

INTERACT LEASING AND FINANCE LIMITED

ANNUAL REPORT

2015-2016

Registered Office:

T-63, Ground Floor,
Near Khanna Market,
West Patel Nagar,
New Delhi- 110008

Email id: interact.leasing@gmail.com

CORPORATE INFORMATION	
BOARD OF DIRECTORS	COMPANY SECRETARY & COMPLIANCE OFFICER
Dharmik Narendrakumar Shah Whole Time Director Vandana Kumari Independent Director Kamlesh Kanaiyalal Joshi Independent Director	Ms. Sonali Saini Email I.D. interact.leasing@gmail.com Contact No. 011- 25876635
REGISTERED OFFICE	STATUTORY AUDITORS
T-63, Ground Floor, Near Khanna Market, West Patel Nagar, New Delhi- 110008 Email ID: interact.leasing@gmail.com , Website: www.interactleasing.com Phone: 011- 25876635	M/s. Arpan Chudgar & Associates, Chartered Accountants, 7-A, Zaveri Park Society, Nr. Little Flower School, Bhattha, Paldi, Ahmedabad - 380007
SECRETARIAL AUDITOR	REGISTRAR AND TRANSFER AGENT
Sudhakar Jha & Co. Company Secretaries	M/s Skyline Financial Services Private Limited D-153A, 1 st Floor, Okhla Industrial Area, Phase-I, New Delhi-110020 Contact No.: 011-64732681
BANKERS	STOCK EXCHANGE
HDFC Bank	The Ahmedabad Stock Exchange Limited Kamdhenu Complex, Opp. Sahajanand College, Panjrapole, Ahmedabad, Gujarat 380015

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NOTICE

Notice is hereby given that the **27th Annual General Meeting** of M/s Interact Leasing and Finance Limited will be held at the Registered Office of the Company on Tuesday, September 27th, 2016 at 12.00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To ratify appointment of Auditors and Fix their Remuneration for the year 2016-17.

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, 141, 142 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 as amended from time to time and pursuant to the recommendation of Audit Committee, the appointment of **M/s Arpan Chudgar & Associates, Chartered Accountants**, (having Firm's registration Number: 133877W), Statutory Auditors of the Company, which has been approved by the members at the 26th Annual General Meeting of the Company for a term of 5 years i.e. from the conclusion of the 26th Annual General Meeting until the conclusion of the 31st Annual General Meeting, be and is hereby ratified for the period of one year i.e. 2016-17 and that the Board of Directors of the Company be and are hereby authorized to fix such remuneration as may be determined in consultation with the auditors.”

SPECIAL BUSINESS

3. To Appoint Mr. Kamlesh Kanaiyalal Joshi as an Independent Director of the Company.

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

“RESOLVED THAT upon recommendation of the Nomination and Remuneration Committee, the provisions of Section 152, 161 and other applicable provisions, if any, of the Companies Act, 2013, **Mr. Kamlesh Kanaiyalal Joshi**, who was appointed as an Additional Director of the Company on 1st October, 2015 to hold the office only up to the date of the ensuing Annual General Meeting and in respect of whom, the Company has received a notice in writing under section 160 of the said Act from a member proposing the candidature of **Mr. Kamlesh Kanaiyalal Joshi** for the office of Director, be and is hereby appointed as Director of the Company.

RESOLVED FURTHER THAT subject to the Section 149, 152 and other applicable provisions of the Companies Act, 2013, Schedule IV thereto and the Rules made there under as amended from time to time, **Mr. Kamlesh Kanaiyalal Joshi**, who has submitted a declaration under section 149(7) of the Act, be and is hereby appointed as an Independent Director of the Company for a term up to five years i.e. from October 1st, 2015 to September 30th, 2020, whose period of office shall not be liable to retire by rotation.

**By Order of the Board of Directors
For Interact Leasing and Finance Limited**

Sd/-

Name: Dharmik Narendrakumar Shah

Designation: Director

DIN: 06839008

Address: B/2, Swapnil Apartment

Vishwa Kunj, Char Rasta Paldi

Ahmedabad-380007

Place: New Delhi

Date: 23/08/2016

NOTES:

- (1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll and such proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company. In order to be effective the proxies should be received by the company at its registered office not less than 48 hours before the meeting. Proxies submitted on behalf of corporate including companies, societies etc., must be supported by an appropriate resolution of the Board of Directors or other governing body.
- (2) Members are requested to bring their attendance slip alongwith their copy of Annual Report to the meeting, Proxies should fill in the attendance slip for attending the meeting.
- (3) Members are requested to quote their Folio Number/Client ID, in all correspondence and intimate any change in their address to the Share Transfer Agent/Depository Participant promptly.
- (4) Pursuant to the provisions of Section 101 of the Companies Act, 2013 read with Rules 18 of the Companies (Management and Administration) Rules, 2014, the Company is sending the Annual Report electronically on email addresses registered with the Depositories/the Company's Share Transfer Agent. For others, the company will continue to send the printed Annual Reports as usual. Shareholders wishing to receive the Annual Report in electronic mode are requested to provide their email address to the Company's Share Transfer Agent.
- (5) All documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 11.00 AM to 1.00 PM on any working day till the date of the meeting.
- (6) The Register of Members and the Share Transfer Books of the Company will remain closed from Friday, 23rd September, 2016 to Monday, 26th September, 2016 (both days inclusive) for the purpose of Annual General Meeting.
- (7) In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended and Regulation 44 of SEBI (LODR) Regulations, 2015, the Company is pleased to provide its members facility to exercise their right to votes on resolutions proposed to be considered at the 27th Annual General Meeting (AGM) though e-voting Services provided by National Securities Depository Limited (NSDL).

PROCESS FOR E-VOTING:

The voting period begins on 24th September, 2016 at 9.00 AM and ends on 26th September, 2016 at 5.00 PM. During this period, members of the company holding shares either in physical form or in dematerialized form, as on the cut-off date of 22nd September, 2016 may cast their vote electronically.

Kindly note that vote once casted cannot be modified. For EVEN, you can log-in any number of times on evoting platform of NSDL till you have voted all the resolutions or till the end date of voting period.

Note: e-Voting shall not be allowed beyond said time i.e. 26th September, 2016, 5:00 P.M.

The instructions for remote e-voting are as under:

1. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>.
2. Click on "Shareholder – Login"
3. Put your existing User ID and password.
4. Home page of remote "e-Voting" opens. Click on e-Voting: Active Voting Cycles.
5. Select "EVEN" Interact Leasing and Finance Limited.
6. Now you are ready for "e-Voting" as "Cast Vote" page opens.
7. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm", when prompted.
8. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signatures of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail at csvivekkumar@gmail.com with a copy marked to evoting@nsdl.co.in.

It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Kindly note that Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password, in such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.

Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.

You can also update your mobile number and e-mail id in the user profile details of the folio, which may be used for sending future communication(s).

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990. For any further grievance related to the Remote E-voting, members may contact NSDL at the following contact information:

Phone No+91 22 24994600/24994738

Email ID: evoting@nsdl.co.in

The result of voting will be announced at T-63, Ground Floor, Near Khanna Market, West Patel Nagar, New Delhi -110008 by the Chairperson of the AGM on Thursday, 29th September, 2016. The result of the voting will be communicated to the stock exchanges and will also be posted on the website of the Company.

Annexure to the NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("the Act")

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

ITEM No. 3

Mr. Kamlesh Kanaiyalal Joshi was appointed by the Board in its meeting held on October 1st, 2015 as an Additional Director in accordance with the provisions of section 161 of the Companies Act, 2013. **Mr. Kamlesh Kanaiyalal Joshi** holds his office as an Additional Director till the ensuing Annual General Meeting.

Pursuant to the provisions of the Companies Act, 2013 and Rules made there under which came into effect from 1st April, 2014, every listed public Company is required to have at least one third of the total number of Directors as Independent Directors, who are not liable to retire by rotation and such appointments are subject to certain criteria and for such terms as stated in the Act. Further, SEBI had notified SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 which also lays down certain criteria and requirements for Independent Directors.

Mr. Kamlesh Kanaiyalal Joshi has done Bachelors Degree in commerce. He has rich experience of 15 years in management and administration.

Mr. Kamlesh Kanaiyalal Joshi has given a declaration to the Company that he meets the criteria of Independence as provided under Section 149(6) of the Companies Act 2013. In the opinion of the Board, **Mr. Kamlesh Kanaiyalal Joshi** fulfils the conditions specified in the Act and the rules made thereunder and is independent of the management.

In compliance of the Act, the appointment of **Mr. Kamlesh Kanaiyalal Joshi** as an Independent Director is now being placed before the members for their approval for a term upto Five years i.e. from October 1st, 2015 to September 30th, 2020.

**By Order of the Board of Directors
For Interact Leasing and Finance Limited**

Sd/–

Name: Dharmik Narendrakumar Shah

Designation: Director

DIN: 06839008

Address: B/2, Swapnil Apartment

Vishwa Kunj, Char Rasta Paldi

Ahmedabad-380007

Place: New Delhi

Date: 23/08/2016

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting the Annual Report of your Company together with the Audited Balance Sheet as on 31st March, 2016 and the Profit & Loss Account for the year ended on that date.

Financial summary of the Company

The performance of the Company for the financial year ended 31st March, 2016 is summarized below:

Particulars	Year ended 31.03.2016	Year ended 31.03.2015
Income (Gross)	7,187,148	35,20,880
Expenditure	6,123,866	2,501,803
Profit/(Loss) before Exceptional and extraordinary Items and tax	1,063,282	10,19,077
Less:- Tax Expense		
- Current Tax/ Mat	—	314,895
- Deferred Tax Adjustment-Cr/Dr)	—	
Tax Adjustments for Earlier Year		
Profit after Tax	1,063,282	10,19,077

DIVIDEND

Your Directors intend to plough back available resources for financial requirements and express their inability to recommend any dividend for the financial year.

RESERVES

The company has not transferred any amount from the statement of profit and loss to general reserve during the year under review.

BUSINESS OPERATIONS

The fiscal year 2016 was a period of relative stability. During the year under review, your Company achieved a profit of Rs. 1,063,282/- before tax as against profit of Rs. 1,019,077/- before tax in the preceding financial year.

CHANGE IN NATURE OF BUSINESS

There has been no change in the nature of business during the year under review.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY

No significant and material orders were passed by any Regulator(s) or Court(s) or Tribunal(s) which would impact the going concern status of the company.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

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

CORPORATE SOCIAL RESPONSIBILITY

The provisions of Section 135(1) of the Companies Act, 2013 are not applicable to the company and therefore the company has no corporate Social Responsibility Committee of the Board.

SUBSIDIARIES, JOINT VENTURE AND ASSOCIATE COMPANY

The company has no Subsidiary, Joint venture and Associate company as at the end of the year.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Loans, Guarantees and Investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

RELATED PARTY TRANSACTIONS

There are no materially significant related party transactions made by the company with the promoters, key managerial personnel or other designated persons which may have potential conflict with the interest of the company at large. The related party transactions are given in Form No. AOC-2 marked **Annexure 'I'** and balance sheet.

DEPOSITS

The company has not accepted fixed deposits from the public during the financial year under review. The company did not have any deposits at the beginning of the financial year. Thus, provisions of Section 73 of the Companies Act, 2013 are not applicable to the company.

EXTRACT OF THE ANNUAL RETURN

The extract of the Annual Return in Form No.MGT – 9 as per Section 92 of the Companies Act 2013 is annexed as **Annexure 'II'**.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and Articles of Association of the Company, Mr. Kamlesh Kanaiyalal Joshi was appointed as an Additional Director with effect from 1st October, 2015 and he shall hold office up to the date of the ensuing Annual General Meeting.

The Board has proposed to appoint Mr. Kamlesh Kanaiyalal Joshi as an Independent Director to hold office for a term of 5 years with effect from 1st October, 2015 till 30th September, 2020 in this Annual General Meeting.

The Company has received requisite notice in writing from a member proposing the candidature of Mr. Kamlesh Kanaiyalal Joshi for appointment as Director of the Company.

The Company has received declaration from Mr. Kamlesh Kanaiyalal Joshi confirming that he meets with the criteria of Independence as prescribed both under sub-section (6) of section 149 of the Companies Act, 2013.

Further, the Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence as prescribed under sub-section (6) of Section 149 of the Companies Act, 2013.

Appointment of Company Secretary

The Company has appointed Ms. Sonali Saini, an Associate Member of the Institute of Company Secretaries of India, as Company Secretary of the Company w.e.f. 15th February, 2016.

BOARD MEETINGS

The Board met 14 times during the financial year 2015-16 on 03.04.2015, 04.05.2015, 22.05.2015, 25.05.2015, 30.05.2015, 13.06.2015, 03.08.2015, 14.08.2015, 03.09.2015, 01.10.2015, 03.10.2015, 09.11.2015, 12.02.2016 and 13.02.2016.

The intervening gap between any two consecutive meetings of the Board did not exceed one hundred and twenty days as prescribed under the Companies Act, 2013.

BOARD EVALUATION

A mechanism for formal annual evaluation has been devised by the Company. Evaluation of the Board, its Committees and the directors for the year 2015–16 has been done based on this mechanism. The mechanism provides for annual evaluation at the end of each year. The performance of the Board, Committees and individual directors are evaluated based on reviews/feedback of the directors themselves. The feedback forms have been prepared based on the broad parameters. A Report, prepared based on completed feedback form, is then placed before the Board for its review.

MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT

The Management Discussion and Analysis Report forms part of this Annual Report in compliance with Regulation 34 of SEBI (LODR) Regulations, 2015 and is annexed marked as **Annexure 'III'**.

CORPORATE GOVERNANCE

The Company believes that the essence of Corporate Governance lies in the phrase “Your Company”. It is “Your” Company because it belongs to you–“the Shareholders”. The Chairperson and Directors are “Your” fiduciaries and trustees. Their objective is to take the business forward in such a way that it maximizes “Your” long term value. Though the provisions of Corporate Governance prescribed under SEBI (LODR) Regulations, 2015 are not applicable to the Company, your Company is committed to benchmark itself with global standards in all areas including highest standards of Good Corporate Governance.

COMMITTEES OF THE BOARD

Currently, the Board has three committees – namely, Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

Audit Committee

The Audit Committee of the Company consisted of Mr. Dharmik Narendrakumar Shah (Executive Director), Mrs. Vandana Kumari (Non-Executive & Independent Director) and Mr. Pradeep Kumar Singh Samanta (Non-Executive & Independent Director). The Committee has been re-constituted due to change in directorship of the Company. So, as on date, Audit Committee consists of three Directors, namely Mr. Dharmik Narendrakumar Shah (Executive Director), Mrs. Vandana Kumari (Non-Executive & Independent Director) and Mr. Kamlesh Kanaiyalal Joshi (Non-Executive & Independent Director). The re-constituted Audit Committee also meets the requirements under Section 177 of the Companies Act, 2013.

The Chairman of the Committee is Mrs. Vandana Kumari an Independent Director nominated by the Board.

The terms of reference of the Audit Committee, inter alia, include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors.

Details of Establishment of Vigil Mechanism/ Whistle Blower Policy for Directors and Employees

In order to ensure that the activities of the Company and its employees are conducted in a fair and transparent manner by adoption of highest standards of professionalism, honesty, integrity and ethical behavior, the Company has adopted a vigil mechanism policy. This policy is has been uploaded on the website of the Company- www.interactleasing.com.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee of the Company has been re-constituted due to change in directorship of the Company. So, as on date, Nomination and Remuneration Committee of the Company consists of three Directors, namely Mr. Dharmik Narendrakumar Shah (Executive Director), Mrs. Vandana Kumari (Non-Executive & Independent Director) and Mr. Kamlesh Kanaiyalal Joshi (Non-Executive & Independent Director). The re-constituted Nomination and Remuneration Committee of the Company also meets the requirements under Section 178 of the Companies Act, 2013.

The Committee's scope of work includes identifying the persons who are qualified to become directors and who may be appointed in senior management and recommend to the Board their appointment and removal and carry out evaluation of every director's performance, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation.

The Committee has formulated a Nomination and Remuneration Policy relating to the appointment and remuneration for the directors, key managerial personnel and other employees. The nomination and remuneration policy is annexed marked **Annexure 'IV'**.

DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB-SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT

Auditors have not reported any frauds during the year under review.

DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENT

The company has adequate internal financial control system commensurate with the size of the company and the nature of its business with regards to purchase of fixed assets. The activities of the company do not involve purchase of inventories and sale of goods and services.

For the purposes of effective internal financial control, the Company has adopted various procedures 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.

To ensure adequacy of internal financial controls, the procedures adopted by the Company are based on the following parameters:

- (a) Familiarity with Policies and Procedures – the related policies and procedures and the changes thereto, if any, are communicated to the employees at the time of joining and it is ensured that such person understands the policies or procedures correctly.
- (b) Accountability of Transactions – There is a proper delegation of authorities and responsibilities so as to ensure accountability of any transaction.
- (c) Accuracy & Completeness of Financial Statements/ Reports – For accuracy and completeness of information, reconciliation procedure and multiple checking at different level have been adopted. To avoid human error, computer softwares are extensively used.
- (d) Retention and Filing of Base Documents – All the source documents are properly filed and stored in a safe manner. Further, important documents, depending upon their significance are also digitized.
- (e) Segregation of Duties – It is ensured that no person handles all the aspect of a transaction. To avoid any conflict of interest and to ensure propriety, the duties have been distributed at different levels.
- (f) Timeliness – It is also ensured that all the transactions are recorded and reported in a timely manner.

The procedures are also reviewed by the Statutory Auditors and the Directors of the Company from time to time. There has also been proper reporting mechanism implemented in the organization for reporting any deviation from the procedures

AUDITORS

M/s. Arpan Chudgar & Associates, Chartered Accountants, were appointed as the Statutory Auditors of the Company for Financial Year 15-16 in its 26th Annual General Meeting for a term of 5 consecutive years, subject to ratification by members at every Annual General Meeting.

Accordingly, the said appointment of M/s. Arpan Chudgar & Associates, Chartered Accountants, as the Statutory Auditors of the Company is proposed to be ratified in the ensuing Annual General Meeting.

AUDITORS' REPORT

The Auditors report does not contain any reservation, qualification or adverse remark.

SECRETARIAL AUDITOR

The Secretarial Audit of the Company has been conducted by M/s. R. Rath & Associates, Company Secretaries and their report on the secretarial audit for the year under review is annexed hereto.

SECRETARIAL AUDIT REPORT

The Secretarial Audit Report does not contain any reservation, qualification or adverse remark except that the company has not made annual filing of forms for financial year 2014- 2015 within the time period prescribed by the Companies Act, 2013. It has made annual filing of forms with additional fees, as per secretarial audit report which is attached as **"ANNEXURE- V"**

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Section 134(3)(m) of the Companies Act, 2013 read with a Companies (Disclosure of particulars in the Report of the board of Directors) Rules 8 is not applicable since the company does not have any manufacturing activities.

There has been no expenditure and/or earning in foreign exchange.

EMPLOYEES

In terms of rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel Rules 2014). The name and other particulars of the employees, whose remuneration falls within the purview of the said rule, are required to be set out in the Annexure to the Directors Report. However during the year under review or any part thereof, the company did not employ any person with remuneration falling within the purview as prescribed under the rule.

SEGMENT

The Company is engaged in the business of leasing and finance which are governed by the same set of risks and returns and as such are in the same segment.

SHARE CAPITAL

(A) Increase in Authorised Share Capital and Preferential Allotment of Shares:

During the year under review, the Authorized Share Capital of the Company has been increased from Rs. 5,00,00,000/- (Rupees Five Crores only) to Rs.9,00,00,000/- (Rupees Nine Crores only) w.e.f. 8th July, 2015 after passing of Ordinary Resolution in the Extra-Ordinary General Meeting of the Company.

Further, in the same meeting, the Company approved the issue of 39,00,000 (Thirty Nine Lacs) Equity Shares on preferential basis in order to meet the financial requirements for the future projects and subsequent to the said approval, 33,87,500 (Thirty Three Lacs Eighty Seven Thousand Five Hundred Only) Equity Shares were allotted in the Board Meeting of the Company held on 3rd August, 2015.

- (B) Issue of Equity shares with deferential rights : NIL
- (C) Issue of Sweat Equity shares : NIL
- (D) Issue of employees stock options : NIL
- (E) Provision of Money by Company for purchase
of its own share by employees or trustee for
the benefit of employees : NIL

RISK MANAGEMENT POLICY

At present, the Company has not identified any element of risk which may threaten the existence of the Company.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed dividend declared and paid in last years, the provisions of Section 125 of the Companies Act, 2013 do not apply.

DIRECTOR'S RESPONSIBILITY STATEMENT

In accordance with the provisions of Section 134(3)(c) of the Companies Act, 2013, your directors state 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 to as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the Company for that period ;
- (c) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The directors had prepared the annual accounts on a going concern basis;

- (e) The directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively. Internal financial control means the policies and procedures adopted by the company 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; and
- (f) The directors had devised proper systems to ensure compliance with the provisions of applicable laws and that such systems were adequate and operating effectively.

ACKNOWLEDGEMENT

Yours Directors wish to place on record and acknowledge their appreciation for the continued support and co-operation received from Government agencies and the shareholders. Your Directors also record their appreciation for the total dedication of employees at all levels.

**By Order of the Board of Directors
For Interact Leasing and Finance Limited**

Sd/-

Name: Dharmik Narendrakumar Shah
Designation: Director
DIN: 06839008
Address: B/2, Swapnil Apartment
Vishwa Kunj, Char Rasta Paldi
Ahmedabad-380007

Place: New Delhi
Date: 23/08/2016

Sd/-

Name: Kamlesh Kanaiyalal Joshi
Designation: Additional Director
DIN: 05141194
Address: 18- 216, Adarshnagar
Vijaynagar Road, Naranpura
Ahmedabad 380013

FORM NO. AOC –2

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

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

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

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Justification for entering into such contracts or arrangements or transactions"	Date of approval by the Board	Amount paid as advances, if any	Date on which the special resolution was passed in General meeting as required under first proviso to Section 188
NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL

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

Name (s) of the related party & nature of relationship	Nature of contracts/ arrangements/ transaction	Duration of the contracts/ arrangements/ transaction	Salient terms of the contracts or arrangements or transaction including the value, if any	Date of approval by the Board	Amount paid as advances, if any
NIL	NIL	NIL	NIL	NIL	NIL

By Order of the Board of Directors
For Interact Leasing and Finance Limited

Sd/-

Name: Dharmik Narendrakumar Shah

Designation: Director

DIN: 06839008

Place: New Delhi

Date: 23/08/2016

Address: B/2, Swapnil Apartment
Vishwa Kunj, Char Rasta Paldi
Ahmedabad-380007

Sd/-

Name: Kamlesh Kanaiyalal Joshi

Designation: Additional Director

DIN: 05141194

Address: 18- 216, Adarshnagar
Vijaynagar Road, Naranpura
Ahmedabad 380013

ANNEXURE-II**Form No. MGT-9**

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31st March 2016

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

I. REGISTRATION AND OTHER DETAILS:

- I. CIN** :- L65910DL1989PLC035051
- II. Registration Date** :- 15/02/1989
- III. Name of the Company** :- Interact Leasing And Finance Limited
- IV. Category / Sub-Category of the Company** :- Company Limited by shares
- V. Address of the Registered office and Contact details** :- T-63, Ground Floor, West Patel Nagar
Near Khanna Market, New Delhi-110008
- VI. Whether listed company** :- Yes
- VII. Name, Address and Contact details of Registrar and Transfer Agent, if any Limited,** :- Skyline Financial Services Private
D153A , 1st Floor, Okhla Industrial
Area, Phase- , New Delhi 110 020
Phone: 011- 64732681/82,
Contact Person: Mr. Virender Rana
Mobile No: 9818456709

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S.No.	Name and Description of main products/services	NIC Code of the product/service	% to total turnover of the Company
1.	To carry on and undertake the business of Leasing, Purchase.	649	25.41 (From Financing)
2.	Trading	475	74.59 (Sale of Fabric)

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES: -

The Company has no holding, subsidiary and associate companies during the current financial year.

S. No	Name & Address of the Company	CIN/GLN	Holding/ Subsidiary/Associate	% of shares held	Applicable Section
1	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable

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

i) Category-wise Share Holding

Category Code	Category of Shareholders	Number of shareholders	Total number of shares	Number of shares held in dematerialized form	Total Shareholding as a percentage of total number of shares	
					As a percent age of (A+B)	As a percent age of (A+B+C)
(A)	Shareholding of Promoters and Promoter					
(1)	Indian					
(a)	Individual / Hindu	1	104300	0	1.54	1.54
(b)	Central Govt. / State	0	0	0	0	0
(c)	Bodies Corporate	0	0	0	0	0
(d)	Financial Institutions / Banks	0	0	0	0	0

(e)	Any Other	0	0	0	0	0
	Sub-Total (A)(1)	1	104300	0	1.54	1.54
(2)	Foreign					
(a)	Individual (Non-Resident Indian / Foreign Individuals)	0	0	0	0	0
(b)	Bodies Corporate	0	0	0	0	0
(c)	Institutions	0	0	0	0	0
(d)	Any Other (specify)	0	0	0	0	0
	Sub-Total (A)(2)	0	0	0	0	0
	Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)	1	104300	0	1.54	1.54
(B)	Public Shareholding					
(1)	Institutions	0	0	0	0	0
(a)	Mutual Funds / UTI	0	0	0	0	0
(b)	Financial Institutions / Banks	0	0	0	0	0
(c)	Central Government / State Government(s)	0	0	0	0	0
(d)	Venture Capital Funds	0	0	0	0	0
(e)	Insurance Companies	0	0	0	0	0
(f)	Foreign Institutional Investors	0	0	0	0	0

(g)	Foreign Venture Capital Investors	0	0	0	0	0
(h)	Any Other (specify)	0	0	0	0	0
	Sub-Total (B) (1)	0	0	0	0	0
(2)	Non-Institutions					
(a)	Bodies Corporate	5	875062	875000	12.89	12.89
(b)	Individuals -					
i.	Individual shareholders holding nominal share capital upto Rs. 1 lakh.	391	370312	218000	5.46	5.46
ii.	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	91	4460060	3583060	65.71	65.71
(c)	Any Other (subsidiary company) (Hindu Undivided Family)	39	977766	776000	14.40	14.40
	Sub-Total (B) (2)	526	6683200	5452060	98.46	98.46
	Total Public Shareholding B= (B)(1)+(B)(2)	526	6683200	5452060	98.46	98.46
	TOTAL (A)+(B)	527	6787500	5452060	100	100
(C)	Shares held by custodians and against which Depository Receipts have been issued	0	0	0	0	0

(ii) Shareholding of Promoters

S l. n o	Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			
		No. of Shares	% of total Shares of the company	%of Shares Pledge d / encumbere d to total shares	No. of Shares	% of total Shares of the comp any	%of Shares Pledged /encum bered to total shares	
1	Dharmik Narendrakumar Shah	104300	1.54	0	104300	1.54	0	0

(iii) Change in Promoter's shareholding (please specify if there is no change)

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	104300	1.54	104300	1.54
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/sweat Equity etc.	0	0	104300	1.54
	At the end of the Year	104300	1.54	104300	1.54

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

Sl. No		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	At the beginning of the Year	1051400	30.92	1051400	30.92
	Date wise Increase / Decrease in Promoters Share holding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer /bonus/sweat equity etc.	1398600	20.61	2450000	36.10
	At the End of the year (or on the date of separation, if separated during the year)	2450000	36.10	2450000	36.10

(V) Shareholding of Directors and Key Managerial Personnel

Sl. No.		Shareholding at the beginning of the year 1st		Shareholding at the end of the year 31st March, 2016	
	For Each of the Directors &KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Dharmik Narendrakumar Shah	104300	1.54%	104300	1.54%
2	Kamlesh Kanaiyalal Joshi	NIL	NIL	NIL	NIL
3	Vandana Kumari	NIL	NIL	NIL	NIL

V INDEBTNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtness at the beginning of the financial year	NIL	NIL	NIL	NIL
Principal Amount Interest due but not paid Interest accrued but not due				
Total (I+II+III)	NIL	NIL	NIL	NIL
Change in Indebtedness during the financial year	NIL	10,00,000	NIL	NIL
Addition Reduction				
Net Change	NIL	10,00,000	NIL	NIL
Indebtedness at the end of the financial year	NIL	10,00,000	NIL	NIL
Principal Amount Interest due but not paid Interest accrued but not due				
Total (I+II+III)	NIL	10,00,000	NIL	NIL

VI. Remuneration of Directors and Key Managerial Personnel

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

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

B. Remuneration to other Directors: The Company has not provided remuneration to other Directors during the current financial year.

Sl. no.	Particulars of Remuneration	Name of Directors	Total Amount
	Independent Directors · Fee for attending board	NIL	NIL

	committee meetings · Commission -Others, please specify		
	Total (1)	NIL	NIL
	Other Non-Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	NIL	NIL
	Total (2)	NIL	NIL
	Total (B)=(1+2)	NIL	NIL
	Total Managerial Remuneration	NIL	NIL
	Overall Ceiling as per the Act	NIL	NIL

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/ MANAGER/ WTD

Sl. no.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Company Secretary	CFO	Total
	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	NIL	NIL	NIL	NIL

2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - as % of profit	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total	NIL	NIL	NIL	NIL

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty/ punishment/compounding Fees imposed	Authority IRD/NCLT/ Court	Appeal made if any give details
NIL	NIL	NIL	NIL	NIL	NIL

**By Order of the Board of Directors
For Interact Leasing and Finance Limited**

Sd/-

Name: Dharmik Narendrakumar Shah

Designation: Director

DIN: 06839008

Address: B/2, Swapnil Apartment

Vishwa Kunj, Char Rasta Paldi

Ahmedabad-380007

Place: New Delhi

Date: 23/08/2016

Sd/-

Name: Kamlesh Kanaiyalal Joshi

Designation: Additional Director

DIN: 05141194

Address: 18- 216, Adarshnagar

Vijaynagar Road, Naranpura

Ahmedabad 380013

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**2. OPERATING RESULTS OF THE COMPANY**

During the Financial Year under consideration, the performance of the Company was satisfactory. Net Profit for the year 2015–16 stood at Rs. 1,063,282/- as against Net Profit of Rs. 1,019,077/- in the year 2014–15. Furthermore, the total revenue from operation for the year ended March 31st, 2016 stood at Rs. 7,187,148/- as compared to Rs. 3,520,880/- for the year 2014–15.

3. INDUSTRY STRUCTURE AND DEVELOPMENT

Presently, the Company is engaged in the business of Leasing and Financing. India has a diversified financial sector undergoing rapid expansion, both in terms of strong growth of existing financial services firms and new entities entering the market. The Government of India has introduced several reforms to liberalize, regulate and enhance this industry. The Government has taken various measures to facilitate easy access to finance for Micro, Small and Medium Enterprises (MSMEs). With a combined push by both government and private sector, India is undoubtedly one of the world's most vibrant capital markets. Financial Sector of India is intrinsically strong, operationally sundry and exhibits competence and flexibility besides being sensitive to India's economic aims of developing a market oriented, industrious and viable economy.

4. THREATS

- I. With the increase in business segment, the competition has increased from Domestic and other developed countries.
- II. Rise in inflation figures which would lead to increase in interest rates.
- III. Threat of stability of the system
- IV. Volatility in markets likely to affect revenues and increase the cost of capital.

5. PROSPECT & OUTLOOK

The Company presents the analysis of the company for the year 2016–2017 & its outlook for the future. This outlook is based on assessment of the current business environment. It may vary due to future economic & other developments, both in India and abroad.

6. RISKS AND CONCERNS

The Company has taken adequate preventive and precautionary measures to overcome all negative factors responsible for low trend to ensure steady growth.

7. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

There are well-established procedures for Internal Controls for operations of the company. The finance & audit functions are well equipped with professionally experienced qualified personnel & play important roles in implementing the statutory obligations. The company has constituted Audit Committee for guidance and proper control of affairs of the company.

8. HUMAN RESOURCES

Human Resources are highly valued assets at Interact Leasing and Finance Limited. The company seeks to attract, retain and nurture technical & managerial talent across its operations and continues to create, sustain the environment that brings out the best in our people with emphasis on training, learning & development. It aims at career progression and fulfilling satisfactory needs. Performance is recognized and rewarded through up gradation & job enrichment, performance incentives.

**By Order of the Board of Directors
For Interact Leasing and Finance Limited**

Sd/-

Name: Dharmik Narendrakumar Shah

Designation: Director

DIN: 06839008

Address: B/2, Swapnil Apartment

Vishwa Kunj, Char Rasta Paldi

Ahmedabad-380007

Place: New Delhi

Date: 23/08/2016

Sd/-

Name: Kamlesh Kanaiyalal Joshi

Designation: Additional Director

DIN: 05141194

Address: 18- 216, Adarshnagar

Vijaynagar Road, Naranpura

Ahmedabad 380013

NOMINATION AND REMUNERATION POLICY

This Nomination and Remuneration Policy is being formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto, as amended from time to time. This policy on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management has been formulated by the Nomination and Remuneration Committee (NRC or the Committee) and has been approved by the Board of Directors.

DEFINITIONS

“Remuneration” means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961;

“Key Managerial Personnel” means:

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

“Senior Managerial Personnel” means the personnel of the company who are members of its core management team excluding Board of Directors. Normally, this would comprise all members of management of rank equivalent to General Manager and above, including all functional heads.

OBJECTIVE

The objective of the policy is to ensure that

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

Role of the Committee:

The role of the NRC will be the following:

- To formulate criteria for determining qualifications, positive attributes and independence of a Director.
- To formulate criteria for evaluation of Independent Directors and the Board.
- To identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- To devise a policy on Board diversity, composition, size.
- Succession planning for replacing Key Executives and overseeing.
- 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.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

APPOINTMENT AND REMOVAL OF DIRECTOR, KEY MANAGERIAL PERSONNEL AND SENIOR MANAGEMENT

- (a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend his / her appointment, as per Company's requirements.
- (b) A person should possess adequate qualification, expertise and experience w.r.t. the position for which his/her appointment is considered. The Committee has authority to decide whether qualification, expertise and experience possessed by a person is sufficient/ satisfactory for the position.
- (c) The Company shall not appoint or continue the employment of any person as its Managing Director, Whole-time Director or Manager who has attained the age of seventy years.

Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution.

TERM / TENURE

a) Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its Managing Director, Whole-time Director or Manager for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

b) Independent Director

An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiration of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

EVALUATION

The Committee shall carry out evaluation of performance of Director, KMP and Senior Management Personnel yearly or at such intervals as may be considered necessary.

REMOVAL

The Committee may recommend with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and in compliance of the Companies Act, 2013, rules and regulations made there under and the policy of the Company.

RETIREMENT

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

POLICY FOR REMUNERATION TO DIRECTORS/KMP/SENIOR MANAGEMENT PERSONNEL

(1) Remuneration to Managing Director/ Whole-time Directors:

- (a) The Remuneration/ Commission etc. to be paid to Managing Director/ Whole-time Directors/ Manager etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.
- (b) The Nomination and Remuneration Committee shall make such recommendations to the Board of Directors, as it may consider appropriate with regard to remuneration to Managing Director/ Whole-time Directors.

(2) Remuneration to Non- Executive/ Independent Directors:

- (a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.
- (b) All the remuneration of the Non- Executive/ Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force. The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.
- (c) An Independent Director shall not be eligible to get Stock Options and also shall not be eligible to participate in any share based payment schemes of the Company.
- (d) Any remuneration paid to Non- Executive /Independent Directors for services rendered which are of professional in nature shall not be considered as part of the remuneration for the purposes of clause (b) above if the following conditions are satisfied:
 - i) The Services are rendered by such Director in his capacity as the professional; and
 - ii) In the opinion of the Committee, the director possesses the requisite qualification for the practice of that profession.

(3) Remuneration to Key Managerial Personnel and Senior Management:

- (a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013.
- (b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.

- (c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

IMPLEMENTATION

The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate. The Committee may delegate any of its powers to one or more of its members.

**By Order of the Board of Directors
For Interact Leasing and Finance Limited**

Sd/-

Name: Dharmik Narendrakumar Shah

Designation: Director

DIN: 06839008

Address: B/2, Swapnil Apartment
Vishwa Kunj, Char Rasta Paldi
Ahmedabad-380007

Place: New Delhi

Date: 23/08/2016

Sd/-

Name: Kamlesh Kanaiyalal Joshi

Designation: Additional Director

DIN: 05141194

Address: 18- 216, Adarshnagar
Vijaynagar Road, Naranpura
Ahmedabad 380013

Form No. 3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2015

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

To,
The Members,
Interact Leasing and Finance Limited
T-63, Ground Floor, West Patel Nagar,
Near Khanna Market, New Delhi-110008

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

Based on our verification of the **Interact Leasing and Finance Limited** books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended on **31st March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **Interact Leasing and Finance Limited** ("the Company") for the financial year ended on **31st March, 2016** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 („SCRA“) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) 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;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 („SEBI Act“):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - d. The Securities and Exchange Board of India (Employee Stock Option Scheme

- and Employee Stock Purchase Scheme) Guidelines, 1999;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share
 - g Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
 - h. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009, and
 - i. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India.
- (ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015,
- (iii) The Listing Agreement entered into by the Company with Ahmadabad Stock Exchange Limited,

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

- The company has not made annual filing of forms for financial year 2014- 2015 within the time period prescribed by the Companies Act, 2013. It has made annual filing of forms with additional fees.

We further report that:

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

Adequate notice is given to all Directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has made an application with Metropolitan Stock Exchange of India Limited for direct listing of its shares as per the criteria prescribed by the Exchange.

For Sudhakar Jha & Co.

Date: - 23/08/2016

Place: - New Delhi

Sd/-
Sudhakar Jha
FCS No: - 7537
CP No: - 10737

This report is to be read with our letter of even date which is annexed as **ANNEXURE-A** and form part of an integral part of this report.

ANNEXURE-A

**To,
The Members,
Interact Leasing and Finance Limited
T-63, Ground Floor, West Patel Nagar,
Near Khanna Market, New Delhi-
110008**

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on this secretarial record based on our audit.
2. We have the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial record. 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 the accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For Sudhakar Jha & Co.

Sd/-

Sudhakar Jha

FCS No: - 7537

CP No: - 10737

Date: - 23/08/2016

Place: - New Delhi



Independent Auditor's Report

To the Members of INTERACT LEASING AND FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **INTERACT LEASING AND FINANCE LIMITED ("the Company")** which comprise the Balance Sheet as at **31st March, 2016**, the Statement of Profit and Loss, Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

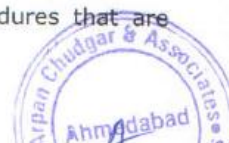
Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are



appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31st March, 2016**, and its **Profit** and its Cash Flow for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the 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 written representations received from the directors as on **31st March, 2016** taken on record by the Board of Directors, none of the directors is disqualified as on **31st March, 2016** 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 over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure B**".



- 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:
- i. The Company does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For, Arpan Chudgar & Associates

Chartered Accountants

FRN: 133877W

Arpan Chudgar
CA. Arpan Chudgar

Proprietor

M.No: 131876



Place: Ahmedabad

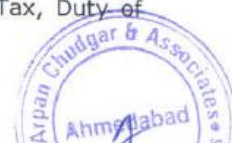
Date: 30.05.2016



"Annexure A" to the Independent Auditors' Report of INTERACT LEASING AND FINANCE LIMITED

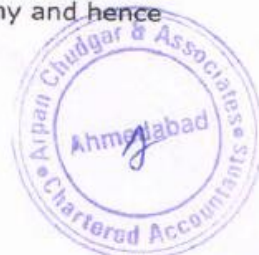
Referred to in paragraph 1 under the heading 'Report on Other Legal & Regulatory Requirements' of our report of even date to the financial statements of the Company for the year ended **31st March, 2016**:

- 1) (a) & (b) In Our opinion and according to the information and explanations given to us, the Company does not have any Fixed Assets. Accordingly, these clauses are not applicable to the Company.
- 2) (a) The physical verification of the inventories has been conducted at reasonable interval by the management.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) The company has maintained proper records of inventory and no material discrepancies were noticed on such physical verification and the same have been properly dealt with in the books of accounts.
- 3) (a) The Company has not granted loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act').
(b) In view of our comments in (a) above, no further comments are warranted on receipt of principal amount and rate of interest on such loan.
(c) In view of our comments in (a) above, no further comments are warranted on overdue amounts of more than rupees one lakh in respect of the loans granted to the bodies corporate listed in the register maintained under Section 189 of the Act.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) As informed to us, the maintenance of Cost Records has not been specified by the Central Government under sub-section (1) of Section 148 of the Act, in respect of the activities carried on by the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of



Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at **31st March, 2016** for a period of more than six months from the date on when they become payable.

- b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks. The Company has not taken any loan either from financial institutions or from the government and has not issued any debentures.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of Clause 3 (ix) of the Order are not applicable to the Company and hence not commented upon.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Companies Act, 2013;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with Sections 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has made preferential allotment of Equity Share of Rs. 3,38,75,000/- divided into 33,87,500 Equity Shares of Rs. 10 Each, for which requirement of provisions of clause 3 (xiv) of the Order are complied with. There is no private placement of shares or fully or partly convertible debentures during the year under review, accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company and hence not commented upon.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.



- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company and hence not commented upon.

For, Arpan Chudgar & Associates
Chartered Accountants
FRN: 133877W

Place: Ahmedabad
Date: 30.05.2016

Arpan Chudgar
CA. Arpan Chudgar
Proprietor
M. No: 131876





**"Annexure B" to the Independent Auditor's Report of even date on the
Financial Statements of INTERACT 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 **Interact Leasing and Finance Limited** ("the Company") as of **31st March, 2016** in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting" criteria established by the Company considering the essential components of internal control stated in the Guidance Note on "Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company'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 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 judgement, 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 we have 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, 2016**, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For, Arpan Chudgar & Associates
Chartered Accountants
FRN: 133877W

Arpan Chudgar
CA. Arpan Chudgar
Proprietor
M. No: 131876



Place: Ahmedabad
Date: 30.05.2016

INTERACT LEASING AND FINANCE LIMITED

CIN - L65910DL1989PLC035051

BALANCE SHEET AS AT 31ST MARCH, 2016

PARTICULARS	NOTE No.	As At 31st March, 2016	As At 31st March, 2015
I EQUITY & LIABILITIES			
1 SHARE HOLDERS' FUND			
Share Capital	2	67,875,000.00	34,000,000.00
Reserves & Surplus	3	1,202,844.00	(33,735,438.00)
		69,077,844.00	264,562.00
2 NON-CURRENT LIABILITIES			
Deferred Tax Liabilities (Net)		-	-
Unsecured Loans	4	1,000,000.00	-
		1,000,000.00	-
3 CURRENT LIABILITIES			
Other Current Liabilities	5	511,176.00	540,000.00
Short Term Borrowings		-	-
Short Term Provisions	6	314,894.00	314,894.00
		826,070.00	854,894.00
TOTAL		70,903,914.00	1,119,456.00
II ASSETS			
1 NON-CURRENT ASSETS			
Fixed Assets			
Tangible Assets	7	30,500,000.00	-
Long Term Loans & Advances		-	-
		30,500,000.00	-
2 CURRENT ASSETS			
Current Investments	8	7,000,000.00	-
Inventories - Fabric		-	356,460.00
Trade Receivables		-	-
Cash & Cash Equivalent	9	377,771.00	762,996.00
Short Term Loans & Advances	10	32,843,528.00	-
Other Current Assets	11	182,615.00	-
		40,403,914.00	1,119,456.00
TOTAL		70,903,914.00	1,119,456.00

Significant Accounting Policies and Notes on Financial Statements

1 to 16

Schedule referred to above and notes attached there to form an integral part of Balance Sheet

As per our Separate Report of even date annexed

For Arpan Chudgar & Associates

Chartered Accountants

FRN - 133877W

Arpan Chudgar
CA. Arpan Chudgar

Proprietor

Membership No. 131876

Date: 30.05.2016

Place: Ahmedabad



For and on behalf of the Board of Directors

D.N. Shah

Dharmik Narendrakumar Shah

Director

DIN - 06839008

Date: 30.05.2016

Place: Ahmedabad

Vandana Kumari

Vandana Kumari

Director

DIN - 07149250

Date: 30.05.2016

Place: New Delhi

Somali Saini

Somali Saini

Company Secretary

Date: 30.05.2016

Place: New Delhi

INTERACT LEASING AND FINANCE LIMITED .
CIN - L65910DL1989PLC035051
PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2016

PARTICULARS	NOTE No.	As At 31st March, 2016	As At 31st March, 2015
<u>INCOME</u>			
I Revenue From Operations	12	7,187,148.00	3,520,880.00
II Other Income		-	-
III Total Revenue		7,187,148.00	3,520,880.00
<u>IV EXPENDITURE</u>			
Purchases of Stock in Trade		4,525,910.00	1,112,124.00
Change in Inventories of Stock in Trade	13	356,460.00	(356,460.00)
Employee Benefits Expense	14	842,285.00	1,196,460.00
Depreciation & Amortization Expense		-	-
Other Expenses	15	399,211.00	549,679.00
Total Expenditure		6,123,866.00	2,501,803.00
Profit before Exceptional and extraordinary Items and tax		1,063,282.00	1,019,077.00
Exceptional Items		-	-
Profit before extraordinary Items and tax		1,063,282.00	1,019,077.00
Extraordinary Items		-	-
V Profit before tax		1,063,282.00	1,019,077.00
VI Less: Tax Expense			
Current Tax		-	314,895.00
Deferred Tax Adjustment - Cr / (Dr)		-	-
Tax Adjustments for Earlier Year		-	-
Profit / (Loss) After Taxes		1,063,282.00	704,182.00
VII PROFIT / (LOSS) FOR THE YEAR		1,063,282.00	704,182.00
VIII EARNINGS PER EQUITY SHARE:			
Profit After Tax attributable to Equity Shareholders		1,063,282	704,182
Number of Equity Shares		5,658,333	3,400,000
Basic Earnings per share	16	0.1879	0.2071
Diluted Earnings per share			

Significant Accounting Policies and Notes on Financial Statements

1 to 16

Schedule referred to above and notes attached there to form an integral part of Balance Sheet
As per our Separate Report of even date annexed

For Arpan Chudgar & Associates
Chartered Accountants
FRN - 133877W

Arpan Chudgar
CA. Arpan Chudgar
Proprietor
Membership No. 131876
Date: 30.05.2016
Place: Ahmedabad



For and on behalf of the Board of Directors

D. N. Shah

Dharmik Narendrakumar Shah
Director
DIN - 06839008
Date: 30.05.2016
Place: Ahmedabad

Vandana

Vandana Kumari
Director
DIN - 07149250
Date: 30.05.2016
Place: New Delhi

Somali Saini

Somali Saini
Company Secretary
Date: 30.05.2016
Place: New Delhi

INTERACT LEASING AND FINANCE LIMITED		
CIN - L65910DL1989PLC035051		
Cash Flow Statement For The Year Ended 31st March,2016		
Particulars	As At 31st March,2016	As At 31st March,2015
A Cash Flow From Operating Activities		
Net Profit Before Tax	1,063,282	1,019,077
Adjustments For:		
Interest Income	-	-
Depreciation & Amortization Expenses	-	-
Operating Profit Before Working Capital Changes	1,063,282	1,019,077
Adjustment For Working Capital Changes:		
(Increase) /Decrease In Trade & Other Receivables	-	-
(Increase) /Decrease In Other Current Liabilities	(28,824)	30,000
(Increase) /Decrease In Short Term Loans and Advances	(32,843,528)	-
(Increase) /Decrease In Other Current Assets	356,460	(356,460)
Increase/(Decrease) In Trade & Other Payables	-	-
Cash Generated From Operations:	(31,452,610)	692,617
Direct Tax Paid	-	-
Net Cash From Operating Activities	(31,452,610)	692,617
B Cash Flow From Investing Activities		
Purchase of Fixed Assets	(30,500,000)	-
Borrowed Loan	1,000,000	-
Interest Income	-	-
Net Cash Used In Investing Activities	(36,500,000)	-
C Cash Flow From Financing Activities:		
Proceeds Of Short Term Borrowings	-	-
Proceeds of Equity Share Capital	33,875,000	-
Securities Premium on Equity Share Capital	33,875,000	-
TDS Paid	(182,615)	-
Net Cash Generated From Financing Activities	67,567,385	-
Net Increase/(Decrease) In Cash & Cash Equivalents	(385,225)	692,617
D Cash Balance & Cash Equivalents At The Beginning Of The Year	762,996	70,380
E Cash Balance & Cash Equivalents At The End Of The Year	377,771	762,996
Net Increase/(Decrease) In Cash & Cash Equivalents	(385,225)	692,616

Note : The above Cash Flow Statement has been prepared under the indirect method set out in AS-3 Issued by the Central Govt. under the Companies (Accounts) Rule 2014

As per our report of even date attached

For Arpan Chudgar & Associates
Chartered Accountants

FRN - 133877W

Arpan Chudgar
CA. Arpan Chudgar
Proprietor
Membership No. 131876
Date: 30.05.2016
Place: Ahmedabad



For and on behalf of the Board of Directors

D. N. Shah

Dharmik Narendrakumar Shah
Director
DIN - 06839008
Date: 30.05.2016
Place: Ahmedabad

Vandana

Vandana Kumari
Director
DIN - 07149250
Date: 30.05.2016
Place: New Delhi

Somali Saini

Somali Saini
Company Secretary
Date : 30.05.2016
Place : New Delhi

INTERACT LEASING AND FINANCE LIMITED

CIN - L65910DL1989PLC035051

Notes Forming Part of the Financial Statements for the Year Ended 31st Mar, 2016

2 Share Capital

Particular	As At 31st March, 2016		As At 31st March, 2015	
	Number	Amount	Number	Amount
Authorised Capital				
Equity Share Of Rs 10 Each	9,000,000	90,000,000	5,000,000	50,000,000
Issued, Subscribed And Paid Up Capital				
Equity Share Of Rs 10 Each	6,787,500	67,875,000	3,400,000	34,000,000
Total	6,787,500	67,875,000	3,400,000	34,000,000

2(i) Reconciliation Of The Number Of Shares Outstanding At The Beginning And At The End Of The Year

Particulars	As At 31st March, 2016		As At 31st March, 2015	
	Number	Amount	Number	Amount
Equity Shares				
At The Beginning Of The Year	3,400,000	34,000,000	3,400,000	34,000,000
Issued During The Year	3,387,500	33,875,000	-	-
Redeemed or brought back during the period	-	-	-	-
Outstanding At The End Of The Year	6,787,500	67,875,000	3,400,000	34,000,000

Right, Preference and Restriction attached to Share

The Company has only one class of Equity Share having a par value Rs. 10.00 per Share. Each Shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

(ii) Details Of The Shares Of The Company Held By Each Shareholder Holding More Than 5% Shares

Particulars	As At 31st March, 2016		As At 31st March, 2015	
	Number of Shares hold	% of Holding	Number of Shares hold	% of Holding
Rakesh Khurana	-	-	289,740	8.52%
Samrat Offset Pvt. Ltd.	700,000	10.31%	500,000	14.71%
	700,000	10.31%	789,740	23.23%

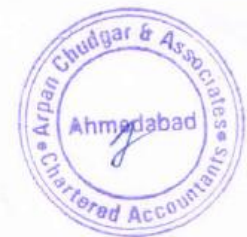


INTERACT LEASING AND FINANCE LIMITED

CIN - L65910DL1989PLC035051

Notes Forming Part of the Financial Statements for the Year Ended 31st Mar, 2016

3	<u>Reserve & Surplus</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
a	<u>Surplus In Statement Of Profit And Loss</u>			
	As Per Last Balance Sheet	(33,735,438.00)	(34,439,620.00)	
	Add:- Profit/(Loss) For The Year	1,063,282.00	704,182.00	
	Closing Balance (a)	(32,672,156.00)	(33,735,438.00)	
b	<u>Share Premium A/c</u>	-	-	
	Closing Balance (b)	33,875,000	-	
	Total	1,202,844.00	(33,735,438.00)	
4	<u>Non-Current Liabilities</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
	Unsecured Loans	1,000,000	-	
	Total	1,000,000	-	
5	<u>Other Current Liabilities</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
	Audit Fees Payable	80,000	50,000.00	
	Listing Fee Payable	-	490,000.00	
	Sundry Creditors	361,176	-	
	Accounting Charges Payable	5,000		
	Unpaid Salary	65,000		
	Total	511,176	540,000.00	



6	<u>Short Term Provision</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
	Provision for Tax (Net of Advance Tax Rs. NIL(previous year NIL) (F.Y. 2014-15)	314,894	314,894	
	Total	314,894	314,894	
7	<u>Fixed Assets</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
	Capital WIP (DIP Varsha Buildcon Pvt Ltd)	30,500,000	-	
	Total	30,500,000	-	
8	<u>Investments</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
	Touchline Sec. Pvt Ltd.	3,000,000	-	
	Wadiwala Commodities	4,000,000	-	
	Total	7,000,000	-	
9	<u>Cash & Cash Equivalent</u>			
	Particulars	As At 31st March,2016	As At 31st March,2015	
	Cash On Hand	298,000	762,996.00	
	Balance With Bank	79,771	-	
	Total	377,771	762,996.00	



10 Short Term Loans and Advances

Particulars	As At 31st March, 2016	As At 31st March, 2015
ABS Food Ingredients	1,028,366	-
Arcoy Industries (India) Pvt. Ltd	26,021,010	-
Venkateshwara Corporation	5,794,152	-
Total	32,843,528	-

11 Current Assets

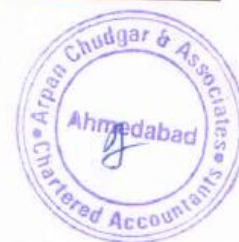
Particulars	As At 31st March, 2016	As At 31st March, 2015
TDS Receivable for FY 2015-16	182,615	-
Total	182,615	-

12 Revenue from Operation

Particulars	As At 31st March, 2016	As At 31st March, 2015
Income form Financing Activities	1,826,143	2,695,450
Sale of Fabric	5,361,005	825,430
Total	7,187,148	3,520,880

13 Change in Inventories of Stock in Trade

Particulars	For the Year 31st March, 2016	For the Year 31st March, 2015
Opeing Stock of Fabric	356,460	-
Closing Stock of Fabric	-	356,460
Total	356,460	356,460



14 Employees Benefits Expenses

Particulars	For the Year 31st March,2016	For the Year 31st March,2015
Salary And Wages	780000.00	1140000.00
Staff Welfare	62285.00	56460.00
Total	842285.00	1196460.00

15 Other Expenses

Particulars	For the Year 31st March,2016	For the Year 31st March,2015
Accountancy Charges	60000.00	60,000.00
Audit Fee	30000.00	30,000.00
Business Promotion	-	112,367.00
Bank Charges	229.00	-
Conveyance	121636.00	114,360.00
Diwali Expenses	-	35,680.00
Freight Inward	36125.00	15,486.00
Office Maintainance Expenses	64700.00	54,576.00
Printing & Stationary	24110.00	59,760.00
Legal & Professional Charges	-	30,000.00
ROC Filing Fees	-	25,000.00
RTA Expenses	62411.00	-
Misc Expenses	-	-
Loading & Unloading Expenses	-	12,450.00
Total	399211.00	549,679.00

16 Earning Per Shares

Particulars	For the Year 31st March,2016	For the Year 31st March,2015
Profit After Tax	1063282.00	704182.00
Weighted Average Number Of Equity Shares Basis & Diluted	5658333.00	3400000.00
Nominal Value Of Shares(Rs)	10.00	10.00
Earning Per Share Basis & Diluted(Rs)	0.19	0.21



INTERACT LEASING AND FINANCE LIMITED
CIN - L65910DL1989PLC035051
Company Overview

BACKGROUND AND OPERATIONS

The Company is primarily engaged in the business of Leasing and finance and only in one business and Geographical reportable segment Viz Indi. As such no separate and Geographical reportable segment information as per accounting standard 17 (segment reporting) has been furnished in the accounts. The registered office of the company is situated at T-63, Ground Floor, West Patel Nagar, Near Khanna Market, New Delhi - 110008

1 Significant accounting policies

1.1 Basis of preparation

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards specified under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 ("the 2013 Act") / Companies Act, 1956 ("the 1956 Act"), as applicable. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year except for change in the accounting policy for depreciation as more fully described in Note 1.6

1.2 Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the results of operations during the reporting period. Examples of such estimates include estimates of income taxes, employment retirement benefit plans, provision for doubtful debts and advances and estimated useful life of fixed assets. Actual results could differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

1.3 Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company, the revenue can be reliably measured and as per the management's assessment no significant uncertainty exists regarding realisation of the consideration.

1.4 Expenditure

Expenses are accounted for on the accrual basis and provisions are made for all known losses and liabilities.

1.5 Fixed assets

i) Tangible Assets

Fixed assets are stated at the cost of acquisition including incidental costs related to acquisition and installation less accumulated depreciation. The actual cost capitalized includes material cost, freight, installation costs, duties and taxes, finance charges and other incidental expenses incurred during the construction / installation stage.



Fixed Assets acquired during business acquisitions are accounted for at the fair market value of the assets.

Fixed assets under construction and cost of assets not ready for use before the year-end, are disclosed as capital work in progress.

ii) Intangible Assets

Intangible assets acquired in a business acquisition are recorded at fair value basis determined by the management of the Company. Other Intangible Assets are stated at cost.

1.6 Depreciation /Amortization

Depreciation on fixed assets except leasehold improvements is provided on the straight-line method over their estimated useful lives, as determined by the management, at the rates which are equal to or higher than the rates prescribed under Schedule II of the Companies Act, 2013. Depreciation is charged on a pro-rata basis for assets purchased/sold during the year. The management's estimate of the useful life of the various fixed assets is as follows:

Furniture & Fixtures	6 Years
Computers	3 Years
Office Equipments	5 Years

Intangible assets are amortized on a straight line method over their estimated useful lives. The estimated useful life of the intangible assets and the amortisation period are reviewed at the end of each financial year and the

Fixed assets acquired through acquisition of business purchase are depreciated over remaining useful life of 5 years as estimated by an approved valuer.

Leasehold improvements are amortised over the lower of the useful life or the period of the lease.

For these class of assets based on internal assessment carried out by technical team, the management believes

1.7 Leases

Operating leases

Lease payments under an operating lease are recognised as an expense in the profit and loss account on a straight line basis over the lease term.

1.8 Taxation

Income tax expenses comprise current tax and deferred tax charge or credit (reflecting the tax effects of the timing differences between the accounting income and taxable income for the period). The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the tax rates that have been enacted or substantially enacted by the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the assets can be realised in the future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed for the appropriateness of their carrying values at each balance sheet date.

1.9 Retirement benefits, if any

Gratuity:

The Company provides for gratuity, a defined benefit retirement plan. The plan provides a lump sum payment to vested employees, at retirement or termination of employment, an amount based on the respective employee's last drawn salary and the years of employment with the Company.

Liability with regard to gratuity is accrued based on actuarial valuations at the balance sheet date, carried out by an independent actuary. Gains and losses arising out of actuarial evaluations are recognised immediately in the Profit and Loss account as income or expense.



1.10 Earnings per share

In determining earnings per share, the company considers the net profit after tax and includes the post tax effect of any extra ordinary /exceptional item. Basic earning per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earning per share is computed using the weighted average number of equity shares outstanding during the year and dilutive equity equivalent shares outstanding at the year end, except where the results would be anti dilutive.

1.11 Impairment of assets

Impairment loss, if any, is provided to the extent, the carrying amount of assets exceeds their recoverable amount.

Recoverable amount is higher of an asset's net selling price, and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an asset and from its disposal at the end of its useful life.

1.12 Provisions and Contingent liabilities

A provision is recognised when there is a present obligation as a result of a past event, it is probable that an outflow of resources will be required to settle the obligation and in respect of which reliable estimate can be made. A disclosure of a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.13 Borrowing Costs

Borrowing Costs attributable to the acquisition or construction of a qualifying asset are capitalised as part of cost of the asset. A qualifying asset is one that necessarily takes a substantial period of time to get ready for intended use. Other borrowing costs are recognised as an expense in the period in which they are incurred.

1.14 Investments

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as long term or current investments, based upon management's intention at the time of purchase. Long term investments are stated at cost and provision is made to recognize any decline, other than temporary determined separately for each investment. Current investments are stated at lower of the cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments.



11 Related Party Transactions

i) In accordance with the requirements of Accounting Standard – 18 on Related Party Disclosures, the names of the related parties where control exists and with whom transactions have taken place during the year and description of relationships as identified and certified by the management are given below:

a) Person Having Substantial Interest

b) Key Managerial Person

Vandana Kumari
Dharmik Narendrakumar Shah

ii) The following transactions were carried out during the year with the related parties in the ordinary course of business

Particulars	Key Managerial Person		Persons having substantial Interest			Total
	Vandana Kumari	Dharmik Narendrakumar Shah				
Director Remuneration						-
						-
						-
	-	-	-	-	-	-
Closing Balance						
No Closing Balance as on 31/03/2016						
						-

Previous year figures have
*Figures Net of Service Tax

12 Earnings per Equity share (EPS)

S.No	Particulars	Reference	Year ended 31.03.2016	Year ended 31.03.2015
a.	Net profit/ (Loss) attributable to equity shareholders (Rs.)	A	1063282.00	704182.00
b.	Weighted Average Number of Equity Shares	B	5658333.00	3400000.00
c.	Face Value per Share (Rs.)	C	10.00	10.00
d.	Basic Earnings/ (Loss) per equity shares (Rs.)	A/B	0.19	0.21
e.	Diluted Earnings/ (loss) per equity shares (Rs.)	A/B	0.19	0.21

13 Certain Debit/Credit balances included in Trade Receivables, Trade Payables, Short/Long Term Loans and Advances, Other Current Assets and Current Liabilities are pending for confirmation and consequential reconciliation.

14 The Company has not received intimation from suppliers regarding the status under Micro Small and Medium Enterprises Development Act, 2006 and based on the information available with the Company there are no dues to Micro, Small and Medium Enterprises Development Act, 2006.

15 Previous year figures are regrouped / reclassified to the extent necessary for reporting purposes.

16 All figures are in Indian Rupees.

For Arpan Chudgar & Associates
Chartered Accountants
FRN - 133877W

Arpan Chudgar
CA. Arpan Chudgar
Proprietor
Membership No. 131876
Date: 30.05.2016
Place: Ahmedabad



For and on behalf of the Board of Directors

D.N. Shah

Dharmik Narendrakumar Shah
Director
DIN - 06839008
Date: 30.05.2016
Place: Ahmedabad

Vandana

Vandana Kumari
Director
DIN - 07149250
Date: 30.05.2016
Place: New Delhi

Sonali Saini

Sonali Saini
Company Secretary
Date: 30.05.2016
Place: New Delhi

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INTERACT LEASING AND FINANCE LIMITED

CIN: L65910DL1989PLC035051

Regd. Off: T-63, Ground Floor, West Patel Nagar, Near Khanna Market, New Delhi-110008

ATTENDANCE SLIP

Name of the Shareholder (in Block Letter) : _____

Regd. Folio No. /DP. Id/ Client Id : _____

Name of the Proxy (s) (in Block Letter) : _____

(to be filled in, if a proxy attends instead
of a member)

No. of Shares held : _____

I certify that I am a registered Shareholders/Proxy for the registered shareholder of the Company.

I hereby record my presence at the Annual General Meeting of the Company at T-63, Ground Floor, West Patel Nagar, Near Khanna Market, New Delhi-110008 at 12.00 P.M. on Tuesday 27th September 2016.

.....

.....

Member's/Proxy's Name in BLOCK Letters

Member's/Proxy's Signature

Note:

- (1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.
- (2) Member's Signatures should be in accordance with the specimen signatures registered with the Company
- (3) Please bring your copy of the Annual Report for reference at the Meeting

* Applicable for Members holding shares in physical form.

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 : L65910DL1989PLC035051

Name of the company : Interact Leasing and Finance Limited

Registered Office : T-63, Ground Floor, West Patel Nagar, Near Khanna Market, New Delhi-110008

Name of the Member(s)	:
Registered Address	:
E-mail ID	:
Folio No/DPID No.	:
Client ID No.	:

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

1.Name.....,E- mail ID.....
Address
Signature....., or failing him/her

2. Name.....,E- mail ID.....
Address.....
Signature....., or failing him/her

3.Name.....,E- mail ID.....
Address
Signature.....,

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at **the 27th Annual General Meeting** of the company, to be held on Tuesday the 27th September, 2016 at 12.00 PM at T-63, Ground Floor, Near Khanna Market, West Patel Nagar, Delhi – 110008 and at any adjournment thereof in respect of such resolutions as are indicated below :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended 31st March 2016 together with the Reports of the Board of Directors and the Auditors thereon.
2. To ratify appointment of Auditors and Fix their Remuneration for the year 2016-17.

Affix
Revenue
Stamp

Signed this..... day of.....2016

.....
Signature of shareholder

.....
Signature of Proxy holder(s)

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.