



**MANSI**  
**FINANCE (CHENNAI) LTD.**

**21st Annual Report 2014 - 2015**



**BOARD OF DIRECTORS**

<b>Mr. SURESH BAFNA</b>	<b>Chairman &amp; Managing Director</b>
<b>Mr. BHUPAT L. THAKKAR</b>	<b>Director</b>
<b>Mr. YUVARAJ A. JAIN</b>	<b>Director</b>
<b>Mr. M.K. TATED</b>	<b>Director</b>
<b>Ms. SAJJAN KANWAR BAFNA</b>	<b>Director</b>

**REGISTERED OFFICE**

“Mansi Mansion”  
22-B, Mulla Sahib Street  
Sowcarpet, Chennai - 600 079  
Phone - 25292139

**BANKERS**

**ANDHRA BANK**  
40, Anna Pillai Street,  
Sowcarpet, Chennai - 600 079

**TAMILNAD MERCANTILE BANK LTD.**  
Chennai.

**AUDITORS**

**SIROHIA & CO.,**  
Chartered Accountants  
No.51, Maddox Street,  
1st Floor (Near Veterinary College)  
Choolai, Chennai-600 112.  
Phone : 26401741

**SHARE TRANSFER AGENTS**

**CAMEO CORPORATE SERVICES LTD.**  
Subramanian Buildings  
1, Club House Road,  
Chennai - 600 002  
Phone : 28460390

**Secretarial Auditors**

**MUNDHARA & Co.**  
Company Secretaries  
C1, Roop Chamber, 3rd Floor,  
No.43, Erulappan Street, Sowcarpet  
Chennai - 600 079.  
Phone: 2536 8835

## ANNUAL REPORT 2014 -2015

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**MANSI FINANCE (CHENNAI) LIMITED**

Regd. Off: 'Mansi Mansion', 22B Mulla Sahib Street,  
Sowcarpet, Chennai – 600 079.

**PROXY FORM**

I/We \_\_\_\_\_ of \_\_\_\_\_ being a member(s) of Mansi Finance (Chennai) Limited, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ of failing him/her \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to vote for me/us on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Tuesday, 29th day of September 2015 at 10.00 a.m. at the Registered Office of the Company at 'MANSI MANSION', No. 22-B, Mulla Sahib Street, Sowcarpet, Chennai – 600 079, and at any adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2015 Address:

Revenue  
Stamp

Membership Folio No.

Signature \_\_\_\_\_  
No. of shares held

- Note: 1. The Proxy must be deposited at the Registered office of the Company not less than 48 hours before the time fixed for the meeting.  
2. Proxy need not be a member.

**MANSI FINANCE (CHENNAI) LIMITED**

Regd. Office: 'Mansi Mansion', 22B Mulla Sahib Street,  
Sowcarpet, Chennai – 600 079.

I hereby record my presence at the 21st Annual General Meeting of the Company to held on Tuesday, 29th September, 2015 at 10.00 A.M. at the Registered Office of the Company at 'MANSI MANSION', 22-B Mulla Sahib Street, Sowcarpet, Chennai-600 079.

Signature \_\_\_\_\_

Full Name of the Member/Proxy

Note: Member attending the meeting in person are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.





BOOK - POST

To

.....  
.....  
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If undelivered, please return to :  
**MANSI FINANCE (CHENNAI) LIMITED**  
**MANSI MANSION**  
22-B, Mulla Sahib Street,  
Ground Floor, Sowcarpet,  
Chennai - 600 079.



## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **21<sup>st</sup>** Annual General Meeting of the Members of **MANSI FINANCE (CHENNAI) LIMITED** will be held on Tuesday the 29<sup>th</sup> September, 2015 at 10.00 a.m. at the Registered Office of the Company at "MANSI MANSION" No. 22-B, Mulla Sahib Street, Sowcarpet, Chennai - 600 079, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2015 and Profit and Loss Account for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of **Shri. SURESH BAFNA (DIN: 00056152)**, who retires by rotation and being eligible offers himself for re-appointment.
3. 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 all other applicable provisions of the Companies Act, 2013 (the "Act") read with rule 3(7) of the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the Company hereby ratifies the appointment of **M/s. SIROHIA & CO (FRN: 003875S)**, Chartered Accountants, Chennai, as the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the Annual General Meeting to be held in the calendar year 2017 on such remuneration as may be determined by the Board of Directors."

**SPECIAL BUSINESS:**

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment for the time being in force) and clause 49 of the Listing Agreement, **Shri. BHUPAT L THAKKAR (DIN: 02526454)** who retires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years commencing from this Annual General Meeting and ending on the date of Annual General Meeting to be held in the calendar year 2020."

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

"RESOLVED THAT pursuant to the provisions of sections 149, 152, schedule IV and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment for the time being in force) and clause 49 of the Listing Agreement, **Shri. MAHESH TATED (DIN: 00488121)** who retires at this Annual General Meeting be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation for a term of five consecutive years commencing from this Annual General Meeting and ending on the date of Annual General Meeting to be held in the calendar year 2020."

6. To consider and if thought fit, to pass, with or without modification, the following resolution as an **Ordinary resolution:**

“RESOLVED THAT pursuant to the provisions of section 149, 160 and all other applicable provisions, if any of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof for the time being in force), **Smt. SAJJAN KANWAR BAFNA (DIN: 00007725)**, who was appointed as an Additional Director of the Company under section 161(1) of the Companies Act, 2013, to hold office upto the ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing from the member proposing her candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

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

“**RESOLVED THAT** pursuant to the provisions of section 180(1)(a) read with Chapter XII and other applicable provisions, if any, of the Companies Act, 2013 and rules made thereunder (including any statutory amendment thereto or re-enactment thereof) the consent of the Company be and is hereby accorded to Board of Directors to mortgage and/or charge any of its movable and / or immovable properties wherever situated both present and future or to sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company or where the Company owns more than one undertaking, of the whole or substantially the whole of any such undertaking(s) and to create a mortgage/and or charge, on such terms and conditions and at such time(s) and in such form and manner, and with such ranking as to priority as the Board in its absolute discretion thinks fit on the whole or substantially the whole of the Company’s any one or more of the undertakings or all of the undertakings of the

Company in favour of any bank(s) or body(ies) corporate or person(s), whether shareholders of the Company or not, together with interest, cost, charges and expenses thereon for amount not exceeding Rs.100 Crores (Rupees One Hundred Crores Only) at any point of time.”

“**RESOLVED FURTHER THAT** the securities to be created by the Company aforesaid may rank prior/pari passu/subsevient with/to the mortgages and/or charges already created or to be created by the company as may be agreed to between the concerned parties.”

“**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matters connected therewith or incidental thereto.”

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

“**RESOLVED THAT** pursuant to the provisions of Section 180(1)(c) read with Chapter XII and other applicable provisions, if any, of the Companies Act, 2013, and rules made thereunder, the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs.100 Crores (Rupees One Hundred Crores Only) [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the company’s assets and effects or properties including stock in trade, notwithstanding that the money to be borrowed together

with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves, that is to say, reserves not set apart for any specific purpose."

**"RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds and things and to sign all such documents and writings as may be necessary, expedient and incidental thereto to give effect to this resolution and for matters connected therewith or incidental thereto."

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

"RESOLVED that pursuant to the provisions of sections 196, 197, Chapter XIII read with Schedule V and other applicable provisions of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof for the time being in force), **Shri. SURESH BAFNA (DIN: 00056152)**, be and is hereby re-appointed as Managing Director of the Company for a period of **three years** with effect from 1<sup>st</sup> October, 2015 on the salary, allowances and perquisites as under:

(a) Salary: Not exceeding Rs.100000/- per month or such sum as may be agreed by the Board from time to time.

(b) Perquisites: Subject to the Ceiling of Rs.200000/- per annum.

**Category A:**

- (i) House rent allowance subject to a maximum of 50% of the salary or house accommodation shall be provided by the Company and 10% of salary shall be recovered by way of rent.

Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income – Tax Rules, 1962 subject to a ceiling of 10% of salary.

- (ii). Reimbursement of medical expenses of the Managing Director and his family, the total cost of which to the Company shall not exceed the month salary in the year or three months salary in a block of three years.
- (iii) Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
- (iv) Club Fees: Subject to a maximum of two clubs this will not include admission and life membership.
- (v) Personal accident insurance premium: Not exceeding Rs.5000/- p.a.

**Category B:**

- (i). Car: The Company shall provide a car for the Company's business and, if no car is provided reimbursement of the conveyance shall be made on actual basis as may be claims made by him.
- (ii). Gratuity: As per rules of the Company, subject to a maximum ceiling as may be prescribed under the payment of Gratuity Act from time to time.
- (iii) Earned Privilege Leave: As per the rules of the Company, subject to the condition that, the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every completed year of service at the end of the tenure.
- (iv) Telephone: Free use of telephone at his residence provided that personal long distance calls on the telephone shall be billed by the Company to the Managing Director.

*Note: For the purpose of perquisites stated in Category "A" above "Family" means the Spouse, the dependent children and dependent parents of the appointee.*

"FURTHER RESOLVED THAT in the event of there being loss or inadequacy of profit for any financial year, the aforesaid remuneration payable to **Shri. SURESH BAFNA (DIN: 00056152)** shall be the minimum remuneration payable to him in terms of the provisions of Schedule V to the Companies Act, 2013."

"RESOLVED FURTHER THAT **Shri. SURESH BAFNA (DIN: 00056152)**, the Managing Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as any from time to time, be available to other senior executives of the Company."

"RESOLVED FURTHER THAT the Board be and is hereby authorised to do all such acts, deeds, matters and things as in its absolute discretion, it may consider necessary, expedient or desirable, and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to decide the break-up of the remuneration within the above said maximum permissible limit and in order to give effect with the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and rules framed thereunder, consent of the Company be and is hereby accorded to **Shri. ADIT S BAFNA**, a relative of **Shri. SURESH BAFNA**

**(DIN:00056152)**, Chairman & Managing Director of the Company, to hold an office or place of profit as Executive Officer of the Company for a period of five years with effect from 1<sup>st</sup> October, 2015 on the following terms:

- (a) Salary: Not exceeding Rs.100000/- per month or such sum as may be agreed by the Board from time to time.
- (b) Perquisites: Subject to the Ceiling of Rs.200000/- per annum.

**Category A:**

- (i) House rent allowance subject to a maximum of 50% of the salary or house accommodation shall be provided by the Company and 10% of salary shall be recovered by way of rent.

Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income – Tax Rules, 1962 subject to a ceiling of 10% of salary.

- (ii) Reimbursement of medical expenses of the Executive Officer and his family, the total cost of which to the Company shall not exceed the month salary in the year or three months salary in a block of three years.
- (iii) Leave travel assistance: Expenses incurred for self and family in accordance with the Rules of the Company.
- (iv) Club Fees: Subject to a maximum of two clubs this will not include admission and life membership.
- (v) Personal accident insurance premium: Not exceeding Rs.5000/- p.a.

**Category B:**

- (i) Car: The Company shall provide a car for the Company's business and, if no car is provided reimbursement of the conveyance shall be made on actual basis as may be claims made by him.



- (ii) Gratuity: As per rules of the Company, subject to a maximum ceiling as may be prescribed under the payment of Gratuity Act from time to time.
- (iii) Earned Privilege Leave: As per the rules of the Company, subject to the condition that, the leave accumulated but not availed of will be allowed to be encashed for 15 days salary for every completed year of service at the end of the tenure.
- (iv) Telephone: Free use of telephone at his residence provided that personal long distance calls on the telephone shall be billed by the Company to the Executive Officer.

*Note: For the purpose of perquisites stated in Category "A" above "Family" means the Spouse, the dependent children and dependent parents of the appointee.*

"RESOLVED FURTHER THAT pursuant to the provisions of Section 188 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and rules framed thereunder, the appointment and remuneration (including perquisites, benefits and amenities, etc.) paid to Shri. ADIT S BAFNA holding office as Executive Officer of the Company for the period from April 01, 2014 to September 30, 2015 i.e. from the date of implementation of Section 188 of the Act till the date of appointment for a fresh term of five years as mentioned in the above Resolution as per the terms and conditions of his employment be and is hereby ratified and confirmed.

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

"RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions of the Companies Act, 2013 read with the rules

made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded to enter into the related party transactions by the Company with the respective related parties and for the maximum amounts per annum, as mentioned herein below:

Sr. No.	Nature of Transactions as per section 188 of the Companies Act, 2013	Name of the Related Party	Amount (in Rs.)	
			Receipts	Payments
1.	Availing or rendering of any services – Payment of Rent	SAJJAN KANWAR BAFNA	–	600000/-

“RESOLVED FURTHER THAT the Board of Directors of the Company and/or a Committee thereof, be and is hereby, authorized to do or cause to be done all such acts, matters, deeds and things and to settle any queries, difficulties, doubts that may arise with regard to any transaction with the related party and execute such agreements, documents and writings and to make such filings, as may be necessary or desirable for the purpose of giving effect to this resolution, in the best interest of the Company.”

By order of the Board,  
**For MANSI FINANCE (CHENNAI) LIMITED**

**(SURESH BAFNA)**

Chairman & Managing Director  
 DIN: 00056152

Place: CHENNAI

Date : 29.05.2015

Old No. 22, New No. 45, Mulla Sahib Street,  
 Sowcarpet, Chennai – 600 079.

**NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the Company.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

The proxy form, in order to be effective, must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the Meeting.

2. Explanatory Statement pursuant to section 102 of the Companies Act, 2013 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 24<sup>th</sup> September, 2015 to Tuesday, the 29<sup>th</sup> September, 2015 (both days inclusive) for the purpose of Annual General Meeting of the Company.
4. The members are requested to intimate to the Registrar and Transfer Agents, Cameo Corporate Services Limited, Subramanian Building, No.1, Club House Road, Chennai – 600 002, Change of Address, if any, at the earliest quoting their registered folio number.
5. Members holding Shares in more than one folio in identical order of names are requested to write to the Registrar and Transfer Agents enclosing their Share Certificate to enable us to consolidate their holding in one folio to facilitate better service.

6. As per the provisions of section 72 of the Companies Act, 2013 as amended from time to time and rule 19(1) of the Companies (Share Capital and Debentures) Rules, 2014, shareholders holding shares in physical form may file nomination in the prescribed Form SH-13 with the Company's Registrar and Transfer Agents. In respect of shares held in demat form, the nomination form may be filled with the respective depository participant.
7. Corporate Members intending to send their representatives to attend the meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
8. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their dematerialized accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agents.
9. Members holding their shares in electronic form are requested to intimate immediately any change in their address to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company's Registrar and Transfer Agents.
10. Members desirous of getting any information about the accounts and/ or operations of the Company are requested to write to the Company atleast seven days before the date of Annual General Meeting to enable the Company to keep information ready at the meeting.
11. All documents referred to in the above notice are open for inspection at the Registered Office of the Company at "MANSI MANSION", No.

22-B, Mulla Sahib Street, Chennai – 600 079. between 11.00 a.m. and 1.00 p.m. on all working days other than Saturdays, Sundays, Public and National Holidays upto the date of Annual General Meeting.

12. Additional Details of Directors who are proposed to be appointed at the Annual General Meeting are enclosed with this notice.

13. Members are requested to:

- bring their copy of Annual Report to the Meeting,
- bring the Attendance Slip sent herewith, duly filled in,
- bring their Folio Number / DP and Client ID and quote it in all correspondence,
- inform your e-mail ids, if not already registered with the Registrar,
- consider converting their physical holding to dematerialized form to eliminate all risks associated with physical shares and ease of portfolio management, and
- write to the Company for seeking clarification on queries, if any, with regard to the Accounts.

14. Additional information pursuant to Clause 49 of the Listing Agreement with the stock exchanges in respect of the Directors seeking appointment / re-appointment at the Annual General Meeting is furnished and forms part of the Notice

15. **Instructions for e-voting:**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the 21<sup>st</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services (India) Limited (CDSL):

The Company is proposing to sign an agreement with Central Depository Services (India) Limited (CDSL) for facilitating e-voting to enable the shareholders to cast their vote electronically.

**Process for e-voting:**

**(A) In case of members receiving e-mail:**

- i) If you are holding shares in Demat form for any other Company and had logged on to **www.evotingindia.com** and casted your vote earlier for EVSN of any Company, then your existing login id and password are to be used. If you are a first time user follow the steps given below.
- ii) Log on to the e-voting website **www.evotingindia.com**.
- iii) Click on "Shareholders" tab to cast your votes.
- iv) Now select the Electronic Voting Sequence Number - "EVSN" along with "Mansi Finance (Chennai) Limited" from the drop down menu and click on "SUBMIT".
- v) Now, fill up the following details in the appropriate boxes:

	<i><b>For Members holding shares in Demat Form</b></i>	<i><b>For Members holding shares in Physical Form</b></i>
User ID	a. For CDSL: 16 digits beneficiary ID, b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,	Folio Number registered with the company
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department when prompted by the system while e-voting	

DOB	Enter the Date of Birth as recorded in the company records for the said folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in the company records for the said folio. Please enter the DOB or Dividend Bank details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- vi) After entering these details appropriately, click on "SUBMIT" tab.
- vii) Members holding shares in physical form will then reach directly the EVSN selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- viii) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- ix) Click on the relevant EVSN on which you choose to vote.
- x) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xi) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.

- xii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiii) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xiv) You can also take print-out of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xv) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xvi) Note For Institutional Shareholders:

Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log onto <https://www.evotingindia.co.in> and register themselves as Corporates. They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com). After receiving the login details compliance user should be created using admin login and password, who would be able to link the account(s) which they wish to vote on. The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**(B) In case of members receiving the physical copy of Notice of AGM [for members whose e-mail IDs are not registered with the Company / Registrar and Share Transfer Agent or requesting physical copy]:**



Please follow all steps from sl. no. (ii) to sl. no. (xvi) above, to cast vote.

(C) The voting period begins on Saturday, the 26<sup>th</sup> September, 2015 at 9.30 a.m. and ends on Monday, the 28<sup>th</sup> September, 2015 at 6.00 p.m. During this period shareholders' of the Company, holding shares, as on the cut-off date i.e. Tuesday, the 1<sup>st</sup> September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.

- In case you have any queries or issues regarding e-voting, please contact M/s. Cameo Corporate Services Limited, Registrar & Share Transfer Agents or send mail to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- Voting can be exercised only by the shareholder or his/her duly constituted attorney/proxy or, in case of bodies corporate, the duly authorized person.
- The Results of Annual General Meeting shall be declared on 3<sup>rd</sup> October, 2015. The Results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL and shall be communicated to BSE Limited.
- Shri. JAGDISH PRASAD MUNDHARA, Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period of not exceeding three working days from the date of conclusion of e-voting period, unblock the votes in the presence of at least two witnesses, not in the employment of the Company and make his report of the votes cast in favour or against and shall submit to the Chairman of the Meeting.

## **EXPLANATORY STATEMENT**

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

### **Item Nos. 4 & 5:**

Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) are Directors of the Company subject to retirement by rotation. The above Directors are Independent Directors within the meaning of clause 49 of the Listing Agreement.

Pursuant to the provisions of Section 149 of the Act, every listed public Company is required to have atleast one-third of the total number of Directors as Independent Directors, who are not liable to retire by rotation and shall hold office for a term upto five consecutive years on the Board of the Company.

Accordingly, it is proposed to seek approval of the members to appoint Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) as Independent Directors of the Company under section 149 of the Act and clause 49 of the Listing Agreement, for a term upto five consecutive years as set out in the accompanying notice.

The Nomination and Remuneration Committee of the Board of Directors of the Company has recommended for appointment of Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) as Independent Directors for a term upto five consecutive years.

Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) have given a declaration to the Board that they meet the criteria of independence as provided under sub-section (6) of section 149 of the Act and the rules made thereunder. In the opinion of the Board, each of these persons fulfill the conditions specified in the Act and the rules framed thereunder for their respective appointment as Independent Directors and that they are independent of the management of the Company.

Details of Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) are given in the statement as disclosure pursuant to clause 49 of the Listing Agreement.

The Board accordingly recommends the Ordinary Resolutions set out at item Nos. 4 and 5 of the accompanying Notice for approval of the members.

Except Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) none of the Directors or their relatives, are concerned or interested in the resolution stated at Item Nos. 4 and 5 of the accompanying notice.

**Item No. 6:**

The Board of Directors of the Company at their meeting held on 27<sup>th</sup> March, 2015 appointed Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), as an Additional Director of the Company. In terms of the provisions of section 161(1) of the Companies Act, 2013, read with Articles of Association of the Company, Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), will hold office of Additional Director upto the ensuing Annual General Meeting. The Company has received a notice from a member under section 160 of the Companies Act, 2013 signifying his intention to propose the candidature of Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), as a Director of the Company, liable to retire by rotation. Accordingly, your approval is solicited for her appointment as a Director.

Except Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) and Shri. SURESH BAFNA (DIN: 00056152) none of the Directors or their relatives, are concerned or interested in the resolution stated at Item No. 6 of the accompanying notice.

**Item No. 7 & 8:**

Upon enactment of the Companies Act, 2013 and more particularly by section 180(1)(a) and 180(1)(c) of the said Act and the rules made under

the Act, it has become mandatory for every Company to obtain sanction by special resolution at a General Meeting of the Company to charge, hypothecate, mortgage, sell, lease or dispose of the assets of the Company in respect of any credit facility availed by the Company.

As you are aware that the Company in its ordinary course of business has to avail various financial facilities from banks, financial institutions, bodies corporate and others for meeting its various term loans and working capital requirements, the Company would be required to give first mortgage of some/all of the movable and immovable properties of the Company both present and future.

Section 180(1)(a) of the Companies Act, 2013, provides, inter alia, that the Board of Directors of the Company shall not, without the consent of such Company in general meeting by a special resolution, sell, lease or otherwise dispose of the whole or substantially the whole of the undertaking of the Company.

Since mortgaging by the Company of its immovable and movable properties as aforesaid in favour of the financial institution can be considered to be disposal of the Company's properties, it is necessary for the members to pass a special resolution under section 180(1)(a) of the Companies Act, 2013 before creation of the said mortgage/charge.

The sanction of the shareholders is also sought to permit the Board to borrow moneys in excess of the Company's capital and free reserves. This is permissible under section 180(1)(c) of the Companies Act, 2013, if the shareholders approve. With the Company's plans for expansion and diversification, your Board of Directors thinks it necessary to acquire this power and commends passing of this resolution.

None of the Directors of the Company are concerned or interested in the aforesaid resolution except as a member of the Company.

**Item No. 9:**

Shri. SURESH BAFNA (DIN: 00056152) was appointed as the Managing Director of the Company under the provisions of the Companies Act, 1956 for a period of 5 (five) years with effect from 1<sup>st</sup> July, 2013 to manage and control the affairs of the Company under the superintendence, control and direction of the Board of Directors of the Company. His present term as the Managing Director of the Company expires on 30<sup>th</sup> June, 2018.

Since the provisions of the Companies Act, 1956 have been repealed and also in view of Shri. SURESH BAFNA's performance and capabilities, the Nomination and Remuneration Committee of the Board of Directors of the Company at its Meeting held on 29<sup>th</sup> May, 2015 and the Board Meeting held on 29<sup>th</sup> May, 2015 have re-appointed, subject to the approval of the Members of the Company in its ensuing Annual General Meeting, Shri. SURESH BAFNA (DIN: 00056152) as the Managing Director of the Company for a further period of 3 (three) years with effect from 1<sup>st</sup> October, 2015.

The terms and conditions for re-appointment of Shri. SURESH BAFNA (DIN: 00056152) as the Company's Managing Director are summarised hereunder:

1. Shri. SURESH BAFNA (DIN: 00056152) shall be the Managing Director of the Company for a period of 3 (three) years with effect from 1<sup>st</sup> October, 2015 to 30<sup>th</sup> September, 2018 as decided by the Board of Directors.
2. Shri. SURESH BAFNA (DIN: 00056152) shall subject to the superintendence, control and direction of the Board of Directors of the Company have substantial powers of Management and shall perform the duties and exercise the powers in relation thereto and shall also perform such other duties and exercise such further powers as may from time to time be entrusted to or conferred upon him by the Board either alone or jointly with any other person or persons as the Board shall determine.

3. In consideration of his services as the Company's Managing Director, Shri. SURESH BAFNA (DIN: 00056152) shall be entitled to receive the following remuneration from the Company:
  - (a) Basic Salary: Rs.100000/- per month.
  - (b) Perquisites: Subject to the ceiling of Rs.200000/- per annum.
  - (c) House rent allowance: Maximum of 50% of the Salary.
  - (d) Reimbursement of Medical expenses: Not exceeding one month salary in a year.
  - (e) Club fees: Subject to Maximum of two clubs.
  - (f) Personal accident Insurance Premium: Not exceeding Rs.5000/- p.a.
  - (g) Car: The Company will provide car for the Company's business.
  - (h) Gratuity: As per the rules of the Company, subject to a maximum ceiling as prescribed under Payment of Gratuity Act, 1972.
  - (i) Earned privilege Leave: As per the rules of the Company subject to a maximum of 15 days salary for every completed year of service.
  - (j) Telephone: Reimbursement of bills of one telephone at his residence subject to certain conditions.
4. In the absence or inadequacy of profits of the Company in any financial year during his term of reappointment hereunder, he shall for that year receive the same remuneration as in clause 3 hereinabove specified, within the ceiling limits as laid down in Schedule V to the Companies Act, 2013.

5. Shri. SURESH BAFNA (DIN: 00056152) shall be entitled to reimbursement of other expenses actually and properly incurred by him in connection with the Company's business.

The terms and conditions of his service, including remuneration, may be varied, altered, increased, enhanced or widened from time to time by the Board as it may in its sole discretion deem fit without seeking further approval of the shareholders of the Company within the maximum amount payable to the Managing Director in accordance with the Act and Schedule V thereto.

The re-appointment and remuneration of Shri. SURESH BAFNA (DIN: 00056152) as the Company's Managing Director require the approval of the members of the Company in General Meeting by passing a special resolution in terms of Schedule V read with sections 196, 197, Chapter XIII and other applicable provisions of the Companies Act, 2013.

The Board of Directors commend the resolution for approval by the members of the Company by passing a special resolution.

Except Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) and Shri. SURESH BAFNA (DIN: 00056152) none of the Directors or their relatives, are concerned or interested in the resolution stated at Item No. 9 of the accompanying notice.

**Item No. 10:**

Shri. ADIT S BAFNA has been associated with the Company for over two decades and is instrumental in development and growth of finance and investment business of the Company. There has been considerable synergy in his leading this segment of business and his effective contribution has fostered the growth of the Company.

Shri. ADIT S BAFNA, was holding office as Executive Officer of the Company in terms of the provisions contained in Section 314(1B) of the Companies

Act, 1956. The Company had earlier secured members approval for appointment and payment of remuneration to Shri. ADIT S BAFNA.

Being a son of Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) and Shri. SURESH BAFNA (DIN: 00056152) is a Related Party vis-à-vis the Company and his appointment to the office of Executive Officer of the Company will fall under section 188 of the Companies Act, 2013 (the "Act"). In terms of Section 188 of the Act, and rules framed thereunder, such appointment is required to be made with prior approval of the Company by a Special Resolution where the monthly remuneration exceeds Rs. 2,50,000/-.

Further, the remuneration including perquisites, benefits and amenities aggregating Rs.9,00,000/- (excluding retiral benefits) for the period April 01, 2014 to September 30, 2015 is also placed for ratification and confirmation by the Members. Pursuant to the provisions of section 188 and other applicable provisions, if any, of the Act and rules framed thereunder, resolution for appointment of Shri. ADIT S BAFNA, for a period of five years effective October 01, 2015 is proposed in the accompanying Notice. This resolution supersedes the resolution passed by the Members on 30<sup>th</sup> September, 2013.

Your Directors recommend the above resolution for your approval.

Except Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) and Shri. SURESH BAFNA (DIN: 00056152) none of the Directors or their relatives, are concerned or interested in the resolution stated at Item No. 10 of the accompanying notice.

**Item No. 11:**

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 that govern the related party transactions, 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 certain cases prior approval of the shareholders by way of a Special 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, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013).

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:

<i>Name of the related party</i>	<i>Name of the Director or Key Managerial Person who is related, if any</i>	<i>Nature of Relationship</i>	<i>Nature, material terms, monetary value and particulars of the contract or arrangement</i>	<i>Maximum Amount per annum (Amount in Rs.)</i>
SAJJAN KANWAR BAFNA	SAJJAN KANWAR BAFNA	Director	The Company has taken on lease, the property owned by the Director and is paying rent for such premises.	Rs.600000/-

The support and services being extended to the Company by the above related parties are towards the benefit of the Company. The respective agreements are entered on arm's length basis and all factors relevant to the respective contracts have been considered by the Board.

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. 11 shall be entitled to vote on this special resolution.

The Board of Directors recommends the resolution set forth in item No. 11 for approval of the Members.

Except Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) and Shri. SURESH BAFNA (DIN: 00056152) none of the Directors or their relatives, are concerned or interested in the resolution stated at Item No. 11 of the accompanying notice.

**By order of the Board,  
For MANSI FINANCE (CHENNAI) LIMITED**

**(SURESH BAFNA)**

Chairman & Managing Director  
DIN: 00056152

Place: CHENNAI

Date : 29.05.2015

Old No. 22, New No. 45, Mulla Sahib Street,  
Sowcarpet, Chennai – 600 079.

**PURSUANT TO CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE, FOLLOWING INFORMATION ARE FURNISHED ABOUT THE DIRECTORS PROPOSED TO BE APPOINTED AND RE-APPOINTED, VIDE NOTICE DATED 29.05.2015.**

Name of the Director	Shri. SURESH BAFNA	Shri. BHUPAT L THAKKAR	Shri. MAHESH TATED	Smt. SAJJAN KANWAR BAFNA
Date of Birth	25.11.1946	08.03.1950	10.02.1959	31.08.1949
Date of Appointment on the Board as Director	26.09.1994	18.10.1994	31.01.2005	27.03.2015
DIN	00056152	02526454	00488121	00007725
Date of Last re-appointment as Director	15.09.2011	05.09.2012	30.09.2013	N.A.
Experience in specific functional area	50 years of experience in financing activities	30 years of experience in trading activities	35 years of experience in financing activities	40 years of experience in financing activities
Qualification	B.Sc.	SSLC	B. Com.	SSLC
List of outside Directorship held	3	Nil	Nil	2
Chairman/Member of the Committee of Board of Directors of the Company	Nil	1. Audit Committee -Member 2. Nomination and Remuneration Committee - Member	1. Audit Committee-Chairman 2. Stakeholder's Relationship Committee - Member 3. Nomination and Remuneration Committee - Member	Nil
Chairman/Member of the Committee of the Board of Directors of other Companies in which he is Director	Nil	Nil	Nil	Nil
Number of Shares held in the Company	292100 Equity Shares of Rs.10/- each	Nil	Nil	212195 Equity Shares of Rs.10/- each
Inter-se relationship with any Director	Related to Smt. SAJJAN KANWAR BAFNA	Nil	Nil	Related to Shri. SURESH BAFNA

## DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the **21<sup>st</sup>** Annual Report of the Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2015.

### 1. **STATE OF COMPANY'S AFFAIRS:**

#### (A) **Financial summary or highlights:**

(in Rs.)

Particulars	2014-15	2013-14
<b>Total Income</b>	<b>53753830</b>	<b>54759716</b>
Total expenditure	32980007	26475945
Profit before interest, depreciation and tax	41634840	43495628
Finance cost	19170042	14149421
Depreciation	1690974	1062436
Profit (Loss) before Extra-ordinary items and tax	20773824	28283771
Extra-ordinary items (Transfer to Reserve Fund as per RBI Guidelines)		
Profit (Loss) after Extra-ordinary items & before tax	20773824	28283771
Provision for taxation (Net of deferred tax)	5319565	5317679
Profit (Loss) after tax	15454259	22966092
<b>Amount available for appropriation</b>		
<b>Appropriations:</b>		
Transfer to Statutory Reserve Fund	3090852	4593218
Transfer to General reserve	-	-
Proposed dividend	-	-
Tax on proposed dividend	-	-
Balance carried to Balance Sheet	<b>12363407</b>	<b>18372874</b>

**(B) Operations:**

Your Company has been able to strengthen its financial position during the current year. The gross amount of loans provided by the Company stood at Rs.2728.56 Lakhs as on 31<sup>st</sup> March, 2015 as compared to Rs.1922.93 Lakhs as on 31<sup>st</sup> March, 2014.

**2. EXTRACT OF ANNUAL RETURN (FORM MGT-9):**

The extract of Annual Return pursuant to the provisions of sub-section (3) of section 92 read with sub-rule (1) of rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Annexure-1 and is attached to this report.

**3. NUMBER OF BOARD MEETINGS CONDUCTED DURING THE YEAR UNDER REVIEW:**

Ten Board Meetings have been held during the financial year, 2014-15, details of which are furnished as under:

<i>Quarter</i>	<i>Date of Board Meeting</i>
1 <sup>st</sup> April, 2014 to 30 <sup>th</sup> June, 2014	15.04.2014
	21.05.2014
	27.05.2014
	29.05.2014
1 <sup>st</sup> July, 2014 to 30 <sup>th</sup> September, 2014	13.08.2014
	16.09.2014
1 <sup>st</sup> October, 2014 to 31 <sup>st</sup> December, 2014	14.10.2014
	18.12.2014
1 <sup>st</sup> January, 2015 to 31 <sup>st</sup> March, 2015	14.02.2015
	27.03.2015

**4. DIRECTORS RESPONSIBILITY STATEMENT:**

In accordance with the provisions of Section 134(5) of the Companies Act, 2013, the Board hereby submits its Responsibility Statement:

- (a) In the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2015, 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 are operating effectively; and
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and such systems were adequate and operating effectively.

**5. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLOSURES MADE BY THE STATUTORY AUDITORS:**

The observations made by the auditors in their report and notes to the account referred to in the Auditors Report are self-explanatory. There were no qualifications, reservations or adverse remarks made by the Auditors in their respective reports.

**6. EXPLANATION OR COMMENTS ON QUALIFICATIONS, RESERVATIONS OR ADVERSE REMARKS OR DISCLOSURES MADE BY THE SECRETARIAL AUDITORS:**

The Secretarial Auditors have made the following observations in their report for the year ended 31<sup>st</sup> March, 2015:

1. Except for general delays up to 102 days, the Company has, prima facie, been regular in filing its returns with the Registrar of Companies.
2. The Company has not filed the following resolutions in terms of provisions of sub-section (3) of section 117 read with sub-section (3) of section 179 and other applicable rules made under the Companies Act, 2013:
  - (i) Resolution for appointment of internal auditor;
  - (ii) Resolution for considering and adopting its unaudited quarterly financial results;
  - (iii) Resolution for borrowing funds from banks and others during the financial year;
  - (iv) Resolution for investing funds of the Company.
3. The Company has not filed the prescribed returns under section 93 of the Companies Act, 2013 in relation to changes in holdings of promoters and top ten shareholders by 2% or more.

4. The Company having shareholders, exceeding 1000 in number, has not provided e-voting facility to its shareholders in terms of rule 20 of the Companies (Management and Administration) Rules, 2014.
5. The Company has not updated its website with regard to various matters which are statutorily required to be placed on the website of the Company.
6. The Company has not issued a postal ballot notice and nor complied with the provisions of section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014 for the purpose of passing a resolution under clause (a) of sub-section (1) of section 180 of the Companies Act, 2013. However, the said resolution was passed in a duly convened Extraordinary General Meeting.
7. The Company has not filed the report of Annual General Meeting as required under section 121 of the Companies Act, 2013 with the Registrar of Companies.
8. The Company, its promoters, directors and other insiders including employees have not made and submitted any disclosures or provided any information as contemplated under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
9. In accordance with the provisions of clause 47A of the listing agreement entered into with the Bombay Stock Exchange Limited, the Company is yet to appoint a Company Secretary as its Compliance Officer.
10. The Company has delayed in submitting the papers, documents, records, statements and information as required in terms of the



listing agreement entered into with the Bombay Stock Exchange Limited. The Company has also paid a fine of Rs.19101/- in this regard.

11. With regard to transfer of shares by Non-Resident Indians, we were unable to verify whether the approval of Reserve Bank of India was obtained for such transfers as the documents relating to transfer of shares were not in the possession of the Company and the same were kept with the Registrar & Share Transfer Agents.

**Board's Reply to the above observations:**

As the members are aware that the Companies Act, 2013 along with various rules and regulations made under the said Act, were made effective from 1<sup>st</sup> April, 2014. The Board of Directors were busy in both business and also updating and upgrading its records as per Companies Act, 2013. Also the various reporting and procedural formalities under the New Act have been made detailed and the Directors were unable to comply with respect to the above observations.

Your Directors would also like to state that there were no updates from the Ministry of Corporate Affairs regarding the manner in which the various compliances were to be made and periodical returns which were required to be submitted to them under the Act.

Your Board of Directors have now taken note of the above qualifications and are making provisions for complying with the same. Your Directors further assure that they will take all necessary and appropriate steps to make good the above qualifications.

**7. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013:**

The Company has continued the investments made in other bodies corporate during the financial year. Your Directors would like to draw your attention to the notes to the financial statements which sets out the details of investments made.

**8. PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES:**

All contracts/arrangements/transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on arm's length basis. The Company presents a statement of all related party transactions before the Audit Committee of the Company for their approval. During the year, the Company had not entered into any contract/arrangement/transaction which could be considered as material in nature. Your Directors would like to draw your attention to the notes to the financial statements which sets out related party disclosures.

**9. DETAILS OF AMOUNTS TRANSFERRED TO RESERVES:**

The Company has transferred a sum of Rs.3090852/- to statutory reserves maintained under the provisions of Reserve Bank of India Act, 1934. The closing balance of such reserve fund as on 31<sup>st</sup> March, 2015 was Rs.22409613/-

**10. DIVIDEND:**

In view of requirement of working capital, your directors do not recommend any dividend for the financial year ended 31<sup>st</sup> March, 2015.

**11. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND:**

The Company was not required to transfer any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

**12. 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 STATEMENTS RELATE AND THE DATE OF THE REPORT (01/04/2015 to 29/05/2015):**

There were no material changes and commitments affecting the financial position of the Company between the period 1<sup>st</sup> April, 2015 to 29<sup>th</sup> May, 2015.

**13. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013 READ WITH RULE 8(3) OF THE COMPANIES (ACCOUNTS) RULES, 2014:**

In terms of clause (m) of sub-section (3) of section 134 of the Companies Act, 2013 and the rules framed there under, the particulars relating to conservation of energy, technology absorption and foreign earnings and outgo is given below:

**1) CONSERVATION OF ENERGY:**

Your Company is not engaged in any manufacturing activity and thus its operations are not energy intensive. However, adequate measures are always taken to ensure optimum utilization and maximum possible saving of energy.

**2) TECHNOLOGY ABSORPTION:**

The Company has no activity relating to technology absorption.

**3) FOREIGN EXCHANGE EARNINGS AND OUTGO:**

(Amount in Lakhs)

Particulars	2014-15	2013-14
<b>Value of exports calculated on FOB basis</b>	—	—
<b>Value of Imports calculated on CIF basis:</b>		
Raw Materials	—	—
Components and Spare parts	—	—
Capital Goods	—	—
<b>Expenditure in Foreign Currency:</b>		
Travel	—	—
Others	—	—

**14. DETAILS OF CHANGE IN NATURE OF BUSINESS, IF ANY:**

There was no change in the nature of business of the Company, during the year 2014-15.

**15. DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Company's Articles of Association, Shri. SURESH BAFNA (DIN: 00056152), is due to retire by rotation and is eligible for re-appointment.

Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121), Directors of your Company, retire by rotation and being eligible, offers themselves for re-appointment. As per the Companies Act, 2013, an Independent Director shall be appointed for a period of five years on a non-rotational basis. Accordingly, Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) being Independent Directors, are proposed to be appointed for a period of five years.

Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) was appointed as an Additional director of the Company during the financial year with effect from 27<sup>th</sup> March, 2015.

**16. EVALUATION OF THE BOARD'S PERFORMANCE:**

In compliance with the Companies Act, 2013, and Clause 49 of the Listing Agreement, the performance evaluation of the Board, its Committees and individual Directors was carried out during the year under review. Questionnaire approach was adopted for said evaluations.

The Nomination and Remuneration Committee (NRC) at its meeting carried out a separate exercise for evaluating every Directors performance. The evaluation of Independent Directors was carried out without the presence of that Director. A separate meeting of the Independent Directors was convened which reviewed the performance of the Board (as a whole), the non-independent directors and the Chairman.

Some of the key criteria's for performance evaluation were as follows:

**Performance evaluation of Board and Committees:**

1. Degree of fulfillment of key responsibilities;
2. Board structure and composition;
3. Effectiveness of Board processes, information and functioning;
4. Board Culture and Dynamics;
5. Quality of relationship between the Board and the Management;
6. Establishment and delineation of responsibilities to committees.

**Performance evaluation of Directors:**

1. provide meaningful and constructive contribution and inputs in meetings;
2. display a good degree of understanding of the company, industry, sector, geography;
3. display independence of judgment.

**17. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS:**

The Independent Directors of the Company are persons of integrity, possessing rich experience and expertise in the field of corporate management, finance, capital market, economic and business information.

The company has issued appointment letter to the Independent Directors setting out in detail, the terms of appointment, duties, roles & responsibilities and expectations from the appointed Director. The Board of Directors has complete access to the information within the Company. Presentations are regularly made to the Board of Directors / Audit Committee / Nomination & Remuneration Committee / Stakeholders Relationship Committee on various related matters, where Directors have interactive sessions with the Management.

**18. SUBSIDIARY:**

The Company does not have any subsidiary companies or associate companies or joint ventures.

**19. INTERNAL FINANCIAL CONTROLS:**

The Board has adopted the policies and procedures for ensuring the orderly and efficient conduct of business, including adherence to the 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 disclosures.

**20. DEPOSITS:**

The Company has neither accepted nor renewed any deposits during the year.

**21. MATERIAL ORDERS PASSED BY REGULATORY AUTHORITIES:**

There are no significant and material orders passed by the regulators or courts or tribunals during the year, impacting the going concern status and company's operations in future.

**22. RISK MANAGEMENT POLICY:**

Risks are events, situations or circumstances which may lead to negative consequences on the Company's businesses. Risk Management is a structured approach to manage uncertainty. Although the Company does not have a formal risk management policy but a formal enterprise-wide approach to Risk Management is being adopted by the Company and key risks will now be managed within a unitary framework. Key business risks and their mitigation are also considered in the annual / strategic business plans and in periodic management reviews.

**23. DETAILS OF REVISION OF FINANCIAL STATEMENTS:**

There was no revision of the financial statements of the Company, during the year 2014-15.

**24. SHARES AND SHARE CAPITAL:**

**a. CAPITAL STRUCTURE:**

The Authorised Share Capital of your Company is Rs.55000000/- comprising of 5500000 Equity Shares of Rs.10/- each and the Paid-up Share Capital is Rs.35349000/- comprising of 3534900 Equity Shares of Rs.10/- each.

**b. BUY-BACK OF SHARES:**

The Company has not bought back any of its securities during the year.

**c. SWEAT EQUITY:**

The Company has not issued any Sweat Equity Shares during the year.

**d. BONUS SHARES:**

No Bonus Shares were issued during the year.

**e. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any Stock Option Scheme to the employees, during the year.

**25. STATUTORY AUDITORS:**

**M/s. SIROHIA & CO (FRN: 003875S)**, Chartered Accountants, Chennai retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors, if re-appointed. The Company has received confirmation from the firm that their appointment will be within the limits prescribed under section 141(3)(g) of the Companies Act, 2013.

**26. SECRETARIAL AUDITORS:**

In accordance with the provisions of Section 204 of the Companies Act, 2013, the Board has appointed **M/s. MUNDHARA & CO**, Company Secretaries in Whole-time Practice, Chennai as the Secretarial Auditor for the financial year 2014-15. The report of the Secretarial Auditor is annexed to this report.

**27. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

Your Company has always believed in providing a safe and harassment free workplace for every individual working in the Company's premises through various interventions and practices. The Company always endeavours to create and provide an environment that is free from discrimination and harassment including sexual harassment.

The Company does not have a formal Anti Sexual Harassment policy in place but has adequate measures including checks and corrections in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary and trainees) are covered under the policy.

The following is a summary of sexual harassment complaints received and disposed off during the year 2014-15:

- No. of Complaints received : NIL
- No. of Complaints disposed off : NIL

**28. RESERVE BANK OF INDIA REGULATIONS:**

Your Company is generally complying with the directions of the Reserve Bank of India regarding prudential norms of accounting, capital adequacy ratio, provisions for bad and doubtful debts and other requirements as per the directions issued from time to time.

**29. CORPORATE GOVERNANCE:**

Report of Corporate Governance for the year 2014-2015 and Management Discussion and Analysis are forming part of this Annual report.



**30. COMPOSITION OF AUDIT COMMITTEE:**

The Board has constituted the Audit Committee, which comprises of Shri. MAHESH TATED as Chairman and Shri. YUVARAJ A JAIN and Shri. BHUPAT L THAKKAR as the members. More details on the committee are given in the Corporate Governance Report.

**31. CERTIFICATE FROM MANAGING DIRECTOR:**

A certificate has been obtained from Shri. SURESH BAFNA (DIN: 00056152), Chairman & Managing Director as required under the provision VIII - CEO / CFO Certification of the revised clause 49 of Corporate Governance, which is enclosed and is forming part of this Report.

**32. LISTING AT STOCK EXCHANGE:**

The Equity Shares of the Company continue to be listed on Bombay Stock Exchange Limited. The annual listing fee for the year 2015-2016 has been paid to the Exchange.

**33. CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT:**

A certificate from the Statutory Auditors of the Company regarding compliance with the Code of Corporate Governance is forming part of this annual report.

**34. MANAGEMENT'S DISCUSSION AND ANALYSIS:**

In terms of the provisions of clause 49 of the Listing Agreement, the Management's Discussion and Analysis is set out in this Annual Report.

**35. DECLARATION BY INDEPENDENT DIRECTORS:**

The Company has received necessary declaration from each independent director under section 149(7) of the Companies Act, 2013 that he/she meets the criteria of independence laid down in section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

**36. EMPLOYEE REMUNERATION:**

The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forming part of this report and are annexed as Annexure-2 to this report.

**37. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the dedicated and untiring hard work put by the employees at all levels. Your Directors would like to thank the Banks, Consultants, auditors and above all the shareholders and valued Customers for their continued support and patronage.

For and on behalf of the Board

**(SURESH BAFNA)**

Chairman & Managing Director

DIN: 00056152

Old No. 22, New No.45,

Mulla Sahib Street,

Sowcarpet,

Chennai-600 079.

**(MAHESH TATED)**

Director

DIN: 00488121

No.10/33,

Arumugam Street,

Chennai-600 001.

Place: CHENNAI

Date : 29.05.2015

Form No. MR-3

## SECRETARIAL AUDIT REPORT

*For the financial year ended 31<sup>st</sup> March, 2015*

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

To,

**The Members,  
M/s. MANSI FINANCE (CHENNAI) LIMITED**  
No. 22-B, Mulla Sahib Street,  
Sowcarpet,  
**CHENNAI – 600 079.**

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. MANSI FINANCE (CHENNAI) LIMITED** (hereinafter called "*the Company*"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of **MANSI FINANCE (CHENNAI) LIMITED'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, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2015** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2015** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;

- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) During the year under review, the Company has not made any Foreign Direct Investment, Overseas Direct Investment nor any External Commercial Borrowings and accordingly the compliance of the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder does not arise;
- (v) The following Regulations and guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - (c) During the year under review, the Company has not issued any securities and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 does not arise;
  - (d) During the year under review, the Company has not issued any securities or options to its employees and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 does not arise;
  - (e) During the year under review, the Company has not issued and listed any debt securities and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 does not arise;
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) During the year under review, the Company has not delisted its securities from any of the stock exchange in which it is listed and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 does not arise;

- (h) During the year under review, the Company has not bought back any securities and accordingly the compliance of the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 does not arise;
- (vi) The Reserve Bank of India Act, 1934 to the extent applicable to a Non-Banking Finance Company not accepting deposits.

With respect to fiscal laws such as Income Tax Act and Service Tax and labour laws such as Provident Fund, Gratuity, Insurance, Prevention of Sexual Harassment and Compensation based on the information and explanations provided by the Company and also on verification of reports of other professionals, we report that adequate systems are in place to monitor and ensure compliance of fiscal and labour laws as mentioned above.

We have also examined compliance with applicable clauses of the following;

- (1) The Secretarial Standards on Board and General Meetings issued by the Institute of Company Secretaries of India and as prescribed under sub-section 10 of section 118 of the Companies Act, 2013 as are applicable with effect from 1<sup>st</sup> July, 2015. However, the Secretarial Standards 1 and 2 relating to board meetings and general meetings which were issued by the ICSI as recommendatory have been, *prima facie*, complied by the Company;
- (2) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited (BSE).

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

- 1. Except for general delays up to 102 days, the Company has, *prima facie*, been regular in filing its returns with the Registrar of Companies.
- 2. The Company has not filed the following resolutions in terms of provisions of sub-section (3) of section 117 read with sub-section (3) of section 179 and other applicable rules made under the Companies Act, 2013:
  - (i) Resolution for appointment of internal auditor;

- (ii) Resolution for considering and adopting its unaudited quarterly financial results;
  - (iii) Resolution for borrowing funds from banks and others during the financial year;
  - (iv) Resolution for investing funds of the Company.
3. The Company has not filed the prescribed returns under section 93 of the Companies Act, 2013 in relation to changes in holdings of promoters and top ten shareholders by 2% or more.
  4. The Company having shareholders, exceeding 1000 in number, has not provided e-voting facility to its shareholders in terms of rule 20 of the Companies (Management and Administration) Rules, 2014.
  5. The Company has not updated its website with regard to various matters which are statutorily required to be placed on the website of the Company.
  6. The Company has not issued a postal ballot notice and nor complied with the provisions of section 110 of the Companies Act, 2013 read with rule 22 of the Companies (Management and Administration) Rules, 2014 for the purpose of passing a resolution under clause (a) of sub-section (1) of section 180 of the Companies Act, 2013. However, the said resolution was passed in a duly convened Extra-ordinary General Meeting.
  7. The Company has not filed the report of Annual General Meeting as required under section 121 of the Companies Act, 2013 with the Registrar of Companies.
  8. The Company, its promoters, directors and other insiders including employees have not made and submitted any disclosures or provided any information as contemplated under the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  9. In accordance with the provisions of clause 47A of the listing agreement entered into with the Bombay Stock Exchange Limited, the Company is yet to appoint a Company Secretary as its Compliance Officer.
  10. The Company has delayed in submitting the papers, documents, records, statements and information as required in terms of the listing agreement

entered into with the Bombay Stock Exchange Limited. The Company has also paid a fine of Rs.19101/- in this regard.

11. With regard to transfer of shares by Non-Resident Indians, we were unable to verify whether the approval of Reserve Bank of India was obtained for such transfers as the documents relating to transfer of shares were not in the possession of the Company and the same were kept with the Registrar & Share Transfer Agents.

We further report that

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

Adequate notice is 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 were carried through with the consent of all the Directors / Committee members present and hence there were no instances of dissent by the members.

We 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 compliances with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there were no specific events/ actions having a major bearing on the Company's Affairs.

**For MUNDHARA & CO**  
***Company Secretaries***

**(JAGDISH P MUNDHARA)**  
***Proprietor***

**Place: CHENNAI**  
**Date : 29.05.2015**

**FCS 2353 C.P. No. 1443**

**'Annexure A'**

To,  
The Members,  
**M/s. MANSI FINANCE (CHENNAI) LIMITED**  
No.22-B, Mulla Sahib Street,  
Sowcarpet,  
CHENNAI – 600 034.

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We 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. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we 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, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

**For MUNDHARA & CO**  
***Company Secretaries***

**(JAGDISH P MUNDHARA)**  
***Proprietor***

**FCS 2353 C.P. No. 1443**



**Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31<sup>st</sup> March, 2015*****[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:**

i)	CIN	L65191TN1994PLC028734
ii)	Registration Date	26/09/1994
iii)	Name of the Company	MANSI FINANCE (CHENNAI) LIMITED
iv)	Category/Sub-Category of the Company	Company Limited by Shares and Indian Non-Government Company
v)	Address of the Registered office and contact details	No. 22, Mulla Sahib Street, Sowcarpet, Chennai – 600 079. Tel: 044 – 2529 3298 e-mail ID: mansi@mansiindia.com
vi)	Whether listed Company Yes/No	Yes – The Bombay Stock Exchange Limited
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	CAMEO CORPORATE SERVICES LIMITED” Subramanian Building”, No.1, Club House Road, Chennai – 600 002.

**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	% total turnover of the company
1.	Non-Banking Finance Company	65191	78.67

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

Sl. No.	Name and Address of the Company	CIN/GLN	Holding / Subsidiary / Associate	% of Shares held	Applicable Section
Not Applicable					

### IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity):

#### (i) Category-wise Shareholding:

Category of Shareholders	No. of Shares held at the beginning of the year				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	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	618201	1399800	2018001	57.09	620051	1399800	2019851	57.14	0.05
b) Central Govt.									
c) State Govt(s)									
d) Bodies Corp.									
e) Banks/FI									
f) Any other....									
<b>Sub-Total (A)(1):</b>	<b>618201</b>	<b>1399800</b>	<b>2018001</b>	<b>57.09</b>	<b>620051</b>	<b>1399800</b>	<b>2019851</b>	<b>57.14</b>	<b>0.05</b>

<b>(2) Foreign</b>									
a) NRIs-Individuals									
b) Other – Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other....									
<b>Sub-Total (A)(2):</b>	-	-	-	-	-	-	-	-	-
<b>Total shareholding (A)=(A)(1)+(A)(2) of promoter</b>	618201	1399800	2018001	57.09	620051	1399800	2019851	57.14	0.05
<b>B. Public Shareholding:</b>									
<b>1. Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central Govt									
d) State Govt(s)									
e) Venture Capital Funds									
f) Insurance Companies									
g) FIIs									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>Sub-Total (B)(1):</b>	-	-	-	-	-	-	-	-	-

**MANSI FINANCE (CHENNAI) LTD.**

<b>2. Non-Institutions</b>									
a) Bodies Corp.	39637	319400	359037	10.16	39411	319400	358811	10.15	-0.01
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.1 Lakh	201501	764250	965751	27.32	199570	761650	961220	27.19	-0.13
ii) Individual shareholders holding nominal share capital in excess of Rs.1 Lakh	11388	175600	186988	5.29	10888	175600	186488	5.28	-0.01
c) Others Clearing Members									
Hindu Undivided Families	3955	-	3955	0.11	7580	-	7580	0.21	0.10
Non-Resident Indians	1168	-	1168	0.03	950	-	950	0.03	-
<b>Sub-Total (B)(2):</b>	<b>257649</b>	<b>1259250</b>	<b>1516899</b>	<b>42.91</b>	<b>258399</b>	<b>1256650</b>	<b>1515049</b>	<b>42.86</b>	<b>-0.05</b>
<b>Total Public Shareholding (B) = (B)(1)+(B)(2)</b>	<b>257649</b>	<b>1259250</b>	<b>1516899</b>	<b>42.91</b>	<b>258399</b>	<b>1256650</b>	<b>1515049</b>	<b>42.86</b>	<b>-0.05</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>875850</b>	<b>2659050</b>	<b>3534900</b>	<b>100.00</b>	<b>878450</b>	<b>2656450</b>	<b>3534900</b>	<b>100.00</b>	<b>-</b>

**(ii) Shareholding of Promoters:**

Sl. No.	Shareholder's name	Share holding at the beginning of the year			Share holding 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	
1.	MANITHA	354181	10.02	-	354181	10.02	-	-
2.	SAJJAN KANWAR BAFNA	210345	5.95	-	212195	6.00	-	0.05
3.	ADIT KUMAR BAFNA	644626	18.24	-	644626	18.24	-	-
4.	SURESH BAFNA	292100	8.26	-	292100	8.26	-	-
5.	SURESH CHANDRA CHHOGMALJI HUF	192000	5.43	-	192000	5.43	-	-
6.	PADMAVATHI BAFNA	324749	9.19	-	324749	9.19	-	-

**(iii) Change in Promoter's Shareholding (please specify, if there is no change):**

Sl. No.		Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
01.	<b>Smt. SAJJAN KANWAR BAFNA</b>				
	At the beginning of the year	210345	5.95	210345	5.95
	Market Purchase	1800	0.05	212195	6.00
	At the end of the year	<b>212195</b>	<b>6.00</b>	<b>212195</b>	<b>6.00</b>

There was no change in shareholding of other promoter's other than those specified above.

**(iv) Shareholding pattern of top ten shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sl. No.	For each of top 10 shareholders	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
01.	<b>M/s. MANSI FOUNDATION PRIVATE LIMITED</b>				
	At the beginning of the year	309900	8.77	309900	8.77
	At the end of the year	309900	8.77	309900	8.77
02.	<b>Shri. PANKAJ A JAIN</b>				
	At the beginning of the year	54400	1.54	54400	1.54
	At the end of the year	54400	1.54	54400	1.54
03.	<b>Shri. YUVARAJ A JAIN</b>				
	At the beginning of the year	50500	1.43	50500	1.43
	At the end of the year	50500	1.43	50500	1.43

04.	<b>Shri. ANAND A JAIN</b>				
	At the beginning of the year	49300	1.39	49300	1.39
	At the end of the year	49300	1.39	49300	1.39
05.	<b>M/s.MARDIA SONS HOLDINGS (P) LIMITED</b>				
	At the beginning of the year	24796	0.70	24796	0.70
	At the end of the year	24796	0.70	24796	0.70
06.	<b>Smt. ARCHANA AGARWAL</b>				
	At the beginning of the year	21400	0.61	21400	0.61
	At the end of the year	21400	0.61	21400	0.61
07.	<b>Shri. VIMAL KUMAR AGRAWAL</b>				
	At the beginning of the year	6046	0.17	6046	0.17
	At the end of the year	6046	0.17	6046	0.17
08.	<b>Shri. PROSAD DEY</b>				
	At the beginning of the year	5898	0.17	5898	0.17
	Market Sale	800	0.02	5098	0.15
	At the end of the year	5098	0.15	5098	0.15
09.	<b>Shri. ASHOK KUMAR</b>				
	At the beginning of the year	5000	0.14	5000	0.14
	At the end of the year	5000	0.14	5000	0.14
10.	<b>Shri. ASHOK KUMAR LOOKAD</b>				
	At the beginning of the year	5000	0.14	5000	0.14
	At the end of the year	5000	0.14	5000	0.14

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Smt. SAJJAN KANWAR BAFNA</b>				
	At the beginning of the year	210345	5.95	210345	5.95
	Market Purchase	1800	0.05	212195	6.00
	At the end of the year	212195	6.00	212195	6.00
2.	<b>Shri. YUVARAJ ASHWIN JAIN</b>				
	At the beginning of the year	50500	1.43	50500	1.43
	At the end of the year	50500	1.43	50500	1.43
3.	<b>Shri. SURESH BAFNA</b>				
	At the beginning of the year	292100	8.26	292100	8.26
	At the end of the year	292100	8.26	292100	8.26
4.	<b>Shri. MAHESH TATED</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-
5.	<b>Shri. BHUPENDRA LAXMIDAS THAKKAR</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-



**V. INDEBTNESS**

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

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year:</b>				
i) Principal Amount	15296862	105980231	-	<b>121277093</b>
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	15296862	105980230	-	<b>121277093</b>
<b>Changes in Indebtedness during the financial year</b>				
• Addition	776809	64955997		<b>65732806</b>
• Reduction				
<b>Net Change</b>	776809	64955997	-	<b>65732806</b>
<b>Indebtedness at the end of the financial year:</b>				
i) Principal Amount	16073671	170936228	-	<b>187009899</b>
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	16073671	170936228	-	<b>187009899</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL:****A. Remuneration to Managing Director, Whole-time Director and/or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
1.	Gross Salary	<b>Shri. SURESH BAFNA</b>	<b>Rs.600000/-</b>
	(a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961.		
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961.		
	(c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961.		
2.	Stock Option		
3.	Sweat Equity		
4.	Commission - as % of profit - others, specify...		
5.	Others, please specify		
	Total (A)	Rs.600000/-	<b>Rs.600000/-</b>
	Ceiling as per the Act	Rs.4200000/-	<b>Rs.4200000/-</b>

**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Name-1	Name-2	Name-3	Name-4	
<b>1.</b>	<b>Independent Directors:</b> <ul style="list-style-type: none"> <li>● Fee for attending board / committee meetings</li> <li>● Commission</li> <li>● Others, please specify</li> </ul>	<b><i>No Remuneration was paid to other Directors during the financial year 2014 – 15.</i></b>				
	<b>Total (1)</b>					
<b>2.</b>	<b>Other Non-Executive Directors:</b> <ul style="list-style-type: none"> <li>● Fee for attending board / committee meetings</li> <li>● Commission</li> <li>● Others, please specify</li> </ul>					
	<b>Total (2)</b>					
	Total (B) = (1+2)					
	Total Managerial Remuneration (A+B)					
	Overall Ceiling as per the Act	Rs.6,00,000/-				
		Rs.42,00,000/- (As per schedule V to the Act)				

***C. Remuneration to Key Managerial Personnel other than MD/Manager/  
WTD:***

Sl. No.	Particulars of Remuneration	Key managerial Personnel			Total Amount
		CEO	Company Secretary	CFO	
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961. (b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961. (c) Profits in lieu of salary under section 17(3) of the Income-Tax Act, 1961.	<p><b>No Remuneration was paid to Key Managerial Personnel other than Managing Director, Whole-time Director and/or Manager during the financial year 2014 – 15.</b></p>			
2.	Stock Option				
3.	Sweat Equity				
4.	Commission - as % of profit - others, specify...				
5.	Others, please specify				
	Total				

**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)
<b>A. COMPANY</b>					
Penalty	<b>There were no instances of penalties/punishment/compounding of offences during the financial year 2014-15.</b>				
Punishment					
Compounding					
<b>B. DIRECTOR</b>					
Penalty	<b>There were no instances of penalties/punishment/compounding of offences during the financial year 2014-15.</b>				
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	<b>There were no instances of penalties/punishment/compounding of offences during the financial year 2014-15</b>				
Punishment					
Compounding					

For and on behalf of the Board

**SURESH BAFNA**

Chairman & Managing Director  
 DIN: 00056152  
 Old 22, New No.45  
 Mulla Sahib Street, Sowcarpet  
 Chennai – 600 079.

**MAHESH TATED**

Director  
 DIN: 00488121  
 No.10/33,  
 Arumugam Street,  
 Chennai – 600 001.

PLACE: CHENNAI  
 DATE : 29-05-2015

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Economic Overview**

With the Indian economy growing at the average annual growth rate of 8 percent over the past three years, the demand for automobiles has gone up and consequently the demand for finance too. This is expected to be sustained for another five years, in view of continued thrust of the successive governments in infrastructure development.

Interest rates have started moving upward which is evident from the hike in reverse repo rate effected thrice in the last fiscal by the Reserve Bank of India. This will increase the cost of borrowing with consequential affect on the lending rate.

### **Opportunities:**

The continued exponential growth in the country has created enormous opportunities for financial intermediaries to exploit favourable and propel their business to greater heights.

India has emerged as one of the fastest growing economies in the globe and has generated a lot of interest among foreign investors both financial and strategic. Global players see India as the future economic powerhouse and they are making huge investments in different business within the country. Buoyant market conditions and sustained economic growth over the past few years coupled with a very positive outlook in the coming years give the business of our Company.

### **Threats:**

Ever surge in business opportunities economic growth with its new entrants into the market. New entrants could be a threat to the various business segments of the Group. However, competition only help the Group build a strong business model, employ the best human talent and capitalize on the long years of excellent client relationship and a proven track record.

**Segment-wise or product-wise performance:**

At present the Company is carrying on only one segment of financing business.

**Risks and concerns:**

Any change in the interest rate in the market will have impact on the profit of the company. The company has a defined credit policy duly approved and reviewed by the Management from time to time. The credit policy is strictly implemented and the debtors are regularly monitored. However any default or downgrade of credit worthiness of customers may affect profitability.

The company strives to comply with all the statutory laws of the Country. But the same law may be misused by opposite party especially the defaulters. It may happen in financial business that some people may get loan from the financiers with no intention to repay.

**Internal control systems and their adequacy:**

The company has instituted adequate internal control procedure commensurate with the nature of its business and size of its operations. It is based on well-defined individual roles and responsibilities with their limit of authority at various level, as well as effective feedback flow. All the significant observations and follow-up actions thereon are reported to the Board of Directors. An Audit Committee consisting of three independent directors are in place.

**Human Resource/Industrial Relation:**

Your company believes that its employees represent the backbone of its success. The company, on one hand provides its people with an environment in which they develop, excel and innovate, while on other, it sets challenging targets and rewards superior performance.

- ★ The HR Policies of the company have been designed to achieve the following goals:
- ★ Better quality and safety
- ★ Research and development capabilities
- ★ Lesser attrition rate.

Industrial relations at all the works of the company remained cordial and harmonious during the current period under review. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the company to remain at the forefront of the industry.

There is no transaction conflicting with the interest of the company.

**Cautionary statement**

Estimates and expectations stated in this Management Discussion and Analysis may be “forward-looking statements” within the meaning of the applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to your Company’s operation include economic conditions affecting the interest rate, inflation, changes in the interest rate, changes in the Government regulations, tax laws, other statutes and incidental factors. The Company undertakes no responsibility to update or revise any forward-looking statement.



## **CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2014-2015**

### **1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company always strives to achieve optimum performance at all levels by following and adhering to best corporate governance practices, such as:

- ❖ Fair and transparent business practice.
- ❖ Effective management Control by Board.
- ❖ Adequate representation of promoter, executive and independent directors on the Board.
- ❖ Compliance of Law.
- ❖ Transparent and timely disclosures of financial and management information.

### **2. BOARD OF DIRECTORS:**

The Board of Directors of Mansi Finance (Chennai) Limited consists of five Directors. There are no institutional nominees on the Board. The details of composition and categories of Directors are given below:

<b>S.No.</b>	<b>Name of the Director</b>	<b>Category</b>
1.	Shri. Suresh Bafna	Chairman & Managing Director
2.	Shri. Bhupat L Thakkar	Independent Director
3.	Shri. Yuvaraj A Jain	Independent Director
4.	Shri. Mahesh Tated	Independent Director
5.	Smt. Sajjan Kanwar Bafna	Non-executive Non-Independent Director

The Chairman of the Board is Shri. SURESH BAFNA (DIN: 00056152), Managing Director.

Except Shri. YUVARAJ A JAIN (DIN: 00007745) and Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), none of the Non-Executive Directors of the Company are holding any equity shares in the Company.

The Composition and category of Directors and their memberships in other Board/Committees as on 31<sup>st</sup> March, 2015 is as under:

S. No.	Name of the Director	Designation	No. of other director-ships held	No. of Memberships in Board Committees of other companies
1	Shri. Suresh Bafna	Promoter-Executive Director	3	Nil
2	Shri. Bhupat L.Thakkar	Independent Director	Nil	Nil
3	Shri. Yuvaraj A. Jain	Independent Director	2	Nil
4	Shri. Mahesh Tated	Independent Director	Nil	Nil
5.	Smt. Sajjan Kanwar Bafna	Non-executive Non-Independent Director	2	Nil

### 3. BOARD PROCEDURE:

#### Board Meeting:

During 2014-2015, the Board of Directors met Ten (10) times on 15.04.2014, 21.05.2014, 27.05.2014, 29.05.2014, 13.08.2014, 16.09.2014, 14.10.2014, 18.12.2014, 14.02.2015 and 27.03.2015.

The details of the meeting of the Board of Directors are given below:

#### Board of Directors:

Date of Meeting	Total Members	Attendance by number of members	Date of Meeting	Total Members	Attendance by number of members
15-04-2014	4	4	16-09-2014	4	4
21-05-2014	4	4	14-10-2014	4	4
27-05-2014	4	4	18-12-2014	4	4
29-05-2014	4	4	14-02-2015	4	4
13-08-2014	4	4	27-03-2015	5	5

The annual operating plans, budgets, quarterly results, performance of various units\divisions and various other information, including those specified under Annexure 1A to the Clause 49 of Listing Agreement entered into by the Company with the Stock Exchange, and as amended from time to time, were duly placed before the Board of Directors of the Company.

Attendance of Directors at the Board Meetings and last Annual General Meeting.

S. No.	Name of Director	Attendance	
		Board Meeting	Last AGM
1	Shri. Suresh Bafna	10	Yes
2	Shri. Bhupat L Thakkar	10	Yes
3	Shri. Yuvaraj A. Jain	10	Yes
4	Shri. Mahesh Tated	10	Yes
5	Smt. Sajjan Kanwar Bafna	1	N.A.

**4. REMUNERATION TO DIRECTORS:**

During the year the Company had paid remuneration of Rs.600000/- to Shri. SURESH BAFNA (DIN: 00056152), Managing Director. Presently, the Company has not formulated a scheme for grant of stock options either to Executive Directors or employees.

**5. AUDIT COMMITTEE:**

The Audit Committee consists of three Independent Directors. The members of the Committee are Shri. MAHESH TATED (DIN: 00488121), Chairman, Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. YUVARAJ A JAIN (DIN: 00007745). The Statutory Auditor and Senior Executive officer are the invitees of all meetings of committee.

The terms of reference of the Audit Committee are wide enough covering the mandatory items as required under clause 49 of the Listing Agreement and its major functions are:

- To receive the Quarterly, Half-yearly and Annual Financial results, Management Discussion and Analysis statement of the Company, before submission to the Board.
- To recommend appointment of Auditors and fixing their remuneration.
- To discuss with the statutory auditor the nature and scope of the audit.

The Audit Committee met 4 times during the year and attendance of audit committee is as under:

<b>Date of Meeting</b>	<b>Total Members</b>	<b>Attendance by number of members</b>
29.05.2014	3	3
13.08.2014	3	3
14.10.2014	3	3
14.02.2015	3	3

#### **6. STAKEHOLDERS RELATIONSHIP COMMITTEE:**

The Board has constituted Stakeholder's Relationship committee in accordance with the provisions of the Companies Act, 2013 and clause 49 of the listing Agreement. The terms of reference of Shareholders/Investor's Grievance committee were conferred on the Stakeholder's Relationship committee and consequently, the Shareholders/ Investor's Grievance committee was dissolved. The members of the committee are Shri. YUVARAJ A JAIN (DIN: 00007745), Chairman and Shri. MAHESH TATED (DIN: 00488121), Member.

**Attendance of Stakeholders Relationship Committee:**

Date of Meeting	Total Members	Attendance by number of members	Date of Meeting	Total Members	Attendance by number of members
29-05-2014	2	2	14-10-2014	2	2
13-08-2014	2	2	14-02-2015	2	2

- ❖ The Company's shares are compulsorily traded in dematerialised form. Hence the Committee has met at relevant intervals considering the volume of transfers received in the physical segment.
- ❖ The Company has no transfers pending at the close of the financial year.
- ❖ One Complaint was received during the year 2014-15 and the same was resolved.

**7. NOMINATION AND REMUNERATION COMMITTEE:**

Adhering to the requirements of the Companies Act, 2013 and clause 49 of the Listing Agreement, the Board of the Company has constituted Nomination and Remuneration Committee. The terms of reference of the 'Remuneration Committee' were conferred on the Nomination and Remuneration Committee and consequently, the remuneration Committee was dissolved.

The members of the Committee are Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121), Independent and Non-Executive Directors. The Main objective of the Committee is to decide amount of salary payable to Managing Director/ Whole-time Directors in case the total payment is exceeding limit prescribed under section 198 of the Companies Act, 1956 and 197 of the Companies Act, 2013. During the year the Company had paid remuneration of Rs.600000/- to Shri. SURESH BAFNA, Managing Director.

**Attendance of the Committee during the year is follows:**

Date of Meeting	Total Members	Attendance by number of members
29-05-2014	2	2

**8. GENERAL BODY MEETINGS:**

**The details of the location and time for last three Annual General Meetings are given below:**

Year	Location	Date	Time	No. of Special Business
2011-2012	'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai – 79	5 <sup>th</sup> September, 2012	10.00 A.M.	---
2012-2013	'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai – 79	30 <sup>th</sup> September, 2013	11.00 A.M.	4*
2013-2014	'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai – 79	16 <sup>th</sup> September, 2014	10.00 A.M.	---

\*(a). Ordinary Resolution for re-appointment of Shri. SURESH BAFNA as Managing Director of the Company for a period of 5 years commencing from 1<sup>st</sup> July, 2013 was passed under sections 198, 269, 309, 310 and 311 and other applicable provisions, if any of the Companies Act, 1956 read with schedule XIII to the Act.

(b). Special Resolution for appointment of Shri. ADIT BAFNA as Executive Officer of the Company with effect from 1<sup>st</sup> July, 2013 was passed under section 314(1B) of the Companies Act, 1956.

- (c). Ordinary Resolution for authorizing the Board to Charge/Mortgage the assets of the Company was passed under section 293(1)(a) of the Companies Act, 1956.
- (d). Ordinary Resolution for authorizing the Board to borrow funds was passed under section 293(1)(d) of the Companies Act, 1956.

#### **9. DIRECTORS:**

In accordance with the provisions of Section 152 of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and the Company's Articles of Association, Shri. SURESH BAFNA (DIN: 00056152), is due to retire by rotation and is eligible for re-appointment.

Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121), Directors of your Company, retire by rotation and being eligible, offers themselves for re-appointment. As per the Companies Act, 2013, an Independent Director shall be appointed for a period of five years on a non-rotational basis. Accordingly, Shri. BHUPAT L THAKKAR (DIN: 02526454) and Shri. MAHESH TATED (DIN: 00488121) being Independent Directors, are proposed to be appointed for a period of five years.

Smt. SAJJAN KANWAR BAFNA (DIN: 00007725) was appointed as an Additional director of the Company during the financial year with effect from 27<sup>th</sup> March, 2015.

#### **10. DISCLOSURES:**

No transaction of material nature has been entered into by the Company with its promoters, directors or the management or relatives, etc., which may have potential conflict with the interest of the Company.

#### **Disclosures of non-compliance by the Company:**

The shares of your Company are continued to be listed on the BSE (Bombay Stock Exchange Limited). The shares of the Company were freely traded

on the exchange until January, 2013, thereafter the trading on such shares and securities was suspended due to non-compliance of the clauses of Listing Agreement as entered with the Stock Exchange. The Company has thereafter complied with all the pending clauses and have made timely submissions with the Exchange.

The Company was thereafter given the in-principle approval for continuance of trading on the exchange. The Company has paid the revocation of trading suspension fees to the exchange.

The Stock Exchange has also imposed a penalty of Rs.19101/- for non-complying with the provisions of the listing agreement. The Company has paid the same.

Apart from this there were no instances of non-compliance or penalty or strictures imposed on the Company by SEBI or any other authority on any matter relating to Capital Markets during the last three years.

Transactions with related parties is disclosed in point No. 25 of Notes to the Accounts in the Financial Statements of this Annual Report 2014-2015.

The Company has obtained Secretarial Audit Report from M/s. MUNDHARA & CO, Company Secretaries for the year 2014-15. The observations made by the secretarial auditors and the explanation for the same is provided in the Director's Report.

#### **11. CEO / CFO CERTIFICATION:**

As required under Clause 49 of the Listing Agreements CEO/CFO certificate duly signed by Shri. SURESH BAFNA (DIN: 00056152), Chairman & Managing Director was placed at the meeting of the Board of Directors held on 29.05.2015.

#### **12. CODE OF CONDUCT:**

The Board of Mansi Finance (Chennai) Limited had laid down a code of conduct for all the Board members and the senior management. All the



members and the senior management personnel have affirmed Compliance of the code. A declaration of Managing Director of the Company is attached with this Annual Report.

**13. MEANS OF COMMUNICATION:**

The Annual, half yearly and quarterly results are regularly submitted to the Stock Exchanges in accordance with the listing Agreement and also published in News papers. The Unaudited results for every quarter and the Audited results for the year end is published in Makkal Kural & Trinity Mirror news papers. The management discussion and analysis report is forming part of the Annual Report.

**14. GENERAL SHAREHOLDERS INFORMATION:**

- a) **Annual General Meeting:** 21<sup>st</sup> Annual General Meeting of the Company will be held on Tuesday, the 29<sup>th</sup> September, 2015 at 'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai - 600 079, at 10.00 a.m.
- b) **Date of Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from 24<sup>th</sup> September, 2015 to 29<sup>th</sup> September, 2015 (both days inclusive).
- c) **Financial Year:** 1st April, 2014 to 31st March, 2015.
- d) **Financial Calendar (Tentative):**
  - First Quarter: July, 2015
  - Second Quarter & Half Yearly: October, 2015
  - Third Quarter: January, 2015
  - For the year ended 31<sup>st</sup> March, 2016: May, 2016
- e) **Listing on Stock Exchanges:** The Bombay Stock Exchange Ltd with scrip code 511758.

**f) Market price data:**

Months	BSE		
	High (Rs.)	Low (Rs.)	Volume (No.)
April 2014	<b>TRADING SUSPENDED DUE TO NON-COMPLIANCE OF LISTING AGREEMENT</b>		
May 2014			
June 2014			
July 2014			
August 2014			
September 2014			
October 2014			
November 2014	13.49	10.56	5428
December 2014	25.30	12.83	16626
January 2015	24.70	17.55	6073
February 2015	17.20	14.15	4085
March 2015	14.15	11.65	3740

**g) Share Transfer System:**

Registrar & Share Transfer Agents: M/s. Cameo Corporate Services Limited. All the transfers are processed and approved by the Share Transfer Committee.

**h) Distribution of Shareholdings as on March 31, 2015:**

Distribution of Shareholdings pattern based on categories of shareholdings as on March 31, 2015.

S.No.	Category	No. of shares held	% of share holding
1	Indian promoters	2019851	57.14
2	Private Corporate Bodies	358811	10.15
3	Indian Public	1155288	32.68
4	NRI	950	0.03
	Total	3534900	100

**Note:** Total Foreign share holdings are NIL.

**Distribution of Shareholdings based on slab of Shareholdings as on March 31, 2015:**

Slab of Shareholding	Shareholders	%	Amount (in Rs.)	%
0010 – 5000	2411	87.51	3808810	10.77
5001 – 10000	129	4.68	1101840	3.12
10001 – 20000	116	4.21	1724310	4.88
20001 – 30000	18	0.65	450510	1.27
30001 – 40000	6	0.22	210250	0.59
40001 – 50000	51	1.85	2544750	7.2
50001 – 100000	5	0.18	375440	1.06
100001 and above	19	0.69	25133090	71.1
<b>Total</b>	<b>2755</b>	<b>100</b>	<b>35349000</b>	<b>100</b>

**i) Dematerialization of Shares:**

The Company's Equity Shares are included in the list of Companies whose scrips have been mandated by SEBI for settlement only in dematerialized form by all investors. The Company has signed agreements with National Securities Depository Limited and Central Depository Services (India) Limited to offer depository service to its shareholders and has paid one time custody charges to NSDL and

regularly paying annual charges to CDSL for the benefit of its members. The Company's ISIN is INE094E01017.

**j) Outstanding GDR's/ADR's warrants or any Convertible Instruments:**

During the year no Global Depository Receipts (GDRs) / American Depository Receipts (ADRs) / Warrants or any convertible instruments were issued.

**k) Investor Correspondence:**

For Transfer, Transmission, dematerialization of shares and change of address may be pleased to contact:

**M/s. Cameo Corporate Services Limited**

'Subramanian Building'

No.1, Club House Road, CHENNAI - 600 002.

Phone: (044) 28460930

For any other queries relating to Secretarial matters may be contacted with:

**MANSI FINANCE (CHENNAI) LIMITED**

"MANSI MANSION"

No.22-B, Mulla Sahib Street,

Sowcarpet, CHENNAI - 600 079.

Phone: (044) 25292139

Shareholders holding shares in electronic mode shall send all their correspondences to their respective Depository Participant.

**By order of the Board,  
For MANSI FINANCE (CHENNAI) LIMITED**

**(SURESH BAFNA)**

Chairman & Managing Director

DIN: 00056152

Place: Chennai  
Date: 29-05-2015.

Old No. 22, New No. 45, Mulla Sahib Street,  
Sowcarpet, Chennai – 600 079.

**DECLARATION OF MD & CEO**

I, SURESH BAFNA, Managing Director and CEO of **M/s. Mansi Finance (Chennai) Limited** do hereby declare that the Company has duly complied with requirements relating to the code of conduct as laid down in clause 49(I)(D) of the Listing Agreement with the Stock Exchanges.

**By order of the Board,  
For MANSI FINANCE (CHENNAI) LIMITED**

**(SURESH BAFNA)**

Chairman & Managing Director

DIN: 00056152

Old No. 22, New No. 45, Mulla Sahib Street,  
Sowcarpet, Chennai – 600 079.

Place: Chennai

Date: 29-05-2015.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To the Member of Mansi Finance (Chennai) Limited

We have examined the compliance of conditions of Corporate Governance by Mansi Finance (Chennai) Limited (the Company) for the year ended on 31<sup>st</sup> March 2015 as stipulated in Clause 49 of Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examinations were limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance, it is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

For **SIROHIA & CO.,**  
CHARTERED ACCOUNTANTS

**(VINOD KUMAR)**  
PARTNER

Place: Chennai  
Date : 29-05-2015.

**INDEPENDENT AUDITORS' REPORT**  
**TO THE MEMBERS OF MANSI FINANCE (CHENNAI) LIMITED**

**Report on the Financial Statements**

We have audited the accompanying financial statements of MANSI FINANCE (CHENNAI) LIMITED ('the Company') which comprises the balance sheet as at 31st March 2015, the statement of Profit & Loss Account and the Cash Flow statement for the year then ended and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

The Company's Board of Directors 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 specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. 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 judgements 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**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the

accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules mad thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedure 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 control relevant to the Company's preparation of the financial statements that give true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls over financial reporting and operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the financial statements.

### **Opinion**

In our opinion and to the best of our information and 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 March 31,2015 and its profit and its cash flows for the year ended on that date.



### **Report on other legal & regulatory requirements**

1. As required by the Companies (Auditor's Report) order, 2015 issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, We annexed hereto a statement on the matters specified in paragraphs 3 & 4 of the said order, to the extent applicable.
2. As required by section 143 (3) of the Act, we report that :
  - (a) We have sought and obtained all the information and explanation 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 such books.
  - (c) The Balance Sheet , Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account of the Company.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules,2014
  - (e) On the basis of the written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2015 from being appointed as a director in terms of section 164 (2) of the Act.
  - (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11of the Companies (Audit and auditors) Rules , 2014, in our opinion and to the best of our information and according to the explanations given to us:

- (i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements - Refer Note to the financial statements
- (ii) The Company did not have any long term contracts including derivatives contracts for which there were any material foreseeable losses.
- (iii) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.

**FOR M/S. SIROHIA & CO**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.003875S

**(VINOD KUMAR)**  
PARTNER  
M.No.207094

PLACE : CHENNAI  
DATE : 29-05-2015

**ANNEXURE TO THE AUDITORS' REPORT**

The annexure referred to in our Independent Auditors' Report to the members of the Company on the financial statement for the year ended 31 March 2015, we report that :

- 1 (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All these assets have been physically verified by the management at reasonable intervals. As Informed to us no material discrepancy have been noticed between the physical verification and books of the Company.
2. Physical verification of Inventory is not applicable since the company has not traded in goods during the year.
3. During the year Company has not taken/granted any loans from Companies and firms listed in the Register maintained under section 189 of the Companies Act,2013. Company availed Loans from directors/Corporates. The rate of interest and terms and conditions of the loan are, prima facie, not prejudicial to the interest of the Company. There is no overdue amount of loans taken.
4. In our opinion and according to the information and explanation given to us there are adequate internal control procedures commensurate with the size of the Company and nature of its business with regard purchase of fixed assets.During the course of audit,no major weakness has been noticed in the above controls and therefore the reporting of the same does not arise.
5. The Company has not received any public deposits during the year.
6. The Central Government has not prescribed the maintainance of cost recrods under section 148 (1) of the Act, in respect of the activities carried on by the Company.

7. (a) According to the records of the Company and information and explanations given to us, the Company has generally been regular in depositing undisputed statutory dues, including Income Tax, Tax Deducted at Source and other material statutory dues applicable to it, with the appropriate authorities. As explained to us, the Company did not have any dues on account of Provident Fund, Employees State Insurance, duty of excise and customs
- (b) According to the information and explanations given to us, there were no undisputed amounts payable in respect of income tax, Wealth Tax, Customs Duty, Excise Duty, Sales Tax, VAT, Cess and other material statutory dues in arrears/were outstanding as at 31 March 2015 for a period of more than six months from the date they became payable. However, according to information and explanations given to us, the following dues of Income Tax have not been deposited by the Company on account of dispute :

Particulars	Amount(Rs)	Period to which amount relates	Forum where the dispute is pending
Income Tax	42,087	Financial year 2003-2004	Commissioner of Income Tax (Appeals) Chennai
Income Tax	119,420	Financial year 2004-2005	Commissioner of Income Tax (Appeals) Chennai
Income Tax	452,270	Financial year 2011-2012	Commissioner of Income Tax (Appeals) Chennai

- (c) There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
8. Company does not have any accumulated loss at the end of the financial year and has not incurred cash losses during the current and immediately preceding financial years.

9. In our opinion and according to the information and explanations given to us, there is no amount due to a financial institution and debenture holders. However in the case of dues to bank, the Company has not defaulted in payments.
10. According to the information and explanations given to us, the company has not given any guarantees for loans taken by others from financial institutions or banks.
11. According to the information and explanations given to us, the company has not raised any term loan during the year.
12. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**FOR M/S. SIROHIA & CO**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.003875S

**(VINOD KUMAR)**  
PARTNER  
M.No.207094

PLACE : CHENNAI  
DATE : 29-05-2015

### Balance Sheet As at 31st MARCH 2015

	Note	As at 31st March 2015		As at 31st March 2014	
		Rs.	Ps.	Rs.	Ps.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	3	35,349,000.00		35,349,000.00	
(b) Reserves and Surplus	4	125,823,433.31		110,500,425.71	
<b>(2) Share application money pending allotment</b>					
			0.00		0.00
<b>(3) Non-Current Liabilities</b>					
(a) Long-term borrowings	5	172,331,518.12		108,234,258.80	
(b) Deferred tax liabilities (Net)			0.00		0.00
(c) Other Long term liabilities	6	1,820,000.00		50,000.00	
<b>(4) Current Liabilities</b>					
(a) Short-term borrowings	7	14,678,380.93		13,042,834.93	
(b) Trade payables			0.00		0.00
(c) Other current liabilities	8	7,631,183.12		4,120,821.12	
(d) Short-term provisions	9	5,184,857.00		3,855,590.00	
<b>Total</b>		<b>362,818,372.48</b>		<b>275,152,930.56</b>	
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
(a) Fixed assets					
(i) Tangible assets	10	45,568,332.05		41,481,900.05	

(b) Non-current investments	11	14,817,940.77	11,986,710.92
(c) Deferred tax assets (net)		2,69,600.00	0.00
(d) Long term loans and advances	12	1,740,003.00	1,690,493.00
(e) Other non-current assets		0.00	0.00
<b>(2) Current assets</b>			
(a) Current investments		0.00	0.00
(b) Receivable under Financing activity	13	272,855,961.00	192,293,402.00
(c) Cash and bank balances	14	18,250,371.90	18,450,370.24
(d) Short-term loans and advances	15	82,570.00	82,570.00
(e) Other current assets	16	9,233,593.76	9,167,484.35
<b>Total</b>		<b>362,818,372.48</b>	<b>275,152,930.56</b>

See accompanying notes forming part of financial statements 1 & 2

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **SIROHIA & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.003875S

For and on behalf of the Board

**VINOD KUMAR**  
 Partner  
 M.No.207094

**SURESH BAFNA**  
 Managing Director

**M K TATED**  
 Director

PLACE: CHENNAI  
 DATE : 29-05-2015

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31st MARCH 2015**

	Note	As at 31st March 2015		As at 31st March 2014	
		Rs.	Ps.	Rs.	Ps.
<b>INCOME :</b>					
Revenue from operations	17	42,288,346.00		39,210,032.00	
Other Income	18	11,465,484.49		15,549,683.86	
<b>Total Revenue</b>		<b>53,753,830.49</b>		<b>54,759,715.86</b>	
<b>EXPENSES:</b>					
Finance Costs	19	19,170,041.79		14,149,420.80	
Employee benefit expense	20	4,036,434.00		3,105,184.00	
Other operating expenses	21	5,881,443.10		4,743,192.28	
Depreciation and amortization expense		1,690,974.00		1,062,436.00	
Provisions & Write Offs	23	2,201,114.00		3,415,712.00	
<b>Total Expenses</b>		<b>32,980,006.89</b>		<b>26,475,945.08</b>	
<b>Profit before exceptional items and tax</b>		<b>20,773,823.60</b>		<b>28,283,770.78</b>	
Exceptional Items			0.00		
Profit before tax		<b>20,773,823.60</b>		<b>28,283,770.78</b>	



Tax expense:			
(1) Current year tax Provision		5,000,000.00	5,000,000.00
(2) Prior years adjustment		589,165.00	317,679.00
(3) Deferred tax		-269,600.00	0.00
<b>TOTAL TAXES</b>		<b>5,319,565.00</b>	<b>5,317,679.00</b>
Profit/(Loss) for the period after Tax		15,454,258.60	22,966,091.78
Earning per equity share:	24		
(1) Basic		4.37	6.50
(2) Diluted		4.37	6.50

See accompanying notes forming part of financial statements

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **SIROHIA & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.003875S

For and on behalf of the Board

**VINOD KUMAR**  
 Partner  
 M.No.207094

**SURESH BAFNA**  
 Managing Director

**M K TATED**  
 Director

PLACE: CHENNAI  
 DATE : 29-05-2015

**CASH FLOW STATEMENT**

	Amount in Rs. (in thousands) 2013-2015	Amount in Rs. (in thousands) 2012-2014
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss)	15,454.26	22,966.09
Less:		
Dividend received	(92.49)	(68.54)
Profit on sale of shares	(3,551.08)	(2,684.61)
Profit on sale of fixed assets	(3,781.72)	(9,348.33)
	<u>8,028.97</u>	<u>10,864.61</u>
Add:		
Depreciation	1,690.97	1,062.44
Provision for taxation	5,000.00	5,000.00
Loss on sale of Shares	0.00	0.00
Provisions-net	<u>0.00</u>	<u>0.00</u>
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	14,719.95	16,927.04
(Increase)/Decrease in Current Assets	(80,628.67)	6,481.06
Increase/(Decrease) in other Current Liabilities	3,510.36	(2,152.18)
Increase/(Decrease) in other non Current liabilities	1,770.00	(1,680.00)
Increase/(Decrease) in long term loans & advance	49.51	151.99
Income tax paid	<u>(4,039.35)</u>	<u>(5,355.79)</u>
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(A) (64,618.19)	14,372.13
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(5,993.33)	(4,883.91)
Purchase of Investments	(5,000.00)	(6,250.00)
Sale of Fixed assets	84.67	2,825.89

**MANSI FINANCE (CHENNAI) LTD.**

Sale of Investments	2,168.77	4,724.20
Profit on sale of shares	3,551.08	2,684.61
Profit on sale of fixed assets	3,781.72	9,348.33
Loss on sale of fixed assets	0.00	0.00
Dividend received	92.49	68.54
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(B) (1,314.60)	8,517.66
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Acceptance/(Repayment) of Loans	65,732.81	(14,738.35)
Proceeds from issue of shares	0.00	0.00
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	(C) 65,732.81	(14,738.35)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(199.99)	8,151.44
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	18,450.36	10,298.92
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	18,250.37	18,450.36

**AS PER OUR REPORT OF EVEN DATE ATTACHED**

For and on behalf of the Board

**For M/S. SIROHIA & CO**  
CHARTERED ACCOUNTANTS

**(SURESH BAFNA)**      **(M K TATED)**  
Chairman & Managing Director      Director

**(VINOD KUMAR)**  
Partner  
M.No.207094

PLACE : CHENNAI

DATE :29-05-2015

## **NOTES TO ACCOUNTS**

### **Notes on Financial Statements for the year ended 31-MARCH 2015**

**1** Mansi Finance Chennai Limited (the Company) is a public Company and incorporated under the provisions of the Companies Act,1956. Its shares are listed in the Bombay Stock Exchange in India. The Company is registered as a Non-Banking Company (NBFC) with Reserve Bank of India. The Company is presently classified as Non-Deposit Taking NBFC.

### **2 SIGNIFICANT ACCOUNTING POLICIES**

#### **2.1 BASIS FOR PREPARATION OF FINANCIAL STATEMENT**

- a The Financial Statements are prepared under the historical cost convention in accordance with the generally accepted Accounting Principles.
- b The Company follows the directions prescribed by the Reserve Bank of India for Non - Banking Financial Companies and the applicable Accounting Standards issued by the Institute Of Chartered Accountants Of India.

#### **2.2 USE OF ESTIMATES**

The preparation of financial statements required the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) as of the date of the financial statements and reported income and expense during the reporting period. Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. future results may vary from these estimates.

#### **2.3 REVENUE RECOGNITION**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Interest on loans is recognised on accrual basis at the contract rate wherever feasible.

Income in respect of Non-performing assets is recognised as and when received as per the guidelines given in the Non Banking Financial Companies prudential norms (Reserve Bank) Directions, 2007.

2.4 **VALUATION OF FIXED ASSETS :**

Fixed Assets are stated at historical cost Less accumulated depreciation.

2.5 **DEPRECIATION/ AMORTIZATION POLICY :**

Depreciation on Fixed Assets is provided on written down value method based on useful life of the assets as prescribed in Schedule II to the Companies Act,2013 and for the assets acquired prior to April 1,2014, the carrying amount as on April 1,2014 is depreciated over the remaining useful life based on an evaluation.

In respect of assets which have no remaining useful life, the carrying cost less residual value as on 31st March 2015 has been absorbed against retained earnings.

2.6 **VALUATION OF INVESTMENTS :**

Investments intended to be held for not more than one year are classified as current investments. All other investments are classified as non-current investments. Current Investments are carried at lower of cost and fair determination on an individual investment basis. Non - Current investments are carried at cost. However , provision for diminution in value is made to recognise a decline, other than temporary , in the value of Invesments.

## 2.7 **TAXATION**

Current Tax is the amount of tax payable on the taxable income for the year and determined in accordance with the provisions of the Income Tax Act, 1961. Deferred tax is recognised, on timing difference, being the difference between taxable income and accounting income that originates in one period and are capable of reversal in one or more subsequent periods.

## 2.8 **IMPAIRMENT OF ASSETS**

The Company is basically a finance Company holding only finance assets hence no impairment of assets is accounted.

## 2.9 **Provisions, contingent Liabilities & contingent Assets.**

Provisions are recognised only when the Company has present, legal, or constructive obligations as a result of past events, for which it is probable that an outflow of economic benefit will be required to settle the transactions and a reliable estimate can be made for the amount of the obligation.

Contingent liability is disclosed for (1) possible obligations which will be confirmed only by future events not wholly within the control of Company or (2) present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount of the obligation cannot be made.

Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

	As at 31st March 2015		As at 31st March 2014	
	Rs.	Ps.	Rs.	Ps.
<b>3. SHARE CAPITAL</b>				
<b>Authorised Share Capital</b>				
55,00,000 Equity Shares Of Rs.10/- Each	<u>55,000,000.00</u>		<u>55,000,000.00</u>	
<b>Issued,Subscribed &amp; paid up:</b>				
35,34,900 Equity Shares Of Rs.10/- Each	<u>35,349,000.00</u>		<u>35,349,000.00</u>	
3.1 Company has one class of share capital, comprising ordinary shares of Rs. 10 each. Subject to the Company's Articles of Association and applicable law, the Company's ordinary shares confer on the holder the right to receive notice of and to vote at general meetings of the Company, the right to receive any surplus assets on a winding up of the Company and an entitlement to receive any dividend declared on ordinary shares.				
3.2 The Reconciliation of the number of shares outstanding and the amount of share capital as at 31-03-2015 and 31-03-2014 is set out below :				
Particulars	As at 31-03-2015		As at 31-03-2014	
	No of Shares	Amount	No of Shares	Amount
Shares at the beginning	3,534,900	35,349,000	3,534,900	35,349,000
Addition (subscription during the year)	0	0	0	0
Deletion	0	0	0	0
Shares at the end	3,534,900	35,349,000	3,534,900	35,349,000
<b>2.2 The details of Share holding more than 5% shares</b>				
Name of the Shareholder	As at 31-03-2015		As at 31-03-2014	
	No of Shares	% held	No of Shares	% held
Adit Bafna	644626	18.24%	644626	18.24%
Padmavathi Bafna	324749	9.19%	324749	9.19%
Mansi Foundation Pvt Ltd	309900	8.77%	309900	8.77%
Manitha B	354181	10.02%	354181	10.02%
Suresh Bafna	292100	8.26%	292100	8.26%
Sajjan Kanwar Bafna	212195	6.00%	210345	5.95%
Suresh chand Chhogmal Bafna HUF	192000	5.43 %	192000	5.43%

**MANSI FINANCE (CHENNAI) LTD.**

	As at		As at	
	31st March 2015		31st March 2014	
	Rs.	Ps.	Rs.	Ps.
<b>4. RESERVES AND SURPLUS</b>				
<b>SHARE PREMIUM</b>	5,349,000.00		5,349,000.00	
<b>STATUTORY RESERVE</b>				
As per Balance Sheet	19,318,761.00		14,725,543.00	
Add: Transferred from				
Profit & Loss account	3,090,852.00	22,409,613.00	4,593,218.00	19,318,761.00
<b>Profit &amp; Loss Account</b>				
At the beginning of the year	85,832,664.71		67,459,790.93	
Add: Profit for the year	15,454,258.60		22,966,091.78	
	101,286,923.31		90,425,882.71	
Less: Transition provision for depreciation	131,251.00			
	101,155,672.31			
Less: Appropriations				
Transfer to Statutory Reserve u/s 45-IC of RBI Act	3,090,852.00	98,064,820.31	4,593,218.00	85,832,664.71
<b>TOTAL</b>	<u>125,823,433.31</u>		<u>110,500,425.71</u>	
<b>5. LONG TERM BORROWINGS</b>				
<b>Secured</b>				
ICICI Bank-Car Loan (secured against Motor car)	1,395,289.50		2,254,026.80	2,254,026.80
		1,395,289.50		
<b>Unsecured</b>				
From directors	152,128,150.62		93,823,492.00	
Inter Corporate Loan	18,808,078.00	170,936,228.62	12,156,740.00	105,980,232.00
<b>TOTAL</b>	<u>172,331,518.12</u>		<u>108,234,258.80</u>	



**MANSI FINANCE (CHENNAI) LTD.**

	As at		As at	
	31st March 2015		31st March 2014	
	Rs.	Ps.	Rs.	Ps.
<b>6. OTHER LONG TERM LIABILITIES</b>				
Rental Advances	1,820,000.00		50,000.00	
	<u>1,820,000.00</u>		<u>50,000.00</u>	
<b>7. SHORT TERM BORROWINGS</b>				
Andhra Bank OD A/c (Secured against Fixed Deposit with Bank)	14,678,380.93		13,042,834.93	
	<u>14,678,380.93</u>		<u>13,042,834.93</u>	
<b>8. OTHER CURRENT LIABILITIES</b>				
Interest received in advance	4,630,000.00		2,071,500.00	
Other Liabilities	3,001,183.12		2,049,321.12	
	<u>7,631,183.12</u>		<u>4,120,821.12</u>	
<b>9. SHORT TERM PROVISIONS</b>				
Income Tax provision (net of payment)	1,324,803.00		2,196,650.00	
Provision for Non performing/Standard asset	3,860,054.00		1,658,940.00	
	<u>5,184,857.00</u>		<u>3,855,590.00</u>	

**MANSI FINANCE (CHENNAI) LTD.**

**10. FIXED ASSETS**

S. No	Assets	Gross Block			Depreciation				Net Block			
		As On 1.4.2014	Additions	Deletion	Total	Upto 31.3.2014	Adjusted with retained earnings*	Deductions	For 31-3-2015	Upto 31.3.2015	As at 31.3.2014	As at 31.3.2015
1	Computers	619,324.00	111,200.00	0.00	730,524.00	525,490.01	2,038.00	0.00	102,098.00	629,626.01	93,833.99	100,897.99
2	Furniture & Fittings	979,077.00	20,610.00	0.00	999,687.00	857,271.44		0.00	29,257.00	886,528.44	121,805.56	113,158.56
3	Land & Building	36,617,968.60	5,743,020.00	84,673.00	42,276,315.60	---	---	---	---	---	36,617,968.60	42,276,315.60
4	Office Equipments	1,022,213.97	97,500.00	0.00	1,119,713.97	651,717.18	129,213.00	0.00	149,179.00	930,109.18	370,496.79	189,604.79
5	Air Conditioner	43,200.00	21,000.00	0.00	64,200.00	19,103.00		0.00	30,637.00	49,740.00	24,097.00	14,460.00
6	Camera	29,573.00	0.00	0.00	29,573.00	8,996.00		0.00	13,861.00	22,857.00	20,577.00	6,716.00
7	Vehicles	7,666,191.32	0.00	0.00	7,666,191.32	3,433,070.21		0.00	1,365,942.00	4,799,012.21	4,233,121.11	2,867,179.11
	GRAND TOTAL	46,977,547.89	5,993,330.00	84,673.00	52,886,204.89	5,495,647.84	131,251.00	0.00	1,690,974.00	7,317,872.84	41,481,900.05	45,568,332.05
	Previous year	44,919,532.89	4,883,907.00	825,892.00	46,977,547.89	4,433,211.84	0.00	0.00	1,062,436.00	5,495,647.84	40,486,321.05	41,481,900.05

\* Rs.1,31,251 has been adjusted with the retained earnings on account of Transitional provision as per Schedule II of the Companies Act 2013.

**11. NON CURRENT INVESTMENTS**(Long Term Investments)  
In Equity shares-Quoted

	No. of Shares	As at	No. of Shares	As at
		31-03-2015		31-03-2014
		Amount		Amount
Bata India Limited	28	6,069.46	28	6,069.46
Coimbatore Poiner Mills	200	200.00	200	200.00
Chennai Meenakshi Mult. Hos	17,865	318,826.37	17,865	318,826.37
Essar Oil Limited	2,100	97,000.00	2,100	97,000.00
Finolex Industries Ltd	1,000	76,850.00	1,000	76,850.00
Kotak Mahindra Bank Ltd	1,000	159,218.64	1,000	159,218.64
Maruti Suzuki India Ltd	250	155,399.49	250	155,399.49
NTPC	2,214	256,391.16	2,214	256,391.16
ONGC	1,440	262,756.90	1,440	262,756.90
Petronet LNG	1,400	81,589.11	1,400	81,589.11
Reliance Industries Ltd	1,000	545,100.00	1,000	545,100.00
Reliance Power Ltd	45	0.00	45	0.00
Sai Television	200	8,000.00	200	8,000.00
Tata Consultancy Ltd	494	214,646.68	494	214,646.68
Ultra Tech Ltd	100	43,690.97	100	43,690.97
Vaibhav Global Ltd	3,115	791,501.92	10,315	2,960,272.07
Ing Vysya Bank Ltd	901	86,900.07	901	86,900.07
		<b><u>3,104,140.77</u></b>		<b><u>5,272,910.92</u></b>

**Optionally Fully Convertible Debentures**

Essar Oil Limited	12,500.00	12,500.00
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**Unquoted Equity Shares**

Sambhav energy Ltd	20,000	200,000.00	20,000	200,000.00
Mansi Chhog Impex Ltd	20,000	200,000.00	20,000	200,000.00
Shree Nirman Ltd		1,250,000.00		1,250,000.00

**Bonds**

REC Bond	10,000,000.00	5,000,000.00
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**Other Investment**

Mahindra Time share	51,300.00	51,300.00
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	<u>14,817,940.77</u>	<u>11,986,710.92</u>
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Note:

1) Aggregate Value Of Quoted Investments	3,104,140.77	5,272,910.92
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2) Market Value Of Quoted Investments	9,382,578.00	11,879,733.75
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**12 LONG TERM LOANS & ADVANCES**

Rental Advances	1,500,000.00	1,500,000.00
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Other deposits	240,003.00	190,493.00
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	<u>1,740,003.00</u>	<u>1,690,493.00</u>
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**13. RECEIVABLES UNDER FINANCING ACTIVITY**

Secured, considered good	101,627,513.00	122,857,911.00
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Unsecured, considered good	171,228,448.00	69,435,491.00
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	<u>272,855,961.00</u>	<u>192,293,402.00</u>
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**14. CASH & BANK BALANCES**

Cash in hand	213,955.00	2,294,238.00
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Balances with Banks	1,628,566.56	1,006,215.90
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Fixed Deposit with Banks	16,407,850.34	15,149,916.34
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	<u>18,250,371.90</u>	<u>18,450,370.24</u>
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**15. SHORT TERM LOANS & ADVANCES**

Unsecured-considered good (unless otherwise stated)

Income Tax Refund due	57,570.00	57,570.00
Other Advances	25,000.00	25,000.00
	<u>82,570.00</u>	<u>82,570.00</u>

**16. OTHER CURRENT ASSETS**

Unsecured-considered good (unless otherwise stated)

Shares applicaton	750,000.00	750,000.00
Other Current Assets	8,483,593.76	8,417,484.35
	<u>9,233,593.76</u>	<u>9,167,484.35</u>

**17. REVENUE FROM OPERATIONS**

Interest received	42,188,346.00	39,210,032.00
Bad debts recovered	100,000.00	0.00
	<u>42,288,346.00</u>	<u>39,210,032.00</u>

**18. OTHER INCOME**

Rent received	3,252,554.00	2,514,014.00
Interest from investments	147,534.00	37,200.00
Dividend received	92,489.50	68,538.00
Profit on Sale of Shares	3,551,078.99	2,684,614.86
Agricultural Income-net	640,111.00	896,985.00
Profit/(loss) from sale of Land	3,781,717.00	9,348,332.00
	<u>11,465,484.49</u>	<u>15,549,683.86</u>

**19. FINANCE COST**

Interest Expenses	19,170,041.79	14,149,420.80
	<u>19,170,041.79</u>	<u>14,149,420.80</u>

**20. EMPLOYEE BENEFITS EXPENSE**

Salaries & Incentives	3,436,434.00	2,584,684.00
Directors remuneration	600,000.00	520,500.00
	<u>4,036,434.00</u>	<u>3,105,184.00</u>

**21. EXPENSES****Other operating Expenses**

Advertisement	109,348.00	81,668.00
Audit Fees	57,000.00	47,191.00
Bank Charges & Commission	97,389.85	68,735.63
Commission paid	165,731.00	5,000.00
Corporation tax	22,963.20	22,662.38
Electricity Charges	97,256.00	86,333.00
Gifts & Compliments	340,442.00	22,927.00
Insurance	96,017.30	119,685.00
Entertainment Exp	5,563.17	156,620.36
Legal expenses & fees	383,081.00	646,316.00
Listing Fees	375,274.00	44,979.00
Office & General Expenses	977,479.54	739,498.41
Postage & Telegram	23,869.00	23,941.00
Printing & Stationery	161,927.41	177,780.00
Professional Charges	77,562.00	43,708.00
Rent Paid	477,912.00	471,912.00
Petrol & Vehicle Maintenance	471,784.82	381,140.85
Repairs & Maintenance	401,974.91	335,298.00
Share Transfer Fee	27,038.00	35,984.00
Staff Welfare	105,617.00	155,234.00
Telephone Charges	202,945.85	125,086.27
Travelling & Conveyance	642,691.87	586,489.00
Charity & Donation	551,763.00	282,110.00
Demat Charges	8,812.18	7,893.38
Web design expenses	0.00	75,000.00
	<u>5,881,443.10</u>	<u>4,743,192.28</u>

**22. PAYMENT TO AUDITORS**

Audit Fees	50,000.00	32,000.00
Other Fees	0.00	10,000.00
Service Tax	7,000.00	5,191.00
	<u>57,000.00</u>	<u>47,191.00</u>

**Expenditure in foreign currency**

NIL

NIL

**23. PROVISIONS & WRITE OFFS**

Bad debts written off		3,415,712.00
Provisions against non performing/other assets	2,201,114.00	0.00
	<u>2,201,114.00</u>	<u>3,415,712.00</u>

**24. EARNING PER SHARE (EPS)**

a. Net profit after tax as per profit & loss	15,454,258.60	22,966,091.78
b. Weighted average number of Equity Shares	3,534,900.00	3,534,900.00
c. Basic & Diluted Earnings per share	4.37	6.50
d. Face value of Equity shares	10.00	10.00

**25 RELATED PARTY DISCLOSURES**

SLN	NAME OF THE RELATED PARTY	RELATION
1	Madras Mercantile Agency	Associates
2	Mansi Mercantile Agency	Associates
3	Sajjan Kanwar Bafna	Director
4.	Adit S Bafna	Relative of Key Management personnel
5.	Suresh Bafna	Key Managerial Personnel

**TRANSACTIONS DURING THE YEAR**

Sr.No.	Nature of Transaction	Associates	Key Managerial personnel	Director	Director Relative
1.	Loan Received outstanding as on 31-03-2015	135,881,579	--	16,246,572	--
2.	Interest paid on Loan	14,030,271	--	1,830,212	--
3.	Remuneration	--	600,000	--	--
4.	Rent paid	--	--	471,912	--
5.	Salary paid	--	--	--	600,000

**26. SEGMENT REPORTING**

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segment as per accounting standard -AS17- Segment Reporting.

**27. CONTINGENT LIABILITIES & COMMITMENTS (TO THE EXTENT NOT PROVIDED FOR)**

	2014-2015	2013-2014
Claims Against the Company not acknowledge as debt Income Tax Demand for Financial year 2003-2004 (pending in appeal with Commissioner of Income Tax (Appeals) Chennai)	42,087.00	42,087.00
Income Tax Demand for Financial Year 2004-2005 (pending in appeal with Commissioner of Income Tax (Appeals) Chennai)	119,420.00	119,420.00
Income Tax Demand for Financial year 2011-2012 (pending in appeal with Commissioner of Income Tax (Appeals) chennai)	0.00	11,539,163.00
Income Tax Demand for Financial year 2011-2012 (pending in appeal with Commissioner of Income Tax (Appeals) chennai)	452,270.00	0.00

**28. EMPLOYEES BENEFIT:**

The Company has not made any provision in the books for employees benefits-hence the Accounting Standard (AS) 15, is not applicable.

**29. DUES TO MICRO, SMALL & MEDIUM ENTERPRISES**

The Company has no dues to Micro, Small & Medium enterprises during the year ended 31st March 2015.

**30. Previous Year's Figures Have Been Re-Grouped And Re-Classified Wherever Necessary, To Confirm To Current Year's Classification.****AS PER OUR REPORT OF EVEN DATE ATTACHED**

For **SIROHIA & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.003875S

For and on behalf of the Board

**VINOD KUMAR**  
 Partner  
 M.No.207094

**SURESH BAFNA**  
 Managing Director

**M K TATED**  
 Director

PLACE: CHENNAI  
 DATE : 29-05-2015