

## NOTICE TO SHAREHOLDERS

NOTICE is hereby given that the **25th Annual General Meeting** of the Members of **MANSI FINANCE (CHENNAI) LIMITED** will be held on Wednesday, the **25th September, 2019** at **9.00 a.m.** at the Corporate Office of the Company at **No. 59, Ormes Road, Prince Apartments, 7th Floor, A Block, Kilpauk, Chennai - 600 010**, to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company as at 31st March, 2019 and the Reports of Directors and Independent Auditors thereon.
2. To appoint a Director in place of Shri. SURESH BAFNA (DIN: 00007655), 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. PEMMASANI & CO (FRN: 002630S)**, 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 2022 on such remuneration as may be determined by the Board of Directors.”

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

**(SURESH BAFNA)**

Chairman & Managing Director  
DIN: 00007655

Place: CHENNAI  
Date : 14.08.2019

New No. 45, Old No. 22, 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. The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 19<sup>th</sup> September, 2019 to Wednesday, the 25<sup>th</sup> September, 2019 (both days inclusive) for the purpose of Annual General Meeting of the Company.
3. 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.
4. 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.

5. 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 filed with the respective depository participant.
6. 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 authorising their representative to attend and vote on their behalf at the meeting.
7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Registrar and Transfer Agents.
8. 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.
9. 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.

10. All documents referred to in the above notice are open for inspection at the Corporate Office of the Company at No. 59, Ormes Road, Prince Apartments, 7<sup>th</sup> Floor, A Block, Kilpauk, Chennai - 600 010 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.
11. 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.
12. The Register of Directors and Key Managerial Personnel and their shareholding maintained under section 170 of the Companies Act, 2013 and the Register of Contracts or Arrangements in which the Directors are interested maintained under section 189 of the Companies Act, 2013, will be made available for inspection by the members at the Annual General Meeting.
13. The route map for reaching to the venue of the Annual General Meeting is annexed to this notice.

14. Additional information on Directors seeking re-appointment at the Annual General Meeting pursuant to the provisions of (i) the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and (ii) Secretarial Standards on General Meetings ("SS-2"), issued by the Institute of Company Secretaries of India and approved by the Central Government is furnished and forms part of the Notice.

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

I. 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 25<sup>th</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](http://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](http://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:

	<b><i>For Members holding shares in Demat Form</i></b>	<b><i>For Members holding shares in Physical Form</i></b>
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 Sunday, the 22<sup>nd</sup> September, 2019 at 9.00 a.m. and ends on Tuesday, the 24<sup>th</sup> September, 2019 at 5.00 p.m. During this period shareholders' of the Company, holding shares,

as on the cut-off date i.e. Wednesday, the 18<sup>th</sup> September, 2019, 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 authorised person.
- The Results of Annual General Meeting shall be declared on 27<sup>th</sup> September, 2019. The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL and shall be communicated to BSE Limited.
- Subject to the receipt of requisite number of votes, the resolutions shall be deemed to be passed on the date of the meeting, viz., 25<sup>th</sup> September, 2019.
- 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.

**DETAILS OF DIRECTORS SEEKING RE-APPOINTMENT AT THE AGM PURSUANT TO REGULATIONS 26(4) AND 36(3) OF LISTING REGULATIONS AND SECRETARIAL STANDARD – 2 ON GENERAL MEETINGS, VIDE NOTICE DATED 14.08.2019.**

Name of the Director	<b>Shri. SURESH BAFNA</b>
Date of Birth	25.11.1946
Date of Appointment on the Board as Director	26.09.1994
DIN	00007655
Date of Last re-appointment as Director	29.09.2017
Experience in specific functional area	54 years of experience in financing activities
Qualification	B.Sc.
List of outside Directorship held	1. Mansi Foundations Private Limited 2. Mansi Chhog Impex (Chennai) Private Limited 3. Helix Impex Private Limited
Chairman/Member of the Committee of Board of Directors of the Company	Nil
Chairman/Member of the Committee of the Board of Directors of other Companies in which he is Director	Nil
Number of Shares held in the Company	465248 Equity Shares of Rs.10/- each
Inter-se relationship with any Director	Related to Smt. SAJJAN KANWAR BAFNA

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

**(SURESH BAFNA)**

Chairman & Managing Director

DIN: 00007655

Place: CHENNAI  
Date : 14.08.2019

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

## DIRECTORS' REPORT

Dear Members,

Your Directors have great pleasure in presenting the **25<sup>th</sup>** Annual Report of the business and operations of the Company together with the audited statement of accounts for the year ended 31st March, 2019.

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

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

(in Rs.)

Particulars	2018-19	2017-18
<b>Total Income</b>	<b>130719545</b>	<b>80742839</b>
Profit before interest, depreciation and tax	87444242	51614618
Finance cost	33572867	24897060
Depreciation	1566850	1061796
Profit before Exceptional & Extra-ordinary items and tax	52304525	25655762
Exceptional & Extra-ordinary items	-	-
Profit after Exceptional & Extra-ordinary items & before tax	52304525	25655762
Provision for taxation (Net of deferred tax)	9958091	6500000
Profit after tax	42346434	19155762
<b>Amount available for appropriation</b>	<b>42346434</b>	<b>19155762</b>
<b>Appropriations:</b>		
Transfer to Statutory Reserve maintained u/s 45IC of RBI Act, 1934	8469287	3831152
Transfer to General reserve	-	-
Proposed dividend	-	-
Tax on proposed dividend	-	-
Balance carried to Balance Sheet	<b>33877147</b>	<b>15324610</b>

**(B) Operations:**

Your Company has been able to maintain its financial position during the current year. The gross amount of loans provided by the Company stood at Rs.5394.63 Lakhs as on 31st March, 2019 as compared to Rs.3635.30 Lakhs as on 31st March, 2018.

**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:**

The Board met **Eight** times during the financial year, the details of which are given hereunder. The maximum interval between any two meetings did not exceed 120 days, as prescribed in the Companies Act, 2013.

<i>Quarter</i>	<i>Date of Board Meeting</i>
1st April, 2018 to 30th June, 2018	07.04.2018
	29.05.2018
1st July, 2018 to 30th September, 2018	11.08.2018
	10.09.2018
	25.09.2018
1st October, 2018 to 31st December, 2018	14.11.2018
1st January, 2019 to 31st March, 2019	14.02.2019
	07.03.2019

**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, 2019, 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 Statutory Auditors of the Company in their report and notes forming part of the financial statements for the year ended 31<sup>st</sup> March, 2019 have stated that:

**Auditors Comment:**

According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income tax, Wealth tax, GST, Cess and other material statutory dues in arrears / were outstanding as at 31<sup>st</sup> March, 2019 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 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
Income Tax	457,920	Financial Year 2012 - 2013	Commissioner of Income Tax (Appeals), Chennai

**Board's Reply:**

Your Directors would like to state that the said disputed statutory dues are pending before the Commissioner of Income Tax (Appeals), Chennai. Further, the Directors are of strong opinion that the decision at the appeal stage would be in their favour and accordingly they have not made any provision in the financial statements for the said dues.

The other observations made by the auditors in their report and notes to the accounts referred to in the Auditors Report are self-explanatory.

**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, 2019:

**Secretarial Auditor's Comment:**

1. Except for general delays made in filing the e-Forms under the Companies Act, 2013, the Company has, prima facie, been regular in furnishing its required returns.

**Board's Reply:** Your Directors are making all best efforts in filing its due statutory returns within the prescribed time. However, due to various technical difficulties and delays there are certain cases wherein the returns are filed after the due dates. Your Directors would like to assure you that they shall take steps to ensure that the due returns are filed well within the prescribed time.

**Secretarial Auditor's Comment:**

2. The Company has not filed the Resolution for appointment of internal auditor 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.

**Board's Reply:** Your Directors would like to state that the Company is in the process of appointing an Internal Auditor of the Company. Your Directors are proposing to make an advertisement in the news papers for fulfilling the position with a suitable candidate.

**Secretarial Auditor's Comment:**

3. One of the Director of the Company, namely, Shri. YUVARAJ A JAIN has been allotted two Director Identification Number (DIN) violating the provisions of section 155 of the Companies Act, 2013.

**Board's Reply:** The above said qualification has been informed to the respective Director and the Board is hopeful that the same shall be corrected in a short span of time.



**Secretarial Auditor's Comment:**

4. 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.

**Board's Reply:** Your Directors would like to state that the Company has provided all the data to the external technical supporter for the web applications and is expecting the same to be updated shortly.

**Secretarial Auditor's Comment:**

5. In accordance with regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company during the financial year 2018-19, has failed to appoint a Company Secretary as its Compliance Officer.

**Board's Reply:** Your Directors would also like to state that the Company has appointed Ms. JYOTI KEDIA (M. No.: A49935) as Company Secretary of the Company with effect from 11<sup>th</sup> May, 2019 during the year.

**Secretarial Auditor's Comment:**

6. In accordance with regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company during the financial year 2018-19, has failed to publish news paper advertisements in relation to notice of the meetings of the board of directors where the financial results were discussed.

**Board's Reply:** Your Directors would like to state that the Company has taken note of such non-compliance and shall make efforts to comply with the same during the financial year 2019-20.

**Secretarial Auditor's Comment:**

7. 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.

**Board's Reply:** Your Directors are making all best efforts in filing its due statutory returns within the prescribed time. However, due to various technical difficulties and delays there are certain cases wherein the returns are filed after the due dates. Your Directors would like to assure you that they shall take steps to ensure that the due returns are filed well within the prescribed time.

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 being a Non-Banking Finance Company (NBFC), has in the ordinary course of business made loans or advances or given guarantees or provided securities or made investments in bodies corporate and other persons 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 loans and 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 Board of Directors of the Company for their approval. Your Directors would like to draw your attention to the notes to the financial statements which sets out related party disclosures. A statement in Form AOC-2 pursuant to the provisions of clause (h) of sub-section (3) of section 134 of the Act read with sub-rule (2) of rule 8 of the Companies (Accounts) Rules, 2014 is furnished in Annexure-2 and is attached to this report.

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

The Company has transferred a sum of Rs.8469287/- to statutory reserve maintained under section 45IC of the RBI Act, 1934 during the financial

year. The closing balance of such Statutory reserve as on 31<sup>st</sup> March, 2019 was Rs.42312693/-

**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, 2019.

**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 (01/04/2019 to 30/05/2019):**

There were no material changes and commitments affecting the financial position of the Company between the period 1<sup>st</sup> April, 2019 to 30<sup>th</sup> May, 2019.

**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 thereunder, the particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo is given below:

**1). CONSERVATION OF ENERGY:**

(i) the steps taken or impact on 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.
(ii) the steps taken by the company for utilising alternate sources of energy;	
(iii) the capital investment on energy conservation equipments;	

**2). TECHNOLOGY ABSORPTION:**

(i) the efforts made towards technology absorption;	The Company has no activity relating to technology absorption.
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - (a) the details of technology imported; (b) the year of import; (c) whether the technology has been fully absorbed; (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof, and	
(iv) the expenditure incurred on Research and Development	

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

(Amount in Lakhs)

Particulars	2018-19	2017-18
<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 financial year.

**15. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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: 00007655)**, retires by rotation at the forthcoming Annual General Meeting, and he being eligible, offers himself for re-appointment. The Board recommends the re-appointment.

Shri. SURESH BAFNA (DIN: 00007655) was re-appointed as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> October, 2018, during the financial year.

Ms. JYOTI KEDIA (M. No.: A49935) was appointed as Company Secretary of the Company with effect from 11<sup>th</sup> May, 2019 during the year.

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

In compliance with the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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. The Company has in place adequate internal financial controls with reference to financial statements. During the year under review, such controls were tested and no reportable material weaknesses in the design or operation were observed.

**20. DEPOSITS:**

The Company has neither accepted nor renewed any deposits during the financial year and as such, no amount of principal or interest was outstanding as on the Balance Sheet date.

**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. Risk Management is the process of identification, assessment and prioritization of risks followed by coordinated efforts to minimize, monitor and mitigate the probability and/or impact of unfortunate events or to maximize the realization of opportunities. 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. The Company has laid down a Comprehensive Risk assessment and minimization procedure which is reviewed by the Board from time to time. These procedures are reviewed to ensure that executive management controls risks through means of a properly defined 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 financial year.

**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 financial year.

**c. SWEAT EQUITY:**

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



**d. BONUS SHARES:**

No Bonus Shares were issued during the financial year.

**e. EMPLOYEES STOCK OPTION PLAN:**

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

**25. STATUTORY AUDITORS:**

Pursuant to the provisions of section 139 of the Act and the rules framed thereafter, **M/s. PEMMASANI & CO (FRN: 002630S)**, Chartered Accountants, Chennai, were appointed as statutory auditors of the Company from the conclusion of 23<sup>rd</sup> Annual General Meeting (AGM) of the Company held on 30<sup>th</sup> September, 2017 till the conclusion of the 27<sup>th</sup> AGM to be held in the year 2022, subject to ratification of their appointment at every AGM. The Company has also 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 2018-19. 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 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.

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

- No. of Complaints received : NIL
- No. of Complaints disposed off : NIL
- No. of cases pending for more than 90 days : NIL
- No. of workshops / awareness programmes carried out: ONE
- Nature of action taken by the employer / DO : Not Applicable

**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 financial year 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 Smt. SAJJAN KANWAR BAFNA 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: 00007655), Managing Director as required under regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 on 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 2019-2020 has been paid to the Exchange.

**33. CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER THE LISTING AGREEMENT AND THE SEBI (LISTING OBLIGATIONS & DISCLOSURE REQUIREMENTS) REGULATIONS, 2015:**

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 regulation 34(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the required 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 regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**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-3* to this report.

**37. CORPORATE SOCIAL RESPONSIBILITY:**

During the financial year ended March 31, 2019, the Company was able to generate a net profit before tax of Rs.5.23 Crores. Thereby, requiring

the Company to comply with the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

Accordingly, the Company has constituted a CSR Committee in accordance with section 135 of the Companies Act, 2013. The CSR Committee has formulated and recommended to the Board, a CSR Policy indicating the activities to be undertaken by the Company which has been approved by the Board.

The members of the committee, inter alia, include the following Directors:

Shri. MAHESH TATED (DIN: 00488121), Chairman, Independent Director;

Shri. YUVARAJ A JAIN (DIN: 00007745), Member, Independent Director;  
and

Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), Member, Non-Independent Non-Executive Director.

**38. 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: 00007655

New No. 45, Old No. 22,

Mulla Sahib Street,

Sowcarpet,

Chennai-600 079.

**(MAHESH TATED)**

Director

DIN: 00488121

New No. 45, Old No. 22,

Mulla Sahib Street,

Sowcarpet,

Chennai-600 079.

Place: CHENNAI

Date : 30.05.2019

Form No. MR-3

## SECRETARIAL AUDIT REPORT

*For the financial year ended 31<sup>st</sup> March, 2019*

*[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**

'Mansi Mansion'

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, minutes book, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorised 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, 2019** 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, minutes book, forms and returns filed and other records maintained by the Company for the financial year ended on **31<sup>st</sup> March, 2019** 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, 2015;
  - (c) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015;
  - (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 Company 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.

We have relied upon the representation made by the management stating that the provisions of the Employees State Insurance Act, the Employees Provident Fund Act and other labour laws are not applicable to the company.

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 Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India and as prescribed under sub-section 10 of section 118 of the Companies Act, 2013.

- (2) The Uniform Listing Agreement entered into by the Company with the Bombay Stock Exchange Limited (BSE) pursuant to the provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015.

**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 made in filing the e-Forms under the Companies Act, 2013, the Company has, prima facie, been regular in furnishing its required returns.
2. The Company has not filed the Resolution for appointment of internal auditor 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.
3. One of the Director of the Company, namely, Shri. YUVARAJ A JAIN has been allotted two Director Identification Number (DIN) violating the provisions of section 155 of the Companies Act, 2013.
4. 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.
5. In accordance with regulation 6(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company during the financial year 2018-19, has failed to appoint a Company Secretary as its Compliance Officer.
6. In accordance with regulation 47 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company during the financial year 2018-19, has failed to publish news paper advertisements in relation to notice of the meetings of the board of directors where the financial results were discussed.
7. 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.



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. There was no change in the Composition of the Board of Directors during the period under review.

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***  
***(ICSI Unique Code: S1988TN005000)***

Place: CHENNAI  
Date : 30.05.2019

**(JAGDISH P MUNDHARA)**  
***Proprietor***  
**FCS 2353 C.P. No. 1443**

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this report.

**'Annexure A'**

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

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. Wherever 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**  
**(ICSI Unique Code: S1988TN005000)**

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

Place: Chennai  
Date: 30-05-2019.

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

**ANNEXURE – 1****Form No. MGT-9****EXTRACT OF ANNUAL RETURN****as on the financial year ended on 31<sup>st</sup> March, 2019*****[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	MANSI MANSION, No. 22-B, 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	% to total turnover of the company
1.	Non-Banking Finance Company	65191	100.00%

**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
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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	2100646	16000	2116646	59.88	2121746	2100	2123846	60.08	0.20
b) Central Govt.									
c) State Govt(s)									
d) Bodies Corp.	309400	-	309400	8.75	309400	500	309900	8.77	0.02
e) Banks/FI									
f) Any other....									
<b>Sub-Total (A)(1):</b>	<b>2410046</b>	<b>16000</b>	<b>2426046</b>	<b>68.63</b>	<b>2431146</b>	<b>2600</b>	<b>2433746</b>	<b>68.85</b>	<b>0.22</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 of promoters (A)=(A)(1)+(A)(2)</b>	<b>2410046</b>	<b>16000</b>	<b>2426046</b>	<b>68.63</b>	<b>2431146</b>	<b>2600</b>	<b>2433746</b>	<b>68.85</b>	<b>0.22</b>
<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>	-	-	-	-	-	-	-	-	-

<b>2. Non-Institutions</b>									
a) Bodies Corp.									
i) Indian	29415	10000	39415	1.12	28860	9500	38360	1.09	(0.03)
ii) Overseas									
b) Individuals									
i) Individual Shareholders holding nominal share capital upto Rs.2 Lakhs	151778	732050	883828	25.00	166925	709850	876775	24.80	(0.20)
ii) Individual shareholders holding nominal share capital in excess of Rs.2 Lakhs	-	180800	180800	5.11	-	180800	180800	5.11	-
c) Others Clearing Members	-	-	-	-	1108	-	1108	0.03	0.03
Hindu Undivided Families	3061	-	3061	0.09	2361	-	2361	0.07	(0.02)
Non-Resident Indians	1750	-	1750	0.05	1750	-	1750	0.05	-
<b>Sub-Total (B)(2):</b>	<b>186004</b>	<b>922850</b>	<b>1108854</b>	<b>31.37</b>	<b>201004</b>	<b>900150</b>	<b>1101154</b>	<b>31.15</b>	<b>(0.22)</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>186004</b>	<b>922850</b>	<b>1108854</b>	<b>31.37</b>	<b>201004</b>	<b>900150</b>	<b>1101154</b>	<b>31.15</b>	<b>(0.22)</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>2596050</b>	<b>938850</b>	<b>3534900</b>	<b>100.00</b>	<b>2632150</b>	<b>902750</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 B	360549	10.20	-	360549	10.20	-	-
2.	SAJJAN KANWAR BAFNA	607681	17.20	-	607681	17.20	-	-
3.	ADIT BAFNA	5026	0.14	-	5126	0.14	-	-
4.	SURESH BAFNA	458148	12.96	-	465248	13.16	-	0.20
5.	SURESH BAFNA, Karta SURESH CHANDRA CHHOGMALJI HUF	397100	11.23	-	397100	11.23	-	-
6.	PADMAVATHI BAFNA	288142	8.15	-	288142	8.15	-	-
7.	MANSI FOUNDATION PRIVATE LIMITED	309400	8.75	-	309900	8.77	-	0.02

**(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
<b>1.</b>	<b>Smt. MANITHA B</b>				
	At the beginning of the year	360549	10.20	360549	10.20
	At the end of the year	360549	10.20	360549	10.20
<b>2.</b>	<b>Smt. SAJJAN KANWAR BAFNA</b>				
	At the beginning of the year	607681	17.20	607681	17.20
	At the end of the year	607681	17.20	607681	17.20
<b>3.</b>	<b>Shri. ADIT BAFNA</b>				
	At the beginning of the year	5026	0.14	5026	0.14
	Market Purchase	100	0.00	5126	0.14
	At the end of the year	5126	0.14	5126	0.14
<b>4.</b>	<b>Shri. SURESH BAFNA</b>				
	At the beginning of the year	458148	12.96	458148	12.96
	Market Purchase	7100	0.20	465248	13.16
	At the end of the year	465248	13.16	465248	13.16
<b>5.</b>	<b>Shri. SURESH BAFNA, Karta SURESH CHANDRA CHHOGMALJI HUF</b>				
	At the beginning of the year	397100	11.23	397100	11.23
	At the end of the year	397100	11.23	397100	11.23
<b>6.</b>	<b>Smt. PADMAVATHI BAFNA</b>				
	At the beginning of the year	288142	8.15	288142	8.15
	At the end of the year	288142	8.15	288142	8.15
<b>7.</b>	<b>M/s. MANSI FOUNDATION PRIVATE LIMITED</b>				
	At the beginning of the year	309400	8.75	309400	8.75
	Market Purchase	500	0.02	309900	8.77
	At the end of the year	309900	8.77	309900	8.77



**(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
1.	<b>Shri. PANKAJ A JAIN</b>				
	At the beginning of the year	56000	1.58	56000	1.58
	At the end of the year	56000	1.58	56000	1.58
2.	<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
3.	<b>Shri. ANAND A JAIN</b>				
	At the beginning of the year	52900	1.50	52900	1.50
	At the end of the year	52900	1.50	52900	1.50
4.	<b>M/s. MARDIA SONS HOLDINGS PRIVATE 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
5.	<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
6.	<b>Shri. KARAMJIT SINGH</b>				
	At the beginning of the year	13808	0.39	13808	0.39
	Market Sale	-320	-0.01	13488	0.38
	At the end of the year	13488	0.38	13488	0.38

<b>7.</b>	<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
<b>8.</b>	<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
<b>9.</b>	<b>Shri. AVANTI KUMAR KATARIA</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
<b>10.</b>	<b>Shri. BADALCHAND</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
<b>1.</b>	<b>Smt. SAJJAN KANWAR BAFNA</b>				
	At the beginning of the year	607681	17.20	607681	17.20
	At the end of the year	607681	17.20	607681	17.20
<b>2.</b>	<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
<b>3.</b>	<b>Shri. SURESH BAFNA</b>				
	At the beginning of the year	458148	12.96	458148	12.96
	Market Purchase	7100	0.20	465248	13.16
	At the end of the year	465248	13.16	465248	13.16
<b>4.</b>	<b>Shri. MAHESH TATED</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

<b>5.</b>	<b>Ms. JYOTI KEDIA</b> (Appointed as Company Secretary with effect from 11th May, 2019)				
	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*** (in Rs.)

	Secured Loans excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year:</b>				
i) Principal Amount	12304890	309075330	-	<b>321380220</b>
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	12304890	309075330	-	<b>321380220</b>
<b>Changes in Indebtedness during the financial year</b>				
• Addition	13450965	-	-	<b>13450965</b>
• Reduction	-	104603655	-	<b>104603655</b>
<b>Net Change</b>	13450965	(104603655)	-	<b>(91152690)</b>
<b>Indebtedness at the end of the financial year:</b>				
i) Principal Amount	25755855	204471675	-	<b>230227530</b>
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (i+ii+iii)</b>	25755855	204471675	-	<b>230227530</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
		<b>Shri. SURESH BAFNA</b>	
1.	Gross Salary (a) Salary as per provisions contained in section 17(1) of the Income-Tax Act, 1961.	Rs.1200000/-	<b>Rs.1200000/-</b>
	(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.1200000/-	<b>Rs.1200000/-</b>
	Ceiling as per the Act	Rs.8400000/-	<b>Rs.8400000/-</b>

**B. Remuneration to other Directors:**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount in (Rs.)
		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 2018 – 19.</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.12,00,000/-	Rs.84,00,000/- (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 (in Rs.)
		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 2018 – 19.</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 2018-19.</b>				
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty	<b>There were no instances of penalties/punishment/ compounding of offences during the financial year 2018-19.</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 2018-19.</b>				
Punishment					
Compounding					

For and on behalf of the Board

**(SURESH BAFNA)**

Chairman & Managing Director  
DIN: 00007655  
New No. 45, Old No. 22,  
Mulla Sahib Street, Sowcarpet  
Chennai – 600 079.

**(MAHESH TATED)**

Director  
DIN: 00488121  
New No. 45, Old No. 22,  
Mulla Sahib Street, Sowcarpet  
Chennai – 600 079.

PLACE: CHENNAI  
DATE : 30-05-2019

**"ANNEXURE – 2"****Form No. AOC-2**

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

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

1. Details of contracts or arrangements or transactions not at Arm's length basis.

<b>Sl.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	<b><i>There were no transactions with the related parties which were not entered on arm's length basis.</i></b>
b)	Nature of contracts / arrangements / transaction	
c)	Duration of the contracts / arrangements / transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions	
f)	Date of approval by the Board	
g)	Amount paid as advances, if any	
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	



2. Details of contracts or arrangements or transactions at Arm's length basis.

Sl.No.	Particulars	Details
a)	Name (s) of the related party & nature of relationship	Smt. SAJJAN KANWAR BAFNA - Key Managerial Personnel and M/s. MANSI FOUNDATION PRIVATE LIMITED - Enterprise owned or significantly influenced by Key Managerial Personnel or their relatives
b)	Nature of contract / arrangements / transaction	The Company has in the ordinary course of business, has taken on hire, the premises owned by the above related parties.  During the year 2018-19, the Company has paid a sum of Rs.495600/- to Smt. SAJJAN KANWAR BAFNA and Rs.1092000/- to M/s. MANSI FOUNDATION PRIVATE LIMITED towards such lease rentals.
c)	Duration of the contract / arrangements / transaction	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date of approval by the Board	07.04.2018
f)	Amount paid as advances, if any	NIL

<b>Sl.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Shri. ADIT S BAFNA - Relative of Key Managerial Personnel
b)	Nature of contract / arrangements / transaction	Shri. ADIT S BAFNA is in the employment of the Company. During the year 2018-19, the Company has paid a sum of Rs.1200000/- to him towards remuneration for the services rendered to the Company.
c)	Duration of the contract / arrangements / transaction	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date of approval by the Board	07.04.2018
f)	Amount paid as advances, if any	NIL

<b>Sl.No.</b>	<b>Particulars</b>	<b>Details</b>
a)	Name (s) of the related party & nature of relationship	Smt. PADMAVATHI BAFNA - Relative of Key Managerial Personnel
b)	Nature of contract / arrangements / transaction	During the year 2018-19, the Company has purchased an immovable property from the said related party and has paid a sum of Rs.12685286/- towards such purchase consideration.
c)	Duration of the contract / arrangements / transaction	
d)	Salient terms of the contracts or arrangements or transactions including the value, if any	
e)	Date of approval by the Board	07.04.2018
f)	Amount paid as advances, if any	NIL

For and on behalf of the Board

**(SURESH BAFNA)**

Chairman & Managing Director  
DIN: 00007655  
New No. 45, Old No. 22,  
Mulla Sahib Street, Sowcarpet  
Chennai – 600 079.

**(MAHESH TATED)**

Director  
DIN: 00488121  
New No. 45, Old No. 22,  
Mulla Sahib Street, Sowcarpet  
Chennai – 600 079.

Place: CHENNAI  
Date : 30.05.2019

**ANNEXURE – 3**

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.

<b>S.No.</b>	<b>Particulars</b>	<b>Disclosure</b>	
1.	The ratio of the remuneration of each director to the median remuneration of the employees for the financial year	Shri. SURESH BAFNA, Chairman & Managing Director	6.42
2.	The percentage increase in remuneration of each director in the financial year.	Shri. SURESH BAFNA, Chairman & Managing Director	0.00%
3.	The percentage increase in the median remuneration of employees in the financial year	0.00%	
4.	The number of permanent employees on the rolls of the Company	The Company had 17 employees on the rolls as on 31 <sup>st</sup> March, 2019	
5.	The explanation on the relationship between average increase in remuneration and Company performance	While recommending increase in remuneration, the Company takes into account various factors like financial performance of the Company, comparison with peers, industry benchmarking and consideration towards cost of living adjustments and inflation. The Company follows holistic performance review mechanism to ensure that the increase is commensurate with the performance of employees and Company.	

6.	Comparison of the remuneration of the KMP against the performance of the Company	Not Applicable.	
7.	Variations in the market capitalization of the Company	As at 31.03.2019	As at 31.03.2018
		Rs.12.41 Crores	Rs.12.60 Crores
	Price earnings ratio as at the closing date of the current FY and previous FY	2.93 times	6.58 times
	% increase over decrease in the market quotations of the Shares of the Company in comparison to the rate at which the Company came out with the last public offer	Not Applicable.	Not Applicable.
8.	Average percentage increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentage increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	Not Applicable.	

9.	Comparison of remuneration of each of the KMP against the performance of the Company	<b><i>Particulars</i></b>	<b><i>% of Turnover of the Company</i></b>
		Shri. SURESH BAFNA, Chairman & Managing Director	1.12%
10.	The Key parameters for any variable component of remuneration availed by the directors	There is no variable component in the remuneration of the Directors.	
11.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	Not Applicable	
12.	Affirmation that the remuneration is as per the remuneration policy of the Company	As the members are aware that the Company employs only one executive Director as on date, accordingly, the Company is yet to frame any remuneration policy for the same.	

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **Economic Overview:**

With the Indian economy growing at the steady annual growth rate 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 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:**

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.

**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; and
- 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.

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

**(SURESH BAFNA)**

Chairman & Managing Director  
DIN: 00007655

Place: Chennai  
Date: 30-05-2019.

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



## **CORPORATE GOVERNANCE REPORT FOR THE FINANCIAL YEAR 2018-2019**

### **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 M/s. Mansi Finance (Chennai) Limited consists of four 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. Yuvaraj A Jain	Independent Director
3.	Shri. Mahesh Tated	Independent Director
4.	Smt. Sajjan Kanwar Bafna	Non-executive Non-Independent Director

The Chairman of the Board is Shri. SURESH BAFNA (DIN: 00007655), 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, 2019 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. Yuvaraj A. Jain	Independent Director	2	Nil
3.	Shri. Mahesh Tated	Independent Director	Nil	Nil
4.	Smt. Sajjan Kanwar Bafna	Non-executive Non-Independent Director	2	Nil

### 3. BOARD PROCEDURE:

#### Board Meeting:

During 2018-2019, the Board of Directors met Eight (8) times on 07.04.2018, 29.05.2018, 11.08.2018, 10.09.2018, 25.09.2018, 14.11.2018, 14.02.2019 and 07.03.2019.

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

Date of Meeting	Total Members	Attendance by number of members	Date of Meeting	Total Members	Attendance by number of members
07.04.2018	4	4	25.09.2018	4	4
29.05.2018	4	4	14.11.2018	4	4
11.08.2018	4	4	14.02.2019	4	4
10.09.2018	4	4	07.03.2019	4	4

The annual operating plans, budgets, quarterly results, performance of various units/divisions and various other information, including those specified under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, 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	8	Yes
2	Shri. Yuvaraj A. Jain	8	Yes
3	Shri. Mahesh Tated	8	Yes
4	Smt. Sajjan Kanwar Bafna	8	Yes

**Note:**

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: 00007655), retires by rotation at the forthcoming Annual General Meeting, and he being eligible, offers himself for re-appointment.

Shri. SURESH BAFNA (DIN: 00007655) was re-appointed as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> October, 2018, during the financial year.

Ms. JYOTI KEDIA (M. No.: A49935) was appointed as Company Secretary of the Company with effect from 11<sup>th</sup> May, 2019 during the year.

**4. REMUNERATION TO DIRECTORS:**

During the year the Company had paid remuneration of Rs.1200000/- to Shri. SURESH BAFNA (DIN: 00007655), Chairman & 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 two Independent Directors and one Non-Executive Director. The members of the Committee are Shri. MAHESH TATED (DIN: 00488121), Chairman and Independent Director; Shri. YUVARAJ A JAIN (DIN: 00007745), Independent Director and Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), Non-Independent Non-Executive Director. The Statutory Auditor and Senior Executive officer are the invitees of all meetings of committee.

The terms of reference of the Audit Committee includes matters which are set out in Regulation 18 read with Part C of Schedule II of the Listing Regulations and section 177 of the Companies Act, 2013 and inter alia includes:

- a) overseeing the Company's financial reporting process and the disclosure of its financial information;
- b) examination of the financial statement and the auditor's report thereon;
- c) recommendation for appointment, remuneration and terms of appointment of auditors of the company;
- d) review and monitoring the auditor's independence and performance, effectiveness of the audit process;
- e) approval or any subsequent modification of the transactions of the Company with related parties;
- f) scrutiny of inter corporate loans and investments;
- g) valuation of undertakings or assets of the Company, wherever it is necessary;
- h) evaluation of internal financial controls and risk management system; and
- i) monitoring the end use of funds raised through public offers and related matters.

The Audit Committee met five 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>
07.04.2018	3	3
29.05.2018	3	3
11.08.2018	3	3
14.11.2018	3	3
14.02.2019	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 Regulation 20 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The members of the committee are Shri. YUVARAJ A JAIN (DIN: 00007745), Chairman, Shri. MAHESH TATED (DIN: 00488121) and Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), Members.

The role of the Stakeholders Relationship Committee shall, inter-alia, include the following:

1. Dealing with the investors complaints like delay in transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends / share certificates, dematerialisation of shares, replacement of lost/stolen/ mutilated share certificates, etc;
2. Reviewing of investors complaints and take necessary steps for redressal thereof;
3. To perform all functions relating to the interest of the stakeholders of the Company as may be required by the provisions of the Companies Act, 2013 and the rules made thereunder, Listing Agreements and the guidelines issued by SEBI or any other regulatory authority; and
4. Approval of the share transfers and / or delegation thereof.

**Attendance of Stakeholders Relationship Committee:**

<b>Date of Meeting</b>	<b>Total Members</b>	<b>Attendance by number of members</b>
07.04.2018	3	3
29.05.2018	3	3
11.08.2018	3	3
14.11.2018	3	3
14.02.2019	3	3

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.
- The Company has not received any complaints during the year 2018-19.

**7. NOMINATION AND REMUNERATION COMMITTEE:**

Adhering to the requirements of the Companies Act, 2013 and Regulation 19 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board of the Company has constituted Nomination and Remuneration Committee. The members of the Committee are Shri. MAHESH TATED (DIN: 00488121), Chairman, Independent and Non-Executive Director, Shri. YUVARAJ A JAIN (DIN: 00007745), Independent and Non-Executive Director and Smt. SAJJAN KANWAR BAFNA (DIN: 00007725), Non-Independent and Non-Executive Director. 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 197 of the Companies Act, 2013. During the year the Company had paid remuneration of Rs.1200000/- to

Shri. SURESH BAFNA (DIN: 00007655), Managing Director. As the members are aware that the Company employs only one executive Director as on date, accordingly, the Company is yet to frame any remuneration policy for the same.

The terms of reference of the Nomination and Remuneration Committee include:

- ❖ formulation of criteria for determining qualifications, positive attributes and independence of a Director;
- ❖ recommending to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
- ❖ formulation of criteria for evaluation of Independent Directors and the Board;
- ❖ devising a policy on Board diversity; and
- ❖ identification of persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

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

<b>Date of Meeting</b>	<b>Total Members</b>	<b>Attendance by number of members</b>
07.04.2018	3	3
29.05.2018	3	3
11.08.2018	3	3
14.11.2018	3	3
14.02.2019	3	3

**8. RISK MANAGEMENT COMMITTEE:**

The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. The Board periodically discusses the significant business risks identified by the management and

the mitigation measures to address such risks. The role of the Committee includes review of the risk management strategy developed by the management for approval by the Board, advise the Board on the prioritization of risk management issues, report the effectiveness of the Company's Risk Management Systems and carries out additional functions and adopts additional policies and procedures as may be appropriate in the light of changes in business, legislative, regulatory, legal and other conditions.

As at 31<sup>st</sup> March, 2019, the committee comprised of Shri. YUVARAJ A JAIN (DIN: 00007745) as Chairman and Shri. MAHESH TATED (DIN: 00488121) as a Member. Members of the senior management team attend the meetings of the committee as permanent invitees.

There was no meeting held during the year 2018-19.

#### 9. 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
2015-2016	'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai – 79	29 <sup>th</sup> September, 2016	10.00 A.M.	2*
2016-2017	'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai – 79	28 <sup>th</sup> September, 2017	10.00 A.M.	1**
2017-2018	'Mansi Mansion', No.22-B, Mulla Sahib Street, Sowcarpet, Chennai – 79	25 <sup>th</sup> September, 2018	11.00 A.M.	1***



- \*(a) Special Resolution for authorising the Directors to make donations and contribute to charitable institutions was passed under section 181 of the Companies Act, 2013.
- (b) Special Resolution for authorising the Directors to enter into transactions with related parties was passed under section 188 of the Companies Act, 2013.
- \*\*\*(a) Special Resolution for replacing the Articles of Association of the Company to fall in conformity with Table F to the Companies Act, 2013 under section 14 of the Companies Act, 2013
- \*\*\*\*(a) Special Resolution for re-appointment of Shri. SURESH BAFNA (DIN: 00007655) as Managing Director of the Company for a period of 3 years commencing from 1<sup>st</sup> October, 2018 was passed under sections 196, 197 and Chapter XIII read with Schedule V to the Companies Act, 2013.

#### **10. CHANGES IN DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

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: 00007655), retires by rotation at the forthcoming Annual General Meeting, and he being eligible, offers himself for re-appointment. The Board recommends the re-appointment.

Shri. SURESH BAFNA (DIN: 00007655) was re-appointed as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> October, 2018, during the financial year.

Ms. JYOTI KEDIA (M. No.: A49935) was appointed as Company Secretary of the Company with effect from 11<sup>th</sup> May, 2019 during the year.

#### **11. BOARD EVALUATION:**

Pursuant to the provisions of the Companies Act, 2013 and the Listing Regulations, the Board has carried out an evaluation of its own performance, the individual Directors as well as an evaluation of the working of its Committees viz., Audit, Nomination and Remuneration, Stakeholders

Relationship and Risk Management Committees. Structured questionnaires were prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance. A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were evaluated on parameters such as attendance, level of participation in the meetings and contribution, independence of judgment, safeguarding the interest of the Company and other stakeholders, etc.

The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. Chairman of the Nomination and Remuneration Committee anchored the session on chairman evaluation. Inputs from the Non-Independent Directors were also considered by the Independent Directors while evaluating the performance of the Chairman.

## **12. DISCLOSURES:**

### **a). Related Party Transactions:**

During the year, there were no materially significant related party transactions considered to have potential conflict with the interests of the Company at large. The Company has formulated a policy on materiality of Related Party Transactions and also on dealing with Related Party Transactions.

Transactions with related parties is disclosed in point No. 23 of Notes to the Accounts in the Financial Statements of this Annual Report 2018-2019.

### **b). Whistle Blower Policy and Vigil Mechanism:**

The Company has established a whistle blower mechanism to provide an avenue to raise concerns about unethical behavior, actual or suspected fraud or violation of the Company's code of conduct or ethics policy. The mechanism provides for adequate safeguards against victimisation of

Directors / employees / customers who avail of the mechanism and also for appointment of an ombudsperson who will deal with the complaints received.

The Company has laid down a Whistle Blower Policy which contains the process to be followed for dealing with complaints and in exceptional cases, also provides for direct access to the chairperson of the audit committee. The Company affirms that no person has been denied access to the Audit Committee.

**c). Compliance with mandatory requirements:**

The Company has complied with all mandatory requirements as laid down in the Listing Regulations.

**d). Compliance with Accounting Standards:**

The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.

**e). Disclosure from Senior Management:**

Periodical disclosures from senior management relating to all material financial and commercial transactions, where they had or were deemed to have had personal interest, that might have had potential conflict with the interest of the Company at large were placed before the Board.

During the year under review, the Company has not raised any funds from public issue, rights issue or preferential issue.

**f). Prevention of Insider Trading:**

As per the requirement in the SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has formulated a Code of practices and procedures for fair disclosure of unpublished price sensitive information. A Code of Conduct to regulate, monitor and report trading by insiders in securities of the Company has also been formulated.

**g). Compliance with the Code of Conduct:**

The Board has laid-down a "Code of Conduct" (Code) for all the Board members and the senior management of the Company. Annual declaration regarding compliance with the Code is obtained from every person covered by the Code of Conduct. A declaration to this effect signed by the Managing Director is forming part of this report

**h). Compliance with Corporate Governance Norms:**

The Company has complied with Corporate Governance requirements specified in Regulations 17 to 27 and Clauses (b) to (i) of sub-regulation (2) of Regulation 46 of the Listing Regulations.

The Statutory Auditors have certified that the Company has complied with the conditions of corporate governance as stipulated in the Listing Regulations. The said certificate is annexed to this Report and will be forwarded to the Stock Exchanges and the Registrar of Companies, Tamilnadu, Chennai, along with the Annual Report.

**i). Disclosures of non-compliance by the Company:**

The shares of your Company continue to be listed on the BSE (Bombay Stock Exchange Limited).

The Stock Exchange has also imposed a penalty of Rs.634073/- (including GST) for non-complying with the provisions of the listing agreement. The Company has requested the exchange to waive the penalty as there were issues which were outside the control of the Company.

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 financial year.

The Company has obtained Secretarial Audit Report from M/s. MUNDHARA & CO, Company Secretaries for the year 2018-19. The observations made by the secretarial auditors and the explanation for the same is provided in the Director's Report.

**j). As regards the non-mandatory requirements, the following have been adopted:**

The quarterly financial results are published in leading financial newspapers, uploaded on the Company's website. The Company has therefore not been sending the half yearly financial results to the shareholders.

**13. CODE OF CONDUCT:**

The Board of M/s. 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.

**14. 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.

**15. GENERAL SHAREHOLDERS INFORMATION:**

**a). Annual General Meeting:** 25<sup>th</sup> Annual General Meeting of the Company will be held on Wednesday, the 25<sup>th</sup> September, 2019 at No. 59, Ormes Road, Prince Apartments, 7<sup>th</sup> Floor, A Block, Kilpauk, Chennai - 600 010, at 9.00 a.m.

**b). Date of Book Closure:** The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, the 19<sup>th</sup> September, 2019 to Wednesday, the 25<sup>th</sup> September, 2019 (both days inclusive).

**c). Financial Year:** 1st April, 2018 to 31st March, 2019.

**d). Financial Calendar (Tentative):**

First Quarter: August, 2019

Second Quarter & Half Yearly: November, 2019

Third Quarter: February, 2020

For the year ended 31<sup>st</sup> March, 2020: May, 2020

**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 2018	35.55	32.25	311
May 2018	39.00	33.65	156
June 2018	33.85	20.85	2,992
July 2018	21.85	24.85	5,492
August 2018	19.20	17.35	846
September 2018	27.40	17.00	2,679
October 2018	23.55	18.10	2,925
November 2018	31.50	18.05	6,611
December 2018	34.50	22.55	1,681
January 2019	36.75	20.50	5,720
February 2019	38.90	30.25	3,923
March 2019	41.75	33.25	4,180

**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, 2019:**

Distribution of Shareholdings pattern based on categories of shareholdings as on March 31, 2019.

S.No.	Category	No. of shares held	% of share holding
1.	Resident	2787910	78.87
2.	NRI	1750	0.05
3.	Corporate Body	348260	9.85
4.	Clearing member	1108	0.03
5.	Promoters	395872	11.20
	<b>Total</b>	<b>3534900</b>	<b>100.00</b>

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

**Distribution of Shareholdings based on slab of Shareholdings as on March 31, 2019:**

Slab of Shareholding	Shareholders	%	Amount (in Rs.)	%
0010 - 5000	2276	88.67	3475860	9.83
5001 - 10000	103	4.01	890120	2.52
10001 - 20000	101	3.93	1485420	4.20
20001 - 30000	14	0.55	356120	1.01
30001 - 40000	6	0.23	214600	0.61
40001 - 50000	53	2.06	2644330	7.48
50001 - 100000	1	0.04	59000	0.17
100001 and above	13	0.51	26223550	74.18
<b>Total</b>	<b>2567</b>	<b>100.00</b>	<b>35349000</b>	<b>100.00</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 dematerialised 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 is regularly paying annual charges to CDSL for the benefit of its members. The Company's ISIN is INE094E01017.

25.54% of the shares are still in physical form. Shareholders who are holding shares in physical form are advised to convert their holdings into demat form, since the Company's equity shares are under compulsory demat trading.

**j). Nomination Facility:**

Section 72 of the Companies Act, 2013 provides inter alia, the facility of nomination to shareholders. This facility is mainly useful for all holders holding the shares in single name.

In case where the securities are held in joint names, the nomination will be effective only in the event of the death of all the holders.

Shareholders are advised to avail of this facility.

**k). General:**

Members are requested to quote their Folio No./DP & Client ID Nos, Email ids, Telephone/Fax numbers for timely investor servicing by the Company/ Registrar and Transfer Agent. Members holding shares in electronic form are requested to update with their depository participant their present address, email ids and bank particulars (9 digit MICR code).

**l). 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.



**m). 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 - 2846 0930

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

**MANSI FINANCE (CHENNAI) LIMITED**

**Registered Office:**

"MANSI MANSION", No. 22-B, Mulla Sahib Street,  
Sowcarpet, CHENNAI – 600 079.  
Phone: 044 - 2529 2139

**MANSI FINANCE (CHENNAI) LIMITED**

**Corporate Office:**

No. 59, Ormes Road, Prince Apartments,  
7<sup>th</sup> Floor, A Block,  
Kilpauk, CHENNAI - 600 010.

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: 00007655

Place: Chennai  
Date: 30-05-2019.

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

**DECLARATION OF MD & CEO**

I, SURESH BAFNA, Managing Director 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 the Listing Agreement entered with the Stock Exchange and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

**(SURESH BAFNA)**

Chairman & Managing Director  
DIN: 00007655

Place: Chennai  
Date: 30-05-2019.

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

**AUDITORS' CERTIFICATE REGARDING COMPLIANCE OF  
CONDITIONS OF**

To the Member of

**Mansi Finance (Chennai) Limited**

I have examined the compliance of conditions of corporate governance by **MANSI FINANCE (CHENNAI) LIMITED** for the year ended 31 March 2019 as stipulated in the SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015 (Listing Regulation) of the said Company.

The Compliance of conditions of the Corporate Governance is the responsibility of the Management. Our examinations were limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In my 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 SEBI Listing Regulations, 2015.

I 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 **PEMMASANI & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

**(P.RAVINDRANATH NAIDU)**  
Proprietor  
M.No.021034

Place: Chennai

Date : 30-05-2019.

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

**Opinion**

I have audited the accompanying financial statements of MANSI FINANCE (CHENNAI) LIMITED ('the Company') which comprises the balance sheet as at 31st March 2019 , the statement of Profit & Loss Account and the Cash Flow statement for the year ended and a summary of significant accounting policies and other explanatory information.

In my opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the the Companies Act,2013 (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, 2019, and profit/loss and its cash flow for the year ended on that date.

**Basis for Opinion**

I conducted my audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. My responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. I am independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and I have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. I believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

**Key Audit Matter**

Key Audit Matters are those matters that, in our professional judgement, were of most significant in our audit of the financial statements of the current

period. These matters were addressed in the context of our audit of the financial statements as a whole, and informing our opinion thereon, and we do not provide a separate opinion on these matters. I determine in accordance with Para 10 of SA 701 that were no key audit matters that require significant attention of Auditor.

### **Information other than Financial Statement and Auditor's Report thereon**

The Company's Board of Directors is responsible for the other information. The other information comprises Board's Report, Report on Corporate governance and Business Responsibility report but does not include the consolidated financial statement, standalone financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### **Responsibility of Management and those charged with the governance for the Standalone 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

relevant rules issued thereunder. 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.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

### **Auditor's Responsibility for the Audit of the Financial Statements**

My objectives is to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

A further description of the auditor's responsibilities for the audit of the standalone financial statements is included in Annexure A. This description forms part of our auditor's report.

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

1. As required by the Companies (Auditor's Report) order, 2016 issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013, We annexed hereto (Annexure B) 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) I 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 my 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 Company has no branches during the year hence Section 143(8) of Companies Act 2013 is not applicable.
  - (d) 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.
  - (e) In my 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.
  - (f) On the basis of the written representations received from the directors as on March 31, 2019, taken on record by the Board of Directors, none of the directors is disqualified as on March 31,2019 from being appointed as a director in terms of section 164 (2) of the Act.
  - (g) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to my separate report in "Annexure C". My report expresses an unmodified opinion on the adequacy and

operating effectiveness of the Company's internal financial controls over financial reporting.

- (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and auditors) Rules, 2014, in my 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 PEMMASANI & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

PLACE : CHENNAI  
DATE : 30-05-2019

**(P.RAVINDRANATH NAIDU)**  
Proprietor  
M.No.021034



## **ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT**

### **Responsibilities for Audit of standalone Financial statements**

As part of an audit in accordance with SAs, we exercise professional judgement and maintain professional skepticism throughout the audit. I also:

Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide basis for my opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or override of internal control.

Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act 2013, I am also responsible for expressing my opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

Evaluate the appropriateness of accounting policies used and reasonable of accounting estimates and related disclosures made by management.

Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the company's ability to continue as a going concern. If I conclude that a material uncertainty exists, I am required to draw attention in my auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify my opinion. My conclusions are based on the audit evidence obtained up to the date of my auditor's report. However, future events or conditions may cause the company to cease to continue as a going concern.

Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone

financial statements represent the underlying transactions and events in a manner that achieves the fair presentation.

I communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that I identify during our audit.

I also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, I determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. I describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, I determine that a matter should not be communicated in my report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

**FOR PEMMASANI & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

PLACE : CHENNAI  
DATE : 30-05-2019

**(P.RAVINDRANATH NAIDU)**  
Proprietor  
M.No.021034

**ANNEXURE 'B' TO THE INDEPENDENT AUDITOR'S REPORT**

The annexure referred to in my Independent Auditors' Report to the members of the Company on the financial statement for the year ended 31 March 2019, 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 me no material discrepancy have been noticed between the physical verification and books of the Company.  
(c) According to the information and explanations given to me on the basis of my examination of the records of the Company, the title deeds of immovable properties are held in the name 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 granted any loans to Companies and firms listed in the Register maintained under section 189 of the Companies Act, 2013.
4. In my opinion and according to the information and explanations given to me , the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
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 me, 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 me, 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 me, there were no undisputed amounts payable in respect of Income tax, Wealth Tax, GST, Cess and other material statutory dues in arrears/were outstanding as at 31 March 2019 for a period of more than six months from the date they became payable. However, according to information and explanations given to me, the following dues of Income Tax have not been deposited by the Company on account of dispute :

<b>Particulars</b>	<b>Amount (Rs)</b>	<b>Period to which amount relates</b>	<b>Forum where the dispute is pending</b>
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
Income Tax	457,920	Financial year 2012-2013	Commissioner of Income tax (Appeals) Chennai

8. In my opinion and according to the information and explanations given to me, there is no amount due to a financial institution, Government and debenture holders. However in the case of dues to bank, the Company has not defaulted in payments.
9. The Company did not raise any money by way of initial public offer or further public offer (Including debt instruments) and term loans during the year. Accordingly, paragraph 3(ix) of the order is not applicable.
10. According to the information and explanations given to me, no material fraud on or by the company has been noticed or reported during the course of our audit.
11. According to the information and explanations given to us and based on my examination of the records of the Company, the Company has paid/

provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Act.

12. In my opinion and according to the information and explanations given to me , the Company is not a nidhi Company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to me and based on my examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
14. According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to me and based on my examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. The Company is registered NBFC under section 45-IA of the Reserve Bank of India Act,1934.

**FOR PEMMASANI & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

**(P.RAVINDRANATH NAIDU)**

Proprietor  
M.No.021034

PLACE : CHENNAI

DATE : 30-05-20190

**ANNEXURE 'C' TO THE INDEPENDENT AUDITOR'S REPORT**

(Referred to in paragraph (f) under 'Report on other legal and regulatory requirements' section of our report of even date)

I have audited the internal financial controls over financial reporting of MANSI FINANCE (CHENNAI) LTD as at 31 March 2019 in conjunction with my audit of the stand alone Financial Statements of the Company for the year ended on that date.

**Management's Responsibility for Internal Financial Controls**

The Company's Management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information as required under the Companies Act, 2013.

**Auditor's Responsibility**

My responsibility is to express an opinion on the Company's Internal Financial Control over financial reporting based on our audit. I conducted my audit in accordance with the Guidance Note and the Standards on Auditing ('the Standards'), issued by the ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

My audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. My audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

I believe that the audit evidence I have obtained is sufficient and appropriate to provide a basis for my audit opinion on the company's internal financial controls system over financial reporting.

### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that

1. pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company
2. provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
3. provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

### **Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

### **Opinion**

In my opinion, the company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March 2019, based on the internal control over financial reporting criteria established by the company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

FOR **PEMMASANI & CO.**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

PLACE : CHENNAI  
DATE : 30-05-2019

**(P.RAVINDRANATH NAIDU)**  
Proprietor  
M.No.021034



### Balance Sheet As at 31st MARCH 2019

	Note	As at 31st March 2019		As at 31st March 2018	
		Rs.	Ps.	Rs.	Ps.
<b>I. EQUITY AND LIABILITIES</b>					
<b>(1) Shareholders' Funds</b>					
(a) Share Capital	2	35,349,000.00		35,349,000.00	
(b) Reserves and Surplus	3	225,338,838.96		182,992,404.82	
<b>(2) Share application money pending allotment</b>					
			0.00		0.00
<b>(3) Non-Current Liabilities</b>					
(a) Long-term borrowings	4	361,615,415.01		204,471,675.33	
(b) Deferred tax liabilities (Net)			0.00		0.00
(c) Other Long term liabilities	5	1,625,000.00		1,570,000.00	
<b>(4) Current Liabilities</b>					
(a) Short-term borrowings	6	25,723,895.92		25,755,854.64	
(b) Trade payables			0.00		0.00
(c) Other current liabilities	7	22,602,827.61		25,714,535.40	
(d) Short-term provisions	8	4,168,478.00		4,529,759.00	
<b>Total</b>		<u>676,423,455.50</u>		<u>480,383,229.19</u>	
<b>II. Assets</b>					
<b>(1) Non-current assets</b>					
(a) Property Plant and Equipment					
(i) Tangible assets	9	99,163,537.79		76,888,200.90	

(b) Non-current investments	10	7,542,250.37	8,141,617.37
(c) Deferred tax assets (net)		269,600.00	269,600.00
(d) Long term loans and advances	11	3,247,002.00	2,647,002.00
(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	12	539,462,545.00	363,530,311.00
(c) Cash and bank balances	13	21,603,810.16	23,323,712.39
(d) Short-term loans and advances	14	0.00	0.00
(e) Other current assets	15	5,134,710.18	5,582,785.53
Total		<b>676,423,455.50</b>	<b>480,383,229.19</b>

Significant Accounting policies 1

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

For **PEMMASANI & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.002630S

For and on behalf of the Board

**P.RAVINDRANATH NAIDU**

Proprietor  
 M.No.021034

**SURESH BAFNA**

Managing Director  
 DIN : 00056152

**M K TATED**

Director  
 DIN : 00488121

PLACE: CHENNAI  
 DATE : 30-05-2019

**PROFIT AND LOSS ACCOUNT  
FOR THE YEAR ENDED 31st MARCH 2019**

	Note	As at 31st March 2019		As at 31st March 2018	
		Rs.	Ps.	Rs.	Ps.
I. Revenue from operations	16	107,521,593.00		74,185,333.00	
II Other Income	17	23,197,952.01		6,557,506.43	
<b>III. Total Revenue</b>		<b>130,719,545.01</b>		<b>80,742,839.43</b>	
<b>IV. EXPENSES:</b>					
Finance Costs	18	33,572,867.00		24,897,060.00	
Employee benefit expense	19	7,442,697.00		5,835,809.00	
Other operating expenses	20	35,832,605.76		23,292,413.03	
Depreciation and amortization expense		1,566,850.11		1,061,795.55	
<b>IV. Total Expenses</b>		<b>78,415,019.87</b>		<b>55,087,077.58</b>	
V. Profit before exceptional and extraordinary items and tax (III - IV)		52,304,525.14		25,655,761.85	
VI. Exceptional Items		0.00		0.00	
VII. Profit before extraordinary items and tax (V - VI)		52,304,525.14		25,655,761.85	
VIII. Extraordinary Items		0.00		0.00	

IX. Profit before tax (VII - VIII)		0.00	0.00
Tax expense:			
(1) Current year tax Provision		8,500,000.00	6,500,000.00
(2) Prior years adjustment		1,458,091.00	0.00
(3) Deferred tax/(asset)		-	-
		9,958,091.00	6,500,000.00
XV. Profit after tax		42,346,434.14	19,155,761.85
XVI. Earning per equity share:	24		
(1) Basic		11.98	5.42
(2) Diluted		11.98	5.42

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

For **PEMMASANI & CO.,**  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.002630S

For and on behalf of the Board

**P.RAVINDRANATH NAIDU**  
 Proprietor  
 M.No.021034

**SURESH BAFNA**  
 Managing Director  
 DIN : 00056152

**M K TATED**  
 Director  
 DIN : 00488121

PLACE: CHENNAI  
 DATE : 30-05-2019

**CASH FLOW STATEMENT**

	Amount in Rs. (in thousands) 2018-2019	Amount in Rs. (in thousands) 2017-2018
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit/(Loss)	42,346.43	19,155.76
Less:		
Dividend received	(7.10)	(4.36)
Profit on sale of shares	0.00	(2.02)
Profit on sale of fixed assets	(17,105.25)	0.00
	<u>25,234.09</u>	<u>19,149.39</u>
Add:		
Depreciation	1,566.85	1,061.80
Provision for taxation	8,500.00	6,500.00
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	35,300.94	26,711.18
(Increase)/Decrease in Current Assets	(175,484.16)	99,259.30
Increase/(Decrease) in other Current Liabilities	(3,111.71)	(4,760.22)
Increase/(Decrease) in other non Current liabilities	55.00	20.00
Increase/(Decrease) in long term loans & advance	0.00	0.00
Income tax paid	<u>(8,861.28)</u>	<u>(5,449.81)</u>
NET CASH INFLOW/(OUTFLOW) FROM OPERATING ACTIVITIES	(A)(152,101.21)	115,780.45
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	(24,141.50)	(30,255.26)
Purchase of Investments	(0.63)	(393.79)
Sale of Fixed assets	299.31	0.00

**MANSI FINANCE (CHENNAI) LTD.**

Sale of Investments	600.00	2,500.00
Profit on sale of shares	0.00	2.02
Profit on sale of fixed assets	17,105.25	0.00
Loss on sale of fixed assets	0.00	0.00
Dividend received	7.10	4.36
NET CASH INFLOW/(OUTFLOW) FROM INVESTING ACTIVITIES	(B) (6,130.48)	(28,142.68)
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Acceptance/(Repayment) of Loans	156,511.78	(91,152.69)
Proceeds from issue of shares	0.00	0.00
NET CASH INFLOW/(OUTFLOW) FROM FINANCING ACTIVITIES	(C) 156,511.78	(91,152.69)
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS (A+B+C)	(1,719.90)	(3,514.92)
CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR	23,323.71	26,838.63
CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR	<b>21,603.81</b>	<b>23,323.71</b>

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

For **PEMMASANI & CO.,**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

For and on behalf of the Board

**P.RAVINDRANATH NAIDU**  
Proprietor  
M.No.021034

**SURESH BAFNA**  
Managing Director  
DIN : 00056152

**M K TATED**  
Director  
DIN : 00488121

PLACE: CHENNAI  
DATE : 30-05-2019

**NOTES TO ACCOUNTS****Notes on Financial Statements for the year ended 31-MARCH 2019****CORPORATE INFORMATION**

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 Finance Company (NBFC) with Reserve Bank of India. The Company is presently classified as Non-Deposit taking NBFC.

**1. SIGNIFICANT ACCOUNTING POLICIES****1.1 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.

**1.2 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.

**1.3 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 income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.

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.

**1.4 VALUATION OF FIXED ASSETS :**

Fixed Assets are stated at historical cost Less accumulated depreciation.

**1.5 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.

**1.6 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.

**1.7 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.



**1.8 IMPAIRMENT OF ASSETS**

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

**1.9 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.

For **PEMMASANI & CO.,**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

For and on behalf of the Board

**P.RAVINDRANATH NAIDU**  
Proprietor  
M.No.021034

**SURESH BAFNA**  
Managing Director  
DIN : 00056152

**M K TATED**  
Director  
DIN : 00488121

PLACE: CHENNAI  
DATE : 30-05-2019

	As at 31st March 2019		As at 31st March 2018	
	Rs.	Ps.	Rs.	Ps.
<b>2. 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>	
2.1 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.				
2.2 The Reconciliation of the number of shares outstanding and the amount of share capital as at 31-03-2019 and 31-03-2018 is set out below :				
Particulars	As at 31-03-2019		As at 31-03-2018	
	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>2.3 Disclosures as to the shareholders holding more than 5% shares</b>				
Name of the Shareholder	As at 31-03-2019		As at 31-03-2018	
	No of Shares	% held	No of Shares	% held
Padmavathi Bafna	288142	8.15%	288142	8.15%
Mansi Foundation Pvt Ltd	309900	8.77%	309400	8.75%
Manitha B	360549	10.20%	360549	10.20%
Suresh Bafna	465248	13.16%	458148	12.96 %
Sajjan Kanwar Bafna	607681	17.20%	607681	17.20 %
Suresh Chand Chhogmal Bafna HUF	397100	11.23%	397100	11.23 %

**MANSI FINANCE (CHENNAI) LTD.**

		As at 31st March 2019		As at 31st March 2018	
		Rs.	Ps.	Rs.	Ps.
<b>3. <u>RESERVES AND SURPLUS</u></b>					
<b>SHARE PREMIUM</b>		5,349,000.00		5,349,000.00	
<b>STATUTORY RESERVE</b>					
As per Balance Sheet	33,843,406.00			30,012,254.00	
Add: Transferred from Profit & Loss account	<u>8,469,287.00</u>	42,312,693.00	<u>3,831,152.00</u>	33,843,406.00	
<b>Profit &amp; Loss Account</b>					
At the beginning of the year	143,799,998.82			128,475,388.97	
Add: Profit for the year	<u>42,346,434.14</u>			<u>19,155,761.85</u>	
	186,146,432.96			147,631,150.82	
Less: Appropriations Transfer to Statutory Reserve u/s 45-IC of RBI Act	<u>8,469,287.00</u>	<u>177,677,145.96</u>	<u>3,831,152.00</u>	<u>143,799,998.82</u>	
<b>TOTAL</b>		<u><u>225,338,838.96</u></u>		<u><u>182,992,404.82</u></u>	
<b>4. <u>LONG TERM BORROWINGS</u></b>					
<b>Secured Loan</b>					
ICICI BANK CAR LOAN (SECURED AGAINST MOTOR CAR)		1,458,478.00		0.00	
<b>Unsecured Loan</b>					
From Directors & Director relatives	350,128,792.41			175,215,655.41	
Inter Corporate Loan	<u>10,028,144.60</u>	360,156,937.01	<u>29,256,019.92</u>	204,471,675.33	
<b>TOTAL</b>		<u><u>361,615,415.01</u></u>		<u><u>204,471,675.33</u></u>	

**MANSI FINANCE (CHENNAI) LTD.**

	As at		As at	
	31st March 2019		31st March 2018	
	Rs.	Ps.	Rs.	Ps.
<b>5. <u>OTHER LONG TERM LIABILITIES</u></b>				
Rental Advances	1,625,000.00		1,570,000.00	
	<u>1,625,000.00</u>		<u>1,570,000.00</u>	
<b>6. <u>SHORT TERM BORROWINGS</u></b>				
Andhra Bank OD A/c (Secured against Fixed Deposit with Bank)	25,723,895.92		25,755,854.64	
	<u>25,723,895.92</u>		<u>25,755,854.64</u>	
<b>7. <u>OTHER CURRENT LIABILITIES</u></b>				
Interest received in advance	16,389,950.00		10,490,000.00	
Other Liabilities	6,212,877.61		15,224,535.40	
	<u>22,602,827.61</u>		<u>25,714,535.40</u>	
<b>8. <u>SHORT TERM PROVISIONS</u></b>				
Income Tax provision (net of payment)	103,037.00		464,318.00	
Provision for Non performing/Standard asset	4,065,441.00		4,065,441.00	
	<u>4,168,478.00</u>		<u>4,529,759.00</u>	

**9. FIXED ASSETS**

S. No	Assets	Gross Block				Depreciation				Net Block	
		As On 1.4.2018	Additions	Deletion	Total	Upto 31.3.2018	Deductions	For 31-3-2019	Upto 31.3.2019	As at 31.3.2018	As at 31.3.2019
1	Computers	770,524.00	38,750.00	0.00	809,274.00	732,955.30	-	17,926.32	750,881.62	37,568.70	58,392.38
2	Furniture & Fittings	1,575,231.00	156,576.00	0.00	1,731,807.00	1,160,953.91	-	113,254.77	1,274,208.68	414,277.09	457,598.32
3	Land & Building	74,150,063.60	21,222,761.00	299,313.00	95,073,511.60	0.00	-	0.00	0.00	74,150,063.60	95,073,511.60
4	Office Equipments	1,487,183.97	70,420.00	0.00	1,557,603.97	1,249,262.40	-	88,592.66	1,337,855.06	237,921.57	219,748.91
5	Air Conditioner	162,994.00	62,500.00	0.00	225,494.00	108,847.57	-	46,890.99	155,738.56	54,146.43	69,755.44
6	Camera	29,573.00	23,333.00	0.00	52,906.00	28,094.32	-	172.87	28,267.19	1,478.68	24,638.81
7	Vehicles	7,956,131.32	2,567,160.00	0.00	10,523,291.32	5,963,386.49	-	1,300,012.50	7,263,398.99	1,992,744.83	3,259,892.33
	GRAND TOTAL	86,131,700.89	24,141,500.00	299,313.00	109,973,887.89	9,243,499.99	0.00	1,566,850.11	10,810,350.10	76,888,200.90	99,163,537.79
	PREVIOUS YEAR	55,876,439.89	30,255,261.00	0.00	86,131,700.89	8,181,704.44	0.00	1,061,795.55	9,243,499.99	47,694,735.45	76,888,200.90

**10. NON CURRENT INVESTMENTS**

(Long Term Investments)  
In Equity shares-Quoted

	As at 31-03-2019		As at 31-03-2018	
	No.of Shares	Amount	No.of Shares	Amount
COIMBATORE POINEER MILLS	200	200.00	200	200.00
CHENNAI MEENAKSHI MULT. HOS	17,865	318,826.37	17,865	318,826.37
SAI TELEVISION	200	8,000.00	200	8,000.00
ONGC (BONUS)	720	87,585.00	720	87,585.00
CHENNAI FERROUS	62	62		0.00
GITA RENEWABLE	71	71		0.00
KANISHK STEEL	500	500		0.00
ESSAR OIL LIMITED	2,100	97,000.00	2,100	97,000.00
		<b>512,244.37</b>		<b>511,611.37</b>
<b><u>Optionally Fully Convertible Debentures</u></b>				
ESSAR OIL LIMITED		12,500.00		12,500.00
<b><u>Unquoted Equity Shares</u></b>				
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
<b><u>Bonds</u></b>				
REC BOND		5,000,000.00		5,600,000.00
KISAN VIKAS PATRA		10,000.00		10,000.00
ANDHRA BANK-GOLD BOND		278,000.00		278,000.00
NTPC -NCD	2,214	28,206.00	2,214	28,206.00
<b><u>Other Investment</u></b>				
MAHINDRA TIME SHARE		51,300.00		51,300.00
		<b>7,542,250.37</b>		<b>8,141,617.37</b>

Note:

- |  |            |            |
|--|------------|------------|
| 1) Aggregate Value of Quoted Investments | 512,244.37 | 511,611.37 |
| 2) Market Value of Quoted Investments    | 539,173.00 | 462,521.00 |

**11. LONG TERM LOANS & ADVANCES**

Rental Advances	3,010,000.00	2,410,000.00
Other deposits	237,002.00	237,002.00
	<u>3,247,002.00</u>	<u>2,647,002.00</u>

**12. RECEIVABLES UNDER FINANCING ACTIVITY**

Secured, considered good	234,020,000.00	190,733,500.00
Unsecured, considered good	305,442,545.00	172,796,811.00
	<u>539,462,545.00</u>	<u>363,530,311.00</u>

**13. CASH & BANK BALANCES**

Cash in hand	94,276.50	13,280.50
Balances with Banks	34,830.32	3,084,203.55
Fixed Deposit with Banks	21,474,703.34	20,226,228.34
	<u>21,603,810.16</u>	<u>23,323,712.39</u>

**14. SHORT TERM LOANS & ADVANCES**

Other Advances	0.00	0.00
	<u>0.00</u>	<u>0.00</u>

**15. OTHER CURRENT ASSETS**

Unsecured-considered good (unless otherwise stated)		
Shares applicaton	0.00	750,000.00
Other Current Assets	5,134,710.18	4,832,785.53
	<u>5,134,710.18</u>	<u>5,582,785.53</u>

**16. REVENUE FROM OPERATIONS**

Interest received	102,846,593.00	71,770,333.00
Commission Received	0.00	215,000.00
Bad debts recovered	4,675,000.00	2,200,000.00
	<u>107,521,593.00</u>	<u>74,185,333.00</u>

**17. OTHER INCOME**

Rent received	4,563,555.00	4,830,710.00
Interest from investments	340,580.00	554,630.67
Dividend received	7,095.17	4,356.00
Profit on Sale of Shares	0.00	2,018.76
Agricultural Income-net	1,171,590.00	1,050,000.00
Other receipts	9,882.84	115,791.00
Profit/(loss) from sale of Land	17,105,249.00	0.00
Profit on Sale of Fixed assets	0.00	0.00
	<u>23,197,952.01</u>	<u>6,557,506.43</u>

**18. FINANCE COST**

Interest Expenses	33,572,867.00	24,897,060.00
	<u>33,572,867.00</u>	<u>24,897,060.00</u>

**19. EMPLOYEE BENEFITS EXPENSE**

Salaries & Incentives	6,242,697.00	4,635,809.00
Directors remuneration	1,200,000.00	1,200,000.00
	<u>7,442,697.00</u>	<u>5,835,809.00</u>



**20. EXPENSES**

**Other operating Expenses**

Advertisement	113,730.50	47,489.00
Audit Fees	88,500.00	76,700.00
Bank Charges & Commission	83,711.90	75,344.53
Charity & Donation	386,910.00	851,800.00
Commission paid	177,500.00	250,750.00
Corporation tax	22,352.97	55,871.70
Electricity Charges	352,677.00	251,101.30
Entertainment Exp	75,283.01	231,064.63
Fees & subscriptions	83,538.00	63,310.00
Business Promotion Expenses	1,082,656.00	396,039.00
Insurance	222,930.00	212,641.00
Legal expenses & fees	312,215.00	793,393.00
Listing Fees	329,154.00	315,180.00
Office & General Expenses	1,192,945.21	1,257,986.04
Petrol & Vehicle Maintenance	657,479.98	607,417.33
Postage & Telegram	63,012.00	13,716.00
Printing & Stationery	199,034.00	160,344.00
Professional Charges	308,080.00	375,100.00
Rent Paid	1,787,600.00	1,584,450.00
Repairs & Maintenance	536,126.00	721,351.00
Staff Welfare	391,036.60	272,169.00
Software expenses	0.00	23,657.00
Telephone Charges	123,725.17	133,464.05
Travelling & Conveyance	1,174,310.74	782,397.00
Rebate & write offs	1.68	11,704.45
Loss on sale of assets	0.00	47,903.00
Bad Debts Written Off	26,068,096.00	13,680,070.00
	<u>35,832,605.76</u>	<u>23,292,413.03</u>

**21. PAYMENT TO AUDITORS**

Audit Fees	75,000.00	65,000.00
GST	13,500.00	11,700.00
	<u>88,500.00</u>	<u>76,700.00</u>

**Expenditure in foreign currency**

NIL

NIL

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

a. Net profit after tax as per profit & loss	42,346,434.14	19,155,761.85
b. Weighted average number of Equity Shares	3,534,900.00	3,534,900.00
c. Basic & Diluted Earnings per share	11.98	5.42
d. Face value of Equity shares	10.00	10.00

**23. RELATED PARTY DISCLOSURES****a) Related Parties and their relationship (as identified by the Management)**

Sl.No.	NAME OF THE RELATED PARTY	RELATION
1	Sri Chandra Prabhu Agencies	Key Managerial Personnel is proprietor
2	Sajjan Kanwar Bafna	Director
3	Adit S Bafna	Relative of Key Managerial personnel
4	Suresh Bafna	Key Managerial Personnel
5	Mansi Foundation Pvt Ltd	Common Director
6	Mansi Chhog Impex Pvt Ltd	Common Director
7	Arham Bafna	Relative of Key Managerial personnel
8	Manitha Mardia	Relative of Key Managerial personnel
9	Padmavathi Bafna	Relative of Key Managerial personnel
10	Sureshchand Bafna & Sons HUF	Relative of Key Managerial personnel
11	Suvrat Bafna	Relative of Key Managerial personnel

**b) particulars of transaction and balances with related parties :**

Name of Party	Nature of Transaction	Amount
Sri Chandraprabhu agencies	Unsecured loan received-O/S as on 31-03-19	119,079,955
	Interest paid	9,466,907
Sajjan Kanwar Bafna	Unsecured loan received-O/S as on 31-03-19	61,496,197
	Interest paid	7,481,281
	Rent paid	495,600
Suresh Bafna	Remuneration	1,200,000

Adit S Bafna	Unsecured loan received-O/S as on 31-03-19	3,477,045
	Interest paid	209,812
	Salary paid	1,200,000
Mansi Foundation Pvt Ltd	Rent paid	1,092,000
Mansi Chhog Impex Chennai Ltd	Unsecured loan received-O/S as on 31-03-19	10,028,145
	Interest paid	985,807
Arham Bafna	Unsecured loan received-O/S as on 31-03-19	22,272,496
	Interest paid	1,640,118
Manitha Mardia	Unsecured loan received-O/S as on 31-03-19	14,505,009
	Interest paid	1,715,496
Padmavathi Bafna	Unsecured loan received-O/S as on 31-03-19	26,628,197
	Interest paid	2,278,652
	Purchase of property	12,685,286
Sureshchand Bafna & Sons HUF	Unsecured loan received-O/S as on 31-03-19	57,602,436
	Interest paid	4,842,584
Suvrat Bafna	Unsecured loan received-O/S as on 31-03-19	45,047,457
	Interest paid	3,597,456

**24. 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.

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

	<u>2019-2020</u>	<u>2018-2019</u>
<u>Claims Against the Company not acknowledge as debt</u>		
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)	452,270.00	452,270.00
Income Tax Demand for Financial year 2012-2013 (Pending in appeal with Commissioner of Income Tax (Appeals) chennai)	457,920.00	457,920.00

**26. EMPLOYEES BENEFIT:**

The Company has not made any provision in the books for employees benefits. The Accounting Standard (AS) 15, is not followed by the Company regarding Employee Benefit. Company will account for the Employee Benefit, based on the payment basis.

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

The Company has no dues to Micro, Small & Medium enterprises during the year ended 31st March 2019.

**28.** Amount outstanding of Debtors and Creditors are subject to confirmation.

**29.** Previous Year's Figures Have Been Re-Grouped And Re-Classified Wherever Necessary, To Confirm To Current Year's Classification.

For **PEMMASANI & CO.,**  
CHARTERED ACCOUNTANTS  
Firm Reg. No.002630S

For and on behalf of the Board

**P.RAVINDRANATH NAIDU**  
Proprietor  
M.No.021034

**SURESH BAFNA**  
Managing Director  
DIN : 00056152

**M K TATED**  
Director  
DIN : 00488121

PLACE: CHENNAI  
DATE : 30-05-2019