

SMART FINSEC LIMITED

22nd Annual Report 2016-2017

REGISTERED OFFICE:

F-88, 2nd Floor, Industrial Pocket, District Centre,
West Delhi, Raja Garden, New Delhi-110027
CIN : L74899DL1995PLC063562

22nd ANNUAL REPORT 2016-17
COMPANY INFORMATION
BOARD OF DIRECTORS

Mr. Arun Khera, Chairman & Managing Director

Mrs. Raman Khera

Mr. Rajesh Chawla

Mrs. Sangita Jain

Mrs. Sunayana

Company Sectary

Ms. Priyanka Sharma

Chief Financial Officer

Mr. Uma Singh

Auditors

Chartered Accountants

A. Mohan & Co.

B-32, Kirti Nagar, New Delhi-110015

REGISTERED OFFICE:

F-88, 2nd Floor, Industrial Pocket,

District Centre, West Delhi,

Raja Garden, New Delhi-110027

CIN : L74899DL1995PLC063562

REGISTRAR AND TRANSFER AGENT

M/s Alankit Assignments Limited

1E/13, Alankit Heights, RTA Division,

Jhandewalan Extension, New Delhi-110055.

SMART FINSEC LIMITED

Registered Office:- F-88, IIND FLOOR, INDUSTRIAL POCKET,
DISTRICT CENTRE WEST DELHI, RAJA GARDEN, NEW DELHI-110027
Phone:-011- 25167071, Email Id:-smartfinsec@gmail.com
CIN:- L74899DL1995PLC063562

Notice is hereby given that the 22nd Annual General Meeting of the Company will be held on Friday 29th September, 2017 at 9.30 A.M. at F-88, IInd Floor, Industrial Pocket, District Centre, West Delhi, Raja Garden, New Delhi-110027 to transact the following businesses:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Financial Statements of the Company for the Financial Year ended March 31, 2017, the reports of the Board of Directors and Auditors thereon;
2. To consider and if thought fit, to pass the following resolution as an Ordinary Resolution: **“RESOLVED THAT** Mrs. Raman Khera (DIN: 00055728) Director, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company”.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with rules made there under, as amended from time to time, M/S HK Dua & Co., Chartered Accountants (Firm Registration No. : 000581N) be and are hereby appointed as Statutory Auditors of the Company , for a period of Five Years for Auditing Accounts of the Company from the Financial Year 2017-18 to Financial Year 2021-22 , at such remuneration as may be fixed in this behalf by the Board of Directors of the Company”.

Special Business:

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

To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for Regularization of Additional Director, Ms. Vimmi Sachdev:-

“RESOLVED THAT Ms. Vimmi Sachdev (01712051) , who was appointed as an Additional Director with effect from August 01 , 2017 on the Board of the Company in terms of Section 161 of the Companies Act, 2013 who holds office up to the date of this Annual General Meeting, and in respect of whom a notice has been received from a member in writing, under Section 160 of the Companies Act, 2013 along with requisite deposit, proposing his candidature for the office of a Director, be and is hereby appointed as a director of the company

5. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution for appointment of Mr. Arjun Pahwa as an Independent Director:-**

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013, and the rules made there under, including any amendment, modification, variation or re-enactment thereof read with Schedule IV to the Companies Act, 2013, for the time being in force, Mr. Arjun Pahwa (holding DIN (07909675) , Director of the Company, in respect of whom the Company has received a notice in writing from a Member proposing his candidature for the office of Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this Meeting AND THAT he shall not be liable to retire by rotation.”

Place: New Delhi
Date: 04/09/2017

For and on behalf of the Board of Directors
For Smart Finsec Limited

Sd/-

(Priyanka Sharma)
Company Secretary

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (AGM) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL, IF ANY, INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.THE PROXY FORM DULY COMPLETED AND SIGNED MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE AGM. BLANK ATTENDENCE SLIP, PROXY FORM AND ROUTE MAP OF THE VENUE OF THE MEETING IS ATTACHED.**
 - A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than (10%) ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
2. The Register of Members and Share Transfer Books of the Company will remain close from September 23, 2017 to September 29, 2017 (both days inclusive).
3. Shareholders seeking any information with regard to accounts are requested to write to the Company at least 10days before the meeting so as to enable the management to keep the information ready.
4. **Members are requested to:**
 - a. note that copies will not be distributed at the AGM and they will have to bring their copies of Annual Report;
 - b. bring the Attendance Slip at the venue duly filled-in and signed for attending the meeting, as entry to venue of AGM will be strictly on the basis of the Entry Slip, which will be available at the meeting venue;
 - c. quote their Folio / Client ID & DP ID Nos. in all correspondence with the Company / R&TA;
 - d. Note that no gifts / coupons will be distributed at the AGM.
5. Members who hold shares in physical are requested to notify immediately the change of their address and bank particulars to the R & T Agent of the Company. In case shares held in dematerialized form, the information regarding change of address and bank particulars should be given to their respective Depository Participant.
6. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013, are requested to write to R & T Agent of the Company in Form SH -13 as prescribed in the Companies (Share Capital and Debentures) Rules, 2014. Blank Nomination form is available at the registered office of the company. In case of shared held in dematerialized form, the nomination form has to be lodged directly with the respective Depository Participant (DP)
7. Process and manner for members opting for voting through Electronic means:
 - i. In compliance with the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (LODR) Regulation, 2015 and Secretarial Standards on General Meeting issued by ICSI, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of voting through electronic means is provided through the e-voting platform of National Securities Depository Limited ("remote e-voting").Those Shareholders who do not opt to cast their vote through e-voting, may opt their ballot process at the AGM.
 - ii. Members whose names are recorded in the Register of Members or in the Register of Beneficial Owners maintained by the Depositories as on the Cut-off date i.e. September 22, 2017, shall be entitled to avail the facility of remote e-voting as well as voting at the AGM. Any

recipient of the Notice, who has no voting rights as on the Cut-off date, shall treat this Notice as intimation only.

- iii. A person who has acquired the shares and has become a member of the Company after the dispatch of the Notice of the AGM and prior to the Cut-off date i.e. September 22, 2017, shall be entitled to exercise his/her vote either electronically i.e. remote e-voting or through the Poll Paper at the AGM by following the procedure mentioned in this part.
- iv. The remote e-voting will commence on September 26, 2017 at 9.00 a.m. and will end on Thursday, September 28, 2017 at 5.00 p.m. During this period, the members of the Company holding shares either in physical form or in demat form as on the Cut-off date i.e. September 22, 2017, may cast their vote electronically. The members will not be able to cast their vote electronically beyond the date and time mentioned above and the remote e-voting module shall be disabled for voting by NSDL thereafter.
- v. Once the vote on a resolution is cast by the member, he/she shall not be allowed to change it subsequently or cast the vote again.
- vi. The facility for voting through Poll Paper would be made available at the AGM and the members attending the meeting who have not already cast their votes by remote e-voting shall be able to exercise their right at the meeting through Poll Paper. The members who have already cast their vote by remote e-voting prior to the meeting, may also attend the meeting, but shall not be entitled to cast their vote again.
- vii. The voting rights of the members shall be in proportion to their share in the paid up equity share capital of the Company as on the Cut-off date i.e. September 22, 2017.
- viii. The Company has appointed CS Pawan Kumar Mishra, Practicing Company Secretary (Membership No. FCS: 4305; CP No: 16222), to act as the Scrutinizer for conducting the remote e-voting process in a fair and transparent manner.
- ix. The procedure and instructions for remote e-voting are, as follows:

The procedure to login to e-Voting website is given below:

1. Open the attached PDF file “**e-Voting.pdf**” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting
2. Launch internet browser by typing the URL **<https://www.evoting.nsdl.com/>**
3. Click on “Shareholder - Login”.
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on www.evoting.nsdl.com
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.]
7. Select “EVEN” of (Smart Finsec Ltd.) Members can cast their vote online from **September 26, 2017 (9:00 am) till September 28, 2017 (5:00 pm)**.
Note: e-Voting shall not be allowed beyond said time.
8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.

10. 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 signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail (pkmishra59@yahoo.com) with a copy marked to evoting@nsdl.co.in.

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.

A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other information:

- o 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.
- o 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.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- o Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; **www.icicidirect.com** for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website **www.icicidirect.com**. Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the evoting system of NSDL.

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.

Contact Details

Company	SMART FINSEC LIMITED Registered Office:- F-88, IIND FLOOR, INDUSTRIAL POCKET,DISTRICT CENTRE WEST DELHI, RAJA GARDEN, NEW DELHI-110027 CIN:- L74899DL1995PLC063562 Phone:-011- 25167071 Email Id:-smartfinsec@gmail.com
Registrar and : Transfer Agent	Alankit Assignments Limited Alankit House, 2E/21, Jhandewalan Extension New Delhi-110055
e-Voting Agency	National Securities Depository Limited Trade World - A Wing, 4th Floor Kamala Mills Compound , Lower Parel Mumbai – 400013
	CS Pawan Kumar Mishra P. K. Mishra & Associates Practicing Company Secretary E-mail ID : pkmishra59@yahoo.com

Place: New Delhi
Date: 04/09/2017

For and on behalf of the Board of Directors
For Smart Finsec Limited

Sd/-

(Priyanka Sharma)
Company Secretary

EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013.

Item No. 4 : Appointment of Ms. Vimmi Sachdev as Directors of the company.

The Board at its meeting held on August 09 ,2017, appointed Ms. Vimmi Sachdev as additional director respectively with effect from such Board meeting dates pursuant to Section 161 of the Companies Act,2013 . Hence, she will hold office up to the date of the ensuing \annual General Meeting.

The Company has received consent in writing to act as directors in Form DIR 2 and intimation in Form DIR- 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that they are not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Directors. Accordingly, the Board recommends the resolution Nos. 4., in relation to appointment of Ms. Vimmi Sachdev as Director, respectively, for the approval by the shareholders of the Company.

Item No. 5 : Appointment of Mr. Arjun Pahwa as Independent Directors of the company.

The Board at its meeting held on August 09 ,2017, appointed Mr. Arjun pahwa as additional director respectively with effect from such Board meeting dates pursuant to Section 149&152 of the Companies Act,2013 . Hence, he will hold office up to the date of the ensuing \annual General Meeting.

The Company has received consent in writing to act as directors in Form DIR 2 and intimation in Form DIR- 8 pursuant to Rule 8 of the Companies (Appointment and Qualifications of Directors) Rules, 2014, to the effect that they are not disqualified under sub- section (2) of section 164 of the Companies Act, 2013.

The Board considers that their association would be of immense benefit to the Company and it is desirable to avail their services as Directors. Accordingly, the Board recommends the resolution Nos. 5., in relation to appointment of Mr. Arjun Pahwa as Independent Director, respectively, for the approval by the shareholders of the Company, to hold office as such for a period of 5 (five) consecutive years, with effect from the date of this Meeting AND THAT he shall not be liable to retire by rotation.”

Place: New Delhi
Date: 04/09/2017

For and on behalf of the Board of Directors
For Smart Finsec Limited

Sd/-

(Priyanka Sharma)
Company Secretary

SMART FINSEC LIMITED

Registered Office:- F-88, IIND FLOOR, INDUSTRIAL POCKET,
DISTRICT CENTRE WEST DELHI, RAJA GARDEN, NEW DELHI-110027
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CIN:- L74899DL1995PLC063562

DIRECTORS' REPORT

Dear Shareholders,

Your Directors are pleased to present the 22nd Annual Report along with the Audited Financial Statements of your Company for the Financial Year ended on March 31st , 2017.

Financial Performance:

The summarized financial highlight is depicted below:

FINANCIAL RESULTS	Forthe Year Ended 31.03.2017	Forthe Year Ended 31.03.2016
Income from operations:	Rs. 12975783	Rs. 342482
Other Income	Rs. 3300000	Rs. 1500000
Depreciation	Rs. 603998	Rs. 588114
Profit/(Loss) before Tax	Rs. 14282499	Rs -1916306
Profit/(Loss) after Tax	Rs. 11100173	Rs. -785498

There are no material changes and commitments affecting the financial position of the Company between the end of the financial year and the date of this report.

TRANSFER TO RESERVES

Your Company proposes to transfer 22,20,035 amount to the General Reserve.

DIVIDEND

Directors have not declared any dividend during the year under review due to inadequate of Profit.

MATERIAL CHANGES AND COMMITMENTS

There was no change in the nature of the business of the Company. There were no material changes and commitments affecting the financial position of the Company between March 31, 2017 and the date of this Report.

SUBSIDIARIES, JOINT VENTURES AND ASSOCIATE COMPANIES

The Company does not have any Subsidiary or an associate company within the meaning of Section 2(87) and 2(6) of the Companies Act, 2013 ("Act") respectively, as on March 31, 2017.

DIRECTORS

During the year Ms. Sunayana , Director of the Company resigned from the Board of the Company w.e.f. 26/05/2017. The Board expresses its gratitude for their valuable contribution.

DIRECTORS' RESPONSIBILITY STATEMENT

As required by the Section 134(3)(c) read with the Section 134(5) 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 so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;

- (c) The directors had taken a proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 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; and if the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

KEY MANAGERIAL PERSONNEL

The following persons are Whole-Time Key Managerial Personnel ('KMP') of the Company in terms of provisions of Section 203 of the Companies Act, 2013:

- a. Mr. Arun Khera – Chairman and Managing Director
- b. Mr. Uma Singh – Chief Financial Officer*
- c. Mr. Sourabh Kumar – Chief Financial Officer**
- d. Ms. Priyanka Sharma – Company Secretary

*resigned w.e.f. June 30th, 2017

**Appointed w.e.f. August 01st, 2017

NUMBER OF BOARD MEETINGS

Five meetings of the Board of Directors of your Company were held during the year under review.

EVALUATION OF BOARD PERFORMANCE

Pursuant to the provisions of the Companies Act, 2013 and the corporate governance requirements as prescribed by Securities and Exchange Board of India ("SEBI") under SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, the Board of Directors has carried out an annual evaluation of its own performance, the Board committees and individual directors. The performance of the Board was evaluated by the Board after seeking inputs from all the directors on the basis of the criteria such as the diversity of the Board, effectiveness of the board processes, information and functioning etc.

The performances of the committees were evaluated by the Board after seeking inputs from the committee members on the basis of the criteria such as the composition of committees and effectiveness of the committee meetings etc. The performance of the individual directors were reviewed on the basis of the criteria's such as contribution of the individual director to the Board and committee meetings like preparedness on the issues to be discussed, meaningful and constructive contribution and inputs in meetings etc.

The performances of non-independent directors, the Board as a whole and of the Chairman were evaluated in a separate meeting of the Independent Directors after taking into account the views of executive directors and the non-executive directors.

INTERNAL FINANCIAL CONTROL

The Company has in place an established internal control system to ensure proper recording of the financial & operational information, the compliance of various internal controls and other regulatory/statutory compliances. All Internal Audit findings and control systems are periodically reviewed by the Audit Committee of the Board of Directors, which provides strategic guidance on Internal Controls.

STATUTORY AUDITORS

M/s. HK DUA & Co., Chartered Accountants (Firm Registration No. 000581N), has been duly appointed as an statutory Auditors of the Company from Financial Year 2017-18 to Financial Year 2021-22 , Your

Company has received letter from M/s. HK Dua & Co., Chartered Accountants, to the effect that their appointment, if made, would be within the prescribed limits under Section 141 of the Companies Act, 2013 read with rules made there under and that they are not disqualified for such appointment.

Directors recommend the appointment of M/s. HK Dua & Co., Chartered Accountants, as Statutory Auditors of the Company to hold office for the Period of Five Years, and authorize the Board to fix their remuneration. Notes to the financial statements referred in the Auditors Report are self-explanatory and therefore do not call for any comments under Section 134 of the Companies Act, 2013.

DIRECTORS' VIEW ON AUDITORS' OBSERVATIONS

The Management responses to the observation of the auditors are explained wherever necessary through appropriate notes to the Accounts is reproduced hereunder in compliance with the relevant legal provisions.

FIXED DEPOSITS

No disclosure or reporting is required in respect to the deposits covered under Chapter V of the Companies Act, 2013, as there were no transactions in respect to the same during the year under review.

RISK MANAGEMENT

There is a continuous process of identifying / managing risks through a Risk Management Process. The measures used in managing the risks are also reviewed. The risks identified by the Company broadly fall in the category of operational risk, regulatory risk, financial & accounting risk & foreign currency related risks. The risk management process consists of risk identification, risk assessment, risk monitoring & risk mitigation. During the year, measures were taken for the minimization of risks and the Board was informed from the time to time. In the opinion of the Board, none of the said risks which have been identified may threaten the existence of the Company.

AUDIT COMMITTEE

The Audit Committee of the Company consists of Mrs. Sangita Jain, Chairman, Ms. Sunayana , Mr. Arun Kherra . The Board of Directors of your Company has revised its terms of reference to make it in line with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

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

The information pertaining to the conservation of energy, technology absorption and foreign exchange earnings and outgo, as required under Section 134(3)(m) of the Companies Act, 2013 read with the Rule 8(3) of the Companies (Accounts) Rules, 2014 is enclosed as Annexure - A, and forms part of this Report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURE

In terms of the provisions of Section 197(12) of the Companies Act, 2013 read with Rules 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the names and other particulars of the employees drawing remuneration in the excess of the limits that set out in the said rules is enclosed as Annexure B and forms as part of this report. A statement showing details pertaining to the remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as Annexure - B and forms as part of this Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

The Company has not made any investments in securities of other body corporate(s) during the financial year 2016-17

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All related party transactions are in ordinary course of business and at arm's length, which are not

material in nature. All related party transactions are with the approval of the Audit Committee and periodically placed before the Board for review.

The prescribed Form AOC-2 is enclosed as Annexure - C, and forms part of this Report. Your directors draw the attention of members to Note 24 to the standalone financial statements which set out related party disclosures.

EXTRACT OF ANNUAL RETURN

The details forming part of the Extract of Annual Return in prescribed form MGT-9 is enclosed as Annexure-D and forms part of this Report.

SECRETARIAL AUDIT

Pursuant to the provisions of Section 204 of the Companies Act, 2013 read with the rules made thereunder, your Company had appointed Mr. Pawan Kumar Mishra, Practicing Company Secretary to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for financial year 2016-17 is annexed, which forms part of this report as Annexure-E There were no qualifications, reservation or adverse remarks in the Secretarial Audit Report of the Company.

Committees of Board

Detail of Committees constituted by the board of Directors as per the provision of Company Act 2013 are given in Annexure- F

DISCLOSURE REQUIREMENTS

1. Policy on materiality of related party transactions and dealing with related party transactions is available on the website of the Company.
2. The Company has formulated and published a Whistle Blower Policy to provide Vigil Mechanism for employees including directors of the Company to report genuine concerns, which is available on Company's website <http://www.smartfinsec.com/>. The provisions of this policy are in line with the provisions of Section 177(9) of the Companies Act, 2013 and the Regulation 22 of the SEBI (Listing Obligation and Disclosures Requirements) Regulation, 2015.
3. There were no significant or material orders passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.
4. During the year under review, there were no cases reported under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ACKNOWLEDGEMENT

The Directors wish to acknowledge and thank the Central and State Governments and all regulatory bodies for their continued support and guidance. The Directors thank the shareholders, customers, business associates, Financial Institutions and Banks for the faith reposed in the Company and its management.

The Directors place on record their deep appreciation of the dedication and commitment of your Company's employees at all levels and look forward to their continued support in the future as well.

**For on behalf of the Board
For Smart Finsec Limited**

**Place: New Delhi
Date: 04/09/2017**

**Arun Khera
Managing Director**

**Raman Khera
Director**

Information regarding Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo pursuant to Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of Directors' Report.

A. CONSERVATION OF ENERGY

Energy conservation is a very important part of energy planning and its management. This not only saves energy resources for future but also avoids wasteful utilization of energy. Energy conservation initiatives provide solution to the energy crisis, environmental degradation and pollution.

New energy initiatives give greater reliance on non-exhaustible and non-conventional resources of energy in order to conserve exhaustible & conventional resources like coal, petroleum, natural gas etc. Another aspect of energy conservation is to give greater importance on reduction in consumption of energy.

This can be achieved by inculcating change in the individual habits and adoption of latest technology available in vogue. There is a growing gap between supply and demand of electrical power. Needless to say the use of fossil fuels is accompanied with severe and several environmental damages. Due to the liberalization measures of the Government of India, the industrial sector is rapidly growing, thus increasing the energy demand enormously.

In the short run, the only solution to the growing energy deficit is to facilitate good energy saving measures through conservation of power, fuel and water. As industries are the major gutters/ consumers of these resources, the onus should lie on the industrial sector to limit & minimize its demand for energy. The need of the hour is to conserve and preserve the energy resources for future of the mankind.

Your Company is not covered in the Schedule of Industries under rule 2 of the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, requiring furnishing of information relating to conservation of energy. However realizing its importance, the Company has launched a concerted drive for conserving energy. Replacement of worn out wires, control of idle running of engines, and plugging of leakage were some of the measures taken. Besides the measures already taken, efforts are continuing to examine and implement fresh proposals for further conservation of energy. Positive impact of measures already taken has been observed on the costs.

B. TECHNOLOGY ABSORPTION

Company is NBFC so Technology Absorption has not been applicable here.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company has not earned any income in foreign exchange nor incurred any expenditure in foreign currency during the year under review.

Annexure - B to the Directors' Report

Information pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

- I) The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2016-17 and the percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year 2016-17:**

Requirement of Rule 5 (1)	Details	
i) the ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Arun Khera– N.A Raman Khera – N.A Sanjeev Soni – N.A. Sangita Jain – N.A. Sunayana – N.A.	
ii) the percentage increase in remuneration of each director, CFO, CEO, CS or Manager, if any, in the financial year	Arun Khera – N.A Raman Khera – N.A Sangita Jain – N.A. Sunayana – N.A. Priyanka Sharma – N.A Uma Singh – N.A	
iii) the percentage increase in the median remuneration of employees in the financial year;	NIL	
iv) the number of permanent employees on the rolls of the company	No Employee as on 10.12.2015	
v) the explanation on the relationship between average increase in remuneration and company performance;	NIL	
vi) comparison of the remuneration of the Key Managerial Personnel against the performance of the Company;	Aggregate remuneration of Key Managerial Personnel (KMP) in FY 2016-17.	460692
	Revenue	16275783
	Remuneration of KMPs (as % of revenue)	2.83%
	Profit before Tax (PBT)	14,282,499
	Remuneration of KMP (as % of PBT)	Nil
vii) a. Variations in the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year	Particulars March 31, 2017 March 31, 2016 %Change	
	Market Capitalization (Rs. Crore)	11.10 90.00
	Price Earnings Ratio 10 –	N.A.
viii) Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	There was no increase in the salaries of employees other than the managerial personnel during the FY 2016-17 over FY 2015-16. There was no increase in managerial remuneration in the financial year 2016-17.	

ix) Comparison of each remuneration of the Key Managerial Personnel against the performance of the Company		Arun Khera	Uma Singh	Priyanka Sharma
	Remuneration in FY 17	–	175000	285692
	Revenue	16275783	16275783	16275783
	Remuneration (as % of Revenue)	–	1.07%	1.75%
	Profit before Tax (PBT) (Rs. Lacs)	14282499	14282499	14282499
	Remuneration (as % of PBT)			
x) The key parameters for any variable component of remuneration availed by the directors	All employees including Managing Director and Whole Time Director's entitlement to incentive has a variable component which is based on the individual's performance and Company's financial performance.			
xi) The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year;	Not Applicable			
xii) Affirmation that the remuneration is as per the remuneration policy of the company	Remuneration paid during the year ended March 31, 2017 is as per the Remuneration Policy of the Company			

Place: New Delhi
Date: 04/09/2017

For and on behalf of the Board of Directors
For Smart Finsec Limited

Sd/-

Arun Khera
Managing Director

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of Section 134 of the Companies Act, 2013 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 arms length transactions under third proviso thereto

1. Details of contracts or arrangements or transactions not at arm's length basis:
 - (a) Name(s) of the related party and nature of relationship: **SMART EQUITY BROKERS PVT. LTD., (A Pvt. Company in which Directors are Members.)**
 - (b) Nature of contracts/arrangements/transactions: **Brokerage Paid**
 - (c) Duration of the contracts / arrangements/transactions: **One Year**
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any: **77179/-**
 - (e) Justification for entering into such contracts or arrangements or transactions:
 - (f) Date(s) of approval by the Board: -
 - (g) Amount paid as advances, if any: Nil
 - (h) Date on which the Ordinary Resolution was passed in general meeting as required under first proviso to section 188:
2. Details of *'material contracts or arrangement or transactions' at arm's length basis: NIL
 - (a) Name(s) of the related party and nature of relationship:N.A.
 - (b) Nature of contracts/arrangements/transactions:N.A.
 - (c) Duration of the contracts / arrangements/transactions:N.A.
 - (d) Salient terms of the contracts or arrangements or transactions including the value, if any:N.A.
 - (e) Date(s) of approval by the Board, if any:N.A.
 - (f) Amount paid as advances, if any:N.A.

*Definition of term 'material contracts or arrangement or transactions' is taken as per regulation 23 of the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 with stock exchanges

Place: New Delhi
Date: 04/09/2017

For and on behalf of the Board of Directors
For Smart Finsec Limited

Sd/-

Arun Khara
Managing Director

**FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2017

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

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L74899DL1995PLC063562
2.	Registration Date	May 2, 1995
3.	Name of the Company	Smart Finsec Limited
4.	Category/Sub-category of the Company	Company Limited by Shares / Indian Non – Government Company
5.	Address of the Registered office & contact details	F-88, 2nd Floor, Industrial Pocket, District Centre West Delhi, Raja Garden, New Delhi-110027.
6.	Whether listed company	Yes, BSE Limited
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Alankit Assignments Limited RTA Division, Jhandewalan, New Delhi-1100055 Phone – 011-42541234/23451234

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	Whole Income Generated from Sale of Bonds/ shares , Rent received& Interest Income	8030,8049	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :- N.A

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)
Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1st April, 2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	2146064	0	2146064	1.54%	2163956	0	2163956	72.132%	0.59%
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the beginning of the year[As on 1st April, 2016]				No. of Shares held at the end of the year[As on 31-March-2017]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Total shareholding of Promoter (A)	2146064	0	2146064	71.54%	2163956	0	2163956	72.132%	.59%
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	0	0	0	0	0
c) Central Govt	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2. Non-Institutions									
a) Bodies Corp.	503	1000	1503	.05%	516	1000	1516	0.051	.01%
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh]	8157	179000	187157	6.24%	6028	179000	185028	6.16	- .08
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	658976	0	658976	21.97%	643200	0	643200	21.44	-.53
c) Others (specify)									
Non Resident Indians	0	6300	6300	.21%	0	6300	6300	.21	-

Overseas Corporate Bodies	0	0	0	0	0	0	0	0	0
Foreign Nationals	0	0	0	0	0	0	0	0	0
Clearing Members	0	0	0	0	0	0	0	0	0
HUF	0	0	0	0	0	0	0	0	0
Trusts	0	0	0	0	0	0	0	0	0
Foreign Bodies-DR	0	0	0	0	0	0	0	0	0
Sub-total (B)(2):-	667636	186300	853936	28.46%	649744	186300	836044	27.87	-59
Total Public Shareholding (B)=(B)(1)+ (B)(2)									0
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	2813700	186300	3000000	100%	2813700	186300	3000000	100%	0

B. Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Arun Khera (HUF)	372500	12.42	Nil	372500	12.42	Nil	No change during the year
2.	Arun Khera	377000	12.57	Nil	377000	12.57	Nil	No change during the year
3.	Raman Khera	393800	13.13	Nil	393800	13.13	Nil	No change during the year
4.	Jatinder Khera	418100	13.94	Nil	0	0	Nil	-
5.	Upasana Khera	128300	4.28	Nil	128300	4.28	Nil	No change during the year
6.	Vimmi Sachdev	177200	5.91	Nil	0	0	Nil	-
7.	Sachit Khera	143464	4.78	Nil	564754	18.825	Nil	14.04
8.	Sunaina Khera	135700	4.52	Nil	327602	10.920	Nil	6.4

C) Change in Promoters' Shareholding (please specify, if there is no change)

	Equity Share holding at the beginning of the Year		Cumulative Preference Shares holding during the year		
	No. of Shares	% of total shares of the company	No of shares	% of Total shares of the company	% of Total shares of the company
At the beginning of the year	2146064	71.54%	15000	4.31	–
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)	Transfer		As on 30.06.2016 3,30000 Non Convertible Cumulative Redeemable Preference Shares at RS. 100/- each Allotted to Mr. Arun Khera, promoter of Company.		
At the end of the year	2163956	72.13%	330000	9.48%	4.76

**D) Shareholding Pattern of top ten Shareholders:
(Other than Directors, Promoters and Holders of GDRs and ADRs):**

S. No.	Shareholder's Name	Shareholding at the beginning of the year		Change in shareholding		Shareholding at the end of the year	
		No. of Shares	% of total Shares	Increase (Decrease)	Reason	No. of Shares	% of total Shares of Company
1.	Pramod Arora	128000	4.27	–	–	128000	4.27
2.	Asha Gambhir	113500	3.78	–	–	113500	3.78
3.	Sanjeev Sethi	97200	3.24	(7200)	Transfer	90000	3
4.	Jogesh sachdeva	93700	3.12	–	–	93700	3.12
5.	Puja Sachdev	81500	2.8	–	–	81500	2.8
6.	Shubhash Gambhir	68000	2.27	–	–	68000	2.24
7.	Prem Babu Tripathi	67076	2.24	(67.76)	Transfer	Nil	Nil
8.	Gaurav Tandan	6800	.23	–	–	6800	.23
	Anita Gupta	–	–	–	–	36500	1.21
9.	Rajiv	4500	.15	–	–	4500	.15
	Mohan Gupta	–	–	–	–	32000	1.06
10.	Sudesh Khera	4400	.15	–	–	4400	.15

E) Shareholding of Directors and Key Managerial Personnel:

S. No.	Shareholder's of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Arun Khera				
	At the beginning of the year	377000	12.57		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):	No change during the year.			
	At the end of the year			377000	12.57
2.	Raman Khera				
	At the beginning of the year	393800	13.12		
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase /decrease (e.g. allotment/transfer/ bonus/ sweat equity etc.):	No change during the year.			
	At the end of the year			393800	13.12

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

Amount in Lac

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

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount
		Arun Khera (Managing Director)		
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify...	NIL	NIL	NIL
5	Others, please specify	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL
	Ceiling as per the Act			60,00,000

B. Remuneration to other directors

SN.	Particulars of Remuneration	Name of Directors		Total Amount
		Sangita Jain	Sunayana	
1	Independent Directors	N.A.	N.A.	N.A.
	Fee for attending board committee meetings	N.A.	N.A.	N.A.
	Commissions	N.A.	N.A.	N.A.
	Others, please specifys	N.A.	N.A.	N.A.
	Total (1)	N.A.	N.A.	N.A.
2	Other Non-Executive Directors	Rajesh Chawla	Raman Khera	-
	Fee for attending board committee meetings	N.A.	N.A.	N.A.
	Commissions	N.A.	N.A.	N.A.
	Others, please specifys	N.A.	N.A.	N.A.
	Total (2)	N.A.	N.A.	N.A.
	Total (B)=(1+2)	N.A.	N.A.	N.A.
	Total Managerial Remunerations	N.A.	N.A.	N.A.
	Overall Ceiling as per the Acts	N.A.	N.A.	N.A.

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

SN	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	CFO	Total
1	Gross salary	N.A.			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	N.A.	2,85,692	1,75,000	4,60,692
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	N.A.	N.A.	N.A.	N.A.
2	Stock Option	N.A.	N.A.	N.A.	N.A.
3	Sweat Equity	N.A.	N.A.	N.A.	N.A.
4	Commission	N.A.	N.A.	N.A.	N.A.
	- as % of profit	N.A.	N.A.	N.A.	N.A.
	others, specify...	N.A.	N.A.	N.A.	N.A.
5	Others, please specify	N.A.	N.A.	N.A.	N.A.
	Total	N.A.	2,85,692	1,75,000	4,60,692

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
B. DIRECTORS					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.
C. OTHER OFFICERS IN DEFAULT					
Penalty	N.A.	N.A.	N.A.	N.A.	N.A.
Punishment	N.A.	N.A.	N.A.	N.A.	N.A.
Compounding	N.A.	N.A.	N.A.	N.A.	N.A.

PK MISHRA & ASSOCIATES
(COMPANY SECRETARIES)

MOBILE NO. +91 9560994490

Form No. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED MARCH 31, 2017

(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,

Smart Finsec Limited,
F-88, IInd Floor, Industrial Pocket,
District Centre, West Delhi,
Raja Garden,
New Delhi-110027

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practice by **Smart Finsec Limited**, (hereinafter called the company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon we report that:-

- a. Maintenance of Secretarial records is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on my audit.
- b. We have followed the Audit Practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in the secretarial records. We believe that the process and practices, we followed provide a reasonable basis for my opinion.
- c. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- d. Wherever required, we have obtained the management representation about the compliance of law, rules and regulations and happening of events etc.
- e. The Compliance of the provisions of the corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to verification of procedures on test basis.
- f. 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.

Based on my verification of the **Smart Finsec 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 March 31, 2017, 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 **Smart Finsec Limited**, ("the Company") for the Financial Year ended on March 31, 2017 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 were duly complied for the period from 1st April 2016 to 31st March 2017.
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under were duly complied for the period from 1st April 2016 to 31st March 2017.
- 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 are not applicable on the Company for the Financial Year 2016-17 as disclosed by the management of the Company.
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') to the extent applicable to the Company:
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; The Company has filed all disclosure within prescribed time and duly complied all the provisions as disclosed by the management of the company.
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015; The Company has duly complied with all the provisions as disclosed by the Management of the Company.
 - (c) The Securities and Exchange Board of India (Issue of Capital Disclosure Requirements) Regulations, 2009; **(Not Applicable as the company has not issued any further capital under the regulations during the period under review).**
 - (d) The Securities and Exchange Board of India (Share Based Employee Benefit) Regulations, 2014 (as amended up to date);
(Not Applicable as the company has not issued any securities under the regulations during the period under review).
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the company has not issued and listed any debt securities under the regulations during the period under review).**
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the company is not registered as Registrar to issue and Share Transfer Agent during the period under review).**
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009. **(Not Applicable as the company is still listed on BSE and not applied for delisting during the period under review.)**
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable as the company has not bought back / proposed to buy-back any of its securities during the financial year under review.)**
 - (i) The company has complied with the requirements under the Equity Listing Agreements entered with the Bombay Stock Exchange Limited (BSE) and the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015; and
 - (j) The Memorandum and Articles of Association.

(i) OTHER APPLICABLE ACTS,

- (a) Income Tax Act, 1961 and Indirect Tax Laws.

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

- i) Secretarial Standards issued by the Institute of Company Secretaries of India (SS-1 and SS-2) w.e.f. 01.07.2015.
- ii) The Listing Agreements entered into by the Company with the Bombay Stock Exchange Limited.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

We further report that:

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors, Independent Directors and Woman Director. 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 notices were given to all directors to schedule the Board / Committee Meetings, agenda and detailed notes on agenda items were sent at least seven days in advance, and 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 decisions are carried through while the dissenting members' views are captured and recorded as part of the minutes.

The Company has obtained all necessary approvals under the various provisions of the Act; and there was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules and Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

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:-

- As informed, the Company has responded appropriately to notices received from various statutory / regulatory authorities including initiating actions for corrective measures, wherever found necessary.

We further report that during the period, there were no instances of:

- (i) Public / Rights / Preferential Issue of Shares / Debentures / Sweet Equity. (**except 3,30,000 Non – Convertible Cumulative Redeemable Preference shares of Rs. 100/- had been issued to one Promoter on 30.06.2016.**)
- (ii) Redemption / buy-back of securities.
- (iii) Merger / amalgamation /reconstruction etc.
- (iv) Foreign technical collaboration.

Date: 04/09/2017
Place: New Delhi

FOR P.K. MISHRA & ASSOCIATES
COMPANY SECRETARIES

SD/-
PAWAN KUMAR MISHRA
PROPRIETOR
Membership No.FCS-4305
COP No.16222

AUDIT COMMITTEE

The Audit Committee of the Company consists of Mrs. Sangita Jain, Chairman, Mrs. Sunayana , Mr. Arun Khera as members. The Board of Directors of your Company has revised its terms of reference to make it in line with the requirements of Section 177 of the Companies Act, 2013 .

All the members of Audit Committee are independent directors except Mr. Arun Khera, who is Managing Director of the Company.

The terms of reference of the Audit Committee cover all areas mentioned under Clause 49(III) of the listing agreement with the stock exchanges and Section 177 of the Companies Act, 2013. The broad terms of reference of the Audit Committee, as on March 31, 2017, include, inter-alia, systematic review of accounting policies & practices, financial reporting process, adequacy of internal control systems and internal audit function, quarterly/half-yearly financial statements. It also recommends appointment of Statutory Auditors, Internal Auditors, Cost Auditors, Secretarial Auditors and fixation of their audit fees.

Representatives of Statutory Auditors attend the Audit Committee Meetings on invitation.

During the year April 01, 2016 to March 31, 2017, Audit Committee meetings have taken place on May 20, 2016, August 11, 2015, November 11, 2016, February 13, 2016.

The attendance of each director at these meetings was as under:

S.No.	Name	No. of meeting during the year	No. of meeting attended
1	Arun Khera	4	4
2	Sangita Jain	4	4
3	Sunayana	4	4

The composition and terms of reference of the Audit Committee are in conformity with the Listing Agreement and the Companies Act, 2013.

The minutes of the meetings of the Audit Committee are placed before the Board for its information.

4. NOMINATION AND REMUNERATION COMMITTEE

The Board of Directors of your Company has renamed and reconstituted its existing ' Remuneration Committee' as 'Nomination and Remuneration Committee' and have also revised its terms of reference to make it in line with the requirements of Section 178 of the Companies Act, 2013 and clause 49 of the listing agreement. At present, the 'Nomination and Remuneration Committee' comprised of Mrs. Sangita Jain , as Chairman, Mrs. Sunayana , Mr. Rajesh Chawla , as members of the Committee.

Terms of Reference

The terms of reference of the Nomination and Remuneration Committee cover all areas mentioned under Clause 49(IV) of the listing agreement with the stock exchanges and Section 178 of the Companies Act, 2013. The broad terms of reference of the Nomination and Remuneration Committee inter-alia include recommending a policy relating to remuneration of directors and senior management personnel, formulation of criteria and identify persons who may be appointed as directors or senior management of the Company, Board diversity and any other matters which the Board of Directors may direct from time to time. During the year April 01, 2016 to March 31, 2016, One (1) 'Nomination and Remuneration Committee' meetings have taken place on February 13 2017.

The attendance of each director at these meetings was as under:

S.No.	Name	No. of meeting during the year	No. of meeting attended
1	Mrs. Sangita Jain	1	1
2	Mrs. Sunayana	1	1
3	Mr. Rajesh Chawla	1	1

Remuneration Policy:-

The Remuneration Policy recommended by the Nomination and Remuneration Committee has been accepted by the Board of Directors. The Remuneration policy is enclosed as Annexure - D to the Directors Report.

During the year under review, there was no pecuniary relationship or transactions of the non-executive directors vis-à-vis the Company. Both Executive and Non- Executive Directors were paid remuneration only by way of sitting fees for attending the meetings of Board of Directors and Committees thereof.

MANAGING DIRECTOR DECLARATION

I, Arun Khera , Managing Director of Smart Finsec Limited, certify based on annual disclosures received, that all Board members and senior Management personnel have abided by the Code of Conduct for Directors & Senior Management laid down by the Company.

Place : New Delhi

Date : 04.09.2017

For on behalf of the Board

Sd/-

Arun Khera

Managing Director

(DIN.: 00055694)

CERTIFICATE OF CHIEF FINANCIAL OFFICER

To,

The Board of Directors,
Smart Finsec Limited,

I, Sourabh Kumar, Chief Financial Ofcer of Smart Finsec Limited, on the basis of the review of the nancia statements and cash flow statement for the year ended 31st March 2017 and to the best of my knowledge and belief, hereby certify that:

These statements do not contain any materially untrue statements or omits any material fact or contain statements that might be misleading.

These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year ended 31st March 2017 which, are fraudulent, illegal or in violation of the Company's Code of Conduct.

I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and we have disclosed to the Auditors' and the Audit Committee those deficiencies in the design or operations of such internal controls of which, I am aware and the steps taken and/ or proposed to be taken to rectify these deficiencies.

I have indicated to the Auditors and the Audit Committee:

There have been no significant changes in the internal control over financial reporting during this year.

There have been no significant changes in the accounting policies during the year.

To the best of our knowledge and belief, there is no instance of significant fraud of which I have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Place: New Delhi
Dated: 04.09.2017

Sd/-
Sourabh Kumar
Chief Financial Officer

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forward-Looking Statements

Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Risks and Concerns

Financing industry has recently witnessed intense competition, falling lease rent and the entry of several big players. The Company continues to achieve cost efficiencies through the application of technology. However with the availability of financial resources, we are hopeful that the said Company will be able to take the opportunities of the expanding business opportunities. The Finance industry in which your Company is operating is subject to extensive regulation. The Company evaluates the technological obsolescence and the associated risk and makes investment according

Internal Control Systems and their adequacy

The Company has satisfactory internal control system.

Smart Finsec Ltd. has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firms of Chartered Accountants. Post audit reviews are also carried out to ensure follow up on the observations made.

1. Financial Performance with respect to Operational Performance Share Capital

The paid up equity share capital of the Company as on March 31, 2016 stands at Rs. 3,00,000,00 divided into 30,00,000 equity shares of Rs. 10/- each fully paid up and 4,80,00,000 divided 4,80,000 Non Convertible Cumulative redeemable Preference Shares of Rs. 100/- each .

2. Opportunities and Threats

Your Company being an Financing Company seeks opportunities in the Finance market. The business of company i.e. Smart Finsec Ltd. is affected by the sentiments prevailing in the Finance markets. Smart Finsec Ltd. is one of the reputed Financing houses. The Company is empanelled with most of the reputed domestic financial institutions including life and non insurance companies, mutual funds, foreign financial institutions and corporate, the likely increase in capital mobilization from the primary market, increase in resource mobilization by mutual funds and phenomenal growth in secondary market volumes provide significant business opportunities for the Company. Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

3. Net Worth

The Net Worth of the Company increased from Rs. 52,50,572 to Rs. 97,350,744 .

4. Total Income

During the year under consideration total income was Rs. 16,275,783 as against Rs. 1,157,518 in the previous year.

5. Tax Expense

During the year under consideration the Tax Expense was (Rs. 3,182,326) from (Rs. 1,130,808) in the previous year.

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF **SMART FINSEC LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of SMART FINSEC LIMITED ("the company"), which comprise the Balance Sheet as at 31 March 2017, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation and presentation 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the 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 control, 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 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 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 operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by 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:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2017
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2015 ("the Order") 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, to the extent applicable.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) the Balance Sheet, the Statement of Profit and Loss, and 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 31 March, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2017, 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 in Annexure 'B' and
 - g) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - 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 derivatives contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which required to be transferred by the Company to the Investor Education and Protection Fund.
 - iv. The company has provided requisite disclosures in its financial statements as to holdings as well as dealings in the Specified Bank Notes during the period from 8 November, 2016 to 30 December, 2016 and these are in accordance with the books of accounts maintained by the Company. For the same Note No. 24 (III) to the financial statements can be referred.

For A. Mohan & Company
Chartered Accountants
FRN:017403N

Ashwani Mohan

Partner
Membership No.:082632
Place: New Delhi

Annexure 'A' to the Independent Auditors' Report

The annexure referred to our Independent Auditors' Report to the members of the company on the standalone financial statements for the year ended 31.03.2017, we report that:

On the basis of such checks as we considered appropriate and in terms of information and explanations given to us, we state that:-

- (i) In respect of its fixed assets:
 - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of the fixed assets.
 - (b) As explained to us, fixed assets have been physically verified by the management during the year in accordance with the phased programme of verification adopted by the management which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanations given to us, no material discrepancies were noticed on such verification.
 - (c) According to the information and explanations given to us and the records shown, the title deeds of immovable property owned by the company are in the name of company only.
- (ii) In respect of its inventory:
 - a) As explained to us company is into the business of investing and trading in shares & Bonds and its inventory consist of Listed Shares. The inventory is verified electronically by the management during the year.
 - b) The procedures of electronic 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 is maintaining proper records of Inventory. No discrepancies were noticed on such verification between the electronically maintained stocks and the book records.
- (iii) In respect of loans, secured or unsecured, granted to the parties covered in register maintained under section 189 of the Companies Act 2013:
 - (a) According to the information and explanations given to us, the Company has not granted any loans to companies, firms or other parties covered in the Register maintained under Section 189 of the Companies Act, 2013; and therefore paragraph 3(iii) of the Order is not applicable.
- (iv) According to the information and explanations given to us, the Company does not have any loans, investments, guarantees and security referred to in Section 185 and 186 of the Companies Act, 2013. Accordingly, paragraph 3(iv) of the order is not applicable.
- (v) The company has not received any public deposits during the year and therefore this paragraph of the Order is not applicable.
- (vi) The Cost records are not prescribed by the central Government under sub section (1) of section 148 of the Companies Act 2013.
- (vii)(a) According to the records, information and explanations provided to us, the Company is generally regular in depositing with appropriate authorities 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 other material statutory dues as applicable to it and no undisputed amounts payable were outstanding as at March 31st, 2017 for a period of more than six months from the date they became payable.
 - (b) According to the information and explanation given to us, there are no disputed dues in respect of income tax, sales-tax, service tax, duty of customs, duty of excise and value added tax which have not been deposited with appropriate authorities.

- (viii) In our opinion and according to the information and explanations given to us, there were no dues repayable to government, financial institutions, banks and debenture holders.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company, Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statement as required by the applicable accounting standards.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has made preferential allotment of Non convertible cumulative Redeemable Preference Shares during the year. The requirement of Section 42 of the Companies act, 2013 have been complied with and the funds were used for the purpose for which it was raised.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The company is required to be registered under section 45-IA of the Reserve Bank of India Act 1934 and is Registered vide Registration No. B-14.00691.

For A. Mohan & Company
Chartered Accountants
FRN:017403N

Ashwani Mohan
Partner
Membership No.:082632

Place: New Delhi
Date:26.05.2017

SMART FINSEC LIMITED
BALANCE SHEET AS AT 31st MARCH 2017

Particulars	Notes	As at		As at
		31st March 2017		31st March 2016
EQUITY AND LIABILITIES				
Shareholder's Funds				
Share Capital	2	78,000,000	45,000,000	
Reserves and Surplus	3	<u>19,350,744</u>	<u>8,250,572</u>	53,250,572
Current Liabilities				
Short-term provisions	4	2,402,492	278,194	
Other current liabilities	5	<u>750,000</u>	<u>750,000</u>	1,028,194
Total Equity & Liabilities		<u>100,503,236</u>		<u>54,278,766</u>
ASSETS				
Non-Current Assets				
Fixed Assets				
-Tangible assets	6	17,383,398	17,987,396	
Deferred tax assets (net)	7	420,468	1,479,294	
Long term loans and advances	8	<u>2,174,660</u>	<u>334,535</u>	19,801,225
Current Assets				
Current investments	9	53,312,550	14,632,215	
Inventories		23,923,180	8,007,657	
Cash and bank balances	10	2,510,856	11,837,669	
Short-term loans and advances	11	<u>778,125</u>	<u>-</u>	34,477,541
Total Assets		<u>100,503,236</u>		<u>54,278,766</u>

Contingent Liabilities 12

Significant Accounting Policies 1

The accompanying notes are an integral part of these financial statements

Signed in terms of our report of even date

For and on behalf of the Board of Directors

For A. Mohan & Company
Chartered Accountants
Firm's Registration No.: 017403N

(Arun Khara)
Managing Director
DIN:00055694

(Raman Khara)
Director
DIN:00055728

(Ashwani Mohan)
Partner
Membership No. : 082632
Place:New Delhi
Dated: 26th May, 2017

(Priyanka Sharma)
Company Secretary

(Uma Singh)
CFO

SMART FINSEC LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH 2017

Particulars	Notes	For the year ended 31st March 2017	For the year ended 31st March 2016
INCOME			
Revenue from operations	13	12,975,783	- 342,482
Other Income	14	3,300,000	1,500,000
Increase/(Decrease in Stock)	15	-	-
Total Revenue		<u>16,275,783</u>	<u>1,157,518</u>
EXPENSES			
Employee benefit expenses	16	656,821	1,116,115
Other expenses	17	732,465	1,369,596
Total Expenses		<u>1,389,286</u>	<u>2,485,711</u>
Profit before interest, tax, depreciation and amortisation expense		14,886,497	-1,328,192
Depreciation and amortisation expense	18	<u>603,998</u>	<u>588,114</u>
Profit before exceptional items, prior period & taxes		14,282,499	-1,916,306
Exceptional Items		-	-
Prior Period Expenses		-	-
Profit before tax		14,282,499	-1,916,306
Tax expenses:			
(1) Current tax		2,123,500	-
(2) Deferred tax		<u>1,058,826</u>	<u>(1,130,808)</u>
Profit for the year		<u>11,100,173</u>	<u>-785,498</u>
Earning per equity share:			
(1) Basic		3.70	-
(2) Diluted		3.70	-
Significant Accounting Policies	1		
The accompanying notes are an integral part of these financial statements	2-24		
Signed in terms of our report of even date		For and on behalf of the Board of Directors	
For A. Mohan & Company		(Arun Kherra)	(Raman Kherra)
Chartered Accountants		Managing Director	Director
Firm's Registration No.: 017403N		DIN:00055694	DIN:00055728
(Ashwani Mohan)		(Priyanka Sharma)	(Uma Singh)
Partner		Company Secretary	CFO
Membership No. : 082632			
Place:New Delhi			
Dated: 26th May, 2017			

SMART FINSEC LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31st MARCH 2017

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
A CASH FLOW FROM OPERATING ACTIVITIES:		
Net profit / (loss) before taxes	14282498.55	(1,916,306)
Adjustment for:		
Depreciation	603,998	588,114
Interest Income	(3,757,867)	(1,350,304)
Increase in Stock	(15,915,523)	(8,007,657)
Operating Profit before working capital changes	<u>(4,786,893)</u>	<u>(10,686,153)</u>
Adjustment for:		
Receivables and Loans & Advances	(2,618,250)	(30,870.00)
Trade payable & Other Liabilities	798	(102,501.00)
Cash generated from Operations	<u>(7,404,345)</u>	<u>(10,819,524)</u>
B. CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investment	(38,680,335)	-
Sale of Investment		-
Dividend		-
Purchase of Fixed Assets		(47,000)
Net of Purchase & Sale of Shares		-
Profit in Jobbing		-
Profit in F&O		-
Income From Sale of Bonds		-
Interest & Profit on Liquid Fund Received	3,757,867	1,350,304
Net Cash used in Investing Activities	<u>(34,922,468)</u>	<u>1,303,304</u>
C. CASH FLOW FROM FINANCING ACTIVITIES:		
Unsecured loan		4,600,000
Share Capital	33,000,000	15,000,000
Net Cash Flow from Financing Activities	<u>33,000,000</u>	<u>19,600,000</u>
 Net Increase in cash and cash equivalents (A) + (B) + (C)	 (9,326,813)	 10,083,780
Cash and cash equivalents - Opening	11,837,669	1,753,889
Cash and cash equivalents - Closing	2,510,856	11,837,669

Signed in terms of our report of even date

For and on behalf of the Board of Directors

For A. Mohan & Company
Chartered Accountants
Firm's Registration No.: 017403N

(Arun Kherra)
Managing Director
DIN:00055694

(Raman Kherra)
Director
DIN:00055728

(Ashwani Mohan)
Partner
Membership No. : 082632
Place: New Delhi
Dated: 26th May, 2017

(Priyanka Sharma)
Company Secretary

(Uma Singh)
CFO

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	As at 31st March 2017	As at 31st March 2016
<u>NOTE-2: SHARE CAPITAL</u>		
<u>AUTHORIZED CAPITAL</u>		
32,00,000 Equity Shares of Rs. 10/- each. (Previous Year Rs 32,00,000 Equity Shares)	32,000,000	32,000,000
4,80,000- 2% Non Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each (Previous Year NIL)	48,000,000	48,000,000
Total	<u>80,000,000</u>	<u>80,000,000</u>
<u>ISSUED , SUBSCRIBED & PAID UP CAPITAL</u>		
30,00,000 Equity Shares of Rs. 10/- each, fully paid up (Previous Year 30,00,000 Equity Shares)	30,000,000	30,000,000
4,80,000- 2% Non Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each, fully paid up Previous Year 1,50,000- 2% Non Convertible Cumulative Redeemable Preference Shares of Rs. 100/- each, fully paid up	48,000,000	15,000,000
Total	<u>78,000,000</u>	<u>45,000,000</u>

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

2.2 Reconciliation of the number of equity shares and amount outstanding at the beginning and at the end of the

Balance at the commencement of the year	4,500,000	3,000,000
Additions during the year	3,300,000	1,500,000
Balance at the end of the year	7,800,000	4,500,000

2.3 During the five reporting periods immediately preceding the reporting period no shares have been issued for consideration other than cash.

NOTE-3: RESERVES & SURPLUS

(A) Statutory Reserve

Balance brought forward from previous year	1,558,750	1,558,750	
(+) Transfer from Statement of profit & loss	<u>2,220,035</u>	<u>3,778,785</u>	<u>1,558,750</u>

(B) Surplus in statement of profit & loss

Balance brought forward from previous year	6,691,821	7,477,319	
(+) Net Profit /(Net loss) for the current year	11,100,173	-785,498	
(+) Excess Provisions			
(-) Proposed dividend			
(-) Interim dividend			
(-) Transfer to statutory reserve for Short fall in			
(-) Transfer to statutory reserve for this year	<u>2,220,035</u>	<u>-</u>	<u>-</u>

Closing Balance	15,571,959	6,691,821
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Total	<u>19,350,744</u>	<u>8,250,572</u>
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SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	As at 31st March 2017	As at 31st March 2016
<u>NOTE-4: SHORT TERM PROVISIONS</u>		
Expenses Payable	88,047	89,194
Provision for Taxation	2,312,500	189,000
Contigent Provision against Standard Assets	1,945	-
Total	<u>2,402,492</u>	<u>278,194</u>
<u>NOTE-5: OTHER CURRENT LIABILITIES</u>		
Security deposit against rent	750,000	750,000
Total	<u>750,000</u>	<u>750,000</u>

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	As at 31st March 2017	As at 31st March 2016
<u>Note-7: DEFERRED TAX ASSETS</u>		
<u>Deferred Tax Asset on account of</u>		
- Depreciation, Unabsorbed Depreciation , Losses & ROC	21,070	1,285,790
- MAT Credit available	399,398	193,504
Total	420,468	1,479,294
<u>NOTE-8: LONG TERM LOANS & ADVANCES</u> <u>(unsecured, considered good unless otherwise stated)</u>		
Advance Income Tax/Refund Due		
- TDS & Income Tax	2,174,660	334,535
Total	2,174,660	334,535
<u>NOTE-9: CURRENT INVESTMENT</u>		
Investment in shares		
Tax Free Bonds	47,312,550	14,632,215
HDFC Liquid Fund	6,000,000	
Total	53,312,550	14,632,215
<u>NOTE-10: CASH & CASH EQUIVALENTS</u>		
Balances with banks		
In current accounts	2,473,756	11,578,136
Cash on hand	37,100	259,533
Total	2,510,856	11,837,669
<u>NOTE-11: SHORT TERM LOANS & ADVANCES</u> <u>(Unsecured and Considered good unless otherwise stated)</u>		
Loans & Advances	778,125	-
Advance Recoverable in cash or in kind or for value to be received	-	-
Total	778,125	-
<u>NOTE-12: CONTINGENT LIABILITIES</u>		
	Nil	Nil

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Note-13: REVENUE FROM OPERATIONS		
Opening Stock	8,007,657	
Purchase of Shares	65,669,288	17,243,620
Trading Expense	170,020	35,151
Total (A)	<u>73,846,965</u>	<u>17,278,771</u>
Interest	3,757,867	1,350,304
Dividend	106,760	35,598
Profit from Trading		
Sale of Shares	53,778,683	6,979,680
Sale of Liquid Fund	1,202,771	283,703
Profit in F&O	3,993,305	256,649
Profit in Jobbing	60,183	22,698
Income From Sale of Bonds	-	-
Dividend		
Total (B)	<u>62,899,568</u>	<u>8,928,633</u>
Total (B-A)	<u>(10,947,397)</u>	<u>(8,350,138)</u>
Less: Closing Stock	23,923,180	8,007,657
Net Revenue From Operations	12,975,783	(342,482)
Note-14: OTHER INCOME		
Rental Income	3,300,000	1,500,000
Interest on Income Tax Refund	-	-
Total	<u>3,300,000</u>	<u>1,500,000</u>
Note-15: INCREASE/(DECREASE) IN STOCK		
Opening Stock	8,007,656.90	-
Closing Stock	23,923,179.70	8,007,656.90
	<u>15,915,522.80</u>	<u>8,007,656.90</u>
Note-16: EMPLOYEE BENEFITS EXPENSES		
Salaries, Wages, Bonus etc	656,821	1,020,115
Directors Remuneration		96,000
Total	<u>656,821</u>	<u>1,116,115</u>
Note-17: OTHER EXPENSES		

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Electricity & Water charges		1,900
Fees & Subscription		-
Maintenanace Expenses	16,379	-
Communication costs	4,207	5,641
Rent	68,950	68,336
Insurance	5,186	5,089
Auditor's Remuneration	25,000	25,000
Annual Custody Fees	20,610	20,610
Advertising and sales promotion	31,755	60,210
Listing Fee	229,000	251,900
Postage Courier	16,680	29,097
Printing & Stationery	7,000	10,160
Professional Charges	102,000	399,000
Property Tax	56,233	30,479
ROC Charges	7,200	445,800
RTA Charges	52,515	-
Miscellaneous Expenses	1,151	2,405
Internet Expenes	11,745	-
Rates & Taxes	3,750	-
Vehicle Maintenance	67,432	57,000
Provision against Standard Assets	1,945	(46,581)
Website Expenses	3,566	3,550
Bank Charges	162	
Total	<u>732,465</u>	<u>1,369,596</u>

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
Note-18: DEPRECIATION & AMORTISATION EXPENSES		
Depreciation on tangible assets	603,998	588,114
Total	603,998	588,114

Note-19: SEGMENT INFORMATION

Segment Reporting

	Real Estate		NBFC Activities	
	C.Y	P.Y	C.Y	P.Y
Revenue from segment	3,300,000	1,500,000	62,899,000	18,928,633
Segment Result	2,269,000.00	(74,314)	12,013,000.00	(1,841,992)
<i>Other Information</i>				
Segment Assets	8,708,741	8,331,300	91,794,496	45,947,466
Segment Liabilities	1,950,274	889,097	1,202,219	139,097
Net	6,758,468	7,442,203	90,592,278	45,808,369

Note-20: VALUE OF IMPORTS ON CIF BASIS

NIL

NIL

Note-21: EXPENDITURE IN FOREIGN CURRENCY

NIL

NIL

Note-22: EARNING IN FOREIGN CURRENCY

NIL

NIL

Note-23: EARNINGS PER SHARE

Earnings per share is calculated by dividing the profit attributable to equity shareholders by the weighted average number of equity

Profit/(Loss) for the after taxes before Exceptional / Prior Basic and diluted Earning per Share	11,100,173	(785,498)
- Number of equity shares outstanding during the year	3,000,000	3,000,000
- Earning per share (`)	3.70	-

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Particulars	For the year ended 31st March 2017	For the year ended 31st March 2016
-------------	---------------------------------------	---------------------------------------

Note-24: RELATED PARTY DISCLOSURES

(I) Related Party Disclosures Under Accounting Standard -18

(A) Enterprises in which the Company has control	N.A.	N.A.
(B) Parties in respect of which the company is a joint	N.A.	N.A.
© Key Management Personnel		
Managing Director	Mr. Arun Khera	Mr. Arun Khera
Director	Mrs. Raman Khera	Mrs. Raman Khera
Director	Mr. Rajesh Chawla	Mr. Rajesh Chawla
Director	Ms. Sangita Jain	Ms. Sangita Jain
Director	Ms. Sunayana	Ms. Sunayana
CFO	Ms. Uma Singh	Mr. Uma Singh
Company Secretary	Ms. Priyanka Sharma	Ms. Priyanka Sharma

(D) Transactions with and outstanding balances of related parties during the year

Name of the Company/Firm/Indl.	Nature of Transaction		
Smart Equity Brokers Private Limited	Brokerage Paid	77,179	21,314
Smart Equity Brokers Private Limited	Rent Paid	68,950	68,336
Mr. Arun Khera	Rent Received	1,800,000	96,000

Outstanding Balances of Related Parties NIL NIL

(E) Enterprises over which key management personnel and their relatives are able to exercise significant influences. NIL NIL

(II) Auditor's Remuneration 25,000 25,000

(III) Details of Specified Bank Notes Held and deposited between 08th November and 30th December 2016

	SBN	Other Denomination Notes	Total
Closing cash in Hand as on 08.11.2016	224,500	3,528	228,028
(+) Permitted Receipts	150,000	-	150,000
(-) Permitted Payments	24,545	-	24,545
(-) Amount Deposited in Banks	224,500	-	224,500
Closing cash in hand as on 30.12.2016	125,455	3,528	128,983

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2017	WDV as on 31.03.2016
	Tangible Assets										
1	Car	850,689	-	-	850,689	711,515	32,392	-	743,907	106,782	139,174
2	Furniture & Fixture	5,787,435	-	-	5,787,435	592,318	545,189	-	1,137,507	4,649,928	5,195,117
3	Office Equipments	86,680	-	-	86,680	82,346	-	-	82,346	4,334	4,334
4	Land & Building	10,412,332	-	-	10,412,332	-	-	-	-	10,412,332	10,412,332
5	Property At Sainik Farms	2,200,000	-	-	2,200,000	-	-	-	-	2,200,000	2,200,000
6	Computer	47,000	-	-	47,000	10,561	26,417	-	36,978	10,022	36,439
	Total Figures for the Current Year	19,384,136	-	-	19,384,136	1,396,740	603,998	-	2,000,738	17,383,398	17,987,396
	Total Figures for the Previous Year	19,337,136	47,000	-	19,384,136	808,626	588,114	-	1,396,740	17,987,396	18,528,510

SMART FINSEC LIMITED

NOTE-6: FIXED ASSETS

Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2016	WDV as on 31.03.2015
	Tangible Assets										
1	Car	850,689	-	-	850,689	679,151	32,364	-	711,515	139,174	171,538
2	Furniture & Fixture	5,787,435	-	-	5,787,435	47,129	545,189	-	592,318	5,195,117	5,740,306
3	Office Equipments	86,680	-	-	86,680	82,346	-	-	82,346	4,334	4,334
4	Land & Building	10,412,332	-	-	10,412,332	-	-	-	-	10,412,332	10,412,332
5	Property At Sainik Farms	2,200,000	-	-	2,200,000	-	-	-	-	2,200,000	2,200,000
6	Computer	-	47,000	-	47,000	-	10,561	-	10,561	36,439	-
	Total Figures for the Current Year	19,337,136	47,000	-	19,384,136	808,626	588,114	-	1,396,740	17,987,396	18,528,510
	Total Figures for the Previous Year	9,428,402	9,908,734	-	19,337,136	773,770	34,856	-	808,626	18,528,510	8,654,632

SMART FINSEC LIMITED

Sr. No	Particulars	Gross Block				Depreciaton				Net Block	
		Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	Addition during the year	Deduction during the year	Value at the end	WDV as on 31.03.2015	WDV as on 31.03.2014
	Tangible Assets										
1	Car	850,689	-	-	850,689	646,787	32,364	-	679,151	171,538	203,902
2	Furniture & Fixture	48,600	5,738,835	-	5,787,435	47,129	545,189	-	592,318	5,195,117	1,471
3	Office Equipments	86,680	-	-	86,680	79,854	-	-	79,854	6,826	6,826
4	Land & Building	6,242,433	4,169,899	-	10,412,332	-	-	-	-	10,412,332	6,242,433
5	Proprety At Sainik Farms	2,200,000	-	-	2,200,000	-	-	-	-	2,200,000	2,200,000
	Total Figures for the Current Year	9,428,402	9,908,734	-	19,337,136	773,770	577,553	-	1,351,323	17,985,813	8,654,632
	Total Figures for the Previous Year	9,428,402	-	-	9,428,402	701,110	72,660	-	773,770	8,654,632	8,727,292

SMART FINSEC LIMITED

The accompanying notes are an integral part of these financial statements

NOTE - 1

NOTES ON ACCOUNTS

(A) SIGNIFICANT ACCOUNTING POLICIES

1 METHOD OF ACCOUNTING

1.1 The financial statements have been prepared and presented in accordance with the generally accepted accounting principles (GAPP) in India under historical cost convention on accrual basis and comply in all material aspects with the accounting standards and the relevant provisions prescribed in Companies Act 2013, besides the guidelines of the Institute of Chartered Accountants of India, except otherwise stated.

1.2 The Company generally, recognises income and expenditure on an accrual basis except those with significant uncertainties.

2. USES OF ESTIMATES

2.1 The Preparation of financial statements in conformity with generally accepted accounting principles requires management to estimate and assumption to be made that affect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. The actual outcome may be different from the estimates. Differences between actual results and estimates are recognised in the period in which the results are known or materialise.

2.2 Current & Non-Current Classification

All assets and liabilities are classified into current and non-current.

2.2 Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realised in, or is intended for sale or consumption in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realised within 12 months after the reporting date; or
- (d) it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

Current assets include the current portion of non-current financial assets.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) The company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification.

Current liabilities include the current portion of non-current financial liabilities.

All other liabilities are classified as non-current.

Operating cycle

Operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents.

3. FIXED ASSETS

3.1 Fixed assets (Tangible and Intangible) are stated at original cost including relevant taxes (other than those subsequently recoverable from tax authorities), duties freight and other incidental expenses related to acquisition/ installation of the respective assets.

4. DEPRECIATION

4.1 Depreciation on Fixed Assets is provided on straight line method basis as per rates prescribed under Schedule II to the companies Act, 2013 as prevailing except in case of certain assets such as depreciation has been provided at higher rates based on useful life as determined by the management.

4.2 To comply with the provisions of Schedule-II to the Companies Act, 2013 in respect of depreciation on the fixed assets, the company has reworked the calculation of depreciation for this year onwards which is based on the useful life of assets as mentioned in the said schedule. The scrap value of all the assets at the end of useful time period would be equal to 5% of the original cost of that asset.

4.3 In respect of fixed assets added/disposed off during the year depreciation is provided on pro-rata basis with reference to the month of addition/deduction, however, in case of new projects the depreciation from the date of commencing of such project is changed to the statement of profit and loss.

5. Revenue from Property is recognised when legal title passes to the buyer. Rental income & income from NBFC activities are recognised as per terms of contract/ agreement.

6. BORROWING COSTS

Borrowing Costs that are attributable to acquisition, construction or production of qualifying assets are capitalised as part of cost of such assets. A qualifying assets is an assets that necessarily takes a substantial period of time to get ready for intended use. All other borrowing costs are charged to the profit and loss account.

7. TAXES ON INCOME

7.1 Provision for Current Tax is made on the basis of estimated taxable income for the current accounting period and in accordance with the provisions as per Income Tax Act, 1961.

7.2 Deferred tax resulting from "timing difference" between book and taxable profit for the year is accounted for using the tax rates and laws that have been enacted or substantially enacted as on the balance sheet date. The deferred tax asset is recognised only to the extent that there is reasonable certainty that sufficient future taxable profits will be available against which such deferred tax can be realised. Deferred tax assets & liabilities are measured using the tax rates & tax laws that have been enacted or substantially enacted by the Balance Sheet date.

For A. Mohan & Company
Chartered Accountants
Firm's Registration No.: 017403N

For and on behalf of the Board of Directors

(Arun Khera)
Managing Director
DIN:00055694

(Raman Khera)
Director
DIN:00055728

(Ashwani Mohan)
Partner
Membership No. : 082632
Place:New Delhi
Dated: 26th May, 2017

(Priyanka Sharma)
Company Secretary

(Uma Singh)
CFO

SMART FINSEC LIMITED

Break-up of Note Items appearing in Balance Sheet as at 31st March 2017

Particulars	As at 31-03-2017	As at 31-03-2016
<u>SHORT TERM PROVISION</u>		
<i>Expenses Payables</i>		
Audit Fee	25000	25,000
Listing Fee		
R V Interiors (P) Ltd		
RTA Charges Payable	6,918	
Salary Payable	51,129	64,194
TDS Payable	5,000	
Total	<u>88,047.00</u>	<u>89,194.00</u>
<u>OTHER CURRENT LIABILITIES</u>		
Security deposit against rent	750,000	750,000
Total	<u>750,000</u>	<u>750,000</u>
<u>BALANCE WITH BANK</u>		
IDBI Bank	1,575,490	7,122,492
Kotak Mahindra Bank A/c	898,266	4,455,644
Total	<u>2,473,756</u>	<u>11,578,136</u>
<u>SHORT TERM LOANS & ADVANCES</u>		
<u>Loans & Advances</u>		
Johar Enterprises	778,125	-
	(A) <u>778,125.00</u>	<u>-</u>
<u>Advance Recoverable in cash or in kind or for value to be received</u>		
Smart Commodity Brokers Pvt. Ltd.		
	(B) <u>-</u>	<u>-</u>
Total	778,125	-

PARTICULARS OF DEPRECIATION ALLOWABLE AS PER THE INCOME TAX ACT, 1961

Description/ Block of Assets	W.D.V as on 01.04.2016	Additions	Sales	Total	Depreciation	W.D.V. as on 31.03.2017
<u>10% BLOCK</u>						
Furniture & Fixture	5,213,668.00	-	-	5,213,668.00	521,367.00	4,692,301.00
<u>15% BLOCK</u>						
Cell Phone	544.90	-	-	544.90	82.00	462.90
Invertor	491.45	-	-	491.45	74.00	417.45
Electric Generator	573.80	-	-	573.80	86.00	487.80
Car	407,633.00	-	-	407,633.00	61,145.00	346,488.00
<u>60% BLOCK</u>						
Computer	18,800.00	-	-	18,800.00	11,280.00	7,520.00
TOTAL	5,641,711.15	-	-	5,641,711.15	594,034.00	5,047,677.15

SMART FINSEC LIMITED

Registered Office:- F-88, IIND FLOOR, INDUSTRIAL POCKET,
DISTRICT CENTRE WEST DELHI, RAJA GARDEN
NEW DELHI-110027

CIN:- L74899DL1995PLC063562

Phone:-011- 25167071

Email Id:-smartfinsec@gmail.com

Form 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)

22nd Annual General Meeting – September 29th, 2017

Name of Member(s)	
Registered Address	
Email Id	
Folio No.	
DP ID.	
Client ID	

I/ We, being the member(s) of Smart Finsec Limited holding..... shares hereby appoint:

1.	Name		
	Address		
	E – Mail id		
	Or failing him		
		Signature	
2	Name		
	Address		
	E – Mail id		
	Or failing him		
		Signature	
3	Name		
	Address		
	E – Mail id		
	Or failing him		
		Signature	
4	Name		
	Address		
	E – Mail id		
	Or failing him		
		Signature	

As my/ our proxy to attend and vote (on poll) for me/us and on my our behalf at the 22nd Annual General Meeting of the company to be held on September 29th, 2017 at 9:30 AM at F-88, IIInd Floor, Industrial Pocket, District Centre, West Delhi, Raja Garden, New Delhi-110027 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions	Optional	
		For	Against
	Ordinary Resolution		
1	Adoption of Audited Balance Sheet as at March 31, 2017, the Profit and Loss Account for the year ended on that date with the reports of the Board of Directors and Auditors thereon.		
2	Appointment of M/s HK Dua & Co. , Chartered Accountants, (Firm Registration No. 000581N)		
3	Mrs. Raman khera (DIN: 00055728) Director, who retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company ”.		
4	Appointment of Ms. Vimmi Sachdev (DIN- 01712051) as an Non Executive Director of the Company		
5	Appointment of Mr. Arjun Pahwa (DIN- 07909675) as an Independent Director of the Company		

Signed this..... day of.....2017

Affix Revenue Stamp not less than Rs. 0.15
--

.....
Signature of Member

.....
Signature of Proxy Holder(s)

- Note.:
1. 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.
 2. For Resolutions and Notes, please refer to the Notice of 22nd th Annual General Meeting of the Company.
 3. It is Optional to put 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the, 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
 4. Please complete all details including details of Member(s) in above box before submission.

SMART FINSEC LIMITED

Registered Office:- F-88, IIND FLOOR, INDUSTRIAL POCKET,
DISTRICT CENTRE WEST DELHI, RAJA GARDEN

NEW DELHI-110027

CIN:- L74899DL1995PLC063562

Phone:-011- 25167071

Email Id:-smartfinsec@gmail.com

ATTENDENCE SLIP

(To be surrendered at the time of entry to the venue)

22nd Annual General Meeting on Friday, 29th September, 2017, at 9:30 AM at F-88, IIND FLOOR INDUSTRIAL POCKET, DISTRICT CENTRE WEST DELHI, RAJA GARDEN NEW DELHI 110027.

Name	
Address	
DP ID	
Client ID	
Regd. Folio No.	
No. of Shares held	

I certify that I am a member / proxy for the member(s) of the Company

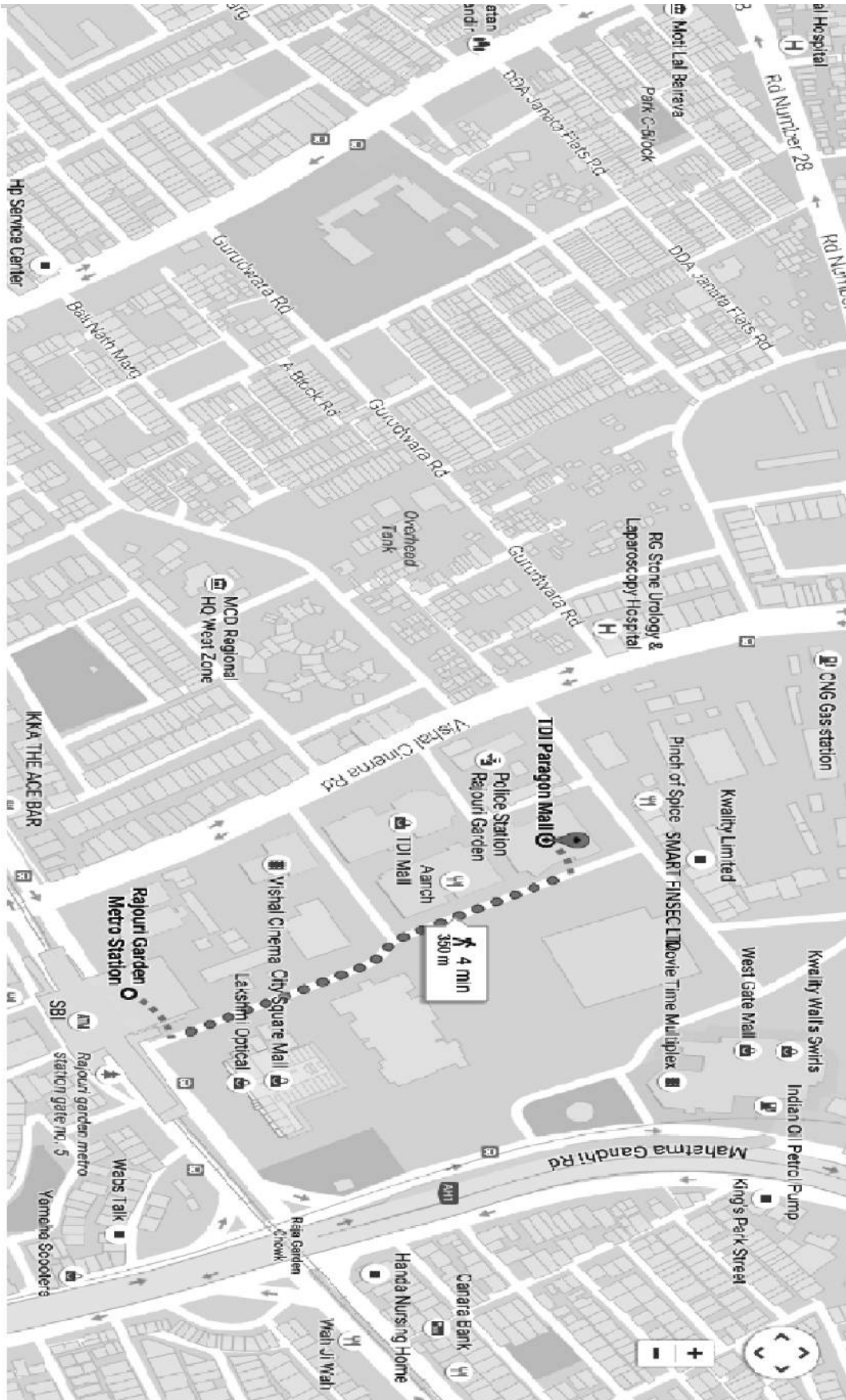
I hereby record my presence at the 22nd Annual General Meeting of the company to be held on September 29th, 2017 at 9:30 AM, at F-88, IIND FLOOR INDUSTRIAL POCKET, DISTRICT CENTRE WEST DELHI, RAJA GARDEN NEW DELHI 110027.

.....
Member's/Proxy's name in block letters

.....
Signature of Member / Proxy

- Note.: 1. Only Member/ Proxy holder can attend the meeting.
2. Members are requested to bring their copies of the Annual Report to the meeting.

LOCATION MAP



Landmark – TDI Paragon Mall