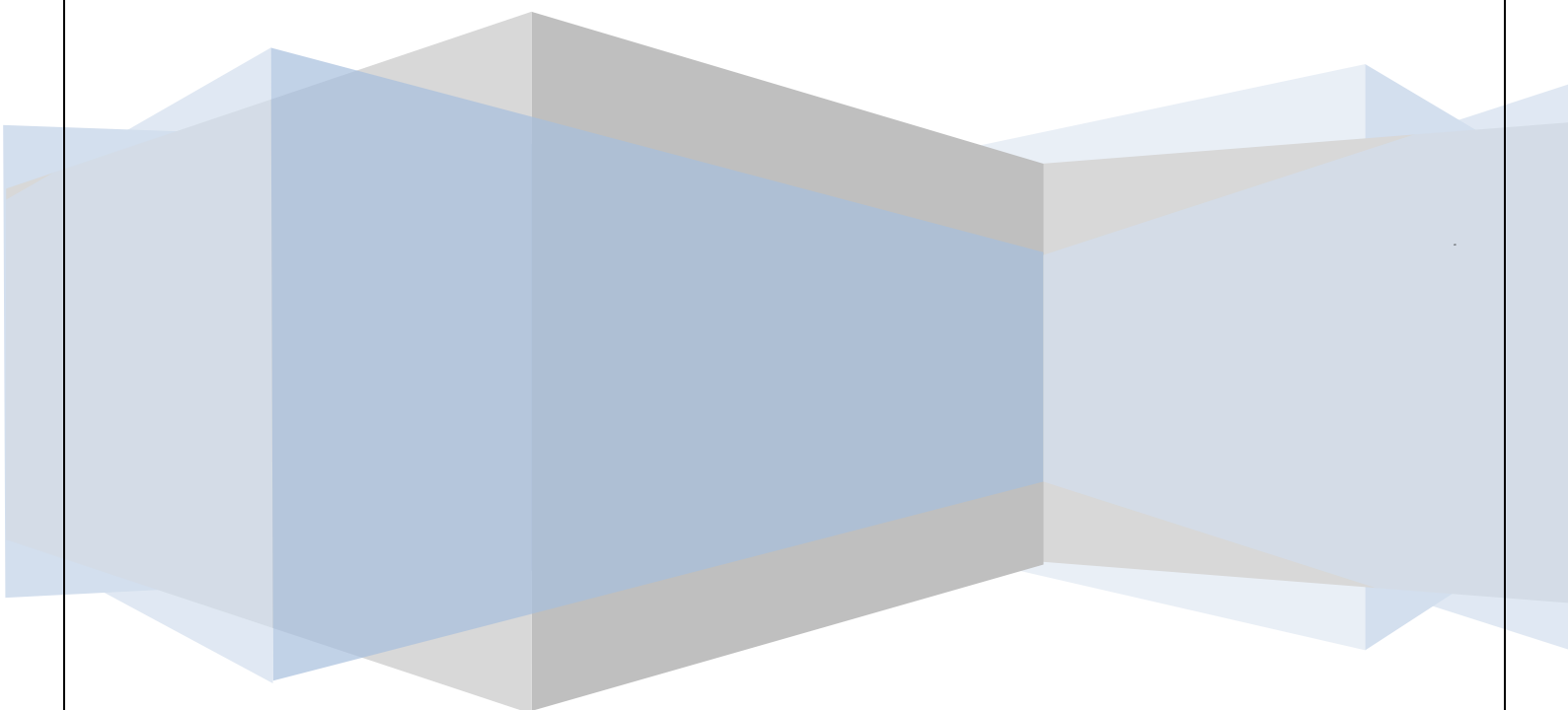


FRANKLIN LEASING & FINANCE LIMITED

27th ANNUAL REPORT 2018-19



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>
<i>Mr. Barun Naskar</i>	<i>Additional director</i>
<i>Mr. Jagdev yadav</i>	<i>Additional 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

FRANKLIN LEASING AND FINANCE LIMITED

CIN: U74899DL1992PLC048028

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

NOTICE

Notice is hereby given that 27th 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 North Delhi -110034 Saturday, 28th September, 2019 at the 03:00 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, 2019, the Reports of Auditors and Directors thereon.
2. To appoint a director in place of Mr. Ram Bimal Patodia [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:

Item No.4– Regularization of Director

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Directors:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or

re-enactment for the time being in force), **Mr. Jagdev Yadav (DIN: 08556048)**, who was appointed as an Additional Director of the Company with effect from 06th September, 2019, and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non - Independent Executive Director of the Company for a period of 5 years .

Item No.5– Regularization of Director

To consider, and if thought fit to pass, with or without modification, the following resolution as an Ordinary Resolution for Regularization of Additional Directors:

"RESOLVED THAT pursuant to the provisions of Sections 152, 161 and all other applicable provisions, if any, of the Companies Act, 2013 (the "Act") and the Rules framed thereunder (including any statutory modification(s) or re-enactment thereof, for the time being in force), and the applicable regulations of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any modification(s) or

re-enactment for the time being in force), Mr. Barun Naskar (DIN: 08554231), who was appointed as an Additional Director of the Company with effect from 06th September, 2019, and who holds office only upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as a Non – Executive Independent Director of the Company for a period of 5 years .

Item No.6- 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.”

Item No.7- 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: 06/09/2019

Place: New Delhi

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

**Sd/-
Ramesh Kumar Dalmia
(Director)
DIN: 03257468**

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 21st September, 2019 to 28th September, 2019 (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 2018-19 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 2018-19 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 28th 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 27th Annual General Meeting and the Annual Report for 2018-19 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**

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> 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	<p>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.</p>
Dividend Bank Details	<p>Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.</p> <ul style="list-style-type: none"> 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.

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 20.09.2019, 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 10.00 a.m. on 25th of September, 2019 and will end at 5.00 p.m. on 27th of September, 2019. 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:
- (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 25th September, 2019 (10.00 a.m.) and ends on 27th September, 2019 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 20.09.2019 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: 06/09/2019

Place: New Delhi

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

**Sd/-
Ramesh Kumar Dalmia
(Director)
DIN: 03257468**

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 & 7 of the accompanying Notice:

ANNEXURE: NOTE NO. 4 & 5**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:*

Name	Mr Jagdev Yadav	Mr Barun Naskar
Date of Birth	01/01/1975	20/10/1987
Nationality	Indian	Indian
Designation	Non Independent Executive Director	Non-Executive Independent Director
Expertise	He is a XII passed and has vast experience in the field of Marketing & finance.	He is a XII passed and specialise in Accounting & Taxation
Date of Appointment	06/09/2019	06/09/2019
Shares held in the Company	NIL	NIL
Names of the Companies in which Directorship held	NIL	NIL
Membership of Committees of the Board	NIL	NIL
Disclosure of relationships between Directors inter-se and other Key Managerial Personnel	None	None
Terms and conditions of appointment / re-appointment	For 5 years	For 5 years
Number of Board Meetings attended during the year (2018-19)	NA	NA

For Item No. 6

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.7

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.

Date: 06/09/2019

Place: New Delhi

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

**Sd/-
Ramesh Kumar Dalmia
(Director)
DIN: 03257468**

Directors' Report

Dear Members,

Your Directors have pleasure in presenting their 27th Annual Report together with the Audited Accounts of the Company for the Year ended March 31, 2019.

FINANCIAL SUMMARY OR HIGHLIGHTS/PERFORMANCE OF THE COMPANY

The Standalone Financial results are summarized below:

Particulars	(Amount in Lacs)	
	March 31, 2019	March 31, 2018
Total Income	264.56	294.98
Total Expenditure	237.61	268.77
Profit Before Tax	26.95	26.20
Provision for Tax	7.01	6.74
Profit after Tax	19.94	19.45
Transfer to Statutory Reserves	3.99	3.89
Profit available for appropriation	-	0.86
Provision for Proposed Dividend	-	-
Provision for Dividend Tax	-	-
Balance Carried to Balance Sheet	16.19	14.70

TRANSFER TO RESERVE

The Company has transferred Rs.3,98,786 u/s 45-IC of the RBI Act, 1934

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, 2019.

SHARE CAPITAL

The paid up equity capital as on March 31, 2019 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 **6(Six)** times on **04.05.2018, 23.05.2018, 13.08.2018, 04.09.2018, 10.11.2018** and **07.02.2019** 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 Cr. or more, or turnover of Rs. 1000 Cr. or more, or a net profit of Rs. 5 Cr. 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 an 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 committees or act as chairman of more than 5 committees 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 Officer 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) Retirement 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 01.02.2019 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 2018-19. 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 2018-19 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: 06/09/2019

Corporate Governance Report

The Directors present the Company's Report on Corporate Governance pursuant to Regulation 27(2) of the SEBI (LODR) Regulation, 2018 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's Philosophy on Corporate Governance as adopted by its Board of Directors is to:

- Ensure that the quantity, quality and frequency of financial and managerial information, which the management shares with the Board, fully place the Board Members in control of the Company's affairs.
- Ensure that the Board exercises its fiduciary responsibilities towards shareowners and creditors, thereby ensuring high accountability.
- Ensure that the extent to which the information is disclosed to present and potential investors is maximized.
- Ensure that the decision making is transparent and documentary evidence is traceable through the minutes of the meetings of the Board / Committees thereof.
- Ensure that the Board, the Management, the Employees and all concerned are fully committed to maximizing long-term value to the stakeholders and the Company.
- • Ensure that the core values of the company are protected

II. BOARD OF DIRECTORS:

i. Size and Composition of the Board:

The current policy is to have an appropriate mix of Executive and Independent Directors to maintain the independence of the Board and separate its functions of governance and management. As on March 31, 2019 the company has three Directors with an Executive chairman and a Non-Executive Vice Chairman. Of the 3 directors, 2 are Non-Executive Directors and Independent Directors which meets the requirement of not less than 50% being non-executive Directors. The composition of the Board is in conformity with Regulation 17(1) of the Listing Regulations and Section 149 of the Companies Act, 2013.

All the Directors have informed the Company periodically about their directorship and membership on the Board Committees of other public limited companies. As per disclosure received from Director(s), none of the Directors on the Board hold membership in more than ten (10) committees or chairmanship in more than five (5) committees across all the public limited companies in which he / she is a Director.

The compositions of the Board, as on March 31, 2019 are as follows:

Name of the Director	Category	Attendance		Attendance at the Last AGM	Number of Committee positions held in other public companies		
		Held	Attended		Directorship	Chairman	Member
Mr. Ram Bimal Patodia DIN: 07554968	Executive Director, Chairperson, MD	6	6	Yes	01	Nil	Nil
Mr. Ramesh Kumar Dalmia DIN: 03257468	Non-Independent Director (Executive)	6	6	Yes	02	Nil	Nil
Ms. Sunitha Gupta DIN- 07133097	Independent Director (Non-Executive)	6	6	Yes	02	Nil	Nil

Notes:

- The Directorship held by Directors as mentioned above, do not include Alternate Directorships and Directorships of Foreign Companies, Section 8 Companies Act 2013.
- In accordance with SEBI (LODR) Regulation, Membership/ Chairmanships of only the Audit Committee and Shareholders/ Investors Grievance Committees of all public limited companies have been considered.
- None of the Non-Executive directors have any material pecuniary relationship or transactions with the company other than for holding directorship and receiving sitting fees.
- All the directors who are on various Committees are within the permissible limits of the listing agreement. The Directors have intimated from time to time their membership in the various Committees in other Companies.

ii. Independent Directors are Non-Executive Directors as defined under Regulation 16(1)(b) of the Listing Regulations

The maximum tenure of the Independent Directors is in compliance with the Companies Act, 2013. All the Independent Directors have confirmed that they meet the criteria as mentioned under Section 149(6) of the Companies Act, 2013 and Regulation 16(1) (b) of the Listing Regulations.

During the year under review, a separate meeting of the Independent Directors was held on 08th January, 2019 inter-alia to discuss:

- Evaluation of the performance of Non- Independent Directors and the Board of Directors as a whole;
- Evaluation of the performance of Chairman of the Company, taking into view of the executive and Non-Executive Directors.
- Evaluation of the quality, content and timeliness of flow of information between the management and the Board that is necessary for the Board to effectively and reasonably perform its duties.

All the Independent Directors were present for this meeting.

iii. Number of Board Meetings:

During the year ended March 31, 2019, **6(Six)** Board Meetings were held on **04.05.2018, 23.05.2018, 13.08.2018, 04.09.2018, 10.11.2018** and **07.02.2019** the gap between two meetings did not exceed 120 days.

The necessary quorum was present for all the meetings.

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:

1. Oversight of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the Company.
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing with the management, annual financial statements and auditor's report thereon, before submission to the board for approval, with particular reference to:
 - Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section 3 of section 134 of the Act.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements
 - Disclosure of any related party transactions.
5. Reviewing with the management, the quarterly Financial Statements before submission to the Board for approval.
6. Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, right issue, preferential issue, etc.,) the statements of funds utilized for purposes other than those stated in the offer document/ prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or right issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring auditor's independence and performance, and effectiveness of audit process;
8. Scrutiny of inter-corporate loans and investments;
9. Valuation of undertakings or assets of the company, wherever it is necessary;
10. Evaluation of internal financial controls and risk management systems;
11. Reviewing with the management, performance of statutory and internal auditor, adequacy of the internal control systems;
12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussion with internal auditors of any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by any internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control system of material nature and reporting the matter to the board;

15. Discussion with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of a concern;
16. To look into the reason for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
17. To review the functioning of the Whistle blower mechanism;
18. Approval of appointment of Chief Financial Officer after assessing the qualifications,
19. Carrying out any other function as is mentioned in the terms of reference of the audit committee;
20. To review the following information:
 - The management discussion and analysis of financial condition and result of operation;
 - Statement of significant related party transactions (as defined by the audit committee), submitted by management;
 - Management letters/ letters of internal control weaknesses issued by the Statutory Auditors;
 - Internal audit reports relating to internal control weaknesses;
 - The appointment, removal and terms of remuneration of Chief Internal Auditor;

ii. Number of Audit Committee Meetings held and the dates on which held:

All members of the Audit Committee are financially literate and they have accounting or related financial management expertise. The Audit Committee met 5 times during the financial year ended 31st March, 2019. 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. Ramesh Kumar Dalmia	Member	4 of 4
3.	Mr. Ram Bimal Patodia	Member	4 of 4

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 **1 time** during the financial year dated 10.11.2018. The attendance records of the members at the meeting were as follows:

Sr. No.	Name	Designation	No of Meetings held/attended
1.	Mr. Ram Bimal Patodia	Executive Director, Member	1 of 1
2	Mr. Ramesh Kumar Dalmia	Non-Executive - Independent Director, Member	1 of 1
3.	Ms. Sunitha Gupta	Non-Executive - Independent Director, Chairperson	1 of 1

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. Chief Executive Officer (CEO)/Managing Director (MD) & Chief Financial Officer (CFO) –

(a) 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:

i. 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 **1 time** during the financial year dated **04.05.2018** as on ended 31st March, 2019. The attendance records of the members at the meeting were as follows:

Sr. No.	Name	Designation	No of Meetings held/attended
1.	Mr. Ram Bimal Patodia	Executive Director, Member	1 of 1
2	Mr. Ramesh Kumar Dalmia	Non-Executive - Independent Director, Member	1 of 1
3.	Ms. Sunitha Gupta	Non-Executive - Independent Director, Chairperson	1 of 1

ii. Terms Of Reference:

The terms of reference of the Stakeholders' Relationship Committee are as under:

- Look into the redressal of shareholders' and investors' complaints/grievances like transfer of shares, non-receipt of Balance Sheet, non-receipt of declared dividend etc.;
- To review and ensure that the Registrar/Company's Transfer House implements all statutory provisions as above.
- Review the certificate of Practicing Company Secretary regarding timely action of transfer, sub-division, consolidation, renewal exchange or endorsement of calls/allotment monies.
- Oversee the performance of Registrar and Share Transfer Agent and recommend measures for overall improvement in the quality of investor services;
- Ascertain whether the Registrars and Share Transfer Agents (RTA) are sufficiently equipped with the infrastructure facilities such as adequate manpower, computer hardware and software, office space, documents handling facility etc. to serve the shareholders/investors;
- Recommend to the Board, the appointment, reappointment, if required, the replacement or removal of the Registrar and Share Transfer Agent and the fixation of their fees;
- To carry out any other function as required by Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulation, 2015, Companies Act and other Regulations.

iii. Email id for Investor Grievances:

franklinleasingfinance@gmail.com

iv. Details of shareholders' complaints received during the financial year ended March 31, 2019, number not solved to the satisfaction of shareholders and numbers of pending complaints are as follows:

Received during the year	NIL
Pending	NIL
Received during the year	NIL
Pending	NIL

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
2017-18	29th September, 2018	AGM	Unit/Shop No.205,Second Floor, Aggarwal City Mall Road No.44,Pitampura, Delhi-110034
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

ii) Special Resolution:

During the Financial Year 2018-19, the members of the Company had passed 3(three) 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. MEANS OF COMMUNICATION:

I. Quarterly Results:

Quarterly Results are published in leading English dailies and in local vernacular newspaper having wide circulation in West Bengal.

II. News Release, Presentation etc.:

Official news releases, detailed presentations made to media, analysts, institutional investors, etc. are displayed on the Company's website.

III. Website:

The Company's website www.franklinleasing.in carries a separate dedicated section 'Investor Relations' where shareholders information is available. Full Annual Report is also available on the website in a user friendly and downloadable form.

IV. Annual Report

Annual Report containing, inter-alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management Discussion and Analysis (MD&A) and Corporate Governance Report form part of the Annual Report

V. Corporate filing with Stock Exchanges

All announcements, Quarterly Results, Shareholding Pattern etc. of the Company are also filed with the Stock Exchanges within prescribed timeline.

VI. 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, 2019 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.

VII. 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.

VIII. ANNUAL GENERAL MEETING

Day & Date : Saturday, 28th day of September, 2019

Time : 3:00 P.M

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

Book Closure Date : 21st September, 2019 to 28th September, 2019 (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 28, 2019.

b) Financial Calendar:

Calendar for Financial Year ended 31st March, 2019:

The meetings of Board of Directors for approval of quarterly financial results during the Financial Year 2018- 19 were held on the following dates

1st Quarter results	August 13, 2018
2nd Quarter results	November 10, 2018
3rd Quarter results	February 07, 2019
Audited Yearly Results	May 29, 2019

c) 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

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

e) CIN: L74899DL1992PLCo48028

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

g) Market Price Data :

The Shares of the Company were listed for trading during the year 2018-19.

➤ **Market Price Data:**

Month	High (Rs.)	Low (Rs.)	Volume (Nos.)
April, 2018	19.50	18.20	9,36,000
May, 2018	18.20	20.50	6,96,000
June, 2018	28.80	20.60	7,60,000
July, 2018	25.60	19.00	3,40,000
August, 2018	29.60	20.25	8,24,000
September, 2018	30.65	26.00	5,48,000
October, 2018	33.10	25.65	5,32,000
November, 2018	33.95	31.10	4,88,000
December, 2018	33.40	29.50	4,24,000
January, 2019	32.50	30.05	3,76,000
February, 2019	33.50	25.20	4,48,000
March, 2019	27.00	18.50	2,28,000

g) 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.

h) 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/>

i) Share Transfer System:

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

• **Shareholding Pattern:**

The shareholding of Distribution of shareholders as on 31st March, 2019 is given below:

Share or Debenture holding Nominal Value	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount	% to Total Amount
1	2	3	4	5
Up To 5,000	0	0	0	0
5001 To 10,000	0	0	0	0
10001 To 20,000	0	0	0	0
20001 To 30,000	0	0	0	0
30001 To 40,000	5	7.04	200000	0.13
40001 To 50,000	1	1.41	48000	0.03
50001 To 1,00,000	4	5.63	320000	0.2
1,00,000 and Above	61	85.92	157256000	99.64
Total	71	100	157824000	100

• **Categories of Shareholders as on March 31, 2019**

Sl. No.	Category	No. of shares held	% of shareholding
1.	Promoters & Promoter Group	4257600	26.98
2	Public - Bodies Corporate	8814010	55.85
3	Public - Indian public	2022790	12.81
4	Public - Others	688000	4.36
	TOTAL	15782400	100.00

l) Dematerialization of shares and liquidity:

Trading in the Company's shares is permitted only in dematerialized form for all investors as per notifications issued by the SEBI. The Company has established connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) through the Registrars to enable shareholders to hold their shares in electronic form and to facilitate script less trading.

Sl No.	Particulars	No. of shares	% to Capital
1.	NSDL	2101000	13.31
2.	CDSL	13681400	86.69
3.	Physical	Nil	Nil
	Total	15782400	100.00

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, Raju Kumar Ram, Chief Finance Officer of Franklin Leasing and Finance Ltd to the best of my knowledge and belief certify that:

1. I have reviewed the balance sheet and profit and loss account, and all its schedules and notes to accounts, as well as the cash flow statement.
2. Based on my knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.
3. Based on my knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations.
4. To the best of my knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or violate of the Company's Code of Conduct.
5. I am responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
6. I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps taken or proposed to be to rectify the deficiencies;

I have indicated to the Auditors and the Audit Committee:

- a) Significant changes in the Company's internal control over the financial reporting during the year;
- b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
- c) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**FOR AND ON BEHALF OF THE BOARD,
FRANKLIN LEASING AND FINANCE LTD**

**Place: New Delhi
Date: 06/09/2019**

**Sd/-
Raju Kumar Ram
Chief Financial Officer**

CERTIFICATE OF CORPORATE GOVERNANCE REPORT

**To,
The Members of
FRANKLIN LEASING AND FINANCE LIMITED**
Unit/Shop No.205, Second Floor,
Aggarwal City Mall, Road No.44,
Pitampura, Delhi-110034

I have reviewed the implementation of Corporate Governance procedures by Franklin Leasing and Finance Limited during the year ended 31st March, 2019, with the relevant records and documents maintained by the Company, furnished to me for my review and the report on Corporate Governance as approved by the Board of Directors.

The compliance of conditions of corporate governance is the responsibility of the management. My examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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.

On the basis of my review and according to the information and explanations given to me, the company has complied with the conditions of Corporate Governance as stipulated in Regulation 27(2) of LODR with the Stock Exchanges in all material respects. There were no Investors grievances pending for a period exceeding one month against the Company as per the records maintained by the Stake Holders Relationship Committee.

**For Akhil Agarwal
Practicing Company Secretary**

Sd/-

**Akhil Agarwal
Proprietor
ACS No. 35073
CP No.: 16313**

**Place: Kolkata
Date: 29/08/2019**

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS
(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,
The Members of
Franklin Leasing and Finance Limited
Unit/Shop No.205, Second Floor,
Aggarwal City Mall, Road No.44,
Pitampura, Delhi-110034.

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **Franklin Leasing and Finance Limited** having CIN L74899DL1992PLC048028 and having registered office at **Unit/Shop No.205, Second Floor, Aggarwal City Mall, Road No.44, Pitampura, Delhi-110034.**(hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in), BSE as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

SR. NO.	NAME OF DIRECTORS	DIN
1	RAMESH KUMAR DALMIA	03257468
2	SUNITHA GUPTA	07133097
3	RAM BIMAL PATODIA	07554968

I further hereby inform that, ensuring the eligibility for the appointment / continuity of Director on the Board is the responsibility of the Company. Our responsibility is to issue this certificate based on verification of documents and information available in the public domain. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For AkhilAgarwal
Practicing Company Secretary

Sd/-
AkhilAgarwal
Proprietor
ACS No. 35073
CP No.: 16313

Place: Kolkata
Date: 29/08/2019

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: 06/09/2019

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

CFO CERTIFICATE

I, Raju Kumar Ram, Chief Finance Officer of Franklin Leasing and Finance Ltd to the best of my knowledge and belief certify that:

7. I have reviewed the balance sheet and profit and loss account, and all its schedules and notes to accounts, as well as the cash flow statement.
8. Based on my knowledge, information and belief, these statements do not contain any untrue statement of a material fact or omit to state a material fact that might be misleading with respect to the statements made.
9. Based on my knowledge, information and belief, the financial statements and other financial information included in this report present a true and fair view of the company's affairs for the period presented in this report and are in compliance with the existing accounting standards, applicable laws and regulations.
10. To the best of my knowledge, information and belief, no transactions entered into by the company during the year are fraudulent, illegal or volatile of the Company's Code of Conduct.
11. I am responsible for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting.
12. I have disclosed, based on my most recent evaluation, wherever applicable, to the Company's Auditors and the Audit Committee of the Company's Board of Directors all significant deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps taken or proposed to be to rectify the deficiencies;

I have indicated to the Auditors and the Audit Committee:

- a) Significant changes in the Company's internal control over the financial reporting during the year;
- b) All significant changes in accounting policies during the year, if any, and that the same have been disclosed in the notes to the financial statements;
- c) Any fraud, whether or not material, that involves management or other employees who have a significant role in the Company's internal control system over financial reporting.

**FOR AND ON BEHALF OF THE BOARD,
FRANKLIN LEASING AND FINANCE LTD**

**Place: Mumbai
Date: 06/09/2019**

**Sd/-
Raju Kumar Ram
Chief Financial Officer**

FORM MR -3
SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2019
[Pursuant to section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
Franklin Leasing and Finance Limited
Unit/Shop No.205, Second Floor,
Aggarwal City Mall, Road No.44,
Pitampura, Delhi-110034

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s Franklin Leasing And Finance Limited** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorised representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 complied with the Statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2019 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made there under;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period).**
5. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
 - a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009-**(as the company has not issued any shares during the financial year under review; the said regulations was not applicable to the Company);**
 - d) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993- **(as the Company is not registered as Registrar to Issue and Share Transfer Agent during the year under review, the said regulation are not applicable to the company);**
 - e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 – **(The equity shares of the company are neither delisted nor proposed to be delisted. Hence the provision of said regulation are not applicable to the company);**

- f) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 – ***(The Company has not bought back or propose to buy-back any of its securities during the year under review, the said regulation are not applicable to the company ;)***
- g) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999- ***(as the Company has not issued any shares/options to directors/employees under the said guidelines / regulations during the year under review, the said regulation was not applicable to the company);***

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

- Secretarial Standards with respect to Meeting of Board of Director(SS-1), General Meeting (SS-2) and Dividend (SS-3) issued by The Institute of Company Secretaries of India related to Board meetings, General Meeting and Dividend;
- The Listing Regulations Issued by the SEBI i.e. SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

Further based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the course and conduct of Secretarial Audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2018 complied with proper Board-processes and compliance mechanism in place to the extent, in the manner as required under the various provisions of Companies Act, 2013, SEBI Act, 1992 and all other laws and applicable provisions there under mentioned above.

I further report that

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.
- Proper notice is given to all Directors to schedule the Board meetings in compliance with the provisions of Section 173(3) of the Companies Act, 2013, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.
- Decisions at the meetings of the Board of Directors of the Company were carried through on the basis of majority. There were no dissenting views by any member of the Board of Directors during the period under review.

I further report that there are adequate systems and processes in the Company, commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines except granting of Loans and scale of operation over purchase and sale of shares, inventory and for expenses incurred.

I further Inform/report that during the year under review, the following events or actions had a major bearing on its affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.:

I further report that:

- During the audit period, there were no instances of:
 - (i) Public/Rights/Preferential issue of Shares/debentures/ sweat equity.
 - (ii) Redemption/buy-back of securities.
 - (iii) Merger/ amalgamation/ reconstruction etc.
 - (iv) Foreign technical collaborations

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

For Akhil Agarwal

Practicing Company Secretary

Sd/-

Akhil Agarwal

Proprietor

ACS No. 35073

CP No.: 16313

Place: Kolkata

Date: 29/08/2019

“ANNEXURE A”

**To,
The Members,
Franklin Leasing and Finance Limited**
Unit/Shop No.205, Second Floor,
Aggarwal City Mall, Road No.44,
Pitampura, Delhi-110034

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

1. Maintenance of Secretarial records is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in Secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, we have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of efficacy or effectiveness with which the management has conducted the affairs of the Company.

**For Akhil Agarwal
Practicing Company Secretary**

**Sd/-
Akhil Agarwal
Proprietor
ACS No. 35073
CP No.: 16313**

**Place: Kolkata
Date: 29/08/2019**

Form No. MGT-9

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2019

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

I. REGISTRATION & OTHER DETAILS:

i	CIN	:	L74899DL1992PLC048028
ii	Registration Date	:	16/03/1992
iii	Name of the Company	:	FRANKLIN LEASING AND FINANCE LIMITED
iv	Category of the Company	:	Public Company
v	(a) Address of the Registered office	:	UNIT/SHOP NO.205, SECOND FLOOR, AGGARWAL CITY MALL, ROAD NO.44, PITAMPURA, DELHI - 110034.
	(b) Contact details		franklinleasingfinance@gmail.com
vi	Whether listed company	:	Yes
vii	Name and Address and Contact detail of Registrar & Transfer Agents, if any	:	Skyline Financial Services Private Limited D-153A, 1st Floor, Okhla Industrial area, Phase-I, New Delhi-110020. Email: viren@skyline

II PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY

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

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

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY /ASSOCIATE	% of shares held	Applicable Section
1	Nil	-	-	-	-

Note: Section 2(87) is for Subsidiary company, Section 2(6) is for Associate Company

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 [As on 1-April-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
(1) Indian									
a) Individual/HUF	80,000	-	80,000	0.51%	80,000	-	80,000	0.51%	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	4,177,600	-	4,177,600	26.47%	4,177,600	-	4,177,600	26.47%	-
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total A1:-	4,257,600	-	4,257,600	26.98%	4,257,600	-	4,257,600	26.98%	-
(2) Foreign									
a) NRI - Individual/	-	-	-	-	-	-	-	-	-
b) Other - Individual/	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Others	-	-	-	-	-	-	-	-	-
Sub-total A2:-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = A1+A2	4,257,600.00	-	4,257,600	26.98%	4,257,600.	-	4,257,600	26.98%	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	-	-	-	-	-	-	-	-
h) Foreign									

Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total B1:-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	8,814,010	-	8,814,010	55.85%	9,896,800	-	9,896,800	62.71%	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals				-				-	-
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	78,790	-	78,790	0.50%	48,000	-	48,000	0.30%	-
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1,944,000	-	1,944,000	12.32%	1,392,000	-	1,392,000	8.82%	-
c) Others (specify)	688,000	-	688,000	4.36%	188,000	-	188,000	1.19%	-
Sub-total (B)(2):-	11,524,800	-	11,524,800	73.02%	11,524,800	-	11,524,800	73.02%	-
Total Public Shareholding (B)	11,524,800	-	11,524,800	73.02%	11,524,800	-	11,524,800	73.02%	-
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Total of share held by Costodian (C)	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	15,782,400	-	15,782,400	100%	15,782,400	-	15,782,400	100%	-

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

ii. Shareholding of Promoters

Sr. No.	Shareholder's Name	No. of Shares held at the beginning of the year [As on 1-April-2018]			No. of Shares held at the end of the year [As on 31-March-2019]			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Confident Financial Advisory Pvt. Ltd.	4,177,600	26.47%		4,177,600	26.47%		
2	Pawan Dalmia	80,000	0.51%		80,000	0.51%		
	Total	4,257,600	26.98%		4,257,600	26.98%		

iii. Change in Promoters' Shareholding

Sr. No.	Shareholder's Name	Shareholding				Date	Increase / Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares held at the beginning of the year [As on 1-April-2018]	% of total Shares of the company	No. of Shares held at the end of the year [As on 31-March-2019]	% of total Shares of the company				No. of Shares	% of total Shares of the company
		-	-	-	-	-	-	-	-	-
	Total									

iv. Shareholding Pattern of top ten Shareholders: (Other than Directors, Promoters and Holders of GDR's and ADR's)

Sr. No.	Shareholder's Name	Shareholding				Date	Increase / Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares held at the beginning of the year [As on 1-April-2018]	% of total Shares of the company	No. of Shares held at the end of the year [As on 31-March-2019]	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Kaksh Impex Private Limited	2231500	14.14 %	2231500	14.14%					
2	Surakshit Merchants Private Limited	2166400	13.73%	2166400	13.73%					
3	Veenit Builders Private Limited	1665450	10.55%	856450	5.43%	21/09/2018	Decrease	Sale	856450	5.43%

4	Symbiox Investment & Trading Co Ltd	0	0.00%	676000	4.28%	22/03/2019	Increase	Purchase	676000	4.28%
5	SK Growth Fund Pvt Ltd	472000	2.99%	596000	3.78%	14/12/2018	Increase	Purchase	596000	3.78%
6	Midland Financial Advisory Pvt Ltd	424000	2.69%	568000	3.60%	14/12/2018	Increase	Purchase	568000	3.60%
7	Yamini Investments Co Ltd	0	0.00%	517000	3.28%	31/08/2018	Increase	Purchase	517000	3.28%
8	ARC Finance Ltd	0	0.00%	352000	2.23%	14/12/2018	Increase	Purchase	352000	2.23%
9	Gyandeep Financial Advisory Pvt Ltd	0	0.00%	280000	1.77%	29/03/2019	Increase	Purchase	280000	1.77%
10	Indivar Realtors Pvt Ltd	228750	1.45%	228750	1.45%					
TOTAL		7188100	45.55%	8472100	53.69%					

v Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholder's Name	Shareholding				Date	Increase / Decrease in Shareholding during the year	Reason	Cumulative Shareholding during the year	
		No. of Shares held at the beginning of the year [As on 1-April-2018]	% of total Shares of the company	No. of Shares held at the end of the year [As on 31-March-2019]	% of total Shares of the company				No. of Shares	% of total Shares of the company
1	Pawan Dalmia	80000	0.51%	80000	0.00%					

V. INDEBTEDNESS

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

Sl. No.	Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtness
i	Principal Amount	-	-	-	-
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		-	-	-	-
Change in Indebtedness during the financial year					
i.	Addition	-	-	-	-
ii.	Reduction	-	-	-	-
Net Change		-	-	-	-
Indebtedness at the end of the financial year					
i	Principal Amount	-	-	-	-
ii	Interest due but not paid	-	-	-	-
iii	Interest accrued but not due	-	-	-	-
Total (i+ii+iii)		-	-	-	-

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. 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				
	(a) Salary as per provisions contained in Sec 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	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	-	-	-
Ceiling as per the Act (Being 10% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)					

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

ii. Remuneration to other directors:

Sl. no.	Particulars of Remuneration				Total Amount
1	Independent Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (1)				-
2	Other Non-Executive Directors				
	Fee for attending board committee meetings	-	-	-	-
	Commission	-	-	-	-
	Others, please specify	-	-	-	-
	Total (2)				-
	Total				-
	Total Managerial Remuneration				-
	Overall Ceiling as per the Act (Being 11% of the Net Profits of the Company as calculated under Section 198 of the Companies Act, 2013)				-

iii. 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	-	240,000.00	345,870.00	585,870.00
	(a) Salary as per provisions contained in Sec 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	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others, please specify	-	-	-	-
	Total	-	240,000.00	345,870.00	585,870.00

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES

1	Against the Company	None
2	Against the Directors	None
3	Against other Officers in Default under the Companies Act, 2013:	None

Management Discussion and Analysis Report



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 2018-19 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 2018-19. However the company from now onwards has commenced a process of improving our internal systems inclu ding 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 2019-2019 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, 2018 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 Delhi, 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 2018-19.

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 2018-19, 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.



INDEPENDENT AUDITOR'S' REPORT
TO THE MEMBERS OF FRANKLIN LEASING AND FINANCE LIMITED
Report on the audit of the Standalone financial statements

Opinion

We have audited the accompanying Standalone financial statements of Franklin Leasing And Finance Limited ("the Company"), which comprise the balance sheet as at March 31, 2019, and the Statement of Profit and Loss and statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the **Companies Act, 2013** ('Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, its profit (or Loss)* and cash flows for the year ended on that date.

Basis for opinion

We conducted our audit in accordance with the standards on auditing specified under section 143 (10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the auditor's responsibilities for the audit of the financial statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules there under, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the financial statements and auditors' report thereon

The Company's board of directors is responsible for the preparation of the other information. The other information comprises the information included in the Board's Report including Annexures to Board's Report, Business Responsibility Report but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

Management's responsibility for the Standalone financial statements

The Company's board of directors are responsible for the matters stated in section 134 (5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Auditor's responsibilities for the audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure "A", a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

The Company is a Non- Banking Financial Company not accepting public deposit and the Certificate of Registration No. B-14-02383 dated 22nd May, 2001 from Reserve Bank of India has been issued to the Company: -

- a. The Board of Directors of the company has passed a resolution for the non-acceptance of any public deposits.
- b. The company has not accepted any public deposits during the relevant year.
- c. The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it.

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

(a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;

(b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The balance sheet, the statement of profit and loss, and the cash flow statement dealt with by this report are in agreement with the books of account;

(d) In our opinion, the aforesaid financial statements comply with the accounting standards specified under section 133 of the Act, read with rule 7 of the **Companies (Accounts) Rules, 2014**;

(e) On the basis of the written representations received from the directors as on March 31, 2019 taken on record by the board of directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act;

(f) With respect to the adequacy of the internal financial controls and operating effectiveness of such controls, refer to our separate report in “Annexure B”. Our report expresses an unmodified opinion of the adequacy and operating effectiveness of the Company’s internal financial controls over financial reporting.

(g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us;

a. The Company does not have any pending litigations which would impact its financial position;

b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses; and

c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

FOR Anil Hariram Gupta & Co.
Chartered Accountants
Firm Regn. No. 327781E

Anil Gupta
Partner
Membership No. 066306
Place : New Delhi
Date : 29th May 2019



ANNEXURE A TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date)

1. The Company does not have Fixed Assets.
2. The inventory has been verified by the management during the year. In our opinion, the frequency of such verification is reasonable. According to the information and explanations given to us and as examined by us, no material discrepancies were noticed on such verification..
3. According to information and explanation given to us, the company has not granted any loan, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register required under section 189 of the Companies Act, 2013. Accordingly, paragraph 3 (iii) of the order is not applicable.
4. In our opinion and according to information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits and accordingly paragraph 3 (v) of the order is not applicable.
6. According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
7. (a) According to information and explanations given to us, the company is regular in depositing undisputed statutory dues including, income tax and any other statutory dues applicable to it with the appropriate authorities during the year. There were no undisputed amounts payable on account of the above dues in arrear as at March 31, 2019 for a period of more than six month from the date they become payable.

(b) According to information and explanations given to us, there are no outstanding statutory dues on the part of Company which is not deposited on account of dispute;
8. In our opinion and according to information and explanations given to us, the company has not obtained any loans and borrowings from any financial

institution, bank, government or dues to debenture holders, and hence question of default of repayment does not arise;

9. According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer. The Company has not taken any term loans from any bank or financial institution; accordingly, paragraph 3 (ix) of the order is not applicable.
10. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during the year.
11. According to information and explanations given to us, the Company has paid managerial remuneration in accordance with applicable provisions of the Companies Act, 2013;
12. As per information, the Company is not a Nidhi Company, hence provisions of sub- clause (xii) of the Paragraph 3 of the Order are not applicable;
13. According to information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc., as required by the applicable accounting standards;
14. According to information and explanations given to us and based on the examination of our records of the company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review;
15. According to information and explanations given to us and based on the examination of our records of the company, the Company has not entered into non- cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the order is not applicable.
16. According to information and explanations given to us, the Company is a Non-Banking Financial Company duly registered under Section 45-1A of the Reserve Bank of India Act, 1934.

FOR Anil Hariram Gupta & Co.
Chartered Accountants
Firm Regn. No. 327781E

Anil Gupta
Partner
Membership No. 066306
Place : New Delhi
Date : 29th May, 2019



ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF FRANKLIN LEASING AND FINANCE LIMITED

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **FRANKLIN LEASING AND FINANCE LIMITED** as of 31st March, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance 168 Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2019

FOR Anil Hariram Gupta & Co.
Chartered Accountants
Firm Regn. No. 327781E

Anil Gupta
Partner
Membership No. 066306
Place: New Delhi
Date: 29th May 2019

FRANKLIN LEASING & FINANCE LIMITED

CIN NO. L74899DL1992PLC048028
BALANCE SHEET AS ON 31ST MARCH 2019

Amt in Rupees

Particulars	Note	31st March 2019	31st March 2018
<u>EQUITY AND LIABILITIES</u>			
Shareholders' fund			
(a)Share Capital	3	157,824,000.00	157,824,000.00
(b)Reserves and Surplus	4	209,987,497.96	207,969,699.96
Non-Current liabilities			
(a)Long Term Borrowings	-	-	-
(b)Deffered Tax Liabilities	-	-	-
(c)Other Long Term Liabilities	-	-	-
(d)Long Term Provisions	5	811,354.00	835,224.00
Current liabilities			
(a)Short Term Borrowings	-	-	-
(b)Trade Payables	6	11,044,274.00	12,607,407.00
(c)Other Current Liabilities	-	-	-
(d)Short-Term Provisions	7	1,375,440.00	674,822.00
Total		381,042,565.96	379,911,152.96
<u>ASSETS</u>			
Non-Current Assets			
(a)Fixed Assets	-	-	-
(i) Tangible Assets	-	-	-
(ii) Intangible Assets	-	-	-
(b)Non Current Investments	-	-	-
(c)Deffered Tax Asset	-	6,359.07	6,496.07
(d)Long-Term Loans & Advances	-	-	-
(e)Other non-current assets	-	-	-
Current Assets			
(a)Current Investments	8	16,945,000.00	945,000.00
(b)Inventories	9	835,367.50	4,889,512.50
(c)Trade Receivables	10	5,158,919.48	5,233,919.48
(d)Cash & Cash Equivalents	11	6,610,134.53	13,595,652.02
(e)Short - Term Loans & Advances	12	351,486,785.38	355,240,572.89
(f)Other Current Aseets	-	-	-
Total		381,042,565.96	379,911,152.96

Summary of significant accounting polices 2

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 : 29.05.2019

Ram Bimal Patodia
Managing Director
DIN No.07554968

Ramesh Kumar Dalmia
Director
DIN No. 03257468

Raju Kumar Ram
Chief Financial Officer

Shanu Jain
Company Secretary/Compliance Officer

Membership No.-31293

FRANKLIN LEASING & FINANCE LIMITED

CIN NO. L74899DL1992PLC048028

STATEMENT OF TRADING & PROFIT AND LOSS FOR THE PERIOD ENDED ON 31ST MARCH 2019

Particulars	Notes	From 1st April 2018 to 31st March 2019 (Rupees)	From 1st April 2017 to 31st March 2018 (Rupees)
A. CONTINUING OPERATIONS			
Income			
(a) Revenue from operations	13	26,334,618.00	29,498,249.89
(b) Other Income	14	121,270.00	-
Total Revenue (I)		26,455,888.00	29,498,249.89
Expenses			
(a) Cost of Materials Consumed	-	-	-
(b) Purchases of Stock-in-Trade	15	16,161,500.00	-
(c) Changes in Inventories	16	4,054,145.00	21,658,075.00
(d) Employee benefit expenses	17	1,061,370.00	1,255,774.00
(e) Finance Costs	-	-	-
(f) Depreciation & amortise expenses	-	-	-
(g) Other Expenses	18	2,484,190.00	3,963,733.99
Total (II)		23,761,205.00	26,877,582.99
Profit/ (loss) before tax (I - II)		2,694,683.00	2,620,666.90
Tax expenses			
Current Tax		700,618.00	674,822.00
Deferred tax		137.00	157.00
Total Tax Expenses		700,755.00	674,979.00
Profit/ (loss) for the year after tax		1,993,928.00	1,945,687.90
Less: Contingent provision against standard assets		(23,870.00)	86,185.00
Less: Special reserve u/s 45-IC of the RBI Act, 1934		398,786.00	389,138.00
Net profit transfer to appropriation		1,619,012.00	1,470,364.90
Earning per share (EPS)			
[nominal value of share Rs. 10/-]			
Basic		0.1263	0.01233
Diluted		0.1263	0.1233

Summary of significant accounting policies **2**

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

Anil Gupta
Partner

M.N.-066306

Place : New Delhi

Date : 29.05.2019

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

Ram Bimal Patodia
Managing Director
DIN No.07554968

Ramesh Kumar Dalmia
Director
DIN No. 03257468

Raju Kumar Ram
Chief Financial Officer

Shanu Jain
Company Secretary/Compliance Officer

Membership No.-31293

FRANKLIN LEASING & FINANCE LIMITED
CIN NO. L74899DL1992PLC048028
CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH 2019

	For the year ended 31st March 2019 (Rupees)	For the year ended 31st March 2018 (Rupees)
CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and after extra- ordinary items (As per profit & loss account)	2,694,683.00	2,620,666.90
Adjustments for items not included	-	-
Operating Profit before working capital changes	2,694,683.00	2,620,666.90
Working capital adjustments: -		
(Increase)/ decrease in current loans and advances	3,753,787.51	(6,825,748.89)
(Increase)/ decrease in Trade receivables	75,000.00	(3,505,811.87)
(Increase)/ decrease in inventories	4,054,145.00	21,658,075.00
Increase/ (decrease) in current liabilities	(1,563,133.00)	(12,064,207.00)
Cash generated from operations	9,014,482.51	1,882,974.14
Direct Taxes Paid	-	(3,392,768.00)
Net cash flow from operating activities (A)	9,014,482.51	(1,509,793.86)
CASH FLOW FROM INVESTING ACTIVITIES		
(Increase)/ decrease in investments	(16,000,000.00)	4,200,000.00
Expenses for capital expenses	-	-
Purchase of fixed assets	-	-
Net cash flow from investing activities (B)	(16,000,000.00)	4,200,000.00
CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of equity shares	-	-
Increase/ (decrease) in share application money	-	-
Net cash flow from financing activities (C)	-	-
Net cash flow during the year (A + B + C)	(6,985,517.49)	2,690,206.14
Add: Opening cash and cash equivalents	13,595,652.02	10,905,445.88
Closing cash and cash equivalents	6,610,134.53	13,595,652.02
Components of cash and cash equivalents		
Cash in hand	454,903.00	1,445,423.00
Deposit with banks in current accounts	6,155,231.53	12,150,229.02
Toal cash and cash equivalents (note 8)	6,610,134.53	13,595,652.02

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

Anil Gupta
Partner

M.N.-066306

Place : New Delhi

Date : 29.05.2019

For and on behalf of the Board of Directors of

Franklin Leasing & Finance Limited

Ram Bimal Patodia
Managing Director
DIN No.07554968

Raju Kumar Ram
Chief Financial Officer
Officer

Ramesh Kumar Dalmia
Director
DIN No. 03257468

Shanu Jain
Company Secretary/Compliance

Membership No.-31293

FRANKLIN LEASING AND FINANCE LIMITED

(CIN NO. L74899DL1992PLC048028)

NOTES TO FINANCIAL STATEMENTS FOR THE PERIOD
FROM 1ST APRIL 2018 TO 31ST MARCH 2019

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 during the year.

e. Inventories

The company have inventories to the tune of Rs.8,35,367/-. 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.

Signed for the purpose of Identification

**For Anil Hariram Gupta & Co.
Chartered Accountants**

FRN-327781E

Anil Gupta

Partner

M.N.-066306

Place : New Delhi

Date : 29.05.2019

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

Sd/-

Ram Bimal Patodia

Managing Director

DIN No.07554968

Sd/-

Raju Kumar Ram

Chief Financial Officer

Sd/-

Ramesh Kumar Dalmia

Director

DIN No. 03257468

Sd/-

Shanu Jain

Company Secretary/Compliance Officer

Membership No.-31293

3. Share capital	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Authorised shares 1,60,00,000 Equity Shares of Rs.10/- each	160,000,000	160,000,000
Issued, subscribed and fully paid- up shares 1,57,82,400 Equity Shares of Rs.10/- each fully paidup	157,824,000	157,824,000
Total issued, subscribed and fully paid- up share capital	157,824,000	157,824,000

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

	As at 31st March 2019		As at 31st March 2018	
	No.	(Rupees)	No.	(Rupees)
Share Capital at the beginning of the period	15,782,400	157,824,000.00	15,782,400	157,824,000.00
Issue during the period	-	-	-	-
Outstanding at the end of the period	15,782,400	157,824,000.00	15,782,400	157,824,000.00

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 all the 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

<u>Name of Shareholders</u>		As at 31st March 2019		As at 31st March 2018	
		<u>No.</u>	<u>% of holding</u>	<u>No.</u>	<u>% of holding</u>
	Confident Financial Advisory Pvt. Ltd.	4177600	26.47	4177600	26.47
	Kaksh Impex Pvt. Ltd.	2231500	14.14	2231500	14.14
	Surakshit Merchant Pvt. Ltd.	2166400	13.73	2166400	13.73
	Veenit Builders Pvt. Ltd.	856450	5.43	1665450	10.55

4. Reserves and surplus	As at 31st March 2019	As at 31st March 2018
-------------------------	-----------------------	-----------------------

	(Rupees)	(Rupees)
<u>Securities premium account</u>		
Opening balance	197,940,000.00	197,940,000.00
Add: Premium on share capital (note 3)	-	-
Less: Utilized/ transfer during the period	-	-
Closing balance	197,940,000.00	197,940,000.00
<u>Special reserve u/s 45-IC of the RBI Act, 1934</u>		
Opening balance	2,695,169.00	2,306,031.00
Add: transfer from P&L a/c during the year	398,786.00	389,138.00
Less: Utilized/ transfer during the period	-	-
Closing balance	3,093,955.00	2,695,169.00
<u>Surplus/ (deficit) in statement of profit & loss</u>		
Balance as per last financial statements	7,334,530.96	5,864,166.06
Add: Profit/ (loss) for the year	1,619,012.00	1,470,364.90
Less: Utilized/ transfer during the period	-	-
Net (deficit) in statement of profit and loss	8,953,542.96	7,334,530.96
	209,987,497.96	207,969,699.96
5. Long-term provisions	As at 31st March 2019	As at 31st March 2018
Contingent provision against standard assets*		
Opening Balance	835,224.00	749,039.00
Add: Addition(written off) during the year	(23,870.00)	86,185.00
	811,354.00	835,224.00
*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 2019	As at 31st March 2018
	(Rupees)	(Rupees)
Audit fee payable	25,000.00	75,000.00
TDS Payable	4,300.00	9,000.00
Liabilities for Expenses	137,174.00	219,465.00
Sundry creditors	10,877,800.00	12,303,942.00
	11,044,274.00	12,607,407.00
7. Short-term provisions	As at 31st March 2019	As at 31st March 2018

		(Rupees)	(Rupees)
	Provision for income tax	1,375,440.00	674,822.00
		1,375,440.00	674,822.00
8.	Current Investments	As at 31st March 2019	As at 31st March 2018
		(Rupees)	(Rupees)
	Investment in equity shares	16,945,000.00	945,000.00
		16,945,000.00	945,000.00
9.	Inventories	As at 31st March 2019	As at 31st March 2018
		(Rupees)	(Rupees)
	Stock in trade	835,367.50	4,889,512.50
		835,367.50	4,889,512.50
10.	Trade Receivable	As at 31st March 2019	As at 31st March 2018
		(Rupees)	(Rupees)
	More than Six Month	5,158,919.48	1,723,919.48
	other	-	3,510,000.00
		5,158,919.48	5,233,919.48
11.	Cash and cash equivalents	As at 31st March 2019	As at 31st March 2018
	Cash in hand	454,903.00	1,445,423.00
	Balances with banks	6,155,231.53	12,150,229.02
		6,610,134.53	13,595,652.02
12.	Short-term loan and advances	As at 31st March 2019	As at 31st March 2018
		(Rupees)	(Rupees)
	Advances recoverable in cash or kind		
	Unsecured, considered good		
	Loans	324,541,537.38	334,089,563.89
	Advances	20,910,000.00	16,310,000.00
	Tax Deducted at Sources	5,880,248.00	4,686,009.00
	Income Tax Demand AY 14-15	155,000.00	155,000.00
		351,486,785.38	355,240,572.89
13.	Revenue from operations	For the half year ended	For the year ended
		As at 31st March 2019	As at 31st March 2018
		(Rupees)	(Rupees)
	Interest on loans	25,481,418.00	29,498,249.89
	Sales	853,200.00	-
		26,334,618.00	29,498,249.89
14.	Other Income	For the half year ended	For the year ended
		As at 31st March 2019	As at 31st March 2018

	(Rupees)	(Rupees)
Interest on I.T.Refund	121,270.00	-
	121,270.00	-
15. Purchase of trade goods	For the half year ended As at 31st March 2019 (Rupees)	For the year ended As at 31st March 2018 (Rupees)
Purchases of stock in trade	16,161,500.00	-
	16,161,500.00	-
16. Changes in inventories	For the half year ended As at 31st March 2019 (Rupees)	For the year ended As at 31st March 2018 (Rupees)
<u>Inventories at the beginning of the year</u>		
Stock in trade	4,889,512.50	26,547,587.50
	4,889,512.50	26,547,587.50
<u>Inventories at the end of the year</u>		
Stock in trade	835,367.50	4,889,512.50
	835,367.50	4,889,512.50
	4,054,145.00	21,658,075.00
17. Employee benefit expenses	For the half year ended As at 31st March 2019 (Rupees)	For the year ended As at 31st March 2018 (Rupees)
Salaries and wages	1,061,370.00	1,255,774.00
	1,061,370.00	1,255,774.00
18. Other administrative expenses	For the half year ended	For the year ended

	As at 31st March 2019 (Rupees)	As at 31st March 2018 (Rupees)
Auditors Remuneration	25,000.00	25,000.00
Advertisement Expenses	23,990.00	22,857.00
Bank Charges	118.00	1,542.35
Conveyance Expenses	182,965.00	175,863.00
Business Promotional Expenses	508,650.00	2,847,092.00
Depository Expenses	112,650.00	169,168.64
Rent	300,000.00	282,900.00
Bad Debt	773,260.00	-
General Expenses	20,473.00	17,482.00
Registrar Fee	17,700.00	-
Stock Exchange Listing Fees	37,526.00	-
Postage & Telegram	8,562.00	3,186.00
Filing Fees	4,500.00	-
Printing and Stationery	19,877.00	29,843.00
Professional Charges	336,160.00	307,860.00
Telephone & Mobile Expenses	38,935.00	42,536.00
Tax Audit Fee	10,000.00	-
Electricity Expenses	38,837.00	9,841.00
Books & Periodicals	24,987.00	28,563.00
	2,484,190.00	3,963,733.99

For Anil Hariram Gupta & Co.

Chartered Accountants

FRN-327781E

Anil Gupta

Partner

M.N.-066306

Place : New Delhi

Date : 29.05.2019

For and on behalf of the Board of Directors of

Franklin Leasing & Finance Limited

Ram Bimal Patodia

Managing Director

DIN No. 01541707

Ramesh Kumar Dalmia

Director

DIN No. 03257468

Raju Kumar Ram

Chief Financial Officer

Shanu Jain

Company Secretary/Compliance Officer

Membership No.-31293

FRANKLIN LEASING AND FINANCE LIMITED

CIN: U74899DL1992PLC048028

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 : U74899DL1992PLC048028

Name of the company : FRANKLIN LEASING AND FINANCE LIMITED

: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 27th Annual General Meeting of the company, to be held on the 28th day of September, 2019 At 03:00 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, 2019		
2.	To appoint a director in place of Mr. Ram Bimal Patodia[Din: 03257468] who retires by rotation and being eligible, offers himself for re-appointment.		
3.	To Retify 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 regularization of Mr. Jagdev Yadav (DIN: 08556048) as a Non Independent Executive Director and their remuneration.		
5.	To Approve regularization of Mr. Barun Naskar (DIN: 08554231) as a Non Executive Independent Director and their remuneration.		
6.	To Approve Special Resolution for Make Borrowing Upto 40 Cr.		
7.	To Approve Special Resolution for Provide loans, advances and investment upto 50 cr.		

Signed this.....day of..... 2019

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: U74899DL1992PLC048028

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 **27th ANNUAL GENERAL MEETING of the Company being held on 28th September 2019 at 03:00 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.

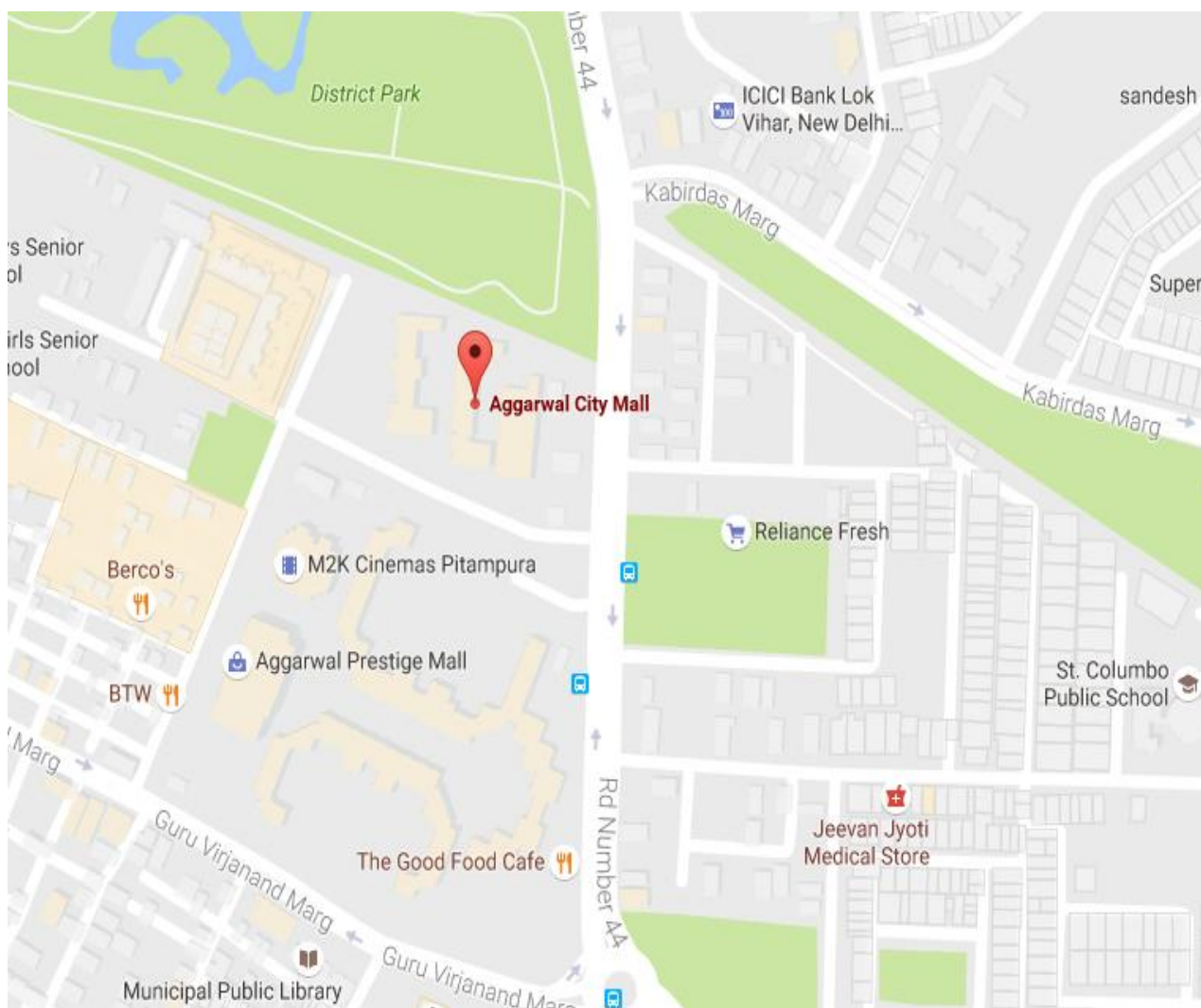
ELECTRONIC VOTING PARTICULARS

(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 06th September, 2019 of the 27th Annual General Meeting. The e-Voting period starts from 10.00 A.M. on 25.09.2019 and ends at 5.00 P.M. on 27.09.2019, the e-voting module shall be disabled by CDSL for voting thereafter.

ROAD MAP OF THE VENUE



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