rotation:

To appoint a Director in place of Mr. Pradeep Pursnani (DIN: 06563785), who retires by rotation and being eligible, offers himself for re-appointment.

4. Confirmation and ratification of the re-appointment of Walker Chandiook & Co. LLP (having Firm Registration Number: 001076N), Statutory Auditors and fixing of their remuneration:

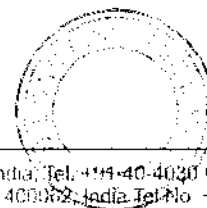
To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to the provisions of section 139 and any other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, the re-appointment of M/s. Walker Chandiook & Co LLP, Chartered Accountants (having Firm Registration Number: 001076N) as Statutory Auditors of the company from the conclusion of this Annual General Meeting till the conclusion of next Annual general meeting of the company be and is hereby confirmed and ratified by the members of the company at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the company and the Statutory Auditors.

RESOLVED FURTHER THAT any one of Directors, designated Chief Executive Officer and designated Company Secretary of the company be and are hereby severally authorised to do such acts, deeds and things as may be necessary to give effect to the above resolution."

SPECIAL BUSINESS:**5. Regularisation of appointment of Mr. Sarunas Kubilickas, Additional (Nominee) Director of the company as a Nominee Director:**

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



“RESOLVED THAT pursuant to Sections 152,160 and 161 of the Companies Act, 2013 (“Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and such other applicable provisions, rules as may be applicable (including statutory modification(s) or re-enactment(s) thereof for the time being in force) and any other law for the time being in force, if applicable, Mr. Sarunas Kubilickas (holding DIN: 07979896), whose term of office as an Additional (Nominee) Director, expires at this Annual General Meeting and in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Nominee Director, be and is hereby appointed as a Nominee Director of the company.

RESOLVED FURTHER THAT any one of the Directors and Designated Company Secretary of the company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

6. Regularisation and Appointment of Mr. John Arunkumar Diaz, Additional (Managing) Director of the company as a Managing Director:

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

“RESOLVED THAT pursuant to Sections 152, 160, 161, 196, 197 and 203 and such other applicable sections of the Companies Act, 2013 (“Act”) read with Schedule V of the Act, the Companies (Appointment and qualification of Directors) Rules, 2014 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the being in force) and in accordance with the Articles of Association of the company and any other law for the time being in force, if applicable, Mr. John Arunkumar Diaz (holding DIN: 00493304), whose term of office as an Additional (Managing) Director, expires at this Annual General Meeting and in respect of whom the company has received a notice under Section 160 of the Companies Act, 2013 proposing his candidature for the office of a Managing Director, be and is hereby appointed as a Managing Director of the company for a period of 1 year w.e.f. 24-Apr-2018 on such terms and conditions as may be mutually agreed between the parties.

RESOLVED FURTHER THAT in the event of absence or inadequacy of profits in any financial year during the currency of tenure of service of Mr. John Arunkumar Diaz (holding DIN: 00493304), as an Additional (Managing) Director of the company, the payment of salary/professional fees, perquisites and other allowances as approved by this resolution shall be payable as minimum remuneration.

RESOLVED FURTHER THAT Mr. Vineet Chandra Rai, Chairman or Mr. Anurag Agrawal, Director of the company be and are hereby severally authorised to enter into an agreement /issue a letter for appointment and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT any one of the Directors or Designated Company Secretary of the company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”



7. Approval of payment of professional fees to Mr. John Arunkumar Diaz as Managing Director of the Company:

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

“RESOLVED THAT pursuant to the proviso (a) & (b) to sub section (4) of Section 197, Section 188 and any other applicable sections, provisions, if any of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014 (including any statutory amendment, modification or re-enactment thereof) and based on the recommendation of the members of Nomination & Remuneration Committee of the Board and of Audit & Compliance of the Board and approval of Board Directors in their respective meetings held on 24-Apr-2018, consent of the Members of the company be and is hereby accorded for payment of Professional Fees amounting to Rs.4,00,000/- per month to Mr. John Arunkumar Diaz (DIN: 00493304), Managing Director of the company, who possesses the requisite qualification for office of profession, for availing his professional advise on day to day business operations of the company for a period of one year w.e.f. 24-Apr-2018.

RESOLVED FURTHER THAT Mr. Vineet Chandra Rai, Chairman or Mr. Anurag Agrawal, Director of the company be and are hereby severally authorised to enter into an agreement and to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.

RESOLVED FURTHER THAT any one of the Directors or Designated Company Secretary of the company, be and are hereby severally authorized to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

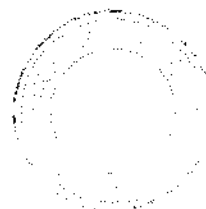
8. Approval for entering into a Sourcing and Servicing Agreement with TribeTech Private Limited:

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 188 and any other applicable provisions of the Companies Act, 2013, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to enter into a ‘Sourcing and Servicing Agreement’ to extend lending to such micro/small enterprises by direct lending through TribeTech Private Limited, a Company in which Mr. Vineet Chandra Rai, Chairman & Mr. John Arunkumar Diaz, Managing Director of the Company are interested as Directors and members and Mr. Anurag Agrawal, Director & Mr. Nitin Agrawal, Dy. CEO & CFO are interested as members in the said TribeTech Private Limited, for a period of two years commencing from 25-Apr-2018 on such terms and conditions as mentioned in the said draft agreement.

RESOLVED FURTHER THAT the draft ‘Sourcing and Servicing Agreement’, as placed before the meeting and duly initialled by the Chairman for the purpose of identification be and is hereby approved.

RESOLVED FURTHER THAT any one of the Directors and Designated Chief Executive Officer and Designated Company Secretary of the Company, be and are hereby severally authorized to do all



such acts, deeds, matters and things as may be considered necessary, desirable or expedient for the purpose of giving effect to this resolution.”

By Order of the Board of Directors


Chirag Desai

Company-Secretary
(Membership No.: A22880)

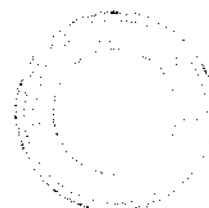
Mumbai, 24-Apr-2018

Registered Office:

1002, 10th Floor, A Block,
The Platina, Gachibowli,
Hyderabad – 500 032
CIN: U65910AP1998PLC088941

Notes:

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto and forms part of this notice.
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself or herself and the proxy need not be a member of the company.
3. Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than 24 hours before the time for holding the Annual General Meeting.
4. Corporate Members are requested to send duly certified copy of Board Resolution pursuant to Section 113 of the Companies Act, 2013 authorising their representative to attend and vote at the Annual General Meeting of the company.
5. Relevant documents referred to in the accompanying Notice and the statement are open for inspection by the members at the Registered Office of the company during work hours upto the date of Meeting.
6. Members seeking any information with regard to the accounts and operations, are requested to write to the company to enable the Management to keep the information ready at the meeting.
7. Members holding shares in physical form are requested to notify immediately any change in their address to the company.
8. The Register of Directors' and Key Managerial Personnel's Shareholdings maintained under Section 170 and Register of Contract or Arrangements in which Director are interested under Section 189 of the Companies Act, 2013 are open for inspection at the Registered Office of the company during work hours upto the date of Meeting.



Explanatory Statement
(Pursuant to section 102 of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 8 of the accompanying Notice:

Item No. 5 – Appointment of Mr. Sarunas Kubilickas as a Nominee Director:

Pursuant to cessation of Mr. Arvind Kodikal from the nominee Directorship of the company and in terms of clause 8.2.1 (iii) of Amended and Restated Shareholders Agreement dated 29-Mar-2016 entered into between Triodos Custody B.V. INZ, Triodos Fair Share Fund (TFSF), Triodos SICAV II Triodos Microfinance Fund (TMF), Intellectual Capital Advisory Services Private Limited, Vineet Chandra Rai, Other shareholders and Jain Sons Finlease Limited, the company needs to appoint one Nominee Director on behalf of TFSF and TMF.

The company has received the nomination letters dated 04-Nov-2017 from TMF and TFSF and also consent letter, Directors Identification Number (DIN) and other declarations from Mr. Sarunas Kubilickas. Based on the same, Mr. Sarunas Kubilickas was appointed as Additional (Nominee) Director of the company, as a nominee of TFSF and TMF w.e.f. 06-Nov-2017. Mr. Sarunas Kubilickas holds Master Degree in Law (Vilnius University) and Specialised Master Degree in International Business Law and Management (ESSEC Business School Paris).

Mr. Sarunas Kubilickas is an experienced professional in Corporate M&A and Business Development and was associated for 9 years with Société Générale international subsidiaries with focus on acquisition, disposal and Greenfield projects. Currently he is associated with Triodos Investment Management (The Netherlands).

Pursuant to the provisions of section 161 of the Companies Act, 2013, Mr. Sarunas Kubilickas holds office as such upto the date of this Annual General Meeting. The company has received a notice along with requisite deposit from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Nominee Director.

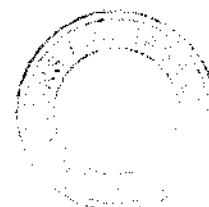
The Board of Directors hereby recommends the Ordinary Resolution as set out at item no. 5 of the notice for approval of the Members.

Except, Mr. Sarunas Kubilickas, being an appointee, none of the Directors, Key Managerial Personnel of the company or their relatives are concerned or interested in the said resolution.

Item No. 6 & 7 – Regularise and Appointment of Mr. John Arunkumar Diaz as Additional (Managing) Director of the company as a Managing Director and approval for payment of professional fees:

Based on the recommendation of the members of Nomination & Remuneration Committee and Audit & Compliance Committee of the Board of the Company, Mr. John Arunkumar Diaz was appointed as an Additional (Managing) Director of the company w.e.f. 24-Apr-2018 for a period of one year with professional fees of Rs.4,00,000/- per month subject to approval of the members in this Annual General Meeting of the company.

Mr. John Arunkumar Diaz holds a Master's degree in Business Administration from Xavier Labour Relations Institute (XLRI), Jamshedpur and a degree in Bachelor of Science, Mathematics, Physics and Chemistry from Loyola College, the University of Madras.



Mr. John Arunkumar Diaz has completed a distinguished career with Standard Chartered Bank spanning 28 years in various positions and in various international locations. His career covered all areas of banking and included assignments in Europe and the Middle East. Since 1985, he served as an Operations Manager of India with responsibility for Technology and Operations. For 10 years period from 1992 to 2001, he based in Singapore and headed several group level projects including Profitability Improvement, Cross-border Processing and Re-engineering. He served as Head of Integration for a major acquisition in Indonesia, Head of Programme and Change Management involved setting up and oversaw a group of 20 projects designed to reduce the Bank's cost base through outsourcing, centralization and off-shoring. He left Standard Chartered Bank in late 2001. He serves as a Trustee of Aavishkaar India Micro Venture Capital Fund. Mr. John Arunkumar Diaz serves as a Member of Investment Board at Aavishkaar India Micro Venture Capital Fund and Aavishkaar Venture Management Services.

Pursuant to the provisions of section 161 of the Companies Act, 2013, Mr. John Arunkumar Diaz office as such upto the date of this Annual General Meeting. The company has received a notice along with requisite deposit from a member under section 160 of the Companies Act, 2013 proposing his candidature for the office of Managing Director. Further, he is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given his consent to as a Director of the company.

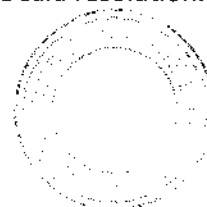
Pursuant to the provision of Section 188 of the Companies Act, 2013 read with Companies (Meeting of Board and its Powers) Rules, 2014 (any re-enactment(s) or modification(s) thereof from time to time), payment of professional fees to any Director of the company who is holding office or place of profit in the company, is required to be approved in the General Meeting of the company.

The information as required in accordance with the rules of Companies (Meeting of Board and its Powers) Rules, 2014, as well as pursuant to Section 102 of the Companies Act, 2013 is as under:

Sl. No.	Particulars	Transaction Details
1.	Name of the Related Party	Mr. John Arunkumar Diaz
2.	Name of the Director or Key Managerial Personnel who is related, if any	None
3.	Nature of Relationship	Mr. John Arunkumar Diaz is Managing Director of the company
4.	Nature, Material Terms, Monetary value and particulars of the contract or arrangement	Mr. John Arunkumar Diaz was appointed as Additional (Managing) Director for period of one year starting from 24-Apr-2018 on professional fees of Rs.4,00,000/- per month. Other terms and conditions are detailed in his Agreement entered with the company.
5.	Any other information relevant or important for the members to take a decision on the proposed resolution	Please refer to his qualifications and experience as mentioned aforesaid under this item of business.

The Board of Directors hereby recommends the Special Resolutions as set out at item no. 6 and 7 of the notice for approval of the Members.

Except, Mr. John Arunkumar Diaz, being appointee, none of the Directors, Key Managerial Personnel of the company or their relatives are concerned or interested in the said resolution.



Additional information for Item no. 7:

The details as required Schedule V of the Companies Act, 2013, are given below:

I. General Information:

1	Nature of Industry	The company is engaged in the business of lending or advancing money either with or without security and to arrange and negotiate loan.
2	Date or expected date of commencement of commercial production	The company is an existing company and is in operation since 1998
3	In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus	Not Applicable
4	Financial performance based on given indicators	<u>As on 31-Mar-2018:</u> EPS (basic): Rs. (18.12) per share EPS (diluted): Rs. (18.12) per share Total Revenues: Rs.54,63,80,872/- Profit After Tax: Rs. (19,95,83,313)
5	Foreign investments or collaborations, if any	Rs 10,00,00,000/- by Michael and Susan Dell Foundation; Rs 40,00,00,015.04/- by ON Mauritius Rs 24,45,42,515.40/- by DWM (International) Mauritius Ltd Rs. 12,22,71,257.70/- Triodos SICAV II Triodos Microfinance Fund Rs. 12,22,71,257.70/- Triodos Custody B.V. INZ. Triodos Fair Share Fund

II. Information about the appointee:

1	Background details	<p>Mr. John Arunkumar Diaz holds a Master's degree in Business Administration from Xavier Labour Relations Institute (XLRI), Jamshedpur and a degree in Bachelor of Science, Mathematics, Physics and Chemistry from Loyola College, the University of Madras.</p> <p>Mr. John Arunkumar Diaz has completed a distinguished career with Standard Chartered Bank spanning 28 years in various positions and in various international locations. His career covered all areas of banking and included assignments in Europe and the Middle East. Since 1985, he served as an Operations Manager of India with responsibility for Technology and Operations. For 10 years period from 1992 to 2001, he based in Singapore and headed several group level</p>
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		projects including Profitability Improvement, Cross-border Processing and Re-engineering. He served as Head of Integration for a major acquisition in Indonesia, Head of Programme and Change Management involved setting up and oversaw a group of 20 projects designed to reduce the Bank's cost base through outsourcing, centralization and off-shoring. He left Standard Chartered Bank in late 2001. He serves as a Trustee of Aavishkaar India Micro Venture Capital Fund. Mr. John Arunkumar Diaz serves as a Member of Investment Board at Aavishkaar India Micro Venture Capital Fund and Aavishkaar Venture Management Services.
2	Past Remuneration	As a Professional Consultant at Rs.4,00,000/- per month
3	Recognition or awards	Mr. John Arunkumar Diaz is having good experience in the industry in which the company operates.
4	Job profile and his suitably	He is actively involved in the business of the company and manages day to day business activities. He is also responsible for new business development of the company. Taking into consideration his expertise, he is well suited for the responsibilities currently assigned to him by the Board of Directors of the company.
5	Remuneration proposed	Professional fees of Rs. 4,00,000/- per month.
6	Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin)	At par with the industry standards in which the company operates
7	Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any	No relationship with any promoter, directors or other managerial personnel.

III. Other Information:

1	Reasons of loss or inadequate profits	During the FY 2017-18, our several clients were impacted due to lag impact of demonetization and GST implementation resulting in stretch in working capital cycle.
2	Steps taken or proposed to be taken for improvement	The focus for FY2018-19 will be to increase SME client acquisition and disbursement growth.



3	Expected increase in productivity and profits in measurable	We are expecting to grow our Company's revenue by 29% and operating profit is projected at Rs.15cr.
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Item No. 8 - Approval for entering into a Sourcing and Servicing Agreement with TribeTech Private Limited:

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013, which governs the Related Party Transactions, and it requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company meet the criteria as mentioned in the Companies (Meeting of Board and its Powers) Rules, 2014, prior approval of the shareholders by way of a Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
2. Selling or otherwise disposing of, or buying, property of any kind;
3. Leasing of property of any kind;
4. Availing or rendering of any services;
5. Appointment of any agent for purchases or sale of goods, materials, services or property;
6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
7. Underwriting the subscription of any securities or derivatives thereof, of the Company.

In the light of provisions of the Companies Act, 2013 and upon recommendation of the members of Audit & Compliance Committee, the Board of Directors of your Company in their meeting held on 24-Apr-2018, had approved the Sourcing and Servicing Agreement, to be entered into with TribeTech Private Limited.

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

Sl. No.	Particulars	Sourcing and Servicing Agreement
1	Name of the Related Party	TribeTech Private Limited
2	Name of the Director or Key Managerial Personnel who is related, if any	Mr. Vineet Chandra Rai, Mr. John Arunkumar Diaz, Mr. Anurag Agrawal and Mr. Nitin Agrawal
3	Nature of Relationship	<ul style="list-style-type: none"> • Mr. Vineet Chandra Rai and Mr. John Arunkumar Diaz are interested as Directors and Members in TribeTech Private Limited • Mr. Anurag Agrawal and Mr. Nitin Agrawal as members in TribeTech Private Limited
4	Nature, Material Terms, Monetary value and particulars of the contract or arrangement	<p>The Company is proposing to enter into the said agreement with TribeTech Private Limited for sourcing, servicing and collections (upto 90DPD) of clients.</p> <p>The Material Terms and Monetary Value of the Agreement is mentioned herein below:</p> <p>Processing Fee Share: 100% to TribeTech Private Limited</p>



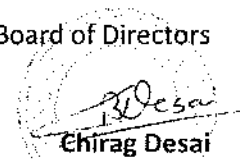
		<p><u>Interest on Loans:</u></p> <ul style="list-style-type: none"> • Upto 21% - to the Company • From 21% to 33% - to Tribetech Private Limited • Over and Above 33% - to be shared between the Company and Tribetech Private Limited in equal proportion. <p><u>First Loss Default Guarantee:</u> Cap of 10% of total loan disbursed which is currently envisaged to be Rs.20Cr (Program Limit) Upfront FLDG: 5% of the total loan disbursed by the Company (immediate trigger) Contingent FLDG: 5% of the total loan disbursed by the Company (shall get triggered in the event any loan disbursed crosses 90days DPD)</p> <p>The Agreement is proposed to be entered for a period of two years and the said period can be extended further, with the consent of both Company and TribeTech Private Limited.</p>
5	Any other Information relevant or important for the members to take a decision on the proposed resolution	As mentioned in the proposed Sourcing and Servicing Agreement.

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item No. 8 shall be entitled to vote on this special resolution.

The Board of Directors hereby recommends the Special Resolution as set forth in item No. 8 for approval of the Members.

Except Mr. Vineet Chandra Raj, Mr. John Arunkumar Diaz, Mr. Anurag Agrawal and Mr. Nitin Agrawal, no other director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this resolution.

By Order of the Board of Directors



Chirag Desai

Company Secretary
(Membership No.: A22880)

Mumbai, 24-Apr-2018

Registered Office:

1002, 10th Floor, A Block,

The Platina, Gachibowli,

Hyderabad – 500 032

CIN: U65910AP1998PLC088941

Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies
(Management and Administration) Rules, 2014]

CIN: U65910AP1998PLC088941
Name of the Company: Jain Sons Finlease Limited
Registered Office: 1002, 10th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500
032, Telangana, India

Name of the Member(s):
Registered address:
E-mail Id:
Folio No/ Client Id:
DP ID: N.A.

I/We, being the member (s) of _____ shares of the above-named company, hereby appoint

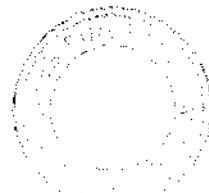
1. Name:
Address:
E-mail Id:
Signature:....., or failing him

2. Name:
Address:
E-mail Id:
Signature:....., or failing him

3. Name:
Address:
E-mail Id:
Signature:.....

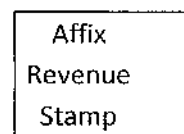
as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the company, to be held on Wednesday, 25-Apr-2018 At 4:30 p.m. at 1002, 10th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500032, Telangana, India and at any adjournment thereof in respect of such resolution as indicated below:

Sl. No.	Resolutions
1	Adoption of Audited Financial Accounts for the financial year ended 31-Mar-2018



2	Re-appointment of Mr. Vineet Chandra Rai, Chairman of the company, who retires by rotation
3	Re-appointment of Mr. Pradeep Pursnani, Nominee Director of the company, who retires by rotation
4	Confirmation and ratification of the re-appointment of Walker Chandiook & Co. LLP (having Firm Registration Number: 001076N), Statutory Auditors and fixing of their remuneration
5	Regularisation of appointment of Mr. Sarunas Kubilickas, Additional (Nominee) Director of the company as a Nominee Director
6	Regularisation of appointment of Mr. John Arunkumar Diaz, Additional (Managing) Director of the company as a Managing Director
7	Approval of professional fees payment to Mr. John Arunkumar Diaz as Managing Director of the Company
8	Approval for entering into a Sourcing and Servicing Agreement with TribeTech Private Limited

Signed this ____ day of _____ 2018



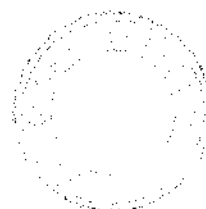
Signature of Shareholder: _____

Signature of Proxy holder(s): (1) _____

(2) _____

(3) _____

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the company, not less than 24 hours before the commencement of the Meeting.



JAIN SONS FINLEASE LIMITED
CIN: U65910AP1998PLC088941

Registered office: 1002, 10th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500032, Telangana, India. Tel: 91-40-4030 0200; Fax: 91-40-4030 0275; Website: www.intellegrow.com

ATTENDANCE SLIP

Name of the Member(s):

Registered address:

E-mail Id:

Folio No/ Client Id:

DP ID: N.A.

I/we hereby certify that I/we am/are a registered shareholder/proxy for the registered Shareholder of the company and hereby record my/our presence at 20th Annual General Meeting of the company being held on Wednesday, 25-Apr-2018 at 4:30 pm at the registered office of the company at 1002, 10th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500032, Telangana, India.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature



DIRECTORS' REPORT

To the Members of Jain Sons Finlease Limited (IntelleGrow),

Your Directors are hereby presenting their Twentieth (20th) Annual Report of the company together with the Audited Financial Statements for the year ended 31-Mar-2018:

1. Financial Results:

The financial performance of your company for the year ended 31-Mar-2018 are summarised as below:

Particulars	Current Year ended 31-Mar-2018 (in Rs.)	Current Year ended 31-Mar-2017 (in Rs.)
Revenue from Business Operations	50,02,86,444	42,93,86,997
Other Income	4,60,94,428	2,36,50,963
Total Revenues	54,63,80,872	45,30,37,960
Less: Expenses	41,98,96,780	16,29,38,556
Profit before Interest and Depreciation	12,64,84,092	29,00,99,404
Less Interest	31,84,87,271	21,19,23,202
Profit before Depreciation	(19,20,03,179)	7,81,76,202
Less: Depreciation	33,18,952	21,96,665
Profit after Depreciation and Interest	(19,53,22,131)	7,59,79,537
Less: Current Income Tax	0	1,90,41,753
Less: Deferred tax benefits	42,61,182	48,88,959
Less: Tax of earlier years	0	-
Net Profit after Tax	(19,95,83,313)	5,20,48,825
Amount transferred to Statutory Reserve	0	1,04,09,765
Balance carried to Balance Sheet	0	4,16,39,060
Earnings per share (Basic)	(18.12)	4.74
Earnings per share (Diluted)	(18.12)	2.41

2. Transfer to Reserves:

Since, the Company has reported loss during the current financial year under review, nil amount has been transferred to the Statutory Reserve maintained under Section 451C of the Reserve Bank of India ("RBI") Act, 1934.

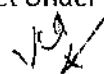
3. Dividend:

Since, the Company has reported loss during the current financial year under review, no dividend on Compulsorily Convertible Preference Shares (CCPS) has been declared by the company.

4. Review of Business Operations and Future Prospects:

IntelleGrow continues to spot deserving Ventures and support their growth funding with team's ability to structure deals. IntelleGrow mainly focusses on small-corporates in their early-stages of growth. Much before startups became a buzzword, IntelleGrow has been funding the early-stage businesses. The company focus on ventures which would not get debt from traditional sources. The Indian early-stage ecosystem has been starved of quality debt providers who could offer cash-flow based lending. IntelleGrow pioneered this concept with an impact thesis. Venture debt has emerged as an attractive asset class for startups and SMEs looking for financing without having to dilute equity stakes.

During the year under review, the company has disbursed Rs.342cr as compared to Rs.266cr in previous financial year FY17, showing a YoY growth of 29%. This has resulted in increase in Asset Under

Management (AUM) Rs.401cr as compared to Rs.347cr in previous financial year FY17, showing a growth of 16%.

During the financial year under review, revenue of the Company has also grown up by 21%, while the operating expense ratio has come down to 4.4%. The focus of the Company for the financial year ending 31-Mar-2019, shall be to increase SME client acquisition and disbursement growth.

5. Resource Mobilization:

During the year under review, the company met its funding requirements through the following:

a. Non-Convertible Debentures:

During the year under review, your company has successfully completed the issue of 2,500 Secured, Rated, Unlisted, Redeemable, Non-Convertible Debentures of Face Value of Rs.1,00,000/- (Rupees One Lakh only) through private placement basis. Directors of the company are thankful to the investor who have subscribed and shown their trust towards your company.

b. Bank & Financial Institution:

During the year under review, Bank and Financial Institution remains an important source of funding for your company. Banks and Financial Institution continued their support to your company during the Financial Year. As of 31-Mar-2018, borrowing from Bank and Financial Institution were Rs.2,46,61,58,357/- as against Rs.1,71,56,39,133/- in the previous year.

6. Shares:

a. Buy back of securities:

The company has not bought back any of its securities during the year under review.

b. Sweat Equity:

The company has not issued any Sweat Equity Shares during the year under review.

c. Bonus Shares:

No Bonus Shares were issued during the year under review.

d. Employees Stock Option plan:

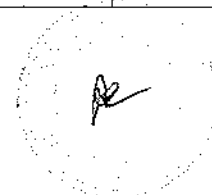
The company has not provided any Stock Option Scheme to the employees during the year under review.

e. Private Placement:

During the year under review, the company has issued and allotted equity shares to certain employees and to Mr. Akbar Khan, Executive Director & CEO of the company on two different dates on private placement basis:

i. Allotment of 55,889 equity shares to the following persons on 21-Aug-2017:

Sl. No.	Name & Occupation of Allottees	Address of the Allottees	Number of shares allotted
1.	Mr Nitin Agrawal Occupation: Service	A-1701, Swapnalok Towers, Pimpripada Road, Malad (East), Mumbai – 400097, Maharashtra,	30,589
2.	Mr. Rajan Juneja Occupation: Service	203, Golden Rays Apartments, Shastri Nagar, Andheri (West), Mumbai – 400053, Maharashtra	6,700



3.	Mr. Vijay Kumar Haswani Occupation: Service	H No. 892/42, Ward No. 42, Street No. 7, Near Shiv Mandir, Subhash Nagar, Durg – 491001.	3,700
4.	Mr. Anirudh Ramakuru Occupation: Service	5/58, Ramkrishna Nagar, S.V. Road, Khar (West), Mumbai – 400052, Maharashtra	3,200
5.	Mr. Pratik Mandvia Occupation: Service	B-302, Kuber Apartment, Kamla Vihar Sports Club Lane, Mahavir Nagar, Kandivali (West), Mumbai – 400067, Maharashtra	3,200
6.	Mr. Ruchir Shah Occupation: Service	133, Sakti Apartments, M. G. Road, Kandivali (West), Mumbai – 400067, Maharashtra	3,200
7.	Mr. Chirag Desai Occupation: Service	106, Happy Home Complex, T-1, Ltd., Link Road, Chikuwadi, Borivali (West), Mumbai – 400092, Maharashtra	2,100
8.	Ms. Swapna Nair Occupation: Service	H-5, Flat 104, Lakeview CHSL, Airoli, Sector - 14, Navi Mumbai – 400708, Maharashtra	3,200
Total			55,889

ii. Allotment of 17,200 equity shares to Mr. Akbar Khan on 01-Sep-2017:

Sl. No.	Name & Occupation of Allottees	Address of the Allottees	Number of shares allotted
1.	Mr. Akbar Khan Occupation: Service	2 nd Floor, Anand Building, 17 Carmichael Road, Mumbai – 400026.	17,200
Total			17,200

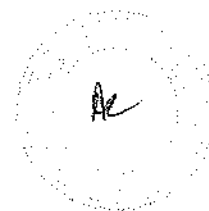
f. Right Issue:

The company has issued and allotted 26,27,724 Series D Compulsorily Convertible Preference Shares of Rs. 10/- each at a premium of Rs. 77.18/- on right issue basis on 09-Apr-2018 to following allottees:

Sl. No.	Name & Occupation of Allottees	Address of the Allottees	Number of shares allotted
1.	Aavishkaar Venture Management Services Private Limited Occupation: Business	13B III 6 th Floor, Techniplex-II IT Park, Off Veer Savarkar Flyover, Goregaon (W), Mumbai 400062	11,47,052
2.	DWM (International) Mauritius Limited Occupation: Business	Suites 340-345, Barkly Wharf, Le Caudan Waterfront, P. O. Box 1070, Port Louis, Republic of Mauritius	7,40,336
3.	Triodos SICAV II-Triodos Microfinance Fund Occupation: Business	11-13 Boulevard De La Foire, L – 1528, Luxembourg	3,70,168
4.	Triodos Custody B.V. INZ. Triodos Fair Share Fund Occupation: Business	Utrechtseweg 60, 3704 HE Zeist, The Netherlands	3,70,168
Total			26,27,724

g. Authorised Share Capital:

During the year under review, the Authorised Share Capital of the company has been changed as below:



Particulars	Existing Capital (in Rs.)			Revised Capital (in Rs.)		
	Number of Shares	Face Value (in Rs.)	Nominal Value (in Rs.)	Number of Shares	Face Value (in Rs.)	Nominal Value (in Rs.)
Equity Share Capital	1,75,00,000	10	17,50,00,000	2,60,00,000	10	26,00,00,000
Compulsorily Convertible Preference Share Capital	20,00,000	20	4,00,00,000	20,00,000	20	4,00,00,000
Series B1 Compulsorily Convertible Preference Share Capital	25,00,000	100	25,00,00,000	25,00,000	100	25,00,00,000
Series B2 Compulsorily Convertible Preference Share Capital	3,00,000	100	3,00,00,000	3,00,000	100	3,00,00,000
Series C Compulsorily Convertible Preference Share Capital	60,00,000	10	6,00,00,000	60,00,000	10	6,00,00,000
Series D Compulsorily Convertible Preference Share Capital	0	0	0	56,00,000	10	5,60,00,000
Total	2,83,00,000		55,50,00,000	4,24,00,000		69,60,00,000

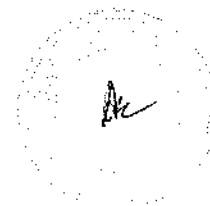
g. Paid-up share Capital:

In view of the said allotments, as on date, the paid-up share capital of the company is Rs. 47,51,96,070/- (Rupees Forty-Seven Crore Fifty-One Lakhs Ninety-Six Thousand and Seventy only) divided into 1,10,42,437 (One Crore Ten Lakhs Forty-Two Thousand Four Hundred and Thirty-Seven) Equity Shares of Rs. 10/- (Rupees Ten only); 3,00,000 (Three Lakhs) Series B1 Compulsory Convertible Preference Shares of Rs. 100/- (Rupees One Hundred only) each; 24,99,948 (Twenty-Four lakhs Ninety-Nine Thousand Nine Hundred and Forty-Eight) Series B2 Compulsory Convertible Preference Shares of Rs. 100/- (Rupees One Hundred only) each, 58,49,966 (Fifty-Eight Lakhs Forty-Nine Thousand Nine Hundred and Sixty-Six) Series C Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each and 26,27,724 (Twenty-Six Lakhs Twenty-Seven Thousand Seven Hundred and Twenty-Four) Series D Compulsory Convertible Preference Shares of Rs. 10/- (Rupees Ten only) each.

7. Directors and Key Managerial Personnel:

a. Retirement by Rotation:

In accordance with the provisions of Section 152 of the Companies Act, 2013 ("the Act") read with Companies (Management and Administration) Rules, 2014 and Articles of Association of the company, Mr. Vineet Chandra Rai (DIN: 00606290), Chairman and Mr. Pradeep Pursnani (DIN: 06563785), Nominee Director of the company, retires by rotation at the ensuing Annual General Meeting and



being eligible, have offered themselves for re-appointment and your Board recommends their re-appointment.

b. Cessation of Directors:

During the year, Mr. Arvind Kodikal has resigned as a Nominee Director from the Board of the Company w.e.f. 06-Nov-2017.

The Board places on record his sincere appreciation of the valuable contribution made by Mr. Arvind Kodikal as a Nominee Director during his tenure in the company.

c. Appointment of Directors:

During the year, the Board of Directors of the company has appointed Mr. Sarunas Kubilickas, as an Additional (Nominee) Director w.e.f. 06-Nov-2017 as a nominee of Triodos Custody B.V. INZ. Triodos Fair Share Fund and Triodos SICAV II Triodos Microfinance Fund in place of Mr. Arvind Kodikal and Mr. John Arunkumar Diaz as an Additional (Managing) Director of the Company w.e.f. 24-Apr-2018 subject to the approval of the shareholders in their Annual General Meeting to be held on 25-Apr-2018. The company has received notice along with requisite deposit from a member of the company under Section 160 of the Act proposing their candidature for the office of Directors of the company.

Further, pursuant to the "Fit and Proper" criteria adopted by the company under the RBI's Master Directions for NBFCs, the company has received the "Fit and Proper" declaration from Mr. Sarunas Kubilickas for his appointment as an Additional (Nominee) Director and Mr. John Arunkumar Diaz as an Additional (Managing) Director of the Company. After evaluating the eligibility criteria under RBI guidelines and the Act, Your Board recommend his appointment.

d. Composition of Board:

As on date, the Board is comprised of ten directors viz:

- | | | |
|------------------------------|---|--------------------------------|
| 1. Mr. Vineet Chandra Rai | - | Chairman |
| 2. Mr. Rakesh Rewari | - | Independent Director |
| 3. Ms. Bhama Krishnamurthy | - | Independent Director |
| 4. Mr. Pradeep Pursnani | - | Nominee Director |
| 5. Ms. Anuradha Ramachandran | - | Nominee Director |
| 6. Mr. Aleem Remtula | - | Nominee Director |
| 7. Mr. Sarunas Kubilickas | - | Additional (Nominee) Director |
| 8. Mr. Anurag Agrawal | - | Director |
| 9. Mr. Akbar Khan | - | Executive Director & CEO |
| 10. Mr. John Arunkumar Diaz | - | Additional (Managing) Director |

e. Declaration from Independent Directors:

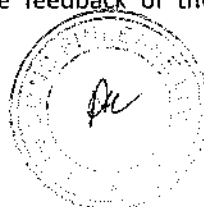
The company has received declarations from Mr. Rakesh Rewari and Ms. Bhama Krishnamurthy, Independent Directors of the company, confirming that they meet the criteria of independence as stipulated in Section 149(6) of the Act.

f. Disqualification of Directors:

The company has received declarations from all the Directors including Independent Directors of the company confirming that they are not disqualified on account of non-compliance with any of the provisions of the Act and as stipulated in Section 164 of the Act.

g. Annual Performance evaluation of the Board:

Pursuant to the provisions of the Act, the Board has carried out an annual evaluation of its own performance, the directors individually (including Chairman). The feedback of the Independent



Directors on their review of the performance of non-independent directors and the Board as whole, the performance of the Chairman of the company was made based on the questionnaire to evaluate the performances of executive, non-executive directors. The evaluation framework for assessing the performance of Directors comprised of the following key areas:

- i. Composition of Board;
- ii. Oversight of Management;
- iii. Managing the Senior Management;
- iv. Information & Time;
- v. Board Dynamics;
- vi. Stakeholder Management;
- vii. Performance Evaluation.

h. Key Managerial Personnel (KMP):

During the year, Mr. Akbar Khan was appointed as Executive Director & CEO of the Company w.e.f. 24-May-2017 and Mr. John Arunkumar Diaz appointed as an Additional (Managing) Director of the company w.e.f. 24-Apr-2018.

8. Managerial Remuneration and other details:

The necessary details/disclosures of Ratio of Remuneration to each Director to the median employee's remuneration and other details pursuant to the Section 197(12) of the Act and as per Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed as Annexure – A with this report.

9. Policy on Directors' appointment, payment of remuneration and discharge of their duties:

The company's policy relating to appointment of Directors, payment of Managerial remuneration, Directors' qualifications, positive attributes, independence of Directors and other related matters as provided under Section 178(3) of the Act and the 'fit and proper' criteria to be adopted at the time of appointment of directors and on a continuing basis, pursuant to the Non-Banking Financial Companies (NBFC) – Corporate Governance (Reserve Bank) Directions 2015 issued by the RBI is annexed as Annexure - B with this report.

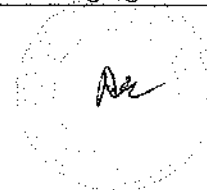
10. Number of Board Meetings conducted during the year under review:

The Board meets at regular intervals to discuss and decide on company's/ business policy and strategy apart from other Board business. A tentative annual calendar of the Board and Committee Meetings of the company is placed in the Board Meeting at the end of each financial year to facilitate the Directors to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed and noted in the subsequent Board meeting.

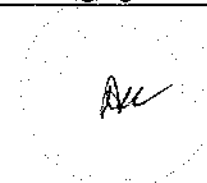
The agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision. The intervening gap between the two consecutive meetings was within the period as prescribed under the Act.

The Board met 8 (eight) times during the year, the details of which are as given below:

S/ No	Date of Board Meeting	Venue of the Board Meeting	Name of Director's Present
1.	24-May-2017	13C, 6 th Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	1. Mr. Vineet Chandra Rai 2. Mr. Rakesh Rewari 3. Ms. Bhama Krishnamurthy 4. Mr. Anurag Agrawal



			<ul style="list-style-type: none"> 5. Mr. Pradeep Pursnani 6. Ms. Anuradha Ramachandran 7. Mr. Arvind Kodikal 8. Mr. Aleem Remtula 9. Mr. Akbar Khan
2.	22-Aug-2017 (M1)	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Rakesh Rewari 2. Ms. Bhama Krishnamurthy 3. Mr. Anurag Agrawal 4. Ms. Anuradha Ramachandran 5. Mr. Arvind Kodikal 6. Mr. Aleem Remtula 7. Mr. Akbar Khan
3.	22-Aug-2017 (M2)	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Rakesh Rewari 2. Ms. Bhama Krishnamurthy 3. Mr. Anurag Agrawal 4. Ms. Anuradha Ramachandran 5. Mr. Arvind Kodikal 6. Mr. Aleem Remtula 7. Mr. Akbar Khan
4.	06-Sep-2017	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Vineet Chandra Rai 2. Mr. Rakesh Rewari 3. Ms. Bhama Krishnamurthy 4. Mr. Anurag Agrawal 5. Ms. Anuradha Ramachandran 6. Mr. Arvind Kodikal 7. Mr. Aleem Remtula 8. Mr. Akbar Khan
5.	26-Sep-2017	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Rakesh Rewari 2. Ms. Bhama Krishnamurthy 3. Mr. Anurag Agrawal 4. Mr. Akbar Khan
6.	06-Nov-2017	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Rakesh Rewari 2. Ms. Bhama Krishnamurthy 3. Mr. Anurag Agrawal 4. Ms. Anuradha Ramachandran 5. Mr. Arvind Kodikal 6. Mr. Aleem Remtula 7. Mr. Akbar Khan
7.	12-Jan-2018	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Rakesh Rewari 2. Ms. Bhama Krishnamurthy 3. Mr. Anurag Agrawal 4. Mr. Pradeep Pursnani 5. Ms. Anuradha Ramachandran 6. Mr. Sarunas Kubilickas 7. Mr. Aleem Remtula 8. Mr. Akbar Khan
8.	13-Feb-2018	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra, India	<ul style="list-style-type: none"> 1. Mr. Vineet Chandra Rai 2. Mr. Rakesh Rewari 3. Ms. Bhama Krishnamurthy 4. Mr. Anurag Agrawal



			5. Mr. Pradeep Pursnani 6. Ms. Anuradha Ramachandran 7. Mr. Sarunas Kubilickas 8. Mr. Akbar Khan
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11. Committees of the Board:

During the year under review, in accordance with the Act, the Board had re-constituted below committees upon the resignation of Mr. Arvind Kodikal, Nominee Director and appointment of Mr. Sarunas Kubilickas, Nominee Director w.e.f. 06-Nov-2017 from Board of the company.


1. Product, Process, Credit Policy and Grievance Redressal Committee;
2. Asset Liability Management Committee;
3. Corporate Social Responsibility Committee

There are currently seven Committees of the Board, as mentioned herein below:

1. Audit and Compliance Committee;
2. Nomination and Remuneration Committee;
3. Risk Committee;
4. Corporate Governance and Executive Committee;
5. Product, Process, Credit Policy and Grievance Redressal Committee;
6. Asset Liability Management Committee;
7. Corporate Social Responsibility Committee

The composition and number of meetings held during the year under review of the above said committees are as under:

Sl. No.	Name of the Committees Meetings	Composition of Committees during the FY 2018	Number of Meetings held during the FY 2018	Date of Meetings held during the FY 2018
1.	Audit and Compliance Committee	Mr. Rakesh Rewari Ms. Bhama Krishnamurthy Mr. Pradeep Pursnani	4	24-May-2017 22-Aug-2017 06-Nov-2017 13-Feb-2018
2.	Nomination and Remuneration Committee	Mr. Rakesh Rewari Ms. Bhama Krishnamurthy Mr. Pradeep Pursnani Mr. Anurag Agrawal	1	24-May-2017
3.	Asset Liability Management Committee	Ms. Bhama Krishnamurthy Ms. Anuradha Ramachandran Mr. Aleem Remtula Mr. Akbar Khan Mr. Sarunas Kubilickas	4	24-May-2017 22-Aug-2017 06-Nov-2017 13-Feb-2018
4.	Product, Process, Credit Policy and Grievance Redressal Committee	Mr. Rakesh Rewari Ms. Anuradha Ramachandran Mr. Sarunas Kubilickas Mr. Aleem Remtula Mr. Akbar Khan	2	24-May-2017 13-Feb-2018
5.	Risk Committee	Mr. Rakesh Rewari Ms. Bhama Krishnamurthy	3	24-May-2017 30-Oct-2017



		Ms. Anuradha Ramachandran Mr. Anurag Agrawal		13-Feb-2018
6.	Corporate Governance and Executive Committee	Mr. Vineet Chandra Rai Ms. Bhama Krishnamurthy Mr. Anurag Agrawal Mr. Akbar Khan	5	09-May-2017 22-Aug-2017 06-Nov-2017 08-Jan-2018 28-Mar-2018
7.	Corporate Social Responsibility Committee	Ms. Bhama Krishnamurthy Mr. Pradeep Pursnani Ms. Anuradha Ramachandran Mr. Sarunas Kubilickas Mr. Aleem Remtuła	2	24-May-2017 13-Feb-2018

The Charters of the above said committees are annexed as **Annexure - C** with this Report.

12. Audit and Compliance Committee and its Composition:

As on 31-Mar-2018, Audit and Compliance Committee of the Board comprises of following members:

1. Mr. Rakesh Rewari, Independent Director;
2. Ms. Bhama Krishnamurthy, Independent Director;
3. Mr. Pradeep Pursnani, Nominee Director

Mr. Rakesh Rewari is the Chairman of Audit and Compliance Committee of the Board of the company. Mr. Chirag Desai, Company Secretary of the company, acts as Secretary of the Audit and Compliance Committee.

The Audit and Compliance Committee of the Board reviews the reports, which are to be submitted with the Board of Directors with respect to auditing and accounting matters. It also supervises the company's internal control and financial reporting process.

13. Risks Management and Areas of Concern:


The company has laid down a well-defined Risk Management Policy covering the risk mapping, trend analysis, risk exposure, potential impact and risk mitigation process. A detailed exercise is being carried out to identify, evaluate, manage and monitoring of both business and non-business risk. Risk Committee of the Board constituted in accordance with the RBI guidelines has overall responsibility for overseeing the Risk management activities of the company. The Board periodically reviews the risks and suggest steps to be taken to control and mitigate the same through a properly defined framework.

As on 31-Mar-2018, the Risk Committee of the Board comprises of following members:

1. Mr. Rakesh Rewari, Independent Director;
2. Ms. Bhama Krishnamurthy, Independent Director;
3. Ms. Anuradha Ramachandran, Nominee Director;
4. Mr. Anurag Agrawal, Director

14. Corporate Social Responsibility:

As per Section 135 of the Act, your Board has constituted a Corporate Social Responsibility (CSR) Committee of the Board to support the company in achieving the CSR objectives of the company. As on 31-Mar-2018, the CSR Committee of the Board comprises of following members:



1. Ms. Bhama Krishnamurthy, Independent Director;
2. Mr. Pradeep Pursnani, Nominee Director;
3. Ms. Anuradha Ramachandran, Nominee Director;
4. Mr. Sarunas Kubilickas, Nominee Director;
5. Mr. Aleem Remtula, Nominee Director

The company has adopted CSR policy in line with CSR activities as defined in Schedule VII of the Act. The Report on CSR activities as required under the Companies (Corporate Social Responsibility Policy) Rules, 2014 is hereby annexed as **Annexure - D**.

15. Independent Directors Meeting:

During the year, a meeting of Independent Directors was held on 29-Mar-2018 as required under the Act and in compliance of Schedule IV of the Act. In the meeting, the following issues were discussed in details:

- Reviewed the performance of the Chairman, Nominee Directors and the Board as whole;
- Assessed the quality, quantity and timeliness of flow of information between the company management and the Board as necessary for the Board to function effectively and perform their duties.

16. Directors Responsibility Statement:

Your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by them and as required under Section 134(3)(c) of the Act states that:

- (a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the Audit and Compliance Committee, the board is of the opinion that the company's internal financial controls were adequate and effective during the FY 2017-18.

17. Compliance on Secretarial Standards:

The Board of Directors of the Company have devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards and that such systems are adequate and operating effectively.



18. Statutory Auditors:

The Board of Directors of the Company in its meeting held on 26-May-2016 and Annual General Meeting held on 26-May-2016, had appointed Walker Chandiook & Co LLP, Chartered Accountants as Statutory Auditors of the company for a tenure of 5 years till the conclusion of Twenty Third Annual General Meeting of the Company subject to ratification to the said appointment in every Annual General Meeting of the Company.

In relation to the above, the company has received letter from Walker Chandiook & Co LLP, Chartered Accountants to the effect that they are willing to be re-appointed as Statutory Auditors of the company and if re-appointed then, their appointment would be within the limits prescribed under Section 141 of the Act and they are not disqualified from being appointed as Statutory Auditors.

Your Directors recommends the appointment/re-appointment of Walker Chandiook & Co LLP, Chartered Accountants, as Statutory Auditors of the company to hold the office from the conclusion of the ensuing Annual General Meeting upto the conclusion of next Annual General Meeting of the company to audit financial statements of the company.

19. Secretarial Audit Report:

Pursuant to the provisions of Section 204 of the Act and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the company has appointed M Baldeva Associates, a firm of company Secretaries in practice, Mumbai to undertake the Secretarial Audit of the company. The Secretarial Audit Report is annexed and forming part of this report as an Annexure – E.

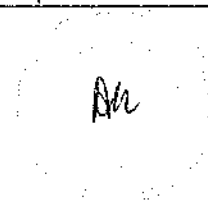
20. Internal Auditor:

The company has appointed Anuj S. Sharma & Company, Chartered Accountants, Mumbai, as its Internal Auditor. The Internal Auditor monitors and evaluates internal audit function, corrective action in their respective areas and thereby strengthen the controls and reports the same on monthly, quarterly and half yearly basis to the Audit and Compliance Committee of the Board.

21. Explanation or comments on qualifications, reservations or adverse remarks or disclaimers made by the Statutory Auditors and the Secretarial Auditor in their reports:

There were no qualifications, reservations or adverse remarks made by the Statutory Auditors or by Secretarial Auditor in their respective reports. However, following are the observations from the Statutory Auditor and Secretarial Auditor:

Sl	Statutory Auditor's Observation	Management Response
1.	Note No 30 (i)- Compounding u/s 295 & 297 of the Companies Act.	These are 3/5 old compounding cases pertaining to FY2014. Out of these, 2 got resolved in FY17 and rest of the 3 are being pursued currently. To further elaborate, these pertains to loan given to entities with common Director – viz. Milk Mantra & EPS where Vineet was also on their Boards. The third one is on Shared office premises with ISTPL, a group company, hence a related party for which prior approval was not obtained pre-2014
2.	Annexure A (vii)(b)- IT update on appeals and Note No. 30 (ii)	This pertains to the financial year 2013-14, for which the assessing officer had disallowed interest expenses of Rs32.72L against the non-tax bearing, short term liquid fund income of Rs7.60L under Section 14A of the Income Tax Act. This is the ongoing case where company has paid the tax amount but



		disputing the incidence of tax – and the case is pending for hearing before Income Tax Tribunal. We are confident of resolving this since there are sufficient case laws available in favor of our arguments									
3.	Delay in filing of e-forms with ROC	<p>There was delay in submission of following forms with ROC:</p> <table border="1"> <thead> <tr> <th>Sl.</th> <th>Particulars</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>a.</td> <td>Delay in filing of e-form CHG-1 of Fedbank Financial Services Limited</td> <td>The delay was due to technical issue on affixing DSC in Form CHG-1 from Fedbank's end.</td> </tr> <tr> <td>b.</td> <td>Delay in filing of Forms MGT-14 of the Corporate Governance & Executive Committee Meeting and Board Meeting held on 08-Jan-2018 and 12-Jan-2018 for filing resolutions for Availment of Loan from Nabkisan Finance Limited & IFMR Capital Finance Limited and for Rights Issue.</td> <td>These pertains to Borrowings where procedurally, approvals are taken much in advance while filing is done only post loan documentation. Hence there is lag of >30 days.</td> </tr> </tbody> </table>	Sl.	Particulars	Response	a.	Delay in filing of e-form CHG-1 of Fedbank Financial Services Limited	The delay was due to technical issue on affixing DSC in Form CHG-1 from Fedbank's end.	b.	Delay in filing of Forms MGT-14 of the Corporate Governance & Executive Committee Meeting and Board Meeting held on 08-Jan-2018 and 12-Jan-2018 for filing resolutions for Availment of Loan from Nabkisan Finance Limited & IFMR Capital Finance Limited and for Rights Issue.	These pertains to Borrowings where procedurally, approvals are taken much in advance while filing is done only post loan documentation. Hence there is lag of >30 days.
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4.	The composition of Board of Directors is not as per provisions of Section 149(4) of the Companies Act, 2013 i.e. required number of independent directors are not appointed by the company	The composition of Board of Directors is not as per provisions of Section 149(4) of the Companies Act, 2013 i.e. required number of independent directors are not appointed by the company									
5.	Delay in submission of certain intimation, information or disclosures as required under SEBI (LODR) Regulations, 2015;	<p>There was delay of 2-5 days in submission of following information or disclosure with BSE Limited under SEBI (LODR) Regulations 2015:</p> <table border="1"> <thead> <tr> <th>Particulars</th> <th>Response</th> </tr> </thead> <tbody> <tr> <td>Delay in prior intimation of the Interest Payment date and record date to BSE for AAV Sarl (Symbiotics)</td> <td>We contest this requirement since the submission is done at the time of subscription to securities and it does not need to be done if contractual payments are being made.</td> </tr> </tbody> </table>	Particulars	Response	Delay in prior intimation of the Interest Payment date and record date to BSE for AAV Sarl (Symbiotics)	We contest this requirement since the submission is done at the time of subscription to securities and it does not need to be done if contractual payments are being made.					
Particulars	Response										
Delay in prior intimation of the Interest Payment date and record date to BSE for AAV Sarl (Symbiotics)	We contest this requirement since the submission is done at the time of subscription to securities and it does not need to be done if contractual payments are being made.										
6.	Website of the Company is not updated.	The Company is in the process of revamping the website to align it with the SEBI (LODR) Regulations, 2015.									
7.	Delay in filling ALM -2 return with the RBI for the half year ended 31-Mar-2017 and 30-Sep-2017	RBI COSMOS website where filing is done was showing login error. We escalated it to DNBS officials, and obtained fresh user specs and then uploaded. Therefore, this was procedural in nature.									
8.	Delay in filling a quarterly statement on change of Directors certified by the Managing Director for the	The statement on change of Directors was filed with a delay of 2 days (17-Oct) instead of 15-Oct, once the Executive Director returned from his leaves/travel. Moreover, there was no change to be reported for that period.									



quarter ended 30-Sep-2017.	
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22. Material changes and commitment if any affecting the financial position of the company occurred between the end of the financial year to which this financial statement relate and the date of the Report:

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

23. Whistle Blower Policy and Vigil Mechanism:

The company has a Vigil Mechanism to deal with instance of fraud and mismanagement, if any. The mechanism also provides for adequate safeguards against victimization of directors and employees who avail of the mechanism and also provides for direct access to the Chairman of the Audit and Compliance Committee of the Board in the exceptional cases. The company also provides direct access to the Chairman of the Audit and Compliance Committee on reporting issues concerning the interests of employees and the company. We affirm that during the financial year 2017-18, no employee or director was denied access to the Audit and Compliance Committee.

24. Details of significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future:

There was no significant or material order passed by any regulator or court or tribunal, which impacts the going concern status of the company or will have bearing on company's operations in future.

25. Conservation of energy, technology absorption, foreign exchange earnings and outgo:

The information as required under Section 134 of the Act read with Rule 8(3) of the Companies (Accounts) Rules, 2014 regarding conservation of energy, technology absorption is not applicable as the company is not carrying on any manufacturing activity during the year.

The particulars regarding foreign exchange earnings and outgo during the year under review are as under:

Particulars	(In Indian Rupees)	
	2017-18	2016-17
Total Expenditure in Foreign Currency	5,90,886	15,381
Total Earnings in Foreign Currency	Nil	Nil

26. Particulars of Loans, Guarantees or Investments made under Section 186 of the Act:

Pursuant to Section 186(11)(a) of the Act read with the Rule 11(2) of the Companies (Meetings of Board and its Powers) Rules, 2014 and any amendment thereto from time to time, the loans made, guarantee given or security provided in the ordinary course of business by a NBFC registered with RBI are exempt from the applicability of provisions of Section 186 of the Act. Hence, particulars of the loans and guarantee have not be disclosed in this report. The details of current investments and non-current investments are furnished under Notes to Accounts of financial statements.

27. Particulars of Contracts or Arrangements made with related parties under Section 188 of the Act:

The particulars of Contracts or Arrangements made with related parties pursuant to Section 188 of the Act, in Form AOC-2 as prescribed under Companies (Accounts) Rules, 2014 relating to Accounts of Companies under the Act as on 31-Mar-2018, is annexed as Annexure - F with this report.



The policy on Related Party Transactions as approved by the Board of Directors of the company has been uploaded on the website of the company. The web link of the same is as under <http://intellegrow.com/images/download/loan/Related%20Party%20Transaction%20Policy.pdf>

28.Extract of Annual Return:

The extracts of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is annexed as **Annexure - G** with this report.

29.Subsidiaries, Joint Ventures and Associate Companies:

The company does not have any Subsidiary, Joint venture or Associate company.

30.Public Deposits:

Your Company is a non-deposit taking company (NBFC-ND-SI). During the year under review, the company has not accepted any deposits within the meaning of Section 73 and 76 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014. The company has passed a resolution for non-acceptance of deposits from public.

31.Internal Control Systems:

The company has an internal control system which is commensurate with the size, scale and complexity of its operations. The Internal Auditor monitors the efficiency 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 Audit and Compliance Committee of the Board.

32.Management Discussion and Analysis Report:

The detailed report on Management Discussion and Analysis is hereby annexed as **Annexure – H** with this report.

33.Reporting under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act 2013:

The company has constituted an Internal Compliant Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, no complaint was filed before the said Committee.

34.Credit Rating:

The Rating agencies have assigned ratings for facility availed by the company, details of which is as given below:

Facility	Ratings	Amount (Rs. in crore)
Non-Convertible Debenture issue	CARE BBB- (Triple B Minus)	25

35.Capital Adequacy:

Your company is well capitalized and has capital adequacy ratio of 27.78% as at 31-Mar-2018 as against the minimum regulatory requirement of 15.00 % for non-deposit accepting NBFCs.

36.Listing of Securities:

Non-convertible Debentures of the company are listed on BSE Limited and your company has paid required listing fees to BSE Limited.



37.RBI Guidelines:

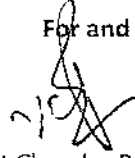
The Certificate of Registration was issued to the company in January, 1999 vide registration no. 14.0145B by RBI, New Delhi. Later on, the company has shifted its registered office from Hissar to Hyderabad in the year 2013 and revised Certificate of Registration was issued to the company in 2014 vide registration no. B-09.00441 by RBI, Hyderabad, to commence the business of a non-banking financial institution without accepting deposits. Your company has complied with and continues to comply with all applicable regulations and directions issued by RBI from time to time.


38.Acknowledgements:

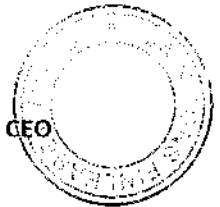
Your Directors place on record their sincere thanks to bankers, business associates, consultants, and various Government Authorities for their continued support extended to your Companies activities during the year under review. Your Directors also acknowledges gratefully the shareholders for their support and confidence reposed on your company.

For and on behalf of the Board of Directors




Vineet Chandra Rai
Chairman
(DIN: 00606290)


Akbar Khan
Executive Director & CEO
(DIN: 07657205)



Place: Mumbai
Date: 24-Apr-2018

Disclosure on Managerial Remuneration and other details

The Information required under section 197 of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- a. The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:

Non-executive Directors	Ratio to median remuneration
Mr. Vineet Chandra Rai	-
Mr. Rakesh Rewari	-
Ms. Bhama Krishnamurthy	-
Ms. Anuradha Ramachandran	-
Mr. Pradeep Pursnani	-
Mr. Arvind Kodikal (from 24-May-2017 to 06-Nov-2017)	-
Mr. Aleem Remtula (w.e.f. 24-May-2017)	-
Mr. Sarunas Kubilickas (w.e.f. 06-Nov-2017)	-
Mr. Anurag Agrawal	-

Executive Directors	Ratio to median remuneration
Mr. Akbar Khan	10.28

- b. The percentage increase in remuneration of each directors, Chief Executive Officer, Chief Financial Officer, Company Secretary in the financial year:

Directors, Chief Executive Officer, Chief Financial Officer and Company Secretary	% increase in remuneration in the financial year
Mr. Vineet Chandra Rai	-
Mr. Rakesh Rewari	-
Ms. Bhama Krishnamurthy	-
Ms. Anuradha Ramachandran	-
Mr. Pradeep Pursnani	-
Mr. Arvind Kodikal (from 24-May-2017 to 06-Nov-2017)	-
Mr. Aleem Remtula (w.e.f. 24-May-2017)	-
Mr. Sarunas Kubilickas (w.e.f. 06-Nov-2017)	-
Mr. Anurag Agrawal	-
Mr. Akbar Khan, Executive Director & Chief Executive Officer	Nil
Mr. Nitin Agrawal, Chief Financial Officer	Nil
Mr. Chirag Desai, Company Secretary	10%

- c. The percentage increase in the median remuneration of employees in the financial year: 10%
- d. The number of permanent employees on the rolls of company as on 31-Mar-2017: 41

e. **Percentage increase over decrease in the market quotations of the shares of the Company in comparison to the rate at which the Company came out with the last public offer:**
Not Applicable.

f. **Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:**

Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year is 13.42%.

Average percentile increase in the managerial remuneration is 6%.

Justification:

a. To keep in line with business and growth, there is increase in percentile.

g. **Affirmation that the remuneration is as per the remuneration policy of the company:**
The Company affirms remuneration is as per the remuneration policy of the company.

h. **The statement containing particulars of employees as required under section 197(12) of the Act read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014:**
Not Applicable



JAIN SONS FINLEASE LIMITED

NOMINATION AND REMUNERATION POLICY

Introduction:

In pursuance of the Company's policy to consider human resources as its invaluable assets, to pay equitable remuneration to all Directors, Key Managerial Personnel (KMP) and Employees of the company, to harmonize the aspirations of human resources consistent with the goals of the company and in terms of the provisions of the Companies Act, 2013, this policy on nomination and remuneration of Directors, KMP and Senior Management has been formulated by the Nomination and Remuneration Committee ("NRC") and approved by the Board of Directors of the Company.

Composition of Committee:

1. The Nomination and Remuneration Committee shall consist of three or more non-executive directors out of which not less than one-half shall be independent directors.
2. The Chairperson of the Company (whether executive or non-executive) may be appointed as a member of the Nomination and Remuneration Committee but shall not chair the Committee.

Objective:

The Nomination and Remuneration Committee and this Policy shall be in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto and Guidelines of Reserve Bank of India. The objective of this policy is to lay down a framework in relation to remuneration of directors, KMP, senior management personnel and other employees.

The Key Objectives of the Committee would be:

- 1.1. To guide the Board in relation to appointment and removal of Directors, KMP and Senior Management.
- 1.2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy relating to the remuneration of Directors, KMP and other employees.
- 1.3. Formulation of criteria for evaluation of Independent Director and the Board.
- 1.4. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
- 1.5. To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management.



- 1.6. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
- 1.7. To retain, motivate and promote talent and to ensure long term sustainability of talented managerial persons and create competitive advantage.
- 1.8. To develop a succession plan for the Board and to regularly review the plan.
- 1.9. To assist the Board in fulfilling responsibilities.
- 1.10 To Implement and monitor policies and processes regarding principles of corporate governance.

Applicability:

- a) Directors (Executive and Non-Executive)
- b) KMP
- c) Senior Management Personnel

Definitions:

"Act" means the Companies Act, 2013 and Rules framed there under, as amended from time to time.

"Board" means Board of Directors of the Company.

"Directors" mean Directors of the Company.

"Key Managerial Personnel" means

- i. Managing Director, or Chief Executive Officer or Manager and in their absence, a Whole-time Director;
- ii. Chief Financial Officer;
- iii. Company Secretary; and
- iv. such other officer as may be prescribed.

"Senior Management" means Senior Management means the personnel of the company who are members of its core management team excluding Board of Directors comprising all members of management one level below the executive directors, including the functional heads.

Unless the context otherwise requires, words and expressions used in this policy and not defined herein but defined in the Companies Act, 2013 as may be amended from time to time shall have the meaning respectively assigned to them therein.



Policy for Appointment and Removal of Director, KMP and Senior Management:

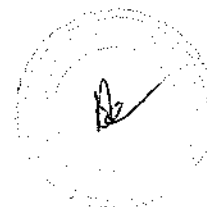
1. Appointment Criteria and Qualifications

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) The Committee shall undertake a process of due diligence to determine the suitability of the person for appointment/continuing to hold appointment as a director on the Board, based upon qualification, expertise, track record, integrity and other 'fit and proper' criteria.
- c) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- d) The Company shall not appoint or continue the employment of any person as Whole-time Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- e) The Company shall appoint Independent/Non-Executive Directors nominated to the Board should be between 35 to 70 years of age.
- f) The Company shall obtain necessary information and declaration from the proposed/existing directors as per the format provided under the Companies Act, 2013 and Guidelines issued by Reserve Bank of India from time to time.
- g) The Company shall obtained annually as on 31st March a simple declaration from the Directors the information already provided has not undergone change and where there is any change, requisite details are furnished by them forthwith.
- h) The Company shall ensure in public interest that the nominated/elected directors execute the deeds of covenants in the Format provided under the Guidelines issued by Reserve Bank of India from time to time.

2. Term / Tenure

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Executive Chairman, Managing Director or Executive Director 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) Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms of upto maximum of 5 years each, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. 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.
- 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 or such other number as may be prescribed under the Act.

3. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).

4. Removal

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

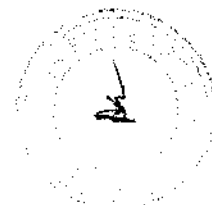
5. Retirement

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

Policy for Remuneration to Directors/KMP/Senior Management Personnel:-

1. Remuneration to Managing/Whole-time / Executive / Managing Director, KMP and Senior Management Personnel:

The Remuneration/ Compensation/ Commission etc. to be paid to Director / Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force.



2. Remuneration to Non- Executive / Independent Director:

The Non-Executive Independent Director may receive remuneration / compensation / commission as per the provisions of Companies Act, 2013. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.

Duties in Relation to Nomination Matters:

The duties of the Committee in relation to nomination matters include:

- Ensuring that there is an appropriate induction in place for new Directors and members of Senior Management and reviewing its effectiveness;
- Ensuring that on appointment to the Board, Non-Executive Directors receive a formal letter of appointment in accordance with the Guidelines provided under the Act;
- Identifying and recommending Directors who are to be put forward for retirement by rotation;
- Determining the appropriate size, diversity and composition of the Board;
- Developing a succession plan for the Board and Senior Management and regularly reviewing the plan;
- Evaluating the performance of the Board members and Senior Management in the context of the Company's performance from business and compliance perspective;
- Making recommendations to the Board concerning any matters relating to the continuation in office of any Director at any time including the suspension or termination of service of an Executive Director as an employee of the Company subject to the provision of the law and their service contract.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee;
- Recommend any necessary changes to the Board;
- Scrutinize the declarations received from directors and based on the information provided in the signed declaration, the Committee shall decide on the acceptance or otherwise of the Directors, where considered necessary;
- Considering any other matters, as may be requested by the Board.

Duties In Relation To Remuneration Matters:

The duties of the Committee in relation to remuneration matters include:

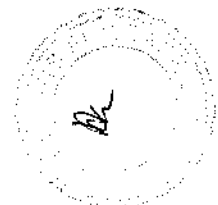
- Considering and determining the Remuneration Policy, based on the performance and also bearing in mind that the remuneration is reasonable and sufficient to attract retain and motivate members of the Board and such other factors as the Committee shall deem appropriate all elements of the remuneration of the members of the Board.



- Approving the remuneration of the Senior Management including KMP of the Company maintaining a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company.
- Delegating any of its powers to one or more of its members or the Secretary of the Committee.
- Considering any other matters as may be requested by the Board.

Review and Amendment:

- i. The NRC or the Board may review the Policy as and when it deems necessary.
- ii. The NRC may issue the guidelines, procedures, formats, reporting mechanism and manual in supplement and better implementation to this Policy, if it thinks necessary.
- iii. This Policy may be amended or substituted by the NRC or by the Board as and when required and also by the Compliance Officer where there is any statutory changes necessitating the change in the policy.



Scope of Committees:

Given below are the various committees proposed of the Board of the Company. This document details the scope of the various committees. The purpose of the committees is to have more focused oversight on the respective areas for better corporate governance. The following 7 (seven) committees and their scope are in line with the Companies act, 2013, RBI Guidelines and Industry best practices:

The scope or any of the authorizations here, if repugnant with the constitutional documents of the company, or any changed regulatory norms, shall be over-ruled by the constitution documents and changed regulatory norm, as applicable from time to time.

1) AUDIT AND COMPLIANCE COMMITTEE OF THE BOARD

Internal

- a. To oversee the internal audit, compliance and financial reporting process and ensuring correct, adequate and credible disclosure of financial information, at stipulated frequency (monthly, quarterly, annually) as per extant regulatory & statutory guidelines.
- b. To examine the efficacy of audit functions and systems and suggesting steps on a periodic basis (quarterly, half yearly) for its improvement.
- c. To report, on a quarterly basis, the key audit findings for the quarter, as well as the actions taken report on the same for previous quarters to the Board of the Company.
- d. To do valuation of undertakings or assets of the company, wherever it is necessary;
- e. To evaluate internal financial controls
- f. To monitor the end use of funds raised through public offers and related matters
- g. To review and recommend accounting policies and treatment – including decisions regarding write-offs.
- h. To get Information Systems Audit conducted and track implementation of accepted recommendations/ corrective action.

External

- a. To facilitate in smooth conduct of audits by external agencies, Statutory Auditors, Reserve Bank of India (RBI), lenders and any other external auditors as appointed by the Company or any other stakeholder (lenders, shareholders, regulators, government etc.)
- b. To review with management, verifying and recommending adoption of quarterly, half yearly and annual accounts to Board of the company with special emphasis on accounting policies and practices, provisioning norms adopted by the company and any amendments adopted during the year, adherence to capital adequacy norms, compliance with accounting standard and other requirements concerning financial statements that may arise.
- c. To report, on a quarterly basis, the key findings of the quarter, as well as the action taken report on the same for previous quarters, to the Board of Directors.
- d. To establish procedures for receipt and treatment of complaints regarding accounting and auditing matters and engage independent counsel, if required, for such conflict resolution and to update the Board of the Company on the status of the same, every quarter;



Compliance

- a. To prepare a calendar detailing the list of compliances/ covenants that needs to be monitored and the frequency of its reporting to the Board of the Company as well as the regulatory agencies and the stakeholders.
- b. To review statement of significant related party transactions and examination of the reasons for substantial defaults, if any, in payment to stakeholders.
- c. To review compliance within stipulated statutory and regulatory requirements particularly in relation to financial management and reporting.
- d. To review compliance of various inspections and audit reports of internal, concurrent and statutory auditors and commenting on the action taken report prepared by the management and ensuring submission to the Board of the Company from time to time – classified under heads for major/ material and minor and also set timelines if the compliance is still to be met.
- e. To review the consolidated compliance report and the final accounting system for the financial year before it is submitted to the Board of the Company for adoption.
- f. To internalize guidelines issued by the regulator specifically for the NBFCs or any other guidelines as may be relevant to the Company and monitor adherence to the same.

Administrative

- a. To recommend appointment and removal of external auditors on company's request, or as mandated by the regulators, lenders or other stakeholders.
- b. To review and recommend a scope of audit on the basis of requirements and reviewing the policies, procedures, techniques and findings of such audits.
- c. To oversee that contracted fees are paid to the various audit firms, at stipulated frequency on receipt of their reports.
- d. To establish procedures for receipt and treatment of complaints regarding accounting and auditing matters and engage independent counsel, if required, for such conflict resolution. Updating the Board of the Company on the status of the same, every quarter.

2) NOMINATION AND REMUNERATION COMMITTEE OF THE BOARD:**Nomination**

- a. To guide and assist the Board and work out a policy and implement it besides monitoring progress in relation to appointment and removal of Directors, Key Managerial Personnel (KMP), Senior Management and Credit Committee members.
 - i. To recommend to the Board appointment of directors. To develop a succession plan for the Board and to regularly review the plan
 - ii. To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation of the Board.
 - iii. To formulate the criteria for determining qualifications, positive attributes and independence of a director in line with the prevailing regulatory guidelines.
 - iv. To recommend appointments of senior management to the Board of the company.
- b. To review and advise the management on the organization structure, including creating a two tier organization structure for smooth succession planning and operational backups.



- c. To objectively examine the annual manpower plan in relation to the business plan of the company and to examine management recommendations regarding manpower strategy and suggest corrective action, if required.

Remuneration

- a. To recommend to the Board a policy relating to the remuneration of Directors, KMP and other employees and Credit Committee members.
 - b. To recommend to the Board on Remuneration payable to the Directors, KMP and Senior Management and Credit Committee members.
 - c. To provide to KMP and Senior Management reward linked directly to their effort, performance, dedication and achievement relating to the Company's operations.
 - d. To evaluate and approve the compensation packages of above mentioned persons with particular reference to fixed and variable pay (including bonuses and Employees Stock Options).
 - e. To guide the management in developing a balanced remuneration policy with no biases and focus and enhancing performance drivers and motivation levels of the employees with a view to attract, retain, promote and groom/ train employees. This shall also include considering grant of stock options to employees, reviewing compensation levels of the employees vis- a- vis other NBFCs and industry in general and create competitive advantage.
-

3) RISK COMMITTEE OF THE BOARD:

Risk Control

- a. To review company's risk management policies in relation to various risks (credit, market, liquidity, operational and reputation risk)
- b. To review the risk return profile of the Company, Capital adequacy based on risk profile of the company's balance sheet, business continuity plan and disaster recovery plan, key risk indicators and significant risk exposures and implementations of enterprise risk management.
- c. To hold such risk reviews to ensure adequate monitoring as may be felt necessary by the internal as well as external stakeholders and to appraise the Board of the Company on a periodic basis. This shall cover:
 - i. To review performance of credit risk in the business and portfolio using risk assessment tools
 - ii. To review and approve the risk rating tool, performance of portfolio on the tool and review the tool's efficacy periodically
 - iii. To review stress in portfolio, and recommend corrective measures and policy level changes based on portfolio performance
 - iv. To review performance against the exposure norms and make recommendations to the board based on outlook of business
- d. To give oversight to the Credit Committee (CC) and review and take note of minutes of CC meetings. Risk Committee at its discretion may call one or any of the CC members when they feel it is desired for any specific discussions.
- e. Review portfolio against the exposure norms and credit delegation and give approvals based on authority delegated by the Board. When the portfolio deviates from the credit quality metric as



per the business plan (loan loss provisioning and write-off as per the approved budget), then the CC will have discretion to limit approvals to some of the areas showing stresses.

Fraud Control and Monitoring

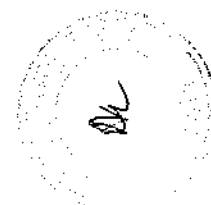
- a. To monitor and review all frauds that may have occurred in the company and involves an amount of Rs. 0.1 million and above or as decided from time to time.
- b. To report such frauds and other flag-offs to stakeholders along with the extent of losses. This would include reviewing and recommending a calendar of reporting frauds and the remedial measures taken, to the Board of the Company.
- c. To conduct a root cause analysis and identify the systemic lacunae, if any, that may have facilitated perpetration of the fraud and put in place measures to rectify the same. Also, to ascertain reasons for delay in detection of such frauds, if any.
- d. To ensure the staff accountability is examined at all levels in all the cases of frauds and actions, if required, is completed quickly without loss of time.
- e. To review of efficacy of remedial actions taken to prevent recurrence of frauds, such as strengthening internal controls and putting in place other measures as may be considered relevant to strengthen preventive measure.

Vigil Mechanism

- a. To recommend Vigil Mechanism to the board and monitor its progress and implementation and efficacy and recommend changes to the same from time to time.
- b. To ensure that the Vigilance Mechanism is adequate for the directors and employees to report their genuine concerns. Such Vigil Mechanism should provide adequate safeguards against victimization of persons who use such mechanism and they should have a direct access to the Chairman of the Audit Committee in appropriate cases.

4) ASSET LIABILITY MANAGEMENT COMMITTEE OF THE BOARD:

- a. To put in place an effective liquidity management policy, including, inter alia, the funding strategies, liquidity planning under alternative crisis scenarios, prudential limits and review the same periodically.
- b. To articulate the interest rate view of the company and decide the pricing methodology for advances in line with extant regulatory guidelines.
- c. To oversee the implementation of the Asset Liability Management (ALM) system and review the functioning periodically and to ensure that the decisions taken on financial strategy are in line with the objectives of the committee.
- d. To review the management of balance sheet of the Company within the risk parameters laid down by the Board of Directors or a committee thereof, with a view to manage the current income as well as to take steps for enhancing the same.
- e. To review the capital & profit planning and growth projections of the company in line with the business plan and ensure that the same is reported to the Board of the Company.
- f. To consider and recommend any other matter related to liquidity and market risk management including matters that might be required by the lenders or any other regulatory body to ensure that the same is recommended to the Board of Directors of the Company for suitable action.



5) **PRODUCT, PROCESS, CREDIT POLICY & GRIEVANCE REDRESSAL COMMITTEE OF THE BOARD:**

Product and Process

- a. To review from time to time the suite of products run by the company covering its fulfillment process within the regulatory compliance norms, customer service quality, viability and profitability within the objectives of the company
- b. To approve new products (including pilots and full scale rollouts) and rolling out of business in new geographies in which products (new as well as existing) can be rolled out.
- c. To set up standard operating processes with regard to the products and ensure that these are being reviewed and strengthened by the management
- d. To monitor adherence to the process compliances by internal as well as third-party evaluations.

Credit Policy

- a. To review and recommend credit policy framework in line with the stipulated guidelines of the Board and other extant regulatory and statutory guidelines for conduct of business.
- b. To recommend setting up of delegation of functional powers for staff to the Board of the Company for suitable action.
- c. To consider and approve any other matter related to the credit policy including matters that might be required by the Board or any other regulatory body.

Customer Service and Grievance Redressal

- a. To review the customer service initiatives, overseeing the functioning of the customer service council and evolving innovative measures for enhancing the quality of customer service and improvement in the overall satisfaction level of customers.
 - b. To review and recommend a customer grievance redressal policy in line with extant regulatory and statutory guidelines which shall include, among other things, the contact details of the employees responsible, the turn-around-time stipulated for addressing the grievances, the escalation mechanism etc and to ensure that this policy is available for reference all branches of the company.
 - c. To set up a grievance redressal mechanism to address the complaints of the customers and report a synopsis of such complaints received to the Board of the company on a quarterly basis.
-

6) **CORPORATE GOVERNANCE AND EXECUTIVE COMMITTEE OF THE BOARD:**

The Executive Committee serves as an administrative committee of the Board to facilitate approval of certain operational corporate actions that do not require consideration by the full Board. In normal course of business, Executive Committee is delegated with following authorisations -

- a. To make applications for obtaining licenses, registrations, connections, clearances, services etc. and to authorize/appoint company directors/employees/officers for signing applications, returns, forms, bonds, agreements, documents, papers etc. and for representing Company before the authorities under various Laws including but not limited to Corporate Laws, Industrial Laws, Tax Laws, Labour Laws and other business laws applicable to the Company in respect of all



present and future offices of the Company for compliance of all provisions, rules, clauses, regulations, directives and other related matters under the said Laws, which may be applicable to the Company.

- b. To open/close account with any bank and to authorize and reauthorize any employee of the Company to operate the account.
- c. To authorize company person(s) for execution of documents, including loan documents and affixing common seal of the company thereon, if required.
- d. To invest funds of the company in the Fixed Deposits to the extent necessary to avail credit facilities/ loans from the Banks/ Financial Institutions etc. and to invest surplus/ idle funds in liquid funds (i.e. mutual funds etc.) for short term as per the Board approved investment policy of the company.
- e. To incur capital expenditure outside the annual business plan up to a limit of Rs.10 lakhs between two board meetings.
- f. To apply for telephone connection or to disconnect.

Delegation of borrowing powers

- g. To apply for loan and hypothecate book debts of the Company at such terms and conditions as may be decided by the committee from time to time within the borrowing powers delegated by Shareholders to the board and board to the Executive Committee (documented below).
- h. To apply for portfolio sell-down or securitization within the limits approved by the board and the shareholders at such terms and conditions as may be decided by the committee from time to time, subject to reporting to the board in the next board meeting.
- i. To review and recommend, seek and operate borrowing and investment limits delegated from the board (subject to delegation by Shareholders to the Board in the latest AGM/ EGM)
 - i. To borrow the moneys subject to a maximum of Rs. 30 Crore per facility/ loan.
 - ii. To sell or securitise portfolio of the Company upto a limit of Rs. 20 crore per sanction.
 - iii. To purchase book debts or securitized paper of other Companies/ SPVs upto a limit of 10% of networth of company per transaction aggregating to not more than 25% of networth as on date of reckoning.
 - iv. To issue Non-Convertible Debentures (NCD) upto a limit of Rs. 50 crore per sanction.

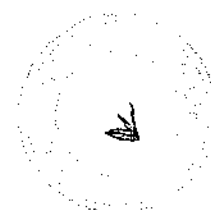
The terms of all such transactions – including the term loans, securitization, asset sale, or NCD issuance should be within limits approved by the board.
- j. Summary of each of such sale, securitization, purchase, subscription of securitized paper should be placed before the board in next ensuing board meeting.

Emergency response

The Executive Committee exercise powers of the Board in the event that an emergency or other time sensitive matter arises and in it not practicable to assemble the entire Board.

Corporate Governance

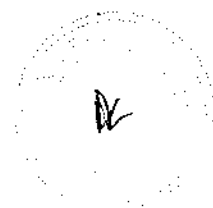
- a. To Implement and monitor policies and processes regarding principles of corporate governance.
- b. To review the status of company on various corporate governance related norms, guidelines and industry best practices and recommend action to the Board and to the Management to improve the practices.



7) CORPORATE SOCIAL RESPONSIBILITY COMMITTEE OF THE BOARD:

- a. To establishment and review of Corporate Social Responsibility (CSR) policies and programs and compliances wrt to the Companies Act on CSR matters
- b. To review and evaluate the adequacy of its charter and recommend to the Board any proposed changes.
- c. To review annual budgets with respect to CSR and review its utilization. The Board shall ensure that the company spends, in every financial year, at least two per cent of the average net profits of the company made during the three immediately preceding financial years, in pursuance of its CSR guidelines under the companies Act and any changes there-under.
- d. To ensure that the CSR program includes significant sustainable development, community relations and security policies and procedures
- e. To have an oversight on implementation of CSR policies and programs
- f. To review the findings and recommendations from any investigation or audit by regulatory agencies or external auditors or consultants concerning the Company's CSR matters; and
- g. To review the Company's disclosure of corporate social responsibility matters in the Company's continuous disclosure documents and any annual social responsibility report.
- h. To have the power to obtain advice and assistance from outside legal or other advisors in its sole discretion.
- i. To annually evaluate its performance and report the results of such evaluation to the Board.

-x end of document x-



Annexure-D

The Report on Corporate Social Responsibility (CSR) Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

- 1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs:**

Kindly refer the Corporate Social Responsibility (CSR) Policy as mentioned in this report as **Annexure-i**.

- 2. The Composition of the CSR Committee as on 31-Mar-2018:**

- Ms. Bhama Krishnamurthy, Independent Director;
- Mr. Pradeep Pursnani, Nominee Director;
- Ms. Anuradha Ramachandran, Nominee Director;
- Mr. Sarunas Kubilickas, Nominee Director;
- Mr. Aleem Remtula, Nominee Director

- 3. Average net profit/loss of the company for last three financial years: Rs.6,69,81,079.67/-.**

- 4. Prescribed CSR Expenditure (two per cent of the amount as in item 3 above): Rs.13,39,621.59/-**

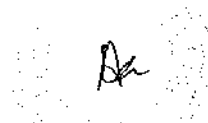
- 5. Details of CSR spent during the financial year 2017-18:**

(a) Total amount to be spent for the financial year: Rs. 13,50,000/- (Rupees Thirteen Lakhs Fifty Thousand only)

(b) Amount unspent, if any; Nil

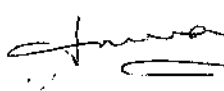

(c) Manner in which the amount spent during the financial year is detailed below.

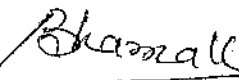
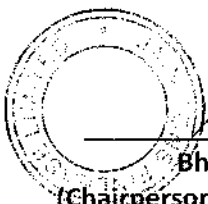
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	CSR project or activity identified	Sector in which the Project is covered	Projects or programs (1) Local area or other (2) Specify the State and district where projects or programs was undertaken	Amount outlay (budget) project or programs wise	Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	Cumulative expenditure upto to the reporting period	Amount spent: Direct or through implementing agency
1	Water and Sanitation	Water and Sanitation	Assam, India	Rs. 13,50,000/-	Rs. 13,50,000/-	Rs. 13,50,000/-	South Asian Forum for Environment



6. In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the company shall provide the reasons for not spending the amount in its Board report: Not Applicable
7. Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company duly signed by Director and Chairperson of the CSR Committee.

The CSR Committee hereby confirms that the implementation and monitoring of CSR policy is in compliance with CSR objectives, CSR policy and in accordance with the provisions of the Companies Act, 2013.



Anurag Agrawal
(Director)



Bhama Krishnamurthy
(Chairperson of CSR Committee)

ANNEXURE-I

This Corporate Social Responsibility (CSR) Policy is being proposed in line with provision of Companies Act, 2013 and subsequent adoption of charter and constitution of CSR Committee of the Board of Jain Sons Finance Limited (IntelleGrow). It is proposed that CSR activities/ projects/ programs shall be governed by this policy.

In order to have an efficient and effective execution, co-ordination, monitoring of CSR activities, IntelleGrow shall constitute CSR execution team (hereafter referred to as 'CSR Team'). This team will report to CSR committee.

1. CSR activities:

IntelleGrow can undertake any project/program that is in line with following sectors as listed in Schedule VII of the Act:

- a. Eradicating hunger, poverty and malnutrition;
- b. Promoting health care including preventive healthcare;
- c. Promoting sanitation including contribution to the Swachh Bharat Kosh set-up by the Central Government;
- d. Providing safe drinking water;
- e. Promoting education, including special education and employment enhancing vocation skills, especially among children, women, elderly and the differently abled and livelihood enhancement projects;
- f. Promoting gender equality, empowering women, setting up of homes and hostels for women and orphans, setting up of old age home, day care Centre and such other facilities for senior citizens and measures for reducing inequalities faced by socially and economically backward groups;
- g. Ensuring environmental sustainability, ecological balance, protection of flora and fauna, animal welfare, agro forestry, conservation of natural resources and maintaining quality of soil, air and water (including contribution to Clean Ganga fund set up by Central government for rejuvenation of River Ganga);
- h. Protection of national heritage, art and culture including restoration of buildings and sites of historical importance and works of art; setting up public libraries; promotion and development of traditional arts and handicrafts;
- i. Measures for the benefit of armed forces veterans, war widows and their dependents;
- j. Training to promote rural sports, nationally recognized sports, Paralympic sports and Olympic sports;
- k. Contributions of funds provided to technology incubators located within academic institutions which are approved by the Central Government;
- l. Contribution to Prime Minister's National Relief Fund or any other fund set up by the Central Government for socio-economic development and relief and welfare of the Scheduled Castes, the Scheduled Tribes, other backward classes, minorities and women;
- m. Rural development projects;
- n. Slum area development

IntelleGrow will review the sectors from time to time and make amendment to the above sectors, if necessary.

2. Exclusions from CSR activities:

The following activities shall not form part of the IntelleGrow CSR activities:-

- a. The activities undertaken in pursuance of normal course of business of IntelleGrow;

- b. CSR projects/programs or activities that benefit only the employees of Intellegrow and their families;
- c. Any contribution directly/indirectly to political party or any funds directed towards political parties or political causes;
- d. Any CSR projects/programs or activities undertaken outside India.

3. CSR Partner/Collaboration:

The Board of Directors of Intellegrow may decide to undertake CSR activities, projects or programs, approved by the CSR committee,

- a. by Intellegrow itself;
- b. through setting up of registered Trust, registered society or Section 8 company by Intellegrow or its Holding or Subsidiary or Associate Company;
- c. through any Section 8 company, registered trust or registered society operating within India and having three years of established track record in undertaking the similar projects or activities that aligns with Intellegrow's CSR activities;
- d. In collaboration with any other company provided Intellegrow's CSR Committee are in a position to report separately in accordance with CSR rules.

4. Budget:

Budget allocated for CSR activities at Intellegrow is as per the guidelines provided in the Act and change from time to time, currently at 2% of the average net profit of 3 immediately preceding financial years.

5. Project Identification:

- a. The CSR team will identify and propose the projects to the CSR Committee for approval;
- b. The project identified and finalized will be in consonance with the Schedule VII of the Companies Act, 2013.

6. Monitoring:

The CSR committee along with CSR team would be responsible of monitoring approved projects. A comprehensive monitoring mechanism will be devised by Intellegrow which may include visits to project sites, meetings, progress reports, analysis of Key indicators etc. on a periodic basis.

7. Documentation:

The CSR Team of Intellegrow will ensure that CSR projects are well documented including all the utilization certificates, agreements, invoices of actual spent etc. and accountability is fixed at requisite level of the CSR process and the implementation mechanism.

8. Treatment of Surpluses:

Any surplus, generated out of the CSR activities, will not be added to the normal business profit of the Intellegrow.

A handwritten signature in black ink is written over a circular stamp. The stamp is faint and mostly illegible, but it appears to be an official seal or stamp.

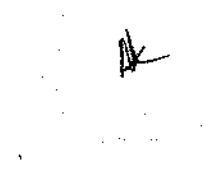
9. Disclosure of CSR Policy:

As per the CSR Rules, the contents of the CSR Policy shall be displayed on Intellegrow's website – www.intellegrow.com apart from the disclosure in the Board's report.

10. Review:

The Committee shall review its CSR Policy from time to time based on the changing needs and aspirations of the target beneficiaries and make suitable modifications as may be necessary and submit the same for the approval of the Board.

XXXXXXXXXXXXXXXXXXXX





M Baldeva Associates
Company Secretaries

Office No. 2,
Tirupati Darshan Bldg. No. 2 CHS Ltd.,
Balaji Nagar, Station Road,
Bhayandar (West), Dist. Thane - 401 101.
Phone : 022 - 2818 5738
Email : manish@csmanishb.in
Website : www.csmanishb.in

Form No. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

*[Pursuant to section 204(1) of the Companies Act, 2013 and
Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]*

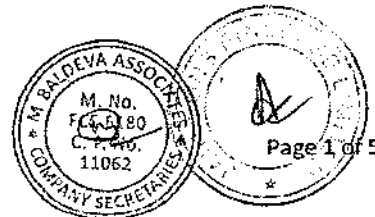
To,
The Members,
Jain Sons Finlease Limited

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Jain Sons Finlease Limited (hereinafter called 'the Company'). The Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluation the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute 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 audit period covering the financial year ended on 31st March 2018 ('Audit Period') generally 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2018 according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contract (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings (not applicable to the Company during the Audit period);



Secretarial Audit Report/JSFL/2017-18



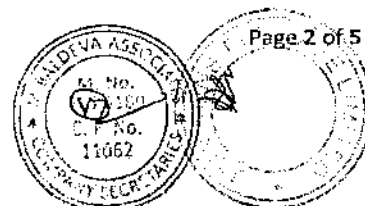
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ("SEBI Act"):
- The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - The Securities and Exchange Board of India (Registrar to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with the client;
 - The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (not applicable to the Company during the Audit period);
 - The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (not applicable to the Company during the Audit period); and
 - The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vi. Other laws, including the law relating to Non-Banking Financial Companies to the extent applicable to the Company as per representation made by the Company.

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

- Secretarial Standards (SS-1 and SS-2) issued by The Institute of Company Secretaries of India.
- The Debt Listing Agreement entered by the Company with BSE Limited, Mumbai.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except-

- Non filling/delay in filing of certain e-forms with ROC;
- the composition of Board of Directors is not as per provisions of Section 149(4) of the Companies Act, 2013 i.e. required number of independent directors are not appointed by the company;
- delay in submission of certain intimation, information or disclosures as required under Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
- website of the Company is not updated as required under Regulation 62 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;





Company Secretaries

- (e) the company has delayed in filling ALM -2 return with the RBI for the half year ended 31st March, 2017 and 30th September, 2017; and
- (f) the company has delayed in filling a quarterly statement on change of Directors for the quarter ended 30th September, 2017.

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Director / CEO, Non-Executive Directors, except appointment of adequate number of independent Directors as required under Section 149(4) of the Companies Act, 2013. 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 notices were 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.

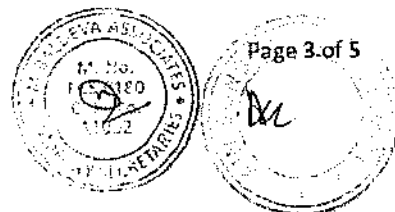
All decisions at Board Meetings and Committee Meetings were carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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 the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory auditors and other designated professionals.

I further report that during the audit period:

- a. The Company has obtained approval of members under Section 180(1)(c) of the Companies Act, 2013 for increasing borrowing limits upto Rs. 500 Crore in the Annual General Meeting held on 25th May, 2017;
- b. The Company has obtained approval of members under section 180(1) (a) of the Companies Act, 2013 to create charge on all or any of the assets of the Company in the Annual General Meeting held on 25th May, 2017;
- c. The Company has obtained approval of members for executing deed of assignment for transfer of loans in favour of Intellectash Microfinance Network Company Private Limited under section 188 of the Companies Act, 2013 in the Annual General Meeting held on 25th May, 2017;
- d. On 21st August, 2017, the Company has issued and allotted 55,889 Equity Shares of Rs. 10/- each at a premium of Rs. 19.86 each on a private placement basis;
- e. The Company has obtained approval of members for offer and issue of 17,200 Equity Shares of Rs.10/- each at a premium of Rs. 77.18 and Non-Convertible Debentures upto amounting Rs.150.00 Crores on Private Placement basis in Extra Ordinary General Meeting held on 22nd August, 2017;





Manish Baldeva & Co.

Continuation Sheet

Company Secretaries

- f. On 1st September, 2017, the Company has issued and allotted 17,200 Equity Shares of Rs. 10/- each at a premium of Rs. 77.18 each on a private placement basis;
- g. On 12th September, 2017, the Company has issued and allotted 2500 Secured, Rated, Redeemable, Non-Convertible Debentures of Rs. 1,00,000/- each aggregating to Rs. 25 Crore on a private placement basis; and
- h. The Company has obtained approval of members for increase in Authorized Share Capital of the Company from Rs.55,50,00,000/- to Rs.69,60,00,000/- and accordingly altered Capital Clause of Memorandum of Association in Extra Ordinary General Meeting held on 12th January, 2018.



For M Baldeva Associates
Company Secretaries

CS Manish Baldeva
Proprietor

M. No.6180, CP No.11062

Place: Thane

Date: 24th April, 2018

This report is to be read with my letter of even date which is annexed as Annexure-I and forms an integral part of this report.



Annexure -I

To,
The Members,
Jain Sons Finlease Limited

My report of even date is to read along with this letter.

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices, I followed, provided a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Book of Accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulation, standards is the responsibility of management. My examination was limited to the verification of procedures on the test basis.
6. The Secretarial audit report 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 M Baldeva Associates
Company Secretaries

CS Manish Baldeva
Proprietor

M. No.6180, CP No.11062

Place: Thane

Date: 24th April, 2018



FORM AOC - 2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for disclosure of particulars of contract / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis: Not Applicable

(a) Name(s) of the related party and nature of relationship	NIL
(b) Nature of contracts / arrangements / transactions	NIL
(c) Duration of the contracts / arrangements / transactions	NIL
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	NIL
(e) Justification for entering into such contract / arrangement or transaction	NIL
(f) Date(s) of approval of the Board	NIL
(g) Amount paid in advance, if any	NIL
(h) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	NIL

2.i. Details of contracts or arrangements or transactions at arm's length basis: The following contract or arrangement or transaction is at arm's length basis:

(a) Name(s) of the related party and nature of relationship	Intellicash Microfinance Network Company Private Limited Mr. Anurag Agrawal is director and shareholder in Intellicash Microfinance Network Company Private Limited
(b) Nature of contracts / arrangements / transactions	Deed of Assignment dated 30-Jun-2017
(c) Duration of the contracts / arrangements / transactions	transaction per se
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	Transfer of two existing loans of the Company as mentioned below to Intellicash Microfinance Network Company Private Limited at a consideration of Rs. 12,04,956/- (Rupees Twelve Lakhs Four Thousand Nine Hundred and Fifty-Six only) and on such a terms and conditions as mutually agreed between the parties and as mentioned in Deed of Assignment: a. Loan of Rs. 5,00,000/- given to D.S.K. Mobile on such terms & conditions as mentioned and agreed in the Facility Agreement, entered between the Company and D.S.K.

	Mobile on 31-Mar-2017; b. Loan of Rs. 10,00,000/- given to Khyati Pharma on such terms & conditions as mentioned and agreed in the Facility Agreement, entered between the Company and Khyati Pharma on 31-Mar-2017.
(e) Date(s) of approval of the Board	24-May-2017
(f) Amount paid in advance, if any	Nil
(g) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	25-May-2017

2.ii. Details of contracts or arrangements or transactions at arm's length basis: The following contract or arrangement or transaction is at arm's length basis:

(a) Name(s) of the related party and nature of relationship	TribeTech Private Limited Mr. Vineet Chandra Rai & Mr. John Arunkumar Diaz are interested as Directors and members and Mr. Anurag Agrawal & Mr. Nitin Agrawal Are interested as Members in the TribeTech Private Limited
(b) Nature of contracts / arrangements / transactions	Sourcing and Servicing Agreement
(c) Duration of the contracts / arrangements / transactions	Two years commencing from 25-Apr-2018
(d) Salient terms of the contracts or arrangements or transactions including the value, if any	<p>The Company is proposing to enter into the said agreement with TribeTech Private Limited for sourcing, servicing and collections (upto 90DPD) of clients.</p> <p>The Material Terms and Monetary Value of the Agreement is mentioned herein below:</p> <p><u>Processing Fee Share:</u> 100% to TribeTech Private Limited</p> <p><u>Interest on Loans:</u></p> <ul style="list-style-type: none"> • Upto 21% - to the Company • From 21% to 33% - to Tribetech Private Limited • Over and Above 33% - to be shared between the Company and Tribetech Private Limited in equal proportion. <p><u>First Loss Default Guarantee:</u> Cap of 10% of total loan disbursed which is currently envisaged to be Rs.20Cr (Program Limit) Upfront FLDG: 5% of the total loan disbursed by the Company (immediate trigger)</p>

	<p>Contingent FLDG: 5% of the total loan disbursed by the Company (shall get triggered in the event any loan disbursed crosses 90days DPD)</p> <p>The Agreement is proposed to be entered for a period of two years and the said period can be extended further, with the consent of both Company and TribeTech Private Limited.</p>
(e) Date(s) of approval of the Board	24-Apr-2018
(f) Amount paid in advance, if any	Nil
(g) Date on which the special resolution was passed in general meeting as required under first proviso to Section 188	To be approved in ensuing Annual General Meeting of the Company to be held on 25-Apr-2018.



Form No. MGT-9

Extract of Annual Return as on financial year ended as on 31-Mar-2018

[Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. Registration and Other Details:

Sl. No.	Particulars	
1	CIN	U65910AP1998PLC088941
2	Registration Date	05-Feb-1998
3	Name of the company	Jain Sons Finlease Limited
4	Address of the Registered office and contact details	1002, 10 th Floor, A Block, The Platina, Gachibowli, Hyderabad – 500032, Telangana. Tel: 040 40300200; Fax: 040 40300275 Email id: chirag.desai@intellegrow.com Website: www.intellegrow.com
5	Address of the Corporate office and contact details	12B, 3 rd Floor, Techniplex-II IT Park, Off. Veer Savarkar Flyover, Goregaon (West), Mumbai – 400062, Maharashtra. Tel: 022 61952700; Fax: 022 61952702 Email id: chirag.desai@intellegrow.com Website: www.intellegrow.com
6	Whether listed Company	Yes (Non-Convertible Debentures are Listed with BSE)
7	Name, Address and Contact details of Registrar and Transfer Agent, if any	Satellite Corporate Services Pvt. Ltd. (For Non-Convertible Debentures) Category I Registrar to Issue & Share Transfer Agents B-302 Sony Apartment, Opp. St Jude High School, 90 Feet Road, Jarimari, Sakinaka, Mumbai-400072.

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:

Sl. No.	Name and Description of main products/services	NIC Code of the Product/Service	% to total turnover of the company
1	Financial Services	804.9	100%

III. Particulars of Holding, Subsidiary and Associate Companies:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding /Subsidiary /Associate	% of Equity shares held	Applicable section
NA	NA	NA	NA	NA	NA



IV. Share holding pattern (Equity Share Capital Breakup as % of Total Equity)

(i) Category-wise Share Holding

Category of shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total shares	Demat	Physical	Total	% of Total shares	
A. Promoter									
(1) Indian									
(a) Individual /HUF	0	0	0	0	0	0	0	0	0
(b) Central Govt.	0	0	0	0	0	0	0	0	0
(c) State Govts.	0	0	0	0	0	0	0	0	0
(d) Bodies Corp.	0	68,80,588	68,80,588	62.73	0	68,80,588	68,80,588	62.31	(0.42)
(e) Banks / FI	0	0	0	0	0	0	0	0	0
(f) Others	0	0	0	0	0	0	0	0	0
Sub-total (A1)	0	68,80,588	68,80,588	62.73	0	68,80,588	68,80,588	62.31	(0.42)
(2) Foreign									
(a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
(b) Other - Individuals	0	0	0	0	0	0	0	0	0
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Others	0	0	0	0	0	0	0	0	0
Sub-total (A2)	0	0	0	0	0	0	0	0	0
Total shareholding of promoters (A)	0	68,80,588	68,80,588	62.73	0	68,80,588	68,80,588	62.31	(0.42)
B. Public									
(1) Institutions									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks / FI	0	0	0	0	0	0	0	0	0
(c) Central Govt.	0	0	0	0	0	0	0	0	0
(d) State Govts.	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others	0	0	0	0	0	0	0	0	0
Sub-total (B1)	0	0	0	0	0	0	0	0	0
(2) Non Institutions									
(a) Bodies Corp.	0	0	0	0	0	0	0	0	0
(i) Indian	0	0	0	0	0	0	0	0	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals*									
(i) Individual shareholders holding nominal share capital upto Rs. 1 Lakh	0	11,501	11,501	0.10	0	14,201	14,201	0.13	0.02
(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	0	1,56,501	1,56,501	1.43	0	2,26,890	2,26,890	2.05	0.63
(c) Others - Foreign Companies	0	39,20,758	39,20,758	35.74	0	39,20,758	39,20,758	35.51	-0.24
Sub-total (B2)	0	40,88,760	40,88,760	37.27	0	41,61,849	41,61,849	37.69	0.42
Total Public Shareholding (B)	0	40,88,760	40,88,760	37.27	0	41,61,849	41,61,849	37.69	0.42
C. Shares held by custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	0	1,09,69,348	1,09,69,348	100.00	0	1,10,42,437	1,10,42,437	100.00	0.00

ii. Shareholding of Promoters (% of Equity Capital)

Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding 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	
Intellectual Capital Advisory Services Private Limited	59,99,895	54.70	0	59,99,895	54.34	0	0.00%
Aavishkar Management Services Private Limited	8,80,588	8.03	0	8,80,588	7.97	0	0.00%
Total	68,80,588	62.73	0	68,80,588	62.31	0	0.00%

iii. Change in Promoter's Shareholding (Please specify, if there is no change): There is no change in promoter's shareholding of the company.

iv. Shareholding Pattern of top 10 shareholders (other than Directors, promoters and holders of GDRs and ADRs)

Please refer next page for details

v. Shareholding of Directors and KMPs

Please refer next page for details

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding / accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
(i) Principal Amount	1,29,94,34,741	-	-	1,29,94,34,741
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	3,68,62,622	-	-	3,68,62,622
Total [(i)+(ii)+(iii)]	1,33,62,97,363	-	-	1,33,62,97,363
Changes in indebtedness during the financial year				
> Addition	1,20,30,00,000	-	-	1,20,30,00,000
> Reduction	78,67,95,609	-	-	78,67,95,609
Net Change	41,62,04,391	-	-	41,62,04,391
Indebtedness at the end of the financial year				
(i) Principal Amount	1,71,56,39,132	-	-	1,71,56,39,132
(ii) Interest due but not paid	-	-	-	-
(iii) Interest accrued but not due	4,77,65,117	-	-	4,77,65,117
Total [(i)+(ii)+(iii)]	1,76,34,04,249	-	-	1,76,34,04,249

iv. Shareholding Pattern of top 10 shareholders (other than Directors, promoters and holders of GDRs and ADRs)

Sl.	Name of shareholder	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during year (01-04-17 to 31-03-18)	
		No. of shares at the beginning (01- 04-17) / end of the year (31-03-18)	% of total shares of the company				No. of shares	% of total shares of the company
1	Triodos Custody B.V. INZ. Triodos Fair Share Fund	9,87,784	9.00	01-Apr-17	-			
		9,87,784	8.95	31-Mar-18	-		9,87,784	8.95
2	Triodos SICAV II - Triodos Microfinance Fund	9,87,783	9.00	01-Apr-17	-			
		9,87,783	8.95	31-Mar-18	-		9,87,783	8.95
3	DWM (International) Mauritius Limited	9,75,566	8.89	01-Apr-17	-			
		9,75,566	8.83	31-Mar-18	-		9,75,566	8.83
4	Michael and Susan Dell Foundation	9,69,525	8.78	01-Apr-17	-			
		9,69,525	8.78	31-Mar-18	-		9,69,525	8.78
5	Nitin Agrawal	1,00,000	0.91	01-Apr-17	-			
				21-Aug-17	30,589	Allotment	1,30,589	1.18
6	Rajan Juneja	44,001	0.40	01-Apr-17	-			
				21-Aug-17	6,700	Allotment	50,701	0.46
7	Ruchir Shah	12,500	0.11	01-Apr-17	-			
				21-Aug-17	3,200	Allotment	3,200	0.14
8	Pratik Mandvia	9,500	0.09	01-Apr-17	-			
				21-Aug-17	3,200	Allotment	3,200	0.12
9	Vijay Kumar Haswani	12,700	0.12	31-Mar-17	3,200	Allotment	12,700	0.12
		-	0.00	01-Apr-17	-			
10	Swapna Nair			21-Aug-17	3,700	Allotment	3,700	0.03
				31-Mar-17	3,700	Allotment	2,700	0.03

v. Shareholding of Directors and KMPs

Sl.	Name of shareholder	Shareholding		Date	Increase/ Decrease in shareholding	Reason	Cumulative shareholding during	
		No. of shares at the beginning (01- 04-16) / end of the year (31-03-17)	% of total shares of the company				No. of shares	% of total shares of the company
1	Akbar Khan	-	0.00	01-Apr-17	-			
		17,200	0.16	31-Mar-17	17,200	Allotment	17,200	0.16
2	Nitin Agrawal	1,00,000	0.91	01-Apr-17	-			
		1,30,589	1.18	31-Mar-18	30,589	Allotment	1,30,589	1.18
3	Chirag Desai	-	0.02	01-Apr-17	-			
		2,100	0.02	31-Mar-17	2,100	Allotment	2,100	0.02



VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to MD / WTD / Manager

Sl. No.	Particulars of Remuneration	Name of MD / WTD / Manager				Total Amount
		1	2	3	4	
		Akbar Khan				
	Gross Salary:					
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	72,00,000	-	-	-	72,00,000
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Issue of Equity Shares	14,99,496	-	-	-	14,99,496
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	- as % of profits	-	-	-	-	-
	- others, specify	-	-	-	-	-
5	Others, specify	-	-	-	-	-
	Total	86,99,496	-	-	-	86,99,496
	Ceiling as per the Act	2,40,00,00,000	-	-	-	-

B. Remuneration to other directors

Sl. No.	Particulars of Remuneration	Name of director				Total Amount
		1	2	3	4	
1	Independent Directors	Rakesh Rewari	Bhama Krishnamurthy			
	Fees for attending board / committee meetings	4,15,000	5,55,000	-	-	9,70,000
	Commission	-	-	-	-	-
	Travelling expenses	-	-	-	-	-
	Total (1)	4,15,000	5,55,000	-	-	9,70,000
2	Other Non-Executive Directors	Vineet Chandra Rai	Anurag Agrawal			
	Fees for attending board / committee meetings	75,000	3,15,000	-	-	3,90,000
	Commission	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	Total (2)	75,000	3,15,000	-	-	3,90,000
	Total (1+2)					13,60,000
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					

C. Remuneration to KMPs other than MD / Manager / WTD

Sl. No.	Particulars of Remuneration	KMP			Total Amount
		CEO	CFD	CS	
		Akbar Khan Nitin Agrawal Chirag Desai			
	Gross Salary:				
1	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	72,00,000	66,00,000	18,97,250	1,56,97,250
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary u/s 17(3) of the Income Tax Act, 1961	-	-	-	-
2	Issue of Equity Shares	14,99,496	9,13,387	-	24,12,883
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profits	-	-	-	-
	- others, specify	-	-	-	-
5	Others, specify	-	-	-	-
	Total	86,99,496	75,13,387	18,97,250	1,81,10,133

VII PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

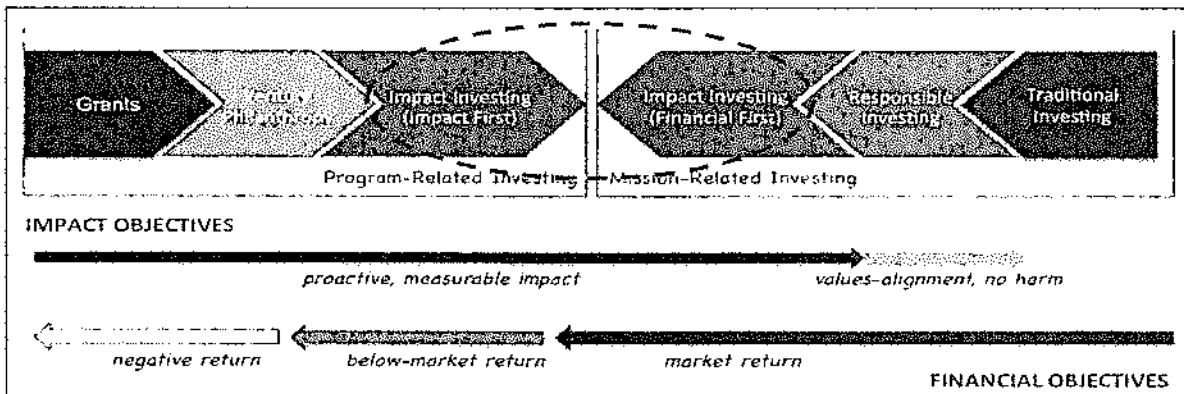
Type	Section of the Companies Act	Brief Description	Details of penalty / punishment / Compounding fees imposed	Authority [RD /NCLT/ Court]	Appeal made, if any (give details)
A. COMPANY					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

a. Industry structure and developments:

India has had a long history of social entrepreneurship. From the Gandhian era where self-sufficiency was at the core of social entrepreneurship movements to the mid-70s which saw the dawn of biggest public private partnership (PPP) till date of India. Kaira District Cooperative Milk Producers Union, known by its brand name AMUL (Anand Milk Union Ltd.), and Self-Employed Women Association (SEWA) are all outcome of countless efforts of leaders like Dr. Verghese Kurien and Elaben Bhatt who were responsible for devising and implementing novel and innovative business models which generated positive environmental and social impact along which economic returns, most part of which was flowing down stream to the primary producers and workers.

The economic reforms in the 1990s paved way for participation of private enterprises in the economy and this led to an entrepreneurial bloom. As a result, the MSME industry saw exponential growth. India’s BoP population faces enormous amount of challenge in terms of livelihood and access to basic needs, and presents the largest opportunity for impact globally. The public expenditure on these social sectors is low and it is unable to meet the vast needs at the BoP. In response to these unmet needs, private sector has emerged with market solutions to the access and affordability issues in the basic services. Capital for these enterprises was the big missing link and this led to emergence of impact funding in India.

Impact enterprises include those “For Profit” enterprises who serve under-served beneficiaries including the producers, consumers, suppliers, employees and / or entrepreneurs. Impact enterprises typically look to cater to such segments which may not be purely financially lucrative but actually look to address wider social issues through commercial activities in addition to generating financial gains for the stakeholders involved.



Impact funding is done by individuals as well as institutions which seek an opportunity of financial gains along with positive economic, environmental and social impact created through their funding.

For the growing social and economic needs of India, social sector plays an important role. Economic growth in India has not able to touch the lives at last mile and with increase in socio-economic disparities, there is more focus on the market-based approach to tackle the challenges.

IntelleGrow acts as a financial intermediary for this segment and helps the SGBs in availing debt facility for working capital.

b. Opportunities:

The SGB industry in India involves over Rs. 7 trillion investment in fixed assets. These small and growing businesses (SGBs) usually require working capital and term debt facilities to address business growth needs. Obtaining funds to continue operations is the biggest hurdle that these SGBs face. The



traditional bank and NBFCs lending format is to give collateral backed loans to such enterprises. Also, these have to be established businesses with a profitable track record by entrepreneurs who are well versed in their respective fields. Financial institutions have traditionally limited their exposure to this sector due to the perception that these businesses carry high risk and high cost of delivery, and have limited access to immovable collateral. In this scenario, most of the SGBs become ineligible to borrow from these traditional lenders and thus resort to borrowing from private sources with exorbitant and exploitative interest rates going up to 3-5 percent per month. Alternately, they raise equity thereby diluting their shareholding. They have a low negotiating power on valuation if their requirement of funds is urgent or their track record is still building or the business model is still getting refined. A brief summary of the identified debt gap to such small and medium enterprises in India is shown as under:

"The Missing Middle"

Debt Gap Analysis			
USD Mn	Total Debt Gap	Working Capital (61% of gap)	Term Loan (39% of gap)
Small Enterprises	8,333	5,083	3,250
Medium Enterprises	3,000	1,833	1,167
Total	11,333	6,917	4,417

Intellegrow's target segment

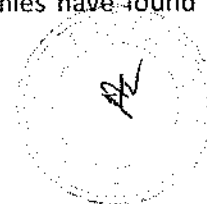
The following table sums up the existing gap in the lending space to SGBs in India which Intellegrow is serving through its unique proposition.

Table 1: SME debt financing sector analysis

Current Gap / Market Scoping	Challenges by existing players	Opportunities for venture debt like Intellegrow
<ul style="list-style-type: none"> • Small and Growing Businesses (SGBs) form a significant part of the Missing Middle • In existence between 1-4 years • Limited operational and financial track record • Limited ability to provide hard collateral 	<ul style="list-style-type: none"> • Lack of collateral • Lack of flexible repayment structures • High processing and approval time • High transaction costs do not allow developing a profitable business model • Lack of financial transparency poses risks that they are not equipped to mitigate 	<ul style="list-style-type: none"> • Viability-based approach to lending • Flexible and customized loan products designed to suit the business model of borrower SGBs • Fast turn-around time as compared to other lenders in the industry. • Lack of collateral and highly profitable track record is not a disqualifier for a loan from Intellegrow

c. Segment wise or product wise performance:

Due to GST Implementation and lag effect of Demonetisation, some of the larger companies in the Company's portfolio were more impacted than the smaller companies. Smaller Companies have been able to come out of incipient/ overdue position faster since they found it easier to raise incremental funds and small amounts could make material difference but the larger companies have found it tougher to raise sufficient funds to come out of problems.



During the year under review, the company has started with new products i.e. lending to MSMEs in partnership with different entities and has also started lending by way of bill discounting. Overall performances of the products are quite satisfactory.

d. Outlook:

Indian Banks and Foreign Banks have entered into the retail lending business in bigger way, which created pressure on margins and in way created tough competitive market for existing lenders. In order to sustain in this competitive environment, the company can survive only by way of optimizing funding costs, use of technology, cost efficiencies, strict credit monitoring, widening geographical reach and identification of potential business areas.

e. Risks and Concerns:

- Execution for building book & stagnation avoidance;
- Portfolio Quality, ring fence portfolio from further slippages;
- Enhancement in credit rating;
- Need to strengthen monitoring function to really track and report risk triggers;
- Templatize and standardize to increase productivity.

f. Internal control systems and their adequacy:

The company has an internal control system which is commensurate with the size, scale and complexity of its operations. The Internal Auditor monitors the efficiency 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 Audit and Compliance Committee of the Board on timely basis.

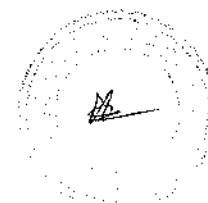
g. Discussion on financial performance with respect to operational performance:

During the financial year ender review:

- Revenue of the Company has grown up by 21% supported by larger portfolio base through with lower yield;
- Interest income gone up by 17%;
- Operating Expense Ratio has come down to 4.4% from 5.5%;
- Finance costs increased by 52% while the ON Balance Sheet disbursement increase by 29% as compared to previous years.
- Due to increase in Credit Cost of the Company, the company had occurred losses.

h. Material developments in Human Resources / Industrial Relations front, including number of people employed:

The company aspires to use its Human Capital as Knowledge Capital while ensuring efficient resource utilization and cost control. Employees are most valuable resource and assets of the company. Your company is managed by majorly professionals like, Chartered Accountants, Company Secretaries, Lawyers, Cost Accountants, Business Administrative persons having rich experience and wide knowledge. The Company follows and believe in the policy of building strong team of professionals and continue to do that. During the year, team size of the company has grown to 45 employees from 37 employees last year.



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INDEPENDENT AUDITOR'S REPORT

To the Members of Jain Sons Finlease Limited

Report on the Financial Statements

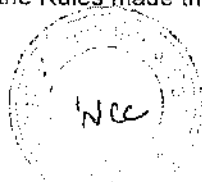
1. We have audited the accompanying financial statements of Jain Sons Finlease Limited ('the Company'), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

2. The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the 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 prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and the guidelines issued by the Reserve Bank of India as applicable to a Non-Banking Financial Company. This responsibility also includes 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 frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the 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

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



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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5. 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 these financial statements are free from material misstatement.
6. An audit involves performing procedures to obtain audit evidence about the amounts and the 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 financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.
7. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on these financial statements.

Opinion

8. In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, of the state of affairs of the Company as at 31 March 2018, and its loss and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

9. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government of India in terms of Section 143(11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
10. Further to our comments in Annexure A, as required by Section 143(3) of the Act, we report that:
 - a. we have sought and 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 it appears from our examination of those books;
 - c. the financial statements 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 prescribed under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended);
 - e. on the basis of the written representations received from the directors and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2018 from being appointed as a director in terms of Section 164(2) of the Act;
 - f. we have also audited the internal financial controls over financial reporting of the Company as on 31 March 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date and our report dated 24 April 2018 as per Annexure B expresses an unmodified opinion; and

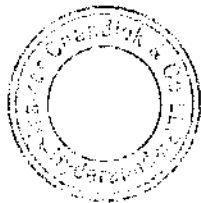


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- g. with respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
- i. the Company, as detailed in Note 30 to the financial statements, has disclosed the impact of pending litigations on its financial position;
 - ii. the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
 - iii. there were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
 - iv. the disclosure requirements relating to holdings as well as dealings in specified bank notes were applicable for the period from 8 November 2016 to 30 December 2016 which are not relevant to these financial statements. Hence, reporting under this clause is not applicable.

Walker Chandiook & Co LLP
For **Walker Chandiook & Co LLP**
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
per **Nikhil Vaid**
Partner
Membership No.: 213356



Place: Hyderabad
Date: 24 April 2018

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Annexure A to the Independent Auditor's Report of even date to the members of Jain Sons Finlease Limited, on the financial statements for the year ended 31 March 2018

Based on the audit procedures performed for the purpose of reporting a true and fair view on the financial statements of the Company and taking into consideration the information and explanations given to us and the books of account and other records examined by us in the normal course of audit, and to the best of our knowledge and belief, we report that:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The fixed assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
- (c) The Company does not hold any immovable properties. Accordingly, the provisions of clause 3(i)(c) of the Order are not applicable.
- (ii) The Company does not have any inventory. Accordingly, the provisions of clause 3(ii) of the Order are not applicable.
- (iii) The Company has granted unsecured loans to a company covered in the register maintained under Section 189 of the Act; and with respect to the same:
 - (a) in our opinion, the terms and conditions of grant of such loans are not, prima facie prejudicial to the Company's interest.
 - (b) the schedule of repayment of principal and payment of interest has been stipulated and the repayment of the principal amount and the interest are regular;
 - (c) there is no overdue amount in respect of loans granted to such company.
- (iv) In our opinion, the Company has not entered into any transaction covered under Sections 185 and 186 of the Act. Accordingly, the provisions of clause 3(iv) of the Order are not applicable.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not specified maintenance of cost records under sub-section (1) of Section 148 of the Act, in respect of Company's services. Accordingly, the provisions of clause 3(vi) of the Order are not applicable.
- (vii) (a) The Company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of customs, duty of excise, value added tax, cess and other material statutory dues, as applicable, to the appropriate authorities. Further, no undisputed amounts payable in respect thereof were outstanding at the year-end for a period of more than six months from the date they become payable.



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- (b) The dues outstanding in respect of income-tax, sales-tax, service tax, duty of customs, duty of excise and value added tax on account of any dispute, are as follows:

Name of the Statute	Nature of dues	Amount (₹)	Amount paid under Protest (₹)	Period to which amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act 1961	Income Tax	3,271,599	3,271,599	2013-14	Income Tax Appellate Tribunal (ITAT)	
Income Tax Act 1961	Income Tax	173,400	-	2012-13	Not applicable	Pending for ratification.

- (viii) The Company has no loans or borrowings payable to a government during the year. The Company has not defaulted in repayment of loans or borrowings to bank and financial institution or any dues to debenture-holders during the year.
- (ix) During the year, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments). In our opinion, the term loans were applied for the purposes for which the loans were obtained, though idle/surplus funds which were not required for immediate utilization have been invested in liquid investments, payable on demand.
- (x) No fraud by the Company or on the Company by its officers or employees has been noticed or reported during the period covered by our audit.
- (xi) In our opinion, managerial remuneration has been paid/provided by the Company in accordance with the requisite approvals mandated by the provisions of Section 197 of the Act read with Schedule V to the Act.
- (xii) In our opinion, the Company is not a Nidhi Company. Accordingly, provisions of clause 3(xii) of the Order are not applicable.
- (xiii) In our opinion all transactions with the related parties are in compliance with Sections 177 and 188 of Act, where applicable, and the requisite details have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) During the year, the Company has made private placement of equity shares. In respect of the same, in our opinion, the Company has complied with the requirement of Section 42 of the Act and the Rules framed thereunder. Further, in our opinion, the amounts so raised have been used for the purposes for which the funds were raised. During the year, the Company did not make private placement / preferential allotment of fully / partly convertible debentures.
- (xv) In our opinion, the Company has not entered into any non-cash transactions with the directors or persons connected with them covered under Section 192 of the Act.

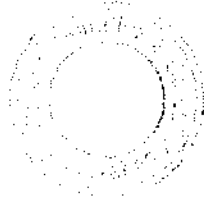


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(xvi) The Company is required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934 and such registration has been obtained by the Company.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
per Nikhil Vaid
Partner
Membership No.: 213356



Place: Hyderabad
Date: 24 April 2018

Annexure B to the Independent Auditor's Report of even date to the members of Jain Sons Finlease Limited, on the financial statements for the year ended 31 March 2018

Independent Auditor's report on the Internal Financial Controls under section 143(3)(i) of the Companies Act, 2013 ("the Act")

1. In conjunction with our audit of the financial statements of Jain Sons Finlease Limited ("the Company") as of and for the year ended 31 March 2018, we have audited the internal financial controls over financial reporting (IFCoFR) of the Company as of that date.

Management's Responsibility for Internal Financial Controls

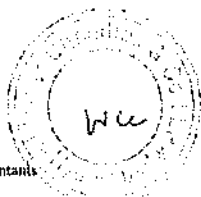
2. The Company's Board of Directors is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting ("the Guidance Note") issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of the company's business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

3. Our responsibility is to express an opinion on the Company's IFCoFR based on our audit. We conducted our audit in accordance with the Standards on Auditing, issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of IFCoFR, and the Guidance Note issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate IFCoFR was established and maintained and if such controls operated effectively in all material respects.
4. Our audit involves performing procedures to obtain audit evidence about the adequacy of the IFCoFR and their operating effectiveness. Our audit of IFCoFR included obtaining an understanding of IFCoFR, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.
5. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's IFCoFR.

Meaning of Internal Financial Controls over Financial Reporting

6. A company's IFCoFR is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's IFCoFR includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



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Inherent Limitations of Internal Financial Controls over Financial Reporting

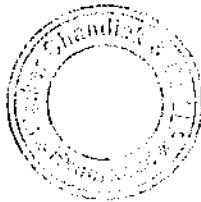
7. Because of the inherent limitations of IFCoFR, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the IFCoFR to future periods are subject to the risk that IFCoFR may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

8. In our opinion, the Company has, in all material respects, adequate IFCoFR and such IFCoFR were operating effectively as of 31 March 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

Walker Chandiook & Co LLP
For Walker Chandiook & Co LLP
Chartered Accountants
Firm's Registration No.: 001076N/N500013

Nikhil Vaid
per Nikhil Vaid
Partner
Membership No.: 213356



Place: Hyderabad
Date: 24 April 2018

Walker Chandniok & Co LLP

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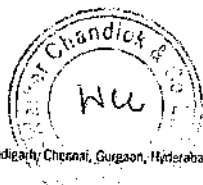
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Auditor's Report

[Pursuant to the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016]

To
The Board of Directors
Jain Sons Finlease Limited
1002, 10th Floor, Block A
The Platina Building, Gachibowli
Hyderabad – 500032
Telangana, India

1. We have audited the financial statements of Jain Sons Finlease Limited, ("the Company"), which comprise the Balance Sheet as at 31 March 2018, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information and have issued unqualified opinion vide our report dated 24 April 2018.
2. As required by the paragraphs 3 and 4 of Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 2016, issued by the Reserve Bank of India ("the RBI") vide Notification No. PPD.03/66.15.001/2016-17 dated 29 September 2016, as amended and based on our audit, we report on the matters specified in paragraphs 3 and 4 of the said directions:
 - a. The Company is engaged in the business of Non-Banking Financial Institution (without accepting or holding public deposits) and pursuant to the provisions of Section 45-1(a) of the Reserve Bank of India Act, 1934 (as amended) it has obtained a certificate of registration vide certificate no. B-09.00441 dated 25 September 2014.
 - b. In our opinion, and in terms of the Company's assets and income pattern as at and for the year ended 31 March 2018, the Company is entitled to continue to hold the certificate of registration issued by the RBI.
 - c. In our opinion, the Company is meeting the required net owned fund requirement as laid down in the Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.
 - d. The Board of Directors of the Company in their meeting held on 24 May 2017 has passed a resolution for non-acceptance of any public deposits during the year ended 31 March 2018.



Chartered Accountants

Offices in Bengaluru, Chandigarh, Chennai, Gurgaon, Hyderabad, Kochi, Kolkata, Mumbai, New Delhi, Noida and Pune

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- e. The Company has not accepted any public deposits during the year ended 31 March 2018.
- f. In our opinion and to the best of our information and according to the explanations given to us, the Company has complied with the prudential norms issued by the RBI in relation to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it in terms of the Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 (as amended).
- g. We understand that the Company has submitted the Form NBS-7 for the quarter ended 31 March 2018 based on the provisional financial information, according to which the capital adequacy ratio as at 31 March 2018 stands at 27.47%. In our opinion, the capital adequacy ratio of 27.78% as disclosed in the audited financial statements for the year ended 31 March 2018 is in compliance with the capital to risk asset norm prescribed by the RBI.
- h. As per the information furnished to us, the Company has electronically furnished the Form NBS-7 for the quarter ended 31 March 2018 on 17 April 2018.
- i. The Company is not a Non-Banking Financial Company – Micro Finance Institution as defined under the Non-Banking Financial Company –Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016.

Walker Chandlok & Co LLP
For Walker Chandlok & Co LLP
Chartered Accountants
Firm Registration No: 001076N / N500013

Nikhil Vaid
per Nikhil Vaid
Partner
Membership No.: 213356

Place: Hyderabad
Date: 24 April 2018



Jain Sons Finlease Limited
Balance Sheet as at 31 March 2018
(All amounts in ₹ unless otherwise stated)

	Notes	31 March 2018	31 March 2017
Equity and liabilities			
Shareholders' funds			
Share capital	3	448,918,830	448,187,940
Reserves and surplus	4	385,351,425	582,497,286
		834,270,255	1,030,685,226
Share application money pending allotment	3 (m)	196,971,543	-
Non-current liabilities			
Long-term borrowings	5	1,536,267,857	873,991,428
Other long-term liabilities	6	122,410,374	36,240,000
Long-term provisions	7	10,588,969	6,386,426
		1,669,267,200	916,617,854
Current liabilities			
Short-term borrowings	8	50,000,000	-
Other current liabilities	6	1,037,571,005	951,809,964
Short-term provisions	7	16,855,392	9,297,591
		1,104,426,397	961,107,555
Total		3,804,935,395	2,908,410,635
Assets			
Non-current assets			
Property, Plant and Equipment			
- Tangible assets	9	17,825,537	6,166,740
- Intangible assets	10	4,834,427	439,289
- Capital work-in-progress		-	12,342,778
- Intangible assets under development		-	4,500,000
Non-current investments	11	192,077,369	-
Deferred tax assets (net)	12	-	4,261,182
Loans to customers	13	805,152,796	1,091,213,303
Long-term loans and advances	14	100,406,672	62,709,196
Other non-current assets	15	14,583,336	20,625,000
		1,134,880,137	1,202,257,488
Current assets			
Current investments	11	48,960,384	-
Cash and bank balances	16	447,956,913	226,474,766
Loans to customers	13	2,121,936,232	1,432,353,500
Short-term loans and advances	14	23,249,690	21,235,281
Other current assets	15	27,952,039	26,089,600
		2,670,056,258	1,706,153,147
Total		3,804,935,395	2,908,410,635

The accompanying notes form an integral part of these financial statements.

This is the Balance Sheet referred to in our report of even date.

Walker Chandok & Co LLP
For Walker Chandok & Co LLP
Chartered Accountants

Nikhil Vaid
per Nikhil Vaid
Partner

For and on behalf of the Board of Directors of
Jain Sons Finlease Limited

Vineet Chandra Rai
Chairman
DIN: 00606290

Nitin Prakash Agrawal
Deputy CEO and CFO

Date: 24 April 2018
Place: Mumbai

Akbar Khan
Executive Director and CEO
DIN: 07657205

Chirag Desai
Company Secretary

Date: 24 April 2018
Place: Hyderabad

Jain Sons Finlease Limited

Statement of Profit and Loss for the year ended 31 March 2018

(All amounts in ₹ unless otherwise stated)

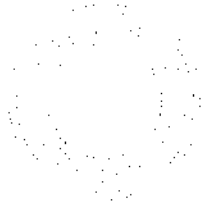
	Notes	31 March 2018	31 March 2017
Revenues			
Revenue from operations	17	500,286,444	429,386,997
Other income	18	46,094,428	23,650,963
Total revenues		546,380,872	453,037,960
Expenses			
Employee benefits expense	19	74,808,575	66,384,235
Finance costs	20	334,649,632	220,204,374
Depreciation and amortisation	9 & 10	3,318,952	2,196,665
Provisions and write-offs	21	275,809,443	41,658,162
Other expenses	22	53,116,401	46,614,987
Total expenses		741,703,003	377,058,423
(Loss)/profit before tax		(195,322,131)	75,979,537
Tax expense			
Current tax		-	19,041,753
Deferred tax expense		4,261,182	4,888,959
(Loss)/profit for the year		(199,583,313)	52,048,825
Earnings per equity share (EPES)			
Basic	28	(18.12)	4.74
Diluted		(18.12)	2.41
Nominal value per equity share		10	10

The accompanying notes form an integral part of these financial statements.

This is the Statement of Profit and Loss referred to in our report of even date.

Walker Chandick & Co LLP
For Walker Chandick & Co LLP
Chartered Accountants

Nikhil Vaid
per Nikhil Vaid
Partner



For and on behalf of the Board of Directors of
Jain Sons Finlease Limited

Vineet Chandra Rai
Chairman
DIN: 00605290

Nitin Prakash Agrawal
Deputy CEO and CFO

Date: 24 April 2018
Place: Mumbai

Akbar Khan
Executive Director and CEO
DIN: 07657205

Chirag Desai
Company Secretary

Date: 24 April 2018
Place: Hyderabad

Jain Sons Finance Limited
Cash Flow Statement for the year ended 31 March 2018
(All amounts in ₹ unless otherwise stated)

	31 March 2018	31 March 2017
Cash flow from operating activities		
Profit/(loss) before tax	(195,322,131)	75,979,537
Adjustments for:		
Depreciation and amortisation	3,318,952	2,196,665
Provisions and write-offs	275,809,443	41,658,162
Provisions from employee benefits	1,239,526	682,874
Interest income from investments	(3,585,545)	(1,872,890)
Gain on sale of investments	(31,381,276)	(20,017,523)
Operating profit before working capital changes	50,078,969	98,626,825
Decrease/(increase) in loans and advances	2,647,686	(3,972,352)
Increase in loans to customers	(668,810,850)	(1,064,090,126)
Increase in other current assets	(775,294)	(11,062,202)
Increase in margin money deposit (net)	(8,119,576)	(24,974,681)
Increase in other liabilities and provisions	133,688,620	99,810,547
Cash used in operations	(491,290,445)	(905,661,989)
Income tax paid, net	(44,254,499)	(44,574,311)
Net cash used in operating activities (A)	(535,544,944)	(950,236,300)
Cash flow from investing activities		
Investments in Pass Through Certificates (PTC's)	(241,037,753)	-
Proceeds from redemption of PTC's	-	23,968,851
Interest income from investments	2,498,400	1,872,890
Purchase of mutual funds	(9,556,001,249)	(5,401,823,002)
Proceeds from sale of mutual funds	9,586,382,525	5,421,840,525
Purchase of fixed assets	(6,795,505)	(16,863,604)
Proceeds from disposal of fixed assets	4,265,396	-
Net cash (used in) /generated from investing activities (B)	(209,688,186)	28,995,660
Cash flow from financing activities		
Proceeds from issue of shares (including share application money)	200,139,885	510,000,036
Share issue expenses	-	(22,791,839)
Proceeds from long-term borrowings(net)	700,519,224	416,204,391
Proceeds from short-term borrowings(net)	50,000,000	-
Net cash generated from financing activities (C)	950,659,109	903,412,588
Net increase/(decrease) in cash and cash equivalents (A+B+C)	205,425,979	(17,828,052)
Cash and cash equivalents at the beginning of the year	184,614,266	202,442,318
Cash and cash equivalents at the end of the year (refer note 16)	390,040,245	184,614,266
Note 1: Interest paid	325,873,317	185,715,009
Note 2: Interest received on loans	433,387,330	362,418,845

This is the Cash Flow Statement referred to in our report of even date.

Walker Chandniok & Co LLP
For Walker Chandniok & Co LLP
Chartered Accountants

Nikhil Vaid
per Nikhil Vaid
Partner

For and on behalf of the Board of Directors of
Jain Sons Finance Limited

Vineet Chandra Rai
Chairman
DIN: 00606290

Nitin Prakash Agrawal
Deputy CEO and CFO

Akbar Khan
Executive Director and CEO
DIN: 07657205
Chirag Desai
Company Secretary

Date: 24 April 2018
Place: Hyderabad

Date: 24 April 2018
Place: Mumbai

Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

1. Company overview

Jain Sons Finlease Limited ("the Company") is a limited liability company incorporated under the provisions of the Companies Act, 1956. Effective 7 January 1999, the Company is registered as a non-deposit taking, Non-Banking Financial Company ("NBFC") under the rules and regulations framed by the Reserve Bank of India ("the RBI"). The Company is engaged in the business of lending. The Company is part of a Systemically Important Non-Deposit taking NBFC group.

2. Summary of significant accounting policies

a. Basis of preparation of financial statements

The financial statement has been prepared on accrual basis of accounting and in accordance with the accounting standards notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended) (the "Rules") specified under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 (as amended) and other recognized accounting practices and policies generally accepted in India including the requirements of the Act ("Indian GAAP") and guidelines issued by the RBI as applicable to non-banking financial companies. The financial statements have been prepared on an accrual basis except for interest on non-performing loan assets which have been accounted on cash basis based on RBI rules. The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Act. Based on the nature of work, the Company has ascertained its operating cycle as up to twelve months for the purpose of current and non-current classification of assets and liabilities.

b. Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the balances of assets and liabilities and disclosures relating to contingent liabilities as at the reporting date of the financial statements and amounts of income and expenses. Examples of such estimates include the provision for doubtful loans, employee benefits, income taxes, recognition of deferred tax assets, classification of assets and liabilities into current and non-current and useful life of fixed assets.

Although these estimates are based upon management's best knowledge of current events and actions, actual results could materially differ from those estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

c. Tangible fixed assets

Fixed assets are carried at the cost of acquisition less accumulated depreciation and impairment losses, if any. The cost comprises the purchase price, freight, non-refundable taxes and duties, and any directly attributable cost of bringing the asset to its working condition for its intended use. Assets retired from active use and held for disposal are stated at their estimated net realisable values or net book values, whichever is lower.

d. Depreciation

Depreciation is provided using the straight-line method at the rates specified in Schedule II. Depreciation is calculated on a pro-rata basis from the date of installation till the date the assets are sold or disposed.

e. Impairment

The carrying amounts of assets are 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 asset's 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.

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Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

f. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the collectability is reasonably assured.

- Interest on loans is recognised on accrual basis, except in the case of non-performing assets, where interest is recognised upon realisation, in accordance with the directives of the Non-Banking Financial Company - Systemically Important Non - Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016 ("the Prudential Norms"). Additional interest for delays in payments is recognized as income only when it is certain that the amounts will be collected from the customers.
- Loan processing fees is accounted on the basis of agreement with the customers.
- Profit/loss on the sale of investments is computed on the basis of average cost of investments and recognized at the time of sale/redemption.
- Interest income is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
- Income from other financial services is recognised when the services are rendered and related costs are incurred.

g. Investments

Investments that are readily realizable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments.

The Company purchases credit rated asset pools from banks / non-banking finance companies by way of pass through certificates issued by special purpose vehicle. Such transactions are accounted as investments as per Accounting Standard 13 'Accounting for Investments' and the provisions for the said investments are created in accordance with the policy mentioned in note 2(f).

Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the long-term investments.

h. Cash and cash equivalents

Cash and cash equivalents in the cash flow statement comprise of cash at bank and on hand and include short-term investments with an original maturity of three months or less.

i. Asset classification and provisioning

Classification of Assets:

Asset Classification	Period of Over Due
Standard assets	Not overdue or overdue for less than 90 days.
Non-performing assets (NPA)	Overdue for 90 days or more.
- Sub-standard assets	An asset that has been classified as NPA for a period not exceeding 12 months or an asset where the terms of agreement regarding interest and/or principal have been renegotiated or rescheduled.
- Doubtful assets	Sub-standard assets for more than 12 months.
- Loss assets	Assets that are identified as loss assets by the Company or internal auditor or external auditor or by the RBI.

Note: Overdue refers to interest and/or instalment remaining unpaid from the day it became receivable.

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Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

Provision for loan portfolio / Investment in Pass through certificates (PTC's)

Asset classification	Percentage of Provision
Standard assets	0.40%
Sub-standard assets	10%
Doubtful assets	
Unsecured	100%
Secured	
Up to one year	20%
One to three years	30%
More than three years	50%
Loss assets	100%

Provision on restructured accounts classified as sub-standard advances is made at 10%.

j. Employee benefits

Provident fund

Retirement benefit in the form of a provident fund is a defined contribution scheme and the contributions are charged to the Statement of Profit and Loss of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective authorities.

Gratuity

Gratuity is a post-employment defined benefit obligation. The liability recognized in the Balance Sheet represents the present value of the defined benefit obligation at the Balance Sheet date, together with adjustments for past service costs. An independent actuary, using the projected unit credit method calculates the defined benefit obligation annually. Actuarial gains or losses arising from experience adjustments and changes in actuarial assumptions are credited or charged to the Statement of profit and loss in the year in which such gains or losses arise.

k. Foreign currency transactions

Initial recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

Exchange differences

Exchange differences arising on the settlement of monetary items or on the reporting of monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expense in the year in which they arise.

l. Taxes

Tax expense comprises of current and deferred tax.

Current tax

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India.

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Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

Deferred tax

Deferred tax charges or credits reflect the tax effect of timing differences between accounting income and taxable income for the period. The deferred tax charges or credits and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future periods; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized only if there is a virtual certainty of realization of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written-up to reflect the amount that is reasonably/virtually certain (as the case may be) to be realized.

m. Employee share based payments

Measurement and disclosure of the employee share-based payment plans is done in accordance with the guidance note on "Accounting for Employee Share-based Payments", issued by the ICAI. The excess of intrinsic value of the stock on the date of grant over the exercise price of the option is recognized as expense in the Statement of profit and loss.

n. Leases

Where the lessor effectively retains all risk and benefits of ownership of the leased items, such leases are classified as operating lease. Operating lease payments are recognized as an expense in the Statement of profit and loss on a straight line basis.

o. Earnings per equity share

Basic earnings per equity share are calculated by dividing the net profit (loss) for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. For the purpose of calculating diluted earnings per equity share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year are adjusted for the effects of all dilutive potential equity shares.

p. Provisions and contingent liabilities

Provision is recognized when the Company has a present obligation as a result of a past event and when it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. Provisions are not discounted to their present value and are determined based on management's best estimate required to settle the obligation at the balance sheet date. These are reviewed at each balance sheet date and adjusted to reflect the current management estimates. A disclosure of a contingent liability is made when there is a possible or a present obligation that may, but probably will not, require an outflow of resources.

q. Borrowing costs

All borrowing costs are expensed in the period they occur. Borrowing cost consist of interest and other costs that the Company incurs in connection with the borrowing of funds.



Jain Sons Finance Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

3. Share capital

	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
Authorized				
Equity shares of ₹10 each	26,000,000	260,000,000	17,500,000	175,000,000
0.001% Compulsory Convertible Preference Shares ("CCPS") of ₹20 each	2,000,000	40,000,000	2,000,000	40,000,000
0.001% Series B1 CCPS of ₹100 each	2,500,000	250,000,000	2,500,000	250,000,000
0.001% Series B2 CCPS of ₹100 each	300,000	30,000,000	300,000	30,000,000
0.001% Series C CCPS of ₹10 each	6,000,000	60,000,000	6,000,000	60,000,000
0.001% Series D CCPS of ₹10 each	5,600,000	56,000,000	-	-
		<u>696,000,000</u>		<u>555,000,000</u>
Issued, subscribed and fully paid-up				
Equity shares of ₹10 each	11,042,437	110,424,370	10,969,348	109,693,480
0.001% Series B1 CCPS of ₹100 each	2,499,948	249,994,800	2,499,948	249,994,800
0.001% Series B2 CCPS of ₹100 each	300,000	30,000,000	300,000	30,000,000
0.001% Series C CCPS of ₹10 each	5,849,966	58,499,660	5,849,966	58,499,660
		<u>448,918,830</u>		<u>448,187,940</u>

a) Reconciliation of equity share capital

	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
Balance at the beginning of the year	10,969,348	109,693,480	10,819,348	108,193,480
Add: Allotted during the year	73,089	730,890	150,000	1,500,000
Balance at the end of the year	<u>11,042,437</u>	<u>110,424,370</u>	<u>10,969,348</u>	<u>109,693,480</u>

b) Reconciliation of CCPS

	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
0.001% Series B1 CCPS of ₹100 each				
Balance at the beginning of the year	2,499,948	249,994,800	2,499,948	249,994,800
Add: Allotted during the year	-	-	-	-
Balance at the end of the year	<u>2,499,948</u>	<u>249,994,800</u>	<u>2,499,948</u>	<u>249,994,800</u>

	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
0.001% Series B2 CCPS of ₹100 each				
Balance at the beginning of the year	300,000	30,000,000	300,000	30,000,000
Add: Allotted during the year	-	-	-	-
Balance at the end of the year	<u>300,000</u>	<u>30,000,000</u>	<u>300,000</u>	<u>30,000,000</u>

	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
0.001% Series C CCPS of ₹10 each				
Balance at the beginning of the year	5,849,966	58,499,660	-	-
Add: Allotted during the year	-	-	5,849,966	58,499,660
Balance at the end of the year	<u>5,849,966</u>	<u>58,499,660</u>	<u>5,849,966</u>	<u>58,499,660</u>

c) Terms and rights attached to equity shares

The Company has only one class of equity shares having a par value of ₹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, if any, is subject to the approval of the shareholders in the ensuing general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company in proportion of their shareholding.

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Jain Sons Fintcase Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

d) Terms and rights attached to Series C CCPS of ₹10 each

The Company had allotted 5,849,996 non-cumulative CCPS of face value ₹10 each fully paid-up at a premium of ₹77.18 per share on 06 May 2016. The Series C - CCPS carry dividend of 0.001% per annum. In addition to the fixed dividend, each CCPS shall be entitled to participate along with the equity shares in any dividends declared by the Company on the equity shares, as if such CCPS has been converted into equity shares immediately prior to declaration of dividend by the Company.

Pursuant to the terms of the issue, 1 (one) Series C CCPS shall be compulsorily convertible into 1 (one) equity share of ₹10 each fully paid-up, at the option of the holder, in accordance with the terms of the Shareholder's Agreement. If the CCPS holders do not exercise the conversion option, 1 (one) CCPS shall be automatically converted into 1(one) equity share of ₹10 each at the end of 8th year from the date of issuance or on occurrence of an initial public offer in accordance with the terms of the Shareholders Agreement. In the event of liquidation of the Company before conversion of CCPS, the holders of CCPS will have priority over equity shares in the payment of dividend and repayment of capital.

e) Terms and rights attached to Series B CCPS of ₹100 each

The Company had issued 2,499,948 Series B1 CCPS and 300,000 Series B2 CCPS of face value ₹100 each fully paid-up at par (collectively Series B CCPS) on 18 February 2014. The Series B - CCPS carry dividend of 0.001% per annum. In addition to the fixed dividend, each CCPS shall be entitled to participate along with the equity shares in any dividends declared by the Company on the equity shares, as if such CCPS has been converted into equity shares immediately prior to declaration of dividend by the Company.

Pursuant to the terms of the issue, Series B CCPS shall be compulsorily convertible into equity share of ₹10 each fully paid-up at a premium of ₹42.25 per share, at the option of the holder, in accordance with the terms of the Shareholder's Agreement dated 29 March 2016 ("the Shareholder's Agreement") between the Company, Intellectual Capital Advisory Services Private Limited ("ICAP"), ON Mauritius, Michael and Susan Dell Foundation, Triodos SICAV II-Triodos Microfinance Fund ("TSTMF"), Triodos Custody B.V.INZ - Triodos Fair Share Fund ("TCTFSF"), DWM (International) Mauritius LTD ("DWM"), Vineel Rai and Sanjib Kumar Jha. If the CCPS holders do not exercise the conversion option, Series B CCPS shall be automatically converted into equity share of ₹10 each at a premium of ₹42.25 per share on 22 March 2019 in accordance with the terms of the Shareholders Agreement. In the event of liquidation of the Company before conversion of CCPS, the holders of CCPS will have priority over equity shares in the payment of dividend and repayment of capital.

f) Details of equity shares held by holding company and its subsidiaries

	31 March 2018		31 March 2017	
	Number	Amount	Number	Amount
ICAP	5,999,995	59,999,950	5,999,995	59,999,950

g) Shareholders holding more than five percent of paid-up equity share capital

	31 March 2018		31 March 2017	
	Number	% holding	Number	% holding
ICAP	5,999,995	54.34%	5,999,995	54.70%
TCTFSF	987,784	8.95%	987,784	9.00%
TSTMF	987,783	8.95%	987,783	9.00%
DWM	975,566	8.83%	975,566	8.89%
Michael & Susan Dell Foundation	969,525	8.78%	969,525	8.84%
Aavishkaar Venture Management Services Private Limited ("AVMS")	880,593	7.97%	880,593	8.03%

h) Shareholders holding more than five percent of 0.001% Series B1 CCPS of ₹100 each fully paid-up

	31 March 2018		31 March 2017	
	Number	% holding	Number	% holding
ON Mauritius	2,499,948	100.00%	2,499,948	100.00%

i) Shareholders holding more than five percent of 0.001% Series B2 CCPS of ₹100 each fully paid-up

	31 March 2018		31 March 2017	
	Number	% holding	Number	% holding
DWM	150,000	50.00%	150,000	50.00%
TSTMF	75,000	25.00%	75,000	25.00%
TCTFSF	75,000	25.00%	75,000	25.00%

Handwritten signature/initials: HCL

Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

j) Shareholders holding more than five percent of 0.001% Series C CCPS of ₹10 each fully paid-up

	31 March 2018		31 March 2017	
	Number	% holding	Number	% holding
On Mauritius	1,720,578	29.41%	1,720,578	29.41%
DWM	2,064,694	35.29%	2,064,694	35.29%
TSTMF	1,032,347	17.65%	1,032,347	17.65%
TCTFSF	1,032,347	17.65%	1,032,347	17.65%

k) Shares issued for a consideration other than in cash

The issued, subscribed and fully paid-up share capital as at 31 March 2018 includes 150,000 (31 March 2017: 710,000) equity shares of ₹10 each fully paid-up, were allotted during the period of five years immediately preceding the reporting date, on exercise of the options granted under the employee stock option plan wherein part consideration was received in the form of employee services.

l) Shares reserved for issue to employees

Employee share based payment

At its meeting held on 10 December 2012, the Board of Directors ("the Board") had reserved allotment of 840,889 equity shares of ₹10 each to the eligible employees of the Company based on the recommendation of CEO and subject to approval of the Board.

Of these, during the previous year(s), the Board based on the recommendation of the CEO, had allotted 710,00 equity shares of ₹10 each to the identified employees on private placement basis. Further during the current year, 73,089 equity shares of ₹10 each has been allotted to the identified employees in accordance with the provisions of Section 42, 62 and other applicable provisions of the Act including Companies (Prospectus and Allotment of Securities) Rules, 2014 as of 31 March 2018. The balance 57,800 equity shares of ₹10 each are yet to be allotted as of the reporting period.

m) Share application money pending allotment

Pursuant to the resolution passed by the Board of Directors of the Company at their meeting held on 12 January 2018, the Company has approved issue of 5,562,789 0.001% Series D CCPS of ₹10 each on rights basis to its existing shareholders in the ratio of 1 (one) 0.001% Series D CCPS of ₹10 each for every 4 equity shares (on fully diluted basis) of ₹10 each at a premium of ₹77.18 per 0.001% Series D CCPS. Share application money pending allotment as at 31 March 2018, represents the subscription money received from the shareholders against the rights issue.

Subsequent to the year-end, the rights issue was closed and the Company has allotted 2,627,724 0.001% Series D CCPS of ₹10 each on 9 April 2018.

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Jain Sons Finlease Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

4. Reserves and surplus

	31 March 2018	31 March 2017
Statutory reserve fund		
Balance at the beginning of the year	23,870,138	13,460,373
Add: Transfer from statement of profit and loss	-	10,409,765
Balance at the end of the year	<u>23,870,138</u>	<u>23,870,138</u>
Securities premium account		
Balance at the beginning of the year	464,839,903	36,131,366
Add: Premium on issue of shares	2,437,452	451,500,376
Less: Share issue expenses	-	(22,791,839)
Balance at the end of the year	<u>467,277,355</u>	<u>464,839,903</u>
Surplus in the statement of profit and loss		
Balance at the beginning of the year	93,787,245	52,148,185
Add: Profit/(loss) for the year	(199,583,313)	52,048,825
Less: Transferred to statutory reserve fund	-	(10,409,765)
Balance at the end of the year	<u>(105,796,068)</u>	<u>93,787,245</u>
	<u><u>385,351,425</u></u>	<u><u>582,497,286</u></u>

5. Long-term borrowings
 (Secured)

	31 March 2018	31 March 2017
Debentures		
<i>Rated, Listed, Redeemable, Non-Convertible Debentures (NCDs)</i>		
Nil (31 March 2017: 2,400) NCDs of ₹100,000 each fully paid-up	-	240,000,000
1,942 (31 March 2017: 1,942) NCDs of ₹100,000 each fully paid-up	194,200,000	194,200,000
1,330 (31 March 2017: 1,330) NCDs of ₹100,000 each fully paid up	133,000,000	133,000,000
4,000 (31 March 2017: 4,000) NCDs of ₹100,000 each fully paid up	400,000,000	400,000,000
<i>Rated, Unlisted, Redeemable, NCDs</i>		
2,500 (31 March 2017: Nil) NCDs	166,666,667	-
Term loans		
- from others	1,522,291,690	748,439,133
	<u>2,416,158,357</u>	<u>1,715,639,133</u>
Less: Current maturities of long-term borrowings (refer note 6)	879,890,500	841,647,705
	<u><u>1,536,267,857</u></u>	<u><u>873,991,428</u></u>

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Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

(a) Debentures

- (i) The Company had allotted 4,000 NCDs of face value of ₹100,000 each fully paid-up at par on 16 November 2016. NCDs are secured by way of hypothecation of specified book debts/loan receivables and carries interest rate of 13.25% per annum. The NCDs are redeemable at par in two equal installments on 17 May 2021 and 17 November 2021.
- (ii) The Company had allotted 1,330 NCDs of face value of ₹100,000 each fully paid-up at par on 10 June 2016. NCDs are secured by way of hypothecation of specified book debts/loan receivables and carries interest rate of 13.25% per annum. The NCDs are redeemable at par in two equal installments on 14 December 2020 and 14 June 2021.
- (iii) The Company had allotted 1,942 NCDs of face value of ₹100,000 each fully paid-up at discount of ₹1,000 per debenture on 8 October 2014. NCDs are secured by way of hypothecation of specified book debts/loan receivables and carries interest rate of 13.5% per annum. Interest rate shall be reset after a period of 36 months from the date of allotment. The NCDs are redeemable at par on 8 October 2020, with call and put option exercisable at the end of 36 months. Since the Company and the debenture holder have not exercised the option, the tenor for the NCD has been reset to 8 October 2020, with interest rate revised to 12.5% per annum.
- (iv) The Company has allotted 2,500 NCDs of face value of ₹100,000 each fully paid-up at par on 11 September 2017. NCDs are secured by way of hypothecation of specified book debts/loan receivables and carries interest rate of 12.80% per annum, which are repayable in equal monthly installments over the period of 18 months.
- (v) The Company had allotted 2,400 NCDs of face value of ₹100,000 each fully paid-up at par on 23 March 2015. NCDs were secured by way of hypothecation of specified book debts/loan receivables and carried interest rate of 13.25% per annum. The NCDs were first redeemable at par on 23 March 2018, unless the debenture holder has exercised the option of extension. The Company has redeemed the same on date of first maturity.

(b) Term loans

Loans from others are secured by way of hypothecation of book debts created out of the loan amount. Further loans amounting to ₹482,741,783 (31 March 2017: ₹328,839,199) are also secured by way of pledge of cash/fixed deposits. Interest rates on these loans ranges from 11.00% to 15.18% per annum (31 March 2017: 13.15% to 15.65% per annum).

Repayment schedule of term loans

	31 March 2018	31 March 2017
Up to 1 year	713,223,833	407,447,705
2 to 5 years	809,067,857	340,991,428
	<u>1,522,291,690</u>	<u>748,439,133</u>

6. Other liabilities

	31 March 2018	31 March 2017
Non-current		
Collateral deposits from customers	97,586,630	36,240,000
Advance from customers	24,823,744	-
	<u>122,410,374</u>	<u>36,240,000</u>
Current		
Current maturities of long-term borrowings (refer note 5)	879,890,500	841,647,705
Interest accrued but not due	39,379,071	47,765,117
Statutory liabilities	4,892,191	2,322,999
Collateral deposits from customers	50,094,714	7,500,000
Advance from customers and refundable reimbursements	47,678,095	35,990,596
Other liabilities (refer note 32)	15,636,434	16,583,547
	<u>1,037,571,005</u>	<u>951,809,964</u>

7. Provisions

	31 March 2018	31 March 2017
Long-term		
Provision for gratuity	2,664,140	1,526,053
Contingent provision against standard assets	3,056,611	3,860,373
Provision		
- On sub-standard assets	4,100,000	1,000,000
- On investments	768,218	-
	<u>10,588,969</u>	<u>6,386,426</u>

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Jain Sons Finance Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

Short-term

	31 March 2018	31 March 2017
Provision for gratuity	110,133	8,694
Contingent provision against standard assets	8,151,846	4,805,909
Provision		
- On sub-standard assets	8,397,480	4,482,988
- On investments	195,933	-
	<u>16,855,392</u>	<u>9,297,591</u>

(a) Gratuity

The following table set out the status of the gratuity plan and the reconciliation of opening and closing balances of the present value and defined benefit obligation.

Expense recognised in the statement of profit and loss

	31 March 2018	31 March 2017
Current service cost	111,269	608,879
Interest cost on benefit obligation	910,996	63,890
Net actuarial loss / (gain)	217,261	10,105
Net expense	<u>1,239,526</u>	<u>682,874</u>

Changes in present value of the defined benefit obligation for gratuity

	31 March 2018	31 March 2017
Opening defined benefit obligation	1,534,747	851,873
Interest cost	910,996	63,890
Current service cost	111,269	608,879
Actuarial (gains)/ losses on obligations	217,261	10,105
Closing defined benefit obligation	<u>2,774,273</u>	<u>1,534,747</u>

The principal assumptions used in determining gratuity obligations for the Company's plans are shown below:

	31 March 2018	31 March 2017
Discounting rate (per annum)	7.25%	7.50%
Increase in compensation cost	5.00%	5.00%
Attrition rate	10.00%	2.00%
Retirement age (years)	60	60

The estimates of future salary increases considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors.

Amounts for the current and previous four years/periods are as follows:

Particulars	31 March 2018	31 March 2017	31 March 2016	31 March 2015	31 March 2014
Defined benefit obligation	2,774,273	1,534,747	851,873	510,491	73,048
Plan assets	-	-	-	-	-
Surplus (Deficit)	(2,774,273)	(1,534,747)	(851,873)	(510,491)	(73,048)
Experience adjustments on plan liabilities - (Gain)/loss	(30,948)	(493,009)	-	-	-
Experience adjustments on plan assets - (Loss)/Gain	-	-	-	-	-

8. Short-term borrowings

	31 March 2018	31 March 2017
Loan from banks (Secured)	50,000,000	-
	<u>50,000,000</u>	<u>-</u>

Loan from banks is secured by way of hypothecation of book debts created out of the loan amount. The loan carries interest linked to bank's prime lending rate plus 3.75% per annum (currently 12.25% per annum) and is repayable in 12 monthly installments from the date of drawdown.

Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

B. Tangible assets

	Computers	Office equipment	Furniture and Fixtures	Total
Gross block				
As at 1 April 2016	2,740,295	1,886,251	5,338,343	9,964,889
Additions	1,475,100	411,076	148,200	2,034,376
As at 31 March 2017	4,215,395	2,297,327	5,486,543	11,999,265
Additions	733,347	1,283,899	16,808,251	18,825,497
Disposals	143,215	653,363	5,486,543	6,283,121
As at 31 March 2018	4,805,527	2,927,863	16,808,251	24,541,641
Accumulated depreciation				
Up to 1 April 2016	2,098,613	749,977	967,456	3,816,046
Charge for the year	1,049,541	427,241	539,697	2,016,479
Up to 31 March 2017	3,148,154	1,177,218	1,507,153	5,832,525
Charge for the year	923,497	466,194	1,491,613	2,901,304
Disposals	107,676	311,030	1,599,019	2,017,725
Up to 31 March 2018	3,963,975	1,352,382	1,399,747	6,716,104
Net block				
As at 31 March 2018	841,552	1,575,481	15,408,504	17,825,537
As at 31 March 2017	1,067,241	1,120,109	3,979,390	6,166,740

10. Intangible assets

	Software	Total
Gross block		
As at 1 April 2016	2,795,466	2,795,466
Additions	351,450	351,450
Disposals/adjustments	2,365,000	2,365,000
As at 31 March 2017	781,916	781,916
Additions	4,812,786	4,812,786
As at 31 March 2018	5,594,702	5,594,702
Accumulated amortization		
Up to 1 April 2016	162,441	162,441
Charge for the year	180,166	180,166
Up to 31 March 2017	342,627	342,627
Charge for the year	417,648	417,648
Up to 31 March 2018	760,275	760,275
Net block		
As at 31 March 2018	4,834,427	4,834,427
As at 31 March 2017	439,289	439,289

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Jain Sons Finance Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

11. Investments (Unquoted, non-trade)	31 March 2018	31 March 2017
Non-current		
Investment in Pass Through Certificates (PTCs)		
65,890,010 units (31 March 2017: Nil) of Series A3 PTCs of Cedar Inclusive Finance Trust 2 of face value of ₹1 each	65,890,011	-
31,309,579 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Tatooine 003 2018 of face value of ₹1 each	31,309,579	-
26,470,197 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Helm 002 2018 of face value of ₹1 each	26,470,197	-
19,284,382 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Trebor 010 2017 of face value of ₹1 each	19,284,382	-
16,551,536 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Pereira 001 2018 of face value of ₹1 each	16,551,536	-
11,764,806 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Morris 002 2018 of face value of ₹1 each	11,764,806	-
10,551,472 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Krishi 002 2018 of face value of ₹1 each	10,551,472	-
5,899,527 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Naboo 002 2018 of face value of ₹1 each	5,899,527	-
4,355,859 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Timo 003 2018 of face value of ₹1 each	4,355,859	-
	<u>192,077,369</u>	<u>-</u>
Current		
Investment in PTCs		
21,498,929 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Matic 010 2017 of face value of ₹1 each	21,498,929	-
19,264,967 units (31 March 2017: Nil) of Series A2 PTCs of Vivriti Kenobi 002 2018 of face value of ₹1 each	19,264,967	-
8,196,488 units (31 March 2017: Nil) of Series A2 PTCs of Trariti Vivriti Capital 2018 of face value of ₹1 each	8,196,488	-
	<u>48,960,384</u>	<u>-</u>
Aggregate value of unquoted investments	<u>241,037,753</u>	<u>-</u>
12. Deferred tax assets (net)	31 March 2018	31 March 2017
Deferred tax liability		
On account of		
Fixed assets	-	924,424
Deferred tax assets		
On account of		
Provision for standard and sub - standard assets	-	4,678,173
Others	-	507,433
	<u>-</u>	<u>4,261,182</u>

In the absence of virtual certainty, deferred tax asset is written down to ₹Nil during the year ended 31 March 2018.

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Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

13. Loans to customers
(Considered good)

	31 March 2018		31 March 2017	
	Non-current	Current	Non-current	Current
Standard assets				
Secured	373,713,213	960,869,991	599,018,675	902,991,040
Unsecured	390,439,583	1,077,091,439	482,194,628	486,521,101
	<u>764,152,796</u>	<u>2,037,961,430</u>	<u>1,081,213,303</u>	<u>1,389,512,141</u>
Sub-standard assets				
Secured	-	48,299,960	10,000,000	42,501,652
Unsecured	41,000,000	35,674,842	-	339,707
	<u>41,000,000</u>	<u>83,974,802</u>	<u>10,000,000</u>	<u>42,841,359</u>
	<u>805,152,796</u>	<u>2,121,936,232</u>	<u>1,091,213,303</u>	<u>1,432,353,500</u>

Loans to customers include dues from following companies, in which director of the Company is/was a director:

	Closing balance		Maximum outstanding during the year	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Vaatsalya Healthcare Solutions Private Limited	-	-	-	10,049,156
Visage Holding & Finance Private Limited	-	-	-	11,397,812
Arohan Financial Services Private Limited ("Arohan")*	27,574,978	51,271,612	58,108,958	60,000,000
Electronic Payment and Services Private Limited	-	-	-	58,375,001
Connect India E-Commerce Services Private Limited	-	11,503,784	11,503,784	15,000,000
Milk Mantra Dairy Private Limited	-	-	-	50,000,000

*Note : Pursuant to the approval received from the Hon'ble National Company Law Tribunal, Kolkata Bench, IntelleCash Microfinance Network Company Private Limited ("IntelleCash") has been merged with the Arohan w.e.f 1 April 2017 ("appointed date")

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Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

14. Loans and advances
(Unsecured, considered good)

	31 March 2018	31 March 2017
Long-term		
Collateral security given to lenders	2,916,667	9,525,590
Security deposits	5,098,002	5,046,102
Advance tax (net of provision)	<u>92,392,003</u>	<u>48,137,504</u>
	<u>100,406,672</u>	<u>62,709,196</u>
Short-term		
Collateral security given to lenders	15,713,995	11,000,000
Security deposits	-	1,666,500
Receivable for services	2,619,465	7,097,067
Prepaid expenses	2,788,312	458,412
Loan and advances to employee	1,815,898	701,280
Advances recoverable in cash or in kind or for value to be received	<u>312,020</u>	<u>312,022</u>
	<u>23,249,690</u>	<u>21,235,281</u>

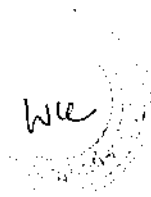
15. Other assets
(Unsecured, considered good)

	31 March 2018	31 March 2017
Non-current		
Fixed deposits with bank (with maturity of more than 12 months)*	<u>14,583,336</u>	<u>20,625,000</u>
	<u>14,583,336</u>	<u>20,625,000</u>
<i>* Placed as collateral against the borrowings.</i>		
Current		
Accrued interest	<u>27,952,039</u>	<u>26,089,600</u>
	<u>27,952,039</u>	<u>26,089,600</u>

16. Cash and bank balances

	31 March 2018	31 March 2017
Cash and cash equivalents		
Balances with banks in current accounts	389,420,365	183,988,365
Cash on hand	<u>619,880</u>	<u>626,881</u>
	<u>390,040,245</u>	<u>184,614,266</u>
Other bank balances		
Fixed deposits with bank (with maturity of less than 12 months)*	<u>57,916,668</u>	<u>41,860,500</u>
	<u>447,956,913</u>	<u>226,474,766</u>

** Placed as collateral against the borrowings.*



Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

17. Revenue from operations

	<u>31 March 2018</u>	<u>31 March 2017</u>
Interest income from		
Loan to customers	446,338,711	372,238,800
Others	6,253,677	6,066,591
Other financial services		
Loan processing fees	35,961,110	39,788,601
Loan syndication fees	3,959,792	11,105,505
Others	7,773,154	187,500
	<u>500,286,444</u>	<u>429,386,997</u>

18. Other income

	<u>31 March 2018</u>	<u>31 March 2017</u>
Interest income from investments	3,585,545	1,872,890
Gain on sale of investments	31,381,276	20,017,523
Bad debts recovered	9,843,974	1,760,550
Miscellaneous income	1,283,633	-
	<u>46,094,428</u>	<u>23,650,963</u>

19. Employee benefits expense

	<u>31 March 2018</u>	<u>31 March 2017</u>
Salaries, wages and bonus	69,044,161	57,630,968
Contribution to provident fund	3,739,240	5,295,651
Gratuity	1,239,526	682,874
Staff welfare expenses	785,648	2,774,742
	<u>74,808,575</u>	<u>66,384,235</u>

20. Finance costs

	<u>31 March 2018</u>	<u>31 March 2017</u>
Interest expense	318,487,271	211,923,202
Other borrowing costs	16,162,361	8,281,172
	<u>334,649,632</u>	<u>220,204,374</u>

21. Provisions and write-offs

	<u>31 March 2018</u>	<u>31 March 2017</u>
Contingent provision against standard assets (refer note 29)	2,542,175	(8,301,736)
Provision for sub-standard and non-performing assets (refer note 29)	7,014,492	(4,715,806)
Provision on investments	964,151	(239,689)
Loans written-off	265,288,625	54,915,393
	<u>275,809,443</u>	<u>41,658,162</u>

22. Other expenses

	<u>31 March 2018</u>	<u>31 March 2017</u>
Rent	10,909,327	4,508,930
Office expenses	6,632,964	5,220,399
Electricity expenses	1,071,340	493,660
Legal and professional fees	14,232,809	18,576,093
Rates and taxes	6,191,565	5,771,884
Communication expense	2,251,743	1,281,893
Travelling and conveyance	7,708,933	4,836,819
Corporate social responsibility expenses	1,350,000	-
Printing and stationery	671,610	700,470
Payments to the auditor		
- Statutory audit fees (includes prior fee of ₹461,000 during the previous year)	1,250,000	1,711,000
- Tax audit fees	150,000	150,000
- Limited review fees	350,000	250,000
Advertisement expenses	165,000	550,800
Miscellaneous expenses	181,110	2,563,039
	<u>53,116,401</u>	<u>46,614,987</u>

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Jain Sons Finance Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

23. Related party disclosures

(a) Names of the related parties and nature of relationship

Names of related parties	Nature of relationship
ICAP	Holding company
IntelleCash (till 31 March 2017) Refer note below	Fellow subsidiary
AVMS	Entity having significant influence on the holding company
Arohan	Entity in which the Group has significant influence
Intellectap Advisory Services Private Limited ("Intellectap")	Entity in which directors has significant influence
Sanjib Kumar Jha (Upto 30 September 2016)	Key management personnel ("KMP")
Akbar Khan (from 7 November 2016)	KMP
Nitin Prakash Agarwal	KMP

Note:

Pursuant to the approval received from the Hon'ble National Company Law Tribunal, Kolkata Bench, IntelleCash has been merged with the Arohan w.e.f 1 April 2017 ("appointed date")

(b) Transactions with related parties

	31 March 2018	31 March 2017
ICAP		
Reimbursement of expenses incurred on behalf of the Company	38,582	52,026
Intellectap		
Advisory services	-	12,750,617
Reimbursement of expenses incurred on behalf of the Company	805,523	-
Arohan		
Loans given	9,000,000	60,000,000
Interest income	7,691,513	574,286
Processing fees income	90,000	690,000
Assignment of loans, including accrued interest	1,204,956	-
Sale of fixed assets	4,166,135	-
AVMS		
Reimbursement of expenses incurred on behalf of the Company	7,240	976,740
Sanjib Kumar Jha		
Managerial remuneration	-	3,075,000
Akbar Khan		
Managerial remuneration	7,200,000	2,101,302
Issue of equity shares	1,499,496	-
Nitin Prakash Agarwal		
Managerial remuneration	6,600,000	4,821,664
Issue of equity shares	913,387	-

(c) Balances receivable/(payable)

	31 March 2018	31 March 2017
ICAP	-	(44,951)
Arohan	27,574,978	51,271,612
Sanjib Kumar Jha	-	(1,310,743)

24. Segment reporting

Based on the Company's business model and considering the internal financial reporting to the management, "Lending" has been considered as the only reportable segment. Further, all operations are based only in India. Hence, no separate financial disclosures have been provided for segment reporting.

25. Operating leases

The Company has entered into non-cancellable operating lease arrangements in respect of its office premises. The lease expense for non-cancellable operating leases during the year ended 31 March 2018 is ₹10,909,327 (31 March 2017: ₹4,508,930). The Company's obligation towards payment of consideration (excluding service taxes) over the remaining term of the arrangement is as follows:

	31 March 2018	31 March 2017
Not later than one year	10,092,204	14,091,804
Later than one year and not later than five years	9,631,001	23,596,850
Later than five years	-	-

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Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory Information
(All amounts in ₹ unless otherwise stated)

26. Additional disclosures pursuant to Master Direction – Non Banking Financial Company – Systemically Important Non-Deposit taking Company and Deposit taking Company (Reserve Bank) Directions, 2016:

	As at 31 March 2018	
	Amount outstanding	Amount overdue
Liabilities side :		
(1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:		
(a) Debentures		
Secured (including interest accrued but not due)	925,354,601	-
Unsecured (other than falling within the meaning of public deposits)	-	-
(b) Deferred Credits	-	-
(c) Term Loans (including interest accrued but not due)	1,530,062,658	-
(d) Inter-corporate loans and borrowing	-	-
(e) Commercial Paper	-	-
(f) Others - Short-term borrowings (including interest accrued but not due)	50,120,170	-
Assets side :		
(2) Break up of loans and advances including bills receivables [other than those included in (4) below]:		
a) Secured, gross		1,382,883,164
b) Unsecured, gross		1,544,205,864
(3) Break up of leased assets and stock on hire and other assets counting towards AFC activities:		
(i) Lease assets including lease rentals under sundry debtors:		
(a) finance lease		-
(b) operating lease		-
(ii) Stock on hire including hire charges under sundry debtors:		
(a) assets on hire		-
(b) repossessed asset		-
(iii) Other loans counting towards AFC activities		
(a) loans where assets have been repossessed		-
(b) loans other than (a) above		-
(4) Breakup of investments		
Current Investments :		
1. Quoted		
(i) Shares :		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others		-
2. Unquoted		
(i) Shares :		
(a) Equity		-
(b) Preference		-
(ii) Debentures and Bonds		-
(iii) Units of mutual funds		-
(iv) Government Securities		-
(v) Others - investment in PTCs		48,960,384

Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information
(All amounts in ₹ unless otherwise stated)

As at
31 March 2018

Long Term investments :

1. Quoted

(i) Shares :

(a) Equity

(b) Preference

(ii) Debentures and Bonds

(iii) Units of mutual funds

(iv) Government Securities

(v) Others

-

-

-

-

-

-

-

2. Unquoted

(i) Shares:

(a) Equity

(b) Preference

(ii) Debentures and Bonds

(iii) Units of mutual funds

(iv) Government Securities

(v) Others - investment in PTCs

-

-

-

-

-

192,077,369

Net of provision as at 31 March 2018

(5) Borrower group-wise classification of assets financed as in (2) and (3)

Category

Secured

Unsecured

Total

1. Related parties

(a) Subsidiaries

(b) Companies in the same group

(c) other related parties

2. Other than related parties

Total

-

-

27,464,678

27,464,678

-

-

1,372,714,835

1,503,203,578

2,875,918,413

1,372,714,835

1,530,668,256

2,903,383,091

(6) Investor group-wise classification of all investments (currents and long term) in shares and securities (both quoted and unquoted)

Category

Market value /
Breakup or fair
value or NAV

Book value
(net of
provisions)

1. Related parties

2. Other than related parties

Total

-

241,037,753

240,073,602

241,037,753

240,073,602

(7) Other information

As at
31 March 2018

(i) Gross non-performing assets

(a) Related parties

(b) Other than related parties

(ii) Net non-performing assets

(a) Related parties

(b) Other than related parties

(iii) Assets acquired on satisfaction of debt

-

124,974,802

-

112,477,322

-

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Jain Sons Finlease Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

27. Additional disclosures pursuant to the RBI guidelines and notifications:

i) Capital

	31 March 2018	31 March 2017
Capital to Risk/Weighted Assets Ratio (CRAR) (%)	27.78%	40.11%
CRAR-Tier I Capital (%)	27.38%	40.11%
CRAR-Tier II Capital (%)	0.40%	-
Amount of subordinated debt raised as Tier-II Capital	-	-
Amount raised by issue of Perpetual Debt Instruments	-	-

ii) Investments

	31 March 2018	31 March 2017
A. Value of Investments		
Gross value of investments:		
a) In India	241,037,753	-
b) Outside India	-	-
Provisions for depreciation:		
a) In India	964,151	-
b) Outside India	-	-
Net value of investments		
a) In India	240,073,602	-
b) Outside India	-	-
B. Movement of provisions held towards depreciation on investments		
Opening Balance	-	239,689
Add: Provisions made during the year	964,151	-
Less: Write-off/Write-back of excess provisions during the year	-	(239,689)
Closing Balance	964,151	-

iii) Derivatives

The Company does not have any derivatives exposure in the current and previous year.

iv) Disclosures relating to Securitisation

The Company has not done any securitization during the current and previous year.

v) Exposures

a) The Company does not have any direct exposure to real estate sector in the current and previous year. Details of exposure to capital market are as follows:

	31 March 2018	31 March 2017
i. direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	-	-
ii. advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
iii. advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	403,152,959	664,045,836
iv. advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds does not fully cover the advances;	-	-
v. secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
vi. loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
vii. bridge loans to companies against expected equity flows / issues;	-	-
viii. all exposures to Venture Capital Funds (both registered and unregistered)	-	-
Total exposure to capital market	403,152,959	664,045,836



Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

b) Details of financing of parent company products

The Company has not financed any parent company product.

c) Details of Single Borrower Limit (SBL)/Group Borrower Limit (GBL) exceeded by the NBFC

The exposure to a single borrower and group of borrower does not exceed the limit stipulated under the concentration of credit norms applicable to the Company.

d) Unsecured advances

The details of unsecured advances are provided in Note 13 and 14 to the financial statements. Further, the Company has not given any loan against intangible assets.

vi) Miscellaneous

a) Registration obtained from other financial sector regulators

The Company has not obtained any registration from other financial sector regulators.

b) Disclosure of Penalties imposed by RBI and other regulators

No penalties have been imposed by RBI or other financial sector regulators during the current and previous year.

c) Related Party Transactions

Details of all material related party transactions are disclosed in Note 23.

d) Ratings assigned by credit rating agencies and migration of ratings during the year

ICRA Limited has assigned a rating of 'ICRA]BBB-' in the report dated 11 September 2017 to the company in the current year. There was no change in rating assigned in comparison to the previous year.

e) Revenue recognition

The Company has not postponed recognition of revenue pending resolution of significant uncertainties.

vii) Additional Disclosures

a) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

	31 March 2018	31 March 2017
Provisions on Investments	964,151	-
Provision towards sub-standard assets	7,014,492	(4,715,806)
Provision made towards Income tax	-	19,041,753
Provision for gratuity	1,239,526	682,874
Provision for standard assets	2,542,175	(8,301,736)

b) Draw down from reserves

The Company has not made any drawdown of reserves during the year.

c) Concentration of Advances, Exposures and NPAs

	31 March 2018	31 March 2017
i) Concentration of Advances		
Total advances to twenty largest borrowers	1,203,081,500	1,056,018,127
Percentage of advances to twenty largest borrowers to total advances	40.91%	41.85%
ii) Concentration of Exposures		
Total exposure to twenty largest borrowers/customers	1,203,081,500	1,056,018,127
Percentage of exposures to twenty largest borrowers / customers to total exposure	40.91%	41.85%
iii) Concentration of NPAs		
Total exposure to top four NPA accounts	124,974,802	49,471,840

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Jain Sons Finance Limited

Summary of significant accounting policies and other explanatory information

(All amounts in ₹ unless otherwise stated)

iv) Sector-wise NPAs

	Percentage of NPAs to total advances in that sector	
	31 March 2018	31 March 2017
Agriculture & allied activities	-	-
MSME	-	-
Corporate borrowers	4.27%	2.08%
Services	-	-
Unsecured personal loans	-	-
Auto loans	-	-
Other personal loans	-	-

d) Movement of NPAs

	31 March 2018	31 March 2017
i) Net NPAs to Net Advances (%)	3.87%	1.89%
ii) Movement of NPAs (Gross)		
a) Opening Balance	52,841,359	57,469,232
b) Additions during the year	124,974,802	50,287,520
c) Reductions during the year	(52,841,359)	(54,915,393)
d) Closing balance	124,974,802	52,841,359
iii) Movement of Net NPAs		
a) Opening Balance	47,358,371	47,270,438
b) Additions during the year	112,477,322	50,287,520
c) Reductions during the year	(47,358,371)	(50,199,587)
d) Closing balance	112,477,322	47,358,371
iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
a) Opening Balance	5,482,988	10,198,794
b) Provisions made during the year	12,497,480	-
c) Write-off/write-back of excess provisions	(5,482,988)	(4,715,806)
d) Closing balance	12,497,480	5,482,988

e) Overseas Assets (for those with Joint Ventures and Subsidiaries abroad)

The Company did not have any overseas assets during the current and previous year.

f) Off-balance sheet SPVs sponsored (which are required to be consolidated as per accounting norms)

The Company did not sponsor any SPVs during the current and previous year.

viii) Disclosure of customer complaints

	31 March 2018	31 March 2017
a) No. of complaints pending at the beginning of the year	-	-
b) No. of complaints received during the year	-	-
c) No. of complaints redressed during the year	-	-
d) No. of complaints pending at the end of the year	-	-

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Jain Sons Finance Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

(ix) Asset liability management

Maturity within	As at 31 March 2018		
	Assets		Liabilities
	Investments	Loans portfolio	Borrowings
Up to 1 month	-	206,050,021	75,238,726
1-2 months	-	259,624,204	99,966,979
2 to 3 months	8,196,488	266,979,272	79,328,140
3 to 6 months	-	617,644,613	306,808,444
6 months to 1 year	40,763,895	771,638,122	368,548,211
1 to 3 years	192,077,370	802,845,109	1,022,892,857
Over 3 to 5 years	-	2,307,687	513,375,000
Above 5 years	-	-	-
Total	241,037,753	2,927,089,028	2,466,158,357

Maturity within	As at 31 March 2017		
	Assets		Liabilities
	Investments	Loans portfolio	Borrowings
Up to 1 month	-	174,605,700	38,208,284
1-2 months	-	119,374,614	51,056,463
2 to 3 months	-	120,002,849	49,546,474
3 to 6 months	-	362,988,582	306,935,436
6 months to 1 year	-	645,208,893	395,733,072
1 to 3 years	-	828,516,789	341,159,404
Over 3 to 5 years	-	272,869,376	533,000,000
Above 5 years	-	-	-
Total	-	2,523,566,803	1,715,639,133

Notes:

1. The above borrowings excludes interest accrued but not due.
2. The advances comprise of loan portfolio and does not include interest accrued.
3. The above information has been considered as per the Asset Liability Management (ALM) report compiled by the management and reviewed by the ALM committee.

Jain Sons Finance Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

(x) Disclosure of restructured accounts

S. No.	Type of Restructuring →	Others														
		31 March 2018						31 March 2017								
		Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total					
	Asset Classification → Details ↓															
1	Restructured Accounts as on 1 April (opening figures)															
	No. of borrowers												2			2
	Amount outstanding												38,113,271			38,113,271
	Provision thereon												3,811,327			3,811,327
2	Fresh restructuring during the year															
	No. of borrowers															
	Amount outstanding															
	Provision thereon															
3	Upgradations to restructured standard category during the FY															
	No. of borrowers															
	Amount outstanding															
	Provision thereon															
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY															
	No. of borrowers															
	Amount outstanding															
	Provision thereon															
5	Down gradations of restructured accounts during the FY															
	No. of borrowers															
	Amount outstanding															
	Provision thereon															
6	Write-offs of restructured accounts during the FY															
	No. of borrowers												(2)			(2)
	Amount outstanding												(38,113,271)			(38,113,271)
	Provision thereon												(3,811,327)			(3,811,327)
7	Restructured Accounts as on 31 March (closing balance)															
	No. of borrowers															
	Amount outstanding															
	Provision thereon															

Jain Sons Finlease Limited
 Summary of significant accounting policies and other explanatory information
 (All amounts in ₹ unless otherwise stated)

28. Earnings per equity share (EPES)

	31 March 2018	31 March 2017
a) Computation of profit for the year		
(Loss) / Profit attributable for computation of diluted EPES	(199,583,313)	52,048,825
Less: Dividend on CCPS @0.001%	3,385	3,385
(Loss) / Profit attributable for computation of basis EPES	(199,586,698)	52,045,440
b) Computation of weighted average number of equity shares in computation of basic and diluted EPES		
Weighted average number of shares considered for computation of basic EPES	11,014,002	10,969,348
Add: Effect of potential dilutive shares *	-	10,647,763
Weighted average number of shares considered for computation of diluted EPES	11,014,002	21,617,111
c) EPES		
Basic	(18.12)	4.74
Diluted	(18.12)	2.41

*In view of losses incurred during the year, potential equity shares are anti-dilutive in nature.

29. Change in estimates

As of 31 March 2018, in accordance with the RBI Notification No. DNBR. 009/CGM (CDS)-2015 dated 27 March 2015, the Company has:

- (i) made an incremental contingent provision against standard assets amounting to ₹1,401,057, being 0.05% of standard assets;
- (ii) has additionally classified loan portfolio aggregating to ₹76,435,427 as sub-standard, being over due for a period of 90 days or more as against overdue days of 120 days or more as of 31 March 2017.

30. Contingent Liabilities

- (i) The Company had filed for compounding of offences relating to non-compliances with Section 295 and 297 of the Companies Act, 1956. The Management is of the view that Tribunal will look at the matters favourably and the impact of settlement on financial statements will not be material.
- (ii) The Company had filed appeals with relating to demand of ₹3,271,599 raised by assessing officer for the financial year 2013-14 arising on account of disallowances of certain expenses. The Management is of the view that such disallowances are not sustainable and the matter will be decided in favour of the Company.

31. The Company has received foreign direct investment under automatic route as prescribed under the Consolidated Foreign Direct Investment Policy of the Government of India, which, in view of the management and based on opinion of an independent counsel, is in accordance with the extant guidelines notified by the RBI.

32. Based on information available with the Company, as at 31 March 2018, there are no suppliers who are registered as micro, small and medium enterprises under the provisions of the Micro, Small and Medium Enterprises Development Act, 2006.

33. Expenditure in foreign currency

	31 March 2018	31 March 2017
Travel and conveyance	590,886	15,381

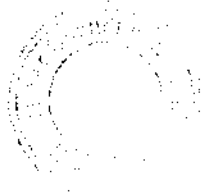
34. Loans sanctioned but not disbursed as at 31 March 2018 amounts to ₹61,000,000 (31 March 2017: ₹278,300,000).

35. Previous year's figures have been regrouped/rearranged to conform to those of the current year.

This is the summary of significant accounting policies and other explanatory information referred to in our report of even date.

Walker Chandick & Co Ltd
 For Walker Chandick & Co LLP
 Chartered Accountants

Nikhil Vaid
 per Nikhil Vaid
 Partner



For and on behalf of the Board of Directors of
 Jain Sons Finlease Limited

Vinod Chandra Rai
 Chairman
 DIN: 00806290

Nitin Prakash Agrawal
 Deputy CEO and CFO

Date: 24 April 2018
 Place: Mumbai

Akbar Khan
 Executive Director and CEO
 DIN: 07657205

Chirag Desai
 Company Secretary

Date: 24 April 2018
 Place: Hyderabad