

FRANKLIN LEASING & FINANCE LIMITED
ANNUAL REPORT
2017-2018

CORPORATE INFORMATION

Board Of Directors

<i>Mr. Ram Bimal Patodia</i>	<i>Managing Director</i>
<i>Mr. Ramesh Kumar Dalmia</i>	<i>Director</i>
<i>Mr. Sunitha Gupta</i>	<i>Director</i>

Company Secretary & Compliance Officer

Ms. Shanu Jain

Chief Financial Officer (CFO)

Mr. Raju Kumar Ram

Registered Address

Unit/Shop No.205, Second Floor, Aggarwal City Mall Road No.44, Pitampura Delhi- 110034

Bankers

*RBL Bank
Yes Bank
Kotak Bank*

Auditor

*Anil Hariram Gupta & Co
Chartered Accountant
M. No.: 066306
Add.: 14, Rajendra Mullick Street, Ground Floor
Opp. Marble Palace (Singhi Bagan), Kolkata-700007
Ph No.: +91-33-22692090
Email Id : -anilgupta81@yahoo.com*

Registrar & Share Transfer Agent

*Skyline Financial Services Private Limited
D-153A, 1st Floor, Okhla Industrial Area
Phase-I, New Delhi-110020
Tel: +91-11-64732681-88
E-mail: viren@skylinerta.com; admin@skylinerta.com*

NOTICE

Notice is hereby given that 26th Annual General Meeting of the members of the FRANKLIN LEASING AND FINANCE LIMITED will be held at Unit/Shop No.205, Second Floor, Aggarwal City Mall Road No.44, Pitampura Delhi North Delhi -110034 Saturday, 29th September, 2018 at the 4.30 p.m to transact the following businesses:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Annual Financial Statements of the Company for the financial year ended 31st March, 2018, the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. Ramesh Kumar Dalmia [Din: 03257468] 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 of the Companies Act, 2013 and other applicable provisions, if any, and the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, (including any statutory modification(s) or re-enactment thereof for the time being in force) M/s. Anil Hariram Gupta & Co. Chartered Accountant (Membership No. 066306), be and is hereby re-appointed as the Statutory Auditor of the Company and to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of AGM to be held in the year 2019, subject to ratification by members at every AGM, on a remuneration as may be mutually agreed upon by the Board of Directors and the Auditor."

SPECIAL BUSINESS:

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

"RESOLVED THAT pursuant to the provisions of Sections 149, 150, 152, 160 and any other applicable provisions of the Companies Act, 2013 (the "Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act and Regulation 27(2) of the Listing Agreement, Mr. Ram Bimal Patodia (DIN: 07554968), who was appointed as Managing Director of the Company by the Board of Directors with effect from 12th February, 2018, in terms of Section 161(1) of the Act and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member signifying his intention to propose Mr. Ram Bimal Patodia as a candidate for the office of a Director of the Company, and is hereby appointed as non Independent Director of the Company to hold office for five consecutive years."

"RESOLVED FURTHER THAT any of the Directors and/or the Company Secretary of the Company be and is hereby authorized to do all such acts, deeds and things to give effect the aforesaid resolutions."

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

"RESOLVED that pursuant to Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013, as amended from time to time, the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board" which term shall include any committee thereof for the time being exercising the powers conferred on the Board by this Resolution), to borrow from time to time, any sum or sums of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business), may exceed the aggregate of the paid-up capital of the

Company and its free reserves, that is to say, reserves not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceed the limit of Rs. 40 Crores (Both funded and non-funded) at any one point of time”

RESOLVED FURTHER THAT the Board of Director be and is hereby authorized to negotiate limits with the Bankers for availing the funded and non-funded bank limits (including guarantees facilities), determine the terms and conditions including fixing the rate of interest, tenor etc. for each borrowing and for such purpose create and place fixed deposits as collateral execute loan agreement, Demand promissory Notes, Pledge/ Hypothecation agreement, and other documents and deeds, receipts, acknowledgements and discharge in connection with the borrowings of the Company within the funded and non-funded borrowing limits as prescribed above.

RESOLVED FURTHER THAT the authority be and is hereby granted to issue short term and long term debt instruments of the Company, including by way of issue of Debentures or such other instruments like commercial papers etc. in one or more tranches, such that the total outstanding borrowing by way of issue of such instruments outstanding at any one point of time shall not exceed aforesaid limit.

RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to do all such acts deeds and things as may be necessary in this regard including but not limited to the delegation of powers to any director or committee of directors or any others person as it may deem fit subject to the provision of the Companies Act, 2013.”

6. To consider and, if thought fit, to pass with or without modification(s), the following Resolution as Special Resolution for increasing the Loan and investment limits:

“RESOLVED THAT pursuant to provision of Section 186 and other applicable provision of the Companies Act, 2013, if any, and in supersession of the earlier resolution passed with regard to Loan and investment activity of the Company, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the powers conferred by this Resolution) to

1. Make loans from time to time on such terms and conditions as it may deem expedient to any person or other bodies corporate;
2. give on behalf of any person, body corporate, any guarantee, or provide security in connection with a loan made by any other person to, or to any other person by anybody corporate; and
3. acquire by way of subscription, purchase or otherwise the securities of any other body corporate, in excess of the limits prescribed under Section 186 of the Act up to an aggregate sum of Rs. 50 Crores,

RESOLVED FURTHER THAT Board of Directors of the company be and is hereby authorized to do all such acts deeds and things as may be necessary in this regard including but not limited to the delegation of powers to any director or committee of directors or any others person as it may deem fit subject to the provision of the Companies Act, 2013.

Date: 04/09/2018

Place: New Delhi

**By order of the Board
Franklin Leasing and Finance Limited**

**Sd/-
Shanu Jain
(Company Secretary)**

NOTES:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE SHALL BE DEPOSITED AT THE CORPORATE OFFICE OF THE COMPANY BY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. However a Member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.

2. The Register of Members and Share Transfer Book will remain closed from 22nd September, 2018 to 29th September, 2018 (both days inclusive).
3. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
4. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
5. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
7. Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend. The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
8. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to the Company/ Registrar and Share Transfer Agents (M/s. SKYLINE FINANCIAL SERVICES PRIVATE LIMITED)
9. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
10. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to M/S. Skyline Financial Services Private Limited, Share Transfer Agents of the Company for their doing the needful.
11. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
12. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding

share transfer/transmission /transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.

13. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
14. Electronic copy of the Annual Report for 2017-2018 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-2018 is being sent in the permitted mode.

Green Initiative –Registration of E-Mail address

15. The Ministry of Corporate Affairs (“MCA”) Government of India, through circular No.17/2011 dated 21st April, 2011 and Circular No.18/2011 dated 29th April 2011, has taken a green initiative for corporate governance. The members are requested to register e-mail address with the Depository Participant/ the Registrar and Share Transfer Agent of the Company, i.e. Big Share Services Private Limited, as the case may be, for service of documents
16. Members may also note that the Notice of the 26th Annual General Meeting and the Annual Report for 2017-2018 will also be available on the Company’s website www.franklinleasing.in for their download. The physical copies of the aforesaid documents will also be available at the Company’s Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company’s investor email id: franklinleasingfinance@gmail.com.

17. Voting through electronic means

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members, whose names appear in the Register of Members / list of Beneficial Owners as on 21.09.2018, i.e. the date prior to the commencement of book closure date are entitled to vote on the Resolutions set forth in this Notice. The remote e-voting period will commence at 9.00 a.m. on 26th of September, 2018 and will end at 5.00 p.m. on 28th of September, 2018. The facility for voting through electronic voting system (‘Insta Poll’) shall be made available at the meeting and the members attending the meeting who have not cast their vote by remote e-voting shall be able to vote at the meeting through ‘Insta Poll’. The Company has appointed Ms. Akhil Agarwal, Practising Company Secretary having Membership No. M. NO. A35073 to act as the Scrutinizer, to scrutinize the Insta Poll and remote e-voting process in a fair and transparent manner. The Members desiring to vote through remote e-voting refer to the detailed procedure given hereinafter

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on “Shareholders” tab.
- (iii) Now, select the “FRANKLIN” from the drop down menu and click on “SUBMIT”
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.

- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN

Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.
- In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.

DOB

Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

Dividend
Bank
Details

Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or 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.

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then reach directly the Company 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <FRANKLIN> on which you choose to vote.

- (xii) 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.
- (xiii) Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvii) 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.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> 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.
 - After receiving the login details they have to create a user 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 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.

In case of members receiving the physical copy:

- (A) Please follow all steps from sl. no. (i) To sl. no. (xvii) Above to cast vote.
- (B) The remote e-voting period begins on 26th September, 2018 (9.00 a.m.) and ends on 28th September, 2018 at (05.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 21.09.2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

Date: 04/09/2018

Place: New Delhi

**By order of the Board
Franklin Leasing and Finance Limited**

**Sd/-
Shanu Jain
(Company Secretary)**

EXPLANATORY STATEMENT (Pursuant to Section 102 of the Companies Act, 2013)

As required by Section 102 of the Companies Act, 2013, the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 4; 5 & 6 of the accompanying Notice:

ITEM No. 4:

Appointment of Non Independent Director:

Mr. Ram Bimal Patodia (DIN: 07554968), was appointed by the Board of Directors of the Company on 4th September, 2018 as Managing Director and, as per the provision of the Section 161(1) of the Companies Act, 2013, he holds office as a Director up to the date of this Annual General Meeting. The Company has received a Notice from a Member his intention to propose the appointment of Mr Ram Bimal Patodia as a Director of the Company.

In the opinion of the Board, Mr. Ram Bimal Patodia, fulfills the conditions as specified under Section 149(6) of the Companies Act, 2013.

Notice under Section 160 of the Act, has been received from Mr. Ram Bimal Patodia proposing her appointment as Managing Director of the Company. Requisite consent, pursuant to Section 152 of the Act, has been filed by Mr. Ram Bimal Patodia to act as a Director if appointed and also recommend that fix Remuneration of Rs. 300000/- P.A.

Mr. Ram Bimal Patodia may be deemed to be concerned or interested in the resolution relating to her appointment. The Board recommends this Resolution for your approval.

For Item No. 5

Section 180 (1) (c) of the Companies Act, 2013 permits the Company to borrow money along with the money already borrowed by the Company, except the temporary loans obtained from the Companies banker in ordinary course of business, beyond the paid –up capital and free reserve of the Company, only if the same is approved by the Members of the Company.

Hence, members of the Company are requested to give their approval to borrow the money along with the money already borrowed by the Company in excess of its paid –up capital and free reserve i.e. Up to Rs. 40 Crores.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

For Item No. 6

Section 186 of the Companies Act, 2013 permits the Company to invest the surplus funds of the Company in shares and securities of the any other body corporate in excess of the 60% of the aggregate of the paid-up share capital and free reserves and securities premium account of the Company or 100% of its free reserves and securities premium account of the Company, whichever is more, if the same is approved by the members of the Company.

Hence, members of the Company are requested to give their approval to invest the surplus funds of the Company in excess of the Hundred per cent of its free reserves and securities premium account of the Company.

None of the Directors, Key Managerial Personnel or their respective relatives are concerned or interested in the Resolution except to the extent of their shareholding, if any, in the Company.

ANNEXURE: NOTE NO. 4

PARTICULARS OF MANAGING DIRECTOR SEEKING APPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING AS PER THE REQUIREMENT OF REGULATION 27(2) THE LISTING AGREEMENT

Appointment of Non Independent Director:

1. Ram Bimal Patodia

Name	Ram Bimal Patodia
Date of Birth	30/01/1996
Nationality	Indian
Designation	Non Independent Director
Expertise	He is a B.Com graduate and has vast experience in the field of Finance & Account.
Date of Appointment	12/02/2018
Shares held in the Company	NIL
Names of the Companies in which Directorship held	NIL
Membership of Committees of the Board	NIL

Directors' Report

Dear Members,

Your Directors have pleasure in presenting their 26th Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2018.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Standalone Financial results are summarized below:

(Amount in Lacs)

Particulars	March 31, 2018	March 31, 2017
Total Income	294.98	427.24
Total Expenditure	268.77	391.26
Profit Before Tax	26.20	35.97
Provision for Tax	6.74	11.11
Profit after Tax	19.45	24.85
Transfer to Statutory Reserves	3.89	4.97
Profit available for appropriation	0.86	0.79
Provision for Proposed Dividend	-	-
Provision for Dividend Tax	-	-
Balance Carried to Balance Sheet	14.70	19.09

TRANSFER TO RESERVE

The Company has not transferred any amount to General Reserve.

BRIEF DESCRIPTION OF THE COMPANY'S STATE OF AFFAIR

The highlights of Company's performance are as under:

- Revenue from operations decreased from Rs. Rs. 427.24lacs to Rs.294.98lacs.
- Profit before taxation stood at Rs. 26.20Lacs against Rs. 35.97 in the previous year.
- The net Profit of the Company for the year under review was Rs. 19.45 as against Net Profit of Rs. 24.85 in the previous year.

DIVIDEND

Your Directors feel that it is prudent to plough back the profits for future growth of the Company and do not recommend any dividend for the year ended 31st March, 2018.

SHARE CAPITAL

The paid up equity capital as on March 31, 2018 was Rs. 15,78,24,000. During the year under review, no issue of equity shares with differential voting rights was completed. Further, the Company has not issued any sweat equity nor granted any employee stock options.

CHANGES IN THE NATURE OF BUSINESS

During the year, there has been no Change in the nature of the Business of the Company. No material changes and commitments have occurred between the end of the financial year and date of report.

INITIAL PUBLIC OFFERING

The Company has spent/utilized the proceeds of the fund raised under the IPO for increasing the capital base as well as growing the operational scale with respect to our NBFC activities. Further, we expect to receive the benefits of listing on the SME platform of BSE LTD.

BOARD MEETING

The Board of Directors duly met 4 (Four) times on 30.05.2017, 09.08.2017, 14.11.2017 and 12.02.2018 in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose

PUBLIC DEPOSITS

Your Company has not accepted any deposits in terms of Section 73 to 76 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014 and no amount on account of principal or interest on deposits from public was outstanding during the year under review as on the date of the balance sheet.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The company has not given loans or guarantees but has invested in the Equity Shares of the other Companies. The details of the investments made by company during the year under review are given in the financial statements.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal financial controls system with reference to financial statements. The scope of work includes review of process for safeguarding the assets of the Company, review of operational efficiency, effectiveness of systems and processes, and assessing the internal control strengths in all areas. During the year, such controls were tested and no reportable weakness in the design or operation was observed.

CORPORATE SOCIAL RESPONSIBILITY (CSR) INITIATIVES

In accordance with the requirements of the provisions of section 135 of the Act, the Company has constituted a Corporate Social Responsibility ("CSR") Committee. The composition and terms of reference of the CSR Committee is provided in the Corporate Governance Report.

Since your Company do not have the net worth of Rs. 500 Crore or more, or turnover of Rs. 1000 Crore or more, or a net profit of Rs. 5 Crore or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

The required information as per rule 8(3) of the companies (Accounts) Rules, 2014 is provided hereunder:

A. Conservation of Energy:

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.

B. Technology Absorption:

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

C. Foreign Exchange Earnings and Out Go:

1. Foreign Exchange Earnings: NIL
2. Foreign Exchange Outgo: NIL.

POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE

1. Scope:

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

2. Terms and References:

2.1 **"Director"** means a director appointed to the Board of a Company.

2.2 **"Nomination and Remuneration Committee"** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and clause 49 of the Equity Listing Agreement.

2.3 **"Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Clause 49(II) (B) of the Equity Listing Agreement.

3. Policy:

Qualifications and criteria

3.1.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.1.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- General understanding of the company's business dynamics, global business and social perspective;
- Educational and professional background
- Standing in the profession;
- Personal and professional ethics, integrity and values;
- Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.1.3 The proposed appointee shall also fulfill the following requirements:

- shall possess a Director Identification Number;
- shall not be disqualified under the companies Act, 2013;
- shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- Such other requirements as may be prescribed, from time to time, under the companies Act, 2013, Equity listing Agreements and other relevant laws.

3.1.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.2 Criteria of independence

3.2.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.2.2 The criteria of independence shall be in accordance with guidelines as laid down in companies Act, 2013 and Clause 49 of the Equity Listing Agreement.

3.2.3 The Independent Director shall abide by the "Code for Independent Directors" as specified in Schedule IV to the companies Act, 2013.

3.3 Other Directorships/ Committee Memberships

3.3.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the company. The HRNR Committee shall take into account the nature of, and the time involved in a Director Service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.3.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.3.3 A Director shall not serve as independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.3.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

Remuneration policy for Directors, key managerial personnel and other employees

1. Scope:

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

2. Terms and Reference:

In this policy the following terms shall have the following meanings:

2.1 **"Director"** means a Director appointed to the Board of the company.

2.2 **"key managerial personnel"** means

- (i) The Chief Executive Office or the managing director or the manager;
- (ii) The company secretary;
- (iii) The whole-time director;
- (iv) The chief finance Officer; and
- (v) Such other office as may be prescribed under the companies Act, 2013

2.3 "Nomination and Remuneration Committee" means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act, 2013 and clause 49 of the Equity Listing Agreement.

3. Policy:

3.1 Remuneration to Executive Director and Key Managerial Personnel

3.1.1 The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2 The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3 The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Stock Options
- (iv) Commission (Applicable in case of Executive Directors)
- (v) Retrial benefits
- (vi) Annual performance Bonus

3.1.4 The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

3.2 Remuneration to Non – Executive Directors

3.2.1 The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non – Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2 Non – Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof. The Non- Executive Directors shall also be entitled to profit related commission in addition to the sitting fees.

3.3. Remuneration to other employees

3.3.1. Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

DECLARATION BY INDEPENDENT DIRECTORS

The independent directors of the Company (SUNITHA GUPTA) have given declarations that they meet the all criteria of independence as laid down under section 149(6) of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

CEO/CFO/MD CERTIFICATION

The Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 27(2) of the LODR certifying that the Financial Statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs and the same forms a part of this report

FORMAL ANNUAL EVALUATION

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made there under, the independent directors of the company had a meeting on 01.02.2018 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;
- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 2 (Two) non-independent directors namely:

- i.) Mr. Ramesh Kumar Dalmia - Non- Independent & Executive
- ii.) Mr. Ram Bimal Patodia - Non- Independent & Executive

The meeting was recognized for shaping up of the company and putting the company on accelerated growth path. They devoted more time and attention to bring up the company to the present level.

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

Mr. Ram Bimal Patodia, chairman of the company has performed exceptionally well by attending board meetings regularly, by taking active participation in the discussion of the agenda and by providing required guidance from time to time to the company for its growth etc.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

DIRECTOR'S RESPONSIBILITY STATEMENT

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory, and secretarial auditors and the reviews performed by Management and the relevant Board Committees, including the Audit Committee, the Board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2017-18. Accordingly, pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

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

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

There are no materially significant related party transactions made by the company with Promoters, Key Managerial Personnel or any other related parties as defined under the Companies Act, 2013, which may have potential conflict with interest of the company.

SUBSIDIARY COMPANIES

The Company does not have any subsidiary or Joint Venture.

LISTING WITH STOCK EXCHANGES:

The Company confirms that it has paid the Annual Listing Fees for the year 2017-2018 to The SME Platform of BSE Limited where the Company's Shares are listed.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

In line with the provisions of the Section 177(9) of the Act and the regulation 27(2) of LODR with stock exchanges, the Company has adopted Whistle Blower Policy, as part of vigil mechanism to provide appropriate avenues to the Directors and employees to bring to the attention of the management any issue which is perceived to be in violation of or in conflict with the fundamental business principles of the Company.

This vigil mechanism provides for adequate safeguards against victimization of employees and directors who avail of the vigil mechanism and also provide for direct access to the chairperson of the Audit committee, in exceptional cases. The Company Secretary is the designated officer for effective implementation of the policy and dealing with the complaints registered under the policy.

AUDITORS' REPORT

The Auditors' Report does not contain any qualification, reservation or adverse remarks. Notes to Accounts and Auditors remarks in their report are self-explanatory and do not call for any further comments.

SECRETARIAL AUDIT REPORT

The Secretarial Audit is not applicable to the company for the year under review.

STATUTORY AUDITOR

M/s. Anil Hariram Gupta & Co. Chartered Accountant, having (Membership No. 066306) was appointed as Statutory Auditors of the company retires at the ensuing annual general meeting and is eligible for reappointment. As required under the provisions of Section 139 of the Companies Act, 2013, the Company has received a written consent from the auditors to their re-appointment and a certificate to the effect that their re-appointment, if made, would be in accordance with the Companies Act, 2013 and the rules framed there under and that they have satisfied the criteria provided in Section 141 of the Companies Act, 2013.

The Board recommends the re-appointment of M/s. Anil Hariram Gupta & Co., as the statutory auditors of the Company from the conclusion of this Annual General meeting till the conclusion of the next Annual General Meeting.

EXTRACTS OF ANNUAL RETURN

As provided under Section 92(3) of the Act, the extract of the Annual Return in form MGT-9 is annexed herewith as “*Annexure- I*”.

BUSINESS RISK MANAGEMENT

Your Company has a structured framework to satisfy that sound policies, procedures and practices are in place to manage the key risks under risk framework of the company. Major risks identified by the businesses and functions are systematically addressed through mitigating actions on a continuing basis.

PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule, 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company, will be provided upon request. In terms of Section 136 of the Act, the Report and Accounts are being sent to the Members and others entitled thereto, excluding the information on employees' particulars which is available for inspection by the Members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting. If any Member is interested in obtaining a copy thereof, such Member may write to the Company Secretary in this regard and the same will be furnished on request.

Particulars of Employees pursuant to section 134(3)(q) of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

1. None of the employees was employed throughout the financial year, which was in receipt of remuneration exceeding Rs. 6,000,000/- per annum or more. Therefore, Rule 5(2)(i) of the captioned Rules is not applicable.
2. None of the employees was employed throughout the financial year, who was in receipt of remuneration exceeding Rs. 500,000/- per month. Therefore, Rule 5(2)(ii) of the captioned Rules is not applicable.
3. No employee is a relative of any director or Key Managerial personnel of the Company. Therefore,

Rule 5(2)(iii) of the captioned Rules is not applicable to any employee.

CORPORATE GOVERNANCE

The Company has complied with the corporate governance requirements as stipulated under Regulation 27(2) of the LODR entered into with the stock exchanges. A separate section on corporate governance is provided, along with a certificate from the auditor confirming the compliance of conditions of Corporate Governance as stipulated under Regulation 27(2) of the LODR entered into with the stock exchanges, is annexed and forms part of this report.

MANAGEMENT DISCUSSION & ANALYSIS REPORTS

The Management Discussion and Analysis Reports is attached which forms part of this Report.

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORK PLACE.

The Company has a policy of zero tolerance for sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules there under.

The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- | | |
|--|-----|
| <input type="checkbox"/> No. of complaints received: | Nil |
| <input type="checkbox"/> No. of complaints disposed off: | Nil |

CREDIT & GUARANTEE FACILITIES:

The Company has been availing facilities of Credit and Guarantee as and when required, for the business of the Company from the Axis Bank Ltd.

AUDIT COMMITTEE

The details pertaining to composition of audit committee are included in the Corporate Governance Report, which forms part of this report. And during the year under review, there were no instances when recommendation of audit committee was not accepted by the board.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in Section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of the directors' report.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND

Your Company did not have any funds lying unpaid or unclaimed for a period of seven years. Therefore there were no funds which were required to be transferred to Investor Education and Protection Fund (IEPF).

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company like SEBI, BSE, NSDL, CDSL, Axis Bank etc. for their continued support for the growth of the Company

For and on behalf of the Board

Sd/-

Ram Bimal Patodia

Managing Director

DIN: 07554968

Place: New Delhi

Date: 23/05/2018

DECLARATION BY DIRECTOR OF AFFIRMATION BY DIRECTORS AND SENIOR MANAGEMENT PERSONNEL OF COMPLIANCE WITH THE CODE OF CONDUCT:

The shareholders

I, Ram Bimal Patodia, Managing Director of the Company do hereby declare that the directors and senior management of the Company have exercised their authority and powers and discharged their duties and functions in accordance with the requirements of the code of conduct as prescribed by the company and have adhered to the provisions of the same.

Place: New Delhi
Date: 23/05/2018

For and on behalf of the Board

Sd/-
Ram Bimal Patodia
Managing Director
DIN: 07554968

Form No. MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2018
[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the
 Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L74899DL1992PLC048028
ii.	Registration Date	16/03/1992
iii.	Name of the Company	FRANKLIN LEASING AND FINANCE LIMITED
iv.	Category / Sub-Category of the Company	Company Limited by Shares
v.	Address of the Registered office and contact details	Unit/Shop No.205,Second Floor,Aggarwal City Mall Road No.44,Pitampura Delhi -110034 Email: info.franklinleasing@gmail.com
vi.	Whether listed company	Yes/No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Private Limited D-153A, 1 st Floor, Okhla Industrial area, Phase-I, New Delhi-110020 Email: viren@skyline

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Services	642	100%

* As per national industrial classification- ministry of statics and programme implementation

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sr. No.	Name and Address Of The Company	CIN/GLN	Holding/ Subsidiary /Associate	% of shares held	Applicable Section
1.	Nil	Nil	Nil	Nil	Nil

IV. **SHARE HOLDING PATTERN (equity share capital breakup as percentage of total equity)**

i. **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<i>Promoter</i>									
<i>Indian</i>									
<i>Individual/HUF</i>	80000	-	80000	0.51	80000	-	80000	0.51	-
<i>Central Govt.</i>	-	-	-	-	-	-	-	-	-
<i>State Govt(s)</i>	-	-	-	-	-	-	-	-	-
<i>Bodies Corp</i>	4177600	-	4177600	26.47	4177600	-	4177600	26.47	-
<i>Banks / FI</i>	-	-	-	-	-	-	-	-	-
<i>Any Other</i>	-	-	-	-	-	-	-	-	-
<i>Sub-total(A)(1):-</i>	4257600	-	4257600	26.98	4257600	-	4257600	26.98	-
<i>Foreign</i>	-	-	-	-	-	-	-	-	-
<i>NRIs-Individuals</i>	-	-	-	-	-	-	-	-	-
<i>Other-Individuals</i>	-	-	-	-	-	-	-	-	-
<i>Bodies Corp.</i>	-	-	-	-	-	-	-	-	-
<i>Banks / FI</i>	-	-	-	-	-	-	-	-	-
<i>Any Other....</i>	-	-	-	-	-	-	-	-	-
<i>Sub-total (A)(2):-</i>	-	-	-	-	-	-	-	-	-
<i>Public Shareholding Institutions</i>									
<i>Mutual Funds</i>	-	-	-	-	-	-	-	-	-
<i>Banks / FI</i>	-	-	-	-	-	-	-	-	-
<i>Central Govt.</i>	-	-	-	-	-	-	-	-	-
<i>State Govt.(s)</i>	-	-	-	-	-	-	-	-	-
<i>Venture Capital Funds</i>	-	-	-	-	-	-	-	-	-
<i>Insurance Companies</i>	-	-	-	-	-	-	-	-	-
<i>FII's</i>	-	-	-	-	-	-	-	-	-
<i>Foreign Venture Capital Funds</i>	-	-	-	-	-	-	-	-	-
<i>Others (specify)</i>	-	-	-	-	-	-	-	-	-
<i>Sub-total (B)(1)</i>	-	-	-	-	-	-	-	-	-

2. Non institutions									
Bodies Corp.	7668800	-	7668800	48.59	9486010	-	9486010	60.11	
(i) Indian	-	-	-	-	-	-	-	-	
(ii) Overseas									
Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	72000	-	72000	0.46	174790	-	174790	1.10	
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	3464000	-	3464000	21.95	1864000	-	1864000	11.81	
Others (Specify)	320000	-	320000	2.03	-	-	-	-	-
Sub-total (B)(2)	11524800	-	11524800	73.02	11524800	-	11524800	73.02	-
Total Public Shareholding (B)=(B)(1)+(B)(2)	11524800	-	11524800	73.02	11524800	-	11524800	73.02	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15782400	-	15782400	100%	15782400	-	15782400	100%	-

ii. Shareholding of Promoters

Sr. No	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Confident Financial Advisory Pvt. Ltd.	4177600	26.47	-	4177600	26.47	-	-
2.	Pawan Dalmia	80000	0.51	-	80000	0.51	-	-
	Total	4257600	26.98	-	4257600	26.98	-	-

iii. Change in Promoters' Shareholding (please specify, if there is no change)
There has been no change in the promoters holding during the year 2017-18.

Sr. 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
	At the beginning of the year				
	Date wise Increase/Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):		NIL		
	At the End of the year	/			

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	Top 10 Shareholders	Shareholding at the beginning of the year 01-04-2017		Shareholding at the End of the year 31-03-2018	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the company
1.	Vistaar Infra Property Private Limited	2257450	14.30	0	0
2.	Kaksh Impex Private Limited	2231500	14.14	2231500	14.14
3.	Surakshit Merchants Private Limited	2166400	13.73	2166400	13.73
4.	Indivar Realtors Private Limited	228750	1.45	228750	1.45
5.	Shivmangal Stock Management Private Limited	217800	1.38	169800	1.08
6.	Dhansakti Suppliers Private Limited	178100	1.13	-	-
7.	Msb E-Trade Securities Limited	224000	1.42	408000	2.59
8.	Shri Parasram Holdings Pvt.Ltd.	48000	0.30	248000	1.57
9.	Nikunj Stock Brokers Limited	-	-	192000	1.22
10.	SK Growth Fund Private Limited	-	-	472000	2.99
11.	Veenit Builders Private Limited	-	-	1665450	10.55
12.	Sumpoorna Portfolio Limited	-	-	328000	2.08
13.	Midland Financial Advisory Private Limited	-	-	424000	2.69
14.	MANOJ MITTAL (HUF)	200000	1.27	-	-
15.	MANOJ MITTAL	304000	1.93	-	-

(v) Shareholding of Directors and Key Managerial Personnel:

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
	<i>At the beginning of the year</i>	80000	0.69	80000	0.69
	<i>Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc):</i>	NIL	NIL	NIL	NIL
	<i>At the End of the year</i>	-	-	-	-

V. INDEBTEDNESS

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

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

REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
1.	Gross salary per month (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income- tax Act,1961	-				-
2.	Stock Option	Nil	Nil	Nil	Nil	Nil
3.	Sweat Equity	Nil	Nil	Nil	Nil	Nil
4.	Commission - as % of profit - others, specify...	Nil Nil	Nil Nil	Nil Nil	Nil Nil	Nil Nil
5.	Others, please specify	N.A.	N.A.	N.A.	N.A.	N.A.
6.	Total (A)	-				-
	Ceiling as per the Act	5% of the Net Profit of the Company				

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
	<u>Independent Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
	Total (1)	NIL	NIL	NIL	NIL	NIL
	<u>Other Non-Executive Directors</u> · Fee for attending board committee meetings · Commission · Others, please specify	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL
	Total (2)	NIL	NIL	NIL	NIL	NIL
	Total (B)=(1+2)	NIL	NIL	NIL	NIL	NIL
	Total Managerial Remuneration	NIL	NIL	NIL	NIL	NIL
	Overall Ceiling as per the Act	1% of the Net Profit of the Company				

C. Remuneration to Key Managerial Personnel Other Than MD /Manager /WTD

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
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) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	—	240000/-	350774/-	590774/-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit - others, specify...	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
6.	Total	NIL	240000/-	350774/-	590774/-

VI. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:

There were no penalties / punishment / compounding of offences for breach of any section of Companies Act against the Company or its Directors or other officers in default, if any, during the year.

Place: New Delhi
Date : 23/05/2018

For and on behalf of the
Board Sd/-
Ram Bimal Patodia
Managing Director
DIN: 07554968

Management Discussion and Analysis Report



Management Discussion and Analysis 18

OVERVIEW

Our Company Was incorporated as Franklin Leasing and Finance Private Limited on March 16, 1992 under the Companies act, 1956, bearing registration No. 048028 having its registered office at Delhi. Subsequently the company became the Public Limited Company pursuant to a special resolution passed by the members of the company at the EGM held on September 10, 2013 and the name of the company was changed to Franklin Leasing and Finance Limited. A fresh Certificate of Incorporation consequent to a public Limited Company was issued on February 13, 2014 by ROC, Delhi.

Our Company is NBFC Registered with RBI to carry NBFC activities under section 45 -IA of the Reserve Bank of India Act, 1934 bearing Registration No. B-14.02383 dated May 22, 2001.

The year 2017-18 began with several changes on the macroeconomic front, including rising inflation, dwindling industrial output and a falling rupee. The enactment of the GST legislation has been a milestone reform that will create a win-win environment for all stakeholders and heralds an integrated and productive economy, and is expected to further boost economic growth. However, there could be temporary transition challenges during the cut-over

INDUSTRY STRUCTURE & DEVELOPMENTS

This section of the Annual Report has been included in adherence to the spirit enunciated in the Code of Corporate Governance approved by the Securities and Exchange Board of India. Shareholders and Readers are cautioned that in the case of data and information external to the Company, though the same are based on sources believed to be reliable, no representation is made on its accuracy or comprehensiveness. Further, utmost care has been taken to ensure that the opinion expressed therein contain its perceptions on most of the important trends having a material im pact on the Company's operations.

We are a Non- Deposit taking Non- Systematically Important Non- Banking Finance Company (NBFC-ND-NSI) engaged primarily in the business of advancing loans and investing/trading in securities. The Company undertakes no obligation to publicly update or revise any of the opinions or forward-looking statements expressed in his report, consequent to new information, future events, or otherwise. Estimation and expectation made in the Report may differ from actual performance due to various Economic conditions, Government Policies and other related factors. We have been running on a modest

operating scale till the mid of 2017-2018. However the company from now onwards has commenced a process of improving our internal systems including but not limited to allocation strategies, Financial Discipline and better utilizations of our fund based portfolio.

Goods & Services Tax (GST) will stand to benefit as entertainment tax will fall under the ambit of GST and input credits will be available to all segments across the board.

The keen emphasis laid by the central government on the ease of doing business and “Make in India” initiative led to higher FDI inflows. However, economic growth in 2018-2018 is expected to be higher which augurs well for our industry.

INDUSTRY DEVELOPMENT:

The NBFCs show moderation growth in asset management, rising delinquency resulting in higher provisionary thereby impacting profitability. However, comfortable capitalization level and conservative liquidity management continues to provide comfort to the credit profile of well run of NBFCs inspite of the impact of the profitability.

GOODS AND SERVICE TAX

Goods and Services Tax (GST) is a landmark reform which will have a lasting impact on the economy and on businesses. Implementation of a well-designed GST model that applies to the widest possible base at a low rate can provide significant growth stimulus to the business and contribute to the Prime Minister’s mission of ‘Make in India’. Your Company has been preparing for migrating to GST for the past year; changes across IT systems, Supply Chain and operations have been made keeping in mind the sweeping changes that GST would bring in. While there are a few areas that need to be addressed, the Government has announced an intention to go live on GST on 1st July, 2017 and your Company will be ready for this transformative reform. There were some big positives in India too that would lay the foundation for future growth.

The biggest among them being the growing consensus between all parties to roll out the combined Goods & Services Tax (GST). With the Constitution Amendment Bill for Goods and Services Tax being approved by the President of India post its passage in the Parliament, India moved a step closer to creating a unified taxation structure. GST is bound to usher in efficiencies in the system via ease of doing business (one tax rate subsuming all other taxes), thereby leading to an improved business environment. It will help curtail the cascading effect of multiple taxes and enable faster movement of goods across the country. Moreover, GST implementation is likely to have some temporary impact due to probable down stocking in the trade channels and likely conversion from unorganized to organized

BUSINESS STRENGTH:



- *Well Qualified and Experienced Promoter*

Our Company is backed by a well qualified and experienced promoter. We believe that the past experience and industry networks of our promoter/ director will help us in achieving our key business strategies.

- *Long Standing Track-record and Established relationships*

Our Company received its NBFC Registration in the year 2001. Hence, the company has been in the business of providing short term as well as longer duration’s loan and advances in the North Indian region for around a decade. Our newly induced Promoter/ Director- Mr. Ram Bimal Patodia along

with our other directors proposes to utilise the readily available database of clients as well as long standing relationships with capital Market Players to ensure effective utilisation of our assets and improve the overall operational and financial efficiencies of the company.

BUSINESS STRATEGY:

- Improve the Investment process

Our Company has in the past made losses while investing and trading in securities. The Company will continue to trade and invest in stock Markets and other avenues; however, we intend to improve our internal systems and processes in order to maximize the risk adjusted returns of the available assets. Further we intend to assess better market opportunities for loans and advances and aim at diversifying the customer base in order to reduce per account risks.

- Increase Our Client Database

The Company believes that business is a by-product of relationship. Since, most of our loans are short term as well as unsecured in nature, this business model is heavily reliant on client relationship that are established over period of time. The company believes that a long term client relationship with large client fetches better dividends. The company intends to establish strategic alliances and share risk with companies whose resources, skills and strategies are complementary to the company's business and are likely to enhance its opportunities.

The company wants to expand its portfolio of products and services by introducing products such as Loans against Property, IPO Funding, Financial and management Consultancy in addition with the existing products of Unsecured ICD Loans and personal loans. We plan to continue to sell our products and services to our existing corporate client base and further target other High Net worth Individuals and firms with impeccable credit track record to whom the company may advance funds both secured/unsecured based on the risk profile and as envisaged in the loan policy of the company.

- Focus on other geographical areas and key cities to increase our market share

Our company intends to extend its financing services in other geographical areas in India and target the cities that are financial centres. In line with the strategic objective, we have recently opened our new full time office in Kolkata. Further as and when the opportunities arise we shall explore opening of offices/ centres at other financial centres such as Mumbai, Ahmadabad & Chennai.

OPPORTUNITIES:

FRANKLIN LEASING & FINANCE LIMITED, being a financial Company, is exposed to specific risks that are particular to its business and environment within which it operates including its interest rate volatility, investment cycle, credit risk, market risk and operational risk. The measurement, monitoring management of risk remains key focus areas for the company. The company has laid down stringent credit norms through the Lending Policy Framework approved by the Board. It maintains a conservative approach and manages the credit risk through prudent selection of clients, delegation of appropriate lending powers and by stipulating various prudential limits. In retail loan businesses like ours, overall portfolio diversification and reviews also facilitate mitigation and management. The enactment of the GST legislation has been a milestone reform that will create a win-win environment for all stakeholders and heralds an integrated and productive economy, and is expected to further boost economic growth. However, there could be temporary transition challenges during the cut-over

THREATS:

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

OUTLOOK:

The markets will continue to grow and mature leading to differentiation of products and services. Each financial intermediary will have to find its niche in order to add value to consumers. The Company is cautiously optimistic in its outlook for the year 2017-17.

✚ Asset quality of NBFC Sector:

The GNPA of the NBFC sector as a percentage of total assets increased in March. Capital Adequacy:

✚ As per the extant guidelines, NBFC's are required to maintain a minimum capital consisting of Tier-I and Tier-II capital, of not less than 15 percent of their aggregate risks-weighted assets.

RESPONSIBILITY FOR THE MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

The Board of Directors have reviewed the Management Discussion and Analysis prepared by the Management, and the Independent Auditors have noted its contents. Statement in this report of the Company's objective, projections, estimates, exceptions, and predictions are forward looking statements subject to the applicable laws and regulations. The statements may be subjected to certain risks and uncertainties. Company's operations are affected by many external and internal factors which are beyond the control of the management. Thus the actual situation may differ from those expressed or implied. The Company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

BUSINESS OVERVIEW & INDUSTRY DEVELOPMENTS

The company was incorporated as Franklin Leasing And Finance Limited on March 16, 1992 under the companies act, 1956 bearing Registration No. 048028 having its registered office in Delhi. Our Company is NBFC registered with RBI to carry on NBFC activities under section 45-IA of the Reserve Bank Of India Act, 1934 bearing registration No. B-14.02383 dated May 22, 2001. We are Deposit taking Non- Systematically Important Non- Banking Finance Company (NBFC-ND-NSI) engaged primarily in the business of advancing loans and investing/trading in securities. The main object of the company is to cater to the growing industry for increasing its investment strategy. The company is planning to increase its investment strategy for the growth of the business.

As regards developments in the industry and your company's performance for the year under review in relation to those developments, the same has been explained in greater details in Directors Report under Performance Review.

RISKS AND CONCERNS

Risk is an inherent part of any business. There are various types of risks, which threat the existence of a company like Credit Risk, Market Risk, Operational Risk, Liquidity Risk, Interest Rate Risk, Strategic Risk, Regulation Risk etc. Your Company aims at enhancing and maximizing shareholders value by achieving appropriate trade-off between risk & returns.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that all transactions are authorized, recorded and reported correctly.

The internal control is supplemented by an extensive program of internal audits, review by management and documented policies, guidelines and procedures. The internal control is designed to ensure that financial and other records are reliable for preparing financial statements and other data and for maintaining accountability of assets.

DISCUSSIONS ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The Financial Performance of the company for the year under review is disclosed in the Directors report. Please refer to Directors' Report for the detail study on the performance review of the company.

HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The industrial relations remained cordial throughout the year. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. Continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees and workmen of the Company.

Your Company has been a thought leader in the area of big data and analytics as a tool to drive sustainable growth. The Company uses intelligent analytics at the back end, to deliver better on-shelf availability in stores. Your Company continues to strengthen this capability to stay ahead of the competition. In FY 2017-17, a GST Awareness Campaign was driven through the social learning platform and was provided to 19000+ employees, to build knowledge around Goods and Services Tax and how it impacts citizens of India and the businesses

FORTHCOMING STATEMENT

The statements made above may be construed as Forward Looking Statements within the meaning of the applicable laws and regulations. Actual performance of the Company may vary substantially depending upon the business structure and model from time to time. Important external and internal factors may force a downtrend in the operations of the Company.

Recently, take-out financing arrangement has been permitted through ECB, under the approval route, for refinancing of rupee loans availed from domestic bank bt eligible borrowers in the port, airport, roads including bridges and power sectors for development of new projects.

To conclude, concrete policy and regulatory measure need to be undertaken. Some of the most important include measures taken to increase the breadth and the depth of the corporate bond markets in India.

Corporate Governance Report



The Directors present the Company's Report on Corporate Governance pursuant to Regulation 27(2) of the SEBI (LODR) Regulation, 2017 of the Listing Agreement with Stock Exchanges.

I. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Franklin Leasing & Finance Limited defines Corporate Governance as a systemic process by which companies are directed and controlled to enhance their wealth- generating capacity. The Company's philosophy on corporate governance ensures fiscal accountability, ethical corporate behavior and fairness to all stakeholders comprising regulators, employees, customers, vendors, investors and the society at large. The Company has a strong legacy of fair, transparent and ethical governance practices. SITCL Corporate Governance structure, systems and processes are based on two core principles:

- (i) Management must have the executive freedom to drive the enterprise forward without undue restraints, and
- (ii) This freedom of management should be exercised within a framework of effective accountability. SITCL's believes that any meaningful policy on Corporate Governance must empower the executive management of the Company. At the same time, Governance must create a mechanism of checks and balances to ensure that the decision-making powers vested in the executive management are used with care and responsibility to meet stakeholders' aspirations and societal expectations.

II. BOARD OF DIRECTORS:

As on March 31, 2018, the Company has four directors out of which 3 Directors (i.e. 60%) are non-executive - independent directors. The composition of the board is in conformity with Regulation 27(2) of SEBI (LODR) Regulations, 2017 entered into with the stock exchanges.

None of the directors on the board hold directorships in more than ten public companies. Further, none of them is a member of more than ten committees or chairman of more than five committees across all the public companies in which he is a director. Necessary disclosures regarding committee positions in other public companies as on March 31, 2018 have been made by the directors. None of the directors are related to each other.

All the Independent directors are non-executive directors as defined under Regulation 27(2) of the SEBI (LODR) Regulation, 2017 entered into with the Stock Exchanges. The maximum tenure of the independent directors is in compliance with the Companies Act, 2013 ("Act"). All the Independent Directors have confirmed that they meet the criteria as mentioned under c Regulation 27(2) of the SEBI (LODR) Regulation, 2017 and Section 149 of the Act.

The names and categories of the directors on the board, their attendance at board meetings held during the year and the number of directorships (including directorship held in private companies) and committee

chairmanships / memberships held by them in other public companies as on March 31, 2018 are given herein below. Chairmanships / Memberships of board committees shall include only audit committee and stakeholders' relationship committee.

Name of the Director	Category	No. of Directorship in other Public (Including Pvt. Ltd.) Companies	Number of Committee positions held in other public companies	
			Chairman	Member
Mr. Pawan Dalmia DIN: 01541707	Chairperson (Executive Director)	01	NIL	NIL
Mr. Ram Bimal Patodia DIN: 07554968	Non-Independent Director (Executive)	02	NIL	NIL
Mr. Ramesh Kumar Dalmia DIN: 03257468	Non-Independent Director (Executive)	02	NIL	NIL
Ms. Sunitha Gupta DIN-07133097	Independent Director (Non-Executive)	Nil	NIL	NIL

*As on 12.02.2018 Mr. Pawan Dalmia was resigned and Mr. Ram Bimal Patodia was appointed as the director of the company

i. Number of Board Meetings:

During the year ended March 31, 2018, 4 (Four) Board Meetings were held on 30.05.2017, 09.08.2017, 14.11.2017 and 12.02.2018 the gap between two meetings did not exceed 120 days.

The necessary quorum was present for all the meetings.

ii. Separate Meeting of Independent Directors:

As stipulated under Schedule IV of the Companies Act, 2013 and the Listing Agreement, a separate meeting of the Independent Directors of the Company was held on February 12, 2018 to review the performance of Non-independent Directors (including the Chairman) and the Board as whole. The Independent Directors also reviewed the quality, content and timeliness of the flow of information between the Management and the Board and it's Committees which is necessary to effectively and reasonably perform and discharge their duties.

iii. Evaluation of the Board's Performance:

Pursuant to the provisions of the Companies Act, 2013 and Regulation 27(2) of SEBI (LODR) Regulation, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee and Nomination & Remuneration Committee.

The result of the evaluation done by Independent Directors was reported to the Chairman of the Board. It was reported that the performance evaluation of the Board & Committee's was satisfactory. The Chairman of the Board provided feedback to the Directors on an individual basis, as appropriate. The Directors expressed their satisfaction with the evaluation process.

iv. Prevention of Insider Trading Code:

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the directors and the designated employees while in possession of unpublished price sensitive information in

relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board of Directors and the designated employees have confirmed compliance with the Code.

III. COMMITTEES OF THE BOARD

In accordance with the requirement of the Listing Regulation entered into with the Stock Exchanges read with provisions of the Companies Act, 2013, the Company has constituted 3 Committees, viz.

A. *Audit Committee;*

B. *Nomination and Remuneration Committee;*

C. *Shareholders Grievances Committee;* the details of which are as under:

A) AUDIT COMMITTEE:

In line with the provisions of the Regulation 27(2) of the SEBI (LODR) Regulation, 2015 of the Listing Agreement with Stock Exchanges read with Section 177 of the Companies Act, 2013, the Company constituted Audit Committee.

i. Terms of Reference:

The terms of reference of the Audit Committee are as per the guidelines set out in the listing agreement with the stock exchanges read with section 177 of the Companies Act, 2013. These broadly include:

- (i) Develop an annual plan for Committee;
- (ii) Review of financial reporting processes;
- (iii) Review of risk management, internal control and governance processes;
- (iv) Discussions on quarterly, half yearly and annual financial statements;
- (v) Interaction with statutory, internal and cost auditors;
- (vi) Recommendation for appointment, remuneration and terms of appointment of auditors; and
- (vii) Risk management framework concerning the critical operations of the Company.

In addition to the above, the Audit Committee also reviews the following:

Matter included in the Director's Responsibility Statement.

- a. Recommend the appointment and removal of the Auditors and their remuneration, nature and scope of audit
- b. Ensure adequacy of internal controls and compliances and recommend remedial measures
- c. Review adequacy of the Internal Audit function
- d. Oversee financial reporting process and disclosure of financial information
- e. Review and monitor the Auditors' independence and performance and effectiveness of the audit process
- f. Examine the financial statements and the Auditors' Report thereon
- g. Evaluate internal financial controls and the risk management systems
- h. Act as a link between the Statutory Auditors, Internal Auditors and the Board of Directors – Review accounting policies
- i. Approve any transactions of the Company with related parties or any subsequent modifications thereof
- j. Scrutinize inter-corporate loans and investments

- k. Evaluate the valuation of undertakings or assets of the Company, if necessary
- l. Monitoring the end use of funds raised through public offers and related matters
- m. Review findings of internal investigations, frauds, irregularities, etc.
- n. Carry out additional functions as contained in the Listing Agreement or other regulatory requirements applicable to the Company or in the terms of reference of the Audit Committee
- o. Carry out the responsibilities under the Code of Conduct for Prevention of Insider Trading and Code of Corporate Disclosure Practices.

ii. Composition and Meetings:

The Audit Committee consists of three Independent Directors and one Executive Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise. The Audit Committee met 4 times during the financial year ended 31st March, 2018. The attendance records of the members at the meeting were as follows:

Sr. No.	Name	Designation	No of Meetings held/attended
1.	Ms. Sunitha Gupta	Chairperson	4 of 4
2	Mr. Pawan Dalmia*	Member	3 of 3
3.	Mr. Ramesh Kumar Dalmia	Member	4 of 4
4.	Mr. Ram Bimal Patodia	Member	1 of 1

*As on 12.02.2018 Mr. Pawan Dalmia was resigned and Mr. Ram Bimal Patodia was appointed as the director of the company

B) NOMINATION & REMUNERATION COMMITTEE:

The Board of Directors of the Company has constituted a Nomination & Remuneration Committee (N & R Committee), as per the provisions of Section 178 of the Companies Act, 2013 and Regulation 27(2) of SEBI (LODR) Regulations, 2015. The object of Nomination & Remuneration Committee is to recommend/ review the remuneration of Managing Directors/Whole-Time Directors. The remuneration policy of the Company is directed towards rewarding performance and attracting new talents/retaining them. While deciding the remuneration, the Committee takes into account the financial position of the Company, trend in the Industry, Appointee's qualification, experience, past performance, past remuneration etc.

i. Terms of Reference:

The terms of reference of the Nomination & Remuneration Committee are as under:

1. To identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/ or removal.
2. To carry out evaluation of every director's performance.
3. To formulate the criteria for determining qualifications, positive attributes and independence of a director, and recommend to the Board a policy, relating to the remuneration for the directors, key managerial personnel and other employees.
4. To formulate the criteria for evaluation of Independent Directors and the Board.
5. To devise a policy on Board diversity.
6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
7. To administer, monitor and formulate detailed terms and conditions of the Employees' stock Option Scheme including:
 - i. the quantum of options to be granted under Employees' Stock Option Scheme per employee

- and in aggregate;
- ii. the conditions under which option vested in employees may lapse in case of termination of employment for misconduct;
 - iii. the exercise period within which the employee should exercise the option, and that the option would lapse on failure to exercise the option within the exercise period;
 - iv. the specified time period within which the employee shall exercise the vested options in the event of termination or resignation of an employee;
 - v. the right of an employee to exercise all options vested in him at one time or at various points of time within the exercise period;
 - vi. the procedure for making a fair and reasonable adjustment to the number of options and to the exercise price in case of corporate actions, such as rights issues, bonus issues, merger, sale of division and others;
 - vii. the granting, vesting and exercising of options in case of employees who are on long leave; and
 - viii. the procedure for cashless exercise of options.
8. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
 9. To perform such other functions as may be necessary or appropriate for the performance of its duties.

ii. Composition of the Nomination & Remuneration Committee is as follows:

The Nomination & Remuneration Committee consists of three Independent Directors and one Executive Director. All members of the Nomination & Remuneration Committee are financially literate and they have accounting or related financial management expertise. The Nomination & Remuneration Committee met 2 times during the financial year dated 30.05.2017 & 12.02.2018 as on ended 31st March, 2018. The attendance records of the members at the meeting were as follows:

Sr. No.	Name	Designation	No of Meetings held/attended
1.	Ms. Sunitha Gupta	Chairperson	2 of 2
2	Mr. Pawan Dalmia*	Member	2 of 2
3.	Mr. Ramesh Kumar Dalmia	Member	2 of 2

*As on 12.02.2018 Mr. Pawan Dalmia was resigned and Mr. Ram Bimal Patodia was appointed as the director of the company

This Committee has been formed to carry out the function as contained in the Listing Agreement and under the provisions of Section 178 of the Companies Act, 2013 and shall enjoy necessary powers and authority reviews commensurate with its functions.

iii. Policy for selection and appointment of Directors and their Remuneration:

The Nomination & Remuneration (N&R) Committee has adopted a Charter which, inter alia, deals with the manner of selection of Board of Directors and CEO & Managing Director and their remuneration. This Policy is accordingly derived from the said Charter.

a) Criteria of selection of Non Executive Directors

The Non-Executive Directors shall be of high integrity with relevant expertise and experience so as to have a diverse Board with Directors having expertise in the fields of manufacturing, marketing, finance, taxation, law, governance and general management.

In case of appointment of Independent Directors, the N&R Committee shall satisfy itself with regard to the

independent nature of the Directors vis-à-vis the Company so as to enable the Board to discharge its function and duties effectively.

The N&R Committee shall ensure that the candidate identified for appointment as a Director is not disqualified for appointment under Section 164 of the Companies Act, 2013.

The N&R Committee shall consider the following attributes / criteria, whilst recommending to the Board the candidature for appointment as Director:

- i) Qualification, expertise and experience of the Directors in their respective fields;
- ii) Personal, Professional or business standing;
- iii) Diversity of the Board.

In case of re-appointment of Non Executive Directors, the Board shall take into consideration the performance evaluation of the Director and his engagement level.

b) Remuneration Policy:

The Non-Executive Directors shall be entitled to receive remuneration by way of sitting fees, reimbursement of expenses for participation in the Board Meetings.

A Non Executive Director shall be entitled to receive sitting fees for each meeting of the Board attended by him, of such sum as may be approved by the Board of Directors within the overall limits prescribed under the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

iv. a) Chief Executive Officer (CEO)/Managing Director (MD) & Chief Financial Officer (CFO) - Criteria for selection / appointment:

For the purpose of selection of the CEO/MD & CFO, the Nomination and Remuneration Committee shall identify persons of integrity who possess relevant expertise, experience and leadership qualities required for the position and shall take into consideration recommendation, if any, received from any member of the Board.

The Committee will also ensure that the incumbent fulfils such other criteria with regard to age and other qualifications as laid down under the Companies Act, 2013 or other applicable laws.

b) Remuneration for the CEO/Managing Director & CFO:

At the time of appointment or re-appointment, the CEO/Managing Director & CFO shall be paid such remuneration as may be mutually agreed between the Company (which includes the N&R Committee and the Board of Directors) and the CEO/Managing Director & CFO within the overall limits prescribed under the Companies Act, 2013.

The remuneration shall be subject to the approval of the Members of the Company in General Meeting.

The remuneration of the CEO/Managing Director & CFO comprises only of fixed component. The fixed component comprises salary, allowances, perquisites, amenities and retrial benefits.

c) Remuneration Policy for the Senior Management Employees:

In determining the remuneration of the Senior Management Employees (i.e. KMPs and Executive Committee Members) the N&R Committee shall ensure the relationship of remuneration and performance benchmark is clear.

The Managing Director will carry out the individual performance review based on the standard appraisal matrix and shall take into account the appraisal score card and other factors mentioned herein-above, whilst recommending the annual increment and performance incentive to the N&R Committee for its review and approval.

C) SHAREHOLDERS / INVESTORS GRIEVANCES & SHARE TRANSFER COMMITTEE:

v. Composition of the Stakeholders Relationship Committee is as follows:

The Stakeholders Relationship Committee consists of three Independent Directors and one Executive Director. All members of the Stakeholders Relationship Committee are financially literate and they have accounting or related financial management expertise. The Stakeholders Relationship Committee met 2 times during the financial year dated 09.08.2017 & 14.11.2017 as on ended 31st March, 2018. The attendance records of the members at the meeting were as follows:

Sr. No.	Name	Designation	No of Meetings held/attended
1.	Ms. Sunitha Gupta	Chairperson	2 of 2
2	Mr. Pawan Dalmia*	Member	2 of 2
3.	Mr. Ramesh Kumar Dalmia	Member	2 of 2

- The Stakeholder Relationship / Share Transfer / Transmission Committee have been formed to look into share transfer and related applications received from shareholders, with a view to accelerate the transfer procedures.
- The Committee inter alia considers applications for transfer, transmission, split, consolidation of share certificates and cancellation of any share certificate in compliance with the provisions in this regard.

The Committee is authorised to sign, seal or issue any new share certificate as a result of transfer, consolidation, splitting or in lieu of share certificates lost, defaced or destroyed.

The role of the Committee is as follows:

- Consider and resolve the grievances of shareholders of the Company with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc;
- Ensure expeditious share transfer process in line with the proceedings of the Share Transfer Committee;
- Evaluate performance and service standards of the Registrar and Share Transfer Agent of the Company.

OTHER COMMITTEES

i. VIGIL MECHANISM/WHISTLE BLOWER POLICY:

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013 and Regulation 27(2) of SEBI (LODR) Regulations, 2015 and a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at www.symbioxinvestment.org

IV. GENERAL BODY MEETINGS:

i) General Meetings

a. Annual General Meeting:

The details of the last three Annual General Meetings (AGMs) of the Company are as under:

Financial Year	Date	Meeting	Venue
2016-17	25 th September, 2017	AGM	Unit/Shop No.205,Second Floor, Aggarwal City Mall Road No.44,Pitampura, Delhi-110034
2015-16	30th September, 2016 at 2.30 P.M	AGM	Unit No. 205, 2nd Floor, Aggarwal City Mall, Road No. 44, Pitamber, Delhi-110034
2015-16	6th February, 2016 at 11.00 A.M	EGM	Unit No. 205, 2nd Floor, Aggarwal City Mall, Road No. 44, Pitamber, Delhi-110034
2014-15	10th January, 2015 at 11.30 A.M	EGM	Unit No. 205, 2nd Floor, Aggarwal City Mall, Road No. 44, Pitamber, Delhi- 110034
2014-15	30th September, 2015 at 10.00 A.M	AGM	Unit No. 205, 2nd Floor, Aggarwal City Mall, Road No. 44, Pitamber, Delhi- 110034

ii) Special Resolution:

During the Financial Year 2017-18, the members of the Company have not passed any special resolutions.

iii) Details of Resolution passed through postal ballot:

During the year under review, no special resolution was passed through the postal ballot.

V. DISCLOSURES:

i. RELATED PARTY TRANSACTIONS:

There are no materially significant transactions with the related parties viz. Promoters, Directors or the Management, or their relatives or Subsidiaries that had potential conflict with the Company's interest. Suitable disclosure as required by the Accounting Standard (AS- 18) has been made in the Annual Report.

There are no pecuniary relationships or transactions of Non-Executive Directors vis-à-vis the Company which has potential conflict with the interests of the Company at large.

- ii. No penalties or strictures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the last three years.
- iii. The Company has in place a mechanism to inform the Board members about the Risk assessment and mitigation plans and periodical reviews to ensure that the critical risks are controlled by the executive management.
- iv. During the year ended 31st March,2018 the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 27(2) of the SEBI (LODR) Regulation, 2015 of the Listing Agreement with Stock Exchanges.
- v. The Independent Directors have confirmed that they meet the criteria of 'Independence' as stipulated under Clause 27(2) of the Listing Agreement.

VI. MD/CFO CERTIFICATION

The MD and Chief Financial Officer (CFO) Mr. Raju Kumar Ram have issued certificate pursuant to the provisions of Regulation 27(2) of the SEBI (LODR) Regulation, 2015 of the Listing Agreement with Stock Exchanges certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs. The said certificate is

attached and forms part of this Report.

VII. MEANS OF COMMUNICATION

The half yearly and annual results of the Company are sent to the stock exchanges immediately after they are approved by the Board and are also published in one vernacular news paper and one English news paper. The results are also displayed on the company's website www.symbioxinvestment.org. The results are published in accordance with the guidelines of the Stock Exchanges. The Management Discussion and Analysis Report forms part of the Company's Annual report.

VIII. GENERAL'S SHAREHOLDERS INFORMATION

a) Annual General Meeting:

Day & Date : Thursday, 29th day of September, 2018
Time : 4.30 P.M
Venue : Unit/Shop No.205, Second Floor, Aggarwal City Mall Road No.44,
Pitampura Delhi North - 110034
Book Closure Date : 22nd September, 2018 to 29th September, 2018 (Both day Inclusive)

As required under Regulation 27(2) of the SEBI (LODR) Regulation, 2015 of the Listing Agreement with Stock Exchanges, particulars of directors seeking appointment / re-appointment at the forthcoming AGM are given in the Annexure to the notice of the AGM to be held on September 29, 2018.

b) Financial Calendar:

Calendar for Financial Year ended 31st March, 2018:

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year 2017- 18 were held on the following dates:

Half Year ending September, 2017	by 14 th November, 2017
Year ending March, 2018	by 23 rd May, 2018
Annual General Meeting	by 09 th August, 2017

c) Book Closure:

The Register of Members and Share Transfer Book will remain closed from 22th September, 2018 to 29th September, 2018 (both days inclusive).

d) Listing in stock exchanges and stock codes:

The names of stock exchanges at which the equity shares are listed and respective stock codes are as under:

Name of the Stock exchange	Stock Code/ Security Code
The Bombay Stock Exchange Limited	539839

e) The ISIN number for the Company equity share: INE399S01010

f) CIN: L74899DL1992PLC048028

g) Outstanding GDR's/ADR's/Warrant's/Convertible instruments and their impact on equity: NIL

h) Market Price Data :

The Shares of the Company were listed for trading during the year 2017-2018.

Market Price Data:

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2017	22.40	22.40	1,79,200
May, 2017	Not Traded	Not Traded	Not Traded
June, 2017	21.10	21.00	3,36,800
July, 2017	21.10	21.00	13,47,200
August, 2017	Not Traded	Not Traded	Not Traded
September, 2017	21.10	21.00	3,36,800
October, 2017	21.50	21.00	5,08,800
November, 2017	25.80	22.10	80,38,800
December, 2017	36.25	25.00	1,55,12,000
January, 2018	53.95	36.20	3,92,56,400
February, 2018	55.10	43.00	5,80,35,600
March, 2018	61.50	19.80	15,65,88,000

i) E-Voting :

In terms of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration Rule), 2014 framed there under and as per regulation 44 the Listing Agreement, the Company is providing e-voting facility to its Members in respect of all Members' resolutions proposed to be passed at this Annual General Meeting.

j) Share Transfers Agent:

Name and Address : Skyline Financial Services Private Limited
: D-153A, 1st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020
Telephone : +91-11-64732681-88
Fax : +91-11-26812682
E-mail ID : viren@skylinerta.com; admin@skylinerta.com
Website : <http://www.skylinerta.com/>

k) Share Transfer System:

All physical share transfers are affected within 15 days of lodgement, subject to the documents being in order.

• Shareholding Pattern:

The shareholding of Distribution of shareholders as on 31st March, 2018 is given below:

<i>Ordinary Shares held</i>	<i>Number of shareholders</i>	<i>% of shareholders</i>	<i>Number of shares held</i>	<i>% of shares held</i>
<i>Upto 5000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>5001-10000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>10001-20000</i>	<i>1</i>	<i>1.16</i>	<i>1210</i>	<i>0.01</i>
<i>20001-30000</i>	<i>1</i>	<i>1.16</i>	<i>2100</i>	<i>0.01</i>
<i>30001-40000</i>	<i>0</i>	<i>0</i>	<i>0</i>	<i>0</i>
<i>40001-50000</i>	<i>1</i>	<i>1.16</i>	<i>4800</i>	<i>0.03</i>
<i>50001-100000</i>	<i>13</i>	<i>15.12</i>	<i>102790</i>	<i>0.65</i>
<i>100001 and above</i>	<i>70</i>	<i>81.4</i>	<i>15671500</i>	<i>99.3</i>
Total	86	100	15782400	100

• **Categories of Shareholders as on March 31, 2018**

Sl. No.	Category	No. of shares held	% of shareholding
	Promoters & Promoter Group	4257600	26.98
2	Public - Bodies Corporate	11524800	73.02
3	Public - Indian public	-	-
4	Public - Others	-	-
	TOTAL	15782400	100.00

1) Dematerialization of shares and liquidity:

For the purpose of providing Dematerialization & Liquidity facility to its shareholders, Company admitted its securities in the Depository System of Central Depository Services (India) Limited (CDSL). Under the depository system, the international securities identification number (ISIN) allotted to the Company's shares is INE399S01010.

As on 31st March, 2018, all the shares of the Company were in Physical Form. However as on the date of this report, the shares of the promoters have been dematerialized and Company has taken necessary steps by informing its shareholders for the same.

Address for correspondence:

FRANKLIN LEASING AND FINANCE PRIVATE LIMITED

Add.: Unit No. 205, 2nd Floor, Aggarwal City Mall, Road No. 44, Pitampura, Delhi-110034

Email Id: info.franklinleasing@gmail.com

Website: www.franklinleasing.in

CEO & CFO CERTIFICATION

To
The Board of Directors
FRANKLIN LEASING AND FINANCE PRIVATE LIMITED

I have reviewed the financial statements and the cash flow statement of FRANKLIN LEASING AND FINANCE PRIVATE LIMITED for the financial year ended 2017-18 and to the best of my Knowledge and belief, I state that:

- i. these statements do not contain any materially untrue statements or omit any material facts or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- A. There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year, which are fraudulent, illegal or violate of the Company's Code of Conduct.
- B. I accept responsibility for establishing and maintaining internal controls for financial reporting of the Company and for evaluating the effectiveness of the same over financial reporting of the Company and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken to rectify these deficiencies.
- C. I have also indicated to the Auditors and the Audit Committee:
- i. Significant changes, if any, in the Internal Controls over financial reporting during the year;
 - ii. Significant changes, if any, in accounting policies made during the Year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Place: Delhi

Date: 23/05/2018

Sd/-
Raju Kumar Ram
Chief Financial Officer

Auditors' CERTIFICATE on Corporate Governance

To,
The Members
FRANKLIN LEASING AND FINANCE PRIVATE LIMITED

I have examined the compliance of conditions of corporate governance by Franklin Leasing And Finance Private Limited, ('the Company'), for the year ended on March 31, 2018, as stipulated in Regulation 27(2) of the SEBI (LODR) Regulation, 2015 of the Listing Agreement with Stock Exchanges of the said Company with stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to procedures and implementation 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 statements of the Company.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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

For Anil Hariram Gupta & Co.

Sd/- Anil Gupta

Partner

Chartered Accountant

M. No.: 066309

Place: Delhi

Date: 23rd May, 2018

FRANKLIN LEASING & FINANCE LIMITEDCIN NO. L74899DL1992PLC048028
BALANCE SHEET AS ON 31ST MARCH 2018

Particulars	Notes	31st March 2018 (Rupees)	31st March 2017 (Rupees)
<u>EQUITY AND LIABILITIES</u>			
Shareholders' fund			
(a)Share Capital	3	15,78,24,000.00	15,78,24,000.00
(b)Reserves and Surplus	4	20,79,69,699.96	20,61,10,197.06
Non-Current liabilities			
(a)Long Term Borrowings	-	-	-
(b)Deffered Tax Liabilities	-	-	-
(c)Other Long Term Liabilities	-	-	-
(d)Long Term Provisions	5	8,35,224.00	7,49,039.00
Current liabilities			
(a)Short Term Borrowings	-	-	-
(b)Trade Payables	6	1,26,07,407.00	2,46,71,614.00
(c)Other Current Liabilities	-	-	-
(d)Short-Term Provisions	7	6,74,822.00	33,92,768.00
Total		37,99,11,152.96	39,27,47,618.06
<u>ASSETS</u>			
Non-Current Assets			
(a)Fixed Assets	-	-	-
(i) Tangible Assets	-	-	-
(ii) Intangible Assets	-	-	-
(b)Non Current Investments	-	-	-
(c)Deffered Tax Asset	-	6,496.07	6,653.07
(d)Long-Term Loans & Advances	-	-	-
(e)Other non-current assets	-	-	-
Current Assets			
(a)Current Investments	8	9,45,000.00	51,45,000.00
(b)Inventories	9	48,89,512.50	2,65,47,587.50
(c)Trade Receivables	10	52,33,919.48	17,28,107.61
(d)Cash & Cash Equivalent	11	1,35,95,652.02	1,09,05,445.88
(e)Short - Term Loans & Advances	12	35,52,40,572.89	34,84,14,824.00
(f)Other Current Aseets	-	-	-
Total		37,99,11,152.96	39,27,47,618.06

FRANKLIN LEASING & FINANCE LIMITED

CIN NO. L74899DL1992PLC048028

STATEMENT OF TRADING & PROFIT AND LOSS FOR THE PERIOD ENDED ON
31ST MARCH 2018

Particulars	Notes	From 1st April 2017 to 31st March 2018 (Rupees)	From 1st April 2016 to 31st March 2017 (Rupees)
A. CONTINUING OPERATIONS			
Income			
(a)Revenue from operations	13	2,94,98,249.89	4,27,24,259.09
(b)Other Income	-	-	-
Total Revenue (I)		2,94,98,249.89	4,27,24,259.09
Expenses			
(a)Cost of Materials Consumed	-	-	-
(b)Purchases of Stock-in-Trade	14	-	5,51,44,516.77
(c)Changes in Inventories	15	2,16,58,075.00	(2,45,18,595.70)
(d)Employee benefit expenses	16	12,55,774.00	30,43,478.00
(e)Finance Costs	-	-	-
(f)Depreciation & amortise expenses	-	-	-
(g)Other Expenses	17	39,63,733.99	54,57,510.99
Total (II)		2,68,77,582.99	3,91,26,910.06
Profit/ (loss) before tax (I - II)		26,20,666.90	35,97,349.03
Tax expenses			
Current Tax		6,74,822.00	11,11,581.00
Deferred tax		157.00	220.00
Total Tax Expenses		6,74,979.00	11,11,801.00
Profit/ (loss) for the year after tax		19,45,687.90	24,85,548.03
Less: Contingent provision against standard assets		86,185.00	79,097.00
Less: Special reserve u/s 45-IC of the RBI Act,1934		3,89,138.00	4,97,110.00
Net profit transfer to appropriation		14,70,364.90	19,09,341.03
Earning per share (EPS)			
[nominal value of share Rs. 10/-]			
Basic		0.1233	0.01575
Diluted		0.1233	0.1575

FRANKLIN LEASING & FINANCE LIMITED

CIN NO. L74899DL1992PLC048028

CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2018

	For the year ended 31st March 2018 (Rupees)	For the year ended 31st March 2017 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and after extra- ordinary items (As per profit & loss account)	26,20,666.90	35,97,349.03
Adjustments for items not included	-	-
Operating Profit before working capital changes	26,20,666.90	35,97,349.03
<u>Working capital adjustments: -</u>		
(Increase)/ decrease in current loans and advances	(68,25,748.89)	(6,61,61,514.00)
(Increase)/ decrease in Trade receivables	(35,05,811.87)	(15,61,580.13)
(Increase)/ decrease in inventories	2,16,58,075.00	(2,45,18,595.70)
Increase/ (decrease) in current liabilities	(1,20,64,207.00)	2,23,30,793.00
Cash generated from operations	18,82,974.14	(6,63,13,547.80)
Direct Taxes Paid	(33,92,768.00)	-
Net cash flow from operating activities (A)	(15,09,793.86)	(6,63,13,547.80)
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/ decrease in investments	42,00,000.00	48,00,000.00
Expenses for capital expenses	-	-
Purchase of fixed assets	-	-
Net cash flow from investing activities (B)	42,00,000.00	48,00,000.00
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	6,33,60,000.00
Increase/ (decrease) in share application money	-	-
Net cash flow from financing activities (C)	-	6,33,60,000.00
Net cash flow during the year (A + B + C)	26,90,206.14	18,46,452.20
Add: Opening cash and cash equivalents	1,09,05,445.88	90,58,993.68
Closing cash and cash equivalents	1,35,95,652.02	1,09,05,445.88
Components of cash and cash equivalents		
Cash in hand	14,45,423.00	15,86,384.00
Deposit with banks in current accounts	1,21,50,229.02	93,19,061.88
Toal cash and cash equivalents (note 8)	1,35,95,652.02	1,09,05,445.88
	-	-

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Anil Hariram Gupta & Co.
Chartered Accountants
 FRN-327781E

For and on behalf of the Board of Directors of
Franklin Leasing & Finance Limited

Anil Gupta
 Partner
 M.N.-066306
 Place : New Delhi
 Date : 23.05.2018

Ram Bimal Patodia
 Managing Director
 DIN No.07554968
 Raju Kumar Ram
 Chief Financial Officer

Ramesh Kumar
 Dalmia
 Director
 DIN No. 03257468
 Shanu Jain
 Company Secretary

Computation of Deffered Tax Assets/Liabilities

Depreciation as per Income Tax Act,1961.

Name of Assets	rate	Op Bal as on 01.04.2017	Additions during the year		Sales/Transferred During the year	Total	Depreciation	Addl Depreciation	W.D.V. as on 31.03.2018
			>6 months	<6 months					
Block-'A'									
Plant & Machinery	15%	3,425.00				3,425.00	514.00		2,911.00
Block-'B'									
Furniture	10%	973.00				973.00	97.00		876.00
		4,398.00				4,398.00	611.00		3,787.00

FRANKLIN LEASING AND FINANCE LIMITED

(CIN: L74899DL1992PLC048028)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1ST APRIL 2017 TO 31ST MARCH 2018

1. Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles (Indian GAAP) and the provisions of the Companies Act 2013.

The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods

2. Summary of significant accounting policies

a. Changes in accounting policy

There is no change in accounting policy compared to previous year. The company has also reclassified previous year's figure in accordance with the requirements applicable for the current year.

b. Use of estimates

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

c. Revenue recognition

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

d. Fixed assets:

The company does not have any Fixed Assets at the end of the year.

e. Inventories

The company have inventories to the tune of Rs.48,89,512/-. Proper records of the inventories have been kept by the company. Inventories have been valued at cost or net realizable value whichever is lower.

f. Depreciation

The company charged depreciation on its fixed assets on WDV method as per rates prescribed under Schedule II of the Companies Act, 2013. But as the company does not have any fixed assets hence no depreciation was provided during the year.

g. Taxes on income

Current taxes on income have been provided by the Company in accordance with the relevant provisions of the Income Tax Act, 1961. Deferred Taxes has been recognised on timing differences between accounting income and taxable income subject to consideration of prudence.

Deferred tax assets are recognised only to the extent that there is a reasonable certainty that sufficient future income will be available except that deferred tax assets, in case there are unabsorbed depreciation or losses, are recognised if there is virtual certainty that sufficient future taxable income will be available to realize the same. Deferred tax assets and liabilities are measured using the tax rates and tax law that have been enacted or substantively enacted by the Balance Sheet date.

h. Provisions and Contingent Liabilities and Contingent Assets

A provision is recognized when the company has a present obligation as a result of past event, it is probable that an outflow of resource embodying economic benefits will be require to settle the obligation and a reliable estimate can be made of the amount of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are review at the end of each reporting date and adjusted to reflect the current best estimates.

There is no Contingent Liabilities or Contingent Assets during the year.

i. **Earning Per Share**

Basic Earning per Share has been calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Diluted Earning per Share has been computed by dividing the net profit after tax by the weighted average no. of equity shares considered for deriving basic Earning per Share and also the weighted average no. of equity shares that could have been issued upon conversion of all dilutive potential equity shares.

j. **Cash and cash equivalents**

Cash and cash equivalents comprise cash in hand, cash at bank and short term investments with the original maturity of three months or less.

k. **Previous year figures**

The company has reclassified previous year figures to conform to current year's classification.

3. Share capital	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
Authorised shares		
1,60,00,000 Equity Shares of Rs.10/- each	16,00,00,000.00	16,00,00,000.00
Issued, subscribed and fully paid- up shares		
1,57,82,400 Equity Shares of Rs.10/- each fully paidup	15,78,24,000.00	15,78,24,000.00
Total issued, subscribed and fully paid- up share capital	15,78,24,000.00	15,78,24,000.00

a. **Reconciliation of Shares outstanding at the beginning and at the end of reporting period**

As at 31st March 2018

	No.	(Rupees)		
Share Capital at the beginning of the period	1,57,82,400	15,78,24,000.00	1,15,58,400.00	11,55,84,000.00
Issue during the period	-	-	42,24,000.00	4,22,40,000.00
Outstanding at the end of the period	1,57,82,400	15,78,24,000.00	1,57,82,400	15,78,24,000.00

b. **Terms and rights attached to equity shares**

The company has issued only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of the entire preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

c. **Details of shareholders holding more than 5% shares in the company**

(As per list attached)

4 Reserves and surplus	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
<u>Securities premium account</u>		
Opening balance	19,79,40,000.00	17,68,20,000.00
Add: Premium on share capital (note 3)	-	2,11,20,000.00
Less: Utilized/ transfer during the period	-	-
Closing balance	19,79,40,000.00	19,79,40,000.00

Special reserve u/s 45-IC of the RBI

Act, 1934

Opening balance	23,06,031.00	18,08,921.00
Add: transfer from P&L a/c during the year	3,89,138.00	4,97,110.00
Less: Utilized/ transfer during the period	-	-
Closing balance	26,95,169.00	23,06,031.00

Surplus/ (deficit) in statement of profit & loss

Balance as per last financial statements	58,64,166.06	39,54,825.03
Add: Profit/ (loss) for the year	14,70,364.90	19,09,341.03
Less: Utilized/ transfer during the period	-	-
Net (deficit) in statement of profit and loss	73,34,530.96	58,64,166.06
	<u>20,79,69,699.96</u>	<u>20,61,10,197.06</u>

5. Long-term provisions	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
Contingent provision against standard assets*		
Opening Balance	7,49,039.00	6,69,942.00
Add: Addition(written off) during the year	86,185.00	79,097.00
Total issued, subscribed and fully paid- up share capital	15,78,24,000.00	15,78,24,000.00

*A contingent provision against standard assets has been created at 0.25% of the outstanding standard assets in terms of the RBI circular Ref. No. DNBS (PD) CC No. 225/03.02.001/2011-12 dated July 1, 2011.

6. Trade Payables	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
Audit fee payable	75,000.00	50,000.00
TDS Payable	1,46,300.00	6,69,942.00
Liabilities for Expenses	1,52,372.00	79,097.00
Sundry creditors	1,23,03,942.00	2,43,22,942.00
	<u>1,26,07,407.00</u>	<u>2,46,71,614.00</u>

7. Short-term provisions	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
Provision for income tax	6,74,822.00	33,92,768.00
	<u>6,74,822.00</u>	<u>33,92,768.00</u>

8. Current Investments	As at 31st March 2018 (Rupees)	As at 31st March 2017 (Rupees)
Investment in unquoted equity shares	9,45,000.00	51,45,000.00
	<u>9,45,000.00</u>	<u>51,45,000.00</u>

9. Inventories	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
Stock in trade	48,89,512.50	2,65,47,587.50
	<u>48,89,512.50</u>	<u>2,65,47,587.50</u>
10. Trade Receivable	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
More than Six Month	17,23,919.48	66,527.48
other	35,10,000.00	16,61,580.13
	<u>52,33,919.48</u>	<u>17,28,107.61</u>
11. Cash and cash equivalents	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
Cash in hand	14,45,423.00	15,86,384.00
Balances with banks	1,21,50,229.02	93,19,061.88
	<u>1,35,95,652.02</u>	<u>1,09,05,445.88</u>
12. Short-term loan and advances	As at 31st March 2018	As at 31st March 2017
Advances recoverable in cash or kind	(Rupees)	(Rupees)
Unsecured, considered good		
Loans	33,40,89,563.89	29,96,15,660.00
Advances	1,63,10,000.00	4,26,57,000.00
Tax Deducted at Sources	46,86,009.00	59,87,164.00
Income Tax Demand AY 14-15	1,55,000.00	1,55,000.00
	<u>35,52,40,572.89</u>	<u>34,84,14,824.00</u>
13. Revenue from operations	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
Interest on loans	2,94,98,249.89	2,68,95,663.00
Sales	-	1,58,28,596.09
	<u>2,94,98,249.89</u>	<u>4,27,24,259.09</u>
14. Purchase of trade goods	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
Purchases of stock in trade	-	5,51,44,516.77
	<u>-</u>	<u>5,51,44,516.77</u>
15. Changes in inventories	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
<u>Inventories at the beginning of the year</u>		
Stock in trade	2,65,47,587.50	20,28,991.80

	2,65,47,587.50	20,28,991.80
<u>Inventories at the end of the year</u>	48,89,512.50	2,65,47,587.50
Stock in trade	48,89,512.50	2,65,47,587.50
	2,16,58,075.00	-2,45,18,595.70

16. Employee benefit expenses	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
Salaries and wages	12,55,774.00	26,21,512.00
Staff welfare expenses	-	4,21,966.00
	12,55,774.00	30,43,478.00

17. Other administrative expenses	As at 31st March 2018	As at 31st March 2017
	(Rupees)	(Rupees)
Auditors Remuneration	25,000.00	40,000.00
Advertisement Expenses	22,857.00	12,302.00
Bank Charges	1,542.35	7,394.50
Conveyance Expenses	1,75,863.00	3,93,602.00
Business Promotional Expenses	28,47,092.00	10,22,114.00
Depository Expenses	1,69,168.64	1,57,138.00
	2,82,900.00	2,73,000.00
Bad Debt	-	10,91,000.00
General Expenses	17,482.00	44,644.49
Diwali Expenses	-	3,65,821.00
Postage & Telegram	3,186.00	2,903.00
Printing and Stationery	29,843.00	96,761.00
Professional Charges	3,07,860.00	17,41,575.00
Telephone & Mobile Expenses	42,536.00	1,17,906.00
Electricity Expenses	9,841.00	28,422.00
Books & Periodicals	28,563.00	62,928.00
	39,63,733.99	54,57,510.99

FRANKLIN LEASING AND FINANCE LIMITED

(CIN: L74899DL1992PLC048028)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1ST APRIL 2017 TO 31ST MARCH 2018

18. There is no Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 to which Company owes dues which are outstanding for a period more than 45 days as on Balance Sheet Date.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information availed with the Company and has been duly relied by the auditors of the Company.

19. Provisions of Accounting Standard (AS) - 17 issued by the ICAI on 'Segment Reporting' are not been applicable to the Company.

20. In view of present uncertainty regarding generation of sufficient future income, net deferred tax asset or liability has not been recognized in these accounts on prudent basis.

21. In the opinion of the management, the current assets, loans and advances have a realizable value in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet.

22. Related party disclosures/ transactions

There is no transaction entered with the related party covered by the Accounting Standard (AS) - 18 on 'Related Party Disclosure' during the period covered by these financial statements.

23. Balance shown under head Sundry Debtors, Creditors and Advances are subject to confirmation.

24.	Particulars	Current Period (Rs.)	Previous Year (Rs.)
	Earnings/ Remittances and/ or Expenditure in Foreign Currency	Nil	Nil

25. Quantitative Information in respect of Opening Stock, Purchases, Sales and Closing Stock pursuant to Schedule VI of the relevant Companies Act are not applicable.

26. The company is listed with the Bombay Stock Exchanges Ltd. With effect from 9th April, 2016 and respective stock code is 539839

27.	Particulars	Current Period (Rs.)	Previous Year (Rs.)
	Contingent Liability not provided for	Nil	Nil

28. Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

29. Figures have been rounded off to the nearest rupees. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

For Anil Hariram Gupta & Co.
Chartered Accountants
(Firm Registration No. 327781E)

Anil Gupta
Partner
M.N.-066306
Place :New Delhi
Date : 23.05.2018

For and on behalf of Board of Directors of
Franklin Leasing & Finance Limited

Pawan Dalmia DIN NO. 01541707 Director	Ramesh Kumar Dalmia DIN NO. 03257468 Director
Raju Kumar Ram CFO	Shanu Jain Company Secretary

FRANKLIN LEASING AND FINANCE LIMITED

CIN: L74899DL1992PLC048028

Regd. Off.: - UNIT/SHOP NO.205, SECOND FLOOR, AGGARWAL CITY
MALL ROAD NO.44, PITAMPURA DELHI-110034

Tel. No.: 011 4235 1486

Website: www.franklinleasing.in ; E-mail: franklinleasingfinance@gmail.com

Form No. MGT-11 Proxy form

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

CIN : L74899DL1992PLC048028
Name of the company : FRANKLIN LEASING AND FINANCE LIMITED
Registered office : Unit/Shop No.205, Second Floor, Aggarwal City Mall Road, No.44,
Pitampura Delhi - 110034
E- Mail :
Website :
Name of the member (s) :
Registered Address :
E-mail Id :
Folio No/ Client ID :
DP ID :

I/We, being the member of ----- equity shares of the above named company, hereby appoint

Name :
Address :
E-mail id :
Signature :

Name :
Address :
E-mail id :
Signature :

as my/our proxy to attend and vote (on a poll) for me and on my behalf at the 26th Annual General Meeting of the company, to be held on the 29th day of September, 2018 At 4.30 P.M at Unit/Shop No.205, Second Floor, Aggarwal City Mall Road No.44, Pitampura Delhi -110034 and at any adjournment thereof in respect of such resolutions as are indicated below:

Ordinary Business:

SL No.	Resolution(S)	I /we assent to the Resolution (FOR)	I /we dissent to the Resolution (AGAINST)
1	Adoption of statement of Profit & Loss, Balance Sheet, report of Director's and Auditor's for the financial year 31st March, 2018		
2	To appoint a director in place of Mr. Ramesh Kumar Dalmia [Din: 03257468] who retires by rotation and being eligible, offers himself for re-appointment.		
3	To Rectify M/s. Anil Hariram Gupta & Co. having as a Statutory Auditor of the Company from this Annual General Meeting upto the conclusion of Next Annual General Meeting.		
4	To Approve Special Resolution Mr. Ram Bimal Patodia as a Managing Director and their remuneration.		
5	To Approve Special Resolution for Make Borrowing Upto 40 Cr.		
6	To Approve Special Resolution for Provide loans, advances and investment upto 50 cr.		

Signed this.....day of..... 2018

Signature of Shareholder _____

Signature of Proxy holder(s)_____

Please
Affix
Revenue
Stamp

Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting. A Proxy need not be member of the Company.

FRANKLIN LEASING AND FINANCE LIMITED

CIN: L74899DL1992PLC048028

Regd. Off.: - UNIT/SHOP NO.205, SECOND FLOOR, AGGARWAL CITY
MALL ROAD NO.44, PITAMPURA DELHI-110034

Tel. No.: 011 4235 1486

Website: www.franklinleasing.in; E-mail: franklinleasingfinance@gmail.com

ATTENDANCE SLIP

Regd. Folio / DP ID & Client ID

Name and Address of the Shareholder

1. I hereby record my presence at the **26th ANNUAL GENERAL MEETING of the Company being held on 29th September 2018 at 4.30 p.m. at the Registered Office of the Company at UNIT/SHOP NO.205, SECOND FLOOR, AGGARWAL CITY MALL ROAD NO.44, PITAMPURA DELHI-110034**

2. Signature of the Shareholder/Proxy Present

3. Shareholder / Proxy holder wishing to attend the meeting must bring the Attendance Slip to the meeting and handover the same at the entrance duly signed.

4. Shareholder / Proxy holder desiring to attend the meeting may bring his / her copy of the Annual Report for reference at the meeting.

Note: - PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING.

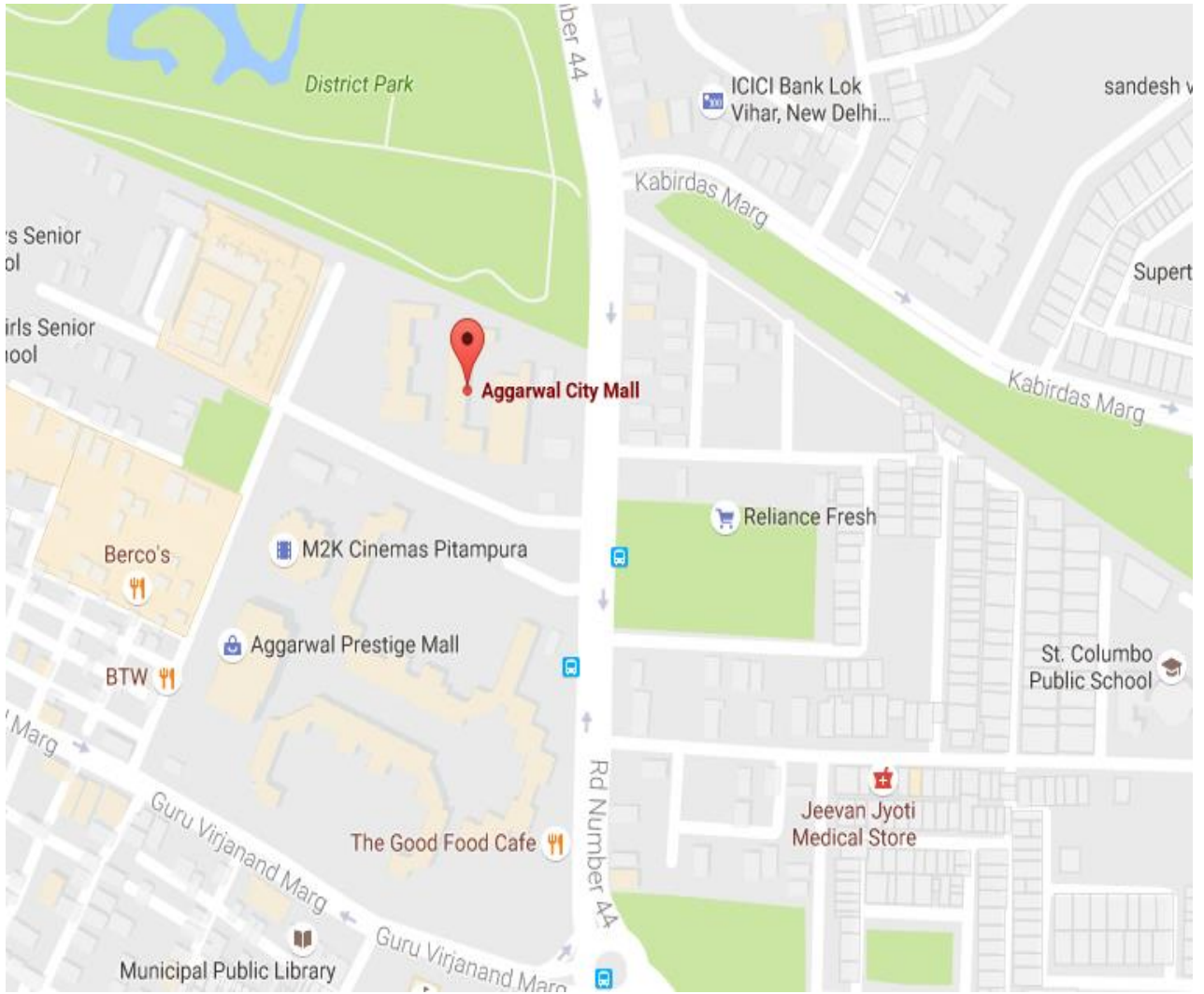
ELECTRONIC VOTING PARTICULARS

(1) EVSN (E-Voting Sequence No.)	(2) USER ID.	(3) PAN or Relevant No. as under	(4) Bank Account No.
			(See Note No.1)

Notes:

- (1) Where Bank Account Number is not registered with the Depositories or Company please enter your User Id. as mentioned in column (2) above.
- (2) Please read the Instructions printed under the Note No. 17 to the Notice dated 04th September, 2018 of the 26th Annual General Meeting. The e-Voting period starts from 9.00 A.M. on 26.09.2018 and ends at 5.00 P.M. on 28.09.2018, the e-voting module shall be disabled by CDSL for voting thereafter.

ROAD MAP OF THE VENEUE



UNIT/SHOP NO.205, SECOND FLOOR, AGGARWAL CITY MALL
ROAD NO.44, PITAMPURA, DELHI-110034