



Positioned to
Emerge Stronger

INTEC CAPITAL LIMITED | Annual Report 2015-16

Disclaimer

We have exercised utmost care in the preparation of this report. It contains forecasts and/or information relating to forecasts. Forecasts are based on facts, expectations, and/or past figures. As with all forward-looking statements, forecasts are connected with known and unknown uncertainties, which may mean the actual result deviate significantly from the forecast. Forecasts prepared by the third parties, or data or evaluations used by third parties and mentioned in this communication, may be inappropriate, incomplete, or falsified. We cannot assess whether information in this report has been taken from third parties, or these provide the basis of our own evaluations, such use is made known in this report. As a result of the above-mentioned circumstances, we can provide no warranty regarding the correctness, completeness, and up-to-date nature of information taken, and declared as being taken, from third parties, as well as for forward-looking statements, irrespective of whether these derive from third parties or ourselves. Readers should keep this in mind. We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise.

INTEC CAPITAL LIMITED

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There are two ways to react to a setback.

One, to let it bring you down. Two, to take it in your stride, learn the lessons and create a powerful position to rise from the next time.

The year that has gone by may not have been one of our most spectacular ones. But, it definitely has been the preparing ground for an even stronger business model. We've geared up our core capabilities, expertise, and strategies, which would help us turn the tides to our favour the next time.

In other words, we are now positioned to emerge stronger.

And to leave an example worth following!.

From the Desk of Managing Director



Dear Shareholders,

We all know that the small and medium enterprises (SMEs) contribute to the growth of any economy. India is no exception. The growth of the SME segment has been immense, considering the size of the country, the needs of our population and the large proportion of young aspiring entrepreneurs. However, as the SMEs have limited statutory certified information and keep minimal records, the supply of finance to this sector has always been minimal. If the SMEs are properly funded, our GDP growth can increase from 7-8% to 9-10%. At Intec, we are committed to financing the SMEs. We have been working with this sector for the last 22 years and hence have the requisite domain knowledge.

Economy Outlook

While global growth improved marginally during the year, the Indian economy managed to clock 7.6% GDP growth, making it the fastest growing major economy in the world. The growth in India has been primarily because of consumption, increase in per capita income and, to some extent, due to the capital expenditures undertaken by the government. Taking advantage of the drop in international oil prices during the year under review, the government excelled in fiscal management by adhering to its targets, rationalizing subsidies, and expanding investments in infrastructure. However, the muted global demand has resulted

in 17 consecutive months of declining exports from India and the consequent excess capacity in the manufacturing sector leading to no new investments in capacity creation. For the economy, it will be a while until the investment in capacity creation picks up pace, and thereby increases the sale of capital goods.

The policy stalemate that had gripped the nation a few years ago is certainly over now. The present government has brought a sense of purpose and urgency to its functioning. A series of reforms and practical guidelines spanning multiple sectors has once again gotten the global investor community interested in the Indian growth story. It is no coincidence that the inbound foreign direct investment to India had reached a record high during the period under review, though the domestic product growth has been mostly consumption driven in the recent times. Key economic indicators like volume of cargo traffic at ports, sale of two wheelers, three wheelers and commercial vehicle, cement production and steel consumption, amongst others, point towards a nascent recovery on the investment side. On the infrastructure front, the government announced a number of sectoral schemes, stepped up public investment, restarted many stalled projects and ushered in a sense of competitive federalism. The government has even roped in

governments of other nations to jointly implement the flagship infrastructure projects. In addition, the government has conceptualized new investment vehicles which can channelize funds from India and abroad into India's infrastructure projects.

The government's effort to push land and labour reforms by encouraging state governments to frame their own policies is a strategic masterstroke and can do wonders for industrialization and infrastructure. The government also deserves credit for its attempt to enhance the ease of doing business through better centre-state coordination. The government has done well in improving the tax administration and its immediate aim should be to roll out the goods and service tax act 2016. A predictable tax regime can do wonders in reviving the investment climate and bringing about a new spurt of entrepreneurship. To sum up, the business scenario is much better today than it was during the last 3-4 years. A strong foundation for long-term growth is being laid. Things can only get better from here. Corrective action is being taken sector wise on several fronts and this is paving the way for a more robust economy.

Company outlook

During the year your company posted an income of Rs. 13,172.59 Lakhs and registered a net profit after tax of Rs. 643.02 Lakhs. Your company's

REVENUE FOR THE YEAR

₹13,172.59

(IN LAKHS)

PROFIT AFTER TAX FOR THE YEAR

₹643.02

(IN LAKHS)

disbursements during FY 2015-16 stood at Rs. 35,792.24 Lakhs and total consolidated assets under management were at Rs. 91,847.03 Lakhs. Looking at the macroeconomic scenario, the management is adopting a cautious approach and is being careful about the quality of assets. We are continuously working on improving the quality of portfolio and NPA are being aggressively followed for recovery. A lot of work is being done on the analysis of risk and the learning is being used in upgrading the underwriting methodologies. The focus is to generate a good quality portfolio.

For any NBFC, collection is critical and in this tough economic environment it gains even more importance. For the coming year we will have a huge focus on collections. We have appointed a specialized team to work on stressed assets. The legal infrastructure we have today is very strong and is helping us recover from difficult and delinquent accounts. We have appointed a strong in-house telecalling team which supports the collection team in getting in touch with the customers and generating promises to pay. We are seeing a lot of traction in collection with some of the old vintage accounts coming to us for settlement. The improvement in the economy will help us recover faster in the coming year.

The speed of providing finance is crucial for every NBFC. We at Intec are continuously working to ensure that our customers get the finance in the shortest possible time. As an organization, we continue to strengthen and streamline our processes, push our vendors for faster service, train our team for faster delivery, move to rationalize documentation and use technology to the maximum to reduce turnaround time.

There has been a lot of focus on rationalization of costs. The avoidable expenses have been reduced. We have re-negotiated terms with a lot of vendors and renewed the agreements with favorable terms. We have also done a consolidation in the level of supervisory staff and come up with effective and productive organization structure. We are looking at innovative ways of reducing costs and maximising profitability.

As an organization, earlier we were focused on the manufacturing sector alone, but now we have started focusing on the trading and services sectors as well. We are developing products which will help business growth in these sectors. With these new products in place we would be in a better position to combat the down trends in core sectors, which have been impacting our organization growth for last 2-3 years.

Online Traction

Visibility on the internet is one of the major sources of enquiries and business. A lot of business generation happens online today. Therefore we are looking at having a new website which is going to be more interactive and will carry all information on our products and services. We want to communicate about our newest offering to our customers at the earliest. In line with the constantly changing digital landscape, we are enhancing our robust technology platform to ensure customer satisfaction and are thereby moving in step with Digital India.

As an organization, we have to continuously remain profitable. Hence, we might have to look at merging branches which are not profitable or we might have to focus on having lesser branches and more number of customers.

Way Forward

India is now rapidly entering a phase of massive entrepreneurship.

Firstly, we are moving towards 'retailisation' to address the multiple sector needs which would give us high returns. Retailisation helps us in growing the margins, reducing the risks and increasing the opportunities to serve more customers. As an organization, we are continuously reducing our ticket size of disbursement.

Technology continues to be a key differentiator in every sphere of life and work. We have to effectively use IT in every aspect of our business. We have leveraged our technology capabilities to facilitate faster and convenient processes, create best in class technology platform and optimise transactional costs.

At Intec, our intellectual capital is a critical asset. We aim to attract, train and retain talent to create effective partnerships to fuel the growth for the organization. Our practices and processes enable our people to deliver the best results, build upon their own capabilities, and get recognized for their efforts.

Change is never easy. But the time has come to move Intec aggressively and with increased focus and accountability. There is a lot of work to be done and whatever be challenges ahead, we'll tide past them.

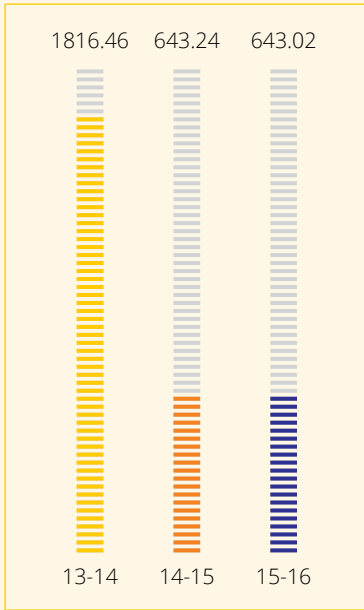
On behalf of Intec and the Board of Directors, I would hereby like to extend my respect and gratitude to our shareholders, customers, bankers, and business partners who have always been on our side and have placed their trust in us.

Regards

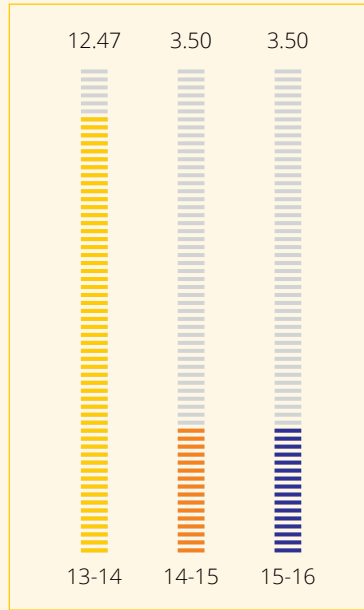
Sanjeev Goel

Key Financial Figures

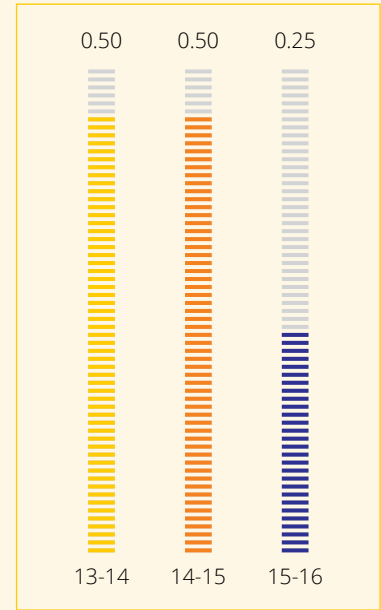
Profit after tax (Rs. in Lakhs)



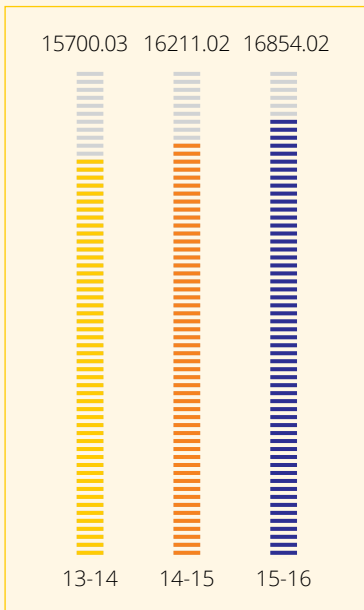
Earnings per share (Rs.)



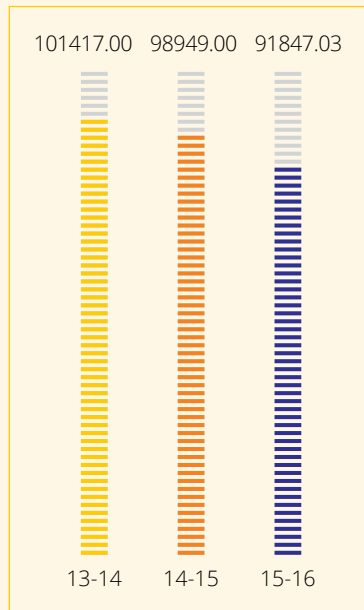
Dividend per share (Rs.)



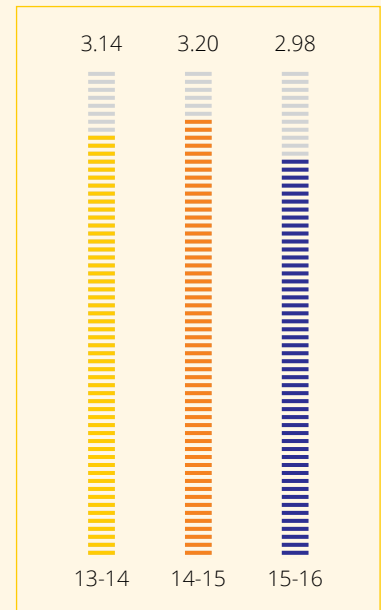
Equity Capital (Rs. in Lakhs)



AUMs (Rs. in Lakhs)



Debt-Equity Ratio



Corporate Information

Board Members

Managing Director

Mr. Sanjeev Goel

Non-Executive Nominee Director

Mr. Vishal Kumar Gupta

Non-Executive Independent Director

Mr. S.K. Goel

Mr. Rakesh Kumar Joshi

Mr. Praveen Sethia

Mr. Y.L. Madan

Mr. Dhruv Prakash(See Note 1)

Non-Executive Non Independent Woman Director

Mrs. Ritika Goel

Note 1. Mr. Dhruv Prakash has resigned from the company on 12th October, 2015

Chief Financial Officer

Mr. Sudhindra Sharma

Bankers

Bank of India

Punjab National Bank

Bank of Maharashtra

Oriental Bank of Commerce

Central Bank of India

State Bank of Patiala

The South Indian Bank

State Bank of India

Indian Overseas Bank

State Bank of Hyderabad

Vijaya Bank

HDFC Bank Ltd.

Dhanlaxmi Bank Ltd.

Union Bank of India

United Bank of India

Karnataka Bank Ltd

Tamilnad Mercantile Bank Ltd.

IDBI Bank Ltd

Financial Institutions

SIDBI

IFMR Capital

Company Secretary, Chief Relations Officer and Compliance Officer

Mr. Puneet Sehgal

Statutory Auditors

S.R. Batliboi & Associates LLP,
Chartered Accountants
Firm Registration Number - 101049W / E30004
14th, The Ruby,
29 Senapati Bapat Marg,
Dadar (W),
Mumbai - 400028,
Maharashtra, India

Secretarial Auditor

M/s. Sudhanshu Singhal & Associates
Represented through Proprietor viz.
Mr. Sudhanshu Singhal, Company Secretaries
RZ-142A, Main Gurgaon Road,
New Roshan Pura,
Najafgarh,
New Delhi-110043

Internal Auditor

MAZARS Advisory Pvt. Ltd.
II Floor, Plot No. 421, Phase IV,
Udyog Vihar,
Gurgaon - 122016

Subsidiary Company

Amulet Technologies Limited

Registered and Corporate Office

Intec Capital limited
CIN: L74899DL1994PLC057410.
701, Manjusha Building,
57, Nehru place
New Delhi-110019
Ph: 011-46522200/300, Fax: 011-46522333
E-Mail: complianceofficer@inteccapital.com
www.inteccapital.com

Registrar & Share Transfer Agent

Beetal Financial & Computer Services Pvt Ltd.
Beetal House, 3rd Floor,
99, Madangir, Behind LSC,
New Delhi - 110062
E- Mail Id: beetalrta@gmail.com
Website: www.beetalfinancial.com

Committees of Board

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility
- Asset Liability Management Committee (ALCO)
- Shareholders/Investors' Grievance Committee cum Share Transfer Committee cum Stakeholders Relationship Committee
- Operations Review Committee

Directors' Report

To
The Members,

Your Directors have pleasure in presenting their report on business and operations of the Company together with 22nd Annual Audited Accounts for the financial year ended 31st March, 2016.

1) Financial Highlights

For the financial year ended 31st March, 2016:

Particulars	Standalone		Consolidated	
	2016	2015	2016	2015
Profit/(Loss) before tax	994.66	965.42	892.03	860.60
Less: Provision for Taxation				
Current Tax	147.96	620.27	147.96	620.24
Deferred Tax	203.68	(298.09)	203.68	(298.09)
Current Tax for earlier years	-	-	-	-
Profit/(Loss) after tax	643.02	643.24	540.39	538.45
Add: Balance brought forward from last year	4250.45	3868.11	3929.61	3652.10
Less: Adjustment of goodwill relating to earlier years	0.00	0.00	0.00	0.00
Less: Adjustment of assignment income relating to earlier years	0.00	10.42	0.00	10.42
Less: Accelerated depreciation due to transition provision	0.00	11.23	0.00	11.23
Surplus available for appropriation	4893.47	4489.70	4470.00	4168.90
Less: Appropriations				
Proposed Equity Dividend	0.00	91.83	0.00	91.83
Preference Dividend	0.00	0.00	0.00	0.00
Tax on Proposed Dividend	0.00	18.77	0.00	18.81
Transfer to Reserve Fund u/s 451C of RBI Act, 1934	128.60	128.65	0.00	128.65
Surplus carried to Balance Sheet	4764.85	4250.45	4341.40	3929.61

The Financial Results of the company are elaborated in the Management Discussion Analysis Report (MDAR) section in this Annual Report.

2) Operations

Detailed information on the operations of the Company and details on the state of affairs of the Company are covered in the Management Discussion and Analysis Report.

3) Dividend

The company continues to evaluate and manage its dividend policy to build long term shareholder value.

Your Directors recommends a Final Dividend of Rs.0.25 (i.e. 2.5%) per Equity Share having face value of Rs. 10/- each on the fully paid up Equity Share Capital of the Company for the Financial Year ended 31st March 2016.

The Final Dividend paid for the Financial Year ended 31st March 2015 is Rs.0.50 (i.e. 5%) per Equity Share having face value of Rs. 10/- each on the fully paid up Equity Share Capital of the Company.

The Final Dividend, if approved by the members in the forthcoming 22nd Annual General Meeting, will be paid to the eligible members as per stipulated Companies Act.

The dividend will be paid to members whose names appear in the Register of Members as on record date as mentioned in forthcoming Notice of 22nd Annual General Meeting and in respect of shares held in dematerialized form, it will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited, as beneficial owners as on that date.

4) Unclaimed Dividend Transfer to Investor Education & Protection Fund (IEPF)

The Company sends letters to all shareholders whose dividends are unclaimed so as to ensure that they receive their rightful dues. Efforts are also made in co-ordination with the Registrar to locate the shareholders who have not claimed their dues.

Pursuant to Section 205C of the Companies Act, 1956 read with the Investor Education and Protection Fund (Awareness and Protection of Investors) Rules, 2001, during the year under review, The unclaimed / unpaid dividend for FY 2007-08 amounting Rs. 171,374/- (Rupees One Lakh Seventy One Thousand Three Hundred Seventy Four only) have been transferred / credited to IEPF on 06th November, 2015. The cumulative unclaimed / unpaid dividend amount up to FY 2007-08 lying in the credit of IEPF as at 31st March 2016 is amounting Rs.486,308/- (Rupees Four Lakh Eighty Six Thousand Three Hundred Eight Only.)

Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 24th September 2015 (date of last Annual

General Meeting) on the Company's website (www.intecapital.com) and on the website of the Ministry of Corporate Affairs.

The unclaimed / unpaid dividend amount for the FY 2008-09 as on 31st March, 2016 is due for transfer to IEPF on 31st October 2016 amounting Rs. 1,66,114.50 (Rupees One Lakh Sixty Six Thousand One Hundred Fourteen and Paise Fifty only.)

Those members who have not yet claimed / encased are requested to claim the same at the earliest before transfer to IEPF.

5) Equity Share Capital

The paid-up Equity Share Capital of the Company as on 31 March 2016 is Rs. 18.36 crore.

There was no public issue, rights issue, bonus issue or preferential issue etc. during the year. The Company has not issued shares with differential voting rights, sweat equity shares nor has it granted any stock options.

6) Non-Convertible Debentures (NCD)

The Company had issued Listed Fully Secured Redeemable Non-Convertible Debentures amounting Rs. 50 Crore on private placement basis with tenor of 48 months pursuant to section 42 of and applicable provisions of the Companies Act, 2013 read with Companies (Prospectus and Allotment of Securities) Rules, 2014 which helped in Asset Liability Management and strengthened the long term resource base of the Company.

The Debentures issued on private placement basis are listed on BSE. The Company has been regular in servicing all of its debt obligations. The debenture holders can also send in their queries/complaints at the designated email address: complianceofficer@intecapital.com

The details of NCD are as follows:

Debenture Trustee	: GDA Trusteeship Limited Plot No 85, Street, Bhusari Colony, Paud Road, Pune – 411038.
Registrar and Transfer Agents for Fully Secured redeemable Non-convertible Debentures on Private Placement Basis	: BIG SHARE SERVICES PVT. LTD. 306, Right Wing, 3rd Floor, Amrutha Ville, Opp. Yashoda Hospital, Raj Bhavan Rd, Somajiguda, Hyderabad, Telangana 500082
Compliance Officer	: Mr. Puneet Sehgal complianceofficer@intecapital.com
Address of BSE	: Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai – 400 001 www.bseindia.com
Scrip Code	: 951360
ISIN No.	: INE017E07023

7) Registration as a Systemically important non-deposit taking Assets Finance Company NBFC (NDSI-AFC) and its Disclosures

Your Company is NBFC Company and is registered with Reserve Bank of India on 4th May 1998 as a Non-Banking Financial Institution (Non-Deposit taking). Your company had attained the status of Asset Finance Company and got NBFC-AFC status on 7th April 2014.

In terms of provisions of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015, your Company is categorized as a 'Systemically Important Non-Deposit taking Non-Banking Financial Company i.e. NBFC-NDSI-AFC'.

The disclosures as prescribed by Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 and other NBFC Directions have been made in this Annual Report.

8) RBI Revised Regulatory Framework and Corporate Governance Directions

During the year under review, the RBI has further strengthened the comprehensive Revised Regulatory framework for Non-Banking Financial Companies which was earlier notified on 10th November 2014 and further amended on 10th April 2015.

The key changes in "Amended Revised Regulatory Framework" are namely (a) NBFCs shall furnish to the Reserve Bank a quarterly statement on change of directors certified by the

auditors and a certificate from the Managing Director that fit and proper criteria in selection of directors have been followed ; (b) The age limit prescribed as above has been done away with and provisions in Companies Act, 2013 in this regard shall apply ; (c) That circulation of minutes within two business days is not mandatory and provisions in Companies Act, 2013 in this regard shall apply ; (d) Introduction of Corporate Governance Directions viz. "Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015".

Your company is adhering to RBI amended Revised regulatory framework and also newly introduced Corporate Governance Directions

9) Non acceptance of Public Deposits

Your Company is Non- Deposit taking NBFC and has not accepted public deposits during the year under review in terms of chapter-V of the Companies Act, 2013 and hence there defaults in repayments of amount of principle or interest as on date of Balance Sheet is not applicable.

10) Credit Rating

During the year under review, the credit ratings / revision in Credit Ratings were done by CRISIL, India's 1st Credit Rating Agency incorporated in India as "CRISIL Limited" and also by CARE Ratings, India's 2nd Largest Rating Agency incorporated in India as "Credit Analysis & Research Limited".

The revision in ratings done by CARE during Financial Year 2015-16 is as follows.

CARE Ratings			
Facilities	Amount (Rs. In Crore)	Ratings	Remarks
Long-term Bank Facilities	675 (Rupees Six Hundred Seventy Five crore only)	CARE BBB [Triple B]	Revised from CARE BBB+ [Triple B plus]
Non-Convertible Debentures	Rs. 50 Crore	BBB [Triple B]	Revised from CARE BBB+ [Triple B plus]
Commercial Paper The rating is based on the credit enhancement in the form of unconditional and irrevocable stand by letter of credit (SBLC) from Bank of Maharashtra rated CARE AA (Lower Tier II Bonds)	Rs. 10 Crore	CARE A1+ (SO) [A One Plus (Structured Obligation)]	Reaffirmed
Commercial Paper The rating is based on the credit enhancement in the form of unconditional and irrevocable stand by letter of credit (SBLC) from Central Bank of India rated CARE AA- (Lower Tier II Bonds)	Rs. 10 Crore	CARE A1+ (SO) [A One Plus (Structured Obligation)]	Assigned

The ratings done by CRISIL during Financial Year 2015-16 for Total Bank Loan Facilities is as follows.

CARE Ratings				
Facilities	Amount (Rs.)	Ratings		Remarks
Total Bank Loan Facilities Rated	Rs. 500 Million	CRISIL (Assigned)	BBB/Stable	Assigned

11) Transfer to Reserves

During the year under review Company has transferred Rs 128.60 Lakhs to the Reserves Fund from the profits of the Company in accordance with the provisions of Section 45IC of the Reserve Bank of India Act, 1934.

12) Capital Adequacy Ratio

The Company's total Capital Adequacy Ratio (CAR) as on 31st March, 2016 stood at 22.99% as compared to 21.54% for the previous year as a percent of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%

13) Depository System

As the members are aware, the Company's shares are compulsorily tradable in electronic form.

As on March 31, 2016, the Company's total paid-up Capital representing number of shares is in dematerialized form and in physical form is mentioned below.

	Category	Number of equity shares	%age of the Company's total paid-up share Capital
1	Demat	18119690	98.66
2	Physical	246560	1.34
3	Total	18366250	100

In view of the numerous advantages offered by the Depository system, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the Depositories.

14) Management Discussion Analysis Report (MDAR)

The Management Discussion and Analysis Report for the year under review, as stipulated under Regulation 34(2)(f) & (3) and other applicable regulation read with Schedule - V of SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 (SEBI LODR, 2015) is presented in a separate section and annexed at Annexure - 1 to this report and forms part of the Annual Report.

15) Corporate Governance Report and its Compliance Certificate

The Company is committed to maintain the highest standards of corporate governance and adhere to the Corporate Governance

requirements set out by SEBI. The report on Corporate Governance as stipulated under para C, D and E of Schedule V read with regulation 15(1), (2)(a) and other applicable regulation of SEBI LODR, 2015 forms an integral part of this Report.

The Report on Corporate Governance as stipulated is annexed at Annexure - 2 to this report and forms integral part of the Annual Report.

The requisite Certificate from the practicing Company Secretary of the Company confirming compliance with the condition of Corporate Governance as provided under para E of Schedule V read with regulation 15(1), (2)(a) and other applicable regulation of SEBI LODR, 2015 is annexed at Annexure - 3 to this report and forms integral part of the Annual Report.

All Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2015-16. A declaration to this effect signed by the Managing Director of the Company in terms of para d of Schedule V read with regulation 15(1), (2)(a) and other applicable regulation of SEBI LODR, 2015 is annexed at Annexure - 4 to this Report and forms integral part of this Annual Report.

The Certificate by Managing Director and Chief Financial Officer on financial statements as stipulated under applicable Regulation of SEBI LODR, 2015 is annexed at Annexure - 5 to this report and forms integral part of the Annual Report.

16) Subsidiary Company and its performance

We have one 100% Wholly Owned Subsidiary i.e. Amulet Technologies Limited which was incorporated as private limited company on 30th April 2011. It converted in public limited company on 27th March 2012.

The Primary objective of company is to offer consultancy, advisory & all related services in all areas of information technology including computer hardware & software, data communication, telecommunications, manufacturing & process control & automation, artificial intelligence, natural language processing.

Pursuant to Section 129(3) of the Companies Act, 2013 and Accounting Standard- 21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements presented by the Company include the Financial Statements of its Subsidiaries.

Further, Pursuant to Section 129(3) of the Companies Act, 2013, a separate statement containing the salient features of the financial statements of subsidiary Company in the prescribed

form AOC-1 has been annexed at Annexure – 6 to this report and forms integral part of the Annual Report.

In terms of provisions of 4th proviso of Section 136 of the Companies Act, 2013, the Company shall place separate Audited Accounts of the Subsidiary Companies on its website at www.inteccapital.com.

The Company will make available physical copies of these documents upon request by any shareholder of the Company/subsidiary interested in obtaining the same.

These documents shall also be available for inspection at the registered office of the Company during business hours up to the date of ensuing AGM.

17) Performance and Financial Position of Subsidiary Company

Your Company has one subsidiary in the name of Amulet Technologies Limited, which is wholly owned subsidiary and was incorporated on 11th April 2011 and has completed 5 years 11 months of incorporation in FY 2015-16.

The company's main objective is to carry on business in the field of information technology and to also design, develop, invent, research, prepare, manufacture and give consultancy in the area of software development, information technology, internet technology and activities facilitated directly or indirectly by information technology and internet technology.

The Company, however, is yet to start its full-fledged operations hence performance of the company is not discussed in the Management Discussion Analysis Report. The financial position of subsidiary company is included in the consolidated Financial Statements, pursuant to Section 134 of the Companies Act, 2013 and Rule 8(1) of the Companies (Accounts) Rules, 2014

18) Abridged Financial Statements

In accordance with the listing agreement with Stock Exchanges and Section 136 of the Companies Act, 2013 read with Rule 10 of the Companies (Accounts) Rules, 2014 of the said Act, the Abridged Annual Report containing salient features of the Financial Statements, including Consolidated Financial Statements, for the financial year 2015-16, along with statement containing salient features of the Directors' Report (including Management Discussion & Analysis and Corporate Governance Report) is being sent to all shareholders who have not registered their email address(es) for the purpose of receiving documents/communication from the Company in electronic mode.

Full version of the Annual Report 2015-16 containing complete Balance Sheet, Statement of Profit & Loss, other statements and notes thereto, including Consolidated Financial Statements, prepared as per the requirements of Schedule III to the Companies Act, 2013, Director's Report (including Management Discussion and Analysis, Corporate Governance Report and

Business Responsibility Report) are being sent via email to all shareholders who have provided their email address(es).

Full version of Annual Report 2015-16 is also available for inspection at the registered office of the Company during working hours upto the date of ensuing Annual General Meeting (AGM). It is also available at the Company's website at www.inteccapital.com.

A Cash Flow Statement for the year 2015-16 is attached to the Balance Sheet.

19) Consolidated Financial Statements

The directors also present the audited consolidated financial statements incorporating the duly audited financial statements of the subsidiaries for the Financial Year ended 31st March 2016 and as prepared in compliance with the Companies Act, 2013, Accounting Standards and the Listing Agreement as prescribed by SEBI.

A separate statement containing the salient features of its subsidiary as per prescribed Form No. AOC- 1 is annexed at Annexure No. 6 separately.

20) Material changes and commitments

There have been no material changes and commitments, affecting the financial position of the Company, which have occurred between the end of the financial year of the Company and the date of this Annual Report.

21) Significant and material orders passed by the regulators or courts

During the year under review, there were no significant and material orders passed by the regulators or courts or tribunals, which may impact the going concern status of the Company and its operations in future.

22) Extract of Annual Return as per Section 92 (3) of The Companies Act, 2013 in the prescribed format VIZ. MGT-9

The extract of Annual Return as on March 31, 2016 in the prescribed Form No. MGT-9, pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12 (1) of the Companies (Management and Administration) Rules, 2014 is annexed at Annexure No. 7 and forms integral part of this Report.

23) Corporate Social Responsibility (CSR) Policy and its Report

The Company has in place a CSR Policy in line with Schedule VII of the Companies Act, 2013.

As per the policy, the CSR activities are not just focused around the offices of the Company, but also improves a healthy & prosperous environment and to improve the quality of life for the next generation.

Company undertakes to combat illiteracy for the children of vulnerable sections of society and work towards the goal to make them self-reliant. We are investing through variety of effective programs by not only providing them elementary education but have also undertaken sponsorship for higher education for girl child. In addition to this company has provided infrastructure for education by providing school bags & other facilities. Company focusses on various career counselling sessions, vocational courses, remedial education classes, sports activities to strengthen skill set of children.

These activities are broadly in accordance with the Schedule VII of the Companies Act, 2013.

The Board of Directors and the CSR Committee review and monitor from time to time all the CSR activities being undertaken by the Company.

The Annual Report on Corporate Social Responsibility (CSR) and on CSR Activities Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014 is annexed at Annexure – 8 to this report which forms integral part of Annual Report

The contents of the CSR Policy as well as the CSR activities undertaken by the Company are available on the Company website.

24) Reasons for not incurring 2% CSR expenditure

On the recommendation of the Committee, the Board considers and record the reasons for incurring less CSR Expenditure as the company had incurred expenditure to the extent of Rs. 10.57/- Lacs as against 2% required for the financial year 2015-2016 amounting Rs. 37.82 Lacs as follows:-

- During the financial year 2015-16, the Company made serious deliberations and chose the CSR programs which would be undertaken on a long term and continuous basis. Such programs will benefit communities where the Company operates or likely to operate and create goodwill for the Company.
- Towards the implementation of aforesaid programs during Financial Year 2015-16, the Committee had made efforts to identify appropriate NGOs and implementing agencies to incur the CSR expenditure in its identified CSR activities for which considerable amount of time was invested by the Company which does not allowed the opportunity to spend the 2% of average profit for last three years.

25) Related Party Transactions

The Company has in place a Related Party Transactions Policy (RPT Policy) in line with section 188 and other applicable section of the Companies Act, 2013 read with and clause 49 of the Listing Agreement. The Policy on RPTs as approved by Board is also uploaded on the Company's website www.inteccapital.com

During the financial year under review, in terms of section 134(3)(h) read with sub-section (1) of section 188 read with third proviso of section 188(1) of the Companies Act, 2013 and read with applicable Regulation of SEBI LODR, 2015, your Company has not entered into any material transaction under SEBI Listing Obligations and Disclosure Requirements Regulations, 2015 or Clause 49 of the Listing Agreement with any of its related parties which may have potential conflict with the interest of the Company at large.

Besides, during the year under review, all related party transactions done by the Company were in ordinary course of business and at arm's length and were placed in the meetings of Audit Committee for its omnibus approval and subsequently placed before the board for its review and noting pursuant to section 177 of the Companies Act, 2013 read with clause 49 of the Listing Agreement and read with Company's RPT policy.

Your Directors draw attention of the members to Note No. 2.29 to the financial statement which sets out related party transactions in terms of Accounting Standard 18.

The disclosures pursuant to section 13(4)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014) in prescribed form AOC-2 is annexed at Annexure – 8 to this report.

26) Secretarial Auditor and their Report

During the year under review, the Secretarial Audit is conducted by M/s. Sudhanshu Singhal & Associates Represented through Proprietor viz. Mr. Sudhanshu Singhal, Company Secretaries having C.P. No. 8762 as required under Section 204 of the Companies Act, 2013 and Rules thereunder.

The Secretarial Audit Report for the Financial year 2015-16 given by Secretarial Auditor in the prescribed form MR-3 is annexed at Annexure – 10 to this Report.

The Secretarial Audit Report for the year under review does not contain any qualification, reservation or adverse remark or disclaimer made by the secretarial auditor.

The Board has appointed M/s. Sudhanshu Singhal & Associates Represented through Proprietor viz. Mr. Sudhanshu Singhal, Company Secretaries having C.P. No. 8762 as Secretarial Auditor of the Company for financial Year 2016 – 2017 ended on 31st March 2017

27) Board Meeting Held and attended during the year by Directors

During the year under review, four (4) Meetings of the Board of Directors were held and attended by directors as per below mentioned information:

Sl.	Name	Resident	Designation	Meetings held	Meetings attended
1.	Mr. Sanjeev Goel (DIN - 00028702)	Indian	Managing Director	4	4
2.	Mr. Vishal Kumar Gupta (DIN -02368313)	Indian	Non-executive Nominee Director	4	4
3.	Mr. S. K. Goel (DIN - 00963735)	Indian	Non-executive Independent Director	4	4
4.	Mr. Rakesh Kumar Joshi (DIN -02410620)	Indian	Non-executive Independent Director	4	2
5.	Mr. Praveen Sethia (DIN -02310777)	Indian	Non-executive Independent Director	4	4
6.	Mr. Y. L. Madan (DIN-05123237)	Indian	Non-executive Independent Director	4	4
7.	Mr. Dhruv Prakash ** (DIN 05124958)	Indian	Non-executive Independent Director	4	1
8.	Mrs. Ritika Goel (DIN 00053387)	Indian	Non-executive Non Independent Woman Director	4	1

** Mr. Dhruv Prakash who was earlier appointed as Non-executive Independent Director in the Board Meeting held on 28th May 2014 has tendered his resignation on 12th October 2015 which was accepted by Board in the Meeting held on 5th November 2015.

The detailed note on the Board meetings held and attended during the year is separately mentioned in "Corporate Governance Report section" in this Annual Report.

28) Key Managerial Personnel

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Sanjeev Goel : Managing Director
 Mr. Sudhindra Sharma : Chief Financial Officer
 Mr. Puneet Sehgal : Company Secretary

During the year there were no changes i.e. (appointment or cessation) in the office of any KMP.

29) Committees of The Board

During the year under review, the company has following below mentioned Committees of Board (COB).

- Audit Committee
- Risk Management Committee
- Nomination and Remuneration Committee
- Corporate Social Responsibility Committee
- Asset Liability Management Committee (ALCO)
- Shareholders/Investors' Grievance Committee cum Share Transfer Committee cum Stakeholders Relationship Committee
- Operations Review Committee

The detailed note on the Committees of the Board (COB) covering its member's composition, brief terms of reference of the committee, meetings held and attended during the year is separately mentioned in "Corporate Governance Report section" in this Annual Report.

30) Board of Directors and changes among them

A Appointment of Directors

During the year under review, no directors is appointed in the Board

B Resignation

During the year under review, the Board had approved the resignation of Mr. Dhruv Prakash (DIN 05124958) (Non-executive Independent Director) from the Board of Directors of the Company in the Board Meeting held on 5th November 2015 vide resignation letter dated 12th October 2015.

The Board records the deep appreciation for the contributions of Mr. Dhruv Prakash as Non-executive Independent Director throughout his directorship and also for the significant contributions he has made to the management of affairs of the Company and for the valuable advises he made to the Board from time to time.

C Re-appointments

Mr. Vishal Kumar Gupta (DIN: 02368313), (Non-executive Nominee Director of the Company will be liable to retire by rotation at the ensuing 22nd Annual General Meeting and being eligible, offer themselves for re-appointment, pursuant to the provisions of Companies Act, 2013 and Article 86 of the Articles of Association of the Company.

The Directors recommends the re-appointment of Vishal Kumar Gupta as Non-Executive Nominee Director on the Board of Director of the company in the forthcoming 22nd Annual General Meeting of the Company.

D Independent directors

During the year under review, all the independent directors had submitted the Declaration of Independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in section 149 (6) of the Companies Act, 2013 read with clause 49 of the Listing Agreement or as per applicable regulation of SEBI LODR, 2015

E Fit and proper criteria for directors in terms of Revised Regulatory Framework for NBFC

During the year under review, all the non-executive / independent directors had submitted the 'Fit and Proper Criteria Declaration' required pursuant to Revised Regulatory Framework for NBFC notified by RBI vide notification dated 10th November 2015 as part of Corporate Governance norms.

F Directors' profile

A brief resume of Directors, nature of their expertise in specific functional are as and names of companies in which they hold Directorships, brief resume of Directors, nature of their expertise in specific functional are as and names of companies in which they hold Directorships, Memberships /Chairmanships of Board Committees, and shareholding in the Company are provided in this of Board Committees, and shareholding in the Company are provided in this Report.

31) Performance Evaluation of the Board, its Committees and Individual Directors

Pursuant to applicable provisions of the Companies Act, 2013 and the Listing Agreement with Stock Exchanges, the Board, in consultation with its Nomination & Remuneration Committee, has formulated a framework containing, inter-alia, the criteria for performance evaluation of the entire Board of the Company, its Committees and Individual Directors, including Independent Directors.

Pursuant to the provisions of the Companies Act, 2013 and in terms of requirement of Regulation 17(10) of SEBI LODR, 2015 read with Clause 49 of the Listing Agreement, the Board has carried out an Annual Performance Evaluation of its own performance, the Directors individually as well as the evaluation of the working of the Committees. On the basis of performance evaluation done by the Board, it shall be determined whether to extend or continue their term of appointment, whenever the respective term expires.

The Independent Directors had met separately without the presence of Non-Independent Directors and the members of management and discussed, inter-alia, the performance of non-independent Directors and Board as a whole and the performance

of the Chairman of the Company after taking into consideration the views of Executive and Non-Executive Directors.

The Nomination and Remuneration Committee has also carried out evaluation of every Director's performance during Financial Year 2015-16.

32) Separate Meeting of Independent Director

During the year under review, the Independent Directors of the Company meets without the presence of non-independent directors on 29th March 2016, in terms of Section 149(8) and Schedule - IV and Clause 49 (B) (II) (6) read with regulation 25(3) & (4) of SEBI LODR, 2015, without the attendance of non-independent directors and members of management.

They met to discuss the inter-alia amongst other items the following mandatory items viz., (a) to review the performance of non-independent directors and the Board as a whole; (b) to review the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors; (c) to assess the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

33) Disclosure on Audit Committee

The Audit Committee as on March 31, 2016 comprises of the following Independent Directors viz. Mr. Praveen Sethia, Mr. Vishal Kumar Gupta, Mr. Rakesh Kumar Joshi.

Further, all recommendations of Audit Committee were accepted by the Board of Directors.

The detailed Audit Committee and its terms of reference and meetings held and attended by the members during the year are mentioned in Corporate Governance Report Section.

During the year under review, the company has complied the requirements of Section 178 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and wherever applicable regulation 18 of SEBI LODR, 2015. The Members of the Audit Committee possess financial / accounting expertise / exposure. The Company Secretary of the Company acts as the Secretary to the Committee.

The Statutory Auditors, the Chief Financial officer of the Company attends and participates in the meetings of the Audit Committee.

34) Disclosure on Nomination and Remuneration Committee and Nomination and Remuneration Policy

The Nomination and Remuneration Committee as on March 31, 2016 comprises of the following Directors viz. Mr. Praveen Sethia (Non-executive Independent Director); Sanjeev Goel (Managing

Director); Mr. Vishal Kumar Gupta (Non-executive Nominee Director), Mr. Rakesh Joshi (Non-executive Independent Director) and My. Y.L Madan (Non-executive Independent Director).

Further, all recommendations of Nomination and Remuneration Committee were accepted by the Board of Directors. The detailed Nomination and Remuneration Committee and its terms of reference and meetings held and attended by the members during the year are mentioned in Corporate Governance Report Section.

The detailed Nomination and Remuneration Committee and its terms of reference and meetings held and attended by the members during the year are mentioned in Corporate Governance Report Section.

The Board of Directors of your Company has, on recommendation of the Nomination & Remuneration Committee, framed the policy on appointment of Board members including criteria for determining qualifications, positive attributes, independence of a Director and the policy on remuneration of Directors pursuant to the requirement under Section 134(3)(e) and Section 178(3) of the Companies Act, 2013,

During the year under review, the company has complied the requirements of Section 177 of the Companies Act, 2013 and Clause 49 of the Listing Agreement and wherever applicable regulation 19 of SEBI LODR, 2015. The Company Secretary of the Company acts as the Secretary to the Committee.

The Policy is annexed at Annexure No. 11 to this report which forms integral part of this report. The contents of the policy are uploaded in company website and also stated in the Corporate Governance Report.

35) Familiarization Policy and Programme

During the year under review no new Independent Directors were appointed and hence no Familiarization Programme is required to be conducted in terms of requirement of clause 49 of the Listing Agreement and or wherever applicable regulation 25 (7) of SEBI LODR, 2015.

However, your Company, from time to time throughout years, has been familiarizing all the Independent Directors on its Board with detailed presentations by its business / functional heads on the Company operations, strategic business plans, new products and technologies, including significant aspects of the Industry and its future outlook.

The Familiarization Policy is also annexed at Annexure No. 12 to this report.

36) Disclosure of Board and Committee Meeting Process

A Board material distributed in advance

The agenda and notes on agenda are circulated to Directors in advance, and in the defined agenda format. All material information is incorporated in the agenda for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the agenda, it is tabled before the meeting with specific reference to this effect in the agenda. In special and exceptional circumstances, additional or supplementary item(s) on the agenda are permitted.

B Recording minutes of proceedings at board and

The Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes Company Secretary records minutes of proceedings of each Board and Committee meeting. Draft minutes are circulated to Board/Board Committee members for their comments. The minutes are entered in the Minutes Book within 30 days from the conclusion of the meeting.

C Post meeting follow- up mechanism

The guidelines for Board and Board Committee meetings facilitate an effective post meeting follow-up, review and reporting process for decisions taken by the Board and Board Committees there of. Important decisions taken at Board/ Board Committee meetings are communicated promptly to the concerned departments/divisions. Action-taken report on decisions/minutes of the previous meeting(s) is placed at the succeeding meeting of the Board/Board Committee for noting.

D Finalization of meetings

The Chairman of the Board and Company Secretary, in consultation with other concerned members of the senior management, finalize the agenda for Board meetings.

E Compliance

The Company Secretary, while preparing the agenda, notes on agenda and minutes of the meeting(s), is responsible for and is required to ensure adherence to all applicable laws and regulations, including the Companies Act, 1956/ Companies Act, 2013 read with rules issued thereunder, as applicable and the Secretarial Standards as Notified by Ministry Corporate Affairs and issued by the Institute of Company Secretaries of India, as applicable.

37) Directors' Responsibility Statement

Pursuant to the requirements of Section 134 (5) of the Companies Act, 2013, with respect to Directors' Responsibility Statement, it is hereby stated 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 have 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 have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the Directors have prepared the annual accounts on a going concern basis;
- (e) the Directors have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- (f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

38) Internal Financial Control (IFC) and its adequacy on Financial Reporting

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial disclosures.

The Board of Directors confirms that the company has established systems, standards, processes and structure which supports to implement Internal Financial controls across the organization and which provide reasonable assurance regarding reliability of financial reporting and preparation of financial statements. The Directors Responsibility Statement (DRC) also emphasis that company's IFC are adequate and operating effectively with respects to financial statements.

39) Statutory Auditors and their Report

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, on recommendation of the

Audit Committee, the Board of Directors in its meeting held on 6th August 2015 and subsequently Shareholders by passing ordinary resolution in the 21st Annual General Meeting of the Company held on 24th September 2015 had approved the appointment of S.R. Batliboi & Associates LLP (LLP Identity No AAB-4295), Chartered Accountants (Firm No. FRN 101049W) (hereinafter referred to as Current Statutory Auditors) as Statutory Auditors of the Company for conducting the Statutory Audit for the Financial Year Ended 31st March 2016 and to hold office for the period starting from 21st Annual general Meeting till conclusion 22nd Annual General Meeting on the remuneration decided by the Board of Directors.

Pursuant to the provisions of section 139 of the Companies Act, 2013 and the Rules made thereunder, on recommendation of Audit Committee, the Board recommends the re-appointment of Current Statutory Auditors from 22nd Annual General Meeting till conclusion of 27th Annual General Meeting for conducting the statutory Audit subject to ratification of their appointment at every annual general meeting), at such remuneration as shall be fixed by the Board of Directors of the Company.

The Auditor's Report for the financial year ended 31st March 2016 does not contain any qualification, reservation or adverse remark or disclaimer.

40) Internal Auditor and their Report

During the year under review, the Internal Audit was conducted by the MAZARS and presented

The Board of Directors had appointed MAZARS as an Internal Auditor to carry out Internal Audit of the Company for the Financial Year 2015-16, pursuant to the provisions of section 138 of the Companies Act, 2013 and Rules made thereunder the Company in the Board Meeting held 5th November 2015.

The Internal Audit Report is presented to the Audit Committee for its review

41) Risk Management Policy

The Company has in place a Risk Management Policy in line business requirement.

The Risk Management was originally constituted on 8th January 2013 and was reconstituted from time to time according to need of the company. The Risk Management Committee has been entrusted with the responsibility of Formulation of policies, procedures and practices to identify, evaluate, address and monitor risk and to ensure business growth plans are supported by effective risk infrastructure. The Risk practices and conditions adopted are appropriate for the business environment and to assist the Board in discharge of its duties & responsibilities and in overseeing that all the risks that the organization faces

such as strategic, financial, credit, market, liquidity, security, property, IT, legal, regulatory, reputational and other risks have been identified and assessed and there is an adequate risk management infrastructure in place capable of addressing those risks.

The detailed information on Risk Management Committee its constitution, its meeting held and attended during the year under review is separately mentioned in Corporate Governance Report Section.

The Company has introduced several improvements to existing internal policies / processes / framework / audit methodologies to mitigate / minimize the enterprise risk.

42) Whistle Blower / Vigil Mechanism

The Company promotes ethical behavior in all its business activities and has put in place a mechanism of reporting illegal or unethical behavior. The Company has a whistle blower policy / vigil mechanism in terms of requirement of Section 177 (9) and other applicable provisions of the Companies Act, 2013 read with clause 49(II) (F) of the revised Listing Agreement effective from 1st October 2015 and read with Regulation 4(2) (d) (iv) of SEBI LODR, 2015 wherein the employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as maybe notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice

The Whistle Blower / Vigil Mechanism Policy is also available on our Company website to report any genuine concerns about unethical behavior, any actual or suspected fraud or violation of Company's Code of Conduct in terms of revised listing Agreement and regulation 46(2)(e) of SEBI LODR, 2015.

The Audit Committee of your company also reviews the functioning of the whistle blower mechanism on quarterly basis;

43) Particulars of Employees, Key Managerial Personnel and Related Disclosures

During the year under review, the information related to Statement of particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the financial year ended 31st March, 2016 is annexed at Annexure - 13 which forms part of this report.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed at Annexure - 14 which forms part of this report.

Also in terms of provisions of section 136(1) of the said Act, these particulars will be made available to shareholder on request. The said information is available for inspection at the registered office of the Company during working hours and any member interested in obtaining such information may write to the Company Secretary and the same will be furnished on request.

The full Annual Report including the aforesaid information is being sent electronically to all those members who have registered their email addresses and is available on the Company's website.

None of directors is holding any shares in the company except Mr. Sanjeev Goel, Managing Director holding 644464 fully paid equity shares as individual promoter category and Mr. Praveen Sethia holding 18 fully paid equity shares in individual non-promoter category.

None of directors is having any pecuniary relationship with the company except Mr. Y.L. Madan, Non-executive Independent Director and Mr. Dhruv Prakash, Non-executive Independent Director who are having business relationship in the ordinary course of business and on arm's length basis.

During the year under review, Mr. Dhruv Prakash, Non-executive Independent Director was paid Rs. 6.00 Lacs up to the month of September 2016 towards consultancy of HR services which is in ordinary course of business and on arm's length basis. Besides, Mr. Y.L. Madan, Non-executive Independent Director was also paid Rs. 6.00 Lacs towards consultancy of Treasury Services which is in ordinary course of business and on arm's length basis.

During the year ended March 31, 2016, Mr. Sanjeev Goel, Managing Director was paid the remuneration amounting Rs. 1.22 crore (Rupees One crore twenty lakhs only) the break-up of which is mentioned in Annexure -7 of this report. The remuneration paid is over and above the amount mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013, by Rs.74.47 lakhs as at March 31, 2016. The Company will seek approval from the shareholders for the managerial remuneration paid in excess by Rs.66.17 lakhs and balance Rs.8.00 lakhs will be received back from director. Till such approval is obtained from shareholders, the amount is held in trust for the company. Pending receipt of approval, no adjustments are considered necessary in the financial statements.

44) Particulars of Loans, Guarantees or Investments Under Section 186 of the Companies Act, 2013

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report pursuant to Section 134(3) (g) of the Companies Act, 2013.

45) Green Initiatives and E-Voting

Your Company has promoted and administered the 'Green Initiative' proposed by the Ministry of Corporate Affairs and the Company has been effecting the electronic delivery of Notice of Annual General Meeting and Annual Report to the shareholders whose email ids are registered with the respective depository participants. The Companies Act, 2013 and Rules thereunder, Listing Regulations provides for circulation of Financial Statements electronically to the shareholders.

For other members who have not registered their email addresses, physical copy of the Annual Report and Notice of AGM are sent

in the permitted mode. Members requiring physical copies can send a request to Compliance Officer of the Company.

The Company is providing e-voting facility to all its members to enable them to cast their votes electronically on all the resolutions set forth in the Notice. This is pursuant to Section 108 of the Companies Act 2013 and Rule 20 of the Companies (Management and Administration) Rules 2014. The instructions for e-voting is provided in the Notice.

46) Reminder to investors:

Reminders for unclaimed shares, unpaid dividend are sent to shareholders/debenture holders as per records every year.

47) Disclosures Under Section 217(1)(E) of The Companies Act, 1956

The Details Of Conservation Of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo is information is furnished below, pursuant to provisions of Section 134 of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014

Rule			
8 (3) (A)	Conservation of Energy:		Not Applicable
8 (3) (B)	Technology Absorption:		Not Applicable
8 (3) (C)	Foreign Exchange Earnings And Outgo	Current Year	Previous Year
	Out flow:	NIL	NIL
	Inflow:	NIL	NIL

48) Annual Report

The Annual Report containing, inter alia, Audited Financial Statement, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website.

49) BSE Corporate Compliance & Listing centre (The 'listing Centre'):

BSE's Listing Centre is a web-based application designed for corporates. All periodical compliance filings like shareholding pattern, corporate governance report, media releases, among others are also filed electronically on the Listing Centre.

50) SEBI Complaints Redress System (Scores)

The investor complaints are processed in a centralized web-based complaints redress system. The salient features of this system are: Centralized data base of all complaints, online upload of Action Taken Reports (ATRs) by concerned companies and online viewing by investors of actions taken on the complaint and its current status

51) HRD Initiatives- Training & Development

- The Company recognizes the importance of Human Resource and the continuous need for development of the same. The Company stresses on the need to continuously upgrade the competencies of its employees and equip them with the latest developments. In order to achieve this, the Company organizes various programs including in-house training and professional skills development programs across all levels of employees. The company also for the year 2015-16, focused on Regional Level Induction & training covering corporate presentations & function specific knowledge and skills.
- Training Basic Certification Module Process for Sales and Collection has also been implemented and has achieved 45 certifications.

As part of HRD Initiatives, the company has started giving Monthly Extra Miler awards based on various parameters viz. Result, Boundary less Behavior, Operational Excellence, Positive Attitude & Behavior .

52) Report Under The Prevention Of Sexual Harassment Act

Your Company recognizes its responsibility and continues to provide a safe working environment for women, free from sexual harassment and discrimination and to boost their confidence, morale and performance.

Pursuant to the legislation 'Prevention, Prohibition and Redressal of Sexual Harassment of Women at Workplace Act, 2013' introduced by the Government of India, which came into effect from 9 December 2013, the Company has framed a Policy on Prevention of Sexual Harassment at Workplace which is also reviewed by the Committee at regular intervals. There was no case reported during the year under review under the said Policy.

The employee relations in the Company continued to be healthy, cordial and progressive.

53) Acknowledgements

The Board of Directors would like to convey their appreciation to the Customers, Shareholders, Vendors, Banks, Financial

Institutions, various Government Authorities, RBI, SEBI and Stock Exchanges for their cooperation and support throughout the year.

The Board recognizes that it is accountable to shareholders for the performance of the Company, believes in transparency in its conduct and strives to disseminate the material information to the shareholders and the public.

Looking forward to receive continued patronage from all our business partners and associates to become better and strong organization.

The Board of Directors would also place on record the appreciation for the contributions made by the employees at all levels.

Your Directors place on record their gratitude to the Central Government, State Governments and Company's Bankers for the assistance, co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of investors, vendors, dealers, business associates and employees in ensuring an excellent all around operational performance.

For Intec Capital Limited

Date : 26th August, 2016
Place: New Delhi

Sanjeev Goel
Managing Director

S.K. Goel
Non Executive Independent Director

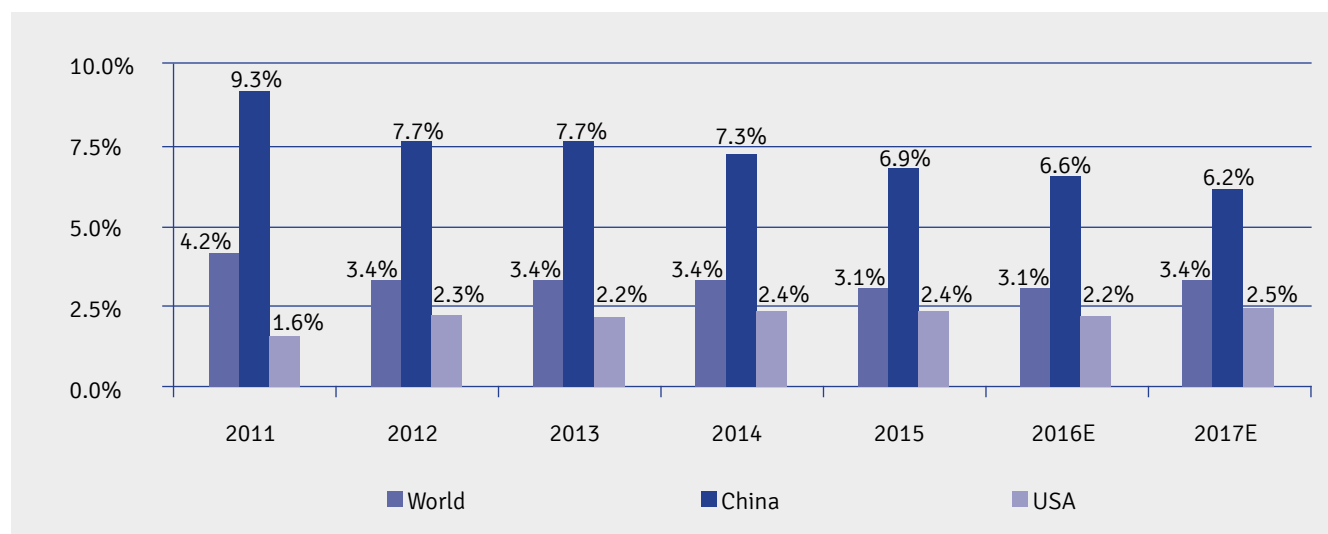
Annexure – 1

Management Discussion and Analysis Report

Global Economy

World economy witnessed bleak growth during 2015 primarily due to fall in prices of major commodities like oil, which is more than 60% down from its highest levels. Also, slowdown in China, world's second largest economy, was a serious headwind for global market in 2015. China had been a major importer of raw commodities from Southeast Asia, Europe and Latin America. But since China has transformed to a consumer-led economy from a manufacturing economy, the demand for all those commodities has dropped in the region. Advanced economies did not post much growth in 2015 based on weak demand due to unfavorable demographics and low productivity. The IMF downgraded its forecast for global economic growth based on Brexit after effects as it is supposed to create a wave of uncertainty amid already fragile business and consumer confidence. It is expected that the global economy would sustain at 3.1% level in the coming year as well.

GDP Growth Rate (Source: IMF)



Indian Economy

Among emerging economies, India has been one country that has post decent growth during 2015-16 at 7.6%. Urban households were the main drivers of growth during the fiscal year, as the manufacturing and services sectors expanded 7.4% and 8.9%, respectively. Lower food prices around the world pushed down inflation, which indirectly inflated real incomes, and allowed RBI to cut interest rates. Moreover, the fall in oil price directly benefited the country as for the first time in five years it exceeded its revenue collection, which helped contain the fiscal deficit and investment in infrastructure. Progressive reforms and proposed capital spending by the Central Government is expected to push the economy in the coming months.

While the prediction of a normal monsoon augurs well for 2016-17, the agriculture sector needs coherent policy measures to address sustained food price pressures and the overall rural distress. While stress in the corporate sector showed some signs of moderation in 2015-16, the risks of lower demand and weaker debt servicing capacity continue to be areas of concern in 2016-17.

Industry Overview

Non-banking finance companies (NBFCs) forms an integral part of the Indian financial system as they cater to the credit requirements of unorganized segments of society and contribute effectively for financial inclusion. The NBFCs also provide a shot in the arm to the micro, small and medium enterprises (MSMEs), which is the foundation of entrepreneurship and innovation. NBFCs primary activity involves hire-purchase finance, vehicle financing, equipment lease finance, personal loans, working capital loans, consumer loans, housing loans, loans against shares and investment, etc.

Performance of NBFC

The aggregated balance sheet of the NBFC sector expanded by 15.5 per cent on a y-o-y basis in March 2016 as compared to 15.7 per cent in the previous year. Loans and advances increased by 16.6 per cent, while, total borrowings increased by 15.3 per cent in March 2016. The financial performance of NBFC sector has remained unchanged for the last two years. Net profit as a percentage to total income remained at 18.3 per cent between March 2015 and March 2016 and RoA stood at 2.2 per cent during the same period. RoE increased to 10.6 per cent from 10.3 per cent. While the regulatory norms for the NBFC sector are sought to be brought closer to those applicable to SCBs, the performance of this sector (RoE and RoA) seems to be much better as compared to that of banks.

Asset quality and capital adequacy

GNPAs of the NBFC sector as a percentage of total advances declined to 4.6 per cent in March 2016 from 5.1 per cent in September 2015. NNPA as a percentage of total advances also declined to 2.5 percent from 2.9 per cent during the same period.

NBFC's contribution to the Indian economy has grown from 8.4% in 2006 to more than 14% in 2015 and in terms of financial assets; it has NBFCs have recorded a CAGR of 19% over the past couple of years. Lending through NBFC accounted for approximately 13% of the total credit, which is expected to reach to approx 18% by FY2018-19 (Source: PWC) based on mounting NPAs in the banking sector.

Looking at the size of the sector, it is seen that the total number of NBFCs registered with RBI is decreasing year on year, but their assets are increasing as their lending ability has increased.

NBFC segment has witnessed considerable growth in the last few years and is now being recognized as complementary to the banking sector due to implementation of innovative marketing strategies, introduction of various products, customer oriented services, attractive rates of return on deposits and simplified procedures, etc.

The Government has simplified the process of registration for NBFC in 2014 and in the Union Budget 2016; it has provided certain benefits like 5% deduction in respect of NPAs, which is likely to strengthen the sector in the long run. FDI in Indian stock exchanges was enhanced from 5 to 15%, which is likely to improve competitiveness of stock exchanges and speed up adoption of technology and global practices. 100% FDI in Asset Reconstruction Companies (ARCs) was permitted through automatic route and Foreign Portfolio Investors were allowed up to 100% of each tranche in securities receipts issued by ARCs subject to sectoral caps. Government also proposed to make necessary amendments in the SARFAESI Act 2002 to enable the sponsor of ARCs to hold up to 100% stake in the ARC and permit non-institutional investors to invest in Securitization Receipts. In order to get more investment in ARCs which play a very important role in resolution of bad debts, it proposed to provide complete pass through of income tax to securitization trusts including trusts of ARCs. The income will be taxed in the hands of the investors instead of the trust. However, the trust will be liable to deduct tax at source. The move to strengthen ARCs would strongly benefit NBFC by allowing them to raise more capital and funds.

Stress levels

Stress test on credit risk for the NBFC sector as a whole for the period ended March 2016 was carried out under three scenarios: (i) GNPA increase by 0.5 SD, (ii) GNPA increase by 1 SD and (iii) GNPA increase by 3 SD. The results indicate that in the first and second scenarios, the CRAR of the sector was marginally affected while in the third scenario, it declined to 23.3 per cent from 24.3 per cent. This however, was much above the regulatory minimum required level of 15 per cent.

SWOT Analysis

Strengths	Opportunities	Weakness	Threats
Large population	Demographic changes and under penetration	Weaker riskmanagement & technology systems	High cost of funds
Easy and fast appraisal and disbursements	Augmentation of capital and leveraging for growth	Higher regulatory restrictions	Asset quality deterioration may not only wipe out profits but also network
Able to generate higher yield on assets	Large untapped market both rural & urban	Uncertain economic and political environment	Increased FDI
Product innovation and superior delivery	New opportunities		Growing competition
Strong market			Restrictions on deposit taking NBFC
			Rising NPAs

Outlook

Non-banking financial companies (NBFCs) have been playing an important role in the Indian financial sector and this role assumes even greater significance at a time when banking institutions are focusing on cleaning up their balance sheets. In the current context, NBFCs can support the drive towards promoting inclusive growth, by catering to diverse financial needs, especially of MSMEs and individuals.

In view of the continued importance of ensuring timely flow of funds to the infrastructure sector, the Government of India has set up the National Investment and Infrastructure Fund (NIIF) in the nature of an alternative investment fund (AIF). In addition, a separate category of NBFCs, called NBFC infrastructure debt fund (NBFC-IDF) has been created. The NBFC-IDFs have also been permitted to raise funds through shorter tenor bonds and commercial papers (CPs) from the domestic market up to 10 per cent of their total outstanding borrowings.

Driven by higher disposable incomes through increased effectiveness of government schemes and the 7th Pay Commission, we remain confident of healthy growth in the consumer finance segment. On the small and medium Enterprises (SME) front, business and professional loans seem to be on a growth trajectory, but mortgage-backed loans (loan against property), which form a large proportion of the SME loans, will remain muted due to the increased competition from new entrants in the market and traditional banks, who have been successful in capturing and retaining the upper end of the ticket-sized band.

Overall, NBFCs are on their way to setting a record of a robust growth of 19–22% CAGR in retail credit to reach an AUM of approximately 6.04 trillion INR by March 2017

Intec Capital – An Overview

We are among the leading NBFCs in the machinery finance segment in the country, addressing the finance needs of SMEs. We support machinery and equipment financing for small and medium enterprises, for industries like Auto Engineering, Printing & Packaging, Plastic & Injection Molding, Pharmaceuticals, Medical & Healthcare and Food Processing. We have developed a strong association with the machine vendors and our customers, and thereby bridge the gap between them with the ease of our financing options. Our pan India presence, efficient business model and passionate team force inspire us to grow our business further

Our portfolio

- Term Loans (Equipment Financing)
- SIDBI Subsidy (Credit Deliver Arrangement)

Highlights of FY 2015-16

During the year, the Company posted an income of Rs. 13,172.59 Lakhs and registered a net profit of Rs. 643.02 Lakhs. Your company's disbursements for FY 2015-16, stood at Rs. 35,792.24 Lakhs and total consolidated assets under management were at Rs. 91,847.03 Lakhs. The management is adopting a cautious approach and is being careful about the quality of assets. We are continuously working on improving the quality of portfolio and NPA are being aggressively followed for recovery. A lot of work is being done on the analysis of risk and the learning is being used in upgrading the underwriting methodologies. The focus is to generate a good quality portfolio.

The Company has appointed a specialized team to work on stressed assets. The legal infrastructure of the Company is very strong and is helping the Company to recover from difficult and

delinquent accounts. The Company has appointed a strong in-house telecalling team which supports the collection team in getting in touch with the customers and generating promises to pay. The Company is witnessing a lot of traction in collection with some of the old vintage accounts coming closing for settlement.

We at Intec are continuously working to ensure that our customers get the finance in the shortest possible time. As an organization, we continue to strengthen and streamline our processes, push our vendors for faster service, train our team for faster delivery, move to rationalize documentation and use technology to the maximum to reduce turnaround time.

There has been a lot of focus on rationalization of costs. The avoidable expenses have been reduced. We have done a consolidation in the level of supervisory staff, merger of lesser profitable branches and come up with effective and productive organization structure. We are looking at innovative ways of reducing costs and maximizing profitability.

Visibility on the internet is one of the major sources of enquiries and business generation. A lot of business generation happens online today. Therefore the Company is looking at having a new website which would be more interactive and carry all information on the products and services. The website would intend to communicate about the newest offering to its customers at the earliest. In line with the constantly changing digital landscape, the Company is looking to enhance its technology platform to ensure customer satisfaction and is thereby moving in step with Digital India.

Risk Management

Integral to its business, the Company takes on various types of risks, the most important of which are credit risk, market risk, liquidity risk and operational risk. The identification, measurement, monitoring and management of risks remain a key focus area for the Company.

The Board is eventually responsible for risk management, which comprises risk governance, Oversight structure and for maintaining an appropriate internal control framework. The Board reviews and approves the threshold limits of risk to be taken in line with the Company's strategic objectives. These limits are continuously monitored by an experienced risk management team and overseen by the Risk Monitoring Committee, a sub-committee of the Board.

Liquidity risk is the non-availability of cash to pay a liability that falls due. A company is deemed to be financially sound if it is in a position to carry on its business smoothly and meet all the

obligations - both long term as well as short term - without strain.

A strong banking consortium and striking a balance between sourcing funds through non-banking sources (like Commercial papers) has helped the Company maintain financial prudence over a period of time. The increased financial limits by existing banking partners and addition of new banks has also helped maintain sustainable fund flow at required times. The policy framework for liquidity and interest rate risk management is established in the Company's ALM policy which is guided by regulatory instructions.

Operational risk: In a competitive market, it is critical for any business unit to control its costs at all levels. To measure the operational efficiency, the turnover ratios and profitability ratios are used. The company's integrated technology framework, backed by its well defined credit policy, helps achieve seamless centralized operations across its pan India network. Faster loan disbursement through quick credit appraisalment has defined the operational benchmarks for the company. In addition, regular internal audits provide a check on deviation from any contingent operational inefficiency.

Credit risk: Credit risk is risk resulting from uncertainty in a counter party's willingness to meet his contractual obligations. The business character of a borrower rests on traits as trustworthiness and commitment. The Company's efficient credit management team works diligently to monitor its disbursement profile. In close collaboration with the recovery team and strong ground workforce, the Company has been successful in maintaining a low NPA over the years.

Internal Control systems

To assess the potentiality of its internal control system, Intec has implemented robust audit and control mechanisms. To ensure that all assets are safeguarded; transactions are authorized, recorded and reported properly and all applicable statutes and corporate policies are duly complied with, the Company's audit processes are made aware of the nature of its operations. The Company's internal auditors are responsible for evaluating the adequacy and efficacy of internal controls. They work closely with the Audit Committee and discuss critical audit observations for its effective monitoring.

Cautionary statement

This report contains certain 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may vary significantly from the statements contained in this document due to various risks and uncertainties.

Annexure – 2

Corporate Governance Report

Corporate governance is about maximizing shareholder value legally, ethically and sustainably. At Intec, it is imperative that our Company affairs are managed in a fair and transparent manner. We believe sound corporate governance is critical to enhance and retain investor trust. We always seek to ensure that our performance is driven by integrity. Our Board exercises its fiduciary responsibilities in the widest sense of the term. Our disclosures seek to attain the best practices in international corporate governance. We also endeavor to enhance long-term shareholder value and respect minority rights in all our business decisions.

Board Of Directors

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties. The Management Committee

of the Company is headed by the Managing Director and has business / functional heads as its members, which look after the management of the day-to-day affairs of the Company.

Composition

The Board comprises of a majority of Independent Directors. It has a good mix of Executive and Non-Executive Directors including Independent Directors. As on date of this Report, the Board consists of Seven Directors with adequate combination of Independent/ Non Independent, Executive, Non-executive and Nominee Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The details of each member of the Board along with the number of Directorship(s)/ Committee Membership(s)/Chairmanship(s) and date of joining the Board are provided hereinbelow:

Composition and Directorship(s) /Committee Membership(s)/Chairmanship(s) as on 31st March, 2016

Name	Date of joining the Board	Relationship with other Directors	Number of shares held in the Company	Directorship In other Companies #	Membership(s) of Committees of other Companies ##	Chairmanship(s) of Committees of other Companies ##
Managing Director						
Mr. Sanjeev Goel DIN:00028702	15/02/1994	Spouse of Mrs. Ritika Goel	644464	1	-	
Independent Directors						
Mr. S. K. Goel DIN:00963735	13/02/1998	-	-	-	-	
Mr. Y. L Madan DIN:05123237	07/11/2011	-	-	1	1	1
Mr. Rakesh Kumar Joshi DIN:02410620	27/02/2002	-	-	-	-	-
Mr. Praveen Sethia DIN:02310777	05/04/2010	-	18	-	-	-
Non-Independent Director						
Mrs. Ritika Goel DIN:00053387	20/03/2015	Spouse of Mr. Sanjeev Goel	-	-	-	-
Nominee Director						
Mr. Vishal Kumar Gupta DIN:02368313	26/03/2013	-	-	-	-	-

Excluding Private Limited Companies, Foreign Companies, Section 8 Companies and Alternate Directorships.

Includes only Audit Committee and Stakeholders' Relationship Committee

The number of Directorships, Committee Membership(s)/ Chairmanship(s) of all Directors is within respective limits prescribed under the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as Listing Regulations).

Appointment and Tenure

The Directors of the Company are appointed by Members at the General Meetings. In accordance with the Articles of Association of the Company, all Directors, except the Managing Director and Independent Directors of the Company, step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election. The Managing Director of the Company is appointed for a term of five years as per the requirement of the statute. The Executive Directors on the Board serve in accordance with the terms of their contract of service with the Company. As regards the appointment and tenure of Independent Directors, following is the policy adopted by the Board:

- The Company has adopted the provisions with respect to appointment and tenure of Independent Directors which are consistent with the Companies Act, 2013 and Listing Regulations.
- The Independent Directors will serve a maximum of two terms of five years each.
- The Company would not have any upper age limit of retirement of Independent Directors from the Board and their appointment and tenure will be governed by provisions of the Companies Act, 2013.

Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is noted and confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. All meetings of the Board are held in Delhi. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and the Managing Director of the Company.

The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee meetings cover items

set out as per the guidelines in Listing Regulations to the extent it is relevant and applicable. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2016, four(4) Board meetings were held on the below mentioned dates:

1) Thursday 28th May, 2015	2) Thursday 06th August, 2015
4) Thursday 05th November, 2015	5) Friday 05th February, 2016

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

Board Support

The Company Secretary is responsible for assembling, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

Separate Independent Directors' Meetings

The Company's Independent Directors meet at least once in every financial year, without the presence of Executive Directors or management personnel. During the Financial year 2015-16, the Independent Directors met on 29th March, 2016 and inter alia discussed:

- review the performance of Non-Independent Directors and the Board as a whole;
- review the performance of the Chairperson of the Company, taking into account the views of Executive Directors and Non-Executive Directors;
- assess the quality, quantity and timeliness of flow of information between the Company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

Such meetings are conducted formally to enable Independent Directors to discuss matters pertaining to the Company's affairs and put forth their views to the Lead Independent Director. The Lead Independent Director takes appropriate steps to present Independent Directors' views to the Chairman and Managing Director.

In addition to these formal meetings, interactions outside the Board meetings also take place between the Chairman and Independent Directors.

Familiarization program for Independent Directors

During the year under review no new Independent Directors were inducted into the Board to attend an orientation program. The details of training and hence no familiarization and training were required. However, all independent directors / including were familiarized program are provided in the various Board Meetings related to any key law changes

The Familiarization program / policy Corporate governance report and is uploaded in the company website also available on our website (www.inteccapital.com/About us/New Policy).

Further, at the time of the appointment of an independent director, the Company issues a formal letter of appointment outlining his / her role, function, duties and responsibilities.

Board Evaluation

During the year under review the company in its Nomination and Remuneration and Committee Meeting and subsequently Board Meeting held on 25th May 2016 has reviewed:

A formal annual evaluation by the Board of its own performance and that of its committees and individual directors as per requirement of Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI LODR, 2015)

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board. Schedule IV of the Companies Act, 2013 states that the performance evaluation of independent directors shall be done by the entire Board of Directors, excluding the director being evaluated.

The framework includes the evaluation of directors on various parameters as mentioned below and involving the rating viz. Excellent, Good, Satisfactory, Fair, Needs Improvement:

- Attendance at the Board and Committee meetings.
- Understands the business and products of the Company.
- Brings in new ideas for business advancement and improvement.
- Study of agenda in depth prior to meeting and active participation at the meeting.
- Participates constructively and actively in the Committees of the Board in which he is a member.
- Strive to attend the general meetings of the Company.
- Contributes to discussions on strategy as opposed to focus only on agenda.

- The Director actively challenges management thinking and motivates them to excel continuously.
- The Director actively works towards cordiality and cohesiveness at meetings, while challenging current thinking.
- The Director is able to bring in best practices from his experience and other Board Memberships.
- The Director remains abreast of developments affecting the company, independent of his being apprised at meetings.

The evaluation of all the directors and the Board as a whole was conducted based on the criteria and framework adopted by the Board.

Committees of The Board

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The Chairman of the respective Committee informs the Board about the summary of the discussions held in the Committee Meetings. The minutes of the meetings of all Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has currently established the following statutory and non-statutory Committees.

Audit Committee

The Company's Audit Committee comprises of four Directors, out of which three (3) are Non-executive Independent directors and one is Non Executive Nominee Director. The Audit Committee is headed by Mr. Praveen Sethia and has Mr. Rakesh Kumar Joshi, Mr. Vishal Kumar Gupta and ** Mr. S.K. Goel (** being made member in the Board Meeting held on 12th August 2016), as its members.

All the members of the Committee have relevant experience in financial matters.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and, inter alia, performs the following functions:

- overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;

- reviewing and examining with management the quarterly financial results before submission to the Board;
- reviewing and examining with management the annual financial statements before submission to the Board and the auditors' report thereon;
- review management discussion and analysis of financial condition and results of operations;
- scrutiny of inter-corporate loans and investments made by the Company;
- reviewing with management the annual financial statements as well as investments made by the unlisted subsidiary companies;
- reviewing, approving or subsequently modifying any Related Party Transactions in accordance with the Related Party Transaction Policy of the Company;
- approving the appointment of Chief Financial Officer after assessing the qualifications, experience and background, etc. of the candidate;
- recommending the appointment, remuneration and terms of appointment of Statutory Auditors of the Company and approval for payment of any other services;
- reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
- reviewing management letters / letters of internal control weaknesses issued by the Statutory Auditors;
- discussing with Statutory Auditors, before the commencement of audit, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- reviewing with management, Statutory Auditors and Internal Auditor, the adequacy of internal control systems;
- reviewing the financial statements, in particular, the investments made by the unlisted subsidiaries;
- recommending appointment, remuneration and terms of appointment of Internal Auditor of the Company;
- reviewing the adequacy of internal audit function and discussing with Internal Auditor any significant finding and reviewing the progress of corrective actions on such issues;
- evaluating internal financial controls and risk management systems;
- valuating undertaking or assets of the Company, wherever it is necessary;
- reviewing the functioning of the Whistle Blowing mechanism;

The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and The Audit Committee ensures that it has reviewed each area that it is required to review under its terms of reference and under applicable legislation or by way of good practice. This periodic review ensures that all areas within the scope of the Committee are reviewed.

In addition to quarterly meetings for consideration of financial results, special meetings of the Audit Committee are convened. In these meetings, the Audit Committee reviews various businesses / functions, Business risk assessment and control assurance reports of all the major divisions of the Company. The Committee is governed by the Terms of Reference which are in line with the regulatory requirements mandated by the Act and Listing Regulations. The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company and cases reported thereunder.

The recommendations of Audit Committee are duly approved and accepted by the Board.

The meetings of Audit Committee are also attended by the Chief Financial Officer, Statutory Auditors and Internal Auditor as special invitees. The Company Secretary acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed in the next meeting of the Board. The Audit Committee also meets the internal and external auditors separately, without the presence of Management representatives.

During the period under review Audit committee held five (5) times on the below mentioned dates:

1) Thursday 28th May, 2015	2) Thursday 06th August, 2015
3) Thursday 25th August, 2015	4) Thursday 05th November, 2015
5) Friday 05th February, 2016.	

Further on the Board meeting held on 12th August, 2016, the board has reconstituted the composition of Audit Committee by inclusion of Mr. S.K Goel , Independent Non-Executive Director as one of the member of Audit Committee Meeting.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee comprises of Mr. Praveen Sethia as the Chairman and Mr. Sanjeev Goel, Mr. Vishal Kumar Gupta and Mr. Rakesh Kumar Joshi as members of the Committee. In terms of Section 178(1) of the Companies Act, 2013 and Regulation 19 of Listing Regulations, the Nomination and Remuneration Committee should comprise of at least three

Directors; all of whom should be Non-Executive Directors. At least half of the Committee members should be Independent with an Independent Director acting as the Chairman of the Committee.

The role of Nomination and Remuneration Committee is as follows:

- Determine/ recommend the criteria for appointment of Executive, Non-Executive and Independent Directors to the Board;
- Determine/ recommend the criteria for qualifications, positive attributes and independence of Director;
- Identify candidates who are qualified to become Directors and who may be appointed in the Management Committee and recommend to the Board their appointment and removal;
- Review and determine all elements of remuneration package of all the Executive Directors, i.e. salary, benefits, bonuses, stock options, pension etc;
- Review and determine fixed component and performance linked incentives for Directors, along with the performance criteria;
- Determine policy on service contracts, notice period, severance fees for Directors and Senior Management;
- Formulate criteria and carry out evaluation of each Director's performance and performance of the Board as a whole;
- The Nomination and Remuneration Committee met two times during the Financial year 2015-16 on the below mentioned dates:

1) Thursday 28th May, 2015	2) Thursday 06th August, 2015
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Remuneration of Directors

The details of remuneration package of Directors and their relationships with each other are given in table below:

Details of Remuneration to Non-Executive Directors (NEDs) for the year ended March 31, 2016:

Names of Directors Relationship with Directors Sitting fees in (₹) Commission

Name of Directors	Relationship with Directors	Sitting fee per Board Meeting	Commission
Mr. Sanjeev Goel	Spouse of Ms. Ritika Goel	5000	Nil
Mr. Praveen Sethia	None	5000	Nil
Mr. S.K Goel	None	5000	Nil
Mr. Rakesh Kumar Joshi	None	5000	Nil
Mr. Y.L Madan	None	5000	Nil
Mr. Vishal Kumar Gupta	None	5000	Nil
Mr. Dhruv Prakash**	None	5000	Nil
Mrs. Ritika Goel	Spouse of Mr. Sanjeev Goel	5000	Nil

** Mr. Dhruv Prakash has tendered his resignation on 12th October, 2015.

Details of remuneration and perquisites paid and/or value calculated as per the Income tax Act, 1961, to the Managing Director:

Name Of Director	Relationship with Directors	Salary and allowances	Perquisites	Total
Mr. Sanjeev Goel	Spouse of Mrs. Ritika Goel	118.16 Lacs	3.84 Lacs	122.00 Lacs

Stakeholders Relationship/Shareholders Committee:

The Stakeholder's Relationship / shareholders Committee (SRC) is formed in accordance with Section 178 of the Act and Regulation 20 of the Listing Regulations. This committee looks into redressal of shareholder complaints regarding transfer of shares, non-receipt of Balance Sheet and non-receipt of declared dividends, as well as those required under Act and the Listing Regulations.

However during the period under review, 13 (Thirteen) Meetings held during the year:

1) Thursday, 16 Apr 2015	2) Saturday, 18 Apr, 2015	3) Wednesday, 29 Apr, 2015	4) Monday, 04 May, 2015
5) Monday, 08 June, 2015	6) Wednesday, 24 June, 2015	7) Thursday, 03 Sept, 2015	8) Thursday, 10 Sept, 2015
9) Saturday, 26 Sept, 2015	10) Saturday, 10th Oct, 2015	11) Monday, 09 Nov 2015	12) Friday, 27 Nov, 2015
13) Friday, 29 Jan, 2016			

Details of Shareholders' / Investors' Complaints

Mr. Puneet Sehgal, Company Secretary, is the Compliance Officer for resolution of Shareholders' / Investors' complaints. During the financial year ended 31st March, 2016, complaints received from the shareholders as follows:

Particular	Complaint Received	Complaint Redressed
Non-Receipt of Dividend	1	1
Non-Receipt of Shares lodged for Transfer	Nil	Nil
Others (e.g. non-receipt of Annual Report)	2	2

Corporate Social Responsibility Committee

The Corporate Social Responsibility Committee comprises Mr. Sanjeev Goel as the Chairman and Mr. Vishal Kumar Gupta, Mr. Rakesh Kumar Joshi and Mrs. Ritika Goel as members of the Committee.

The role of Corporate Social Responsibility Committee is as follows:

- formulating and recommending to the Board the CSR Policy and activities to be undertaken by the Company;
- recommending the amount of expenditure to be incurred on CSR activities of the Company;
- reviewing the performance of Company in the area of CSR;
- providing external and independent oversight and guidance on the environmental and social impact of how the Company conducts its business;
- monitoring CSR Policy of the Company from time to time;
- monitoring the implementation of the CSR projects or programs or activities undertaken by the Company.

During the financial year ended 31st March, 2016, the Committee met two times on the below mentioned dates:

1) Thursday 05th November, 2015	2) Friday 05th February, 2016
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Risk Management Committee

The Risk Management Committee of the Company comprises Mr. Sanjeev Goel as the Chairman and **Mr. Arvind Hali (** resigned from the company w.e.f. 20th June 2016), Mr. Vishal Kumar Gupta, Mr. Praveen Sethia, Mr. Y. L. Madan, Mr. Sudhir Menon, Mr. Sudhindra Sharma and ** Mr. Vinay Patel (** being made member in the Board Meeting held on 12th August 2016) members of the Committee.

Mr. Puneet Sehgal is acting as Secretary to the meeting.

The role of Risk Management Committee is to:

- oversee the implementation of Risk Management Systems and Framework;
- review the Company's financial and risk management policies;
- assess risk and procedures to minimize the same;
- frame, implementing and monitoring the risk management plan for the Company.

During the financial year ended 31st March, 2016, the Risk Management Committee met on the below mentioned dates for reviewing the Company level risks and mitigation plans and actions.

1) Thursday 25th August, 2015	2) Thursday 5th November, 2015
3) Friday 05th February, 2016	

Further, the Board has reconstituted the composition of the RMC on its Board meeting held on 12th August 2016 and Mr. Vinay Patel (Head- Operation)has been introduced as a new member of RMC committee. **Mr. Arvind Hali who was earlier associated with the organization and acting as one of the member of RMC committee has been removed from the committee pursuant to his resignation.

Asset Liability Management Committee (ALCO):

The Committee consist of Mr. Sanjeev Goel as chairman of the committee and Mr. Y. L. Madan, Mr. Vishal Kumar Gupta, Mr. Arvind Hali (resigned from the company w.e.f. 20th June 2016), Mr. Sudhindra Sharma, Mr. Puhup Srivastava and ** Mr. Vinay Patel (** member upto 12th August 2016) as the members of the Committee.

The Asset Liability Management Committee (ALCO) was constituted during the year. The objective of the Committee is to identify, quantify, integrate, monitor, manage and control the different type of risks associated with NBFC. The Committee is responsible for assisting the Board of Directors in Balance Sheet planning, putting in place a progressive risk management system, developing a risk return perspective including the strategic management of interest and liquidity risk.

During the Financial Year ended 31st March, 2015, the Committee met 6 (six) times on the below mentioned dates:

1) Monday, 27th April, 2015	2) Tuesday, 23rd June, 2015
3) Monday, 07th September, 2015	4) Wednesday, 28th October, 2015
5) Monday, 21st December, 2015	6) Friday, 26th February, 2016

Further the Board of Directors has reconstituted the members of ALCO committee Meeting on 12th August, 2016 by exclusion of Mr. Vinay Patel (Head-operations). The board has also excluded Mr. Arvind Hali (President) who is not associated with the organization any more.

Subsidiary Company Monitoring Framework

The Company has only one Subsidiary Company viz. Amulet Technologies Limited and is Board managed with their Boards having the rights and obligations to manage such company in the best interest of their stakeholders. The Company does not have any material unlisted subsidiary, and hence, is not required to nominate an Independent Director of the Company on the Board of any subsidiary.

The Company monitors performance of subsidiary companies, inter alia, by the following means:

- Financial statements, are reviewed on annual basis by the Company's Audit Committee.
- Minutes of Board meetings of unlisted subsidiary companies are placed before the Company's Board regularly.
- A statement containing all significant transactions and arrangements entered into by unlisted subsidiary companies is placed before the Company's Board.

General Body Meetings

a) Details of location and time of holding the last three AGM:

Financial Year	Venue	Date	Time	Special Resolution passed
2014-2015	B.C. Pal Memorial, A-81, Chittranjan Park, New Delhi-110 019	24th September, 2015	11.00 A.M	Yes
2013-2014	B.C. Pal Memorial Auditorium, A-81, Chittranjan Park, New Delhi-110019	24th September, 2014	11.00A.M	Yes
2012-2013	B.C. Pal Memorial Auditorium, A-81, Chittranjan Park, New Delhi-110019	25th September, 2013	4.00 P.M	Yes

b) Details of Special Resolutions passed in previous three Annual General Meetings:

Date of AGM	Number of Special Resolution passed	Details of special resolution passed
24th September, 2015	No	-
24th September, 2014	No	-
25th September, 2013	Yes	Increase in the remuneration of Mr. Sanjeev Goel, Managing Director of the Company with effect from 01st April, 2013 which is in excess of 5% limits as prescribed in section 309 read with section 349 and other applicable provisions of the companies Act, 1956

c) Details of Special Resolutions passed at the Extraordinary General Meetings (EGM) in the last three years- Nil

d) Postal Ballot

During the year, pursuant to the provisions of Section 110 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules 2014, certain resolutions were passed by shareholders by postal ballot. The Notice of postal ballot was mailed to all shareholders along with postage prepaid envelopes. E-voting facility was also offered to eligible shareholders to enable them to cast their votes electronically. Mr. Krishna Kumar Sharma & Co., practicing Company Secretary as the scrutinizer ("Scrutinizer") for conducting the Postal Ballot process in a fair and transparent manner and submit his report to the Chairman or Managing Director or any other Director or to the Company Secretary of the Company. The details of the postal ballots are given below:

Sr. No	Date of Announcement of results	Nature of Resolution	Item	Total no. of votes polled	Votes in Favour (%)	Votes against (%)
1.	08th May, 2015	Ordinary Resolution	Appointment of S.R Batlibaoi & Associates as new Statutory Auditors of the company to fill Casual vacancy	15681591	15681590	1

Sr. No	Date of Announcement of results	Nature of Resolution	Item	Total no. of votes polled	Votes in Favour (%)	Votes against (%)
2	08th May, 2015	Special Resolution	Re-appointment of Mr. Sanjeev Goel, as Managing Director of the Company for a further period of 5 years in terms of Companies Act, 2013.	15681591	15681590	1
3.	08th May, 2015	Special Resolution	Remuneration Payable to Mr. Sanjeev Goel, Managing Director of the Company w.e.f. 1st April 2015 for three financial years ending on 31st March, 2018 in accordance with the applicable provisions of the Companies Act 2013	15681591	15681590	1

Procedure adopted for Postal Ballot:

- (i) The Board at its meeting approves the items to be passed through postal ballot and authorizes one of the functional Directors and the Company Secretary to be responsible for the entire process of postal ballot.
- (ii) A professional such as a Chartered Accountant/ Company Secretary, who is not in employment 115 of the Company, is appointed as the Scrutinizer for the poll process.
- (iii) Notice of postal ballot along with the ballot papers are sent to the shareholders along with a self-addressed envelope addressed to the Scrutinizer. E-voting facility is also offered to eligible shareholders to enable them to cast their votes electronically.
- (iv) An advertisement is published in a National newspaper and a vernacular newspaper about the dispatch of ballot papers and notice of postal ballot.
- (v) The duly completed postal ballot papers are received by the Scrutinizer.
- (vi) Scrutinizer gives his report to the Chairman.
- (vii) The Chairman announces the results of the postal ballot in a meeting convened for the same.
- (viii) Results are intimated to the Stock Exchange and are put up on the Notice Board of the Company as well as on the Company's Website.

Means of Communication

All vital information relating to the Company and its performance, including quarterly results, are posted on the website of the Company. The Company's website address is www.inteccapital.com. The quarterly and annual results of the Company's performance are published in leading English dailies like The financial Express, Business Standard etc. and regional language i.e in Hindi in haribhoomi , Jansatta, the Business standard etc. The quarterly results of the Company are also available on the websites of BSE Ltd. viz.www.bseindia.com, respectively.

The Company files electronically the quarterly results, Corporate Governance report, Share holding pattern, etc in the BSE Listing Centre .

General Shareholder Information

a) Annual General Meeting:

Date : September 24, 2016

Time : 11:15 A.M.

Venue : B.C. Pal Memorial, A-81, Chittranjan Park, New Delhi-110 019

b) Financial Year :

Financial year : April 1, 2015 to March 31, 2016

For the Year Ended March 31, 2016, results announced on:

- Thursday, • 06th August, 2015 : First quarter
- Thursday, • 05th November, 2015 : Half year
- Friday, • 05th February, 2016 : Third quarter
- Wednesday, • 25th May, 2016 : Annual

c) Listing information:

The Company's equity shares are listed on the following Stock Exchanges:

Name of Stock Exchange and address	Scrip Code
BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400 001	526871
Delhi Stock Exchange Limited., DSE House,3/1, Asaf Ali Road, New Delhi - 110 002	109199

The Company has paid the requisite Annual Listing Fees to the BSE Stock Exchange for the financial year 2016-17. The Securities have not been suspended from trading.

As the Delhi Stock Exchange Association Limited is delisted / derecognized by the SEBI and hence no listing fees is required to be paid for the financial year 2016-17. The Securities have not been suspended from trading.

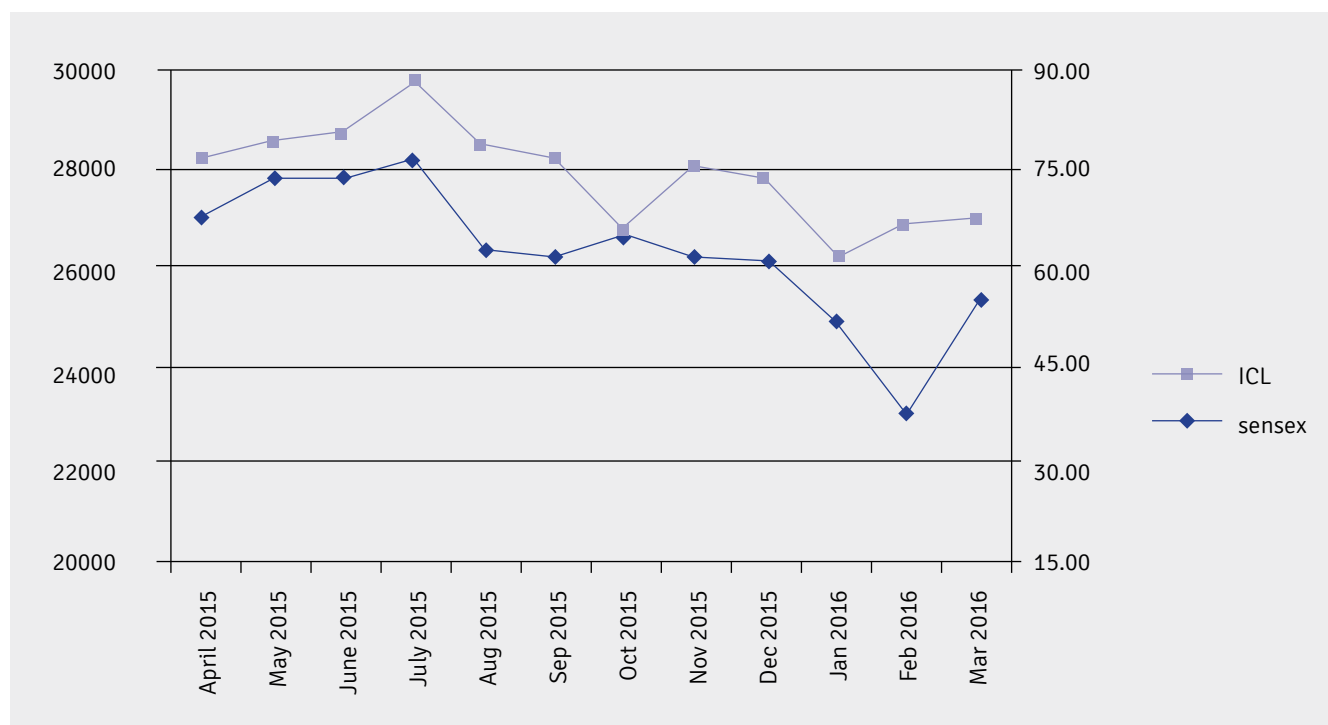
The ISIN Number of the Company is INE017E01018

d) Market Information:

Market Price Data: High, Low during each month and trading volumes of the Company's Equity Shares during the last financial year at BSE are given below:

Stock Exchange	BSE		
	High	Low	Volume of shares
Month			
April 2015	98.50	76.35	609
May 2015	96.00	72.60	1823
June 2015	89.85	70.05	7118
July 2015	88.85	74.05	7351
August 2015	93.45	76.70	2603
September 2015	78.00	66.25	3844
October 2015	80.30	64.15	896
November 2015	75.90	60.25	19000
December 2015	86.95	68.55	9281
January 2016	72.95	62.05	2388
February 2016	71.00	65.00	2865
March 2016	69.00	63.20	2192

Chart A – The Company’s share performance compared to the BSE Sensex for FY 2015-2016

**e) Registrar and Share Transfer Agents:**

Beetal Financial and Computer Services Private Limited

Beetal House, 3rd Floor, 99 Mandangir, Khanpur

Behind Baba Harsukhdas Mandir

Tel No.011-29961281-283; Fax 011-29961284

Email: beetalrta@gmail.com

Investor correspondence should be addressed to them.

f) Share Transfer system:

Share transfers and related operations for the Company are conducted by Beetal Financial and Computer Services Private Limited, which is registered with the SEBI as a Category 1 Registrar. Share transfer is normally done within the maximum period of 15 days from the date of receipt, if all the required documentation is submitted.

The Company has existing committee viz. “Share Transfer Committee (STC) cum Shareholders Investors Grievance Committee (SHIGC) Cum Stakeholders Relationship Committee (SRC)” which deals with approval of transfer, transmission of shares and minutes of the meeting of transactions are placed before the Board.

g) Distribution of shareholding:

Table I & II below gives the distribution pattern of shareholding of the Company by size and ownership respectively as on March 31, 2016.

Table I: Distribution of shareholding by size as on March 31, 2016:

Number of Shares	Number of Shareholders	Shareholders (%)	Number of shares held	Shareholding (%)
UP TO 5000	1,107	83.48	1,87,375	1.02
5001 TO 10000	109	8.22	79,678	0.43
10001 TO 20000	70	5.28	96,339	0.52
20001 TO 30000	3	0.23	7,789	0.04
30001 TO 40000	5	0.38	16,978	0.09
40001 TO 50000	7	0.53	33,984	0.19
50001 TO 100000	6	0.45	44,122	0.24
100001 AND ABOVE	19	1.43	1,78,99,985	97.46
TOTAL	1326	100	1,83,66,250	100.00

Table II: Distribution of shareholding by ownership as on March 31, 2016:

Category	No. of shares held	Percentage of shareholding (%)
Promoter's Holding		
Promoters		
-Indian Promoters	10064522	54.79
Foreign Promoters	3646142	19.85
Persons acting in Concert	-	-
Sub-Total	13710664	74.64
Non-Promoter's Holding		
Institutional Investors	-	-
Mutual Funds & UTI	-	-
Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Institutions)	-	-
Foreign Institutional Investors	-	-
Sub-Total	-	-
Others		
Private Corporate Bodies	4147050	22.57
Indian Public	467809	2.54
NRIs/OCBs	19352	0.15
Any other (please specify)	21375	0.10
Sub-Total	4655586	25.36
Total	18366250	100

h) Dematerialization of shares and liquidity:

As on March 31, 2016, 98.66 percent of the Company's shares were held in dematerialized form and the remaining 1.34 percent in physical form. The break up is listed below:

Category	Number of shares held	Shareholding (%)
Physical	246560	1.34
Demat	18119690	98.66

i) Outstanding GDRs/ADRs/Warrants/Convertible instruments and their impact on equity

The Company does not have any outstanding GDRs / ADRs / warrants / convertible instruments.

j) Plant locations – N.A.**K) Address for Correspondence:**

Mr. Puneet Sehgal

Compliance Officer

Intec Capital Limited

701, Manjusha, 57

Nehru Place, New Delhi-110 019, India

Ph: 011-46522200/300,

Fax: 011-46522333

E-mail: complianceofficer@inteccapital.com

Other Disclosures:**a) Materially significant related party transactions that may have potential conflict of interests of Company at large.**

During the year 2015-16, there were no materially significant related party transactions, i.e. transactions of the Company of material nature, with its promoters, Directors or the Management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of the Company at large. The Policy on related party transactions and policy for determining material subsidiaries is available on www.inteccapital.com. Attention of Members is drawn to the disclosures of transactions with related parties set out in Notes to Financial Statements, forming part of the Annual Report.

b) Details of Non-compliance

There has not been any non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or SEBI or any statutory authority, on any matter related to capital markets.

c) Whistle Blower Policy

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism for reporting illegal or unethical behaviour, fraud, violation of Company's Code of Conduct. The Company has a Vigil mechanism and Whistle blower policy under which the employees and others are free to report violations of applicable laws and regulations and the Code of Conduct.

The reportable matters to be disclosed to those officials as per policy of the company uploaded in the company website. The policy also permits Employees to report of complaints directly to Chairman of the Audit Committee and during the year under review, no employee was denied access to the Audit Committee.

d) Policy to Prevent Sexual Harassment at the work place

The Company is committed to creating and maintaining an atmosphere in which employees can work together, without fear of sexual harassment, exploitation or intimidation. Every employee is made aware that the Company is strongly opposed to sexual harassment and that such behaviour is prohibited both by law and by the Intec group.

There was no case reported during the year under review under the said Policy.

e) Details of compliance with mandatory requirement

The Board of Directors periodically reviewed the compliance of all applicable laws and steps taken by the Company to rectify instances of non-compliance, if any. The Company is in compliance with all mandatory requirements of listing regulations. The Company has submitted quarterly compliance report on Corporate Governance with Stock Exchanges, in accordance with the requirements of Regulation 27(2)(a) of the Listing Regulations.

Corporate Governance Report for the whole of financial year is given in table below:

I. Disclosure on website in terms of Listing Regulations : Item

Item	Compliance status (Yes / No / NA)
Details of business	Yes
Terms and conditions of appointment of Independent Directors	Yes
Composition of various committees of Board of Directors	Yes
Code of conduct of board of directors and Senior Management Personnel	Yes
Details of establishment of vigil mechanism/ Whistle Blower policy	Yes
Criteria of making payments to Non-Executive Directors	Yes
Policy on dealing with Related Party Transactions	Yes
Policy for determining 'Material' Subsidiaries	Yes
Details of familiarization programmes imparted to Independent Directors	Yes

Contact information of the designated officials of the listed entity who are responsible for assisting and handling investor grievances	Yes
Email address for grievance redressal and other relevant details	Yes
Financial results	Yes
Shareholding pattern	Yes
Details of agreements entered into with the media companies and/or their associates	NA
New name and the old name of the listed entity	Yes

II. Annual Affirmations:

Particulars	Regulation Number	Compliance status (Yes / No / NA)
Independent director(s) have been appointed in terms of specified criteria of 'independence' and/or eligibility	16(1)(b) & 25(6)	Yes
Board composition	17(1)	Yes
Meeting of Board of directors	17(2)	Yes
Review of Compliance Reports	17(3)	Yes
Plans for orderly succession for appointments	17(4)	Yes
Code of Conduct	17(5)	Yes
Fees/compensation	17(6)	Yes
Minimum Information	17(7)	Yes
Compliance Certificate	17(8)	Yes
Risk Assessment & Management	17(9)	Yes
Performance Evaluation of Independent Directors	17(10)	Yes
Composition of Audit Committee	18(1)	Yes
Meeting of Audit Committee	18(2)	Yes
Composition of nomination & remuneration committee	19(1) & 19(2)	Yes
Composition of Stakeholder Relationship Committee	20(1) & (2)	Yes
Composition and role of risk management committee	21(1),(2),(3),(4)	Yes
Vigil Mechanism	22	Yes
Policy for related party Transaction	23(1),(5),(6),(7) & (8)	Yes
Prior or Omnibus approval of Audit Committee for all related party transactions	23(2), (3)	Yes
Approval for material related party transactions	23(4)	Yes
Composition of Board of Directors of unlisted material Subsidiary	24(1)	Yes
Other Corporate Governance requirements with respect to subsidiary of listed entity	24(2),(3),(4),(5) & (6)	Yes
Maximum Directorship & Tenure	25(1) & (2)	Yes
Meeting of independent directors	25(3) & (4)	Yes
Familiarization of independent directors	25(7)	Yes
Memberships in Committees	26(1)	Yes
Affirmation with compliance to code of conduct from members of Board of Directors and Senior management personnel	26(3)	Yes
Disclosure of Shareholding by Non- Executive Directors	26(4)	Yes
Policy with respect to Obligations of directors and senior management	26(2) & 26(5)	Yes

F) Discretionary Disclosures:

The status of compliance with non-mandatory recommendations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

- Shareholders' Rights: As the quarterly and half yearly financial results are published in the newspapers and are also posted on the Company's website, the same are not being sent separately to the shareholders.
- Audit Qualifications: The Company's financial statements for the financial year 2015-16 do not contain any audit qualification.
- Separate posts of Chairman and CEO: The positions of the Chairman and the CEO in the Companies are separate.
- Reporting of Internal Auditor: The Internal Auditors of the Company make presentation to the Audit Committee on their reports.

Declaration by Managing Director

The declaration by the Managing Director stating that all the Board Members and senior management personnel have affirmed their compliance with the laid down code of conduct for the year ended March 31, 2016, is annexed to the Corporate Governance Report.

Certificate on Corporate Governance

As stipulated in regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of regulation 46 and paragraph C, D and E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") with Stock Exchanges in India, Certificate from the Practicing Company secretary, Krishna Kumar Sharma & Co. Company Secretaries, confirming compliance with conditions of Corporate Governance is annexed to the Board's Report.

Audit Qualification

The Company is in the regime of unqualified financial statements.

E-Voting Facility to members

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members the facility to exercise their right to vote at the 22nd Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depositories Services Limited (CDSL).

Pursuant to SEBI LODR, 2015, the company has sent assent/dissent forms to the members to enable those who do not have access to e-Voting facility to cast their vote on the shareholders resolution to be passed at the ensuing Annual General Meeting, by sending their assent or dissent in writing.

Annexure – 3

Corporate Governance Compliance Certificate

CIN of the Company :- L74899DL1994PLC057410

Nominal Capital :- 500,000,000/-

To
The Members
Intec Capital Limited
701, Manjusha, 57, Nehru Place
New Delhi – 110019.

We have examined the compliance of conditions of Corporate Governance by Intec Capital Limited (the Company), having CIN L74899DL1994PLC057410, for the year ended 31st March 2016, as stipulated in Clause 49 of the Listing Agreement ('Listing Agreement') of the Company with the stock exchanges for the period 1st April 2015 to 30th November 2015 and as per the relevant provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations') as referred to in Regulation 15 (2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the period 1st December 2015 to 31st March 2016.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreement/Listing Regulations, as applicable.

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

For **Krishna Kumar Sharma & Co**
Company Secretaries

(CS Krishna Kumar Sharma)
Proprietor
CP No.: 7747

Place: New Delhi
Date: 26th August, 2016

Annexure – 4

Declaration of the Managing Director on the Code of Conduct

This is to certify that the Company has laid down Code of Conduct for all the Board Members and Senior Management of the Company and the copy of the same are uploaded on the website of the Company- www.inteccapital.com

Further certified that the Members of the Board of Directors and Senior Management have affirmed having complied with the Code applicable to them during the year ended 31st March, 2016.

For Intec Capital Limited

Place : New Delhi

Date : 26th August, 2016

Sanjeev Goel

Managing Director

Annexure – 5

Managing Director and Chief Financial Officer Certification

To
The Board of Directors
Intec Capital Limited
701, Manjusha 57, Nehru place,
New Delhi-110019

Dear Members of the Board,

We, Mr. Sanjeev Goel, Managing Director and Mr. Sudhindra Sharma, Chief Financial Officer of Intec Capital Limited, to the best of our knowledge and belief, certify that:

1. We have reviewed the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement of the Company and all the notes on accounts and the Board's report.
2. These statements do not contain any materially untrue statement or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report.
3. The financial statements, and other financial information included in this report, present in all material respects a true and fair view of the Company's affairs, the financial condition, results of operations and cash flows of the Company as at, and for, the periods presented in this report, and are in compliance with the existing accounting standards and / or applicable laws and regulations.
4. There are no transactions entered into by the Company during the year that are fraudulent, illegal or violate the Company's Code of Conduct and Ethics, except as disclosed to the Company's auditors and the Company's audit committee of the Board of Directors.
5. We are responsible for establishing and maintaining disclosure controls and procedures and internal controls over financial reporting for the Company, and we have:
 - a. Designed such disclosure controls and procedures or caused such disclosure controls and procedures to be designed under our supervision to ensure that material information relating to the Company, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared.
 - b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with Generally Accepted Accounting Principles (GAAP) in India.
 - c. Evaluated the effectiveness of the Company's disclosure, controls and procedures.
 - d. Disclosed in this report, changes, if any, in the Company's internal control over financial reporting that occurred during the Company's most recent fiscal year that has materially affected, or is reasonably likely to materially affect, the Company's internal control over financial reporting.

6. We have disclosed, based on our most recent evaluation of the Company's internal control over financial reporting, wherever applicable, to the Company's auditors and the audit committee of the Company's Board (and persons performing the equivalent functions):
- a. Any deficiencies in the design or operation of internal controls, that could adversely affect the Company's ability to record, process, summarize and report financial data, and have confirmed that there have been no material weaknesses in internal controls over financial reporting including any corrective actions with regard to deficiencies.
 - b. Any significant changes in internal controls during the year covered by this report.
 - c. All significant changes in accounting policies during the year, if any, and the same have been disclosed in the notes to the financial statements.
 - d. Any instances of significant fraud of which we are aware, that involve the Management or other employees who have a significant role in the Company's internal control system.
7. We affirm that we have not denied any personnel access to the audit committee of the Company (in respect of matters involving alleged misconduct) and we have provided protection to whistleblowers from unfair termination and other unfair or prejudicial employment practices.

For Intec Capital Limited

Place : New Delhi
Date : 26th August, 2016

Sanjeev Goel
Managing Director

Sudhindra Sharma
Chief Financial Officer

Annexure – 6

Statements under section 129(3) of the Companies Act, 2013 of the subsidiary company viz. Amulet Technologies Limited

Form AOC-I

Annexure

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)
Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures

Part“A”: Subsidiaries

(Information in respect of each subsidiary to be presented with amounts in ₹)

1. Sl. No.
2. Name of the subsidiary - Amulet Technologies Limited
3. Reporting period for the subsidiary concerned, if different from the holding company's reporting period – N/A
4. Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries. – N/A
5. Share capital – ₹25,00,000.00
6. Reserves & surplus – ₹(11,047,527.17)
7. Total assets – ₹12,76,68,129.83
8. Total Liabilities – ₹12,76,68,129.83
9. Investments - Nil
10. Turnover - Nil
11. Profit before taxation – ₹(10,263,823.17)
12. Provision for taxation - Nil
13. Profit after taxation – ₹(10,263,823.17)
14. Proposed Dividend - Nil
15. % of shareholding - 99.99%

Notes: The following information shall be furnished at the end of the statement:

1. Names of subsidiaries which are yet to commence operations
2. Names of subsidiaries which have been liquidated or sold during the year.

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures

Name of Associates / Joint Ventures	Name 1	Name 2	Name 3
1. Latest audited Balance Sheet Date	NA	NA	NA
2. Shares of Associate/Joint Ventures held by the company on the year end	NA	NA	NA
No.	NA	NA	NA
Amount of Investment in Associates/Joint Venture	NA	NA	NA
Extend of Holding %	NA	NA	NA
3. Description of how there is significant influence	NA	NA	NA
4. Reason why the associate/joint venture is not consolidated	NA	NA	NA
5. Net worth attributable to Share holding as per latest audited Balance Sheet	NA	NA	NA
6. Profit/ Loss for the year	NA	NA	NA
i. Considered in Consolidation	NA	NA	NA
ii. Not Considered in Consolidation	NA	NA	NA

- Names of associates or joint ventures which are yet to commence operations.
- Names of associates or joint ventures which have been liquidated or sold during the year.

Note: This Form is to be certified in the same manner in which the Balance Sheet is to be certified.

Annexure – 7

Extract of Annual Return in MGT-9 as on the Financial Year ended 2015-16

MGT-9

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

I. Registration and other details:

i.	CIN	L74899DL1994PLC057410
ii.	Registration Date	15th February, 1994
iii.	Name of the Company	Intec Capital Limited
iv.	Category/Sub-Category of the Company	Public Company/Limited by shares
v.	Address of the Registered office and contact details	701, Manjusha, 57, Nehru Place, New Delhi-110019 Tel No.011-46522200/300 Fax No.011-46522333
vi.	Whether listed company	Yes/No
vii.	Name, Address and Contact details of Registrar and Transfer Agent, If any	Beetal financial & computer Services Pvt. Limited Beetal House, 99 Madangir Near Dada Harsukhdas mandir, New Delhi-110062

II. Principal Business Activities of The Company

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

Sr. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Non-Banking Finance Company	6592	100%

III. Particulars of Holding, Subsidiary and Associate Companies

Sr. No.	Name And Address Of The Company	CIN/GLN	Holding / Subsidiary /Associate	%of shares held	Applicable Section
1	Amulet Technologies Limited 808,Manjusha 57, Nehru Place, New Delhi-110019	U74140DL2011PLC217880	Subsidiary	99.99%	2(87)

V. Indebtedness

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	50,208.03	1,717.24	-	51,925.27
ii) Interest due but not paid	130.31	37.35	-	167.66
iii) Interest accrued but not	258.60	254.65	-	513.25
Total (i + ii + iii)	50,596.94	2,009.24	-	52,606.18
Change in Indebtedness during the financial year				
- Addition	12,122.36	0.00	-	12,122.36
- Reduction	13,162.89	1055.41	-	14,218.30
Net Change	-1040.53	-1055.41	-	-2,095.94
Indebtedness at the end of the financial year				
i) Principal Amount	49,395.24	792.80	-	50,188.04
ii) Interest due but not paid	102.29	0.00	-	102.29
iii) Interest accrued but not due	58.88	161.04	-	219.92
Total (i + ii + iii)	49,556.41	953.83	-	50,510.24

VI. Remuneration of Directors and Key Managerial Personnel

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

(Amount in Lakhs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		Mr. Sanjeev Goel	
1.	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	122.00	122.00
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-
2.	Stock Option	NIL	NIL
3.	Sweat Equity	NIL	NIL
4.	Commission		
	- as %of profit	NIL	NIL
	- Others, specify	NIL	NIL
5.	Others, please specify	NIL	NIL
6.	Total(A)	122.00	122.00
	Ceiling as per the Act		Refer Note Below

Note: During the year ended March 31, 2016, the Company has paid managerial remuneration over and above the amount mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, by Rs.74.47 lakhs as at March 31, 2016. The Company will seek approval from the shareholders for the managerial remuneration paid in excess by Rs.66.17 lakhs and balance Rs.8.00 lakhs have been received back from the director. Till such approval is obtained from shareholders, the amount is held in trust for the company.

B. Remuneration to other directors:

Sr. No	Particulars of Remuneration	Name of MD/WTD/ Manager						(Amount in Lakhs)		
		Mr. Praveen Sethia	Mr. Vishal Kumar Gupta	Mr. Y.L. Madan	Mr. Rakesh Kumar Joshi	Mr. S.K. Goel	Mr. Dhruv Prakash	Ms. Ritika Goel	Total Amount	
	Independent Directors									
	•Fee for attending board committee meetings	0.20	0.20	0.20	0.10	0.20	0.05	0.05	1.00	
	•Commission	-	-	-	-	-	-	-	-	
	•Others, please specify	-	-	-	-	-	-	-	-	
	Total(1)	0.20	0.20	0.20	0.10	0.20	0.05	0.05	1.00	
	Other Non-Executive Directors									
	•Fee for attending board committee meetings	-	-	-	-	-	-	-	-	
	•Commission	-	-	-	-	-	-	-	-	
	•Others, please specify	-	-	-	-	-	-	-	-	
	Total(2)	-	-	-	-	-	-	-	-	
	Total(B)=(1+2)	0.20	0.20	0.20	0.10	0.20	0.05	0.05	1.00	
	Total Managerial Remuneration								123.00	
	Overall Ceiling as per the Act								Refer Note in A above	

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

Sr. No	Particulars of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO	
1.	Gross salary				
	(a) Salary as per provisions contained in section17(1) of the Income-tax Act,1961		13.58	30.50	44.08
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act,1961		-	-	-
2.	Stock Option		-	-	-
3.	Sweat Equity		-	-	-
4.	Commission				
	- as % of profit		-	-	-
	- Others, specify				
5.	Others, please specify		2.08	4.53	6.61
6.	Total		15.66	35.03	50.69

VII. Penalties/Punishment/Compounding of offences:

	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					
Punishment					
Compounding					
B. Directors					
Penalty					
Punishment					
Compounding					
C. Other Officers In Default					
Penalty					
Punishment					
Compounding					

Annexure – 8

Annual Report on Corporate Social Responsibility (CSR)

Corporate Social Responsibility (CSR) Annual Report on CSR Activities

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 9 of the Companies (Corporate Social Responsibility) Rules, 2014]

Sr. No.	Particulars	Remarks
1.	A Brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and	<p>Intec Capital ('Company') has developed this Policy titled 'Intec's CSR Policy' (Policy) encompassing the Company's philosophy for being a responsible corporate citizen and lays down the principles and mechanisms for undertaking various programs in accordance with section 135 of the Companies Act, 2013 ('the Act') for the community at large .</p> <p>The Company is committed to play a broader role in the communities in which it operates by way of supporting various initiatives through funding, fund raising and/or volunteering activities.</p> <p>In order to achieve its goal, the company will undertake and support the under privileged children in following manner:</p> <ol style="list-style-type: none"> Providing elementary education Providing vocational knowledge Providing Financial literacy and Mathematical enhancement Eradication of poverty and providing basic amenities of Food, shelter and health to such children.
2.	A reference to the web-link to the CSR policy and project or programs.	www.inteccapital.com
3.	The Composition of the CSR Committee.	<p>Mr. Sanjeev Goel - Managing Director</p> <p>Mr. Vishal Kumar Gupta - Non Executive Nominee Director</p> <p>Mr. Rakesh Kumar Joshi - Non Executive Independent Director</p> <p>Mrs. Ritika Goel - Non Executive Non Independent Woman Director</p>
4.	Average net profit of the Company for last three financial years.	Average Net Profit for last three previous year 2012-13 2013-14 and 2014-15 (₹1890.87 Lacs)
5.	Prescribed CSR Expenditure (two per cent. of the amount as in item 3 above).	₹37.82 lakhs
6.	Details of CSR spent during the financial year:	
	a) Total amount to be spent for the financial year	₹37.82 lakhs
	b) Amount unspent, if any;	₹27.25 lakhs

c) Manner in which the amount spent during the financial year is detailed below						
1	2	3	4	5	6	7
Sr No.	CSR project/ activity identified	Sector in which the Project is covered	Projects / Programmes 1. Local area/ others- 2. specify the state /district (Name of the District/s, State/s where project / programme was undertaken	Amount spent on the project/ programme Subheads: 1. Direct expenditure on project, 2. Overheads:	Cumulative Spend upto to the reporting period.	Amount spent: Direct/through implementing agency*
1	Chandravati Choudhary Samarak Trust	<ul style="list-style-type: none"> Sponsorship of Higher Education for 3 Girls who was sponsored in the year 2015. School Bags Sports Coach Computer Instructor 2 more girls sponsored instead of computer instructor and sports coach 	East of Kailash Colony, New Delhi	4,99,916	-	-
2	Shikhar	<ul style="list-style-type: none"> Girls Education Events Counseling Sessions 	Okhla	5,00,500		
3	Swachh Bharat Abhyan	<ul style="list-style-type: none"> House Keeping Boys 		56,400		
4	Manpower & Miscellaneous Cost			-		
	TOTAL			1056816		

7. In case the company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board report.

Towards the implementation of CSR programs during Financial Year 2015-16, the Committee had made efforts to identify appropriate NGOs and implementing agencies to incur the CSR expenditure in its identified CSR activities for which considerable amount of time was invested by the Company which does not allowed the opportunity to spend the 2% of average profit for last three years.

8. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the company.

Our CSR activities are guided by the vision and objectives as provided in our CSR Policy. We have also put in place a robust monitoring and reporting mechanism to ensure effective implementation of our CSR activities, in line with the requirements of Companies Act, 2013

Mr. Rakesh Kumar Joshi
Non Executive Independent Director

Mr. Sanjeev Goel, Managing Director
Chairman CSR Committee

Annexure – 9

Form No. AOC-2 for disclosure of particulars of contracts / arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto in Format AOC-2

Form No. AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length 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	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)	Justification for entering into such contracts or arrangements or transactions	N.A
(f)	date(s) of approval by the Board	N.A
(g)	Amount paid as advances, if any:	N.A
(h)	Date on which the special resolution was passed in general meeting as required under first proviso to section 188	N.A
2. Details of material contracts or arrangement or transactions at arm's length basis		
(a)	Name(s) of the related party and nature of relationship	As per Exhibit-1
(b)	Nature of contracts/arrangements/transactions	
(c)	Duration of the contracts / arrangements/transactions	
(d)	Salient terms of the contracts or arrangements or transactions including the value, if any:	
(e)	Date(s) of approval by the Board, if any:	
(f)	Amount paid as advances, if any:	

Form shall be signed by the persons who have signed the Board's report.

For Intec Capital Limited

Sanjeev Goel
Managing Director

Place: New Delhi

Date : 26th August 2016

Exhibit-1 to Annexure- 9

2. Details of material contracts or arrangement or transactions at arm's length basis						
	(a)	(b)	(c)	(d)	(e)	(f)
	Name(s) of the related party and nature of relationship	Nature of contracts/ arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any:
1	Mr.** Dhruv Prakash; Acting as Non Executive Independent Director	Provides advisory and other allied services to Board of Directors in the Board Meeting and to Committees of the Board viz. Remuneration committee etc. as to the Managing Directors as required from time to time	1st April, 2015-31st March, 2016	Providing advisory and other allied services to Board of Directors in the Board Meeting and to Committees of the Board viz. Remuneration committee etc. as to the Managing Directors as required from time to time	28th May 2016	6.00 lacs
2	M/s Infrastructure Advisors Private Limited in which Mr. Praveen Sethia; Acting as Non Executive Independent Director is interested	Provides advisory and other allied services to business development, procurement, consultancy services relating to strategic issues etc.	1st April, 2015-31st March, 2016	Providing advisory and other allied services to business development, procurement, consultancy services relating to strategic issues etc	07th August, 2014	24.20 lacs
3	Mr. Y.L Madan; Acting as Non Executive Independent Director	To advice on liquidity position of the company including cost of funds and sourcing mix. Etc.	1st April, 2015-31st March, 2016	Provides advisory and other allied services to Board of Directors and to Managing Directors time to time. The company shall pay Rs, 6,00,000 per annum plus applicable taxes.	28th May 2016	6.00 lacs
4	Intec Infonet Pvt. Ltd	Consumables and Maintenance -charges/ Purchase of Assets/other purchase	1st April, 2015-31st March, 2016	Consumables and Maintenance -charges/ Purchase of Assets/other purchase	28th May 2015	8.17 lacs

5	AG8 Venture limited	Loan Transactions	1st April, 2015-31st March, 2016	Interest and Loan Transactions	28th May 2015	Interest paid ₹28.73 lacs, Loan repaid ₹24.60 lacs
6	Amulet Technologies Ltd	Loan Transactions	1st April, 2015-31st March, 2016	Interest and Loan Transactions	28th May 2015	Interest accrued ₹99.67 lacs, fresh loan given ₹1374.06 lacs and old loan repaid ₹1360.00
7	Mr. Sudhindra Sharma	Salary and other Remuneration	1st April, 2015-31st March, 2016	Salary and other Remuneration	28th May 2015	35.03 lacs
8	Mr. Puneet Sehgal	Salary and other Remuneration	1st April, 2015-31st March, 2016	Salary and other Remuneration	28th May 2015	15.65 lacs
9	Mr. Pranav Goel	Salary and other Remuneration	1st April, 2015-31st March, 2016	Salary and other Remuneration	28th May 2015	3.2 lacs

Annexure – 10

Secretarial Audit Report

Form MR-3

Secretarial Audit Report

For the Financial Year ended 31st March, 2016

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

To,

The Members,

Intec Capital Limited

701, Manjusha Building,

57, Nehru Place, New Delhi- 110019

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Intec Capital Limited (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

We have examined the books, papers, minutes' books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder and circular and notification issued by MCA from time to time;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992; and The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 (applicable w.e.f. 15th May 2015)
 - (c) The Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines 1999 - Not Applicable during the financial year under review;
 - (d) The Securities and Exchange Board of India (Issue of capital and disclosure requirements) Regulations, 2009; Not Applicable during the financial year under review as the company has not issued further capital;
 - (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulation, 2009 – Not Applicable as the Company has not delist its equity shares during the financial year under review;
 - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable during the financial year under review; as the Company has not issued any debt securities;

- (g) 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 during the financial year under review;
- (vi) Other Applicable Acts:
- (a) The Minimum wages Act, 1948 and rules made thereunder,
- (b) Employees' State Insurance Act, 1948, and rules made thereunder,
- (c) The Employees' Provident Fund and Miscellaneous Provisions Act, 1952 and rules made thereunder,
- (d) Payment of Gratuity Act, 1972, and rules made thereunder,
- (e) The Maternity Benefit Act, 1961 and rules made thereunder,
- (f) The Employees' Compensation Act, 1923 and rules made thereunder,
- (g) Equal Remuneration Act, 1976 and rules made thereunder,
- (h) The Reserve Bank of India Act, 1934 along with the master circular and directions issued by Reserve Bank of India ('RBI') for the Non Banking Financial (Non-Deposit Accepting or Holding) Companies from time to time

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

- (i) The Listing Agreements entered into by the Company with Bombay Stock Exchange for Equity Shares and Debt Securities
- (ii) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (iii) SEBI (Listing of Obligations and Disclosure Requirements) Regulation, 2015 (Applicable w.e.f. 1st December, 2015).

We further report that:-

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

Adequate notices are given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance.

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

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

**For Sudhanshu Singhal & Associates
Company Secretaries**

**Sd/-
Sudhanshu Singhal
Prop.
M. No. FCS No. 7819
C. P. No. 8762**

Place: New Delhi
Date : 26th August 2016

Note:- This report is to be read our letter of even date which is annexed as 'ANNEXURE-A' and forms an integral part of this report.

ANNEXURE-A to Secretarial Audit Report

To,
The Members,
Intec Capital Limited
701, Manjusha Building,
57, Nehru Place, New Delhi- 110019

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

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

**For Sudhanshu Singhal & Associates
Company Secretaries**

Sd/-
Sudhanshu Singhal
Prop.
M. No. FCS No. 7819
C. P. No. 8762

Place: New Delhi
Date : 26th August 2016

Annexure – 11

Policy Guidelines/ selection criteria and other positive attributes on Appointment, Re-Appointment selection of Board Members

Policy Guidelines and selection criteria and other positive attributes for appointment, re-appointment selection of Board Members

1. For appointment of any director or director seeking re-appointment, his / her updated profile shall be submitted to members of the NRC. Profile should content details of contribution made by the member of the board seeking re-appointment in his role of member of the board and committees.
2. The NRC shall ensure that proposed director shall meet with the criteria as laid down in the Companies Act, 2013 read with rules made thereunder as amended from time to time and also regulation as prescribed by Reserve Bank of India.
3. NRC to examine detailed profile of the proposed director including meeting with him and ask for further information and to ensure see whether its meets the below mentioned applicable criteria / parameters.
 - 3.1. To see existing Director's Contribution in the Board Meetings and Committee Meetings and General Body Meetings.
 - 3.2. To see the existing director performance in regularly attending the Board Meetings and Committee Meetings etc.
 - 3.3. To see the proposed Director brings fresh perspective to help the Company adopt suitable approach and direction for the future.
 - 3.4. To see the existing / proposed Director are not convicted by any court, authority etc.
 - 3.5. To see the existing / proposed director enjoys a good reputation in the industry.
 - 3.6. To see the existing / proposed director shall not be lunatic or of unsound mind or declared insolvent.
 - 3.7. To ensure that the Age criteria of all directors shall be as per applicable guidelines of Reserve Bank of India (RBI) or as prescribed by the Companies Act, 2013 from time to time or as prescribed by SEBI Laws, or as prescribed by any other regulator / authority / law if any, as applicable.
 - 3.8. To examine that existing / proposed Director has willingness to contribute to strategy and to help executives on strategy and other matters, as necessary.
 - 3.9. To examine that existing / proposed Director has willingness to adapt to business, its market sectors and also role of Director.
 - 3.10. To examine that existing / proposed Director has relevant experience for the needs of the company's business.
 - 3.11. To examine that existing / proposed Director is capable of exercising Independence of mind.
 - 3.12. To examine that existing / proposed Director monitor results and operational parameters and press for appropriate corrective action when necessary.
 - 3.13. To examine that existing / proposed Director participate in board decisions on major issues of business development.
 - 3.14. To examine that existing / proposed Director has sufficient time to devote to the needs of the business.
 - 3.15. To examine that existing / proposed Director has ability to contribute to financial issues.
 - 3.16. To examine that existing / proposed Director carry out specific functions as assigned via Board / COB committees.
 - 3.17. To ensure that every person proposed to be appointed as a Director he is not disqualified to become a director under this Companies Act 2013 in terms of section 152(6) of the Companies Act, 2013.
 - 3.18. To ensure that in case of an Independent Director, obtain "Certificate of Independence" pursuant to Section 149 of the Companies Act, 2013 and "Declaration in terms of Clause 49-II-B (1) of the Listing Agreement.

- 3.19. To ensure that proposed director should disclose relationship with board members or with any KMP or with any employee or with any firm discharging auditing services to the company
 - 3.20. To ensure to have information and declaration to “Fit and Proper Criteria Declaration” as prescribed by the RBI from time to time.
 - 3.21. To scrutinize the declarations submitted by the existing / proposed Director.
 - 3.22. To obtain annually as on 31st March declaration from the directors that the information already provided has not undergone change and where there is any change; requisite details are furnished by them forthwith.
 - 3.23. To ensure that director once appointed shall execute the deeds of covenants in the format as prescribed by the RBI from time to time.
 - 3.24. To give recommendation to the Board that an independent director shall hold office for a term up to five consecutive years on the Board of a company, but shall be eligible for re- appointment on passing of a special resolution by the company and disclosure of such appointment in the Board’s report and shall hold office for more than two consecutive terms.
 - 3.25. To give recommendation in the opinion of NRC that the proposed appointment of an independent director fulfils the conditions specified in this Companies Act 2013 for such an appointment to enable the Board to give statement that proposed appointment fulfils the conditions specified in this Companies Act 2013 for such an appointment.
4. NRC to seek confirmation from Company Secretary that proposed appointment of Independent Director is not in contravention of provisions of section 149(6) of the Companies Act, 2013 read with rules made thereunder and with Clause 49 of the Listing Agreement.

Annexure – 12

Familiarization Policy and Programme for Directors

1. Preamble:

In terms of Clause 49(I)(D-3-d) and 49(II)(B-7) of the Listing Agreement, the Company should conduct the Familiarization Program for Independent Directors about their roles, rights, responsibilities in the company, nature of the industry in which the company operates, business model of the company, etc., through various initiatives and programmes.

In terms of Clause 49(I)(D-3-d) and 49(II)(B-7) of the Listing Agreement, the details of such familiarization programmes shall be disclosed on the Company's website and a weblink there to shall be given in the Annual Report.

2. Objective

The Company will follow a structured orientation programme for the Independent Directors to understand and get updated on the business and operations of the Company on a continuous basis.

The programme aims to provide insight into the Company to enable the Independent Directors to understand its business and operations in depth and contribute significantly to the growth of the Company.

The Board of Directors is further encouraged to continue the training sessions to ensure that the Board members are kept up to date.

The Board members of Intec Capital Limited (Independent and Non-Independent) are afforded every opportunity to familiarize themselves with the Company, its management and its operations and above all the Industry perspective & issues.

3. Administration:

The Familiarization programme for Independent Directors will be administered and monitored by Nomination and Remuneration Committee.

4. Orientation / Familiarization module for New Independent Directors upon joining:

Orientation / Familiarization module for new Independent Directors upon Joining

Sl.	Headings	Description of Programme
4.1	Programme "as needed" basis	This module will be restructured as and when necessary and will be conducted for new Independent Directors upon joining and on need basis.
4.2	Induction program on joining of an Independent director	The company may organize familiarization programme on structured module to update the Independent Directors and shall organize an induction program on joining of an Independent director to familiarize them with the following aspect: <ul style="list-style-type: none"> - Roles, Rights and Responsibilities - Board dynamics & functions - Human Resource management - Nature of the Industry in which Company operates - Business Model of Company - Financial Performance, Budgeting and Planning
4.3	Intec's various COB and their TOR	Further, Independent Directors were made to appraise with Intec's various Committees of Board (COB), their members, their terms of reference (TOR) with roles and responsibilities of COB. The members include highly experienced Director-Members and Executive-Members with strong execution capability and a proven track record.
4.4	Statutory Auditor, Internal Auditor, Secretarial Auditors and Bankers	Further, Independent Directors were made to appraise with Intec's Statutory Auditor, Internal Auditor, Secretarial Auditors and Existing Bankers.

4.5	Management Team and Organization Structure	Further, Independent Directors were made to interact with Management Team and appraise with Intec's Organization Structure which includes highly experienced Management Team with more than 100 man years of experience put together coupled with strong execution capability and a proven track record, further aided by highly experienced operating team at geography level.
4.6	Internal Policies, processes and documents etc.	They are made to interact with senior management personnel and are given all internal policies, processes and documents sought by them for enabling a good understanding of the Company, its operations and the industry of which it is a part.
4.7	Sponsor the paid seminar and programmes	The Company may nominate and sponsor the new Independent Directors for various programmes on relevant topics organized by ICAI, ICSI, MCA, RBI and other leading institutions and Auditing Firms and Law Firms. The programmes have facilitated the Directors to acquaint themselves with emerging developments/challenges facing the NBFC sector in general apart from important Corporate Governance aspects impacting their roles and responsibility in particular.
4.8	Visit the Branches of Company	The programme may include the Independent Directors visits to the Branches of the company from time to time to make them aware about the product lines of the Company.
4.9	Statutory Compliances	The above programme may also include the familiarization on statutory compliances as a Board member including their roles, rights and responsibilities.
4.10	Business overview	The Independent directors were made to appraise about the Business overview and an outline of Corporate Plan and Annual targets.
4.11	Overview of sales and Marketing	The Independent directors were made to appraise the Overview of sales and marketing and operational efficiency level.
4.12	Introduction to Product profile	The Independent directors were made to appraise about the Introduction to Product profile etc.
4.13	Criteria of independence	Criteria of independence applicable to Independent Directors as per clause 49 of the Listing Agreement on Corporate Governance and the Companies Act, 2013;
4.14	Board Meetings and COB process and procedures;	The Independent directors were made to appraise about Board Meetings and Committees of Board (COB) and its processes and procedures;
4.15	Directors Statutory Disclosures and compliances	The Independent directors were made to appraise about their statutory disclosures and compliances and submissions under Companies Act, 2013, Listing Agreement and RBI Regulatory Framework and RBI Fit and proper criteria etc.
4.16	Whistle Blower and Vigil Mechanism	The Independent directors were made to appraise about company's Whistle Blower and Vigil Mechanism framework and its Redressal Mechanism.
4.17	Appointment Letters	The Company has issued Appointment Letters to Independent Directors which covers the Role, Rights and Responsibilities in the Company.
4.18	The Fully functional Website of the Company	The Independent directors were made to appraise that Company's website is fully functional and prepared in compliance with Listing Agreement and applicable Laws. The fully functional website covers following sections viz. 1. ABOUT US covers viz. Corporate Profile; Board of Directors, Management Team, Fair Practice Code, Code of Conduct, whistle blower policy, Awards and Accolades, Corporate AV 2. PRODUCTS 3. INDUSTRIES 4. INVESTOR RELATIONS covers viz. Financial Results. Annual Reports, Shareholding Pattern, Investors Queries, Shareholder Information and disclosures 5. CARRERS 6. CUSTOMER SECTION 7. MANUFACTURERS 8. REACH US

5. “On-going” Familiarization Programme on business and operational performance for both new and continuing Independent Directors:

On-going Familiarization Programme on business and operational performance for both new and continuing/existing Independent Directors		
Sl.	Headings	Description of Programme
5.1	Programme “as needed” basis	This module will be restructured as and when necessary and will be conducted “as needed” basis during the year. The programmes will be conducted for new and continuing Independent Directors of the Company depending upon the need.
5.2	The Agenda / business transactions, presentations in the Board Meetings etc.	The Agenda / business transactions and presentation of various Board Meeting and various committees of Board and Annual General Meeting etc. covers proper recitals and background of business transactions thereby enables them to informed and fair decision.
5.3	The presentations Agenda / business transactions of various statutory meeting	The Agenda / business transactions of various statutory meeting viz. Board Meetings and various committees of Board and Annual General Meeting etc. covers proper recitals and background of business transactions thereby enables them to informed and fair decision.
5.4	Company’s Newsletter	The company at regular intervals circulates the Company’s Newsletter as to company performance, industry position, new appointment, elevation, new joinee and transfer of employees and festivals and events organized in the company.
5.5	Session by the Auditors to understand the various applicable laws and its impact on Companies	The Management arranges session by the Auditors on the current legal scenario for the companies, compliance management, risk mitigation as well as the changing role and responsibilities of the Board of Directors. One such session on the newly introduced Companies Act 2013 and its impact on the company and its Board of Directors were arranged by the Management during.
5.6	Strategy, Business and Operations and Business Model etc.	The Company shall through its Managing Director Senior Managerial Personnel conduct programmes / presentations periodically to familiarize the Independent Directors. Such programmes/presentation will provide an opportunity to the Independent Directors to interact with the senior leadership and management teams of the Company and help them to understand the following: - <ul style="list-style-type: none"> - Company’s Strategy, - Annual Operating Plan (AOP) - Business Model of the Company. - Business and operations and - Services and Product offerings, - Organization Structure - Financial Performance/Results, Budgeting and Planning and control processes - Sales and Marketing, - Human Resources, - Technology, - Facilities - Quality of products, - Credit Policy Framework - Risk Policy and its framework with mitigation strategy - System driven process for comprehensive credit assessment, various levels of due diligence done at underwriting stage & post disbursal risk checks.

5.7	Regular updates on the key developments	The regular updates on the key developments happening in and /or affecting the Company /Industry will be communicated to the Independent Directors from time to time.
5.8	Regulatory updates	The Company may also circulate news and articles related to the industry from time to time and may provide specific regulatory updates viz. SEBI Regulations, Companies Act, RBI (acts & rules), listing agreements etc.
5.9	Off-site meeting	The Independent Directors may be made to interact with Management Teams at 1 or 2 levels below top management during Off-site meeting.

6. Programme and disclosure:

- (a) As and when familiarization programme is conducted, the same will be disclosed on the website of the Company.
- (b) The Programme shall also be provided in the Annual Report of the Company as required under the Listing Agreement.

7. Review of the Programme:

The Nomination and Remuneration Committee (NRC) will review this programme and make changes as and when deems necessary.

Annexure – 13

Statement of particulars of employees pursuant to the provisions of Section 197(12) of the Companies Act, 2013 read with Rule 5(2) & (3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the year ended 31st March, 2015

A. Employed throughout the financial year, was in receipt of remuneration for that year which, in the aggregate, was not less than sixty lakh rupees

Rule	Rule description	1	2	3
5(2)	Name of such employee	Mr. Arvind Hali		
5(3)(i)	Designation of such employee	President		
5(3)(ii)	Remuneration received (in Rs.)	₹82.23 Lacs		
5(3)(iii)	Nature of employment (whether contractual or otherwise)	Otherwise		
5(3)(iv)	Qualifications	BE Electricals & Electronics , MBA From K.J Somaya Institute of Management Studies		
5(3)(iv)	Experience of such employee (in Years)	19+ years		
5(3)(v)	Date of commencement of employment	22.12.2014		
5(3)(vi)	The age of such employee (in Years)	43 years		
5(3)(vii)	The last employment held by such employee before joining the company	Au FINANCIERS (INDIA) LIMITED		
5(3)(viii)	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above;	NIL		
5(3)(ix)	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	NA		

B. Employed for a part of the financial year, was in receipt of remuneration for any part of that year, at a rate which, in the aggregate, was not less than five lakh rupees per month;

Rule	Rule description	1	2	3
5(2)	Name of such employee	Mr. Arvind Hali	-	-
5(3)(i)	Designation of such employee	President	-	-
5(3)(ii)	Remuneration received (in ₹)	₹82.23 Lacs	-	-
5(3)(iii)	Nature of employment (whether contractual or otherwise)	Otherwise	-	-
5(3)(iv)	Qualifications	BE Electricals & Electronics , MBA From K.J Somaya Institute of Management Studies	-	-
5(3)(iv)	Experience of such employee (in Years)	19+ years	-	-
5(3)(v)	Date of commencement of employment	22.12.2014	-	-
5(3)(vi)	The age of such employee (in Years)	43 years	-	-
5(3)(vii)	The last employment held by such employee before joining the company	Au FINANCIERS (INDIA) LIMITED	-	-

5(3)(viii)	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above;	NIL	-	-
5(3)(ix)	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:	NA	-	-

C. Employed throughout the financial year or part thereof, was in receipt of remuneration in that year which, in the aggregate, or as the case may be, at a rate which, in the aggregate, is in excess of that drawn by the managing director or whole-time director or manager and holds by himself or along with his spouse and dependent children, not less than two percent of the equity shares of the company.

Rule	Rule description	1	2	3
5(2)	Name of such employee			
5(3)(i)	Designation of such employee			
5(3)(ii)	Remuneration received (in Rs.)			
5(3)(iii)	Nature of employment (whether contractual or otherwise)			
5(3)(iv)	Qualifications			
5(3)(iv)	Experience of such employee (in Years)			
5(3)(v)	Date of commencement of employment			
5(3)(vi)	The age of such employee (in Years)			
5(3)(vii)	The last employment held by such employee before joining the company			
5(3)(viii)	the percentage of equity shares held by the employee in the company within the meaning of clause (iii) of sub-rule (2) above;			
5(3)(ix)	whether any such employee is a relative of any director or manager of the company and if so, name of such director or manager:			

Annexure – 14

Details 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

Particulars		Information	
Rule	Description of rule		
5 (i)	The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year.	Designation	Ratio of remuneration of each Director/ to median remuneration of employees
		1 Managing Director	25.84:1
5 (ii)	The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year.	Designation	% increase in Remuneration in 2015-16
		1 Managing Director	22.00%
		2 Chief Financial Officer	15.79%
		3 Company Secretary	-0.25%
5 (iii)	The percentage increase in the median remuneration of employees in the financial year.	-0.74%	
5 (iv)	The number of permanent employees on the rolls of the company.	As on 31.03.2016 - 262 employees	
5 (v)	The explanation on the relationship between average increase in remuneration and company performance.	Omitted as per amendment in the rules vide notification dated 30th June 2016	
5(vi)	Comparison of the remuneration of the Key Managerial Personnel against the performance of the company.	Omitted as per amendment in the rules vide notification dated 30th June 2016	
5 (vii)	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 and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer.	Omitted as per amendment in the rules vide notification dated 30th June 2016	
5 (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.	The average increase in salary other than managerial personnel is 1.78% as compared to FY 2014-15 whereas the average increase in managerial personnel salary is 18.43% as compared to FY 2014-15.	
5 (ix)	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company;	Omitted as per amendment in the rules vide notification dated 30th June 2016	
5 (x)	The key parameters for any variable component of remuneration availed by the directors;	Omitted as per amendment in the rules vide notification dated 30th June 2016	
5 (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;	Omitted as per amendment in the rules vide notification dated 30th June 2016	
5 (xii)	Affirmation that the remuneration is as per the remuneration policy of the company.	It is hereby affirmed that the remuneration is as per the Remuneration Policy of the Company.	

Notes:-

- 1 Median is calculated on the basis of the employee who has served the organisation for whole year.
- 2 The % age increase/ decrease are based on the salary given during the financial year . It includes basic, allowances, perquisites and variable incentive.
- 3 Permanent employee means all employees as on 31. 03.2016 irrespective of number of day served but exclude trainees.

Financial Statements

Independent Auditor's Report

To
The Members of
Intec Capital Limited

Report on the Financial Statements

We have audited the accompanying standalone financial statements of Intec Capital Limited ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 standalone 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, issued by the Institute of Chartered Accountants of India, as 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

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

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2.30 of the Notes to the financial statements. As represented to us by the management, the Company is in the process of obtaining the shareholder's approval for the managerial remuneration. Pending receipt of approval, no adjustments are considered necessary in these financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure 1, a statement on the matters specified in paragraphs 3 and 4 of the Order.
- As required by section 143 (3) of the Act, we report that:
 - We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - 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, 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 standalone 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 March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016, from being appointed as a director in terms of section 164 (2) of the Act;
- f With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;
- g With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 2.26 (iv) to the financial statements;
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**

Partner

Membership Number: 094533

Place of Signature: New Delhi

Date: May 25, 2016

Annexure 1 referred to in paragraph 1 under the heading “Report on other legal and regulatory requirements” of our report of even date

Re: Intec Capital Limited (‘the Company’)

- i. a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- b. Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
- c. According to the information and explanations given by the management, the title deeds of immovable properties included in fixed assets are held in the name of the company.
- ii. The Company’s business does not involve inventories and, accordingly, the requirements under paragraph 3(ii) of the Order are not applicable to the Company.
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii)(a), (b) and (c) of the Order are not applicable to the Company and hence not commented upon.
- iv. In our opinion and according to the information and explanations given to us, provisions of section 185 and 186 of the Companies Act 2013 in respect of loans to directors including entities in which they are interested and in respect of loans and advances given, investments made and, guarantees, and securities given have been complied with by the company.
- v. The Company has not accepted any deposits from the public.
- vi. To the best of our knowledge and as explained, the Company is not in the business of sale of any goods. Therefore, in our opinion, the provisions of clause 3(vi) of the Order are not applicable to the Company.
- vii. Undisputed statutory dues including provident fund, employees’ state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have generally been regularly deposited with the appropriate authorities.
- viii. In our opinion and according to the information and explanations given by the management, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders or government.
- ix. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not raised any money by way of initial public offer or further public offer, hence not commented upon.
- Further, monies raised by the Company by way of term loans were applied for the purpose for which those were raised, though idle/surplus funds which were not required for immediate utilization were gainfully invested in liquid assets payable on demand.
- x. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the company or no fraud on the company by the officers and employees of the Company has been noticed or reported during the year.
- xi. Based on our audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that the Company has paid managerial remuneration which is over and above the amount mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, by ₹ 74.17 lakhs as at March 31, 2016. As represented to us, the Company shall seek approval from the shareholders for the managerial remuneration paid in excess by ₹66.17 lakhs and shall recover ₹8 lakhs from Directors which is detailed as under:

S. No.	Name of the Director, MD, WTD or any other person to whom remuneration is provided or paid which is not in accordance with section 197	Amount involved (in excess of the limit prescribed)	Amount due for recovery as at Balance sheet date	Steps taken to recover the amount	Remarks
1	Mr. Sanjeev Goel	₹ 66.17 lakhs	₹ 8 lakhs	See Remarks	The Company is in the process of obtaining approval from the Shareholders in the annual general meeting. Further, excess paid to be recovered from salary.

- xii. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.
- xiii. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and on an overall examination of the balance sheet, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the company and, not commented upon.
- xv. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.
- xvi. According to the information and explanations given to us, we report that the Company has registered as required, under section 45-IA of the Reserve Bank of India Act, 1934.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**

Partner

Membership Number: 094533

Place of Signature: New Delhi

Date: May 25, 2016

ANNEXURE 2 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF INTEC CAPITAL LIMITED

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

To
The Members of
Intec Capital Limited

We have audited the internal financial controls over financial reporting of Intec Capital Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based

on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**

Partner

Membership Number: 094533

Place of Signature: New Delhi

Date: May 25, 2016

Balance Sheet as at March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	Note No.	As at March 31, 2016	As at March 31, 2015
Equity and liabilities			
Shareholders' funds			
Share capital	2.1	1,836.63	1,836.63
Reserves and surplus	2.2	15,017.39	14,374.39
		16,854.02	16,211.02
Non-current liabilities			
Long-term borrowings	2.3	15,860.57	19,683.91
Other long-term liabilities	2.4	1,483.05	2,705.71
Long-term provisions	2.5	2,227.08	2,940.57
		19,570.70	25,330.19
Current liabilities			
Short-term borrowings	2.6	24,038.24	23,915.88
Trade payables	2.7	204.94	200.30
Other current liabilities	2.8	12,103.20	9,959.35
Short-term provisions	2.9	170.74	522.48
		36,517.12	34,598.01
Total		72,941.84	76,139.22
Assets			
Non-current assets			
Fixed assets	2.10		
- Tangible		157.08	242.76
- Intangible		83.32	71.75
Non-current Investments	2.11	34.14	34.14
Deferred tax Assets (net)	2.12	892.62	1,096.30
Long-term loans and advances	2.13	44,888.48	40,990.01
Other non-current assets	2.14	876.81	770.47
		46,932.45	43,205.43
Current assets			
Cash and bank balances	2.15	1,673.13	5,001.02
Short-term loans and advances	2.16	23,432.47	27,016.57
Other current assets	2.17	903.79	916.20
		26,009.39	32,933.79
Total		72,941.84	76,139.22
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intec Capital Limited

Amit Kabra
Partner
Membership No.: 094533

Sanjeev Goel
Managing Director
DIN:00028702

S.K. Goel
Director
DIN:00963735

Puneet Sehgal
Company Secretary

Sudhindra Sharma
Chief Financial Officer

Place: New Delhi
Date: May 25, 2016

Place: New Delhi
Date: May 25, 2016

Place: New Delhi
Date: May 25, 2016

Statement of Profit and Loss for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue			
Revenue from operations	2.18	13,125.10	13,185.92
Other income	2.19	47.49	71.27
Total revenue		13,172.59	13,257.19
Expenses			
Employee benefits expense	2.20	2,338.63	2,367.73
Finance costs	2.21	6,789.47	7,176.89
Depreciation and amortisation	2.10	91.24	105.62
Other expenses	2.22	2,958.59	2,641.53
Total expenses		12,177.93	12,291.77
Profit before tax		994.66	965.42
Tax expense			
- Current tax		147.96	620.27
- Deferred tax (credit)/ charge (refer to note 2.12)		203.68	(298.09)
- Current tax for earlier years		-	-
		351.64	322.18
Profit for the year		643.02	643.24
Earning per equity share (par value of ₹ 10 per share) (refer note 2.38)			
- Basic - Par Value of ₹ 10 per share		3.50	3.50
- Diluted - Par Value of ₹ 10 per share		3.50	3.50
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

For and on behalf of the Board of Directors of
Intec Capital Limited

Amit Kabra
Partner
Membership No.: 094533

Sanjeev Goel
Managing Director
DIN:00028702

S.K. Goel
Director
DIN:00963735

Puneet Sehgal
Company Secretary

Sudhindra Sharma
Chief Financial Officer

Place: New Delhi
Date: May 25, 2016

Place: New Delhi
Date: May 25, 2016

Place: New Delhi
Date: May 25, 2016

Cash Flow Statement for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from operating activities		
Profit before tax	994.66	965.42
Adjustments for:		
Depreciation and amortisation	91.24	105.62
Provision for sub-standard and doubtful assets	(562.11)	822.18
Provision for standard assets	(32.67)	(26.04)
Loss on sale of fixed assets (net)/ assets discarded	10.61	0.06
Bad and doubtful debts written off	1,957.47	245.59
Operating profit before working capital changes	2,459.20	2,112.83
Movement in working capital:		
Increase in loans and advances	(2,271.83)	(1,491.95)
Increase in current and non current assets	97.43	204.48
Increase in trade payables, current and non current liabilities	(1,037.94)	(780.24)
Decrease/(Increase) in other bank balances	75.75	256.44
Increase in short-term and long-term provisions	(15.79)	16.44
Cash from operations	(693.18)	318.00
Taxes paid	(683.39)	(1,011.90)
Net cash from operating activities (A)	(1,376.57)	(693.90)
Cash flow from investing activities		
Purchase of fixed assets	(46.78)	(188.09)
Proceeds from sale of fixed assets	19.05	4.33
Fixed deposits (free from lien)	-	45.74
Net cash from investing activities(B)	(27.73)	(138.02)
Cash flow from/ (used in) financing activities		
Dividend paid (including tax thereon)	(110.60)	(120.04)
Proceeds from commercial papers	2,000.00	2,000.00
Repayment of commercial papers	(2,000.00)	(2,000.00)
Repayment of cash credits account	122.36	1,632.97
Proceeds from secured loans	10,000.00	12,552.00
Repayments of secured loans	(10,935.16)	(8,905.56)
Repayment of unsecured loans	(924.44)	(2,589.92)
Net cash from/ (used in) financing activities (C)	(1,847.84)	2,569.45

Cash Flow Statement for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Net increase in cash and cash equivalents (A+B+C)	(3,252.14)	1,737.53
Cash and cash equivalents at the beginning of the year	3,567.03	1,829.50
Cash and cash equivalents at the end of the year	314.89	3,567.03
a. The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements', notified under section 133 of the companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules 2014.		
b. The notes referred to above form an integral part of the financial statements		
Cash and cash equivalents at the end of the year (refer note 2.15)	314.89	3,567.03
Add:- Other bank balances (refer note 2.15)	1,901.22	1,905.49
Total cash and bank balances (including long term deposit)	2,216.11	5,472.52
Less: Deposits with banks (maturity over 12 months)	(542.98)	(471.50)
Cash and bank balances at the end of the year	1,673.13	5,001.02

As per our report of even date attached

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No.: 094533

Place: New Delhi
Date: May 25, 2016

For and on behalf of the Board of Directors of
Intec Capital Limited

Sanjeev Goel
Managing Director
DIN:00028702

Puneet Sehgal
Company Secretary

Place: New Delhi
Date: May 25, 2016

S.K. Goel
Director
DIN:00963735

Sudhindra Sharma
Chief Financial Officer

Place: New Delhi
Date: May 25, 2016

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

1 Corporate information

Intec Capital Limited ('the Company') incorporated in India on 15 February 1994, is registered with the Reserve Bank of India ('RBI') as a Non-Banking Financial Company ('NBFC') vide Certificate No. B-14.00731 dated 4 May 1998 in the name of Intec Securities Limited. Subsequently, due to change in name of the Company, the Company received a revised Certificate of Registration ('CoR') in the name of Intec Capital Limited on 4 November 2009 under Section 45-1A of the Reserve Bank of India Act, 1934. It is a systemically important non-deposit taking Non-Banking Financial Company (NBFC-ND-SI). The Company is primarily engaged in the business of providing machinery loans to Small and Medium Enterprises ('SME') customers. During the financial year 2014-15, Company has been registered as an Asset Finance Company ('AFC'), as defined by the RBI.

2 Significant accounting policies

(a) Basis of preparation of financial statements:

The financial statements have been prepared to comply in all material respects with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India (IGAAP) and as per the guidelines issued by Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial (Non-deposit accepting or holding) Companies ('NBFC Regulation'). The financial statements have been prepared on an accrual basis and under the historical cost convention. The notified Accounting Standards (AS) are followed by the Company insofar as they are not inconsistent with the NBFC Regulation.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year except mentioned below.

(i) Change in Accounting Policy

The Company has changed the method of appropriating the cash collateral against its overdues balances; previously cash collateral was applied towards the overdue principal whereas w.e.f. April 01, 2015, cash collateral is applied towards the overdue principal and interest for delinquent loans. The change has resulted in an increase in the profit before tax for the year ended March 31, 2016 by ₹.447.98 Lakhs

(b) Current / non-current classification of assets / liabilities

As required by Revised Schedule III, the Company has classified assets and liabilities into current and non-

current based on the operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Since in case of non-banking financial Company normal operating cycle is not readily determinable, the operating cycle has been considered as 12 months.

(c) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any changes in estimates are recognized prospectively.

(i) Change in estimates

The RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dt. March 27, 2015 has revised the asset classification norms for Non-performing assets and substandard assets under its prudential norms applicable to NBFCs in a phased manner commencing from financial year ending March 31, 2016 upto the financial year ending March 31, 2018 which would result in an additional provision. The Company follows prudential norms for income recognition, asset classification and provisioning for Non-performing assets as prescribed by RBI for NBFCs and has also been making additional provision on a prudential basis. Consequent of such change, the provision is higher by ₹5.08 Lakhs for the year ended March 31, 2016.

(d) Revenue Recognition

(i) Interest income on loans is accounted for by applying the Internal Rate of Return (IRR), implicit in the agreement, on the diminishing balance of the financed amount, over the period of the agreement so as to provide a constant periodic rate of return on the net amount outstanding on the contracts.

(ii) Future accrual of interest is suspended for accounts that are contractually delinquent for more than 150 days, after setting-off of collateral amounts. Suspended income on such accounts is recognized as and when collected. Reversal of income not collected for these assets are being netted-off against income as required by the Prudential Norms.

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

- (iii) Loan installments received are apportioned between interest income and principal portion. The principal amount is reduced from the loan outstanding, so as to achieve the constant rate of interest on the remaining balance.
 - (iv) Processing fees and other servicing fees is recognized as income on accrual basis and servicing fees on assignment of loans in respect of loans agreement is recognized as income on receipt basis.
 - (v) Dividend income on investments is accounted for as and when the right to receive the same is established.
 - (vi) Profit/ loss on sale of loan assets through direct assignment/ securitization are recognized over the residual life of loan/ pass through certificates in terms of RBI guidelines. Loss arising on account of direct assignment/ securitization is recognized upfront.
 - (vii) Interest income on fixed deposits recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
 - (viii) Income on account of overdue interest, bouncing charges received, foreclosure charges and penal charges is recognized on receipt basis.
- (e) Fixed assets, intangibles and related depreciation/ amortisation/ impairment**
- Tangible assets**
- (i) Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
 - (ii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
 - (iii) Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.
- Intangible assets**
- (i) Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.
 - (ii) Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the effect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.
 - (iii) The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.
 - (iv) Gains or losses arising from recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Tangible asset / Amortization of Intangible asset

(i) The Company follows the straight-line method for computing the depreciation charge. Other fixed assets are depreciated on a straight line basis over their estimated economic useful lives as estimated by the management, except leasehold improvements, which are being amortized over the lease period. Such rates are higher than the corresponding depreciation rates prescribed in Schedule II of the Companies Act, 2013.

(ii) The management's estimate of the useful lives of the various fixed assets is as follows:

Asset description	Useful life (in years)
Computers and peripherals	3
Furniture and Fixtures	10
Vehicles	8
Air conditioners	10
Office equipment	5
Electrical installations	8
Intangible Assets	6
Leasehold Improvements	Lease period subject to maximum of 2 years

(iii) The Company has estimated the useful life of the following assets lower than the useful life given in the Schedule II of the Companies Act, 2013. The lower life is estimated on the basis of the usage of the assets in past.

Asset description	As per Sch. II	As per Books
Electrical installations	10 years	8 years

(f) Investment

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realized within 12 months after the reporting date is also presented under 'current assets' as "current portion of long-term investments" in consonance with the current/non-current classification.

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures, etc.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

(g) Commercial paper

Commercial paper is recognized at redemption value. The difference between redemption value and issue value is charged to profit and loss account on a Straight line method (SLM).

(h) Borrowing Cost

Borrowing costs consists of interest and other ancillary cost that an entity incurs in connection with borrowing of funds. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the tenor of borrowings.

(i) Loan

Loans are stated at the amount advanced, as reduced by the amount received upto the balance sheet date and loans assigned and less collateral money received from borrowers.

(j) Loan origination cost

Loan origination costs such as credit verification, agreement stamping, processing fee, ROC charges and valuation charges are charged to statement of profit and loss account.

(k) Sale of asset portfolios by way of assignment/ securitization

The Company undertakes sale of its loan portfolios by way of securitization/ assignment out of its loan portfolio. The assigned/ securitized portfolio is derecognized from the books of the Company in situations where the Company relinquishes its contractual rights over the underlying loan receivables and all risks and rewards are transferred to assignee/ buyer.

(l) Employee Benefits:

The Company has various schemes of retirement benefits, namely provident fund, gratuity and leave encashment.

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

(i) Short term employee benefits:

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

(ii) Other long term employee benefits:

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulation. The company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

(iii) Defined contribution plan:

Contributions towards Provident Fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year when the expense is actually incurred.

(iv) Defined benefit plans:

The Company's gratuity scheme is a defined benefit plan. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company's contribution to gratuity fund in respect of its employees is managed by a trust, which invests the funds with Life Insurance Corporation of India ('LIC'). The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity period approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

(m) Provision for standard, sub-standard and doubtful assets

Provision for standard and sub-standard and doubtful assets is recognized in accordance with prudential norms and guidelines issued by Reserve Bank of India from time to time. Further, specific provisions are also created based on the management's best estimate of the recoverability of non-performing assets.

In accordance with the Prudential Norms, the Company has separately shown provision for loans under short term/ long term provisions (as applicable) without netting off from loans.

(n) Current and deferred tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Provision, contingent liabilities and contingent assets

The Company recognizes a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when

there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(p) Earnings per share

Basic earnings per equity share is computed by dividing net profit/ loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed using the weighted average number of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares except where results are anti-dilutive. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at the fair value.

(q) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term fixed deposits/ investments with an original maturity of three month or less.

Notes to financial statements for the year ended March 31, 2016

2.1 Share capital

(Amount in ₹ lakhs)

Particulars	As at	As at
	March 31, 2016	March 31, 2015
Authorised share capital		
Equity shares:		
35,000,000 (previous year : 35,000,000) equity shares of ₹10 each	3,500.00	3,500.00
Preference shares:		
1,500,000 (previous year : 1,500,000) preference shares of ₹100 each	1,500.00	1,500.00
	5,000.00	5,000.00
Issued, subscribed and fully paid-up shares		
Equity shares:		
18,366,250 (previous year : 18,366,250) equity shares of ₹10 each fully paid up	1,836.63	1,836.63
Total	1,836.63	1,836.63

Note:

(a) Reconciliation of number of shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount (₹ lakhs)	Number of shares	Amount (₹ lakhs)
Equity shares				
Balance at the beginning of the year	18,366,250	1,836.63	18,366,250	1,836.63
Add: issued during the year	-	-	-	-
Balance as at end of the year	18,366,250	1,836.63	18,366,250	1,836.63

(b) Terms/rights, preferences and restrictions attached to each class of shares

Equity Shares

The Company has only one class of equity shares having par value of ₹10 per share (previous year ₹10 per share). All equity shares are entitled to receive dividends as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which any call or other sums presently payable have not been paid.

(c) Detail of shareholders holding more than 5% of the aggregate shares in the company:

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	% age of share holding	Number of shares	% age of share holding
Equity Shares				
Pantec Devices Private Limited	4,497,264	24.49	4,497,264	24.49
India Business Excellence Fund-IIA	3,646,142	19.85	3,646,142	19.85
India Business Excellence Fund-II	2,284,356	12.44	2,284,356	12.44
Pantec Consultant Private Limited	1,453,771	7.92	1,453,771	7.92
Sanjeev Goel(Including shares held in Escrow account)	1,244,464	6.77	1,244,464	6.77

Notes to financial statements for the year ended March 31, 2016

2.2 Reserves and surplus

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Securities premium account		
Balance as at the beginning of the year	8,843.84	8,843.84
Add: Premium on issue of equity shares during the year	-	-
Add: Premium on conversion of preference shares during the year	-	-
Balance as at the end of the year	8,843.84	8,843.84
Statutory reserve as per Section 45-IC of the RBI Act, 1934 #		
Balance as at the beginning of the year	1,280.10	1,151.45
Add: Amount transferred during the year	128.60	128.65
Balance as at the end of the year	1,408.70	1,280.10
Surplus in Statement of Profit and Loss		
Opening balance	4,250.45	3,868.11
Add: Profit for the year	643.02	643.24
Less: Adjustment of assignment income relating to earlier years	-	10.42
Less: Accelerated depreciation due to transition provision	-	11.23
Profit available for appropriation	4,893.47	4,489.70
Less: Appropriations		
Proposed equity dividend	-	91.83
Tax on proposed dividend	-	18.77
Transfer to reserve under section 45-IC of the RBI Act, 1934	128.60	128.65
Balance as at the end of the year	4,764.85	4,250.45
Total reserves and surplus	15,017.39	14,374.39

Note 1

Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act). Under Section 45-IC, a company is required to transfer a sum not less than twenty percent of its net profit every year. Accordingly, the Company has transferred ₹128.60 lakhs (previous year ₹128.65 lakhs), being twenty percent of net profits for the financial year to the statutory reserve.

Notes to financial statements for the year ended March 31, 2016

2.3 Borrowings

(Amounts in ₹ lakhs)

Particulars	Short term portion		Long term portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Secured				
Term Loan:				
- from banks	6,818.76	6,183.85	12,795.97	12,727.43
- from other parties	1,070.47	1,232.38	1,671.09	1,148.48
- Non Convertible Debentures	2,400.00	714.29	600.71	4,285.71
Unsecured				
Other loans (corporate bodies)	-	194.95	792.80	1,522.29
	10,289.23	8,325.47	15,860.57	19,683.91
Less: Amount shown under other current liabilities (refer to note 2.8)	10,289.23	8,325.47	-	-
Total	-	-	15,860.57	19,683.91

Disclosures with respect to year ended March 31, 2016

(a) Details for maturity and security :

(Amounts in ₹ lakhs)

Particulars	Maturity pattern				Total
	0-1 years	1-2 years	2-3 years	3-5 years	
(i) Secured by hypothecation of loan receivables (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable -10 to 48)	5,559.82	5,245.70	3,787.52	3,138.51	17,731.55
for loans taken from other parties# (Remaining installments payable-29 to 37)	860.34	860.33	731.84	53.24	2,505.75
Non Convertible Debentures # (Remaining installments payable-5)	2,400.00	600.71	-	-	3,000.71
(ii) Secured by hypothecation of loan receivables and fixed deposits (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-4 to 29)	1,258.94	540.91	83.33	-	1,883.18
for loans taken from other parties# (Remaining installments payable-8)	200.00	-	-	-	200.00
(iii) Secured by hypothecation of car					
for loans taken from other parties# (Remaining installments payable-38)	10.13	11.22	12.43	2.03	35.81
(iv) Unsecured loans (corporate bodies)##					
	-	654.63	138.17	-	792.80
Total	10,289.23	7,913.50	4,753.29	3,193.78	26,149.80

repayable on equitable monthly and quarterly installments

repayable at the time of maturity along with interest accrued

Notes to financial statements for the year ended March 31, 2016

(b) Nature of guarantees for loans taken :

Loans guaranteed by directors, other parties for note (a) (i) & (ii) above

- loan of ₹21,006.90 lakhs secured by personal guarantee of managing director.
- loan of ₹566.81 lakhs secured by personal guarantees of managing director and relative of managing director.
- loan of ₹746.77 lakhs secured by personal guarantee of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (Subsidiary of the Company) .

(c) Rate of interest (range):

Interest rates applicable on above secured loans are ranges between 8.75%- 13.80% per annum

Interest rates applicable on above unsecured loans are ranges between 6.25%- 10% per annum

Disclosures with respect to year ended March 31, 2015

(a) Details for maturity and security :

(Amounts in ₹ lakhs)

Particulars	Maturity pattern				Total
	0-1 years	1-2 years	2-3 years	3-5 years	
(i) Secured by hypothecation of loan receivables (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-6 to 48)	5,416.85	5,049.87	4,281.02	2,705.33	17,453.07
for loans taken from other parties# (Remaining installments payable-7 to 48)	917.84	346.81	346.80	219.10	1,830.55
Non Convertible Debentures# (Remaining installments payable-7)	714.29	1,428.57	1,428.57	1,428.57	5,000.00
(ii) Secured by hypothecation of loan receivables and fixed deposits (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-16 to 30)	767.00	558.86	132.33	-	1,458.19
for loans taken from other parties# (Remaining installments payable-20)	300.00	200.00	-	-	500.00
(iii) Secured by hypothecation of car					
for loans taken from other parties# (Remaining installments payable-8 to 50)	14.54	10.13	11.22	14.43	50.32
(iv) Unsecured loans (corporate bodies)###	194.95	522.32	655.15	344.83	1,717.25
Total	8,325.47	8,116.56	6,855.09	4,712.26	28,009.38

repayable on equitable monthly and quarterly installments

repayable at the time of maturity along with interest accrued

(b) Nature of guarantees for loans taken :

Loans guaranteed by directors, other parties for note (a) (i) & (ii) above

- loan of ₹17,825.54 lakhs secured by personal guarantee of managing director.
- loan of ₹1,112.49 lakhs secured by personal guarantees of managing director and relative of managing director.
- loan of ₹1,049.40 lakhs secured by personal guarantee of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (Subsidiary of the Company) .
- loan of ₹683.33 lakhs secured by personal guarantees of managing director, relative of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director).

(c) Rate of interest (range):

Interest rates applicable on above secured loans are ranges between 10.25%- 12.30% per annum

Interest rates applicable on above unsecured loans are ranges between 6.25%- 10% per annum

Notes to financial statements for the year ended March 31, 2016

2.4 Other long-term liabilities

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Others		
Collateral amount for cases assigned/ securitised	1,304.76	2,437.43
Interest accrued but not due on unsecured loans	161.04	254.64
Lease equalisation reserve	17.25	13.64
Total	1,483.05	2,705.71

2.5 Long-term provisions

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Provision for gratuity (refer note 2.25)	2.40	4.37
Provision for leave encashment	19.34	29.91
Others:		
Provision against standard assets	287.83	305.78
Provision for non-performing assets	1,913.40	2,396.00
Provision for taxation (net of taxes paid)	4.11	204.51
Total	2,227.08	2,940.57

2.6 Short-term borrowings

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Secured		
Loans repayable on demand from banks	13,388.24	11,412.73
Working capital demand loan from banks	9,650.00	11,503.15
Commercial paper from bank	1,000.00	1,000.00
Total	24,038.24	23,915.88

(a) Nature of security

Working Capital facility from banks are secured by

- (i) Primary Security- first pari passu charge on present and future receivables of the Company,
- (ii) Collateral Security-Fixed deposits lien marked to banks and Immovable properties - Belonging to promoter & others.
- (iii) Personal guarantees of managing director and relative of managing director.
- (iv) Corporate guarantee of Bubble infosolution Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (subsidiary of the Company)

(b) Rate of interest (range)

Interest rates applicable on above loans ranges between 10.80%- 11.80% per annum (previous year 9.25%- 12.75% per annum).

(c) Commercial papers

These are issued for a period of 349 days and will be repaid on December 05, 2016 (rate of interest -10% per annum)

Notes to financial statements for the year ended March 31, 2016

2.7 Trade payables

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Payable to other third parties*	204.94	200.30
Total	204.94	200.30

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the confirmations received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at March 31, 2016 and March 31, 2015.

2.8 Other current liabilities

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Current maturities of long term debt (also refer to note a,b,c of note 2.3 above)		
Secured		
Term Loans		
- from banks	6,818.76	6,183.85
- from other parties	1,070.47	1,232.36
- from NCD 12.5% - Secured	2,400.00	714.29
Unsecured		
Other loans (corporate bodies)	-	194.95
Interest accrued but not due	58.88	295.95
Interest accrued and due on term loan and WCDL	102.29	130.31
Other payables		
Payable to employees	222.85	182.90
Amount payable for servicing of assigned/ securitised portfolio	66.22	187.58
Payable to customers	1,062.13	606.02
Unclaimed dividend	9.11	9.92
Collateral amount for cases assigned/ securitised by the Company	172.23	127.37
Lease equalisation reserve	2.58	5.98
Other statutory dues payable	53.57	65.48
Other payables	64.11	22.39
Total	12,103.20	9,959.35

2.9 Short-term provisions

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Provision for gratuity	0.86	1.30
Provision for leave encashment	5.23	8.04
Others		
Provision against standard assets	124.33	139.03
Provision for taxation (net of taxes paid)	-	143.68
Proposed dividend - equity	-	91.83
Tax on proposed dividend	-	18.77
Provision for sub standard assets	40.32	119.83
Total	170.74	522.48

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.10 Fixed assets

Particulars	Gross block			Accumulated depreciation			Net block		
	As at April 1, 2015	Additions	Deductions	As at March 31, 2016	As at April 1, 2015	Depreciation/ amortisation	Deductions	As at March 31, 2016	As at March 31, 2015
Tangible assets									
Vehicles	128.94	-	44.65	84.29	43.04	11.86	24.26	30.64	53.65
Office equipment	45.47	3.11	7.37	41.21	12.35	8.89	4.20	17.04	24.17
Data processing equipments	189.33	2.03	15.34	176.02	107.36	37.12	13.26	131.22	44.80
Furniture and fixtures	28.54	2.43	4.23	26.74	10.77	3.10	2.57	11.30	15.44
Leasehold improvements	40.21	-	0.28	39.93	38.40	-	0.26	38.14	1.79
Electric installations	12.88	0.08	2.39	10.57	4.53	1.56	1.20	4.89	5.68
Air conditioners	14.43	0.79	2.43	12.79	5.43	1.93	1.29	6.07	6.72
Office equipment - mobile	3.23	0.16	-	3.39	3.22	0.16	-	3.38	0.01
Land	4.82	-	-	4.82	-	-	-	-	4.82
Total (Tangible assets)	467.85	8.60	76.69	399.76	225.11	64.63	47.06	242.68	157.08
Intangible assets									
Computer software	102.69	38.18	-	140.87	30.94	26.61	-	57.55	83.32
Total (Intangible assets)	102.69	38.18	-	140.87	30.94	26.61	-	57.55	83.32
Total	570.54	46.78	76.69	540.63	256.05	91.24	47.06	300.23	240.40

Note

a) Fixed assets are hypothecated as security against working capital facility (refer note 2.6)

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Previous year

Particulars	Gross block		As at March 31, 2015	Accumulated depreciation				Net block	
	As at April 1, 2014	Additions		Deductions	As at April 1, 2014	Depreciation/ amortisation	Excess Depreciation due to Transition provision (refer note 'b')	Deductions/ adjustments (refer note 'b')	As at March 31, 2015
Tangible assets									
Vehicles	82.97	64.34	18.36	40.57	16.69	0.85	15.08	43.04	42.39
Office equipment	24.30	21.17	-	2.64	9.55	0.20	0.04	12.35	21.66
Data processing equipments	120.74	69.73	1.13	45.28	62.61	-	0.53	107.36	75.46
Furniture and fixtures	21.02	7.52	-	5.20	5.49	0.09	-	10.77	15.82
Leasehold improvements	40.21	-	-	30.22	0.91	7.28	-	38.40	9.99
Electric installations	12.17	1.19	0.48	2.64	1.98	0.03	0.11	4.53	9.53
Air conditioners	13.61	0.81	-	3.30	2.13	-	-	5.43	10.32
Office equipment - mobile	1.51	1.80	0.08	1.51	1.71	-	-	3.22	-
Land	4.82	-	-	-	-	-	-	-	4.82
Total (Tangible assets)	321.35	166.55	20.05	131.35	101.07	8.45	15.76	225.11	190.00
Intangible assets									
Computer software	81.16	21.53	-	17.67	4.55	8.72	-	30.94	63.48
Total (Intangible assets)	81.16	21.53	-	17.67	4.55	8.72	-	30.94	63.48
Total	402.51	188.08	20.05	149.02	105.62	17.17	15.76	256.05	253.48

Note

a) Fixed assets are hypothecated as security against working capital facility (refer note 2.6)

b) As per the transitional provision, the Company has adjusted ₹ 11.23 lakhs (net of deferred tax) in the opening balance of Reserves and Surplus of Profit and Loss Account

Notes to financial statements for the year ended March 31, 2016

2.11 Non-Current Investments

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Non-Trade Investments (valued at cost)		
Unquoted investment in equity shares of subsidiary company		
250,000 (previous year 250,000) equity shares of ₹10 each of Amulet Technologies Limited	25.00	25.00
Unquoted investment in equity shares of associate companies		
89,890 (previous year 89,890) equity shares of ₹10 each of Pantec Devices Private Limited	1.16	1.16
Unquoted investment in equity shares of other companies		
31,830 (previous year 31,830) equity shares of ₹10 each of Pantec Consultants Private Limited	1.01	1.01
36,390 (previous year 36,390) equity shares of ₹10 each of Intec Worldwide Private Limited	0.86	0.86
2,17,500 (previous year 2,17,500) equity shares of ₹10 each of Spherical Collection Agency (P) Ltd	1.11	1.11
225,730 (previous year 225,730) equity shares of ₹10 each of Intec Share & Stock Brokers Limited	2.26	2.26
34,000 (previous year 34,000) equity shares of ₹10 each of FIMA Infotech Private Limited	2.30	2.30
1,76,000 (previous year 1,76,000) equity shares of ₹10 each of Spectacle Advisory Solutions Pvt.Ltd	0.44	0.44
Total	34.14	34.14

2.12 Deferred tax assets (Net)

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Deferred tax asset:		
Provision for non-performing assets	676.14	870.68
Provision against standard assets	142.64	153.95
Provision for Gratuity	1.13	1.96
Variable incentive	64.78	56.45
Leave Encashment	8.51	13.13
Others	16.51	23.19
	909.71	1,119.36
Deferred tax liability:		
- Depreciation	17.09	23.06
	17.09	23.06
Total	892.62	1,096.30

Notes to financial statements for the year ended March 31, 2016

2.13 Long term loans and advances

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Loans and advances with related parties (Unsecured, considered good)		
- Loan to Amulet Technologies Limited (subsidiary company)	1,361.00	1,067.22
Other loans and advances		
<u>Loans</u>		
Secured, considered good*	53,228.26	58,589.21
Unsecured, considered good	969.29	708.37
Secured, considered doubtful and substandard assets	9,703.86	5,595.18
Less: collateral money received from borrowers	(20,514.71)	(25,138.28)
	43,386.70	39,754.48
<u>Advances</u>		
Security deposits	58.03	89.76
Unamortised of of LPC of Term loan	82.75	78.28
Prepaid expenses	-	0.27
Total	44,888.48	40,990.01

* Secured by hypothecation of specific assets.

2.14 Other non-current assets (unsecured, considered good)

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Others		
Deposits with maturity over twelve months from balance sheet date	542.98	471.50
Interest accrued but not due on Fixed Deposits	65.80	44.65
Advance of Taxes (net of Provision for taxation ₹ 147.96 lakhs)	191.36	-
Interest accrued but not due on unsecured loans #	76.67	254.32
Total	876.81	770.47

includes ₹ Nil lakhs (previous year ₹ 189.73 lakhs) with respect to interest accrued but not due on loans given to subsidiary company.

2.15 Cash and bank balances

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Cash on hand	31.93	20.01
Cheques, drafts on hand	6.79	74.37
In Unpaid dividend a/c	9.11	9.92
Balances with banks		
- In current accounts	267.06	3,462.73
	314.89	3,567.03
Other bank balances		
- Deposits with banks (maturity within 12 months from balance sheet date)	1,358.24	1,433.99
- Deposits with banks (maturity over 12 months)	542.98	471.50
Total cash and bank balances	2,216.11	5,472.52
- Less: Deposits with banks (maturity over 12 months)	(542.98)	(471.50)
Total	1,673.13	5,001.02

Notes to financial statements for the year ended March 31, 2016

2.16 Short term loans and advances (unsecured considered good, unless otherwise stated)

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Other loans and advances		
<u>Loans</u>		
Secured, considered good*	24,038.09	26,881.22
Unsecured, considered good	-	659.32
Secured, considered doubtful and substandard assets	134.39	451.48
Less: Collateral Money received from Borrowers	(1,013.51)	(1,279.02)
	23,158.97	26,713.00
<u>Advances</u>		
Security deposits	16.32	-
Advances to employees	6.59	13.65
Prepaid expenses	98.35	99.65
Other advances	48.62	75.48
Unamortised discount on commercial papers & Loan processing charges on term loan	99.59	82.28
Advance to vendors	4.03	32.51
Total	23,432.47	27,016.57

* Secured by hypothecation of specific assets.

2.17 Other current assets (unsecured considered good, unless otherwise stated)

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on loans	816.63	784.42
Other receivables	51.99	9.97
Interest accrued but not due on Fixed Deposits	35.17	100.67
Interest accrued and due on Unsecured loans	-	21.14
Total	903.79	916.20

2.18 Revenue from operation

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Interest on loans	11,970.70	11,676.92
Interest on fixed deposit with banks	168.72	213.32
Interest spread on securitisation / assignment	59.20	152.28
Other financial services income		
Loan processing fee	483.32	596.74
Servicing fee on assignment of loans	48.13	74.96
Income on preclosure of loans	257.32	330.46
Other service fees	137.71	141.24
Total	13,125.10	13,185.92

Notes to financial statements for the year ended March 31, 2016

2.19 Other income

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Miscellaneous income	47.49	71.27
Total	47.49	71.27

2.20 Employee benefit expense

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Salaries and wages	2,175.26	2,200.70
Contribution to provident and other funds	82.06	85.83
Staff welfare expenses	81.31	81.20
Total	2,338.63	2,367.73

2.21 Finance costs

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Interest expense		
Interest on term loan:		
- from banks	2,112.69	2,469.81
- from other parties	381.36	339.82
Interest on Non Convertible Debentures	597.85	200.34
Interest on loans repayable on demand from banks	2,459.58	2,545.37
Interest on other loans (corporate bodies)	104.68	227.47
Interest on collateral money received from borrowers	804.24	1,151.76
Discount on commercial paper	82.35	73.72
Other borrowing cost		
Processing fees and other bank charges	246.72	168.60
Total	6,789.47	7,176.89

Notes to financial statements for the year ended March 31, 2016

2.22 Other expenses

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Electricity and water	40.52	35.87
Rent (refer to note 2.24)	229.59	225.32
Legal and professional (Refer to note 2.23)	648.16	560.76
Rates and taxes	97.20	124.92
Collection charges	119.36	73.97
Repair and maintenance - others	66.90	74.81
Staff recruitment and training	15.84	66.06
Communications	66.16	83.46
Travelling and conveyance	145.97	178.11
Business Promotion Expenses	31.99	33.25
Provision and written off		
Provision for standard assets	(32.67)	(26.04)
Provision for substandard and doubtful debts	(562.11)	822.18
Bad debts written off	1,957.47	245.59
	1,362.69	1,041.73
Corporate Social Responsibilities	10.57	2.35
Miscellaneous expenses	123.64	140.92
Total	2,958.59	2,641.53

2.23 Auditor's remuneration (excluding service tax)

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
As auditor		
-Statutory audit	9.00	10.00
-Tax audit	0.75	1.00
-Limited reviews	6.75	6.75
-Other services	4.75	2.00
-Reimbursement of expenses	1.60	2.05
Total	22.85	21.80

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.24 Operating leases

The Company's significant leasing arrangements are in respect of operating leases for premises (commercial premises, offices etc.). The leasing arrangements include non-cancellable leases ranging from 2-4 years and are usually renewable by mutual consent on mutually terms. There are no sub leases.

The aggregate lease rentals payable are charged to Statement of Profit and Loss.

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Lease payments recognized in the Statement of Profit and Loss	229.59	225.32

Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follow:

Particulars	(Amounts in ₹ lakhs)	
	March 31, 2016	March 31, 2015
Payable within one year	16.99	49.54
Payable between one and five years	5.97	21.90
Payable after five years	-	-
Total	22.96	71.44

2.25 Disclosure with respect to Accounting Standard (AS)-15 (Revised) Employee Benefits

Defined benefit plan (Gratuity):

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days (for a month of 26 days) of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972, except that there is no limit on payment of gratuity.

The Company had carried out an actuarial valuation in accordance with AS-15(Revised) "Employee Benefits" during the year ended March 31, 2016. Disclosures with respect to changes in defined benefit obligation, funded status, expense for the year with respect to year ended March 31, 2016 are made based on the report received from LIC.

The following table sets out the status of the gratuity plan as required under AS-15 (Revised):

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
A) Reconciliation of benefit obligations and plan assets		
Opening defined benefit obligation	65.84	49.63
Current service cost	21.07	22.54
Interest cost	5.13	4.51
Actuarial losses/ (gains)	(17.02)	(9.47)
Benefits paid	(6.60)	(1.37)
Settlement loss/ (gain)	-	-
Closing defined benefit obligation	68.42	65.84
Change in the fair value of plan assets		
Opening fair value of plan assets	60.17	49.01
Expected return on plan assets	5.24	4.28
Actuarial gains/ (losses)	(1.51)	(0.47)
Contributions paid by employer	7.86	8.72
Benefits paid	(6.60)	(1.37)
Closing fair value of plan assets	65.16	60.17

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
B) Reconciliation of present value of the obligations and the fair value of the plan assets		
Present value of funded obligations	68.42	65.84
Fair value of plan assets	65.16	60.17
Net asset/ (liability) to be recognised in Balance Sheet	(3.26)	(5.67)
C) Gratuity cost for the year:		
Current service cost	21.07	22.54
Interest cost	5.13	4.51
Expected return/ (loss) on plan assets	(5.24)	(4.28)
Settlement loss/ (gain)	-	-
Net actuarial losses/ (gain) recognised in year	(15.51)	(9.00)
Prior period charge for current cost	-	-
Net gratuity cost/ (income) to be recognised in Statement of Profit and Loss	5.45	13.77

Experience adjustments:

Particulars	(Amounts in ₹ lakhs)		
	March 31, 2016	March 31, 2015	March 31, 2014
Experience gain/ (loss) adjustments on plan liabilities	16.28	15.37	16.39
Experience gain/ (loss) adjustments on plan assets	(1.51)	(0.47)	0.54

Investment details of the plan assets

100% of the plan assets are with the Insurer Managed funds.

Assumptions	March 31, 2016	March 31, 2015
Discount rate	7.90%	7.80%
Expected rate of return on plan assets	8.51%	8.71%
Salary escalation rate	10.00%	10.00%

Economic assumptions

The principal assumptions are the discount rate and salary increase. The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the liabilities and the salary increase takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Demographic assumptions

Particulars	March 31, 2016		March 31, 2015	
	Ages	Withdrawal Rate	Ages	Withdrawal Rate
(1) Retirement Age	60 years		60 years	
(2) Mortality: - Published rates under the LIC (2006-08) mortality tables.				
(3) Leaving service	Uniform Management		Uniform Management	
	Ages	Withdrawal Rate	Ages	Withdrawal Rate
	20-29 years	7.5%	20-29 years	7.5%
	30-40 years	7.5%	30-40 years	7.5%
	41-60 years	7.5%	41-60 years	7.5%

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.26 Contingent liabilities

- (i) **Bank Guarantee:** The Company has liened Fixed Deposits of ₹1,574.06 lakhs (Previous Year : ₹1,576.49 lakhs) to various banks for availing term loans, Credit Delivery Arrangement and working capital loans.
- (ii) **Bank Guarantee to Sales Tax:** The Company has given bank guarantee of Nil (Previous Year : ₹2.00 lakhs) to Sales Tax Department.
- (iii) **Collateral given for assignment/ securitisation transactions:** The cash collateral as at March 31, 2016 amounts to ₹326.96 lakhs (Previous Year: ₹326.96 lakhs, equivalent to 8% of pool provided) given by the Company for covering shortfalls in the recovery of instalments in the pool. The deal was executed with IDBI Bank Ltd. for an amount of ₹4,086.99 lakhs.
- (iv) The Company's pending litigations comprise of claims against the Company primarily by the customers. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2016.
- (v) Loan pending disbursement amounting to ₹809.12 Lakhs (Previous Year: ₹2,337.82 Lakhs).

2.27 Segment Reporting:

Since the Company's business activity falls within single primary/ secondary business segment viz., loan and financing in India, no disclosure is required to be given as per Accounting Standard (AS) – 17 "Segment Reporting" as notified under Section 133 of the Companies Act, 2013 ('the Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

2.28 Disclosure pursuant to Clause 32 of Listing Agreement

Included in loans and advance are:

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Due from Subsidiaries:		
Amulet Technologies Limited		
(Maximum amount outstanding during the year ₹1,361.00 lakhs and in previous year is ₹1,256.95)#	1,361.00	1,256.95

#includes interest accrued

2.29 Related Parties under AS-18 with whom transactions have taken place during the year.

- a) **Subsidiary company**
Amulet Technologies Limited
- b) **Key Management Personnel**
Sanjeev Goel (Managing Director)
Ritika Goel (Director)
Y.L. Madan (Director)
Dhruv Prakash (Director)
- c) **Relative of Key Management personal**
PranavGoel
- d) **Enterprises over which key Management Personnel exercises significant influence**
Bubble Infosolutions Private Limited
- e) **Enterprises over which relative of key management exercises significant influence**
Intec Infonet Private Limited
AG8 venture limited (w.e.f. August 18, 2015)
Infrastructure Advisors Private Limited
Lakshmi Precision Screws Limited (upto March 31, 2015)
- f) **Investing party in respect of which the reporting enterprise is an associate**
Pantec Devices Private Limited

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Transactions with Related Parties

Nature of transaction	Subsidiary Company		Investing Company		Key Management Personnel		Relative of Key Management		Enterprises over which key Management Personnel exercises significant influence		Enterprise over which relative of key management personnel having significant influence	
	Year ended March 31		Year ended March 31		Year ended March 31		Year ended March 31		Year ended March 31		Year ended March 31	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Remuneration												
Sanjeev Goel	-	-	-	-	122.00	100.00	-	-	-	-	-	-
Interest on loans												
-Amulet Technologies Limited	99.67	98.49	-	-	-	-	-	-	-	-	-	-
-AG8 Ventures Limited	-	-	-	-	-	-	-	-	28.73	-	-	-
-Pantec Devices Private Limited	-	-	2.25	2.25	-	-	-	-	-	-	-	-
-Lakshmi Precision Screws Limited	-	-	-	-	-	-	-	-	-	70.53	-	-
Loan Given												
-Amulet Technologies Limited	1374.06	13.69	-	-	-	-	-	-	-	-	-	-
-Lakshmi Precision Screws Limited	-	-	-	-	-	-	-	-	-	136.05	-	-
Loan Repaid												
-AG8 Venture limited	-	-	-	-	-	-	-	-	24.60	-	-	-
-Amulet Technologies Limited	1360.00	-	-	-	-	-	-	-	-	-	-	-
-Lakshmi Precision Screws Limited	-	-	-	-	-	-	-	-	-	143.78	-	-
Purchase of Assets												
-Intec Infonet Private Limited	-	-	-	-	-	-	-	-	-	-	4.69	44.86
Maintenance charges paid												
-Intec Infonet Private Limited	-	-	-	-	-	-	-	-	-	-	3.48	3.73
Advisory Fees												
-Infrastructure Advisors Private Limited	-	-	-	-	-	-	-	-	24.20	66.62	-	-
Retainer ship Fees												
-Y.L.Madan	-	-	-	-	6.00	4.00	-	-	-	-	-	-
-DhruvPrakash	-	-	-	-	6.00	10.00	-	-	-	-	-	-
Salary												
-PranavGoel	-	-	-	-	-	-	3.20	-	-	-	-	-

c) Year end balances

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Payables		
Intec Infonet Private Limited	-	0.62
Infrastructure Advisors Private Limited	1.00	3.07
Receivables		
Amulet Technologies Limited	1,360.72	1,256.95
AG8 Venture Limited	259.34	-
Pantec Devices Private Limited	35.37	33.34
Lakshmi Precision Screws Limited	-	455.05
Key management personnel		
SanjeevGoel (Payable/(Receivable))	(8.00)	(8.33)
Y.L.Madan (Payable/(Receivable))	0.50	-

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.30 Note for managerial remuneration

During the year ended March 31, 2016, the Company has paid managerial remuneration over and above the amount mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, by ₹74.47 lakhs as at March 31, 2016. The Company will seek approval from the shareholders for the managerial remuneration paid in excess by ₹66.17 lakhs and balance ₹8.00 lakhs will be received back from director. Till such approval is obtained from shareholders, the amount is held in trust for the company. Pending receipt of approval, no adjustments are considered necessary in the financial statements.

2.31 (i) Disclosures relating to Securitization in terms of the notification issued by the Reserve Bank of India vide its circular numbered RBI/ 2012-13/170 DNBS. PD. No.301/3.10.01/ 2012-13

S. No	Particulars	March 31,2016 No. /Amount in ₹ lakhs	March 31,2015 No. /Amount in ₹ lakhs
1.	Number of SPVs sponsored by the NBFC for securitization transactions	1	1
2.	Total amount of securitized assets as per books of the SPVs sponsored by the NBFC	937.82	2,093.30
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of Balance sheet		
	a) Off-balance sheet exposure		
	* First loss	-	-
	* Others	-	-
	b) On-balance sheet exposure		
	* First loss	326.96	326.96
	* Others	204.35	204.35
4.	Amount of exposures to securitization transactions other than MRR		
	a) Off-balance sheet exposure		
	i Exposure to own securitizations		
	* First loss	-	-
	* Others	-	-
	ii Exposure to third party securitizations		
	* First loss	-	-
	* Others	-	-
	Amount of exposures to securitization transactions other than MRR		
	b) On-balance sheet exposure		
	i Exposure to own securitizations		
	* First loss	-	-
	* Others	-	-
	ii Exposure to third party securitizations		
	* First loss	-	-
	* Others	-	-

No securitization deal was undertaken during the year ended March 31,2016.

(ii) Assignment Deal:

The Company sells loans through direct assignments. The information on direct assignment activity of the Company as an Originator is as given below:

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
(i) No. of accounts	-	157
(ii) Aggregate value (net of provisions) of accounts sold	-	2,636.79
(iii) Aggregate consideration	-	2,636.79
(iv) Additional consideration realized in respect of accounts transferred in earlier years	-	-
(v) Aggregate gain / loss over net book value	-	-

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.33 Additional information as per guidelines issued by the Reserve Bank of India in respect of Non-Banking Financial (Non-deposit accepting or holding) Systemically Important (NBFC-ND-SI):

i. A. Capital funds, risk assets/ exposure and risk asset ratio (CRAR)

Items	As at March 31, 2016	As at March 31, 2015
CRAR (%)	22.99%	21.54%
CRAR - Tier I capital (%)	22.62%	21.13%
CRAR - Tier II capital (%)	0.37%	0.41%

B. Investments

Particulars	(Amounts in ₹ lakhs)	
	March 31, 2016	March 31, 2015
1) Value of Investments		
i) Gross Value of Investments		
(a) In India	34.14	34.14
(a) Outside India	-	-
ii) Provision for Depreciation		
(a) In India	-	-
(a) Outside India	-	-
iii) Net Value of Investments		
(a) In India	34.14	34.14
(a) Outside India	-	-
2) Movement of provisions held towards depreciation on investments		
i) Opening balance	-	-
ii) Add: Provisions made during the year	-	-
iii) Less: Write-off/ write-back of excess provisions during the year	-	-
iv) Closing balance	-	-

ii. Statement on exposure to real estate sector

Category	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
a) Direct exposure		
(i) Residential mortgages – Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (individual housing loans up to ₹15 lakh may be shown separately)#	8,571.19	5,012.26
(ii) Commercial Real Estate – Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction etc). Exposure would also include non-fund-based (NFB) limits (including agricultural land);#	9,952.80	5,841.49
(iii) Investments in Mortgage Backed Securities (MBS) and other securitized exposures –		
a. Residential,		
b. Commercial Real Estate.		
b) Indirect exposure Fund based and non-fund based exposures on National Housing Bank (NHB) and Housing finance Companies (HFCs).		

Loans pertaining to above category are business loans.

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

iii. Statement on Asset Liability Management

Maturity pattern of certain items of assets and liabilities as at March 31, 2016

(Amounts in ₹ lakhs)

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	480.49	788.08	345.18	1655.17	27,588.08	9,657.46	3,138.51	-	43,652.97
Market Borrowings	97.50	97.51	697.51	892.58	1,685.37	3,009.34	55.27	-	6,535.08
Assets									
Advances #	2,631.66	1,914.14	1,847.34	5,735.84	11,120.68	25,375.19	13,136.19	4,191.16	65,952.90
Investments	-	-	-	-	-	-	-	34.14	34.14

Advances comprise of lending assets (principal portion), net of provision for non-performing assets

Maturity pattern of certain items of assets and liabilities as at March 31, 2015

(Amounts in ₹ lakhs)

	1 day to 30/31 days (one month)	Over one month to 2 months	Over 2 months upto 3 months	Over 3 months upto 6 months	Over 6 months upto 1 year	Over 1 year to 3 years	Over 3 years to 5 years	Over 5 years	Total
Liabilities									
Borrowings from banks	468.57	751.36	1,408.66	1,640.45	25,830.70	10,021.83	2,705.58	-	42,827.15
Market Borrowings	134.19	135.01	135.97	413.36	1,322.98	4,949.56	2,006.93	-	9,098.07
Assets									
Advances #	1,971.70	2,288.49	2,220.60	6,827.43	13,223.42	32,642.88	5,162.79	625.11	64,962.42
Investments	-	-	-	-	-	-	-	34.14	34.14

Advances comprise of lending assets (principal portion), net of provision for non-performing assets

2.34 Concentration of Advances, Exposures and NPAs

i) Concentration of Advances

(Amounts in ₹ lakhs)

Particulars	March 31, 2016	March 31, 2015
Total Advances to twenty largest borrowers	8,492.23	8,987.20
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	9.50%	9.57%

ii) Concentration of Exposure

(Amounts in ₹ lakhs)

Particulars	March 31, 2016	March 31, 2015
Total Advances to twenty largest borrowers	8,030.40	9,342.57
Percentage of Advances to twenty largest borrowers to Total Advances of the NBFC	11.69%	9.71%

iii) Concentration of NPAs (Gross Exposure)

(Amounts in ₹ lakhs)

Particulars	March 31, 2016	March 31, 2015
Total Exposures to top four NPA accounts	1,582.38	1,613.59

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

iv) Sector-wise NPAs

Year ended March 31, 2016

(Amounts in ₹ lakhs)

Particulars	Gross Book	Gross NPA	Restructured Assets (Below 150 days passed due)	Total Gross NPA (Including Restructured assets)	Net NPA (Including Restructured assets)	% Gross NPA on book	% Net NPA on book
Industry	33,523.19	5,198.57	111.64	5,310.21	4,124.16	5.94%	4.61%
Services	13,709.55	698.42	36.79	735.21	632.60	0.82%	0.71%
Total Non-Priority Sector Lending (a)	47,232.74	5,896.99	148.42	6,045.42	4,756.76	6.76%	5.32%
Industry	36,455.36	3,039.13	434.93	3,474.06	2,840.87	3.88%	3.18%
Services	5,746.80	318.78	-	318.78	286.90	0.36%	0.32%
Total Priority Sector Lending(b)	42,202.16	3,357.91	434.93	3,792.84	3,127.77	4.24%	3.50%
Total (a+b)	89,434.90	9,254.90	583.35	9,838.26	7,884.54	11.00%	8.82%

Note: For calculating above percentages, restructured assets which are less than 150 days overdue and not recognized as NPA (as per RBI guidelines), have been included as they are reported under Substandard assets. Further, the Gross NPA % is 14.49% based on advances net of collateral and Net NPA % is 11.61% based on advances net of collateral and provision for sub-standard assets.

Year ended March 31, 2015

(Amounts in ₹ lakhs)

Industry / Services	Book Size	Gross NPA	Restructured Assets (Below 180 days passed due)	Total Gross NPA (Including Restructured assets)	Net NPA (Including Restructured assets)	% Gross NPA on book	% Net NPA on book
Industry	40,425.77	2,959.07	1,235.65	4,194.72	2,449.71	4.47%	2.61%
Services	3,855.23	953.43	-	953.43	503.21	1.02%	0.54%
Total Non-Priority Sector Lending (a)	44,281.00	3,912.50	1,235.65	5,148.15	2,952.92	5.48%	3.14%
Industry	47,845.73	663.30	-	663.30	366.23	0.71%	0.39%
Services	1,768.82	235.20	-	235.20	211.68	0.25%	0.23%
Total Priority Sector Lending(b)	49,614.55	898.51	-	898.51	577.91	0.96%	0.62%
Total (a+b)	93,895.55	4,811.01	1,235.65	6,046.66	3,530.83	6.44%	3.76%

Note: For calculating above percentages, restructured assets which are less than 180 days overdue and not recognized as NPA (as per RBI guidelines), have been included as they are reported under Substandard assets. Further, the Gross NPA % is 8.96% based on advances net of collateral and Net NPA % is 5.44% based on advances net of collateral and provision for sub-standard assets.

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

v) Movement of NPAs

Particulars	(Amounts in ₹ lakhs)	
	Year 2015-16	Year 2014-15
(i) Net NPAs to Net Advances (%)	8.82%	3.76%
(ii) Movement of NPAs (Gross)		
(a) Opening balance	6,046.66	3,099.13
(b) Additions during the year	6,483.22	3,954.45
(c) Reductions during the year	2,691.63	1,006.92
(d) Closing balance	9,838.25	6,046.66
(iii) Movement of Net NPAs		
(a) Opening balance	3,530.83	1,405.48
(b) Additions during the year	5,716.35	2,691.25
(c) Reductions during the year	1,362.65	565.90
(d) Closing balance	7,884.53	3,530.83
(iv) Movement of provisions for NPAs (excluding provisions on standard assets)		
(a) Opening balance	2,515.83	1,693.65
(b) Provisions made during the year	766.87	1,263.20
(c) Write-off / write-back of excess provisions	1,328.98	441.02
(d) Closing balance	1,953.72	2,515.83

Note:-NPA includes restructuring amounting to ₹583.35 lakhs and provision thereon ₹175.01 lakhs.

(vi) Provisions and Contingencies

Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Provision/(Reversed) towards NPA	(562.11)	822.18
Provision/(Reversed) for Standard Assets	(32.67)	(26.04)
Provision made towards Income tax	351.64	322.18

(vii) Exposure to Capital Market

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
(i) direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	34.14	34.14
(ii) advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	-	-
(iii) advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	-	-
(iv) advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	-	-
(v) secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	-	-
(vi) loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	-	-
(vii) bridge loans to companies against expected equity flows / issues;	-	-
(viii) all exposures to Venture Capital Funds (both registered and unregistered)	-	-

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.35 Customer Complaints

(a) No. of complaints pending at the beginning of the year	01
(b) No. of complaints received during the year	136
(c) No. of complaints redressed during the year	135
(d) No. of complaints pending at the end of the year	02

2.36 Miscellaneous

(i). Details of Single Borrower Limit (SBL) / Group Borrower Limit (GBL) exceeded by the NBFC

During the year, the Company has not exceeded SBL & GBL limits as prescribed under NBFC Regulation

(ii). Registration obtained from other financial sector regulators

The company has not obtained any registration from other financial sector regulators

(iii). Disclosure of Penalties imposed by RBI and other regulators

No penalty has been imposed by the RBI or any other regulator during the year.

(iv). Ratings assigned

Particulars	Year 2015-16	Year 2014-15
(a) Commercial Paper	CARE A1+(SO)	CARE A1+(SO)
(b) Non-Convertible Debentures	CARE BBB	CARE BBB+
(c) Other Bank Loan facilities	CARE BBB/ CRISILBBB	CARE BBB+

(v). Remuneration of Directors (Non-executive)

Particulars	(Amounts in ₹ lakhs)	
	Year 2015-16	
Sitting Fees	1.55	
Professional Fees	12.00	

2.37

The Company has constituted a CSR committee as required under Section 135 of the Act, together with relevant rules as prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR rules'). The CSR Committee of the Board of Directors had approved the CSR Policy and also identified the broad areas of CSR activities which it propose to carry out viz. Child Education and Women Empowerment. During the year under review, the Company made serious deliberations and chose the CSR programs which would be undertaken on a long term and continuous basis. Such programs will benefit communities where the Company operates or likely to operate and create goodwill for the Company.

Details of CSR Expenditure:

- (i) Gross amount required to be spent by the Company during the year is ₹37.82 lakhs (Previous year: ₹40.82 lakhs)
(ii) Amount spent during the year on

Amount spent during the year on	(Amounts in ₹ lakhs)					
	March 31, 2016			March 31, 2015		
	In Cash	Yet to be paid	Total	In Cash	Yet to be paid	Total
i) Construction/acquisition of any asset	-	-	-	-	-	-
ii) On purposes other than (i) above	10.57	-	10.57	2.35	-	2.35
Total	10.57	-	10.57	2.35	-	2.35

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.38 Earnings Per Share (EPS)

Particulars	(Amounts in ₹ lakhs)	
	March 31, 2016	March 31, 2015
Profit after tax as per the statement of Profit and Loss	643.02	643.24
Less: Dividends on preference shares and tax thereon	0.00	0.00
Net profit attributable to equity shareholders for calculation of basic EPS	643.02	643.24
Opening balance of equity shares		
Add: Issued/ converted during the year:	18,366,250	18,366,250
Closing balance of equity shares	18,366,250	18,366,250
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the period for calculation of basic EPS	18,366,250	18,366,250
Effect of diluted potential equity shares	-	-
Weighted average number of equity shares for calculation of diluted EPS	18,366,250	18,366,250
Basic earnings per share (₹)	3.50	3.50
Diluted potential equity shares (₹)	3.50	3.50

2.39

Schedule to the Balance Sheet of a of a non-deposit taking Non-Banking Financial Company (as required in terms of paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007) (Refer Annexure – 1)

2.40

At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

2.41

There is no unhedged foreign currency exposure during the year.

2.42

Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to conform to current year's classification

As per our report of even date attached

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No.: 094533

Place: New Delhi
Date: May 25, 2016

For and on behalf of the Board of Directors of
Intec Capital Limited

Sanjeev Goel
Managing Director
DIN:00028702

Puneet Sehgal
Company Secretary

Place: New Delhi
Date: May 25, 2016

S.K. Goel
Director
DIN:00963735

Sudhindra Sharma
Chief Financial Officer

Place: New Delhi
Date: May 25, 2016

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Annexure – 1

Schedule to the Balance Sheet of a Non-Banking Financial Company as required in terms of Paragraph 13 of Non-Banking Financial Companies (Non-deposit accepting or holding) Prudential Norms (Reserve Bank) Directions, 2007.

1 Liabilities side:

Particulars	(Amounts in ₹ lakhs)			
	As at March 31, 2016		As at March 31, 2015	
	Amount Outstanding	Amount Overdue	Amount Outstanding	Amount Overdue
Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid:				
(a) Debentures:				
Secured	3,000.71	-	5,200.34	-
Unsecured	-	-	-	-
(Other than falling within the meaning of public deposits)				
(b) Deferred credits	-	-	-	-
(c) Term loan	22,412.52	-	21,350.35	-
(d) Inter corporate loans and borrowings	953.83	-	2,009.24	-
(e) Commercial paper (net of un-amortised discount on issue)	943.70	-	980.81	-
(f) Other loans :				
Working capital demand loans from banks	9,650.00	-	11,503.15	-
Cash credit/overdraft from banks	13,390.90	-	11,412.73	-
Total	50,351.66	-	52,456.62	-

2 Assets side:

Particulars	(Amounts in ₹ lakhs)	
	Amount outstanding	Amount outstanding
	As at March 31, 2016	As at March 31, 2015
Break-up of loans and advances including bills receivables (other than those included in (4) below):		
(a) Secured #	85,150.89	89,001.26
(b) Unsecured #	2,330.29	2,434.91
Total	87,481.18	91,436.17

Comprises of trade receivables, loans which are disclosed net of provision for non-performing assets

3 Break up of Leased Assets and stock on hire and other assets counting towards AFC activities

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
(i) Lease assets including lease rentals under sundry debtors:		
(a) Financial lease	-	-
(b) Operating lease	-	-
(ii) Stock on hire including hire charges, under sundry debtors:		
(a) Assets on hire	-	-
(b) Repossessed stock	-	-
(iii) Other Loans counting towards AFC activities:		
(a) Loans where assets have been repossessed	-	-
(b) Loans other than (a) above	-	-
Total	-	-

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

4 Break-up of investments

Particulars	(Amounts in ₹ lakhs)	
	Amount outstanding	Amount outstanding
	As at March 31, 2016	As at March 31, 2015
Current investments:		
1 Quoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
2 Unquoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
Long term investments:		
1 Quoted:		
(i) Shares:		
(a) Equity	-	-
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
2 Unquoted:		
(i) Shares:		
(a) Equity	34.14	34.14
(b) Preference	-	-
(ii) Debentures and bonds	-	-
(iii) Units of mutual funds	-	-
(iv) Government securities	-	-
(v) Others (please specify)	-	-
Total	34.14	34.14

Notes to financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

5 Borrower group wise classification of all assets financed as in (2) and (3) above :

(Amounts in ₹ lakhs)

Category	Amount net of provisions As at March 31, 2016			Amount net of provisions As at March 31, 2015		
	Secured	Unsecured	Total	Secured	Unsecured	Total
1 Related Parties:						
(a) Subsidiaries	-	1,361.00	1,361.00	-	1,067.22	1,067.22
(b) Companies in the same group	-	-	-	-	-	-
(c) Other related parties	-	22.50	22.50	-	22.50	22.50
2 Other than related parties	85,150.89	946.79	86,097.68	89,001.26	1,345.19	90,346.45
Total	85,150.89	2,330.29	87,481.18	89,001.26	2,434.91	91,436.17

6 Investor group wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

(Amounts in ₹ lakhs)

Category	As at March 31, 2016		As at March 31, 2015	
	Market value/ Break-up or Fair value or NAV	Book value (net of Provisions)	Market Value/ Break-up or Fair Value or NAV	Book value (net of Provisions)
1 Related Parties:				
(a) Subsidiaries	-	25.00	-	25.00
(b) Companies in the same group	-	-	-	-
(c) Other related parties	-	1.16	-	1.16
2 Other than related parties	-	7.98	-	7.98
Total	-	34.14	-	34.14

7 Other information

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
(i) Gross Non-Performing Assets#		
(a) Related parties	-	-
(b) Other than related parties	9,838.26	6,046.66
(ii) Net Non-Performing Assets #		
(a) Related parties	-	-
(b) Other than related parties	7,884.54	3,530.83
(iii) Assets acquired in satisfaction of debts (net of provisions)	-	-

Note:-NPA includes restructuring.

Consolidated Financial Statements

Independent Auditor's Report

To
The Members of
Intec Capital Limited

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of Intec Capital Limited (hereinafter referred to as "the Holding Company") and its subsidiary 'M/S Amulet Technologies Limited' (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the consolidated Balance Sheet as at March 31, 2016, the consolidated Statement of Profit and Loss and consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as 'the consolidated financial statements').

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms with the requirement of the Companies Act, 2013 ("the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with 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. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the 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 there under. We conducted our audit in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as 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 consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements. We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in paragraph (a) of the Other Matters below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the consolidated state of affairs of the Group, as at March 31, 2016, their consolidated profit, and their consolidated cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our opinion, we draw attention to Note 2.29 of the Notes to the financial statements. As represented to us by the management, the Company is in the process of obtaining the shareholder's approval for the managerial remuneration. Pending receipt of approval, no adjustments are considered necessary in these financial statements. Our opinion is not qualified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by section 143 (3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit of the aforesaid consolidated financial statements;
- (b) In our opinion proper books of account as required by law relating to preparation of the aforesaid consolidation of the financial statements have been kept so far as it appears from our examination of those books and reports of the other auditors;
- (c) The consolidated Balance Sheet, consolidated Statement of Profit and Loss, and consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account maintained for the purpose of preparation of the consolidated financial statements;
- (d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
- (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 taken on record by the Board of Directors of the Holding Company and the reports of the auditors who are appointed under Section 139 of the Act, of its subsidiary company, incorporated in India, none of the directors of the Group's companies, incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy and the operating effectiveness of the internal financial controls over financial reporting of the Holding Company and its subsidiary company incorporated in India, refer to our separate report in "Annexure 1" to this report;
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The consolidated financial statements disclose the impact of pending litigations on its consolidated

financial position of the Group – Refer Note 2.26 (iv) to the consolidated financial statements;

- ii. The Group did not have any material foreseeable losses in long-term contracts including derivative contracts.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary company incorporated in India.

Other Matter

- (a) The accompanying consolidated financial statements includes total assets of ₹ 1,2,76.68 lacs as at March 31, 2016, and total revenues and net cash outflows of ₹ NIL and ₹ 1.01 lacs for the year ended on that date, in respect of a subsidiary, which have been audited by other auditors, whose financial statements, other unaudited financial information and auditor's report have been furnished to us by the management of Intec Capital Limited. Our opinion, in so far as it relates to amounts and disclosures included in respect of this subsidiary, and our report in terms of sub-sections (3 and of Section 143 of the Act in so far as it relates to the aforesaid subsidiary, is based solely on such audited financial statement and other financial information. In our opinion and according to the information and explanations given to us by the management, these financial statements and other financial information are not material to the Group.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements above, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and the financial information and other financial information certified by the Management.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**

Partner

Membership Number: 094533

Place of Signature: New Delhi

Date: 25th May 2016

ANNEXURE 1 TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF INTEC CAPITAL LIMITED

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

To
The Members of
Intec Capital Limited

In conjunction with our audit of the consolidated financial statements of Intec Capital Limited as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of Intec Capital Limited (hereinafter referred to as the "Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

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

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

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Holding Company and its subsidiary company which are companies incorporated in India, have, maintained in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Holding Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

Other Matters

Our report under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting of the Holding Company, insofar as it relates to a subsidiary company 'M/S Amulet Technologies Limited', which is a company incorporated in India, is based on the corresponding reports of the auditors of such subsidiary incorporated in India.

For **S.R. BATLIBOI & ASSOCIATES LLP**

Chartered Accountants

ICAI Firm Registration Number: 101049W/E300004

per **Amit Kabra**

Partner

Membership Number: 094533

Place of Signature: New Delhi

Date: 25th May 2016

Consolidated Balance Sheet as at March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	Note No.	As at March 31, 2016	As at March 31, 2015
Equity and liabilities			
Shareholders' funds			
Share capital	2.1	1,836.63	1,836.63
Reserves and surplus	2.2	14,593.93	14,053.55
		16,430.56	15,890.18
Non-current liabilities			
Long-term borrowings	2.3	15,860.57	19,683.91
Other long-term liabilities	2.4	1,483.05	2,705.71
Long-term provisions	2.5	2,227.07	2,940.57
		19,570.69	25,330.19
Current liabilities			
Short-term borrowings	2.6	24,038.24	23,915.88
Trade payables	2.7	204.94	200.30
Other current liabilities	2.8	12,104.36	9,962.31
Short-term provisions	2.9	170.74	522.49
		36,518.28	34,600.98
Total		72,519.53	75,821.35
Assets			
Non-current assets			
Fixed assets	2.10		
- Tangible		1,041.07	1,126.75
- Intangible		83.32	71.75
- Capital work in progress		76.63	76.63
Non-current Investments	2.11	9.14	9.14
Deferred tax Assets (net)	2.12	892.62	1,096.30
Long-term loans and advances	2.13	43,527.48	39,922.80
Other non-current assets	2.14	876.81	580.74
		46,507.07	42,884.11
Current assets			
Cash and bank balances	2.15	1,675.89	5,002.77
Short-term loans and advances	2.16	23,432.78	27,018.28
Other current assets	2.17	903.79	916.19
		26,012.46	32,937.24
Total		72,519.53	75,821.35
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/W300004

Amit Kabra

Partner

Membership No.: 094533

Place: New Delhi

Date: May 25, 2016

For and on behalf of the Board of Directors of

Intec Capital Limited

Sanjeev Goel

Managing Director

DIN:00028702

Puneet Sehgal

Company Secretary

Place: New Delhi

Date: May 25, 2016

S.K. Goel

Director

DIN:00963735

Sudhindra Sharma

Chief Financial Officer

Place: New Delhi

Date: May 25, 2016

Consolidated Statement of Profit and Loss for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	Note No.	For the year ended March 31, 2016	For the year ended March 31, 2015
Revenue			
Revenue from operations	2.18	13,025.42	13,087.44
Other income	2.19	47.49	71.27
Total revenue		13,072.91	13,158.71
Expenses			
Employee benefits expense	2.20	2,338.63	2,367.73
Finance costs	2.21	6,789.47	7,176.90
Depreciation and amortisation	2.10	91.24	105.62
Other expenses	2.22	2,961.54	2,647.86
Total expenses		12,180.88	12,298.11
Profit before tax		892.03	860.60
Tax expense			
- Current tax		147.96	620.24
- Deferred tax (credit)/ charge (refer to note 2.12)		203.68	(298.09)
		351.64	322.15
Profit for the year		540.39	538.45
Earning per equity share (par value of ₹10 per share)(refer note no-2.31)			
- Basic - Par Value of ₹ 10 per share		2.94	2.93
- Diluted - Par Value of ₹ 10 per share		2.94	2.93
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached

For S. R. Batliboi & Associates LLP

Chartered Accountants

ICAI Firm registration number: 101049W/E300004

Amit Kabra

Partner

Membership No.: 094533

Place: New Delhi

Date: May 25, 2016

For and on behalf of the Board of Directors of
Intec Capital Limited**Sanjeev Goel**

Managing Director

DIN:00028702

Puneet Sehgal

Company Secretary

Place: New Delhi

Date: May 25, 2016

S.K. Goel

Director

DIN:00963735

Sudhindra Sharma

Chief Financial Officer

Place: New Delhi

Date: May 25, 2016

Consolidated Cash Flow Statement for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Cash flow from operating activities		
Profit before tax	892.03	860.60
Adjustments for:		
Depreciation and amortisation	91.24	105.62
Provision for sub-standard and doubtful assets	(562.11)	822.18
Provision for standard assets	(32.67)	(23.40)
Loss on sale of fixed assets (net)/ assets discarded	10.61	0.06
Bad and doubtful debts written off	1,957.47	245.59
Operating profit before working capital changes	2,356.57	2,010.65
Movement in working capital:		
Increase in loans and advances	(1,976.65)	(1,477.50)
Increase in current and non current assets	(92.31)	293.13
Increase in trade payables, current and non current liabilities	(1,039.74)	(780.13)
Decrease/(Increase) in other bank balances	75.75	256.44
Increase in short-term and long-term provisions	(15.79)	16.44
Cash from operations	(692.17)	319.03
Taxes paid	(683.37)	(1,011.90)
Net cash from operating activities (A)	(1,375.54)	(692.87)
Cash flow used in from investing activities		
Purchase of fixed assets	(46.78)	(188.09)
Proceeds from sale of fixed assets	19.05	4.33
Fixed deposits (free from lien)	-	45.74
Net cash from investing activities(B)	(27.73)	(138.02)
Cash flow from/ (used in) financing activities		
Dividend paid (including tax thereon)	(110.64)	(120.04)
Proceeds from commercial papers	2,000.00	2,000.00
Repayment of commercial papers	(2,000.00)	(2,000.00)
Repayment of cash credits account	122.36	1,632.97
Proceeds from secured loans	10,000.00	12,552.00
Repayments of secured loans	(10,935.14)	(8,905.56)
Repayment of unsecured loans	(924.44)	(2,589.93)
Net cash from/ (used in) financing activities (C)	(1,847.86)	2,569.44

Consolidated Cash Flow Statement for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs)

	For the year ended March 31, 2016	For the year ended March 31, 2015
Net increase in cash and cash equivalents (A+B+C)	(3,251.13)	1,738.55
Cash and cash equivalents at the beginning of the year	3,568.78	1,830.23
Cash and cash equivalents at the end of the year	317.65	3,568.78
a. The Cash Flow Statement has been prepared in accordance with the 'Indirect Method' as set out in the Accounting Standard (AS)-3 on 'Cash Flow Statements', notified under section 133 of the companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules 2014.		
b. The notes referred to above form an integral part of the financial statements		
Cash and cash equivalents at the end of the year (refer note 2.15)	317.65	3,568.78
Add:- Other bank balances (refer note 2.15)	1,901.22	1,905.49
Total cash and bank balances (including long term deposit)	2,218.87	5,474.27
Less: Deposits with banks (maturity over 12 months)	(542.98)	(471.50)
Cash and bank balances at the end of the year	1,675.89	5,002.77

For S. R. Batliboi & Associates LLP
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No.: 094533

Place: New Delhi
Date: May 25, 2016

For and on behalf of the Board of Directors of
Intec Capital Limited

Sanjeev Goel
Managing Director
DIN:00028702

Puneet Sehgal
Company Secretary

Place: New Delhi
Date: May 25, 2016

S.K. Goel
Director
DIN:00963735

Sudhindra Sharma
Chief Financial Officer

Place: New Delhi
Date: May 25, 2016

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

1 Corporate information

Intec Capital Limited ('the Company') incorporated in India on 15 February 1994, is registered with the Reserve Bank of India ('RBI') as a Non-Banking Financial Company ('NBFC') vide Certificate No. B-14.00731 dated 4 May 1998 in the name of Intec Securities Limited. Subsequently, due to change in name of the Company, the Company received a revised Certificate of Registration ('CoR') in the name of Intec Capital Limited on 4 November 2009 under Section 45-1A of the Reserve Bank of India Act, 1934. It is a systemically important non-deposit taking Non-Banking Financial Company (NBFC-ND-SI). The Company is primarily engaged in the business of providing machinery loans to Small and Medium Enterprises ('SME') customers. During the financial year 2014-15, Company has been registered as an Asset Finance Company ('AFC'), as defined by the RBI. Amulet Technologies Limited ('the subsidiary') incorporated in India on 27th March 2012, is registered with Ministry of corporate affairs having main objective of providing consultancy, advisory and all related services in the area of Information technology. However, it is yet to commence business

2 Significant accounting policies

(a) Basis of preparation of financial statements:

The Consolidated Financial Statements comprise of the Financial Statements of Intec Capital Limited (the 'Company' or 'ICL') and its subsidiary (hereinafter collectively referred to as the 'Group').

The financial statements have been prepared to comply in all material respects with the Accounting Standards ('AS') notified under section 133 of the Companies Act, 2013 (the 'Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014 and other accounting principles generally accepted in India (IGAAP) and as per the guidelines issued by Reserve Bank of India ('RBI') as applicable to a Non-Banking Financial (Non-deposit accepting or holding) Companies ('NBFC Regulation'). The financial statements have been prepared on an accrual basis and under the historical cost convention. The notified Accounting Standards (AS) are followed by the Company insofar as they are not inconsistent with the NBFC Regulation.

The accounting policies adopted in the preparation of financial statements are consistent with those of the previous year except mentioned below

(i) Change in Accounting Policy

The Company has changed the method of appropriating the cash collateral against its over-dues balances; previously cash collateral was

applied towards the overdue principal whereas w.e.f. April 01, 2015, cash collateral is applied towards the overdue principal and interest for delinquent loans. The change has resulted in an increase in the profit before tax for the year ended March 31, 2016 by ₹447.98 Lakhs

Principles of Consolidation:

The consolidated financial statements of the Group have been prepared in accordance with Accounting Standard 21 (AS-21) "Consolidated Financial Statements" notified by the Central Government under the Companies ('AS') notified under section 133 of the Companies Act, 2013 (the 'Act'). The consolidated financial statements have been prepared on the following basis:

- (i) The financial statements of the Holding Company and its subsidiary company have been combined on line by line basis by adding together the book value of like items of Assets, Liabilities, Income and Expenses after eliminating intra-group balances and intra-group transactions resulting in unrealized profits or losses.
- (ii) Uniform accounting policies for like transactions and other events in similar circumstances have been adopted and presented, to the extent possible, in the same manner as the Holding Company's separate financial statements.
- (iii) The excess of cost of the Holding Company of its investment in the subsidiary over the Holding Company's portion of equity of the subsidiary as at the date of investment is recognised in the consolidated financial statements as Goodwill. It is tested for impairment on a periodic basis and written-off if found impaired.
- (iv) The excess of Holding Company's portion of equity of the Subsidiary, over cost as at the date of investment, is treated as Capital Reserve.

(b) Current / non-current classification of assets / liabilities

As required by Revised Schedule III, the Company has classified assets and liabilities into current and non-current based on the operating cycle. An operating cycle is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. Since in case of non-banking financial

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Company normal operating cycle is not readily determinable, the operating cycle has been considered as 12 months.

(c) Use of estimates

The preparation of financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results may differ from the estimates used in preparing the accompanying financial statements. Any changes in estimates are recognized prospectively.

(i) Change in estimates

The RBI vide its notification no DNBR. 011/CGM (CDS)-2015 dt. March 27, 2015 has revised the asset classification norms for Non-performing assets and substandard assets under its prudential norms applicable to NBFCs in a phased manner commencing from financial year ending March 31, 2016 upto the financial year ending March 31, 2018 which would result in an additional provision. The Company follows prudential norms for income recognition, asset classification and provisioning for Non-performing assets as prescribed by RBI for NBFCs and has also been making additional provision on a prudential basis. Consequent of such change, the provision is higher by ₹5.08 Lakhs for the year ended March 31, 2016.

(d) Revenue Recognition

- (i) Interest income on loans is accounted for by applying the Internal Rate of Return (IRR), implicit in the agreement, on the diminishing balance of the financed amount, over the period of the agreement so as to provide a constant periodic rate of return on the net amount outstanding on the contracts.
- (ii) Future accrual of interest is suspended for accounts that are contractually delinquent for more than 150 days, after setting-off of collateral amounts. Suspended income on such accounts is recognized as and when collected. Reversal of income not collected for these assets are being netted-off against income as required by the Prudential Norms.
- (iii) Loan installments received are apportioned between interest income and principal portion. The principal amount is reduced from the loan

outstanding, so as to achieve the constant rate of interest on the remaining balance.

- (iv) Processing fees and other servicing fees is recognized as income on accrual basis and servicing fees on assignment of loans in respect of loans agreement is recognized as income on receipt basis.
 - (v) Dividend income on investments is accounted for as and when the right to receive the same is established.
 - (vi) Profit/ loss on sale of loan assets through direct assignment/ securitization are recognized over the residual life of loan/ pass through certificates in terms of RBI guidelines. Loss arising on account of direct assignment/ securitization is recognized upfront.
 - (vii) Interest income on fixed deposits recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.
 - (viii) Income on account of overdue interest, bouncing charges received, foreclosure charges and penal charges is recognized on receipt basis.
- ### (e) Fixed assets, intangibles and related depreciation/ amortisation/ impairment

Tangible assets

- (i) Fixed assets are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. The cost comprises purchase price, borrowing costs if capitalization criteria are met and directly attributable cost of bringing the asset to its working condition for the intended use. Any trade discounts and rebates are deducted in arriving at the purchase price.
- (ii) Subsequent expenditure related to an item of fixed asset is added to its book value only if it increases the future benefits from the existing asset beyond its previously assessed standard of performance. All other expenses on existing fixed assets, including day-to-day repair and maintenance expenditure and cost of replacing parts, are charged to the statement of profit and loss for the period during which such expenses are incurred.
- (iii) Gains or losses arising from derecognition of fixed assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Intangible assets

- (i) Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in an amalgamation in the nature of purchase is their fair value as at the date of amalgamation. Following initial recognition, intangible assets are carried at cost less accumulated amortization and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalized development costs, are not capitalized and expenditure is reflected in the statement of profit and loss in the year in which the expenditure is incurred.
- (ii) Intangible assets are amortized on a straight line basis over the estimated useful economic life. The Company uses a rebuttable presumption that the useful life of an intangible asset will not exceed ten years from the date when the asset is available for use. If the persuasive evidence exists to the affect that useful life of an intangible asset exceeds ten years, the Company amortizes the intangible asset over the best estimate of its useful life. Such intangible assets and intangible assets not yet available for use are tested for impairment annually, either individually or at the cash-generating unit level. All other intangible assets are assessed for impairment whenever there is an indication that the intangible asset may be impaired.
- (iii) The amortization period and the amortization method are reviewed at least at each financial year end. If the expected useful life of the asset is significantly different from previous estimates, the amortization period is changed accordingly. If there has been a significant change in the expected pattern of economic benefits from the asset, the amortization method is changed to reflect the changed pattern. Such changes are accounted for in accordance with AS-5 Net Profit or Loss for the Period, Prior Period Items and Changes in Accounting Policies.
- (iv) Gains or losses arising from recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognized in the statement of profit and loss when the asset is derecognized.

Depreciation on Tangible asset / Amortization of Intangible asset

- (i) The Company follows the straight-line method for computing the depreciation charge. Other fixed assets are depreciated on a straight line basis over their estimated economic useful lives as estimated by the management, except leasehold improvements, which are being amortized over the lease period. Such rates are higher than the corresponding depreciation rates prescribed in Schedule II of the Companies Act, 2013.
- (ii) The management's estimate of the useful lives of the various fixed assets is as follows:

Asset description	Useful life (in years)
Computers and peripherals	3
Furniture and Fixtures	10
Vehicles	8
Air conditioners	10
Office equipment	5
Electrical installations	8
Intangible Assets	6
Leasehold Improvements	Lease period subject to maximum of 2 years

- (iii) The Company has estimated the useful life of the following assets lower than the useful life given in the Schedule II of the Companies Act, 2013. The lower life is estimated on the basis of the usage of the assets in past.

Asset description	As per Sch. II	As per Books
Electrical installations	10 years	8 years

(f) Investment

Investments that are readily realizable and intended to be held for not more than a year from the date of acquisition are classified as current investments. All other investments are classified as long-term investments. However, that part of long-term investments which is expected to be realized within 12 months after the reporting date is also presented under 'current assets' as "current portion of long-term investments" in consonance with the current/non-current classification.

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Long-term investments are stated at cost. Provision of diminution in the value of long-term investments is made only if such a decline is other than temporary in the opinion of the management.

Current investments are carried at the lower of cost and fair value. The comparison of cost and fair value is done separately in respect of each category of investments i.e., equity shares, preference shares, convertible debentures, etc.

Any reductions in the carrying amount and any reversals of such reductions are charged or credited to the Statement of Profit and Loss.

(g) Commercial paper

Commercial paper is recognized at redemption value. The difference between redemption value and issue value is charged to profit and loss account on a Straight line method (SLM).

(h) Borrowing Cost

Borrowing costs consists of interest and other ancillary cost that an entity incurs in connection with borrowing of funds. Ancillary costs incurred in connection with the arrangement of borrowings are amortized over the tenor of borrowings.

(i) Loan

Loans are stated at the amount advanced, as reduced by the amount received upto the balance sheet date and loans assigned and less collateral money received from borrowers.

(j) Loan origination cost

Loan origination costs such as credit verification, agreement stamping, processing fee, ROC charges and valuation charges are charged to statement of profit and loss account.

(k) Sale of asset portfolios by way of assignment/ securitization

The Company undertakes sale of its loan portfolios by way of securitization/ assignment out of its loan portfolio. The assigned/ securitized portfolio is de-recognized from the books of the Company in situations where the Company relinquishes its contractual rights over the underlying loan receivables and all risks and rewards are transferred to assignee/ buyer.

(l) Employee Benefits:

The Company has various schemes of retirement benefits, namely provident fund, gratuity and leave encashment.

(i) Short term employee benefits:

All employee benefits payable/ available within twelve months of rendering the service are classified as short-term employee benefits. Benefits such as salaries, wages and bonus etc., are recognized in the Statement of Profit and Loss in the period in which the employee renders the related service.

(ii) Other long term employee benefits:

Entitlements to annual leave are recognized when they accrue to employees. Leave entitlements can be availed while in service of employment subject to restriction on the maximum number of accumulation. The company determines the liability for such accumulated leave entitlements on the basis of actuarial valuation carried out by an independent actuary at the year end.

(iii) Defined contribution plan:

Contributions towards Provident Fund are considered as defined contribution plan and the contributions are charged to the Statement of Profit and Loss for the year when the expense is actually incurred.

(iv) Defined benefit plans:

The Company's gratuity scheme is a defined benefit plan. The Company pays gratuity to employees who retire or resign after a minimum period of five years of continuous service. The Company's contribution to gratuity fund in respect of its employees is managed by a trust, which invests the funds with Life Insurance Corporation of India ('LIC'). The present value of obligations under such defined benefit plans are based on actuarial valuation carried out by an independent actuary using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of estimated future cash flows. The discount rate used for determining the present value of obligation under defined benefit plans, is based on the market yields on Government securities as at the Balance Sheet date, having maturity period approximating to the terms of related obligations. Actuarial gains and losses are recognized immediately in the Statement of Profit and Loss.

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Gains or losses on the curtailment or settlement of any defined benefit plan are recognized when the curtailment or settlement occurs.

(m) Provision for standard, sub-standard and doubtful assets

Provision for standard and sub-standard and doubtful assets is recognized in accordance with prudential norms and guidelines issued by Reserve Bank of India from time to time. Further, specific provisions are also created based on the management's best estimate of the recoverability of non-performing assets.

In accordance with Prudential Norms, the Company has separately shown provision for loans under short term/ long term provisions (as applicable) without netting off from loans.

(n) Current and deferred tax

Tax expense comprises current and deferred tax. Current income-tax is measured at the amount expected to be paid to the tax authorities in accordance with the Income-tax Act, 1961 enacted in India and tax laws prevailing in the respective tax jurisdictions where the Company operates. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Current income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred income taxes reflect the impact of timing differences between taxable income and accounting income originating during the current year and reversal of timing differences for the earlier years. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted at the reporting date. Deferred income tax relating to items recognized directly in equity is recognized in equity and not in the statement of profit and loss.

Deferred tax liabilities are recognized for all taxable timing differences. Deferred tax assets are recognized for deductible timing differences only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. In situations where the Company has unabsorbed depreciation or carry forward tax losses, all deferred tax assets are recognized only if there is virtual certainty supported by convincing evidence that they can be realized against future taxable profits.

The carrying amount of deferred tax assets are reviewed at each reporting date. The Company writes-down the carrying amount of deferred tax asset to the extent that it is no longer reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which deferred tax asset can be realized. Any such write-down is reversed to the extent that it becomes reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available.

At each reporting date, the Company re-assesses unrecognized deferred tax assets. It recognizes unrecognized deferred tax asset to the extent that it has become reasonably certain or virtually certain, as the case may be, that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Minimum alternate tax (MAT) paid in a year is charged to the statement of profit and loss as current tax. The Company recognizes MAT credit available as an asset only to the extent that there is convincing evidence that the Company will pay normal income tax during the specified period, i.e., the period for which MAT credit is allowed to be carried forward. In the year in which the Company recognizes MAT credit as an asset in accordance with the Guidance Note on Accounting for Credit Available in respect of Minimum Alternative Tax under the Income-tax Act, 1961, the said asset is created by way of credit to the statement of profit and loss and shown as "MAT Credit Entitlement." The Company reviews the "MAT credit entitlement" asset at each reporting date and writes down the asset to the extent the Company does not have convincing evidence that it will pay normal tax during the specified period.

(o) Provision, contingent liabilities and contingent assets

The Company recognizes a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Provisions are reviewed at each Balance Sheet date and adjusted to reflect the current best estimate. If it is no longer probable that an outflow of resources would be required to settle the obligation, the provision is reversed.

Contingent assets are not recognized in the financial statements. However, contingent assets are assessed continually and if it is virtually certain that an inflow of economic benefits will arise, the asset and related income are recognized in the period in which the change occurs.

(p) Earnings per share

Basic earnings per equity share is computed by dividing net profit/ loss attributable to the equity shareholders for the year by the weighted average number of equity shares outstanding for the year. Diluted earnings per share is computed using the weighted average number

of equity shares and also the weighted average number of equity shares that could have been issued on the conversion of all dilutive potential equity shares except where results are anti-dilutive. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been actually issued at the fair value.

(q) Operating Lease

Leases where the lessor effectively retains substantially all the risks and benefits of ownership of the leased asset are classified as operating leases. Operating lease charges are recognized as an expense in the Statement of Profit and Loss on a straight line basis over the lease term.

(r) Cash and cash equivalents

Cash and cash equivalents comprise cash at bank and in hand and short-term fixed deposits/ investments with an original maturity of three month or less.

Notes to Consolidated financial statements for the year ended March 31, 2016

2.1 Share capital

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Authorised share capital		
Equity shares:		
35,000,000 (previous year : 35,000,000) equity shares of ₹10 each	3,500.00	3,500.00
Preference shares:		
1,500,000 (previous year : 1,500,000) preference shares of ₹100 each	1,500.00	1,500.00
	5,000.00	5,000.00
Issued, subscribed and fully paid-up shares		
Equity shares:		
18,366,250 (previous year : 18,366,250) equity shares of ₹10 each fully paid up	1,836.63	1,836.63
Total	1,836.63	1,836.63

(a) Reconciliation of number of shares outstanding at the beginning and at the end of the year (Amounts in ₹ lakhs)

Particulars	As at March 31, 2016		As at March 31, 2015	
	Number of shares	Amount	Number of shares	Amount
Equity shares				
Balance at the beginning of the year	18,366,250	1,836.63	18,366,250	1,836.63
Add: issued during the year	-	-	-	-
Balance as at end of the year	18,366,250	1,836.63	18,366,250	1,836.63

(b) Terms/rights, preferences and restrictions attached to each class of shares

Equity Shares

The Company has only one class of equity shares having par value of ₹10 per share (previous year ₹10 per share). All equity shares are entitled to receive dividends as declared from time to time. The voting rights of an equity shareholder on a poll (not on show of hands) are in proportion to its share of the paid-up equity capital of the Company. Voting rights cannot be exercised in respect of shares on which call or other sums presently payable have not been paid.

(c) Detail of shareholders holding more than 5% of the aggregate shares in the company:

Shareholders	As at March 31, 2016		As at March 31, 2015	
	Number of shares	% age of share holding	Number of shares	% age of share holding
Equity Shares				
Pantec Devices Private Limited	4,497,264	24.49	4,497,264	24.49
India Business Excellence Fund-IIA	3,646,142	19.85	3,646,142	19.85
India Business Excellence Fund-II	2,284,356	12.44	2,284,356	12.44
Pantec Consultant Private Limited	1,453,771	7.92	1,453,771	7.92
Sanjeev Goel(Including shares held in Escrow account)	1,244,464	6.77	1,244,464	6.77

Notes to Consolidated financial statements for the year ended March 31, 2016

2.2 Reserves and surplus

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Securities premium account		
Balance as at the beginning of the year	8,843.84	8,843.84
Add: Premium on issue of equity shares during the year	-	-
Add: Premium on conversion of preference shares during the year	-	-
Balance as at the end of the year	8,843.84	8,843.84
Statutory reserve as per Section 45-IC of the RBI Act, 1934 #		
Balance as at the beginning of the year	1,280.10	1,151.45
Add: Amount transferred during the year	128.60	128.65
Balance as at the end of the year	1,408.70	1,280.10
Surplus in Statement of Profit and Loss		
Opening balance	3,929.61	3,652.10
Add: Profit for the year	540.39	538.45
Less: Adjustment of assignment income relating to earlier years	-	10.42
Less: Accelerated depreciation due to transition provision	-	11.23
Profit available for appropriation	4,470.00	4,168.90
Less: Appropriations		
Proposed equity dividend	-	91.83
Tax on proposed dividend	-	18.81
Transfer to reserve under section 45-IC of the RBI Act, 1934	128.60	128.65
Balance as at the end of the year	4,341.40	3,929.61
Total reserves and surplus	14,593.93	14,053.55

Note 1

Statutory reserve represents the reserve fund created under Section 45-IC of the Reserve Bank of India Act, 1934 (RBI Act). Under Section 45-IC, a company is required to transfer a sum not less than twenty percent of its net profit every year. Accordingly, the Company has transferred ₹128.60 lakhs (previous year ₹128.65 lakhs), being twenty percent of net profits for the financial year to the statutory reserve.

Notes to Consolidated financial statements for the year ended March 31, 2016

2.3 Borrowings

(Amounts in ₹ lakhs)

Particulars	Short term portion		Long term portion	
	As at March 31, 2016	As at March 31, 2015	As at March 31, 2016	As at March 31, 2015
Secured				
Term Loan:				
- from banks	6,818.76	6,183.85	12,795.97	12,727.43
- from other parties	1,070.47	1,232.37	1,671.09	1,148.48
- NCD	2,400.00	714.29	600.71	4,285.71
Unsecured				
Other loans (corporate bodies)	-	194.95	792.80	1,522.29
	10,289.23	8,325.46	15,860.57	19,683.91
Less: Amount shown under other current liabilities (refer to note 2.8)	10,289.23	8,325.46	-	-
Total	-	-	15,860.57	19,683.91

Disclosures with respect to year ended March 31, 2016

(a) Details for maturity and security :

(Amounts in ₹ lakhs)

Particulars	Maturity pattern				Total
	0-1 years	1-2 years	2-3 years	3-5 years	
(i) Secured by hypothecation of loan receivables (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-10 to 48)	5,559.82	5,245.70	3,787.52	3,138.51	17,731.55
for loans taken from other parties# (Remaining installments payable-29 to 37)	860.34	860.33	731.84	53.24	2,505.75
Non Convertible Debentures# (Remaining installments payable-5)	2,400.00	600.71	-	-	3,000.71
(ii) Secured by hypothecation of loan receivables and fixed deposits (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-4 to 29)	1,258.94	540.91	83.33	-	1,883.18
for loans taken from other parties# (Remaining installments payable-8)	200.00	-	-	-	200.00
(iii) Secured by hypothecation of car					
for loans taken from other parties# (Remaining installments payable-38)	10.13	11.22	12.43	2.03	35.81
(iv) Unsecured loans (corporate bodies)##					
	-	654.63	138.17	-	792.80
Total	10,289.23	7,913.50	4,753.29	3,193.78	26,149.80

repayable at the time of maturity along with interest accrued

Notes to Consolidated financial statements for the year ended March 31, 2016

(b) Nature of guarantees for loans taken :

Loans guaranteed by directors, other parties for note (a) (i) & (ii) above

- loan of ₹21,006.90 lakhs secured by personal guarantee of managing director.
- loan of ₹566.81 lakhs secured by personal guarantees of managing director and relative of managing director.
- loan of ₹746.77 lakhs secured by personal guarantee of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (Subsidiary of the Company) .

(c) Rate of interest (range):

Interest rates applicable on above secured loans are ranges between 8.75%- 13.80% per annum

Interest rates applicable on above unsecured loans are ranges between 6.25%- 10% per annum

Disclosures with respect to year ended March 31, 2015

(a) Details for maturity and security :

(Amounts in ₹ lakhs)

Particulars	Maturity pattern				
	0-1 years	1-2 years	2-3 years	3-5 years	Total
(i) Secured by hypothecation of loan receivables (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-6 to 48)	5,416.85	5,049.87	4,281.02	2,705.33	17,453.07
for loans taken from other parties# (Remaining installments payable-7 to 48)	917.84	346.81	346.80	219.10	1,830.55
Non Convertible Debentures# (Remaining installments payable-7)	714.29	1,428.57	1,428.57	1,428.57	5,000.00
(ii) Secured by hypothecation of loan receivables and fixed deposits (also refer to note (b) below)					
for loans taken from banks# (Remaining installments payable-16 to 30)	767.00	558.86	132.33	-	1,458.19
for loans taken from other parties# (Remaining installments payable-20)	300.00	200.00	-	-	500.00
(iii) Secured by hypothecation of car					
for loans taken from other parties# (Remaining installments payable-8 to 50)	14.54	10.13	11.22	14.43	50.32
(iv) Unsecured loans (corporate bodies)###	194.95	522.32	655.15	344.83	1,717.25
Total	8,325.47	8,116.56	6,855.09	4,712.26	28,009.38

repayable on equitable monthly and quarterly installments

repayable at the time of maturity along with interest accrued

(b) Nature of guarantees for loans taken :

Loans guaranteed by directors, other parties for note (a) (i) & (ii) above

- loan of ₹17,825.24 lakhs secured by personal guarantee of managing director.
- loan of ₹1,112.49 lakhs secured by personal guarantees of managing director and relative of managing director.
- loan of ₹1,049.40 lakhs secured by personal guarantee of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (Subsidiary of the Company) .
- loan of ₹683.33 lakhs secured by personal guarantees of managing director, relative of managing director and corporate guarantee of Bubble Infosolutions Private Limited (company in which managing director of the Company is a director).

(c) Rate of interest (range):

Interest rates applicable on above secured loans are ranges between 10.25%- 12.30% per annum

Interest rates applicable on above unsecured loans are ranges between 6.25%- 10% per annum

Notes to Consolidated financial statements for the year ended March 31, 2016

2.4 Other long-term liabilities

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Others		
Collateral amount for cases assigned/ securitised	1,304.76	2,437.43
Interest accrued but not due on unsecured loans	161.04	254.64
Lease equalisation reserve	17.25	13.64
Total	1,483.05	2,705.71

2.5 Long-term provisions

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits:		
Provision for gratuity (refer note 2.25)	2.40	4.37
Provision for Leave encashment	19.33	29.91
Others:		
Provision against standard assets	287.83	305.78
Provision for non-performing assets	1,913.40	2,396.00
Provision for taxation (net of taxes paid)	4.11	204.51
Total	2,227.07	2,940.57

2.6 Short-term borrowings

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Secured		
Loans repayable on demand from banks	13,388.24	11,412.73
Working capital demand loan from banks	9,650.00	11,503.15
Commercial paper from bank	1,000.00	1,000.00
Total	24,038.24	23,915.88

(a) Nature of security

Working Capital facility from banks are secured by

- (i) Primary Security- first pari passu charge on present and future receivables of the Company,
- (ii) Collateral Security-Fixed deposits lien marked to banks and Immovable properties - Belonging to promoter & others .
- (iii) Personal guarantees of managing director and relative of managing director.
- (iv) Corporate guarantee of Bubble infosolution Private Limited (company in which managing director of the Company is a director) and Amulet Technologies Limited (subsidiary of the Company)

(b) Rate of interest (range) :

Interest rates applicable on above loans ranges between 10.80%- 11.80% per annum (previous year 9.25%- 12.75% per annum).

(c) Commercial papers :

These are issued for a period of 349 days and will be repaid on 05 December 2016 (rate of interest -10% per annum).

Notes to Consolidated financial statements for the year ended March 31, 2016

2.7 Trade payables

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Payable to other third parties*	204.94	200.30
Total	204.94	200.30

* The Ministry of Micro, Small and Medium Enterprises has issued an Office Memorandum dated August 26, 2008 which recommends that the Micro and Small Enterprises should mention in their correspondence with its customers the Entrepreneurs Memorandum Number as allocated after filing of the Memorandum. Based on the confirmations received and available with the Company, there are no amounts payable to Micro and Small Enterprises as at March 31, 2016 and March 31, 2015.

2.8 Other current liabilities

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Current maturities of long term debt (also refer to note a,b,c of note 2.3 above)		
Secured		
Term Loans		
- from banks	6,818.76	6,183.85
- from other parties	1,070.47	1,232.36
- from NCD 12.5% - Secured	2,400.00	714.29
Unsecured		
Other loans (corporate bodies)	-	194.95
Interest accrued but not due	58.88	295.95
Interest accrued and due on term loan and WCDL	102.29	130.31
Other payables		
Payable to employees	222.85	184.80
Amount payable for servicing of assigned/ securitised portfolio	66.22	187.58
Payable to customers	1,062.13	606.02
Unclaimed dividend	9.11	9.92
Collateral amount for cases assigned/ securitised by the Company	172.23	127.37
Lease equalisation reserve	2.58	5.98
Other statutory dues payable	53.91	65.48
Other payables	64.93	23.45
Total	12,104.36	9,962.31

2.9 Short-term provisions

(Amounts in ₹ lakhs)

Particulars	As at March 31, 2016	As at March 31, 2015
Provision for employee benefits		
Provision for gratuity	0.86	1.30
Provision for leave encashment	5.23	8.04
Others		
Provision against standard assets	124.33	139.03
Provision for taxation (net of taxes paid)	-	143.65
Proposed dividend - equity	-	91.83
Tax on proposed dividend	-	18.81
Provision for sub standard assets	40.32	119.83
Total	170.74	522.49

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.10 Fixed assets

Particulars	Gross block			Accumulated depreciation			Net block		
	As at April 1, 2015	Additions	Deductions / adjustments #	As at March 31, 2016	As at April 1, 2015	Depreciation/ amortisation	Deductions / adjustments #	As at March 31, 2016	As at March 31, 2015
Tangible assets									
Vehicles	128.94	-	44.65	84.29	43.04	11.86	24.26	53.65	85.92
Office equipment	45.47	3.11	7.37	41.21	12.35	8.89	4.20	24.17	33.11
Data processing equipments	189.33	2.03	15.34	176.02	107.36	37.12	13.26	44.80	81.97
Furniture and fixtures	28.54	2.43	4.23	26.74	10.77	3.10	2.57	15.44	17.77
Leasehold improvements	40.21	-	0.28	39.93	38.40	-	0.26	1.79	1.81
Electric installations	12.88	0.08	2.39	10.57	4.53	1.56	1.20	5.68	8.35
Air conditioners	14.43	0.79	2.43	12.79	5.43	1.93	1.29	6.72	9.00
office equipment - mobile	3.23	0.16	-	3.39	3.22	0.16	-	0.01	0.01
Land	888.81	-	-	888.81	-	-	-	888.81	888.81
Total (Tangible assets)	1,351.85	8.60	76.70	1,283.75	225.11	64.63	47.06	1,041.07	1,126.75
Intangible assets									
Computer software	102.69	38.18	-	140.87	30.94	26.61	-	83.32	71.75
Capital work in progress	76.63	-	-	76.63	-	-	-	76.63	76.63
Total (Intangible assets)	179.32	38.18	-	217.50	30.94	26.61	-	159.95	148.38
Total	1,531.17	46.78	76.70	1,501.25	256.05	91.24	47.06	1,201.02	1,275.13

Note

a) Hypothecated (except land of Rs. 883.99 lakhs and Capital work in progress of Rs. 76.63 lakhs) as security against working capital facility (refer note 2.6)

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Previous year

Particulars	Gross block			As at March 31, 2015	As at April 1, 2014	Accumulated depreciation				Net block			
	As at April 1, 2014	Additions	Deductions			Depreciation/ amortisation	Excess Depreciation due to Transition provision (refer note 'b')	Deductions/ adjustments (refer note 'b')	As at March 31, 2015	As at March 31, 2014	As at March 31, 2015	As at March 31, 2014	
Tangible assets													
Vehicles	82.97	64.34	18.36	128.94	40.57	16.69	0.85	15.08	43.04	85.92	42.40		
Office equipment	24.30	21.17	-	45.47	2.64	9.55	0.20	0.04	12.35	33.11	21.67		
Data processing equipments	120.74	69.73	1.13	189.33	45.28	62.61	-	0.53	107.36	81.97	75.46		
Furniture and fixtures	21.02	7.52	-	28.54	5.20	5.49	0.09	-	10.77	17.77	15.82		
Leasehold improvements	40.21	-	-	40.21	30.22	0.91	7.28	-	38.40	1.81	9.99		
Electric installations	12.17	1.19	0.48	12.88	2.64	1.98	0.03	0.11	4.53	8.35	9.53		
Air conditioners	13.61	0.81	-	14.43	3.30	2.13	-	-	5.43	9.00	10.31		
office equipment - mobile	1.51	1.80	0.08	3.23	1.51	1.71	-	-	3.22	0.01	-		
Land	888.81	-	-	888.81	-	-	-	-	-	888.81	888.81		
Total (Tangible assets)	1,205.34	166.56	20.05	1,351.85	131.35	101.07	8.45	15.76	225.11	1,126.75	1,073.99		
Intangible assets													
Computer software	81.16	21.53	-	102.69	17.67	4.55	8.72	-	30.94	71.75	63.48		
Capital work in progress	76.63	-	-	76.63	-	-	-	-	-	76.63	76.63		
Total (Intangible assets)	157.79	21.53	-	179.32	17.67	4.55	8.72	-	30.94	148.38	140.11		
Total	1,363.13	188.09	20.05	1,531.17	149.02	105.62	17.17	15.76	256.05	1,275.13	1,214.10		

Note

a) Hypothecated (except land of ₹ 883.99 lakhs and Capital work in progress of ₹ 76.63 lakhs) as security against working capital facility (refer note 2.6)

b) As per the transitional provision, the Company has adjusted ₹ 11.23 lakhs (net of deferred tax) in the opening balance of Reserves and Surplus of Profit and Loss Account

Notes to Consolidated financial statements for the year ended March 31, 2016

2.11 Non-Current Investments

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Non-trade investments (valued at cost)		
Unquoted investment in equity shares of subsidiary company		
Unquoted investment in equity shares of associate companies		
89,890 (previous year 89,890) equity shares of ₹ 10 each of Pantec Devices Private Limited	1.16	1.16
Unquoted investment in equity shares of other companies		
31,830 (previous year 31,830) equity shares of ₹ 10 each of Pantec Consultants Private Limited	1.01	1.01
36,390 (previous year 36,390) equity shares of ₹ 10 each of Intec Worldwide Private Limited	0.86	0.86
2,17,500 (previous year 2,17,500) equity shares of ₹ 10 each of Spherical Collection Agency (P) Ltd	1.11	1.11
225,730 (previous year 225,730) equity shares of ₹ 10 each of Intec Share & Stock Brokers Limited	2.26	2.26
34,000 (previous year 34,000) equity shares of ₹ 10 each of FIMA Infotech Private Limited	2.30	2.30
1,76,000 (previous year 1,76,000) equity shares of ₹ 10 each of Spectacle Advisory Solutions Pvt.Ltd	0.44	0.44
Total	9.14	9.14

2.12 Deferred tax assets (Net)

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Deferred tax asset:		
Provision for non-performing assets	676.14	870.68
Provision against standard assets	142.64	153.95
Provision for Gratuity	1.13	1.96
Variable incentive	64.78	56.45
Leave Encashment	8.51	13.13
Others	16.51	23.19
	909.71	1,119.36
Deferred tax liability:		
- Depreciation	17.09	23.06
	17.09	23.06
Net Deferred tax assets		
Total	892.62	1,096.30

Notes to Consolidated financial statements for the year ended March 31, 2016

2.13 Long term loans and advances

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Loans and advances with related parties (Unsecured, considered good)		
- Loan to Amulet Technologies Limited (subsidiary company)		
Other loans and advances		
<u>Loans</u>		
Secured, considered good*	53,228.26	58,589.21
Unsecured, considered good	969.29	708.37
Secured, considered doubtful and substandard assets	9,703.86	5,595.18
Less: collateral money received from borrowers	(20,514.71)	(25,138.28)
	43,386.70	39,754.48
<u>Advances</u>		
Security deposits	58.03	89.77
Unamortised of of LPC of Term loan	82.75	78.28
Prepaid expenses	-	0.27
Total	43,527.48	39,922.80

* Secured by hypothecation of specific assets.

2.14 Other non-current assets (unsecured, considered good)

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Others		
Deposits with maturity over twelve months from balance sheet date	542.98	471.50
Interest accrued but not due on Fixed Deposits	65.80	44.65
Provision for taxation (net of taxes paid)	191.36	-
Interest accrued but not due on unsecured loans #	76.67	64.59
Total	876.81	580.74

includes ₹ Nil lakhs (previous year ₹ 189.73 lakhs) with respect to interest accrued but not due on loans given to subsidiary company.

Notes to Consolidated financial statements for the year ended March 31, 2016

2.15 Cash and bank balances

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Cash and cash equivalents		
Cash on hand	32.56	20.65
Cheques, drafts on hand	6.79	74.37
In Unpaid dividend a/c	9.11	9.92
Balances with banks		
- In current accounts	269.19	3,463.84
	317.65	3,568.78
Other bank balances		
- Deposits with banks (maturity within 12 months from balance sheet date)	1,358.24	1,433.99
- Deposits with banks (maturity over 12 months)	542.98	471.50
Total cash and bank balances	2,218.87	5,474.27
- Less: Deposits with banks (maturity over 12 months)	(542.98)	(471.50)
Total	1,675.89	5,002.77

2.16 Short term loans and advances (unsecured considered good, unless otherwise stated)

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Other loans and advances		
<u>Loans</u>		
Secured, considered good*	24,038.09	26,881.22
Unsecured, considered good	-	659.32
Secured, considered doubtful and substandard assets	134.39	451.48
Less: Collateral Money received from Borrowers	(1,013.51)	(1,279.02)
	23,158.98	26,713.01
<u>Advances</u>		
Security deposits	16.32	-
Advances to employees	6.59	13.65
Prepaid expenses	98.35	99.65
Other advances	48.93	77.19
Unamortised discount on commercial papers & Loan processing charges on term loan	99.59	82.28
Advance to vendors	4.03	32.51
Total	23,432.78	27,018.28

* Secured by hypothecation of specific assets.

2.17 Other current assets (unsecured considered good, unless otherwise stated)

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Interest accrued but not due on loans	816.63	784.42
Other receivables	51.99	9.99
Interest accrued but not due on Fixed Deposits	35.17	100.64
Interest accrued and due on Unsecured loans	-	21.14
Total	903.79	916.19

Notes to Consolidated financial statements for the year ended March 31, 2016

2.18 Revenue from operation

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Interest on loans	11,871.02	11,578.44
Interest on fixed deposit with banks	168.72	213.32
Interest spread on securitisation / assignment	59.20	152.28
Other financial services income		
Loan processing fee	483.32	596.74
Servicing fee on assignment of loans	48.13	74.96
Income on pre-closure of loans	257.32	330.46
Other service fees	137.71	141.24
Total	13,025.42	13,087.44

2.19 Other income

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Miscellaneous income	47.49	71.27
Total	47.49	71.27

2.20 Employee benefit expense

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Salaries and wages	2,175.26	2,200.70
Contribution to provident and other funds	82.06	85.83
Staff welfare expenses	81.31	81.20
Total	2,338.63	2,367.73

2.21 Finance costs

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Interest expense		
Interest on term loan:		
- from banks	2,112.69	2,469.81
- from other parties	381.36	339.82
Interest on Non Convertible Debentures	597.85	200.34
Interest on loans repayable on demand from banks	2,459.58	2,545.37
Interest on other loans (corporate bodies)	104.68	227.47
Interest on collateral money received from borrowers	804.24	1,151.77
Discount on commercial paper	82.35	73.72
Other borrowing cost		
Processing fees and other bank charges	246.72	168.60
Total	6,789.47	7,176.90

Notes to Consolidated financial statements for the year ended March 31, 2016

2.22 Other expenses

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Electricity and water	40.52	35.87
Rent (refer to note 2.24)	229.59	225.32
Legal and professional (Refer to note 2.23)	648.37	561.03
Rates and taxes	97.21	124.93
Collection charges	119.36	73.97
Repair and maintenance - others	67.91	74.81
Staff recruitment and training	15.84	66.06
Communications	66.16	83.46
Travelling and conveyance	145.97	178.11
Business Promotion Expenses	31.99	33.25
Provision and written off		
Provision for standard assets	(32.67)	(23.40)
Provision for substandard and doubtful debts	(562.11)	822.18
Bad debts written off	1,957.47	245.59
	1,362.69	1,044.37
Corporate Social Responsibilities	10.57	2.35
Miscellaneous expenses	125.36	144.33
Total	2,961.54	2,647.86

2.23 Auditor's remuneration (excluding service tax)

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
As auditor		
-Statutory audit	9.11	10.11
-Tax audit	0.75	1.00
-Limited reviews	6.75	6.75
-Other services	4.75	2.00
-Reimbursement of expenses	1.60	2.05
Total	22.96	21.91

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.24 Operating leases

The Company's significant leasing arrangements are in respect of operating leases for premises (commercial premises, offices etc.). The leasing arrangements include non-cancellable leases ranging from 2-4 years and are usually renewable by mutual consent on mutually terms. There are no sub leases.

The aggregate lease rentals payable are charged to Statement of Profit and Loss.

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
Lease payments recognized in the Statement of Profit and Loss	229.59	225.32

Non-cancellable operating lease rentals payable (minimum lease payments) under these leases are as follow:-

Particulars	(Amounts in ₹ lakhs)	
	March 31, 2016	March 31, 2015
Payable within one year	16.99	49.54
Payable between one and five years	5.97	21.90
Payable after five years	-	-
Total	22.96	71.44

2.25 Disclosure with respect to Accounting Standard (AS)-15 (Revised) Employee Benefits:

Defined benefit plan (Gratuity):

The Company operates gratuity plan wherein every employee is entitled to the benefit equivalent to 15 days (for a month of 26 days) of total basic salary last drawn for each completed year of service. Gratuity is payable to all eligible employees of the Company on retirement, separation, death or permanent disablement, in terms of the provisions of the Payment of Gratuity Act, 1972, except that there is no limit on payment of gratuity.

The Company had carried out an actuarial valuation in accordance with AS-15 (Revised) "Employee Benefits" during the year ended March 31, 2016. Disclosures with respect to changes in defined benefit obligation, funded status, expense for the year with respect to year ended March 31, 2016 are made based on the report received from LIC.

The following table sets out the status of the gratuity plan as required under AS-15 (Revised):

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
A) Reconciliation of benefit obligations and plan assets		
Opening defined benefit obligation	65.84	49.63
Current service cost	21.07	22.54
Interest cost	5.13	4.51
Actuarial losses/ (gains)	(17.02)	(9.47)
Benefits paid	(6.60)	(1.37)
Settlement loss/ (gain)	-	-
Closing defined benefit obligation	68.42	65.84
Change in the fair value of plan assets		
Opening fair value of plan assets	60.17	49.01
Expected return on plan assets	5.24	4.28
Actuarial gains/ (losses)	(1.51)	(0.47)
Contributions paid by employer	7.86	8.72
Benefits paid	(6.60)	(1.37)
Closing fair value of plan assets	65.16	60.17

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Particulars	(Amounts in ₹ lakhs)	
	For the year ended March 31, 2016	For the year ended March 31, 2015
B) Reconciliation of present value of the obligations and the fair value of the plan assets		
Present value of funded obligations	68.42	65.84
Fair value of plan assets	65.16	60.17
Net asset/ (liability) to be recognized in Balance Sheet	(3.26)	(5.67)
C) Gratuity cost for the year:		
Current service cost	21.07	22.54
Interest cost	5.13	4.51
Expected return/ (loss) on plan assets	(5.24)	(4.28)
Settlement loss/ (gain)	-	-
Net actuarial losses/ (gain) recognized in year	(15.51)	(9.00)
Prior period charge for current cost	-	-
Net gratuity cost/ (income) to be recognized in Statement of Profit and Loss	5.45	13.77

Experience adjustments:

Particulars	(Amounts in ₹ lakhs)		
	March 31, 2016	March 31, 2015	March 31, 2014
Experience gain/ (loss) adjustments on plan liabilities	16.28	15.37	16.39
Experience gain/ (loss) adjustments on plan assets	(1.51)	(0.47)	0.54

Investment details of the plan assets

100% of the plan assets are with the Insurer Managed funds.

Assumptions	March 31, 2016	March 31, 2015
Discount rate	7.90%	7.80%
Expected rate of return on plan assets	8.51%	8.71%
Salary escalation rate	10.00%	10.00%

Economic assumptions

The principal assumptions are the discount rate and salary increase. The discount rate is based upon the market yields available on Government bonds at the accounting date with a term that matches that of the Liabilities and the salary increase takes account of inflation, seniority, promotion and other relevant factors on long term basis.

Demographic assumptions

Particulars	March 31, 2016		March 31, 2015	
(1) Retirement Age	60 years		60 years	
(2) Mortality: - Published rates under the LIC (2006-08) mortality tables.				
(3) Leaving service	Uniform Management		Uniform Management	
	Ages	Withdrawal Rate	Ages	Withdrawal Rate
	20-29 years	7.5%	20-29 years	7.5%
	30-40 years	7.5%	30-40 years	7.5%
	41-60 years	7.5%	41-60 years	7.5%

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.26 Contingent liabilities

- (i) **Corporate guarantee:** Amulet Technologies Limited has given corporate guarantee of ₹40,746.77 Lakh (Previous Year: ₹41,049 lakhs) to various banks for availing term loans and working capital loans.
- (ii) **Bank Guarantee:** The Company has liened Fixed Deposits of ₹1,574.06 lakhs (Previous Year : ₹1,576.49 lakhs) to various banks for availing term loans, Credit Delivery Arrangement and working capital loans.
- (iii) **Bank Guarantee to Sales Tax:** The Company has given bank guarantee of Nil (Previous Year : ₹2.00 lakhs) to Sales Tax Department.
- (iv) **Collateral given for assignment/securitization transactions:** The cash collateral as at March 31, 2016 amounts to ₹326.96 lakhs (Previous Year: ₹326.96 lakhs, equivalent to 8% of pool provided) given by the Company for covering shortfalls in the recovery of installments in the pool. The deal was executed with IDBI Bank Ltd. for an amount of ₹4,086.99 lakhs.
- (v) The Company's pending litigations comprise of claims against the Company primarily by the customers. The Company has reviewed all its pending litigations and proceedings and has adequately provided for where provisions are required and disclosed the contingent liabilities where applicable, in its financial statements. The Company does not expect the outcome of these proceedings to have a material adverse effect on its financial statements of the Company as at March 31, 2016.
- (vi) Loan pending disbursement amounting to ₹809.12 Lakhs (Previous Year: ₹2,337.82 Lakhs).

2.27 Segment Reporting:

Since the Company's business activity falls within single primary/ secondary business segment viz., loan and financing in India, no disclosure is required to be given as per Accounting Standard (AS) – 17 "Segment Reporting" as notified under Section 133 of the Companies Act, 2013 ('the Act') read together with paragraph 7 of the Companies (Accounts) Rules, 2014.

2.28 Related Parties under AS-18 with whom transactions have taken place during the year.

- a) **Key Management Personnel**
 - Sanjeev Goel (Managing Director)
 - Ritika Goel (Director)
 - Y. L. Madan (Director)
 - Dhruv Prakash (Director)
- b) **Relative of Key Management personal**
 - Pranav Goel
- c) **Enterprises over which key Management Personnel exercises significant influence**
 - Bubble Infosolutions Private Limited
- d) **Enterprises over which relative of key management exercises significant influence**
 - Intec Infonet Private Limited
 - AG8 venture limited (w.e.f. August 18, 2015)
 - Infrastructure Advisors Private Limited
 - Lakshmi Precision Screws Limited (upto March 31, 2015)
- e) **Investing party in respect of which the reporting enterprise is an associate**
 - Pantec Devices Private Limited

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

Transactions with Related Parties

Nature of Transaction	Subsidiary Company		Investing Company		Key Management Personnel		Relative of Key Management		Enterprises over which key Management Personnel exercises significant influence		Enterprise over which relative of key management personnel having significant influence	
	Year ended March 31		Year ended March 31		Year ended March 31		Year ended March 31		Year ended March 31		Year ended March 31	
	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015
Remuneration												
Sanjeev Goel	-	-	-	-	122.00	100.00	-	-	-	-	-	-
Interest on loans												
- AG8 Ventures Limited	-	-	-	-	-	-	-	-	28.73	-	-	-
- Pantec Devices Private Limited	-	-	2.25	2.25	-	-	-	-	-	-	-	-
- Lakshmi Precision Screws Limited	-	-	-	-	-	-	-	-	-	70.53	-	-
Loan Given												
- Lakshmi Precision Screws Limited	-	-	-	-	-	-	-	-	-	136.05	-	-
Loan Repaid												
- AG8 Venture limited	-	-	-	-	-	-	-	-	24.60	-	-	-
- Lakshmi Precision Screws Limited	-	-	-	-	-	-	-	-	-	143.78	-	-
Purchase of Assets												
- Intec Infonet Private Limited	-	-	-	-	-	-	-	-	-	-	4.69	44.86
Maintenance charges paid												
- Intec Infonet Private Limited	-	-	-	-	-	-	-	-	-	-	3.48	3.73
Advisory Fees												
- Infrastructure Advisors Private Limited	-	-	-	-	-	-	-	-	24.20	66.62	-	-
Retainer ship Fees												
- Y.L. Madan	-	-	-	-	6.00	4.00	-	-	-	-	-	-
- Dhruv Prakash	-	-	-	-	6.00	10.00	-	-	-	-	-	-
Salary												
- Pranav Goel	-	-	-	-	-	-	3.20	-	-	-	-	-

Year end balances

Particulars	(Amounts in ₹ lakhs)	
	As at March 31, 2016	As at March 31, 2015
Payables		
Intec Infonet Private Limited	-	0.62
Infrastructure Advisors Private Limited	1.00	3.07
Receivables		
AG8 Venture Limited	259.34	-
Pantec Devices Private Limited	35.37	33.34
Lakshmi Precision Screws Limited	-	455.05
Key management personnel		
Sanjeev Goel (Payable/(Receivable))	(8.00)	(8.33)
Y.L. Madan (Payable/(Receivable))	0.50	-

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.29 Note for managerial remuneration

During the year ended March 31, 2016, the Company has paid managerial remuneration over and above the amount mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013, by ₹74.47 lakhs as at March 31, 2016. The Company will seek approval from the shareholders for the managerial remuneration paid in excess by ₹66.17 lakhs and balance ₹8.00 lakhs will be received back from director. Till such approval is obtained from shareholders, the amount is held in trust for the company. Pending receipt of approval, no adjustments are considered necessary in the financial statements.

2.30

The Company has constituted a CSR committee as required under Section 135 of the Act, together with relevant rules as prescribed in Companies (Corporate Social Responsibility Policy) Rules, 2014 ('CSR rules'). The CSR Committee of the Board of Directors had approved the CSR Policy and also identified the broad areas of CSR activities which it propose to carry out viz. Child Education and Women Empowerment. During the year under review, the Company made serious deliberations and chose the CSR programs which would be undertaken on a long term and continuous basis. Such programs will benefit communities where the Company operates or likely to operate and create goodwill for the Company.

Details of CSR Expenditure:

(i) Gross amount required to be spent by the Company during the year is ₹37.82 lakhs (Previous year: ₹40.82 lakhs)

(ii) Amount spent during the year on :

Amount spent during the year on	(Amounts in ₹ lakhs)					
	March 31, 2016			March 31, 2015		
	In Cash	Yet to be paid	Total	In Cash	Yet to be paid	Total
i) Construction/acquisition of any asset	-	-	-	-	-	-
ii) On purposes other than (i) above	10.57	-	10.57	2.35	-	2.35
Total	10.57	-	10.57	2.35	-	2.35

2.31 Earnings Per Share(EPS)

Particulars	(Amounts in ₹ lakhs)	
	March 31, 2016	March 31, 2015
Profit after tax as per the statement of Profit and Loss	540.39	538.45
Less: Dividends on preference shares and tax thereon	0.00	0.00
Net profit attributable to equity shareholders for calculation of basic EPS	540.39	538.45
Opening balance of equity shares	18,366,250	18,366,250
Add: Issued/ converted during the year:		
Closing balance of equity shares	18,366,250	18,366,250
Nominal value of equity share (₹)	10.00	10.00
Weighted average number of equity shares outstanding during the period for calculation of basic EPS	18,366,250	18,366,250
Effect of diluted potential equity shares	-	-
Weighted average number of equity shares for calculation of diluted EPS	18,366,250	18,366,250
Basic earnings per share (₹)	2.94	2.93
Diluted potential equity shares (₹)	2.94	2.93

Notes to Consolidated financial statements for the year ended March 31, 2016

(All amounts in Indian Rupees (₹) in lakhs, unless otherwise stated)

2.32

At the year end, the Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

2.33

There is no unhedged foreign currency exposure during the year.

2.34

Figures for previous year have been regrouped and/or reclassified wherever considered necessary, to conform to current year's classification.

As per our report of even date attached

For **S. R. Batliboi & Associates LLP**
Chartered Accountants
ICAI Firm registration number: 101049W/E300004

Amit Kabra
Partner
Membership No.: 094533

Place: New Delhi
Date: May 25, 2016

For and on behalf of the Board of Directors of
Intec Capital Limited

Sanjeev Goel
Managing Director
DIN:00028702

Puneet Sehgal
Company Secretary

Place: New Delhi
Date: May 25, 2016

S.K. Goel
Director
DIN:00963735

Sudhindra Sharma
Chief Financial Officer

Place: New Delhi
Date: May 25, 2016

Dear Member,

Invitation to attend the 22nd Annual General Meeting (AGM)

You are cordially invited to attend the 22nd Annual General Meeting of the Members of the Company to be held on Saturday 24th September 2016 at 11: 15 AM at Bipin Chandra Pal Auditorium, A-81, Chittranjan Park, New Delhi-110 019, India.

The Notice of the Meeting containing the business to be transacted is enclosed herewith as per Section 108 of the Companies Act, 2013 read with the related rules and regulations 44 of SEBI (Listing Obligations and disclosure Requirements) Regulations, 2015, The Company is pleased to provide its members to cast their vote by electronic means on all resolutions set forth in the Notice. The instructions for E-voting are enclosed herewith.

Yours truly

For Intec Capital Limited

Puneet Sehgal

Company Secretary

Enclosures

1. Notice of 22nd Annual General Meeting (AGM)
2. Instructions for e-voting
3. Proxy Form
4. Attendance Slip

Route map of AGM Venue





CIN – L74899DL1994PLC057410

Regd. Office: 701, Manjusha, 57 Nehru Place, New Delhi-110019

www.inteccapital.com | complianceofficer@inteccapital.com

NOTICE OF 22nd ANNUAL GENERAL MEETING

NOTICE IS HEREBY GIVEN THAT 22ND ANNUAL GENERAL MEETING OF MEMBERS OF INTEC CAPITAL LIMITED WILL BE HELD ON SATURDAY, 24TH SEPTEMBER 2016 AT 11: 15 AM AT B.C. PAL MEMORIAL, A-81, CHITTRANJAN PARK, NEW DELHI-110 019 TO TRANSACT THE FOLLOWING BUSINESS: -

ORDINARY BUSINESS

Item no. 1 – Adoption of financial statements

To consider and adopt the audited financial statements (including the consolidated financial statements) of the Company for the financial year ended 31st March, 2016 and the reports of the Board of Directors and Auditors thereon.

Item no. 2 – Declaration of dividend

To declare Final Equity Dividend at the rate of ₹ 0.25 per Equity Share (2.5 % of face Value of share of ₹ 10/- each) on the paid-up Equity Share Capital for the Financial Year ended 31st March, 2016

Item no. 3 – Appointment of Director

To appoint a director in place of Mrs. Ritika Goel (DIN 00053387), Non-Executive Non-Independent Woman Director who retires by rotation and being eligible, offers herself for re-appointment.

Item no. 4 – Re-appointment of Statutory Auditors

To re-appoint Auditors and to hold office for first block of five (5) years from conclusion of 22nd Annual General Meeting until conclusion of 27th Annual General Meeting and to fix remuneration and to pass following ordinary resolution thereof.

“RESOLVED THAT Pursuant to section 139, 142 and other applicable provisions of the Companies Act, 2013 read with rules made thereunder and pursuant to recommendation of Audit Committee of the Board and pursuant to recommendation of the Board of Directors, the approval of members of the company be and is hereby accorded for the re-appointment of S.R. Batliboi & Associates LLP (LLP Identity No. LLP Identity No.AAB-4295), Chartered Accountants (Firm No. FRN 101049W / E300004), as Statutory Auditors of the Company for a first block of five (5) years to hold office from the conclusion of 22nd Annual General Meeting scheduled to be held in Calendar Year 2016 till conclusion of 27th Annual General Meeting scheduled to be held in Calendar Year 2021 (subject to ratification of their

appointment by members at every Annual General Meeting) for conducting the Annual Statutory Audit for the respective Financial Years viz. starting from Financial Year 2016-2017 till Financial Year 2020-2021 and that Board of Directors be and is hereby authorized or to delegate this to Mr. Sanjeev Goel, Managing Director to fix such remuneration payable to them as may be determined by the Audit Committee in consultation with Auditors and that such remuneration may be paid on progressive billing basis to be agreed between Auditors and Board of Directors or delegated person viz. Mr. Sanjeev Goel, Managing Director.

SPECIAL BUSINESS

Item no. 5 – To ratify the excess Remuneration already paid to Mr. Sanjeev Goel, Managing Director of the Company during the Financial Year 2015-16.

To ratify the excess Remuneration already paid to Mr. Sanjeev Goel, Managing Director of the Company during the Financial Year 2015-16 which is in excess of 5% limits but within the overall limits of 11% as prescribed in 1st Proviso of Section 197 (1) read with other applicable provisions of the Companies Act 2013 read with rules made thereunder.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT

1. Pursuant to the provisions of Section 197 & 198 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such permissions, consents and approvals from various authorities as may be required and subject to such conditions, if any, that may be imposed by any authority while granting their permissions, on recommendation of Nomination and Remuneration Committee (NRC) and subsequently on approval of the Board of Directors, the members approval be and is hereby accorded for payment of excess Remuneration to Mr. Sanjeev Goel, Managing Director by ₹ 66.17 Lacs (i.e.

₹ 122.00 Lacs minus ₹ 55.83 Lacs), which exceeds the limits of 5% (₹ 55.83 Lacs) of net adjusted profit amounting ₹ 1,116.50 Lacs as prescribed in second proviso of Section 197 of the Companies Act, 2013 but within the limits of ₹ 150 Lacs per annum as fixed by the shareholders on 8th May 2015 vide Postal Ballot Notice dated 2nd April 2015 and is 10.93 % of net adjusted profit amounting ₹ 1116.50 Lacs which is within the overall limits of 11% as prescribed in first proviso of Section 197(1) of the Companies Act, 2013 read with rules made thereunder.

2. Any of the Directors of the Company and Company Secretary of the company, be and are hereby singly and/or jointly authorized to sign necessary forms and returns as may be necessary / required to be filed with The Registrar of Companies, NCT of Delhi and Haryana and to do all such acts, deed and things as may be deemed necessary to give effect to the foregoing resolution.”

Item no. 6 – Approve the Remuneration to Mr. Sanjeev Goel, Managing Director for three (3) Financial Years i.e. from Financial 2016 – 2017, 2017 – 2018 and 2018 – 2019

To consider and approve the Remuneration Payable to Mr. Sanjeev Goel, Managing Director of the Company for three (3) Financial Year i.e. Financial Year 2016 – 17, 2017 – 18 and 2018 – 19 as per limits as prescribed in section 197 of Companies Act 2013 or wherever applicable shall be within the limits as prescribed in Schedule-V of the Companies Act, 2013, by superseding all earlier resolutions passed by Shareholders or wherever limits of 11% is crossed or limits of schedule-V is crossed then subject to the approval of Central Government in conformity with Companies Act, 2013 provided maximum remuneration payable is ₹ 150 Lacs per annum including salary, all allowances and perquisites but does not include the sitting fees and other reimbursements.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT

1. Superseding all earlier resolution, pursuant to the provisions of Section 197 & 198 of the Companies Act, 2013 read with Schedule V and other applicable provisions, if any of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such permissions, consents and approvals from various authorities as may be required and subject to such conditions, if any, that may be imposed by any authority while granting their permissions, superseding all earlier resolutions, on recommendation of Nomination and

Remuneration Committee (NRC) and approval of the Board, the Approval of the Members be and is hereby accorded for payment of Remuneration to Mr. Sanjeev Goel, Managing Director for the three (3) Financial Years i.e. for Financial Year 2016 – 2017, 2017 – 2018 and 2018 – 2019 to the extent of 5% of Net Adjusted Profit subject to maximum of ₹ 150 Lacs per annum including salary, all allowances and perquisites but does not include the sitting fees and other reimbursements and while paying such remuneration it may exceeds the limits of 5% of Net Adjusted Profit as at end of respective Financial Year as prescribed in second proviso of Section 197 of the Companies Act, 2013 and shall be within the limits of 11% of Net Adjusted Profit for that respective financial year however it shall also be within the limits as fixed by the shareholders in ensuing 22nd Annual General Meeting and wherever Schedule – V is applicable it shall be within the limits as prescribed in Schedule – V of the Companies Act, 2013 based on Effective Capital as at the beginning of respective Financial Year. If the salary so payable exceeds the 11% limits as prescribed in Section 197 or limits as prescribed in schedule-V wherever applicable, then the same will be subject to such necessary approvals, permission as may be required including prior approval of Central Government or approval of Central Government for waiver of recovery of excess remuneration paid to Mr. Sanjeev Goel, Managing Director for that respective Financial Year.

2. Any of the Directors of the Company and Company Secretary of the company, be and are hereby singly and/or jointly authorized to sign necessary forms and returns as may be necessary / required to be filed with The Registrar of Companies, NCT of Delhi and Haryana and to do all such acts, deed and things as may be deemed necessary to give effect to the foregoing resolution.”

Item no. 7 – Register of Members and index of Members at place other than Registered Office of the Company

To consider, approve and supersede all earlier resolutions, subject to approval of shareholder, related to register of Members and Index of Members to be kept at place other than Registered Office of the Company in terms of applicable section of the Companies Act, 2013.

To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED THAT

1. Superseding all earlier resolution, pursuant to the provisions of Section 94(1) and other applicable provisions of the Companies Act, 2013 read with rule 5 (2) of the Companies (Management and Administration) Rules, 2014, approval

of the members be and is hereby accorded to maintain and keep the Company's registers of Members and Index of Members required to be maintained under Section 88 of the Companies Act, 2013 at the office of Company's Registrar and Share Transfer Agent, viz., M/s. Beetal Financial and Computer Services Private Limited, Beetal House, 3rd Floor, Near Dada Harsukhdas Marg, Madangir, New Delhi-110062 instead of being kept and maintained at the Registered Office of the Company and further authorized Mr. Sanjeev Goel, Managing Director to keep maintain the Company's registers of Members and Index of Members required to be maintained under Section 88 of the Companies Act, 2013 at the such other office or at office of Company's Registrar and Share Transfer Agent as decided from time to time.

2. Any Director and or Mr. Puneet Sehgal Company Secretary of the Company be and are hereby jointly or severally

authorized to take such steps and to do all such acts, deeds, matters and things as may be required to give effect to the foregoing resolution and to provide certified true copy of the resolution be provided, whenever required and file necessary forms with competent Authority.

Registered Office:
701, Manjusha Building 57,
Nehru Place,
New Delhi-110019
CIN:L74899DL1994PLC057410

By order of Board of Directors
For Intec Capital Limited

Puneet Sehgal
Company Secretary
Membership No: ACS12557

Place: New Delhi
Date: 26th August 2016

Explanatory Statement Pursuant to Section 102 of The Companies ACT, 2013:

Explanatory Statement to Item No. 5 & 6

Mr. Sanjeev Goel was re-appointed as Managing Director of the Company by shareholders by way of postal ballot on 8th May 2015 vide postal ballot dated 2nd April 2015 for a period of 5 years starting from 1st April, 2010 and ending on 31st March, 2015.

Your Director is desirous that his valuable services may be continued to be utilized for the benefit of the Company. Mr. Goel is a Chartered Accountant and holds a Master's Degree in International Finance from the University of IOWA. The profile of Mr. Goel is available at company website viz. www.inteccapital.com

Mr. Sanjeev Goel is a founder and Promoter Director and is actively associated with the development of the Company from its inception. The shareholder of the company on 8th May 2015 by way of Postal Ballot Notice dated 2nd April, 2015 had already approved the remuneration of Mr. Sanjeev Goel Managing Director as ₹ 150 Lacs per Annum under the companies Act 2013 for three (3) the Financial Years viz. 2015 – 16, 2016 – 2017 and 2017 – 2018.

Now company has asked the approval of shareholders for ratification of excess remuneration paid during the financial year 2015 – 16 and proposed remuneration in three (3) the Financial Years viz. 2016 – 17, 2017 – 2018 and 2018 – 2019 by superseding its earlier resolution of members passed on 8th May 2015.

Accordingly, necessary information is as follows:

The information as required under Schedule V to the Companies Act, 2013 is as under:-

I. GENERAL INFORMATION:

1. Nature of Industry: Providing Financial Services
2. Date of commencement of commercial operation: The Company was incorporated on 15th February, 1994 as Intec Securities Private Limited
3. In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus: Not Applicable
4. Financial Performance: (₹ in Lacs)

S. N.	Particulars	2015-2016	2014-15
1	Total Income	13172.59	13802.27
2	Total Expenditure	12177.93	12836.85
3	Profit/(Loss) before Tax	994.66	965.42
4	Profit/(Loss) after Tax	643.02	643.24

Now company has asked the approval of shareholders for ratification of excess remuneration paid during the financial year 2015 – 16 and proposed remuneration in three (3) the Financial Years viz. 2016 – 17, 2017 - 2018 and 2018 - 2019 by superseding its earlier resolution of members passed on 8th May 2015.

II. INFORMATION ABOUT THE APPOINTEE:

1. Background Details: Mr. Sanjeev Goel, aged 51 years, is a Fellow member of Institute of Chartered Accountants of India and has done MBA from University of IOWA (USA). He has total work experience of 22 years in the financial sector.
2. Past remuneration: Mr. Sanjeev Goel has drawn ₹ 122 Lacs per annum (Rupees One Hundred Twenty Two Lacs only) per annum during the financial year ended 31st March, 2016 and ₹ 100 Lacs per annum (One Hundred Lacs Only) per annum during the financial year 31st March, 2015 comprising of salary, allowances, monetary value of perquisites.
3. Job profile and his suitability, recognition or awards: Mr. Sanjeev Goel is Chartered Accountant by qualification and is contributing and advising on the corporate, legal and financial affairs of the Company. He plays a vital role in the management and administration of the affairs of the Company. Under his superior efforts and pragmatic leadership the Company has progressed steadily.
4. Remuneration Proposed: The proposed remuneration is ₹ 150 Lacs (One Hundred fifty Lacs Only) per annum (same is set out in the Special Resolution in the Notice of this ensuing Annual General Meeting).
5. Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w.r.t. the country of his origin): Taking into consideration the size of the Company, the profile of Mr. Sanjeev Goel and the responsibilities shouldered by him, the aforesaid remuneration package is commensurate with the remuneration packages paid to managerial position in other Companies.
6. Pecuniary relationship directly or indirectly with the company, or relationship with managerial personnel, if any: Besides, the remuneration proposed, Mr. Sanjeev Goel does not have any other pecuniary relationship either with the Company or with its Managerial Personnel.

III. Oher Information

1. Reasons of loss or inadequate profits: There is no loss or inadequate profit during Financial year ended 31st March 2016.
2. Steps taken or proposed to be taken for improvement: NA

3. Expected increase in productivity and profits in measurable terms: With political clarity emerging, the business and customer confidence are expected to improve in the coming financial year, geared with a streamlined organizational design, the company intends to grow its retail business.

IV. DISCLOSURE:

1. The disclosure on remuneration package payable to the Managing Director contained in the above Notice.
2. The Additional information is given in Corporate Governance report

On the recommendation of the Nomination Committee, the Board of Directors in its meeting held on 12th August 2016 had approved / ratified the remuneration paid to Mr. Sanjeev Goel as Managing Director during financial year 2015-16 in excess of limits of 5% but within the limits of 11% i.e. ₹ 122 Lacs per annum representing 10.93% of net adjusted profit amounting ₹ 1116.65 Lacs as set out in the special resolution of this ensuing Annual General Meeting for the approval / ratification of shareholders.

On the recommendation of the Nomination Committee, the Board of Directors in its meeting held on 12th August 2016 had approved the remuneration payable to Mr. Sanjeev Goel, Managing Director for the three (3) financial year's viz. Financial Year 2016 – 17, 2017 – 2018 and 2018 – 2019 for the maximum amount of ₹ 150 Lacs per annum (One Hindered Fifty Lacs) as set out in the special resolution of this ensuing Annual General Meeting for the approval of shareholders subject to Central Government Approval, wherever applicable.

The Board is of the opinion that remuneration to Mr. Sanjeev Goel, Managing Director Aged 51 years is properly justified, considering his contributions in the growth of the Company as explained above, and in terms of the Provisions of the Companies Act, 2013 a special resolution for his appointment is proposed. In his capacity as Managing Director, Mr. Goel is managing the day to day business and financial operations of the Company with the purpose of increasing shareholder value ; manage the efficient operations of the Company and coordinate effective interaction between the Company's various structural divisions and departments, ensuring the proper development and improvement of their performance; work to improve the Company's performance; growth of sales and profit, quality and competitiveness of the Company's product, product compliance with world standards, growth of domestic (and world) market share; and satisfying customer demands; or such other roles and responsibilities as may be assigned to him by the Board from time to time.

This statement may also be regarded as a disclosure under SEBI (LODR), 2015 of the Listing Agreement with the Stock Exchanges.

The Shareholding details of Mr. Sanjeev Goel, Managing Director as on 31st March, 2016:

Name of shareholder	No. of shares held	%age of shares held
Sanjeev Goel	644464	3.51
(Escrow account)- India Business Excellence Fund-II	600000	3.27

The Board of Directors recommends the passing of the Special Resolutions contained in Item no.5 of the accompanying Notice for the approval by Shareholders.

None of the Directors / KMP's of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution except Mr. Sanjeev Goel Managing Director and Mrs. Ritika Goel, Non-executive Non-Independent Woman Director who happens to be wife of Mr. Sanjeev Goel. Both being interested director cannot chair the meeting for this business transaction.

The above explanatory statement (together with Annexure thereto) shall be construed to be memorandum setting out the terms of the appointment/re-appointment as specified under Section 190 of the Companies Act, 2013.

Explanatory Statement to Item No. 7

Under section 92 and other applicable provisions of the Companies Act 2013, documents such as register of Members, Index of members shall be kept at the registered office of the Company unless special resolution is passed by shareholders

authorizing to keep the aforesaid register within same city, place and town in which registered office is located or 1/10 of members entered in the register of members reside in that place.

In the interest of operational and administrative ease, it is proposed to maintain the register of members at the company's Registrar and Share Transfer Agent viz. M/s. Beetal Financial and Computer Services Private Limited, Beetal House, 3rd Floor, Near Dada Harsukhdas Marg, Madangir, New Delhi-110062 instead of being kept and maintained at the Registered Office of the Company.

It is further proposed that Mr. Sanjeev Goel, Managing Director to keep maintain and the Company's registers of Members required to be maintained under Section 88 of the Companies Act, 2013 at the such other office or at office of Company's Registrar and Share Transfer Agent as decided from time to time.

Approvals of the Members are required under section 94 of the Companies Act, 2013 to effect the change in the place at which Register of Members and Index of Members are to be kept.

The Board of Directors recommends the passing of the Special Resolutions contained in Item no.5 of the accompanying Notice for the approval by Shareholders.

None of the Directors / KMP's of the Company / their relatives is, in any way, concerned or interested, financially or otherwise, in this resolution except Mr. Sanjeev Goel Managing Director and Mrs. Ritika Goel, Non-executive Non-Independent Woman Director who happens to be wife of Mr. Sanjeev Goel. Both being interested director cannot chair the meeting for this business transaction.

Notes

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE AGM IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE IN THE MEETING INSTEAD OF HIMSELF / HERSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of not exceeding 50 members and holding in aggregate not more than 10% of the total share capital of the Company.
2. Corporate members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution to the Company, authorizing their representative to attend and vote on their behalf at the meeting.
3. The instrument appointing the proxy, duly completed, must be deposited at the Company's registered office not less than 48 hours before the commencement of the meeting (on or before 22nd September, 2016, 3:00 p.m. IST). A proxy form for the AGM is enclosed.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.

5. Members / proxies / authorized representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
6. The Register of Directors and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
7. The Register of Contracts or Arrangements in which the directors are interested, maintained under Section 189 of the Companies Act, 2013, will be available for inspection by the members at the AGM.
8. The Register of Members and Share Transfer Books will remain closed on 23rd September, 2016 to 24th September, 2016 for the purpose of payment of the final dividend for the financial year ended 31st March, 2016 and the AGM.
9. Subject to the provisions of the Companies Act, 2013, dividend as recommended by the Board of Directors, if declared at the meeting, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on 24th September, 2016. The final dividend is ₹.0.25 per equity share.
10. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updates of savings bank account details to their respective Depository Participant(s). Members are encouraged to utilize the Electronic Clearing System (ECS) for receiving dividends.
11. Members are requested to address all correspondence, including dividend-related correspondence, to the Registrar and Share Transfer Agents, Beetal Financial and Computer Services Private limited, Beetal House, 3rd Floor, Madangir, Near Dada Harsukhdas Mandir, New Delhi-110019.
12. Members wishing to claim dividends, which has remained unclaimed, are requested to correspond with Registrar and Share Transfer Agents, Company Secretary, at the Company's registered office. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend Account, will, as per Section 205A of the Companies Act, 1956 (Section 124 of the Companies Act, 2013), be transferred to the Investor Education and Protection Fund.
13. With a view to using natural resources responsibly, we request shareholders to update their email address with their Depository Participants to enable the Company to send communications electronically.
14. In compliance with Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment, Rules 2015, and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company has provided a facility to the members to exercise their votes electronically through the electronic voting service facility arranged by Central Depository Services Limited. The facility for voting through ballot paper will also be made available at the AGM and members attending the AGM, who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper. Members who have cast their votes by remote e-voting prior to the AGM may attend the AGM but shall not be entitled to cast their votes again. The instructions for e-voting are annexed to the Notice.
15. The Annual Report 2015-16, the Notice of the 22nd AGM and instructions for e-voting, along with the Attendance slip and Proxy form, are being sent by electronic mode to all members whose email addresses are registered with the Company Depository Participant(s), unless a member has requested for a physical copy of the documents. For members who have not registered their email addresses, physical copies of the documents are being sent by the permitted mode.
16. Members may also note that the Notice of the 22nd AGM and the Intec Capital Limited Annual Report 2015-16 will be available on the Company's website: www.inteccapital.com. The physical copies of the documents will also be available at the Company's registered office for inspection during normal business hours on working days i.e. 11.00 a.m. to 2.00 p.m. Members who require communication in physical form in addition to E-communication, or have any other queries, may write to us at: complianceofficer@inteccapital.com
17. Additional information, pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the directors seeking appointment / re-appointment at the AGM, is furnished as annexure to the Notice. The directors have furnished consent / declaration for their appointment / re-appointment as required under the Companies Act, 2013 and the Rules thereunder.
18. The Securities and Exchange Board of India (SEBI) has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository

Participant(s). Members holding shares in physical form are required to submit their PAN details to the Registrar and Share Transfer Agents, Beetal Financial and Computer Services Private limited, Beetal House, 3rd Floor, Madangir, Near Dada Harsukhdas Mandir, New Delhi-110019.

19. All documents referred to in the Notice will be available for inspection at the Company's registered office during normal business hours on working days (i.e. 11.00 a.m-2.00 p.m) up to the date of the AGM.

20. INSTRUCTIONS FOR ELECTRONIC VOTING

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on "Shareholders" tab.
- iii. Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

- iv. Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form

PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details#	Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
	<ul style="list-style-type: none"> • Please enter the DOB or Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the Intec Capital Limited on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- xiv. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- xv. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com.in> and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.

- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

xviii. The E-voting facility shall be available at the link www.evotingindia.com during the following voting period from 11:00 a.m. till 5:00 p.m.:

Commencement of E-voting	21st September, 2016
End of E-voting	23rd September, 2016

E-voting shall not be allowed beyond 5.00 p.m. on 23rd September, 2016. During the E-voting period, members of the Company holding equity shares either in physical form or in dematerialized form, as on the record date may cast their vote electronically through E-voting. The cut-off date for the purpose of E-voting is 17th September, 2016.

xix. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com.in under help section or write an email to helpdesk.evoting@cdslindia.com.



CIN - L74899DL1994PLC057410

Regd. Office: 701, Manjusha, 57 Nehru Place, New Delhi-110019

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ATTENDANCE SLIP

22nd Annual General Meeting - 24th September 2016

Registered Folio No./DP ID no./Client ID No.....

Number of shares held.....

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 22nd Annual General Meeting of the Company at B.C. PAL MEMORIAL, A-81, CHITTRANJAN PARK, NEW DELHI-110 019 on Saturday, 24th September, 2016, at 11.15 A.M.

.....
Name of the member / proxy
(in BLOCK letters)

.....
Signature of the member / proxy

Note :

1. Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report at the AGM.
2. The map to reach the AGM venue is given overleaf.

Signed this.....day of2016.

Affix a
Re.1/-
Revenue
Stamp

.....
Signature of Shareholder

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

Notes:

1. This Form, in order to be effective should be duly stamped, completed, signed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
2. It is optional to indicate your preference. If you leave the for, against or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.



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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 - 24th September 2016

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

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

- Name:..... Address:.....
E mail Id:.....Signature:.....or failing him/her
- Name:..... Address:.....
E mail Id:.....Signature:.....or failing him/her
- Name:..... Address:.....
E mail Id:.....Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 22nd Annual General Meeting of the Company to be held on Saturday, 24th September, 2016 at 11.15 AM at B. C. Pal Memorial, A-81, Chittranjan Park, New Delhi-110 019 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business: (Ordinary Resolution)				
1.	Adoption of financial statements (including the consolidated financial statements)			
2.	Declaration of dividend			
3.	Appointment of Mrs. Ritika Goel as a director liable to retire by rotation			
4.	Appointment of auditors			
Special Business: (Special Resolution)				
5.	To ratify the excess Remuneration already paid to Mr. Sanjeev Goel, Managing Director of the Company during the Financial Year 2015-16.			
6.	Approve the Remuneration to Mr. Sanjeev Goel, Managing Director for three (3) Financial Years i.e. from Financial 2016 - 2017, 2017 - 2018 and 2018 - 2019			
7.	Register of Members and index of Members at place other than Registered Office of the Company			

Signed this.....day of2016.

.....
Signature of Shareholder

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

Affix a
Re.1/-
Revenue
Stamp

Notes:

- This form, in order to be effective, should be duly stamped, signed, completed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.
- It is optional to indicate your preference. If you leave the for, against, or abstain column blank against any or all resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.
- Members are requested to note that a person can act as proxy on behalf of not more than 50 members and holding in the aggregate of not more than ten percent of the total share capital of the Company carrying voting rights. In case a proxy is proposed to be appointed by a member holding more than 10% of the total share capital of the Company carrying voting rights, then such person shall not act as a proxy for any other member



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BALLOT POLL PAPER

22nd Annual General Meeting

S. No.	Particulars	Details
1.	Name of the First Named Shareholder/ Proxy Holder (IN BLOCK LETTER)	
2.	Postal address	
3.	Registered Folio/ DP-ID-Client ID No. (Applicable to investors holding shares in dematerialized form)	
4.	Class of Shares	Equity shares of ₹.10/- each
5.	No of Shares Held	

I, hereby exercise my vote in respect of The Resolution by recording my assent or dissent to the said resolution in the following manner:

Resolution Number	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business: (Ordinary Resolution)				
1.	Adoption of financial statements (including the consolidated financial statements)			
2.	Declaration of dividend			
3.	Appointment of Mrs. Ritika Goel as a director liable to retire by rotation			
4.	Appointment of auditors			
Special Business: (Special Resolution)				
5.	To ratify the excess Remuneration already paid to Mr. Sanjeev Goel, Managing Director of the Company during the Financial Year 2015-16.			
6.	Approve the Remuneration to Mr. Sanjeev Goel, Managing Director for three (3) Financial Years i.e. from Financial 2016 – 2017, 2017 – 2018 and 2018 – 2019			
7.	Register of Members and index of Members at place other than Registered Office of the Company			

Place: New Delhi

Date: .

 (Signature of the shareholder/ proxy holder)

Notes:

- Signature of shareholder/ proxy holder should be as per specimen Registered/ recorded with Company / Depository.
- Any cutting/ overwriting on this polling paper should be signed by the shareholder/ Proxy holder.
- Shareholder/ Proxy holder may exercise their votes either by putting 'X' or indicating number of shares in the appropriate column against the resolution indicated in the box.
- Number of shares held will be reckoned as per records of the Bank/ company as on record date 22nd September, 2016

