

MAHAVEER FINANCE INDIA LIMITED

BOARD OF DIRECTORS

Sri **G. Chidambar**, Chairman
Sri **K.S. Markandan**
Sri **P.S. Balasubramaniam**
Sri **M. Praveen Dugar**, Executive Director
Sri **M. Deepak Dugar**, Joint Managing Director
Sri **N. Mahaveerchand Dugar**, Managing Director

AUDITORS

E. Hemanadhan & Co
Chartered Accountants
New No. 23 / 11
Basha Street,
Choolaimedu
Chennai - 600 094

BANKERS

State Bank of India
State Bank of Patiala
Punjab National Bank
Indian Overseas Bank
The Catholic Syrian Bank Ltd

REGISTERED OFFICE

K.G. Plaza, '3rd Floor',
41-44, General Patters Road,
Chennai - 600 002.
Phone : 28614466, 28614477 & 28614488
E-mail : mahaveerfinance@yahoo.co.in
info@mahaveerfinance.com
CIN : U65191TN1981PLC008555

BRANCH : Tambaram, Kolathur, Kanchipuram, Pondicherry, Mayiladuthurai, Coimbatore,
Tirupathi, Salem, Erode, Nellore.

DEPOSITORIES : Central Depository Services (India) Limited (CDSL)
National Securities Depository Limited (NSDL)

REGISTRARS AND SHARE TRANSFER AGENT :

CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No. 1 Club House Road, Chennai - 600 002.
Phone : 044-28460390 (6 Lines) Fax No. 044-28460129
E-mail : cameo@cameoindia.com Website : www.cameoindia.com

MEMBERS OF

1. Federation of Indian Hire Purchase Association
2. Finance Companies Association (India)
3. South India Hire Purchase Association
4. Federation of All India Hire Purchase Financiers
5. Madras Hire Purchase Association
6. Finance Industry Development Council (Mumbai)
7. Jain International Trade Organisation (Mumbai)
8. Hindustan Chamber of Commerce (President Elect)

MAHAVEER FINANCE INDIA LIMITED

CIN:-U65191TN1981PLC008555

Regd. Office: K.G.Plaza 3rd Floor, 41-44 General Patters Road, Chennai – 600002.

Phone Nos.28614466, 28614477 & 28614488

E-mail: mahaveerfinance@yahoo.co.in, info@mahaveerfinance.com

NOTICE

NOTICE is hereby given that the Thirty Sixth Annual General Meeting of the Company will be held at South India Hire Purchase Association Premises, Desbandu Plaza, 1st Floor, 47, Whites Road, Royapettah, Chennai – 600 014 on Friday 18th August 2017 at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive and adopt the audited financial accounts of the Company for the year ended 31st March, 2017 and Reports of the Directors and Auditors thereon.
2. To appoint a director in place of Mr. M. Praveen Dugar (holding DIN 00190780) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint statutory auditors and fix their remuneration.

“RESOLVED THAT pursuant to provisions of Sections 139, 141 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, as may be applicable, Mr. A. Siva, Chartered Accountant (Membership No. 232758), be appointed as statutory auditor of the Company, to hold office from the conclusion of this 36th Annual General Meeting (AGM) until the conclusion of the 41st AGM, at such remuneration, as may be decided by the Board of Directors of the Company.”

SPECIAL BUSINESS

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

“RESOLVED THAT pursuant to the provisions of Section 42, 71 and other applicable provisions, if any, of the Companies Act, 2013, read with the Companies (Prospectus and Allotment of Securities) Rules, 2014 and Companies (Share Capital and Debentures) Rules, 2014 and subject to such other Regulations/Guidelines, approval of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as “the Board” which term shall be deemed to include any committee thereof which the Board may have constituted or hereinafter constitute to exercise its powers, including the powers conferred by this resolution) for making offer(s) or invitation(s) to subscribe to Secured/Unsecured Redeemable/Irredeemable Convertible/Non-Convertible Debentures including but not limited to Subordinated Debentures, bonds and / or other debt securities, on a private placement basis, in one or more tranches, during the period from July 2017 to 31st March 2018 for a sum not exceeding Rs. 100 crores, within the overall borrowing limits of the company.”

“FURTHER RESOLVED that the Board be and is hereby authorized and empowered to arrange or settle the terms and conditions on which all such moneys are to be borrowed from time to time, as to interest rate, tenor, repayment, security, or otherwise and listing, as it may deem expedient and to do all such acts, deeds, matters and things in connection therewith and incidental thereto as the Board in its absolute discretion deems fit, without being required to seek any further consent or approval of the members or otherwise to the end and intent that they shall be deemed to have given their approval thereto expressly by the authority of this Resolution.”

“FURTHER RESOLVED that the board be and is hereby authorized to execute all documents or writings as may be necessary, proper or expedient for the purpose of giving effect to this resolution and for matters connected therewith or incidental thereto including intimating the concerned authorities or other regulatory bodies and delegating all or any of the powers conferred herein to any Committee of Directors or Officers of the Company.”

5. To consider and if thought fit, to pass, with or without modification(s), the following Resolution as a Special Resolution :
- “RESOLVED THAT in modification of the Special Resolution passed at the Annual General Meeting held on 18th May 2016 and pursuant to Section 180(1)(c) and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the Company be and is hereby accorded by the Board of Directors to borrow monies in excess of the aggregate of the paid-up capital and free reserves of the Company, provided that the total amount borrowed and outstanding at any point of time, apart from temporary loans obtained or to be obtained from the Company’s banker, financial institutions, other corporate bodies and others in the ordinary course of business, shall not be in excess of Rs. 500 crores (Rupees Five Hundred Crores) over and above the aggregate of paid up capital and free reserves of the Company.
6. To consider and if thought fit, to pass with or without modification(s), the following Resolution as a Special Resolution :
- “RESOLVED THAT pursuant to the provisions of Section 180(1)(a) and other applicable provisions, if any, of the Companies Act 2013, as amended from time to time, the consent of the Company be and is hereby accorded to the Board of Directors of the Company (“the Board”) to create such charges, mortgages and hypothecations in addition to the existing charges, mortgages and hypothecations, if any created by the Company, on such movable and immovable properties, both present and future, and in such manner as the Board may deem fit, in favour of Banks, Financial Institutions, Insurance Companies, Other lending/investing agencies or bodies/trustees for holders of debentures/bonds which may be issued to or subscribed to by all or any of the Banks, Financial Institutions, insurance Companies, other lending/investing agencies or any other person(s)/bodies corporate by way of private placement or otherwise (hereinafter collectively referred to as “Lenders”), provided that the total amount of loans together with interest thereon, additional interest, compound interest, liquidated damages, commitment charges, premia on pre-payment or on redemption, costs, charges, expenses and all other monies payable by the Company in respect of the said loans, for which such charges, mortgages or hypothecations are created shall not, at any time, exceed the limit of Rs. 500 Crores (Rupees Five Hundred Crores only) or the aggregate of the paid up share capital and free reserves of the Company, whichever is higher.
- RESOLVED FURTHER THAT the Board be and is hereby authorized to do all such acts, deeds and things, to execute all such documents, instruments and writings as may be required and to delegate all or any of its powers herein conferred to a Committee constituted by the Board and/or any member of such Committee.
7. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :
- “RESOLVED THAT subject to the provisions of Section 196, 197 read with Schedule V and other applicable provisions if any, of the Companies Act 2013, the Company hereby accords its approval and consent to the re-appointment of Sri. N. Mahaveerchand Dugar as Managing Director of the Company for a term of 3 years commencing from 1st October 2017 to 30th September 2020 and for the payment of remuneration to him for his services as Managing Director, as set out hereunder: ”
- Salary : Rs. 2,00,000/- per month. Annual increase will be effective 1st April every year and the quantum will be decided by the Board of Directors.
- Commission : The Board of Directors will decide the commission subject to a ceiling of 1% of the net profits of the Company.
- Perquisites : As detailed in Annexure to the Explanatory Statement.
- “FURTHER RESOLVED THAT the Board of Directors have liberty to revise his remuneration during the tenure of office from time to time as they deem fit within the limits of Section 197 and Schedule V of the Companies Act, 2013.”

Minimum Remuneration :

“Where in any financial year, during the currency of tenure of the Managing Director, the Company has no profits or its profits are inadequate, the salary and perquisites as mentioned above will be paid as the minimum remuneration subject to the limits specified in Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

8. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED THAT subject to the provisions of Section 196, 197 read with Schedule V and other applicable provisions if any, of the Companies Act 2013, the Company hereby accords its approval and consent to the re-appointment of Sri. M. Deepak Dugar as Joint Managing Director of the Company for a term of 3 years commencing from 1st July 2017 to 30th June 2020 and for the payment of remuneration to him for his services as Joint Managing Director, as set out hereunder: ”

Salary : Rs. 2,00,000/- per month. Annual increase will be effective 1st April every year and the quantum will be decided by the Board of Directors.

Commission : The Board of Directors will decide the commission subject to a ceiling of 1% of the net profits of the Company.

Perquisites : As detailed in Annexure to the Explanatory Statement.

“FURTHER RESOLVED THAT the Board of Directors have liberty to revise his remuneration during the tenure of office from time to time as they deem fit within the limits of Section 197 and Schedule V of the Companies Act, 2013.”

Minimum Remuneration :

“Where in any financial year, during the currency of tenure of the Joint Managing Director, the Company has no profits or its profits are inadequate, the salary and perquisites as mentioned above will be paid as the minimum remuneration subject to the limits specified in Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

9. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution :

“RESOLVED THAT subject to the provisions of Section 196, 197 read with Schedule V and other applicable provisions if any, of the Companies Act 2013, the Company hereby accords its approval and consent to the re-appointment of Sri. M. Praveen Dugar as Executive Director of the Company for a term of 3 years commencing from 1st July 2017 to 30th June 2020 and for the payment of remuneration to him for his services as Executive Director, as set out hereunder: ”

Salary : Rs. 2,00,000/- per month. Annual increase will be effective 1st April every year and the quantum will be decided by the Board of Directors.

Commission : The Board of Directors will decide the commission subject to a ceiling of 1% of the net profits of the Company.

Perquisites : As detailed in Annexure to the Explanatory Statement.

“FURTHER RESOLVED THAT the Board of Directors have liberty to revise his remuneration during the tenure of office from time to time as they deem fit within the limits of Section 197 and Schedule V of the Companies Act, 2013.”

Minimum Remuneration :

“Where in any financial year, during the currency of tenure of the Executive Director, the Company has no profits or its profits are inadequate, the salary and perquisites as mentioned above will be paid as the minimum remuneration subject to the limits specified in Part II of Schedule V to the Companies Act, 2013 or such other limits as may be prescribed by the Government from time to time as minimum remuneration.”

For and on behalf of the Board

Place : Chennai
Date : 17/07/2017

N.Mahaveerchand Dugar
Managing Director

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on poll instead of himself. The proxy need not be a member of the company. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the company. Proxies in order to be effective must be filed with the Company at the registered office not later than 48 hours before the commencement of the meeting.
2. The Explanatory Statements pursuant to Section 102(1) of the Companies Act, 2013, in respect of the special business of this notice is annexed hereto.
3. Shareholders are requested to bring their copy of the Annual Report to the meeting.
4. Members/Proxies should fill the attendance slip for attending the Meeting.
5. The Register of members and the share transfer books of the company will remain closed from 11/08/2017 to 18/08/2017 (both days inclusive).
6. All documents which are referred in the accompanying notice and explanatory statement are open for inspection at the registered office of the Company during office hours on working days upto the date of Annual General Meeting.
7. Under Section 124 of the Companies Act, 2013, the amount of dividend remaining unpaid or unclaimed for a period of seven years from the due date is required to be transferred to the Investor Education and Protection Fund (IEPF), constituted by the Central Government. The Company had, accordingly, transferred Rs. 25,666/-being the unpaid and unclaimed dividend amount pertaining to Final Dividend for the financial year 2008-09 on 01/10/2016 to Investor Education and Protection Fund of the Central Government. Those who have not encashed the dividend warrants issued for the financial years 2009-2010 and thereafter may claim the same from the Company.
8. Shareholders holding shares in physical form under multiple folios are requested to send to the Company's Registrar and Share Transfer Agent details of such folios together with the Share Certificate for consolidate their holdings in a single folio so as to enable us to serve them in a better, more efficient and effective manner. The Share Certificate will be returned to the Members after making the requisite changes, thereon.
9. SEBI has made it mandatory for every participant in the securities/capital market to furnish the details of Income Tax Permanent Account Number (PAN). Accordingly, all the shareholders holding shares in physical form are requested to submit their details of PAN along with a photocopy of both sides of the PAN card, duly self attested, at the Registered Office of the company.
10. Pursuant to Rule 18(3) of the Companies (Management and Administration) Rules, 2014, you are requested to provide your e-mail id to facilitate easy and faster dispatch of Notices of the general meetings and other communications by electronic mode from time to time.
11. e-voting will commence on 16th August 2017 at 10.00 a.m. and will end on 17th August 2017 at 5.00 p.m.
12. The instructions for shareholders voting electronically are as under:
 1. The voting period begins on 16th August 2017 and ends on 17th August 2017. During this period shareholders, of the company, holding shares either in physical form or in dematerialized form, as on the cut-off dated 11th day of August 2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
 2. The shareholders should log on to the e-voting website www.evotingindia.com
 3. Click on Shareholders.
 4. Now Enter your User ID allotted by CDSL, 16 digits beneficiary ID Next enter the Image Verification as displayed and Click on Login.
 5. 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 exiting password is to be used.
 6. If you are a first time user follow the steps given below:

PAN	Enter your 10 digit alpha numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number 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 sequency 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.

7. After entering these details appropriately, click on "SUBMIT" tab.
8. Members holding shares in physical form will then directly reach 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.
9. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
10. Click on the EVSN for the relevant on which you choose to vote.
11. 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.

12. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
13. After selecting the resolution you have decided to vote, 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.
14. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
15. You can also take out print of the voting done by clicking on "Click here in to "print" option on the Voting page.
16. If Demat account holder has forgotten the same password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
17. Note for Non individual Shareholders and custodians
 Non-Individual shareholders (i.e. other than individuals, HUF, and NRI etc.,) and custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com
 After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for 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.
 A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
18. The Board of Directors has appointed S Dhanapal & Associates, Chennai, as the Scrutinizer, for conducting the e-voting process in a fair and transparent manner.

EXPLANATORY STATEMENT UNDER SECTION 102(1) OF THE COMPANIES ACT,2013

Item No.4:

As per Section 42 of the Companies Act, 2013 read with Rule 2(a) of the Companies (Prospectus and Allotment of Securities) Rules, 2014, a Company offering or making an invitation to subscribe to Debentures on a private placement basis, is required to obtain the prior approval of the Members by way of a special resolution. In the case of Non-Convertible Debentures however, such an approval can be obtained once a year for all the offers and invitations for such NCD's.

The company is in need of additional funds to augment its working capital requirements, since there is enough potential available for growth of business. The Company, during the year, is planning to raise funds by the issue of Debentures on such terms and conditions as may be mutually agreed upon.

The Board recommends the passing of the Special Resolution.

The Special Resolution to be moved at the General Meeting of the shareholders is to enable the company to borrow the required funds by the issue of Redeemable/Irredeemable, Secured/Unsecured, Convertible/Non-Convertible Debentures.

Item No.5:

The Company intends to expand its Hypothecation Loans, Hire Purchase and Leasing. The Company at its Annual General Meeting held on 18th May 2016 had granted approval for the Board of Directors of the Company to borrow upto Rs.250 Crores over and above the paid up capital and free reserves of the Company. With the increasing Volume of business under Hypothecation Loans, Hire Purchase, Leasing etc., the company has to borrow further amounts from banks, financial institutions, other corporate bodies and others and as such the existing limit of Rs.250 crores over and above the paid up capital and free reserves of the Company is required to be revised and increased to Rs.500 crores. Hence the special resolution is submitted for approval of the shareholders.

None of the Directors of the Company is interested in the resolution.

Item No.6:

Under the provision of Section 180(1)(a) of the Companies Act 2013 the powers of the Board viz.to create charge/mortgage/hypothecation on the Company's assets, both present and future, in favour of the lenders/trustees for the holders of debentures/bonds, to secure the repayment of monies borrowed by the Company (including temporary loans obtained from the Company's Bankers in the Ordinary course of business) respectively, can be exercised by the Board only with the consent of the shareholders obtained by Special Resolution. The approval to create charge/mortgage/hypothecation on the Company's assets to secure such borrowings upto Rs.500 crores as cited in item no.5.

The Board recommends the Special Resolution set out at item no.6.

None of the Directors of the Company is interested in the resolution.

Items 7 to 9:

Sri. N. Mahaveerchand Dugar, who was appointed Managing Director by the members to hold office upto September 30th 2017 had attained the age of 70 years on January 14th 2017 and hence continuation of his employment as Managing Director requires the approval of members by way of a Special Resolution.

Section 196(3) of the Companies Act, 2013, inter alia, provides that no Company shall continue the employment of a person who has attained the age of 70 years, as Managing Director, Whole time Director or Manager unless it is approved by the members by passing a special resolution. Part 1 of Schedule V to the Act contains a similar relaxation.

Keeping in view that Sri. N. Mahaveerchand Dugar has rich and varied experience in the industry and has been involved in the operations of the Company over a long period of time, it would be in the interest of the Company to continue the employment of Sri. N. Mahaveerchand Dugar as Managing Director.

Sri. N. Mahaveerchand Dugar was appointed as Managing Director of the Company for a period of 5 years from 1st October 2012, Sri. M. Deepak Dugar was appointed as the Joint Managing Director of the Company for a period of 5 years from 1st July 2012 and Sri. M. Praveen Dugar was appointed as the Executive Director of the Company for a period of 2 years and 1 month from 1st June 2015. After considering the remuneration levels prevailing in the industry, the Board of Directors, at the meeting held on 17/07/2017 fixed the remuneration to Sri. N. Mahaveerchand Dugar, Sri. M. Deepak Dugar and Sri. M. Praveen Dugar. The perquisites payable to Shri.N.Mahaveerchand Dugar, Shri.M.Deepak Dugar and Shri.M.Praveen Dugar are detailed in the annexure to this statement.

This explanatory statement together with the accompanying notice(s) is and should be treated as an abstract of the terms of appointment/remuneration to Sri. N. Mahaveerchand Dugar, Sri. M. Deepak Dugar and Sri. M. Praveen Dugar and Memorandum of Interest required to be sent to the Shareholders under Section 190 of the Companies Act, 2013.

None of the Directors except Sri. N. Mahaveerchand Dugar, Sri. M. Deepak Dugar and Sri. M. Praveen Dugar are concerned or interested in the said resolution.

Annexure to the Explanatory Statement

Details of Perquisites payable to Shri. N. Mahaveerchand Dugar, Shri. M.Deepak Dugar and Shri.M.Praveen Dugar

1. Housing
 - i. the expenditure incurred by the Company on hiring furnished/unfurnished accommodation will be subject to a ceiling of 60% of the salary over and above 10% payable by the managerial person;
 - ii.
 - a) the expenditure incurred by the Company on gas, electricity and water will be evaluated as per Income-tax Rules, 1962.
 - b) perquisites in the form of furniture, furnishings and other utilities in accordance with the rules of the Company, the value of which will be evaluated as per Income-tax Rules, 1962;
 - iii. wherever the Company does not provide accommodation, the house rent for the managerial person may be paid in accordance with (i) above;
 - iv. where accommodation in a Company-owned house is provided, the Company will charge 10% of his salary by way of rent.
2. Medical reimbursement: Expenses incurred for self and family including premium payable for medical insurance in accordance with the rules of the Company.
Explanation: "Family" means the spouse, dependant children and dependant parents of the appointee.
3. Personal Accident Insurance as per the rules of the Company.
4. Leave Travel Assistance for self and family once in a year in accordance with the rules of the Company.
5. Payment of company's contributions to Provident Fund/Pension Fund/Superannuation Fund/Gratuity Fund and encashment of leave (at the end of the tenure) shall not be included in the computation of remuneration or ceiling on the perquisites.
6. Fees for clubs, subject to a maximum of two clubs excluding admission and life membership fee.
7. Provision of chauffeur driven company car(s).
8. Provision of telephone(s) at the residence of the Director.
9. Such other allowances, perquisites, benefits and amenities as may be provided by the company to other senior executives from time to time.
10. Benefits under the loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time, subject to the provisions of the Companies Act, 2013.
For the purpose of calculating the ceiling, perquisites shall be evaluated as per Income Tax Rules, wherever applicable and in the absence of any such rule, the same shall be evaluated at actual cost.

DIRECTORS REPORT FOR THE YEAR ENDED 31ST MARCH, 2017

Dear Members,

Your Directors present the 36th Annual report with Audited Accounts for the year ended 31st March, 2017.

FINANCIAL RESULTS

(Rs. in lacs)

Particulars	Year ended 31st March 2017	Year ended 31st March 2016
Total Revenue	1452.46	861.53
Less: Total Expenses	1130.03	651.61
Profit Before Tax	322.42	209.91
Profit After Tax	225.11	138.14
Surplus brought forward	211.03	110.30
Excess Provision for Income- tax written back	0.31	0.22
Available for appropriation	436.45	248.66
Transfer to :		
- Statutory Reserve	45.08	27.63
- General Reserve	10.00	10.00
Surplus Carried Forward to Balance Sheet	381.37	211.03

DIVIDEND:

Considering the need to conserve funds for future growth, your Directors have decided to plough back the profit to reserves for strengthening the assets of the Company. Hence the Board does not recommend any dividend for the financial year ended 31st March 2017.

COMPANY'S WORKING DURING THE YEAR/STATE OF COMPANY'S AFFAIR

During the year 2016-17, your company disbursed Rs. 5612.14 lakhs as against Rs. 4579.55 lakhs in the previous year, registering a growth of 22.55% over the previous year. Total income for the year grew by 68.59% to Rs. 1452.46 lakhs as against Rs. 861.53 lakhs in the previous year. Profit before tax was higher at Rs. 322.42 lakhs as compared to Rs. 209.91 lakhs. The net profit from operation was at Rs. 225.11 lakhs as against Rs. 138.14 lakhs in the previous financial year.

Despite generally unstable economic conditions, the Company's sustained focus on strict credit acceptance norms and collection skills has ensured good asset quality of the company. The standard assets stood at 97.03% of the total business assets as on 31/03/2017. The gross and net NPAs stood at 2.97% and 2.58% respectively of the total business assets as on 31/03/2017 as against 0.92% and 0.64% for the previous year.

DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The Company does not have any Subsidiary or /Joint Ventures or Associate companies.

RBI GUIDELINES / PRUDENTIAL NORMS

Your Company is registered with RBI as a category "B" – Company not accepting deposits from Public. Your Company has complied with all applicable regulations of the Reserve Bank of India. As on March 31, 2017, the Capital Adequacy Ratio of the Company is 27.95%.

DISSEMINATION BOARD:

The Members are aware that consequent to the closure of the Madras Stock Exchange, where our company's shares were listed, the company was moved to the Dissemination Board and SEBI had asked for either listing with a recognised Stock Exchange or provide Exit option to the share holders. The company had given an exit option to its shareholders as provided for by SEBI . The National Stock Exchange, vide its circular Ref No: 659/2017 dated 29.06.2017, has confirmed that the company's name has been removed from the Dissemination Board with effect from 04.07.2017 Consequently, the company has now become unlisted.

INTERNAL FINANCIAL CONTROLS:

The Company has a well-established internal financial control and risk management framework, with appropriate policies and procedures, to ensure the highest standards of integrity and transparency in its operations and a strong corporate governance structure, while maintaining excellence in services to all its stakeholders. Appropriate controls are in place to ensure: (a) the orderly and efficient conduct of business, including adherence to policies (b) safeguarding of assets (c) prevention and detection of frauds/errors (d) accuracy and completeness of the accounting records and (e) timely preparation of reliable financial information.

AUDITORS:

E. Hemanadhan & Co., Chartered Accountants, Chennai, Statutory Auditors of your Company hold office upto the conclusion of the 36th Annual General Meeting. Section 139(2) of the Companies Act, 2013 read with Rule 6 of the Companies (Audit and Auditors) Rules, 2014 stipulates that no listed company or a company belonging to such class or classes of companies as may be prescribed, shall appoint or re-appoint an individual as auditor for more than one term of five consecutive years. E. Hemanadhan & Co. have been the statutory auditors of the Company since the Financial year 2000-2001 and are therefore not eligible for re-appointment.

Your directors recommend the appointment of Mr. A. Siva, Chartered Accountant, Chennai, as Statutory Auditor of the Company, in accordance with the provisions of Sections 139, 141 and other applicable provisions of the Companies Act, 2013, to hold office from the conclusion of 36th Annual General Meeting until the conclusion of 41st Annual General Meeting, subject to the approval of the shareholders at the 36th Annual General Meeting.

Your directors place on record their appreciation of the contribution made and services rendered by E. Hemanadhan & Co. as Statutory Auditors since FY2001.

EXTRACT OF THE ANNUAL RETURN

As required pursuant to Section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of Annual Return in MGT-9 is annexed as a part of this report.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS WITH ATTENDANCE DETAILS

During the year ended March 31, 2017, Four Board meetings were held on the following dates 09/05/2016, 31/08/2016, 03/12/2016 and 24/03/2017.

The Board Attendance details are furnished herein below:

Name of the Directors	Designation	Category	Attendance at Board Meetings		Last AGM 18/05/2016
			No. of Meetings Held	No. of Meetings attended	
Sri G.Chidambar	Chairman	Non-Executive Independent	4	4	Yes
Sri K.S. Markandan	Director	Non-Executive Independent	4	4	Yes
Sri P.S.Balasubramaniam	Director	Non-Executive Independent	4	4	Yes
Sri M.Deepak Dugar	Joint Managing Director	Promoter Executive	4	4	Yes
Sri M Praveen Dugar	Executive Director	Promoter Executive	4	4	Yes
Sri N. Mahaveerchand Dugar	Managing Director	Promoter Executive	4	4	Yes

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

The provisions relating to the conservation of energy and technical absorption do not apply to the Company.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company had no foreign earnings/outgo during the year under reference.

DIRECTORS

Sri. M. Praveen Dugar , Executive Director retires by rotation under Section 152(6) of the Companies Act, 2013 and being eligible offers himself for re-appointment.

DECLARATION BY INDEPENDENT DIRECTORS

The Independent Directors have given a declaration to the effect that they have complied with the provisions of Section 149 of the Companies Act 2013.

LOANS, GUARANTEES OR INVESTMENTS

The Company has not given any loan, provided any guarantee or made any investment in contravention of Section 186 of the Companies Act 2013.

PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions entered into by the Company with the related parties were in the ordinary course of business and on an arm's length basis. Form AOC -2, as required under Section 134 (3) (h) of the Act, read with Rule 8(2) of the Companies (Accounts) Rules 2014, is attached as part of this report.

PARTICULARS OF EMPLOYEES REMUNERATION:

Details of the every employee of the Company as required pursuant to Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company does not have any employee drawing:

- (i) Rs. 1.02 Crores or more per annum
- (ii) Rs. 8.50 Lakhs or more per month

RISK MANAGEMENT POLICY

Your Company, being in the business of financing Light commercial vehicles, cars etc. it is expected that there would be abundant opportunities for the growth of NBFC sector in financing of commercial vehicles and cars.

Competition from private and public sector banks in the retail financing and competitive interest rates are challenges to the industry.

With strong and dynamic management, experienced and skilled staff, retention of trustworthy customers, improvement of assessment procedures and quality of appraisal, the Company is confident of converting challenges into opportunities. Any operational risk, market risk and interest risk can have adverse impact on the operations of the Company. Through continuous emphasis on cost control and cost reduction measures and taking corrective action wherever necessary, the Company will minimize risk.

Since money is the raw material for the finance company and so inflow of funds steadily throughout the year is prerequisite. The Company constantly endeavors to access the required funds.

DIRECTORS RESPONSIBILITY STATEMENT:

Pursuant to Section 134 (3) (c) of the Companies Act, 2013 the Directors state that:-

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

ACKNOWLEDGEMENT:

Your directors thank all the shareholders, customers, vehicle manufacturers, dealers, bankers and financial institution for their continued support to your company. Your Directors also place record their appreciation of the excellent teamwork and dedication displayed by the employees at all levels.

For and on behalf of the Board

Place: Chennai
Date : 17/07/2017

G. Chidambar
(Chairman)

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 of disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section of Section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto

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

All transactions entered into by the Company during the year with related parties were on an arm's length basis.

2. Details of material contracts or arrangement or transactions at arm's length basis were not material in nature.

Form No.MGT-9

Extract of Annual Return as on the financial year ended on 31st March 2017

[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:- U65191TN1981PLC008555
- ii) Registration Date : 05.01.1981
- iii) Name of the Company : MAHAVEER FINANCE INDIA LIMITED
- iv) Category/Sub-Category of the Company: Company Limited by shares / Indian Non-Government Company
- v) Address of the Registered office and contact details:
K.G.Plaza, 3rd Floor, No.41 – 44, General Patters Road, Chennai – 600 002.
Tel No.28614466/28614477/28614488 :: E-mail : mahaveerfinance@yahoo.co.in
- vi) Whether listed company : No
- vii) Name, Address and Contact details of Registrar and Transfer Agent,
if any : CAMEO CORPORATE SERVICES LIMITED
Subramanian Building, No.1, Club House Road, Chennai – 600 002.
Phone No. 044 – 28460390 :: E-mail : cameo@cameoindia.com
Website : www.cameoindia.com

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:

Sl.No.	Name and Description of Main products/services	NIC Code of the Product/service	% to total turnover Of the company
1	Hypothecation Loan / Hire Purchase/Lease	As per National Industrial Classification – 2008: Section K – Financial and Insurance Activities Division 64 – Financial Service activities, except Insurance and pension Funding.	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES : NIL

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the End of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters									
(1) Indian									
a) Individual/HUF	0	0	0	0	0	0	0	0	0
b) Central Govt	0	0	0	0	0	0	0	0	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	0	0	0	0	0	0	0	0	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Other Directors and their Relatives	2946400	4658973	7605373	95.07	7612473	0	7612473	95.16	0.09
Sub-total (A) (1):-	2946400	4658973	7605373	95.07	7612473	0	7612473	95.16	0.09
(2) Foreign									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-total (A) (2)	0	0	0	0	0	0	0	0	0
Total shareholding Of Promoter (A) = (A) (1) + (A) (2)	2946400	4658973	7605373	95.07	7612473	0	7612473	95.16	0.09
B.Public Shareholding									
1. Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/FI	0	0	0	0	0	0	0	0	0
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others	0	0	0	0	0	0	0	0	0
Sub-total (B) (1)	0	0	0	0	0	0	0	0	0

Category of Shareholders	No. of Shares held at the Beginning of the year				No. of Shares held at the End of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
2. Non-Institutions									
a) Bodies Corp.									
i) Indian	0	1450	1450	0.02	0	1450	1450	0.02	0
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakh	17236	226941	244177	3.05	10686	226391	237077	2.96	- 0.09
ii) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	149000	0	149000	1.86	149000	0	149000	1.86	0
c) Others	0	0	0	0	0	0	0	0	0
Sub-total (B) (2):-	166236	228391	394627	4.93	159686	227841	387527	4.84	- 0.09
Total Public Shareholding (B) = (B)(1)+(B)(2)	166236	228391	394627	4.93	159686	227841	387527	4.84	- 0.09
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	3112636	4887364	8000000	100.00	7772159	227841	8000000	100.00	0.00

(ii) Shareholding of Promoters

SI No.	Shareholder's Name	Shareholding at the Beginning of the year			Shareholding at the End of the year			% Change in Share Holding During The year
		No. of Shares	% of Total Shares of The Company	% of Shares Pledged/ Encumber Red to Total shares	No. of Shares	% of Total Shares of The Company	% of Shares Pledged/ Encumber Red to Total shares	
1	Mahaveerchand Dugar N	1347800	16.85	Nil	1347800	16.85	Nil	0
2	Gunasundari Dugar	4379573	54.74	Nil	4379773	54.75	Nil	0.01
3	Deepak Dugar M	740900	9.26	Nil	740900	9.26	Nil	0
4	Pradeep Dugar M	458500	5.73	Nil	458500	5.73	Nil	0
5	Praveen Dugar M	678600	8.48	Nil	685500	8.57	Nil	0.09

(ii) Change in Promoters' Shareholding

Sl. No.		Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
		No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
1	At the beginning Of the year	7605373	95.07	7605373	95.07
2	Date wise Increase / Decrease In Share holding During the year				
	17/06/2016 Increase - Transfer	200	0.00	7605573	95.07
	10/02/2017 Increase - Transfer	300	0.01	7605873	95.08
	17/02/2017 Increase - Transfer	650	0.01	7606523	95.09
	24/02/2017 Increase - Transfer	250	0.00	7606773	95.09
	03/03/2017 Increase - Transfer	5250	0.06	7612023	95.15
	10/03/2017 Increase - Transfer	450	0.01	7612473	95.16
3	At the end of the Year			7612473	95.16

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

Sl. No.		Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
		No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
	For each of the Top 10 Shareholders				
1	Mahendra Girdharilal At the beginning of the year Date wise Increase/Decrease At the end of the year	149000 - -	1.87 - -	149000	1.87
2	Dilip Kumar Surana At the beginning of the year Date wise Increase/Decrease Purchase - 29/07/2016 At the end of the year	2275 400 -	0.03 0.01 -	2675	0.04
3	Hari Prasad A S At the beginning of the year Date wise Increase/Decrease At the end of the year	2100 - -	0.03 - -	2100	0.03

4	Mohit Dhanuka At the beginning of the year Sale – 03/03/2017 At the end of the year	2000 -2000	0.02 -0.02		
5	Piyush Dhanuka At the beginning of the year Date wise Increase/Decrease At the end of the year	1900 -	0.02 -	1900	0.02
6	Alladi Lakshminarayanan At the beginning of the year Date wise Increase/Decrease At the end of the year	1500 -	0.02 -	1500	0.02
7	Abdul Nasar C K At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01
8	Ajaz Pasha C K At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01
9	Anoop Kanwar Nahar At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01
10	Gouthamchand Nahar At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01
11	Harshad V Joshi At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For each of the Directors and KMP	Shareholding at the Beginning of the year		Cumulative Shareholding During the year	
		No.of Shares	% of total Shares of the company	No.of Shares	% of total Shares of the company
1	Chidambar G At the beginning of the year Date wise Increase/Decrease At the end of the year	1000 -	0.01 -	1000	0.01
2	Mahaveerchand Dugar N At the beginning of the year Date wise Increase/Decrease At the end of the year	1347800 -	16.85 -	1347800	16.85

3	Deepak Dugar M At the beginning of the year Date wise Increase/Decrease At the end of the year	740900 -	9.26 -	740900	9.26
4	Praveen Dugar M At the beginning of the year Transfer – 10/02/2017 Transfer - 17/02/2017 Transfer - 24/02/2017 Transfer - 03/03/2017 Transfer - 10/03/2017 At the end of the year	678600 300 650 250 5250 450	8.48 0.01 0.01 0.00 0.06 0.01	678900 679550 679800 685050 685500 685500	8.49 8.50 8.50 8.56 8.57 8.57

(VI) 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	40,06,59,344	50,00,000	0	40,56,59,344
ii) Interest due but not paid	0	0	0	0
ii) Interest accrued but not due	0	0	0	0
Total (i+ii+iii)	40,06,59,344	50,00,000	0	40,56,59,344
Change in Indebtedness During the financial year				
• Addition	33,26,90,000	11,37,60,000	0	44,64,50,000
• Reduction	21,32,87,413	1,75,60,000	0	23,08,47,413
Net Change	11,94,02,587	9,62,00,000	0	21,56,02,587
Indebtedness at the end of The financial year				
i) Principal Amount	51,86,89,368	10,12,00,000	0	61,98,89,368
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	13,72,563	0	0	13,72,563
Total (i+ii+iii)	52,00,61,931	10,12,00,000	0	62,12,61,931

Unsecured Loans consist of Subordinated NCD's and Loan from Related Parties.

(VI) REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**A. Remuneration to Managing Director, Whole-time Directors and / or Manager:**

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Mahaveerchand Dugar N	Deepk Dugar M	Praveen Dugar M	
1	Gross Salary				
	(a) Salary as per Provisions contained In section 17(1) of the Income-tax Act, 1961	12,00,000	12,00,000	12,00,000	36,00,000
	(b) Value of Perquisites u/s 17(2) Income- tax Act, 1961	0	0	0	0
	(c) Profits in lieu of Salary under section 17(3) Income-tax Act, 1961	0	0	0	0
2.	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission - as % of profit - others	0	0	0	0
5	Personnel Accident Insurance	1,677	1,677	1,677	5,031
	Total (A)	12,01,677	12,01,677	12,01,677	36,05,031

Note: The remuneration paid to Key Managerial Persons were within the limits specified in the Act.

B. Remuneration to other Directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Chidambar G	Markandan K.S.	Balasubramaniam P.S.	
	1. Independent Directors				
	Fee for attending Board committee Meetings	20,000	20,000	20,000	60,000
	Commission	0	0	0	0
	Others	0	0	0	0
	Total (1)	20,000	20,000	20,000	60,000

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD

The company has a Managing Director. The provision regarding the appointment of CFO is not applicable to the company. The company is looking for suitable candidate to be appointed as Company Secretary.

VII. PENALTIES / PUNISHMENT /COMPOUNDING OF OFFENCES: Nil

INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF MAHAVEER FINANCE INDIA LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of Mahaveer Finance India Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2017, 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 and presentation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

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

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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 A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
 - a) we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - e) on the basis of written representations received from the directors as on March 31, 2017, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act;
 - f) with respect to the adequacy of the internal financial controls over financial reporting of the Company and the Operating Effectiveness of such controls, refer to our separate report in "Annexure B";
 - g) in our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
 - (i) The Company does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise.
 - (iii) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - (iv) The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and in accordance with the books of accounts maintained by the Company.

For E. HEMANADHAN & CO
Chartered Accountants

E. HEMANADHAN
Proprietor
Membership No. 205593

Place : Chennai
Date : 17/07/2017

“ANNEXURE A” TO THE AUDITORS’ REPORT

(Referred to in paragraph 1 under ‘Report on other Legal and Requirements’ of our report of even date)

- (i) a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- b. The fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification;
- c. The Company has no immovable properties and hence the provisions of clause 3 (i) c of the Order are not applicable to the Company.
- (ii) The Company is a Non-Banking Financial Company (NBFC) engaged in the business of giving loans and does not maintain any inventory. Therefore, the provisions of clause 3(ii) of the Order are not applicable to the Company.
- (iii) The Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans and investments made.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act.
- (vii) (a) According to the records of the Company and the information and explanations given to us, undisputed statutory dues including provident fund, employees’ state insurance, income tax and any other statutory dues have been regularly deposited during the year with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which are outstanding as at 31st March 2017 for a period of more than six months from the date they became payable.
- (b) According to the records of the Company and the information and explanations given to us, there are no dues to income tax and other taxes which have not been deposited on account of any dispute.
- (viii) According to the information and explanations given to us, the company has not defaulted in repayment of loans and borrowing to financial institutions or banks.
- (ix) To the best of our knowledge and belief and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer. However, the term loans availed by the Company, prima facie, were applied by the Company during the year for the purposes for which the loans were obtained.
- (x) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid the managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3 (xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable.
- (xvi) The Company is required to be registered under Section 45 –IA of the Reserve Bank of India Act 1934 and has obtained the registration.

For E.HEMANADHAN & CO
Chartered Accountants

E.HEMANADHAN
Proprietor
Membership No.205593

Place : Chennai
Date : 17/07/2017

“ANNEXURE B” TO THE AUDITORS’ REPORT

(Referred to in paragraph 2(f) under ‘Report on other Legal and Regulatory requirements’ of our report of even date)

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

We have audited the internal financial controls over financial reporting of Mahaveer Finance India Limited (“the Company”) as of 31st March, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management’s responsibility for Internal Financial Controls

The Company’s Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of 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 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 misstatements, 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 authorizations of management and directors of the Company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use or disposition of the Company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to the 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, 2017, 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 E.HEMANADHAN & CO
Chartered Accountants**

**E.HEMANADHAN
Proprietor
Membership No.205593**

**Place : Chennai
Date : 17/07/2017**

MAHAVEER FINANCE INDIA LIMITED

Balance Sheet as at 31st March, 2017

Rs.

PARTICULARS	NOTE NO	March 31 2017	March 31 2016
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	2	80000000	80000000
(b) Reserves and surplus	3	66698094	44156080
		146698094	124156080
(2) Non-Current Liabilities			
(a) Long-term borrowings	4	248813512	78514600
(b) Deferred tax liabilities (Net)	5	4722423	5339107
		253535935	83853707
(3) Current Liabilities			
(a) Short-term borrowings	6	371075857	327144744
(b) Other current liabilities	7	9492263	691260
(c) Short-term provisions	8	6156163	5054438
		386724283	332890442
TOTAL		786958312	540,900,229
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets			
Tangible assets	9	9939242	7307731
(b) Non-current investments	10	5497	5497
(c) Other non-current assets	11	6267067	2409380
		16211806	9722608
(2) Current assets			
(a) Cash and cash equivalents	12	4440445	1405680
(b) Short-term loans and advances	13	751027807	523410795
(d) Other current assets	14	15278254	6361146
		770746506	531177621
TOTAL		786958312	540900229
Significant Accounting Policies and Notes to Accounts	1 to 20		

As per our report of even date attached

For **E. Hemanadhan & Co.**
Chartered Accountant

E Hemanadhan
Proprietor
Membership No. 205593

Place: Chennai
Date : 17/07/2017

G Chidambar
Chairman

K S Markandan
Director

P S Balasubramaniam
Director

N Mahaveerchand Dugar
Managing Director

M Deepak Dugar
Joint Managing Director

M Praveen Dugar
Executive Director

MAHAVEER FINANCE INDIA LIMITED

Statement of Profit and Loss for the period ended 31st March 2017

Rs.

PARTICULARS	NOTE NO	2016 - 2017	2015 - 2016
I. Revenue from operations	15	145017617	86106614
II. Other income	16	228076	45973
III. Total Revenue (I + II)		145245693	86152587
IV. Expenses:			
Employee benefits expense	17	13798604	5871989
Finance costs	18	71479657	41803234
Depreciation and amortization expense	9	2623595	2677717
Other expenses	19	25101485	14808316
Total expenses		113003341	65161256
V. Profit before Tax (III - IV)		32242352	20991331
VI. Tax expense:			
(1) Current tax		10348000	7050000
(2) Deferred tax		(616684)	127817
		9731316	7177817
VII. Profit After tax (V - VI)		22511036	13813514
VIII. Basic and Diluted Earnings Per Share of Rs.10/- each in Rupees		2.81	1.73
Significant Accounting Policies and Notes to Accounts	1 to 20		

As per our report of even date attached

For **E. Hemanadhan & Co.**
Chartered Accountant

G Chidambar
Chairman

N Mahaveerchand Dugar
Managing Director

E Hemanadhan
Proprietor
Membership No. 205593

K S Markandan
Director

M Deepak Dugar
Joint Managing Director

Place: Chennai
Date : 17/07/2017

P S Balasubramaniam
Director

M Praveen Dugar
Executive Director

MAHAVEER FINANCE INDIA LIMITED

1. SIGNIFICANT ACCOUNTING POLICIES:

(a) The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and comply with the provisions of the Companies Act, 2013. The Company follows the directions prescribed by the Reserve Bank of India (RBI) for Non Banking Financial Companies.

(b) INCOME RECOGNITION:

1. Income from Hypothecation transactions is accounted on the basis of the Internal Rate of Return method.
2. Lease income is accounted as per the Accounting Standard 19 on "Leases" issued by ICAI.

(c) FIXED ASSETS / DEPRECIATION:

1. Fixed Assets are stated at historical cost less accumulated depreciation.
2. Depreciation on assets is provided as per the guidelines under Schedule II to Part C regarding the useful life of the assets as per the Companies Act, 2013.

(d) INVESTMENTS

Investments meant to be held for long term are stated at cost and provision for diminution in value, other than temporary is considered wherever necessary.

		Rs.	
NOTES TO THE ACCOUNTS	March 31, 2017	March 31, 2016	
2 SHARE CAPITAL:			
a. Authorised 1,00,00,000 Equity Shares of Rs.10/- each	10000000	10000000	
b. Issued, Subscribed and fully paid up 80,00,000 Equity Shares of Rs.10/- each fully paid-up in cash	80000000	80000000	
c. Reconciliation of Number of Equity shares:- Number of Equity shares outstanding at the beginning	8000000	8000000	
Add: Issue of Equity shares on Private Placement basis	-	-	
Number of Equity shares outstanding at the end	8000000	8000000	

NOTES TO THE ACCOUNTS (Contd.)	March 31, 2017	March 31, 2016
d. Shares in the company held by each shareholder holding more than 5% of Equity shares	No.of shares held / % of holding	No.of shares held / % of holding
Mahaveerchand Dugar N	1347800 / 16.85%	1347800 / 16.85%
Gunasundari Dugar M	4379773 / 54.75%	4379573 / 54.74%
Deepak Dugar M	740900 / 9.26%	740900 / 9.26%
Pradeep Dugar M	458500 / 5.73%	458500 / 5.73%
Praveen Dugar M	685500 / 8.57%	678600 / 8.48%
3. RESERVES & SURPLUS		
a. GENERAL RESERVE		
Opening balance	8260233	7260233
ADD: Transfer from Surplus in the Profit and Loss Statement	1000000	1000000
	9260233	8260233
b. STATUTORY RESERVE (As per Section 45-IC of the Reserve Bank of India Act,1934)		
Opening balance	14792450	12029450
ADD: Transfer from Surplus in the Profit and Loss Statement	4508000	2763000
	19300450	14792450
c. Surplus in the Profit and Loss Statement		
Opening balance	21103396	11030876
Add: Profit for the year from Profit and Loss Statement	22511036	13813513
Add: Excess Provision for Income-tax written back	30979	22007
	43645411	24866396
Less:Appropriations:		
Transfer to General Reserve	1000000	1000000
Transfer to Statutory Reserve	4508000	2763000
Profit & Loss A/c Surplus Closing Balance	38137411	21103396
Total reserves and surplus	66698094	44156080

NOTES TO THE ACCOUNTS (Contd.)		March 31, 2017	March 31, 2016
4. Long-term Borrowings			
Secured			
Term Loans from bank/FI's		298878	-
Term Loans others		148514634	78514600
Unsecured			
6 Years Subordinated Debt - NCD		100000000	-
		248813512	78514600
5. Deferred Tax Liabilities (Net)			
Deferred Tax Liability: Depreciation		4722423	5339107
6. Short-term borrowings			
Secured			
Cash Credit facilities from Banks		193059867	222112794
Term Loans from bank/FI's		187617	122413
Term Loans - Others		176628373	99909537
Unsecured			
Trade Advance		-	5000000
Loans and advances from related parties		1200000	-
		371075857	327144744

Cash Credit facilities are secured by charge on Hypothecation Loan Receivables, Hire Purchase / Lease agreements, ranking pari passu, excluding assets which are specifically charged to others. The Term loans from Bank/FI are secured by Hypothecation of office vehicles. The Term Loans others are secured by specific assets covered under Hypothecation Loan.

7. Other Current liabilities			
Unpaid Dividends		369630	396112
Sundry Creditors		801916	295148
Interest accrued but not due on borrowings		1372563	-
IFMR MOSEC C&R A/c		2948346	-
Cash profit on Loan Transfer transaction pending recognition		3999808	-
		9492263	691260
8. Short-term Provisions			
Provision for Taxation		522163	2033018
Provision for Non-Performing Assets		3034000	1466420
Provision for Standard Assets		2600000	1555000
		6156163	5054438

FIXED ASSETS

9. Tangible Assets

Particulars	Gross Block				Depreciation				Net Block	
	As on 01-04-2016	Additions	Deductions	As on 31-03-2017	As on 01-04-2016	Additions	Deductions	As on 31-03-2017	As on 31-03-2017	As on 31-03-2016
Furniture	4355810	3031972	-	7387782	2986247	449942	-	3436189	3951593	1369564
Office Equipment	11199595	1535587	-	12735182	7262958	1733361	-	8996319	3738863	3936637
Vehicles	4066373	730888	866820	3930441	2064843	440292	823479	1681656	2248785	2001530
Total	19621778	5298447	866820	24053405	12314048	2623595	823479	14114164	9939242	7307731

10. NON-CURRENT INVESTMENTS

In Shares at cost - Quoted

Rs.

S.No.	Name of the Company	QTY	31.03.2017	31.03.2016
1	Deccan Finance Ltd	600	1000	1000
2	Dhandapani Finance Ltd	1	53	53
3	Indian Seamless Enterprises Ltd	4	200	200
4	Indo Asian Finance Ltd	3	19	19
5	Jhagadia Copper Ltd	90	2700	2700
6	Onida Finance Ltd	800	1	1
7	Sakthi Finance Ltd	100	500	500
8	Sundaram Finance Ltd	100	723	723
9	Tatia Skyline Ltd	400	1	1
10	The Karur Vysya Bank Ltd.	30	300	300
Aggregate Book value of investments			5497	5497
Aggregate Market value of investments quoted			172663	140194
11.	Other non-current Assets			
	Unsecured, Considered good			
	Overcollateralization		2387479	-
	Rent Deposits and others		3409880	2409380
	Excess Interest Spread - Derecognised Assets		469708	-
			6267067	2409380
12.	Cash and cash equivalents			
	Balances with banks		454042	435644
	Cheques on Hand		-	10000
	Cash on Hand		255204	543574
	Bank Deposits			
	More than 12 months maturity		3341652	-
	Balances with bank for unpaid dividend accounts		389547	416462
			4440445	1405680
13.	Short-term Loans and Advances			
a.	Secured, Considered good			
	Hypothecation Loans		746403518	522339036
	Net Investment in Lease		2472105	372099
			748875623	522711135
b.	Unsecured considered good			
	Other Loans			
	Other loans and advances			
	Advance Income tax and Tax Deducted at Source (Net)		36342	36342
	Other Advances		2115842	663318
			2152184	699660
	Total (a+b)		751027807	523410795

In accordance with Accounting Standard 19 - Leases, the reconciliation between the total Gross Investment in Lease and the present value of the Minimum Lease Payments (MLP) receivables as on 31.03.2017 is as follows :-

Gross Investments in Lease	3326500	409256
Less: Unearned Finance Income	854395	37157
	2472105	372099

NOTES TO THE ACCOUNTS (Contd.)	2016-2017	2015-2016
Maturity Pattern of the Gross Investment in Lease and Present Value of MLP receivables		
	Gross Investment in Lease / MLP	Gross Investment in Lease / MLP
Not later than 1 year	2008000 / 1655582	409256 / 372099
Later than 1 year and not later than 5 years	1318500 / 816523	- / -
Later than 5 years	--	--
14. Other Current Assets Unsecured, Considered good		
Assets Repossessed	5735805	623199
Other assets	9542449	5737948
	15278254	6361146
15. Revenue from Operations		
Hypothecation Loans	144677864	86033854
Lease	339753	72760
	145017617	86106614
16. Other Income		
Dividend	5417	6895
Profit on sale of Fixed Assets	206659	2077
Miscellaneous Income	16000	37000
	228076	45973
17. Employee benefits expense		
Salaries	13239177	5562022
Contribution to Provident & Other Funds	352283	176619
Staff Welfare Expenses	207144	133348
	13798604	5871989
18. Finance costs		
Interest Expense	71479657	41803234
19. Other Expenses		
Rent	5895605	3536046
Postage	599720	153615
Telephones	596133	453588
Electricity charges	429922	370305
Travelling & Conveyance	2541544	701598
Advertisement Charges	115473	5900
Director's Sitting Fees	60000	55000
Insurance	187831	145706
Bank Charges	793775	1639313
Repairs & Maintenance	525217	269493
Printing & Stationery	688209	300108
Business Promotion Expenses	236143	87088
Subscription	34335	70774
Payment to Auditors:		
For Statutory Audit	86250	57250
For Other Services	44700	37000
Filing Fees	14330	73665
Legal Fees and expenses	156400	565552
Professional and Consultancy charges	4606006	2590256
General Expenses	609307	587019
Vehicle Repairs & Maintenance	1101426	873541
Bad Debts	3166580	1392965
Provision for NPA	1567580	33534
Provision for Standard Assets	1045000	809000
	25101485	14808316

NOTES TO THE ACCOUNTS

20. General

20.1 Previous year's figures have been regrouped / reclassified wherever necessary to conform to the current year's presentation.

20.2 Segment Reporting:

The Company is engaged primarily in the business of financing and accordingly there are no separate reportable segments as per Accounting Standard – AS 17 "Segment Reporting issued by ICAI".

20.3 Related Party Disclosures:

Related Party Disclosures as required by AS 18 of the ICAI are given below:

(i) Key Management personnel:

Mr.N.Mahaveerchand Dugar, Managing Director

Mr.M.Deepak Dugar, Joint Managing Director

Mr.M.Praveen Dugar, Executive Director.

(ii) The disclosure of related party transactions during the year and balances as on 31st March 2017.

Rs.

Nature of Transactions	Key Management Personnel	Relatives of Key Management Personnel	31.03.2017	31.03.2016
EXPENDITURE:				
Remuneration	3605031	0	3605031	1324914
Interest	0	130708	130708	1499143
Rent	120000	3780000	3900000	2730000
ASSETS				
Rent Deposit		1300000	1300000	1300000
LIABILITIES:				
Loans	1200000	0	1200000	0

20.4 The company's paid up share capital is Rs.8 Crores. Accordingly as per Rule 8A of the Companies (Appointment & Remuneration of Managerial Personnel) Rules, the company is in the process of identifying a suitable candidate for the appointment as whole - time Company Secretary for the company.

20.5 The Company has been removed from the Dissemination Board of the National Stock Exchange India Ltd. (NSE) vide circular Ref. No. 659/2017 dt. 29th June, 2017, upon following all procedures with respect to the exit option.

20.6 Disclosure on Securitisation arrangements as per RBI Circular No. DNBS. PD. No. 301/3.10.01/2012-13.

S. No.	Particulars	No./ Amount in Rs. Crore (As on 31.03.2017)
1.	No. of SPV's sponsored by the NBFC for Securitisation transactions	1
2.	Total amount of Securitised assets as per books of the SPVs sponsored by the NBFC	3.58
3.	Total amount of exposures retained by the NBFC to comply with MRR as on the date of the Balance Sheet	

	a)	Off-Balance Sheet Exposures	
		* First Loss	NIL
		* Others	NIL
	b)	On-Balance Sheet Exposures	
		* First Loss	0.40
		* Others	NIL
4.		Amount of exposures to securitization transactions other than MRR	
	a)	Off-Balance Sheet Exposures	
		(i) Exposure to own securitizations	
		* First Loss	NIL
		* Others	NIL
		(ii) Exposure to Third Party securitizations	
		* First Loss	NIL
		* Others	NIL
	b)	On-Balance Sheet Exposures	
		(i) Exposure to own securitizations	
		* First Loss	NIL
		* Others	NIL
		(ii) Exposure to Third Party securitizations	
		* First Loss	NIL
		* Others	NIL

Note : Previous year's figures have not been provided since no securitization transactions were outstanding in the previous year.

20.6 Disclosure as per Notification No. GSR 308(E) dt. 30-03-2017 (Amendment in Schedule III to Companies Act, 2013)

	SBNs (Amt. in Rs.)	Other denomination notes	Total
Closing Cash in Hand as on 08-11-2016	14,500	100	14,600
(+) Permitted Receipts	0	8,30,890	8,30,890
(-) Permitted Payments	0	0	0
(-) Amount Deposited in Banks	-14,500	-7,83,990	-7,98,490
Closing Cash in Hand as on 30-12-2016	0	47,000	47,000

In the ordinary course of business, loan borrowers of the Company have directly deposited cash as part of their loan repayments in the collection bank accounts of the Company with various banks, aggregating to Rs. 26,88,870 during the period November 9th to December 30, 2016 the denomination details of which are not available with the company and hence not included in the above table.

Explanation : For the purposes of this clause, the term 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E) dated the November 8, 2016.

Signature to Notes 1 to 20

As per our report of even date attached

For E Hemanadhan & Co.,
Chartered Accountant

E Hemanadhan
Proprietor
Membership No.205593

Place : Chennai
Date : 17/07/2017

G Chidambar
Chairman

K S Markandan
Director

P S Balasubramaniam
Director

N Mahaveerchand Dugar
Managing Director

M Deepak Dugar
Joint Managing Director

M Praveen Dugar
Executive Director

MAHAVEER FINANCE INDIA LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

Rs.

	2016-17		2015-16	
A) CASH FLOW FROM OPERATING ACTIVITIES:				
Net Profit before Tax and Extra-Ordinary items:		32242352		20991330
Add:				
Depreciation	2623595		2677717	
(Profit) / Loss on Sale of Fixed Assets	(206659)		(2077)	
Provision for Non-Performing Assets	1567580		33534	
Provision for Standard Assets	1045000		809000	
Finance Cost	71479657		41803234	
Dividend Received	(5417)	76503756	(6895)	45314513
		108746108		66305843
Operating Profit Before Working Capital Changes				
(Increase) Decrease in Short term Loans & Advances	(227617012)		(227626753)	
(Increase) Decrease in Other Current Assets	(8917108)		642361	
(Increase) Decrease in Other Non-Current Assets	(3857688)		(1560000)	
Increase (Decrease) in Current Liabilities	8801003	(231590805)	175965	(228368427)
Cash Generated from Operations		(122844697)		(162062584)
Financial Expenses		(71479657)		(41803234)
Direct Taxes paid		(11827876)		(5315827)
NET CASH FLOW FROM OPERATING ACTIVITIES		(206152230)		(209181645)
B) CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets		(5298447)		(325093)
Sale of Fixed Assets		250000		35000
Purchase of Investments		-		-
Sale of Investments		-		-
Dividend Received		5417		6895
NET CASH FROM INVESTING ACTIVITIES		(5043030)		(283198)
C) CASH FLOW FROM FINANCING ACTIVITIES				
Increase in Equity Share Capital		-		-
Increase (Decrease) in Long Term Borrowings		170298912		53542286
Increase (Decrease) in Short Term Borrowings		43931113		155834936
Dividend paid (including Corporate Dividend Tax)		-		-
NET CASH FROM FINANCING ACTIVITIES		214230025		209377222
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)		3034765		(87621)
CASH AND CASH EQUIVALENTS AS AT THE BEGINNING OF THE YEAR		1405680		1493301
CASH AND CASH EQUIVALENTS AS AT THE END OF THE YEAR		4440445		1405680

Previous year's figures have been regrouped/reclassified wherever necessary to conform to current year's classification.

As per our report of even date attached

For E Hemanadhan & Co.,
Chartered Accountant

E Hemanadhan
Proprietor
Membership No.205593

Place : Chennai
Date : 17/07/2017

G Chidambar
Chairman

K S Markandan
Director

P S Balasubramaniam
Director

N Mahaveerchand Dugar
Managing Director

M Deepak Dugar
Joint Managing Director

M Praveen Dugar
Executive Director

MAHAVEER FINANCE INDIA LIMITED
SCHEDULE TO BALANCE SHEET AS AT 31ST MARCH 2017

(As required under Non-Banking Financial Company – Non Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016)

SI.No.	Particulars	(Rs.in lacs.)	
LIABILITIES SIDE :			
1.	Loans and Advances availed by the NBFCs Inclusive of interest accrued thereon but not paid:	Amount Outstanding	Amount Overdues
	(a) Debentures:		
	Secured	-	-
	Unsecured	1000.00	-
	(Other than falling within the Meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	3270.03	-
	(d) Inter-Corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Public Deposits	-	-
	(g) Other Loans	-	-
	Bank Borrowings	1930.60	-
	Loans from Directors	12.00	-
2.	Break-up of (l)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid):		
	(a) In the form of Unsecured Debentures	-	-
	(b) In the form of party secured debentures i.e. debentures Where there is a shortfall, in the value of security	-	-
	(c) Other Public Deposits	-	-
ASSETS SIDE:			
3.	Break-up of Loans and Advances including bills receivables (other than those include in (4) below):		
	(a) Secured	-	
	(b) Unsecured	-	
4.	Break-up of Leased Assets and Stock-on-hire and Hypothecation loans counting towards EL/HP activities:		
	(i) Lease assets including lease rentals Under sundry debtors:		
	(a) Financial Lease	24.72	
	(b) Operating Lease	-	
	(ii) Stock on Hire including hire charges Under sundry debtors:		
	(a) Assets on Hire	-	
	(b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been Repossessed	57.36	
	(b) Loans other than (a) above	7464.04	

5. Break-up of Investments:

Long Term Investments:

1. Quoted:

(i) Equity Shares	0.05
(ii) Debentures	0.00
(iii) Units of Mutual funds	0.00

2. UnQuoted:

(i) Equity Shares	-
(ii) Government Securities	-

6. Borrower group-wise classification of all leased assets. Stock-on-Hire and loans and advances :

Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	7458.42	-	7458.42
Total	7458.42	-	7458.42

7. Investor Group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :

Category	Market Value/Break	Book Value
	Up or fair value of NAV	(Net of provisions)
1. Related Parties		
(a) Subsidiaries	-	-
(b) Companies in the same group	-	-
(c) Other related parties	-	-
2. Other than related parties	1.73	0.05
Total	1.73	0.05

8. Other information

Particulars	Amount
(i) Gross Non-performing Assets	
(a) Related parties	-
(b) Other than related parties	222.68
(ii) Net Non-performing Assets	
(a) Related parties	-
(b) Other than related parties	192.34
(iii) Assets acquired in satisfaction of debt	-