



# IFL ENTERPRISES LIMITED

(Formerly known as IFL Enterprises Private Limited)

To,  
The Manager-Listing Department  
BSE Limited  
Phiroze Jeejeebhoy Towers,  
Dalal Street, Mumbai- 400001  
Scrip Code: 540377

Date: September 05, 2020

**Sub: Notice of Eleventh Annual General Meeting of the Company**

Dear Sir/Madam,

Pursuant to Regulation 30 of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR), we would like to inform you that the Eleventh Annual General Meeting (AGM) of M/s IFL Enterprises Limited ("the Company") is scheduled to be held on Tuesday, 29<sup>th</sup> day of September, 2020 at 09:00 A.M. at D-16, First Floor, Prashant Vihar, Rohini, Delhi-110085 to transact the businesses as set out under the Notice calling Eleventh Annual General Meeting.

With due regards to above, please find enclosed the Annual Report of Financial Year 2019-20 containing Notice of Eleventh Annual General Meeting.

This is submitted for your information and records.

Thanking you,

**For IFL Enterprises LIMITED**

For IFL ENTERPRISES LTD.  
*Sandeep Kumar*

**Sandeep Kumar** Auth. Signatory  
**CS & Compliance Officer**  
**M. No: 34263**

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**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**

Registered Office: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085  
E-mail [Id: iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com) Website: [www.iflenterprises.com](http://www.iflenterprises.com) Contact No. 01147096097

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**Corporate Information**

<b>Board of Directors</b>	Mr. Ashok Kumar Bansal Mr. Gopal Bansal Mr. Manoj Kumar Ms. Himanshi Kashyap	Chairman & Whole Time Director Non Executive Director Independent Director Independent Director
<b>Audit Committee</b>	Ms. Himanshi Kashyap Mr. Manoj Kumar Mr. Gopal Bansal	Chairman, Independent Director Member, Independent Director Member, Non Executive Director
<b>Nomination &amp; Remuneration Committee</b>	Ms. Himanshi Kashyap Mr. Manoj Kumar Mr. Gopal Bansal	Chairman, Independent Director Member, Independent Director Member, Non Executive Director
<b>Stakeholders Relationship Committee</b>	Ms. Himanshi Kashyap Mr. Manoj Kumar Mr. Ashok Kumar Bansal	Chairperson, Independent Director Member, Independent Director Member, Whole Time Director
<b>CIN</b>	L67100DL2009PLC186958	
<b>Banker/s</b>	Axis Bank Limited D-12, Outer Ring Road, Prashant Vihar, Delhi- 110085 HDFC Bank Limited RG Complex, Plot No. 4, DDA Community Center, Sector-IX, Rohini, Delhi-110085	
<b>Chief Financial Officer</b>	Ms. Dimple Mangal	
<b>Company Secretary &amp; Compliance Officer</b>	Mr. Sandeep Kumar	
<b>Registered Office</b>	D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	
<b>Statutory Auditor</b>	M/s V.N. Purohit & Co. (Chartered Accountants) 214, New Delhi House, 2 <sup>nd</sup> Floor, 27, Barakhamba Road, New Delhi-110001 E-mail Id: <a href="mailto:vnpsdelhi@vnpsaudit.com">vnpsdelhi@vnpsaudit.com</a>	
<b>Secretarial Auditor</b>	Ms. Megha Sharan (Practicing Company Secretary)	
<b>Registrar and Share Transfer Agent</b>	Skyline Financial Services Private Limited D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi- 110020 E-mail Id: <a href="mailto:admin@skylinert.com">admin@skylinert.com</a>	
<b>E-mail Id &amp; Website</b>	<a href="mailto:iflenterprises@rediffmail.com">iflenterprises@rediffmail.com</a> & <a href="http://www.iflenterprises.com">www.iflenterprises.com</a>	

## **NOTICE**

NOTICE is hereby given that the **Eleventh Annual General Meeting** of **IFL Enterprises Limited** will be held on **Tuesday 29<sup>th</sup> September, 2020** at **09:00 a.m.** at **D-16, 1<sup>st</sup> Floor, Prashant Vihar, Rohini, Delhi-110085** to transact the following business:

### **Ordinary Business:**

#### **1. Adoption of Audited Financial Statements**

To receive, consider and adopt the audited financial statements of the company for the year ended March 31, 2020 i.e. Balance Sheet as on March 31, 2020, the Statement of Profit and Loss Account, Cash Flow Statement for the year ended on March 31, 2020 along with the reports of the Board of Directors ('the Board') and the Auditors thereon.

#### **2. Re-Appointment of Mr. Ashok Kumar Bansal as Director, whose office liable to retire by rotation**

To re-appoint Mr. Ashok Kumar Bansal, Director (DIN: 07069510), who retires by rotation at this Annual General Meeting and being eligible, offers himself for re-appointment.

**"RESOLVED THAT** pursuant to the provisions of Section 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Mr. Ashok Kumar Bansal, Director (DIN: 07069510), who retire by rotation and being eligible, offers himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

#### **3. Re-Appointment of M/s V.N. Purohit & Co., Chartered Accountants as Statutory Auditors of the Company**

To re-appoint M/s V.N. Purohit & Co., Chartered Accountants as Statutory Auditors of the Company and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to provisions of Section 139,142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, and on the recommendation of the Audit Committee and the Board of Directors, M/s V.N. Purohit & Co., Chartered Accountants (Firm Registration No.: 304040E) be and is hereby being re-appointed as the Statutory Auditors of the Company for the period of five years and to hold the office from the conclusion of this 11<sup>th</sup> Annual General Meeting till the conclusion of 16<sup>th</sup> Annual General Meeting of the Company to be held in the year 2025 at such remuneration as may be fixed by the Board of Directors of the Company."

**By Order of the Board  
For IFL Enterprises Limited**

**Place: New Delhi  
Date: 05.09.2020**

**Sd/-  
Sandeep Kumar  
Company Secretary**

#### **Notes:**

#### **1. Proxy/Authorized Representative**

- i. A member entitled to attend and vote at the Annual General Meeting ("AGM") is entitled to appoint a proxy to attend and vote in the meeting instead of himself/herself and such proxy need not be a member of the company. The instrument appointing proxy (Proxy Form), in order to be effective must be deposited at the registered office of the company, not less than forty-eight (48) hours before the commencement of the Annual General Meeting



("AGM"). Proxy Form is enclosed with the Notice. Members are requested to note that a person can act as proxy on behalf of the members not exceeding 50 (Fifty) and holding in aggregate not more than ten (10) percent of the total share capital of the Company carrying voting rights. However, a member holding more than ten (10) percent, of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or member.

A member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, during the period beginning 24 hours before the time fixed for the commencement of the AGM and ending with the conclusion of the AGM, provided that not less than 3 days of notice in writing is to be given to the Company.

- ii. Corporate Members intending to send their Authorized Representatives to attend the AGM 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.
- iii. Members/Proxies/Authorized Representatives should bring the duly filled Attendance Slip enclosed herewith to attend the meeting.
- iv. In case of joint holders attending the AGM, only such joint holder who is higher in the order of names will be entitled to vote.
- v. Members who have not registered their email addresses so far, are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

## **2. Book Closure**

Register of Members and Share Transfer Books of the Company will remain closed from 23<sup>rd</sup> September, 2020 to 29<sup>th</sup> September, 2020 (both days inclusive) for the purpose of AGM.

## **3. Cut- off Date**

- i. This Notice is being sent to all the members whose name appears as on 28<sup>th</sup> August, 2020 in the register of members or beneficial owners as received from **M/s Skyline Financial Services Private Limited, the Registrar and Transfer Agent** of the Company.
- ii. A person whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on **22<sup>nd</sup> September, 2020** (the "**Cut-off Date**") only shall be entitled to vote through Remote E-voting and at the AGM. The voting rights of Members shall be in proportion to their share of the paid-up equity share capital of the Company as on the Cut Off date.

## **5. Communication to Members**

- i. The Notice of the AGM along with the Attendance Slip and Proxy Form, and a Copy of Annual Report 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 hard copy of the same and also to the Auditors and Directors of the Company. For members who have not registered their email addresses, physical copies of the abridged Annual Report along with aforesaid documents are being sent by the permitted mode.
- ii. Abridged and full version of the Annual Report and notice of AGM will also be available on the website of the Company i.e. the web link of the above is [www.iflenterprises.com](http://www.iflenterprises.com) and at the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com). Hard copies of the full annual reports will be sent to those shareholders who will request the same.
- iii. All the documents referred to in the accompanying notice and Register of Directors and Key Managerial Personnel and their Shareholding will be open for inspection at the registered office of the Company on all working days except Saturdays and Sunday, between 11.00 a.m. to 1.00 p.m. up to the date of Annual General Meeting.

- iv. In case you have any query relating to the enclosed annual accounts you are requested to send the same to the Company Secretary at the Registered office of the Company or on E-mail Id “ [iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com)”, at least 10 days before the date of AGM so as to enable the management to keep the information ready.
- v. In order to implement the Green Initiatives of the Government, whereby Companies have now been allowed to send/serve notice(s)/document(s)/Annual Report(s) etc, to their members through electronic mode, your Company hereby requests all its members to register their email ID with the Registrar and Transfer Agent (in case of Physical holding) and with the Depository Participant (in case of Dematerialized holding), if not yet provided, to promote Green Initiative.

#### **6. Voting By Members**

The voting for the agenda items as mentioned in the Notice shall be done in the following manner:

- i. Members may cast their votes through electronic means by using an electronic voting system from a place other than the venue of AGM (“**Remote E-voting**”) in the manner provided below during the e-voting period as mentioned below in Para 6(A)(I).
- ii. At the venue of AGM, voting shall be done through ballot papers (“**Ballot Paper**”) and the members attending AGM who have not casted their vote by Remote E-voting shall be entitled to cast their vote through Ballot Paper.
- iii. A Member may participate in the AGM even after exercising his right to vote through Remote E-voting but shall not be allowed to vote again at the venue of the AGM. If a Member casts votes through Remote E-voting and also at the AGM, then voting done through Remote E-voting shall prevail and voting done at the AGM shall be treated as invalid.

#### **(A) Voting Through Electronic Means**

In compliance with Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014 as amended vide Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide facility of Remote E-voting to all its Members, to enable them to cast their votes on all resolutions set forth in this Notice electronically and the business mentioned in the Notice may be transacted through e-voting. Remote E-voting is optional and not mandatory.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) for the purpose of providing Remote E-voting facility to all its Members. .

#### **(I) The instructions for shareholders voting electronically are as under:**

The voting period begins on Saturday, 26<sup>th</sup> September, 2020 at 10:00 a.m. and ends on Monday, 28<sup>th</sup> September, 2020 at 05:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> September, 2020 may cast their vote electronically.

- i. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- ii. Click on Shareholders / Members
- iii. 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.
- iv. Next enter the Image Verification as displayed and Click on Login.
- v. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vi. If you are a first time user follow the steps given below:



<b>For Members holding shares in Demat Form and Physical Form</b>	
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 sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

- vii. After entering these details appropriately, click on "SUBMIT" tab.
- viii. 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.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for the relevant <IFL Enterprises Limited> on which you choose to vote.
- xi. 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.
- xii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiii. 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.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- xvi. If a 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.
- xvii. Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. Apple and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xviii. **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto: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 linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto: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.



- 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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**User ID and Password for the members who became Members after dispatch of AGM notice:** Persons who have acquired shares and became members of the Company after the dispatch of the notice of AGM but before the cut-off date of **22<sup>nd</sup> September, 2020**, may obtain their user ID and password for e-voting from the Company's Registrar and Share Transfer Agent or CDSL.

## **(II) Voting Through Ballot Paper**

Members who have not exercised the option of Remote E-voting shall be entitled to participate and vote at the venue of the AGM on the date of the AGM i.e. Wednesday, 30<sup>th</sup> September, 2020. Voting at the venue of AGM shall be done through Ballot Papers and Members attending the AGM shall be able to exercise their voting rights at the meeting through Ballot Papers. After the agenda item has been discussed, the Chairman will instruct the Scrutinizer to initiate the process of voting on all the resolutions through Ballot Papers.

The Ballot Paper/s will be issued to the Shareholders/Proxy holders/Authorized Representatives present at the AGM. The Shareholders may exercise their right of vote by tick marking as (3) against "FOR" or "AGAINST" as his/her choice may be, on the agenda item in the Ballot Paper and drop the same in the Ballot Box(es) kept at the meeting hall for this purpose.

### **7. Scrutinizer**

- Mr. Manish Kumar, Company Secretary in practice (Membership No. A43111, COP. 15931) having consented to act as a scrutinizer has been appointed as scrutinizer ("**Scrutinizer**") for scrutinizing the voting process (Ballot Paper as well as Remote E-voting) in a fair and transparent manner.
- The Scrutinizer shall, immediately after the conclusion of voting at the AGM, first count the votes cast at the AGM by Ballot Papers and thereafter unblock the votes casted through e-voting in the presence of at least two witnesses not in the employment of the Company. The Scrutinizer shall, within a period not later than forty eight hours from the conclusion of the AGM, prepare and present a consolidated report of the total votes cast in favour or against, if any, to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.

### **8. Declaration of Results**

Based on the Scrutinizer's Report, the Company will submit within 48 hours of the conclusion of the AGM to the Stock Exchanges, details of the voting results as required under Regulation 44(3) of the Listing Regulations. The results declared along with the Scrutinizer's Report, will be posted on the website of the Company at [www.iflenterprises.com](http://www.iflenterprises.com) and on the website of CDSL immediately after the declaration of the result by the Chairman or any person authorised by him in writing and communicated to the Stock Exchanges.

- The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are required to submit their PAN to their Depository Participants and Members holding shares in physical form shall submit their PAN to the Company/ R & T Agents.

**10.** Members holding shares in Physical forms are requested to submit their PAN details and Bank Details to the RTA of the Company

- The Members are requested to inform of any change in their addresses, , name, bank details, National Electronic Clearing Service (NECS), Electronic Clearing Service (ECS), mandates, nominations, e-mail address, contact numbers, etc., for providing efficient and better services immediately to immediately to:

- Registrar and Share Transfer Agents (R&T Agents) in case of shares held in Physical Form or
- Depository Participants in case of shares held in Electronic Form

## **12. Nomination**

Members holding shares in physical form and desirous of making/changing a Nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof, are requested to submit the request in prescribed form SH-13 and SH-14, as applicable for this purpose to the Company's Registrar & Transfer Agents (RTA), M/s Skyline Financial Services Private Limited. (Enclosed with this Notice)

## **Dematerialization**

Pursuant to the directions of the SEBI, trading in the shares of your Company is in compulsory de-materialized form. Members, who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant(s) with whom they have opened the dematerialization account to the Company's RTA.

- 14.** With the aim of curbing fraud and manipulation risk in physical transfer of securities, permit transfer of listed securities only in the dematerialized form with a depository. In view of the above and the inherent benefits of holding shares in electronic form, we urge the shareholders holding shares in physical form to opt for dematerialization.

## **Additional Information**

Additional Information of Directors seeking re-appointment/appointment at the ensuing AGM, as required under Regulation 36(3) of the Listing Regulations and Clause 1.2.5 of the SS-2, is annexed to the Notice.

## **Other Information**

As a measure of economy, copies of Annual Reports will not be distributed at the venue of the Annual General Meeting. Members are, therefore, requested to bring their own copies of the Annual Reports to the meeting.

**By Order of the Board  
For IFL Enterprises Limited**

**Place: New Delhi  
Date: 05.09.2020**

**Sd/-  
Sandeep Kumar  
Company Secretary**



### **ANNEXURE TO THE NOTICE**

Additional Information of Director seeking appointment/re-appointment at the Tenth Annual General Meeting pursuant to Secretarial Standards and Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

<b>Name of the Director</b>	Mr. Ashok Kumar Bansal
<b>Date of Birth</b>	03.05.1968
<b>Qualifications</b>	Bachelor of Commerce
<b>Remuneration last drawn (In Rupees)</b>	Nil
<b>Nature of his expertise in specific functional areas</b>	Finance, Accountancy & Business Management
<b>Brief Profile</b>	He is a commerce graduate. He has over 10 years of experience in business management and finance. Prior of taking his current position, he was associated with the company as nonexecutive director and assisted company in the process of listing.
<b>Name of other Public Companies in which the person holds the Directorships</b>	NIL
<b>Name of the Public Companies in which the person holds the Memberships of committees of the Board</b>	NIL
<b>Shareholding in the Company (Equity)</b>	-
<b>Relationship with other Directors/Manager/Key Managerial Personnel</b>	Uncle
<b>Number of Board Meetings attended during the FY 2019-2020</b>	9 (Total board meeting held during the year: 09)

## **BOARD'S REPORT**

**To,  
The Members,**

Your Directors have pleasure in presenting the **Eleventh Annual Report** of your Company with the Audited Financial Statements alongwith Auditor's Report for the year ended **31<sup>st</sup> March, 2020**.

### **1. BUSINESS OVERVIEW**

During the year, the Company has diversified its business activities along with its main object. Your Company has obtained Direct Selling Agency (DSA) of PNB Housing Finance, Tata Capital Housing Finance Limited and IDFC.

### **2. FINANCIAL PERFORMANCE**

The Company's financial Performance during its Tenth year of Operations is summarized below:

*(In Rs.)*

<b>Particulars</b>	<b>Period ended 31.03.2020</b>	<b>Period ended 31.03.2019</b>
Revenue from Operations	2,24,52,920	6,60,93,530
Other Income	13,75,350	27,00,270
Expenses for the period	2,11,19,940	6,83,60,720
Profit/(Loss) before tax from continuing operations	27,08,330	4,33,080
Current Income Tax for the period	-	(83,330)
Minimum alternate tax	(4,22,500)	8,780
Deferred Tax	(60,770)	(40,140)
<b>Profit/(Loss) for the period</b>		<b>3,18,390</b>

### **3. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

In terms of the Regulation 34(2)(e) of SEBI( Listing Obligations and Disclosure Requirements)Regulations, 2015, the Management's Discussion and Analysis Report (MDAR)is set out in the Annual Report.

### **4. STATE OF THE COMPANY'S AFFAIRS.**

During the year under ended March 31, 2020,Your company has achieved reveue of Rs. 2,24,52,920compared to previous year of Rs. 6,60,93,530. The Net Profit after Tax is Rs. for the current year22,25,060 as against Rs. 3,18,390 for the previous year.

### **5. DIVIDEND**

The Board of Directors of the Company has decided not to recommend any dividend for the financial year under consideration due to operational losses.

### **6. TRANSFER TO GENERAL RESERVES**

The Company has not transferred any sum to the General Reserves Account during the reporting period.

### **7. BUSINESS RESPONSIBILITY REPORT**

As per Regulation 34(2)(f) of the SEBI (LODR) Regulations, 2015, top five hundred (500) listed entities based on market capitalization shall contain the Business Responsibility Report in their Annual Report. As the Company

does not fall under top 500 listed Companies based on market capitalization, therefore, this regulation is not applicable to the Company.

**8. CHANGES IN THE NATURE OF BUSINESS**

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

**9. MATERIAL CHANGES AND COMMITMENTS**

There is no material change which may affect the financial position of the Company between the financial year and up to the date of this report.

**10. DETAILS IN RESPECT OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS**

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during the financial year 2019-2020. The details in respect of internal financial control and their adequacy are included in the Management Discussion & Analysis, which forms part of this report.

**11. PUBLIC DEPOSITS**

During the year under review, the company has not accepted any deposit under Section 73 of the Companies Act, 2013 read with Companies (Acceptance of Deposits) Rules, 2014.

**12. AUDITORS**

**a) STATUTORY AUDITOR**

M/s V. N. Purohit & Co., Chartered Accountants (Registration No. 304040E), Statutory Auditors of the Company shall hold the office till the conclusion of the ensuing Annual General Meeting of the Company. Accordingly, the Audit Committee and the Board of Directors of the Company in their meeting held on September 05, 2020 recommended re-appointment of M/s V. N. Purohit & Co., Chartered Accountants (Registration No. 304040E) to hold office for a period of five years from the conclusion of the ensuing Annual General Meeting till the conclusion of 16<sup>th</sup> Annual General Meeting of the Company. The Company has received written consent and certificate of eligibility in accordance with Sections 139, 141 and other applicable provisions of the Act and Rules issued thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) from M/s V. N. Purohit & Co., Chartered Accountants.

***Auditor's Report***

The Auditor's Report for financial year ended March 31, 2020, does not contain any qualification, reservation or adverse remarks. All Observations made in the Independent Auditors' Report and Notes forming part of the Financial Statements are self explanatory and do not call for any further comments and also, there is no incident of fraud requiring reporting by the auditors under section 143(12) of the Companies Act, 2013 during the year. The Auditor's report is enclosed with the financial statements in this Auditor's Report.

**b) SECRETARIAL AUDITOR**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Ms. Megha Sharan (CP No.: 12171, FCS: 9802), Practising Company Secretaries, to undertake the secretarial audit of the Company for the Financial Year 2019-2020.

***Secretarial Audit Report***

The Secretarial Audit Report for the financial year ended 31<sup>st</sup> March, 2020 does not contain any qualification, reservation or adverse remark. A copy of the Secretarial Audit Report (Form MR-3) as provided by the Company Secretary in Practice has been annexed to the Report. ***(Annexure-I)***.

**c) INTERNAL AUDITOR**

Pursuant to provisions of Section 138, read with the rules made there under, the Board has appointed Mr. Sandeep Kumar an Internal Auditor of the Company for the financial year 2019-2020, to check the internal controls and the functioning of the activities of the Company and also recommends ways of improvement. He has provided an Internal Audit Report of the Company for the Financial Year ended March 31, 2020. The Internal audit is carried out quarterly basis and the report is placed in the Audit Committee Meeting and Board Meeting for their consideration and direction.

**d) COST AUDITOR**

The Company has not appointed the Cost Auditor as pursuant to Section 148 of the Companies Act, 2013 read with the Companies (Cost Records and Audit) Amendment Rules, 2014, the cost audit is not applicable to the Company.

**13. SHARE CAPITAL**

During the year under review, the Authorized Share Capital of the Company is Rs. 3,10,00,000 and the paid up equity share capital as on March 31, 2020 is Rs. 3,00,21,720.

**A. Issue of equity shares with differential rights**

The Company has not issued any equity shares with differential rights so no disclosure is required as per Rule 4 (4) of the Companies (Share Capital and Debentures) Rules 2014.

**B. Issue of sweat equity shares**

The Company has not issued sweat equity shares, so no disclosure is required as per Rule 8(13) of the Companies (Share Capital and Debentures) Rules 2014.

**C. Issue of employee stock options**

The Company has not issued employee stock options, so no disclosure is required as per Rule 12(9) of the Companies (Share Capital and Debentures) Rules 2014.

**D. Provision of money by company for purchase of its own share by employees or by trustee for the benefit of employees**

The Company has not made any provision for purchase of its own share of employees or by the trustee for the benefit of employees so no disclosure is required as per Rule 16(4) of the Companies (Share Capital and Debentures) Rules 2014.

**E. Issue of shares on preferential basis**

The Company has not issued any share on preferential basis during the year.

**14. LISTING FEES**

Listing fees for financial year 2019-20 have been paid to BSE SME on which the shares of the Company are listed.

**15. EXTRACT OF THE ANNUAL RETURN**

The extract of annual return in Form MGT 9 as required under Section 92(3) of the Companies Act, 2013 and Rule 12 of the Companies (Management and Administration) Rules, 2014 is available on the website of the Company at [www.iflenterprises.com](http://www.iflenterprises.com).

In accordance with Section 134(3)(a) of the Companies Act, 2013 an extract of the Annual Return in Form No.MGT - 9 as 'Annexure-II' has been enclosed with the Board's Report.

**16. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The details of conservation of energy, technology absorption, foreign exchange and outgo are as follows:

**A. Conservation of energy**

The company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding conservation of energy are not applicable.

**B. Technology absorption**

The company is not engaged in any manufacturing or processing activity, as such particulars required to be given in terms of Section 134(3)(m) of the Companies Act, 2013 read with the Companies (Accounts) Rules, 2014, regarding technology absorption are not applicable.

**C. Foreign exchange earnings and outgo**

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

**17. POLICIES**

Company has the following policies:

- Policy on Preservation of Documents and Archives Management as per Regulation 9 and 30(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for Disclosure of events/ information and Determination of materiality as per Regulation 30(4)(ii) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy on Materiality of Related Party Transactions as per Regulation 23(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- Policy for determining material subsidiary as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Above Policies are available on the website of the Company i.e. <http://www.iflenterprises.com/#>

**18. DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED**

During the financial year 2019-20, no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in the future.

**19. CORPORATE SOCIAL RESPONSIBILITY**

Pursuant to provisions of Section 135 of the Companies Act, 2013, every company having a Net Worth of Rupees Five Hundred Crore (Rs.500 Crore) or more; or Turnover of Rupees One Thousand Crore (Rs.1000 Crore) or more; or Net Profit is Rupees Five Crore (Rs.5 Crore) or more during the immediately preceding financial year, is required to constitute a Corporate Social Responsibility Committee ("CSR Committee") of the Board. But this provision is not applicable to your company; as during the immediately preceding financial year, company has not reached this limit.

**20. DIRECTORS AND KEY MANAGERIAL PERSONNEL**



The Board of the Company was duly constituted in accordance with the provisions of the Companies Act, 2013. As of the date of the report, your company has the following Directors on its Board:

S. No.	Name of Director	Designation	DIN	Date of Appointment	Date of Appointment at current designation
1	Mr. Ashok Kumar Bansal	Whole Time Director	07069510	10.08.2016	02.02.2018
2	Mr. Gopal Bansal	Director	01246420	01.03.2016	02.02.2018
3	Mr. Manoj Kumar	Independent Director	07539741	04.09.2018	28.09.2018
4	Ms. Himanshi Kashyap	Independent Director	07681277	17.12.2016	29.09.2017

#### A. **Directors**

During the financial year 2019-2020, there was no appointment or resignation of director of the company.

##### ***Director's retiring by Rotation***

Mr. Ashok Kumar Bansal (DIN: 07069510), will be retiring by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

The Board of Directors on the recommendation of the Nomination and Remuneration Committee recommends the re-appointment of aforesaid Director to the Members of the Company at the ensuing Annual General Meeting.

#### B. **Chief Financial Officer**

There is no appointment, resignation or any other changes in the position of the Chief Financial Officer of the Company.

#### C. **Company Secretary & Compliance Officer & Internal Auditor**

During the Financial Year 2019-20, Mr. Sandeep Kumar has resigned from the post of Company Secretary and Compliance Officer of the Company w.e.f. 03.10.2020. The Board has appointed Mr. Sandeep Kumar as Company Secretary and Compliance Officer of the Company w.e.f. 13.01.2020.

#### 21. **REMUNERATION OF KEY MANAGERIAL PERSONNEL**

- Ms. Dimple Mangal, (CFO), the Key Managerial Personnel of the Company, has been paid Gross monthly remuneration of Rs. Rs. 35,000/- (Rupees Thirty Five Thousand Only) from 01.04.2019 subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of her performance and policy of the Company.
- Mr. Sandeep Kumar (Company Secretary), the Key Managerial Personnel of the company be paid Gross monthly remuneration of Rs. 12,000/- (Rupees Twelve Thousand Only) for the period from 01.04.2019 to 30.09.2019 and be paid a gross onthly remuneration of Rs. 15,000 for the period 13.01.2020 to 31.03.2020 subject to the increment as decided by the Board of Directors of the Company from time to time on the basis of his performance and policy of the Company.

#### 22. **DECLARATION BY THE INDEPENDENT DIRECTOR**

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under the Companies Act, 2013 and Listing Regulations.

#### 23. **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a separate exercise was carried out to evaluate the performance of individual Directors, including the Chairman of the Board who were evaluated on parameters such as level of engagement and contribution and independence of judgment thereby safeguarding the interest of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non Independent Directors was carried out by the Independent Directors. The board also carried out an annual performance evaluation of the working of its Audit, Nomination and Remuneration as well as stakeholder relationship committee. The Directors expressed their satisfaction with the evaluation process. The Board of Directors reviewed all the laws applicable to the company, prepared by the company and taking steps to rectify instances of non-compliances.

#### **24. NUMBER OF MEETINGS OF THE BOARD**

The Board of Directors duly met nine(30.05.2019, 23.07.2019, 30.07.2019, 14.08.2019, 03.09.2019, 03.10.2019, 12.11.2019, 13.01.2020 and 10.03.2020)timesduring the year, in respect of which notices were given and the proceedings were recorded and signed. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013.The details ofBoardmeetings and the attendance of Directors in such meetings are given in theCorporate Governance Report forming part of this Annual Report.

#### **25. COMMITTEES AND THEIR MEETINGS**

##### **A. Audit Committee**

The Company has a Audit Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Committee comprises of:

- Ms. HimanshiKashyap (Chairman & Independent Director),
- Mr. Manoj Kumar (Member, Independent Director),
- Mr. Gopal Bansal (Member, Director) and
- Mr. Sandeep Kumar (Secretary of the Audit Committee).

The terms of reference of the Audit Committee inter alia include overseeing the financial reporting process, reviewing the financial statements and recommending the appointment of Auditors. All the recommendations made by Audit Committee were accepted.

During the year **Four**(30.05.2019, 14.08.2019, 12.11.2019and 13.01.2020) Audit Committee Meetings were held.

##### **B. Nomination and Remuneration Committee**

The Company has a Nomination & Remuneration Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Committee's scope of work includes nominate the directors as per their qualifications, experience and positive attributes, deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation etc.

The Committee comprises of:

- Mr. HimanshiKashyap (Chairman & Independent Director),
- Mr. Manoj Kumar (Member, Independent Director) and
- Mr. Gopal Bansal (Member, Non Executive Director).

During the year **One** (13.01.2020) Nomination and Remuneration Meeting was held.

### ***Nomination and Remuneration Policy***

The details of Nomination and Remuneration Policy are covered in the Corporate Governance Report. It is hereby affirmed that the remuneration paid is as per Remuneration Policy of the Company. The Nomination & Remuneration Policy is attached to this report as an ***Annexure III***.

### **C. Stakeholders Relationship Committee**

The Company has a Stakeholder Relationship Committee of Directors in compliance with provisions of the Companies Act, 2013 and Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices /annual reports, etc.

The Committee comprises of:

- Ms. Himanshi Kashyap (Chairperson & Independent Director),
- Mr. Manoj Kumar (Member, Independent Director) and
- Mr. Ashok Kumar Bansal (Member, Whole Time Director).

The Company has a Stakeholder Relationship Committee of directors to look into the redressal of complaints of investors such as transfer or credit of shares, non-receipt of dividend/notices /annual reports, etc.

During the year one (13.01.2020) Stakeholders Relationship Committee Meetings were held.

### ***Details of establishment of Vigil Mechanism/Whistle Blower Policy for Directors and Employees***

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. The company believes in honesty, integrity, ethics, transparency and good conduct in its professional environment and provides such kind of environment to its employees and directors and always encourages its team to follow such standards in their activities. The directors, employees and other team members are free to report on the issues which require genuine concern. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically.

This policy is explained in the corporate governance report and also posted on the website at [www.iflenterprises.com](http://www.iflenterprises.com) under Corporate Governance section.

### **26. DETAILS OF SUBSIDIARY/JOINT VENTURE/ ASSOCIATE COMPANIES**

The Company does not have any Subsidiary/ Joint Venture/ Associate Companies.

### **27. PERFORMANCE AND FINANCIAL POSITION OF EACH OF THE SUBSIDIARIES, ASSOCIATES AND JOINT VENTURE COMPANIES**

The Company has no subsidiaries, Joint Venture Companies so there is no requirement of description of the performance of Subsidiaries and Joint Venture Companies.

### **28. PARTICULARS OF LOANS, GUARANTEE OR INVESTMENTS**

Loans, Guarantees and Investments covered under section 186 of the Companies Act, 2013 form part of the notes to the financial statement and same is provided in this Annual Report.

### **29. PARTICULARS OF CONTRACTS OR ARRANGMENTS WITH RELATED PARTIES**

The Company has entered into contracts and arrangements with related parties and complied with the provisions of section 188 of the Companies Act, 2013. Details of Such Contracts and Arrangements are enclosed as ***Annexure-IV*** in **Form AOC-2**.

### 30. **CORPORATE GOVERNANCE CERTIFICATE**

The Company believes that the essence of Corporate Governance lies in the phrase "Your Company". The Chairman and Directors are "Your" fiduciaries and trustees. Their objective is to take the business forward in such a way that it maximizes "Your" long term value. Besides, adhering to the prescribed Corporate Governance practices as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company also endeavors to share information with its stakeholders openly and transparently on matters which have a bearing on its economic and reputational interest. The Corporate Governance Report is a part of this Annual report.

A certificate from Secretarial Auditors of the company regarding the compliance of the conditions of Corporate Governance by the Company as stipulated under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is also attached to this Annual Report.

### 31. **HUMAN RESOURCES**

The Management has a healthy relationship with the officers and the Employee.

### 32. **PARTICULARS OF EMPLOYEES**

None of the employees of the Company were in receipt of remuneration in excess of limits as prescribed under Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

Disclosures pertaining to remuneration and other details as required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are mentioned below:

#### **(A) Information as per Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014**

1. Remuneration of each Director and Key Managerial Personnel (KMP) along with particulars of increase in remuneration during the financial year, Ratio of remuneration of Directors to the Median Remuneration of employees.

Name of the Director/ and KMP	Designation	Remuneration (Rs.) 2019-2020	Increase (%)	Ratio of Director's Remuneration to Median remuneration
Mr. Gopal Bansal	Director	-	-	-
Mr. Sandeep Kumar	Company Secretary	1,11,190/-	-	
Ms. Dimple Mangal	Chief Financial Officer	4,20,000	-	
Mr. Ashok Kumar Bansal	Whole Time Director	-	-	-
Mr. Manoj Kumar	Independent Director	-	-	-
Ms. Himanshi Kashyap	Independent Director	-	-	-

1. The median remuneration of the Company for all its employees is Rs. 4,20,000/-for the financial year 2019-2020
2. The Percentage increase in median remuneration of employees in the Financial Year: 11.11%
3. Number of permanent employees on the rolls of the Company: 3 (Three) (As at 31<sup>st</sup> March, 2020).
4. Average percentile increase in managerial remuneration was NIL and average increase in the remuneration other than managerial personnel in 2019-20 is 2.12%. Remuneration increase is dependent on the performance as a whole, individual performance level; and also market benchmarks.
6. Affirmation Pursuant to Rule 5(1)(xii) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, it is affirmed that the remuneration paid to the Directors, Key Managerial Personnel is as per the remuneration policy of the Company.

### 33. **SEXUAL HARRASEMENT**



The Company has a Policy on Prevention of Sexual Harassment of Women at Workplace and has complied with the provisions relating to the constitution of Internal Complaints Committee under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. No case was reported during the year under review.

### **33. RISK MANAGEMENT POLICY**

The Board of Directors of the Company are of the view that currently no significant risk factors are present which may threaten the existence of the company. During the year, your Directors have an adequate risk management infrastructure in place capable of addressing those risks. The company manages monitors and reports on the principal risks and uncertainties that can impact its ability to achieve its strategic objectives. The Audit Committee and Board of Directors review these procedures periodically. The company's management systems, organizational structures, processes, standards, code of conduct and behavior together form a complete and effective Risk Management System (RMS).

### **34. PREVENTION OF INSIDER TRADING**

The Company has a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and certain designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code.

### **35. DISCLOSURE OF RELATIONSHIP BETWEEN DIRECTOR INTER -SE**

Mr. Gopal Bansal is the nephew of Mr. Ashok Kumar Bansal

### **36. SECRETARIAL STANDARDS**

Your Company complies with the Secretarial Standard on Meetings of Directors (SS-1) and Secretarial Standard on General Meetings (SS-2) whenever it has applicable. Your Company will comply with the other Secretarial Standards issued by the Institute of Company Secretaries of India (ICSI) as and when they are made mandatory.

### **37. CODE OF CONDUCT**

The Board of Directors has approved a Code of Conduct which is applicable to members of the Board and all employees in the course of day to day business operations of the company. The Code has been placed on the Company's website [www.iflenterprises.com](http://www.iflenterprises.com). The Code lays down the standard procedure of business conduct which is expected to be followed by the directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders.

All the Board Members and the Senior Management personnel have confirmed compliance with the Code.

### **38. CAUTIONARY NOTE**

The statements forming part of the Board's Report may contain certain forward looking remarks within the meaning of applicable securities laws and regulations. Many factors could cause the actual results, performances or achievements of the Company to be materially different from any future results, performances or achievements that may be expressed or implied by such forward looking statements.

### **39. DIRECTOR'S RESPONSIBILITY STATEMENT**

In accordance with Clause (c) of sub-section (3) of Section 134 of the Companies Act, 2013, the Board of Directors of the company informed the members that:



- (A) In the preparation of the annual accounts for the financial year ended March 31, 2020, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (B) The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- (C) The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (D) The directors had prepared the annual accounts on a going concern basis; and
- (E) The directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

#### **40 APPLICABILITY OF THE INDIAN ACCOUNTING STANDARDS (IND AS)**

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

#### **41. ACKNOWLEDGEMENT**

The Board expresses its sincere gratitude to the shareholders, bankers and clients for their continued support. The Board also wholeheartedly acknowledges with thanks the dedicated efforts of all the staff and employees of the Company.

**By the Order of the Board  
For IFL Enterprises Limited**

**Date: 05.09.2020  
Place: New Delhi**

**Sd/-  
Ashok Kumar Bansal  
(Whole Time Director)  
DIN-07069510**

**Sd/-  
Gopal Bansal  
(Director)  
DIN-01246420**

**SECRETARIAL AUDIT REPORT**  
**FORM NO. MR-3**  
**FOR THE FINANCIAL YEAR ENDED 31.03.2020**

**[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,**  
**IFL Enterprises Limited**  
**D-16, 1st Floor, Above ICICIBank,**  
**Prashant Vihar, Sector-14, Rohini,**  
**New Delhi - 110085**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s IFL Enterprises LIMITED (CIN: L67100DL2009PLC186958) (hereinafter called the company) for the Financial Year ended March 31, 2020. 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 the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2020 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by IFL Enterprises Limited ("the Company") for the financial year ended on 31<sup>st</sup> March, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (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, Overseas Direct Investment and External Commercial Borrowings; **(Not Applicable to the Company during the Audit Period)**
- (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, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**

(d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulation, 2014; **(Not Applicable to the Company during the Audit Period)**

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable to the Company during the Audit Period)**

(f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

(g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable to the Company during the Audit Period)**

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable to the Company during the Audit Period)**

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

(i) Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements [“Listing Regulations as per SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 entered into by the Company with Bombay Stock Exchange.

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

#### **We further report that**

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

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

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

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

**For & on behalf of VMS & Co.**

**Date: 05.09.2020**

**Place: New Delhi**

**UDIN: F009802B000667646**

**Megha Sharan**  
**(Practicing Company Secretary)**

**M. No.: F9802**

**COP No.12171**

**To,  
The Members,  
IFL Enterprises Limited  
D-16, 1st Floor, Above ICICIBank,  
Prashant Vihar, Sector-14, Rohini,  
New Delhi - 110085**

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on 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 & on behalf of VMS & Co.**

**Date: 05.09.2020  
Place: New Delhi  
UDIN: F009802B000667646**

**Megha Sharan  
(Practicing Company Secretary)  
M. No.: F9802  
COP No.12171**

**FORM NO. MGT-9**  
**EXTRACT OF ANNUAL RETURN**  
**AS ON THE FINANCIAL YEAR ENDED ON MARCH 31, 2020**  
[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	L67100DL2009PLC186958
ii	Registration Date	23/01/2009
iii	Name of the Company	IFL Enterprises 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	D-16, I Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, Delhi-110085
vi	Whether listed company	Yes (BSE SME)
vii	Name, Address and Contact details of Registrar and Transfer Agent, if any	Skyline Financial Services Limited D-153 A, 1 <sup>st</sup> Floor, Phase-I, Okhla Industrial Area, New Delhi-110020 Contact No. 011-64732681 to 88 E-mail Id: <a href="mailto:admin@skylinerta.com">admin@skylinerta.com</a>

**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/	% to Total turnover of the
1	Fabrics	47820	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

S. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
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 (01.04.2019)				No. of Shares held at the end of the year (31.03.2020)				% Change During the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoter</b>									
<b>Indian</b>									
) Individual/HUF	81,250	0	81,250	2.71	81,250	0	81,250	2.71	0
) Central Govt	0	0	0	0	0	0	0	0	0
) State Govt(s)	0	0	0	0	0	0	0	0	0
) Bodies Corp.	5,59,891	0	5,59,891	18.65	5,59,891	0	5,59,891	18.65	0



j) Banks / FI	0	0	0	0	0	0	0	0	0
j) Any Other	0	0	0	0	0	0	0	0	0
Sub-total(A)(1):-	6,41,141	0	6,41,141	21.36	6,41,141	0	6,41,141	21.36	0
<i>Foreign</i>									
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)	6,41,141	0	6,41,141	21.36	6,41,141	0	6,41,141	21.36	0
<b>3. Public Shareholding</b>									
<i>Institutions</i>									
Mutual Funds	0	0	0	0	0	0	0	0	0
Banks / FI	0	0	0	0	0	0	0	0	0
Central Govt	0	0	0	0	0	0	0	0	0
State Govt(s)	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
FIIIs	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1)	0	0	0	0	0	0	0	0	0
<b>4. Non Institutions</b>									
<b>Bodies Corp.</b>									
i) Indian	6,12,000	0	6,12,000	20.39	5,52,000	0	5,52,000	18.39	-2.00
i) Overseas	0	0	0		0	0	0	0	0
<b>Individuals</b>									
(i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh	2,88,750	0	2,88,750	9.62	2,64,000	0	2,64,000	8.79	-0.83
(ii) Individual shareholders holding nominal share capital in excess of Rs 1 Lakh	13,65,937	0	13,65,937	45.50	14,50,687	0	14,50,687	48.32	2.82
<b>Others(Specify)</b>									
HUF	88,344	0	88,344	2.94	88,344	0	88,344	2.94	0
NRI	6,000	0	6,000	0.20	6,000	0	6,000	0.20	0
Sub-total(B)(2)	23,61,031	0	23,61,031	78.64	23,61,031	0	23,61,031	78.64	0
TotalPublicShareholding(B)=(B)(1)+(B)(2)	23,61,031	0	23,61,031	78.64	23,61,031	0	23,61,031	78.64	0
<b>5. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
GrandTotal(A+B+C)	30,02,172	0	30,02,172	100	30,02,172	0	30,02,172	100	0

ii. **Shareholding of Promoters**

Sl. No	Shareholder's Name	Shareholding at the beginning of the year (01.04.2019)			Shareholding at the end of the year (31.03.2020)			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Mukesh Sharma	81,250	2.71	0	81,250	2.71	0	0
2.	India Finsec limited	5,59,891	18.65	0	5,59,891	18.65	0	0
	<b>Total</b>	6,41,141	21.36	0	6,41,141	21.36	0	0

iii. **Change in Promoters' Shareholding (please specify, if there is no change)**

S. No.	Name of Shareholder	Shareholding at the beginning of the year (01.04.2019)		Date	Reason	Increase/Decrease in Promoters Shareholding during the year		Cumulative Shareholding during the year (31.03.2020)	
		No. of shares	% of total shares of the company			Number of shares of the company	% of total shares of the company	% of total shares of the company	% of total shares of the company
1.	Mukesh Sharma	81,250	2.71	-	-	-	-	81,250	2.71
2.	India Finsec Limited	5,59,891	18.65	-	-	-	-	5,59,891	18.65

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

Sl. No	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year (01.04.2019)		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year (31.03.2020)	
		No. of shares at the beginning (01-04-2019/ end of the year (31-03-2020)	% of total shares of the company				No. of shares	% of total shares of the company
1.	RITU JINDAL	72000	2.40	01.04.2019				
				-	-	-	-	-
		72000	2.40	31.03.2020				
2.	USHA SHARMA	288000	9.59	01.04.2019				
				-	-	-	-	-
		288000	9.59	31.03.2020				
3.	SANJAY KUMAR	144750	4.82	01.04.2019				

	SHARMA							
		144750	4.82	31.03.2020	-	-	-	-
4.	ASHA DEVI GOYAL	121875	4.06					
		121875	4.06	31.03.2020	-	-	-	-
5.	CHARU GOYAL	109000	3.63	19/04/2019	12000	Purchase	121000	4.03
				02/08/2019	6000	Purchase	127000	4.23
		109000	3.63					
6.	SUNIL KUMAR	90000	3.00	01.04.2019				
		90000	3.00	31.03.2020	-	-	-	-
7.	SUSHIL KUMAR GUPTA	60000	2.00	01.04.2019				
		60000	2.00	31.03.2020	-	-	-	-
8.	TIA ENTERPRISES PRIVATE LIMITED	324000	10.79	01.04.2019				
				28/06/2019	-324000	Sale	0	0.00
		70	0	31.03.2020				
9.	HOLLY ENTERPRISES PRIVATE LIMITED	0	0	01.04.2019				
				28/06/2019	552000	Purchase	552000	18.39
		552000	18.39	31.03.2020				
10.	RINKU GOYAL	53625	1.79	01.04.2019	-	-	-	-
				-	-	-	-	-
		53625	1.79	31.03.2020				

**IV. Shareholding of Directors and Key Managerial Personnel:**

Sl. No	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	Mr. Ashok Kumar Bansal ( Whole Time Director)				
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
2.	Mr. Gopal Bansal (Director)				
	Shareholding at the beginning of the year (01.04.2019)				
	No. of shares		% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-



	At the End of the year	-	-	-	-
3.	Mr. Manoj Kumar	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
4.	Ms. Himanshi Kashyap (Independent Director)	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
5.	Ms. Dimple Mangal (Chief Financial Officer)	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-
6.	Mr. Sandeep Kumar (Company Secretary)	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year (31.03.2020)	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	-	-	-	-
	Date wise Increase/Decrease in Shareholding during the Year specifying the reasons for increase/ decrease (e.g. allotment/ transfer/ bonus/sweat equity etc):	-	-	-	-
	At the End of the year	-	-	-	-

## V. INDEBTEDNESS

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

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

## VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount
		Mr. Ashok Kumar Bansal (Whole Time Director)	
1.	Gross Salary		
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0
	Value of perquisites u/s 17(2) Income-tax Act, 1961		0
	Profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0
		0	
2.	Stock Option	0	0
3.	Sweat Equity	0	0
4.	Commission		
	- as % of profit	0	0
	- others, specify...	0	0
5.	Others, please specify (Sitting Fees)	0	0
0	Total(A)	0	0
7.	Ceiling as per the Act	NIL	

**B. Remuneration to other directors:**

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Mr. Manoj Kumar	Ms. Himanshi Kashyap	Mr. Gopal Bansal	
	Independent Directors e for attending board/committee meetings	15,000	15,000	0	30,000
	·Commission	0	0	0	0
	·Others, please specify	0	0		0
	<b>Total(1)</b>	<b>15,000</b>	<b>15,000</b>	<b>0</b>	<b>30,000</b>
	Other Non-Executive Directors e for attending board committee meetings	0	0	13,000	13,000
	·Commission	0	0	0	0
	·Others, please specify	0	0	0	0
	<b>Total(2)</b>	<b>0</b>	<b>0</b>	<b>13,000</b>	<b>13,000</b>
	<b>Total(B)=(1+2)</b>	<b>15,000</b>	<b>15,000</b>	<b>13,000</b>	<b>43,000</b>

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

Sl. No.	Particulars of Remuneration	Key Managerial Personnel		
		Mr. Sandeep Kumar (Company Secretary)	Ms. Dimple Mangal (CFO)	Total
1.	Gross salary			
	Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,11,190	4,20,000	5,31,190
	Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	
	or profits in lieu of salary under section 17(3) Income-tax Act, 1961	0	0	
2.	Stock Option	0	0	0
3.	Sweat Equity	0	0	0
4.	Commission			
	- as % of profit	0	0	0
	- others, specify...	0	0	
5.	Others, please specify	0	0	0
	<b>Total</b>	<b>1,11,190</b>	<b>4,20,000</b>	<b>5,31,190</b>



**VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made. If any(give details)
A.Company					
Penalty			NIL		
Punishment					
Compounding					
B.Directors					
Penalty			NIL		
Punishment					
Compounding					
C.OtherOfficersInDefault					
Penalty			NIL		
Punishment					
Compounding					

By the Order of the Board  
For IFL Enterprises Limited

Date: 05.09.2020  
Place: New Delhi

Sd/-  
Ashok Kumar Bansal  
(Whole Time Director)  
DIN-07069510

Sd/-  
Gopal Bansal  
(Director)  
DIN-01246420

## **NOMINATION AND REMUNERATION POLICY**

Our Policy is on the appointment and remuneration of directors, Key Managerial Personnel and other senior management team for providing equitable remuneration to the directors and to recommend the qualified directors to the Board. The nomination and remuneration policy is provided herewith, pursuant to Section 178 (4) of the Companies Act, 2013. The Policy is also available on the website of the company.

### **Objectives**

This policy is framed with the following objectives:

- ◊ The remuneration of the Whole Time Directors/Executive Directors is fixed by the Remuneration Committee as constituted. The remuneration of Employees other than Whole-time Directors is approved by the Remuneration Committee based on recommendations made to it.
- ◊ To specify remuneration packages for Whole-time Directors, including pension rights and compensation payments.
- ◊ The Non-Executive Directors are not paid any remuneration. They are only entitled to sitting fees for attending Board and Committee Meetings.
- ◊ To formulate the criteria for determining qualifications, competencies, positive attributes and independence for appointment of a Director (Executive / Non-Executive) and recommend to the Board policies relating to the remuneration of the Directors, Key Managerial Personnel and other employees.
- ◊ The policy also addresses the following items:
  - Committee member qualifications;
  - Committee member appointment and removal;
  - Committee structure and operations; and
  - Committee's reporting to the Board.
- ◊ To formulate the criteria for evaluation of performance of all the Directors on the Board;

### **Constitution of Nomination and Remuneration Committee**

The Board has re-constituted the "Nomination and Remuneration Committee" by the Board Resolution dated 04.09.2019. This is in line with the requirements under the Companies Act, 2013 and SEBI (Listing Obligations and Requirements) Regulations, 2015.

The Committee currently comprises of:-

<b>Name</b>	<b>Designation in Committee</b>	<b>Nature of Directorship</b>
Ms. Himanshi Kashyap	Chairman	Non-Executive Independent Director
Mr. Manoj Kumar	Member	Non-Executive Independent Director
Mr. Gopal Bansal	Member	Non-Executive Director

### **Role and Powers of the Committee**

The Nomination & Remuneration Committee has been constituted to recommend/review remuneration of Directors and key managerial personnel based on their performance and defined assessment criteria.

The remuneration policy of our Company is directed towards rewarding performance, based on review of achievements on a periodic basis. The remuneration policy is in consonance with the existing industry practice.

The role and power of Nomination and Remuneration Committee shall include, but shall not be restricted to the following:

- ◇ Periodically reviewing the size and composition of the Board to ensure that it is structured to make appropriate decisions, with a variety of perspectives and skills, in the best interests of the Company as a whole;
- ◇ Formulate the criteria determining qualifications, positive attributes and independence of a Director and recommending candidates to the Board, when circumstances warrant the appointment of a new Director, having regard to the range of skills, experience and expertise, on the Board and who will best complement the Board;
- ◇ Make recommendations to the Board on appropriate criteria for the Directors. Formulate the criteria and framework for evaluation of performance of every director on the Board of the Company.
- ◇ Identify ongoing training and education programs for the Board to ensure that Non-Executive Directors are provided with adequate information regarding the options of the business, the industry and their legal responsibilities and duties.
- ◇ To recommend to the Board, the remuneration packages of the Company's Managing/Joint Managing/Deputy Managing/Whole time/Executive Directors, including all elements of remuneration package (i.e. Salary, benefits, bonuses, perquisites, commission, incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc.);
- ◇ To be authorized at its duly constituted meeting to determine on behalf of the Board of Directors and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages for Company's Managing/Joint Managing/Deputy Managing/Whole-time/ Executive Directors, including pension rights and any compensation payment;
- ◇ To implement, supervise and administer any share or stock option scheme of the Company;
- ◇ To attend any other responsibility as may be entrusted by the Board within the terms of reference.

**Policy for appointment, term, removal and retirement of Managerial Personnel, Director, KMP and Senior management**

***Appointment criteria and qualifications***

- ◇ The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or senior management level and recommend to the Board his /her appointment.
- ◇ A person to be appointed as Director, KMP or senior management level should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.
- ◇ The Company shall not appoint or continue the employment of any person as Managing Director / Executive Director/ Independent Director who has attained the age of seventy years. Provided that the term of the person holding this position may be extended at the discretion of the committee beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- ◇ A whole-time KMP of the Company shall not hold office in more than one company except in its subsidiary company at the same time. However, a whole-time KMP can be appointed as a Director in any company, with the permission of the Board of Directors of the Company.
- ◇ In case of Independent director shall ensure that he/she possess appropriate skills, experience and knowledge in one or more fields of finance, law, management, sales, marketing, administration, research, corporate governance, technical operations or other disciplines related to the company's business.

***Term/ Tenure***

◇ **Managing Director / Whole-time Director**

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

◇ **Independent Director**



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

No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. However, if a person who has already served as an Independent Director for five years or more in the Company as on

April 1, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of five years only.

At the time of appointment of Independent Director, it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time (Executive) Director of a listed company.

### ***Removal***

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, the removal of a Director or KMP subject to the provisions and compliance of the said Act, rules and regulations.

### ***Retirement***

The Whole-time Directors, KMP and senior management personnel shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Whole-time Directors, KMP and senior management personnel in the same position/remuneration or otherwise, even after attaining the retirement age, for the benefit of the Company.

### **Policy relating to Remuneration of Directors, Managerial personnel, KMP and Senior Management**

- ◇ The remuneration/compensation/commission, etc. to Directors will be determined by the Committee and recommended to the Board for approval.
- ◇ The remuneration and commission, if any, to be paid to the Directors, Managing Director and senior management shall be in accordance with the provisions of the Companies Act, 2013, and the rules made there under.
- ◇ Increments to the existing remuneration / compensation, structure may be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders in the case of Managing Director.
- ◇ Where any insurance is taken by the Company on behalf of its Managing Director, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

### ***Remuneration to Directors, KMPs and other employees***

The policy on remuneration for KMPs and other employees is as below:-

- ◇ The Remuneration/Compensation/Profit linked Incentive, etc. to Directors, Managerial Personnel, KMP and Senior Management will be determined by the Committee and recommended to the Board for approval. The Remuneration/Compensation/Profit Linked Incentive, etc. to be paid for Managerial Personnel shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
- ◇ The remuneration and commission to be paid to Managerial Personnel shall be as per the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

- ◇ Managerial Personnel, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.  
The break-up of the pay scale and quantum of perquisites, including, employer's contribution to P.F, pension scheme, medical expenses, club fees, etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.
- ◇ If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Personnel in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.
- ◇ If any Managerial Personnel draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. f. Increments if declared to the existing remuneration / compensation structure shall be recommended by the Committee to the Board, which should be within the limits approved by the Shareholders in the case of Managerial Personnel.
- ◇ Increments if declared will be effective from 1st April of each financial year in respect of Managerial Personnel, KMP, Senior Management subject to other necessary approvals from statutory authorities as may be required. Where any insurance is taken by the Company on behalf of its Managerial Personnel, KMP and Senior Management for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel.

#### **Remuneration to Non -Executive/Independent Directors**

- ◇ No monthly remuneration to be paid to Non-Executive/ Independent Director.
- ◇ The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

#### **Monitoring, Evaluation and Removal**

##### ***Evaluation***

The Committee shall carry out evaluation of performance of every Managerial Personnel, Director, KMP and Senior Management on a yearly basis.

##### ***Removal***

The Committee may recommend, to the Board with reasons recorded in writing, the removal of a Director, KMP or Senior Management subject to the provisions of Companies Act, 2013, and all other applicable Acts, Rules and Regulations, if any.

##### ***Minutes of Committee Meeting***

Proceedings of all meetings must be minuted and signed by the Chairperson of the said meeting or the Chairperson of the next succeeding meeting. Minutes of the Committee meeting will be circulated at the subsequent Board meeting for noting.

#### **Policy Review**

This policy is framed based on the provisions of the Companies Act, 2013 and rules made there under.

In case of any subsequent changes in the provisions of the Companies Act, 2013 or any other regulations which makes any of the provisions in the policy inconsistent with the Act or regulations, then the provisions of the Act or regulations would prevail over the policy would be modified in due course to make it consistent with law.

This policy shall be reviewed by the Nomination and Remuneration Committee as and when any changes are to be

incorporated in the policy due to changes in regulations or as may be felt appropriate by the committee. Any change or modification on the policy as recommended by the committee would be given for the approval of the Board of Directors.

**Disclosure**

The details of this Policy and the evaluation criteria as applicable, shall be disclosed in the Annual Report as part of Board's Report therein or alternatively the same may be put up on the Company's website and reference drawn thereto in the Annual Report.



**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 arms length transactions under third proviso thereto**

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

(a) Name(s) of the related party and nature of relationship	<b>NIL</b>
(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) Justification for entering into such contracts or arrangements or transactions	
(f) date(s) of approval by the Board	
(g) Amount paid as advances, if any:	
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188	

**2. Details of material contracts or arrangement or transactions at arm's length basis**

<b>Name of related party and nature of relationship</b>	<b>Nature of contracts/ arrangements /transactions</b>	<b>Duration of contract</b>	<b>Salient Terms</b>	<b>Date of Approval by the Board</b>	<b>Amount (in INR)</b>
Ms. Dimple Mangal ( CFO)	Remuneration	-	-	September 04, 2018	4,20,000
Sunita Bansal (Relative of Key Managerial Personnel)	Rent	Eleven Months	As per Rent Agreement		60,000/-
Gopal Bansal HUF (Enterprise in which Key Managerial Personnel and Relatives are having significant influence)	Rent	Eleven Months	As per Rent Agreement		60,000/-

**By the Order of the Board  
For IFL Enterprises Limited**

**Date: 05.09.2020  
Place: New Delhi**

**Sd/-  
Ashok Kumar Bansal  
(Whole Time Director)  
DIN-07069510**

**Sd/-  
Gopal Bansal  
(Director)  
DIN-01246420**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

### **Overview**

Your Directors are pleased to present the Management Discussion and Analysis Report for the year ended 31<sup>st</sup> March, 2020.

The Management Discussion and Analysis have been included in consonance with the Code of Corporate Governance as approved by The Securities and Exchange Board of India (SEBI). Investors are cautioned that these discussions contain certain forward looking statements that involve risk and uncertainties including those risks which are inherent in the Company's growth and strategy. The company undertakes no obligation to publicly update or revise any of the opinions or forward looking statements expressed in this report consequent to new information or developments, events or otherwise. The main business of the Company is trading in textile products primarily fabrics.

### **Industry Structure & Development**

*Textile Business:* The textile industry in India traditionally, after agriculture, is the only industry that has generated huge employment for both skilled and unskilled labour in textiles. Even today, textiles sector is one of the largest contributors to India's exports with approximately 14 per cent of total exports. India is the second largest exporter after China of textiles and apparel products having estimated 4-5% share in the global trade. However, the market pickup to improve export performance is still to happen. Our focus remains on value added products and new product development to cater to the niche segment of the market.

### **Opportunities and Threats**

*Textile Business:* Positive steps taken by the Central Government for the textile industry, from allocation of funds to give extra rebate to exporters (mainly on made-ups) and various other benefits, are expected to improve investment in this sector and provide more business opportunities in the near future. With increasing capacities of man-made fibres as compared to cotton, the preferred shift of the consumer to use products of man-made fibres i.e. viscose, polyester, polyamide, acrylic, etc. and its blends, is expected.

We believe that the principal factors affecting competition in our business include client relationships reputation, the abilities of employees, market focus and the liquidity on the Balance Sheet.

*Service Offering Business:* We face competition from various other financial intermediaries operating in this segment. Further, we also face competition from sales teams of Banks and FIs who could approach clients directly.

We believe that relations are of key importance and hence our focus on delegating debt syndication services to small and Medium Enterprises that will enable us to generate future revenue and also open up possibilities for new business through cross references. This will enhance our ability to effectively compete with our competitors and create niche for us in the market.

### **Risk and Concerns**

*Textile Business:* Risk Management forms an integral part of your Company's operations. Your Company continues to focus on a system based approach to business risk management. It broadly involves identification & potential risks, their analysis and impact as also risk mitigation initiatives to address the same. The Board of Directors of the Company oversees the risk management Process.

### **Outlook**

The outlook for industry and the Company in the near term can be viewed with cautious optimism. The Indian government has come up with a number of export promotion policies for the textiles sector.

The trend in India is also shifting towards use of man-made fibre products. In order to satisfy the taste of customers in future, we have developed innovative products with man-made fibre and its blends which have been appreciated and approved by the customers. We are also initiating the launch of own brand for home textile products in USA in time to come. With the above and focus on cost optimization, we expect the outlook to be satisfactory.

The future for the Indian textile industry looks promising, buoyed by both strong domestic consumption as well as export demand. With consumerism and disposable income on the rise, the retail sector has experienced a rapid growth in the past decade with the entry of several international players like Marks & Spencer, Guess and Next into the Indian market.

#### **Adequacy of Internal Control System**

The Company has adequate internal control systems for the business processes in respect of all operations, financial reporting, compliance with laws and regulations etc. The management information system forms an effective and sound tool for monitoring and controlling all operating parameters. Regular internal audits ensure that responsibilities are executed effectively. The Audit Committee reviews the adequacy of internal controls on regular basis.

#### **Human Resources Development/Industrial Relations**

Human resources are valuable assets for any organization. The employees of the Company have extended a very productive cooperation in the efforts of the management to carry the Company to greater heights. The Company is giving emphasis to upgrade the skills of its human resources and continuous training down the line is a normal feature in the Company to upgrade the skills and knowledge of the employees of the Company.

#### **Cautionary Statement**

The Statement in this Management Discussion and Analysis report, describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statements" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

**By Order of the Board  
For IFL Enterprises Limited**

**Date: 05.09.2020  
Place: Delhi**

**Sd/-  
Ashok Kumar Bansal  
(Whole Time Director)  
DIN-07069510**

**Sd/-  
Gopal Bansal  
(Director)  
DIN-01246420**

## **CORPORATE GOVERNANCE REPORT**

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

Corporate Governance is about ensuring transparency, disclosure and reporting that conforms fully to the existing laws of the country and to promote ethical conduct of business throughout organization. The philosophy of the Company in relation to corporate governance is to ensure transparency in all its operations, make disclosures and enhance shareholder value without compromising on compliance of with the laws and regulations.

Your Company is committed to sound principles of Corporate Governance with respect to all its procedures, policies and practices. Under good Corporate Governance we are committed to ensure that all functions of the Company are discharged in a professionally sound, accountable and competent manner.

The Board of Directors fully supports corporate governance practices and actively participates in overseeing risks and strategic management. The organization views Corporate Governance in its widest sense almost like a trusteeship, a progressive philosophy and ideology ingrained in the corporate culture. The governance processes and systems of your Company have strengthened over a period of time resulting in constant improvisation of sustainable and profitable growth.

The Company has complied with the requirements of the new listing Regulation SEBI (Listing Obligation and Disclosure Requirements) Regulation 2015 and listed below is the status with regard to the same.

### **2. BOARD OF DIRECTORS**

The Board of Directors ("Board") is at the core of our corporate governance practice and ensures that the Management serves and protects the long-term interest of all our Stakeholders. The Board has a fiduciary relationship in ensuring that the right of Stakeholders are protected. The Board is entrusted with an ultimate responsibility of the management, directions and performance of the Company. The Board's role, functions, responsibilities and accountabilities are well defined. It provides leadership, strategic guidance, objective and independent view to the Company's management while discharging its responsibilities, thus ensuring that the management adheres to ethics, transparency and disclosures.

The Board of **IFL Enterprises Limited** is comprised of four directors consisting of two Independent Directors (Non-Executive) and one is Whole Time Director and one is a Non-Executive Director.

Details of Composition of the Board, Category, Attendance of Directors at the Board Meetings and last Annual General Meeting (AGM), a number of other Directorships as on **March 31, 2020** are given below:

#### **• Composition and Category of Directors:**

Name	Designation	Category	No. of other Directorships	Attendance at Board Meetings	Attendance at previous AGM
Mr. Ashok Kumar Bansal	Whole Time Director	Executive Director	One	Yes	Yes
Mr. Gopal Bansal	Director	Non-Executive Director	Three	Yes	Yes
Ms. Himanshi Kashyap	Independent Director	Non-Executive Director	Nil	Yes	Yes
Mr. Manoj Kumar	Independent Director	Non-Executive Director	One	Yes	Yes



- **Meetings of the Board of Directors**

The Board of Directors met Nine (9) times, i.e. 30.05.2019, 23.07.2019, 30.07.2019, 14.08.2019, 03.09.2019, 03.10.2019, 12.11.2019, 13.01.2020, 10.03.2020 during the financial year 2019-2020 respectively. Following are the details of the directors who have attended meetings during the year:

Name	Designation	Category	Board Meetings during the period & Attendance at Board Meetings (2019-2020)	
			Held	Attended
Mr. Ashok Kumar Bansal	Whole Time Director	Executive Director	9	9
Ms. Himanshi Kashyap	Independent Director	Non-Executive Director	9	9
Mr. Gopal Bansal	Director	Non-Executive Director	9	9
Mr. Manoj Kumar	Independent Director	Non-Executive Director	9	9

- **Disclosure of relationship between director inter-se:** Mr. Gopal Bansal is the nephew of Mr. Ashok Kumar Bansal
- **Detail of number of shares and convertible instruments, if any, held by Non-Executive Directors:**

Name of Non-Executive Director	Number of Shares
Mr. Manoj Kumar (Non-Executive Independent Director)	Nil
Ms. Himanshi Kashyap (Non-Executive Independent Director)	Nil
Mr. Gopal Bansal (Non-Executive Director)	Nil
<b>Total</b>	<b>Nil</b>

- **Web Link where details of Familiarization Programs imparted to Independent Directors is disclosed:**

The Company has conducted a familiarization program for its Independent Directors during the year. The detail of such familiarization program is available on the weblink i.e. [www.iflenterprises.com](http://www.iflenterprises.com)

- **Internal Control**

The Company has a formal system of internal control testing, which examines both the design effectiveness and operational effectiveness to ensure reliability of financial and operational information and all statutory/ regulatory compliances.

- **Information supplied to the Board**

The Board members are given agenda papers, along with necessary documents and information in advance of each meeting of the Board and Committees. In addition to the regular business items, the following are regularly placed before the Board to the extent applicable.

- ✓ Half Yearly results of the Company
- ✓ Minutes of the Audit Committee and other Committee of the Board of Director
- ✓ Details of Agreements entered into by the Company
- ✓ Particulars of non-compliance of any statutory or Listing requirement
- ✓ Information on recruitment or remuneration of senior officers just below the level of Board of Directors, including appointment or removal of Chief Financial Officer and the Company Secretary.

- **Minutes of the Board Meeting**

The minutes of the proceedings of every Board and all committee meetings are prepared and approved/initialed by the Chairman within 30 days from the conclusion of the respective meeting.

- **Code of Ethics**

The Company has prescribed a code of ethics for its Directors and Senior Management Personnel. A declaration by the Executive Director to the effect that all the Directors and the senior management personnel have complied with the Code of Ethics laid down for this purpose for the year 2019-2020 is annexed to this report as required under "Listing Regulations" of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with the Stock Exchanges.

### **3. BOARD COMMITTEES**

The Board of Directors has set up committees of Directors to deal with various matters of specific nature which require concentrated and more focused attention and to arrive at quick and timely decisions in these matters.

The Board of Directors has delegated its certain powers to the committees of Directors and these committees shall exercise such power and give the report of the output to the Board for approval at subsequent meetings. The Board has constituted three committees viz. **Audit Committee, Nomination & Remuneration Committee, and Stakeholders Relationship Committee.**

- **AUDIT COMMITTEE**

**Terms of Reference:**

The terms of reference and the role of the Audit Committee are as per guidelines set out in Part C of Schedule II of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015 and Section 177 of the Companies Act, 2013. The Committee meets periodically and mandatorily reviews the following:

The Role of Audit Committee together with its powers shall be as under:

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
  2. Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees;
  3. Approving payment to the statutory auditors for any other services rendered by the statutory auditors;
  4. Approving initial or any subsequent modification of transactions of the company with related parties;
  5. Scrutinizing inter-corporate loans and investments;
  6. Valuation of undertakings or assets of the company, wherever it is necessary;
  7. Monitoring the end use of funds raised through public offers and related matters;
  8. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to; matters required to be included in the Director's Responsibility Statement to be included in the
- Board's report in terms of clause (c) of sub-section 134 of the Companies Act, 2013; changes, if any, in accounting policies and practices along with reasons for the same;
  - Major accounting entries involving estimates based on the exercise of judgment by Management; significant adjustments made in the financial statements arising out of audit findings;
  - Compliance with listing and other legal requirements relating to financial statements;
  - Disclosure of any related party transactions; and
  - Qualifications in the audit report
9. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  10. Reviewing, with the management, the statement of the uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/Draft prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of the proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter;
  11. Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems;

12. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
13. Discussing with the internal auditors any significant findings and follow up there on;
14. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board;
15. Discussing with the statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
16. Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors;
17. Reviewing the functioning of the Whistle Blower Mechanism, in case the same is exist;
18. Approving the appointment of the Chief Financial Officer (i.e. the whole time finance director or any other person heading the finance function) after assessing the qualifications, experience and background, etc., of the candidate; and
19. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee or contained in the equity listing agreements as and when amended from time to time.

Further, the Audit Committee shall mandatorily review the following:

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions (as defined by the Audit Committee), submitted by management;
3. Management letters/letters of internal control weaknesses issued by the statutory auditors;
4. Internal audit reports relating to internal control weaknesses; and
5. The appointment, removal and terms of remuneration of the chief internal auditor.

### **Composition of Audit Committee**

Details of the composition of the Audit Committee and attendance of the members at the meetings are given below:

### **Meetings of the Audit Committee and Attendance of the Members during 2019-2020**

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Ms. Himanshi Kashyap	Chairman, (Independent Director)	Four	Four
Mr. Manoj Kumar	Member, (Independent Director)	Four	Four
Mr. Gopal Bansal	Member (Non-Executive Director)	Four	Four

The Company Secretary is the Secretary of the Committee. The Chief Financial Officer, Statutory Auditors and Internal Auditors are invited to attend the meetings.

### **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

The Company has a well framed vigil mechanism/whistle blower policy for its directors and employees. During the year all the directors, senior management personnel and other employees complied the vigil mechanism and none of the complaints are received against any directors and employees for any fraudulent dealings. An Audit Committee of the Board of directors has the responsibility to review the functioning of vigil mechanism and the same has been performed by the committee periodically. The Company has established a Vigil (Whistle Blower)

mechanism that provides a channel to the Employees and Directors to report to the management concerns about unethical behavior, actual or suspected fraud or violation of the Codes of conduct or legal or regulatory requirements, incorrect or misrepresentation of any financial statements and reports, etc. The Company is committed to adhere to the highest standards of ethical, moral and legal conduct of business operations. To maintain these standards, the Company encourages its employees who have concerns about suspected misconduct to come forward and express these concerns without fear of punishment or unfair treatment.

## • **NOMINATION & REMUNERATION COMMITTEE**

### **Terms of Reference**

The Nomination & Remuneration Committee constituted by the Company is responsible for looking into the remuneration payable to the Whole-time Directors and other Employees of the Company. The Non-Executive Directors of the Company are not entitled to any remuneration other than fee payable for attending Board & Committee Meetings. The Committee frames the policy on specific remuneration packages for Whole-time Directors, including pension rights and compensation payments.

The Committee also approves the Nomination & Remuneration Policy for employees other than Whole-time Directors as may be recommended to it. The Company has a regular appraisal Policy for all employees.

The terms of reference of Nomination & Remuneration Committee are as follows:

1. Identify persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
2. Formulate the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to the remuneration of the directors, key managerial personnel and other employees;
3. Formulate criteria for evaluation of performance of independent directors and the board of directors;
4. Frame a policy on diversity of board of directors; i.e. for Managing Directors & KMPs and other employees of the Company.
5. Review and decide whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Decide the salary, allowances, perquisites, bonuses, notice period, severance fees and increment of Executive Directors.
7. Recommend and decide the sitting fees for the Non-Executive Directors of the Company.

### **Composition of Nomination & Remuneration Committee**

The Nomination & Remuneration Committee of the Company has constituted with three (3) directors.

### **Meetings of the Nomination & Remuneration Committee and Attendance of the Members during 2019-2020**

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Ms. Himanshi Kashyap	Chairman (Independent Director)	One	One
Mr. Manoj Kumar	Member (Independent Director)	One	One
Mr. Gopal Bansal	Member (Non-Executive Director)	One	One



**Details of Sitting Fees paid to Non-Executive Directors during the financial year 2019-2020**

Name of the Director	Board Meeting (Rs)	Audit Committee Meeting (Rs)	Nomination & Remuneration Committee Meeting (Rs)	Stakeholders' Relationship Committee Meeting (Rs)	Independent Director Meeting	Total (Rs.)
Mr. Gopal Bansal	8000	4000	1000	0	0	13000
Mr. Manoj Kumar	9000	4000	1000	1000	0	15000
Ms. Himanshi Kashyap	9000	9000	1000	1000	0	15000

There were no pecuniary relationships or transactions of the non-executive director's vis-à-vis the company during the Financial Year ended March 31, 2020.

**Criteria for Performance Evaluation by Nomination Committee**

The Nomination & Remuneration Committee formulated a **Performance Evaluation Policy** for evaluation of performance of the Directors, Key Managerial Personnel and other employees of the Company. This policy aims at establishing a procedure for conducting periodical evaluation of directors' performance and formulating the criteria for determining qualification, positive attributes and independence of each and every director of the Company in order to effectively determine issues relating to remuneration of every director, key managerial personnel and other employees of the Company.

- STAKEHOLDERS RELATIONSHIP COMMITTEE**

The Company has Stakeholders Relationship Committee that met regularly to approve share transfers, transmissions, issue of duplicate share certificates, rematerialisation of shares and all other issues pertaining to shares and also to redress investor grievances like non-receipt of dividend warrants, non-receipt of share certificates, etc. The committee regularly reviews the movement in shareholding and ownership structure. The committee also reviews the performance of the Registrar and Share Transfer Agents.

**Composition of Stakeholders Relationship Committee**

The Stakeholders Relationship Committee of the Company has been constituted with Three (3) Directors.

**Meetings of the Stakeholders Relationship Committee and Attendance of the Members during 2019-2020**

Name of Member	Designation	Committee Meetings during the period & Attendance at Committee Meetings	
		Held	Attended
Ms. Himanshi Kashyap	Chairperson (Independent Director)	One	One
Mr. Manoj Kumar	Member (Independent Director)	One	One
Mr. Ashok Kumar Bansal	Member (Whole Time Director)	One	One

**Compliance Officer**

Name	Designation
Mr. Sandeep Kumar	Company Secretary & Compliance Officer

### **Pending Investors' Complaints**

No investor complaints are pending as on the date of the Board's Report. The Company does not have any pending share transfers as on the date of the Board's Report. The details of number of complaints during the financial year 2019-2020 are mentioned below:

S. No.	Nature of Queries/ Complaints	Pending as on 01.04.2019	Received during the year	Redressed during the year	Pending as on 31.03.2020
1	Transfer/ Transmission of Duplicate Share Certificate	Nil	Nil	Nil	Nil
2	Non-receipt of Dividend	Nil	Nil	Nil	Nil
3	Dematerialization/Rematerializ ation of Shares	Nil	Nil	Nil	Nil

### **MEETING OF INDEPENDENT DIRECTOR**

In accordance with the provisions of Schedule IV (Code for Independent Directors) of the Companies Act, 2013 and Regulation 25(3) of Listing Regulations, a meeting of the Independent Directors of the Company was held. The Independent Directors of the Company had met during the year **March 25, 2020** to review the performance of Non-Independent Directors and the Board as a whole, review the performance of the Chairperson of the Company and had accessed the quality, quantity and timeliness of the flow of information between the company management and the Board.

### **4. GENERAL BODY MEETINGS**

- ANNUAL GENERAL MEETINGS**

Details of location, date and time of the Annual General Meetings held during the last three years are given below:

Day	Date	Time	Venue	Whether any Special Resolution passed at the Annual General Meeting (Yes/ No)
Friday	September 29, 2017	11:00 am	D-16, I Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	No
Friday	September 28, 2018	09:00 am	D-16, I Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	Yes
Saturday	September 28, 2019	09:00 am	D-13, Second Floor, Prashant Vihar, Sector-14, Rohini, New Delhi-110085	No

- EXTRAORDINARY GENERAL MEETINGS**

No Extraordinary General Meetings held during the financial year 2019-20.

- POSTAL BALLOT**

During the year 2019-20, pursuant to Section 110 of the Companies Act, 2013 read with Companies (Management and Administration) Rules, 2014, the Company has not passed any Special Resolutions by postal ballot. No Special Resolutions are proposed to be conducted through postal ballot in the ensuing Annual General Meeting.

## 5. COMPLIANCE UNDER NON-COMPLIANCE REQUIREMENTS

Pursuant to SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company complied with all mandatory requirements and has adopted non-mandatory requirements as per details given below:

- a) **The Board:** The Company does not have Non-Executive Chairman.
- b) **Shareholder's Right:** As the Company is listed on the BSE SME Platform, the Regulation 47 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable on the Company for publishing its half yearly results in the newspaper. It displayed results and other necessary documents on the website of the Company and are sent to the Stock Exchange, where the shares of the Company are listed.
- c) **Modified opinion in Audit Report:** The auditors have provided an unmodified report on financial statements. The Company continues to adopt best practices in order to ensure financial statements with an unmodified audit opinion.
- d) **Reporting of Internal Auditor:** The Internal Auditors of the Company report to the Audit Committee.

## 6. MEANS OF COMMUNICATION

The Company is listed on the BSE SME platform so the requirement of publishing financial results within time specified, i.e. 48 hours as required by the Regulation 47(1)(b) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is not applicable to us. No targeted presentations were made during the year under review.

## 7. MATERIALLY RELATED PARTY DISCLOSURES

There are no material significant related party transactions entered during the year and the other related party transactions has been disclosed in the Form AOC-2 of this report.

## 8. GENERAL SHAREHOLDER INFORMATION

### (a) Annual General Meeting Schedule:

Date	: September 29, 2020 (Tuesday)
Time	: 09:00 a.m.
Venue	: D-16, First Floor, Prashant Vihar, Rohini, Delhi-110085

(b) Date of Book Closure : From September 23, 2020 to September 29, 2020

(c) Financial Year : April 1, 2019 to March 31, 2020

(d) Dividend Payment Date : Not Applicable

(e) Name and Address of the Stock Exchange at which the Company's securities are listed : BSE SME Platform (BSE SME) address: 25th Floor, PJ Towers, Dalal Street Fort, Mumbai-400001

(f) Payment of Annual Listing Fee to Stock Exchange : Yes, the Annual Listing Fee has been paid to the BSE Limited for the financial year 2019-20

(g) Stock Code : BSE SME-540377

(h) Registrar to an issue and share transfer agents : M/s Skyline Financial Services Private Limited  
D-153 A, First Floor, Okhla Industrial Area, Phase-I, New Delhi- 110020  
Contact No-011-64732681 to 88  
Email Id- [admin@skylinert.com](mailto:admin@skylinert.com)

(i) Address for Correspondence : D-16, First Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-1100085  
Contact No. 011-45805612  
Email- [iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com)

(j) ISIN : INE714U01016

(k) Share Transfer System : The Company has delegated the authority to

**(l) Dematerialization of shares and liquidity**

approve shares received for transfer in physical form to **M/s Skyline Financial Services Private Limited**

**(m) Outstanding GDR or ADR or warrants or any convertible instruments, conversion date and likely impact on equity**

The company has an agreement with M/s Skyline Financial Services Private Limited for dematerialization of shares  
: Nil

**(n) Plant Locations**

We have only one office i.e. Registered Office in New Delhi

**(o) Corporate Secretarial/Investors' Assistance Department**

Secretarial Department headed by Mr. Sandeep Kumar, Company Secretary of the Company

**(p) Distribution of Shareholding as on March 31, 2020**

Share or Debenture holding Nominal Value(Rs.)	Number of Shareholders	% to Total Numbers	Share or Debenture holding Amount(Rs.)	% to Total Amount
<b>1</b>	<b>2</b>	<b>3</b>	<b>4</b>	<b>5</b>
Up To 5,000	0	0	0	0
5001 To 10,000	0	0	0	0
10001 To 20,000	0	0	0	0
20001 To 30,000	0	0	0	0
30001 To 40,000	0	0	0	0
40001 To 50,000	0	0	0	0
50001 To 1,00,000	46	60.53	2760000	9.19
1,00,000 and Above	30	39.47	27261720	90.81
<b>Total</b>	<b>76</b>	<b>100</b>	<b>30021720</b>	<b>100</b>

**(q) Shareholding Pattern**

Category	No. of Shareholders	No. of Shares held	% of Total Shareholding
<b>Promoter and Promoter Group</b>			
Individual Shareholders	2	641141	21.36
<b>Public Shareholding</b>			
Corporate Bodies	1	552000	18.39
Individual Shareholders	68	1714687	57.11
HUF	4	88344	2.94
NRI	1	6000	0.20
<b>Total</b>	<b>76</b>	<b>3002172</b>	<b>100</b>

**(r) Market Price Data:**

Market Price Data for the period April 1, 2019 to March 31, 2020: The monthly high and low prices and volumes of shares of the Company at BSE SME Limited (BSE SME) for the year ended March 31, 2020 are as under:



Period	High	Low	Volume (No of shares traded)
April 2019	12.13	12.13	12000
May 2019	-	-	-
June 2019	14.55	13.50	636000
July 2019	11.02	11.01	12000
August 2019	10.0	10.0	6000
September 2019	-	-	-
October 2019	-	-	-
November 2019	-	-	-
December 2019	-	-	-
January 2020	-	-	-
February 2020	-	-	-
March 2020	-	-	-

## 9. **DISCLOSURES**

- No transaction of material nature has been entered into by the company with directors or management and their relatives, etc. that may have a potential conflict with the interests of the company. The Register of contracts containing transactions in which directors are interested is placed before the Board regularly.
- There has been no instance of non-compliance by the Company on any matter related to capital markets. Hence the question of penalties or strictures being imposed by SEBI or Stock Exchanges does not arise.
- The Company is in compliance with all the mandatory requirements of Corporate Governance and has fulfilled the non- mandatory requirements;
- The Company has followed the Accounting Standards issued by the Institute of Chartered Accountants of India, to the extent applicable, in the preparation of Financial Statements.
- The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management control risk through means of a properly defined framework.
- The Company has well framed Vigil Mechanism/ Whistle Blower Policy and we affirmed that no personnel have been denied access to the Audit Committee.
- The Company has adopted a Code of Conduct applicable to all Directors, senior management and employees. The Declaration as required under Regulation 17(5) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this Report.
- The CEO and CFO have been given a certificate as contemplated in Regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the Listing Agreement. This certificate is annexed to this Report.

- The requirements of the Audit and other Committees as contemplated in Listing Regulations of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 have been complied with as per the report set above in respect of the same.
- The Policy for determining 'material' subsidiaries, is available on the website of the Company and its web link is [www.iflenterprises.com](http://www.iflenterprises.com)
- The Policy on dealing with related party transactions is available on the website of the Company and its web link is [www.iflenterprises.com](http://www.iflenterprises.com)
- Disclosure of commodity price risks and commodity hedging activities

**By the Order of the Board  
For IFL Enterprises Limited**

**Date: 05.09.2020  
Place: New Delhi**

**Sd/-  
Ashok Kumar Bansal  
(Whole Time Director)  
DIN-07069510**

**Sd/-  
Gopal Bansal  
(Director)  
DIN-01246420**

## **CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

**To**  
**The Members of**  
**IFL Enterprises Limited**

We have examined the compliance of conditions of Corporate Governance by **IFL Enterprises Limited** for the year ended on March 31, 2020, as per the relevant provisions of Regulation 15(2) of Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) for the period from 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020 of the said Company.

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the company to ensure compliance with the conditions of 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 the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are made against the company as per the records maintained by the Investors Grievance Committee.

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

**For & on behalf of VMS & Co.**

**Date: 05.09.2020**  
**Place: New Delhi**  
**UDIN: F009802B000667624**

**Megha Sharan**  
**(Practicing Company Secretary)**  
**M. No.: F9802**  
**COP No.12171**

## **CHAIRMAN'S DECLARATION ON CODE OF CONDUCT**

**To,  
The Members of  
IFL ENTERPRISES LIMITED**

This is to certify that the Company has laid down a Code of Conduct (the Code) for all Board Members and Senior Management Personnel of the Company and a copy of the Code is put on the website of the Company viz [www.iflenterprises.com](http://www.iflenterprises.com).

It is further confirmed that all Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct for Board of Directors and Senior Management Personnel, as approved by the Board, for the financial year ended on March 31, 2020.

**By Order of the Board  
For IFL Enterprises Limited**

**Sd/-  
Ashok Kumar Bansal  
(Chairman & Whole Time Director)  
DIN-07069510**

**Place: New Delhi  
Date: 05.09.2020**



## **CHIEF EXECUTIVE OFFICER (CEO) AND CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

**To,  
The Board of Directors**

**Dear Board Members,**

We, Dimple Mangal, Chief Financial Officer and Ashok Kumar Bansal, Whole-Time Director of **IFL Enterprises Limited**, to the best of our knowledge and belief hereby certify that:

- (a) We have reviewed financial statements and the cash flow statements for the year ended 31<sup>st</sup> March, 2020 and that to the best of my knowledge and belief;
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the auditors and the Audit Committee:
  - (i) Significant changes in the internal control over financial reporting during the year under reference;
  - (ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and
  - (i) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**By the Order of the Board  
For IFL Enterprises Limited**

**Place: New Delhi  
Date: 05.09.2020**

**Sd/-  
Ashok Kumar Bansal  
Whole Time Director  
DIN-07069510**

**Sd/-  
Dimple Mangal  
Chief Financial Officer  
PAN- CWUPM3346R**

## **CERTIFICATE ON NON-DISQUALIFICATION OF DIRECTORS**

**To,**  
**The Members,**  
**IFL Enterprises Limited**  
**D-16, First Floor, Above ICICI Bank, Prashant Vihar, Rohini, Delhi-110085**

1. We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of **M/s IFL Enterprises Limited (CIN: L67100DL2009PLC186958)** and having its registered office at D-16, First Floor, Above ICICI Bank, Prashant Vihar, Rohini, Delhi-110085 (hereinafter referred as "the Company"), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015. We have obtained all the information and explanations which are to the best of our knowledge and belief were necessary for the purpose of certification.

2. As on 31<sup>st</sup> March, 2020 the Board of Directors of the Company comprised of:

S. No.	Name of Director	Designation	DIN	Date of Appointment
1.	Ashok Kumar Bansal	Whole-Time Director	07069510	10.08.2016
2.	Gopal Bansal	Non-Executive Director	01246420	01.03.2016
3.	Himanshi Kashyap	Independent Director	07681277	17.12.2016
4.	Manoj Kumar	Independent Director	07812880	04.09.2018

3. In our opinion and to the best of our information & according to the verification and examination of the disclosures/ register under section 184/189, 170, 164, 149 of the Companies Act, 2013 (the Act) and DIN based search on MCA Portal ([www.mca.gov.in](http://www.mca.gov.in)), we certify that None of the above named Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as directors of companies by the Securities and Exchange Board of India / Ministry of Corporate Affairs or any such statutory authority for the Financial Year ended 31<sup>st</sup> March, 2020.

**For & on behalf of VMS & Co.**

**Date: 05.09.2020**  
**Place: New Delhi**  
**UDIN: F009802B000667613**

**Megha Sharan**  
**(Practicing Company Secretary)**  
**M. No.: F9802**  
**COP No.12171**

## **INDEPENDENT AUDITOR'S REPORT**

**To**  
**The members of**  
**IFL ENTERPRISES LIMITED**

### **Report on the Audit of Financial Statements**

#### **Opinion**

We have audited the accompanying financial statements of **IFL ENTERPRISES LIMITED** ("the Company"), which comprise the balance sheet as at 31<sup>st</sup> March 2020, the statement of profit and loss, statement of changes in equity and the statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereby referred as 'the financial statement').

In our opinion and to the best of our information and explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ("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 31<sup>st</sup> March, 2020, and the net profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

#### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements' section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the rules thereunder, and we have fulfilled our ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidences we have obtained are sufficient and appropriate to provide a basis for our opinion.

#### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described hereunder to be key audit matters to be communicated in our report.

S.No.	Key audit matters	Auditor's response
1.	<p><b><u>Revenue Recognition</u></b></p> <p>As per new notified Ind AS 115, method of recognition of revenue been changed to transfer of control to the customer.</p>	<p>Our audit procedure included the following-</p> <ul style="list-style-type: none"> <li>• We assessed the company's process to identify the impact of the new revenue accounting standard.</li> <li>• Our audit approach has considered the time of transfer of control to customer for revenue recognition.</li> <li>• We used data analytics to agree with the revenue from transaction</li> <li>• We performed year end cut off procedures to determine whether amounts were recorded in the correct period.</li> </ul>
2.	<p><b><u>Measurement of Revenue</u></b></p> <p>As per new notified Ind AS 115, measurement of revenue to be made on transaction price.</p>	<p>Our audit procedure included the following-</p> <ul style="list-style-type: none"> <li>• We used assessment of overall control environment relevant for measurement of revenue.</li> <li>• We performed testing of journals, with particular focus on manual adjustment to revenue account, to mitigate the risk of manipulation of revenue and profit figures.</li> </ul>

#### **Information other than the financial statements and Auditor's Report Thereon**

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

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

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

#### **Responsibilities of Management and Those Charged with Governance for the Financial Statements**

The Company's board of directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Ind AS and the other accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making



judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that are operating effectively for insuring 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 misstatements, whether due to fraud or error.

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

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

### **Auditor's Responsibilities for the Audit of the Financial Statements**

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

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

- (i) Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- (ii) Obtain an understanding of the internal controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- (iii) Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- (iv) Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- (v) Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statement, individually or in aggregate, makes it probable that the economic decision of reasonable knowledgeable user of the financial statement may be influenced.

We consider quantitative materiality and qualitative factors in (i) Planning the scope of our audit work and in evaluating the results of our work; and, (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonable be thought to bear on our independence, and where applicable, relevant safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, or when in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonable be expected to outweigh the public interest benefits of such communication.

### **Other Matters**

We draw your attention to Note 30 of the financial statement which explains the uncertainties and management's assessment of the financial impact due to the lockdown/ restrictions related to COVID-19 pandemic imposed by the Government for which definitive assessment of the impact is dependent upon the future economic conditions. Our opinion is not modified in respect of this matter.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the **Annexure A**, a statement on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c. the Balance Sheet, the Statement of Profit and Loss, statement of changes in equity 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 Indian accounting standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - e. On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2020 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2020 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**. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
  - g. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the

Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact, if any of pending litigations on its financial position, in its financial statements. Refer note 30 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. The Company is not required to transfer any amount to the Investor Education and Protection Fund.

**Signed for the purpose of identification**

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 304040E**  
**O.P. Pareek**

**Partner**  
**Membership No. 014238**  
**UDIN: 20014238AAAACG7794**  
**New Delhi, the 27<sup>th</sup> day of June 2020**

## **ANNEXURE- A TO THE INDEPENDENT AUDITOR'S REPORT**

The Annexure referred to in Paragraph 1 under the heading of "Report on other Legal and Regulatory Requirements" of our report of even date to the members of **IFL ENTERPRISES LIMITED**(the Company) for the year ended on 31<sup>st</sup> March 2020.

- (i) (a) As per information and explanation given to us, the Company is maintaining proper records showing full disclosures of the fixed assets;  
  
(b) As per information and explanation given to us, physical verification of fixed assets has been conducted once in a year by the management and no material discrepancies were noticed during the course of verification;  
  
(c) According to information and explanation given to us, the company does not hold any immovable property during the year dealt with by this report;
- (ii) As per information and explanation given to us, physical verification of inventory has been conducted once in a year by the management and no material discrepancies were noticed during the course of physical verification;
- (iii) According to information and explanations given to us, the Company has not granted unsecured loans to parties covered in register maintained under section 189 of the Companies Act, 2013;
- (iv) According to information and explanations given to us, the Company has complied with provision of section 185 and section 186 of the Companies Act, 2013;
- (v) According to information and explanations given to us, the Company has not accepted public deposits and the provision of section 73 to 76 or other relevant provisions of the Companies Act, 2013 and rules framed thereunder are not applicable to the Company;
- (vi) According to information and explanations given to us, the Company is not liable to maintain cost records as prescribed under section 148(1) of the Companies Act, 2013;
- (vii) (a) According to information and explanations given to us, the company is generally regular in depositing undisputed statutory dues including income-tax and any other applicable statutory dues to the appropriate authorities and there are no outstanding statutory dues as on the last day of the financial year concerned for a period of more than six months from the date they became payable;  
  
(b) According to information and explanations given to us, there are no outstanding statutory dues on part of the Company which is not deposited on account of any dispute;
- (viii) According to information and explanations given to us, the company has not obtained any loans and borrowings from any financial institution, bank, government or dues to debenture holders, and hence question of default of repayment does not arise;
- (ix) According to information and explanations given to us, the Company has not raised money by way of initial public offer or further public offer (including debt instruments) or term loans and hence reporting under sub-clause (ix) of Paragraph 3 of the Order is not applicable;
- (x) To best of our knowledge and according to information and explanations given to us, no fraud by the company and no fraud on the company by its officers, employees has been noticed or reported during the year;
- (xi) According to information and explanations given to us, the Company has paid managerial remuneration in accordance with applicable provisions of the Companies Act, 2013;



- (xii) As per information, the Company is not a Nidhi Company, hence reporting under sub- clause (xii) of the Paragraph 3 of the Order is not applicable;
- (xiii) According to information and explanations given to us,all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 wherever applicable and the details have been disclosed in the financial statements etc.,as required by the applicable accounting standards;
- (xiv) According to information and explanations given to us, 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 information and explanations given to us, the Company has not entered into non- cash transactions with directors or persons connected with him;
- (xvi) According to information and explanations given to us, the Company is not a Non- Banking Financial Company and does not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 304040E**

**O.P. Pareek**  
**Partner**  
**Membership No. 014238**

**UDIN: 20014238AAAACG7794**

**New Delhi, the 27<sup>th</sup> day of June 2020**

## **ANNEXURE- B TO THE INDEPENDENT AUDITOR'S REPORT**

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

We have audited the internal financial controls over financial reporting of **IFL ENTERPRISES LIMITED** as on 31<sup>st</sup> March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for the 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 controls stated in the Guidance Note on Audit of Internal Financial Control over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of fraud and errors, the accuracy and completeness of 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, issued by ICAI and deemed to be prescribed under Section 143(10) of the Companies Act, 2013 to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. 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 aspects.

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

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

#### **Meaning of Internal Financial Controls over Financial Reporting**

A Company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control over financial reporting includes those policies and procedures that: -

- (1) Pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and the receipt and

expenditures of the Company are being only in accordance with authorizations 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 could not be detected. Also, projections of any evaluation of the internal financial control over financial reporting to future periods are subject to the risk that the internal financial controls 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 aspects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2020, based on "the internal financial controls over financial reporting criteria 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 V.N. PUROHIT & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 304040E**

**O.P. Pareek**  
**Partner**  
**Membership No. 014238**

**UDIN: 20014238AAAACG7794**

**New Delhi, the 27<sup>th</sup> day of June 2020**

**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**  
**BALANCE SHEET AS AT 31ST MARCH 2020**

Particulars	Notes	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
<b>ASSETS</b>			
<b>Non-current assets</b>			
Property, plant and equipment	3	1,655.68	1,647.07
Financial assets			
Investments	4	49.85	49.85
Deferred tax asset (net)	5	279.88	340.65
Other non-current assets	6	6,420.00	22,745.20
<b>Current assets</b>			
Inventories	7	17,999.12	32,973.68
Financial assets			
Trade receivables	8	12,296.53	3,068.92
Cash and cash equivalents	9	680.25	664.00
Loans	10	13,106.78	1,413.31
Other financial assets	11	-	375.00
Other current assets	12	13,862.40	1,004.50
<b>Total</b>		<b>66,350.49</b>	<b>64,282.18</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity share capital	13	30,021.72	30,021.72
Other equity	14	34,801.89	32,576.81
<b>Current liabilities</b>			
Financial liabilities			
Trade payables			
- total outstanding dues of creditors other than micro enterprises and small enterprises	15	541.43	-
Other financial liabilities	16	560.29	1,459.50
Other current liabilities	17	5.90	158.55
Current tax liabilities (net)		419.26	65.60
<b>Total</b>		<b>66,350.49</b>	<b>64,282.18</b>
Notes on the financial statements	1-38		

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
**Firm Regn. No. 304040E**

**For and on behalf of the Board of Directors of**  
**IFL ENTERPRISES LIMITED**

**O. P. Pareek**  
**Partner**  
**Membership No. 014238**

**Gopal Bansal**  
**Director**  
**DIN -01246420**

**Ashok Kumar Bansal**  
**Director**  
**DIN -07069510**

New Delhi, the 27th day of June 2020

UDIN: 20014238AAAACG7794

**Dimple Mangal**  
**CFO**  
**PAN : CWUPM3346P**

**Sandeep Kumar**  
**Company Secretary**  
**M.No. : A34263**



**IFL ENTERPRISES LIMITED**

CIN: L67100DL2009PLC186958

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON 31ST MARCH 2020**

Particulars	Notes	For the year ended 31st March 2019	
		(Rs. In "000")	(Rs. In "000")
<b>REVENUE</b>			
Revenue from operations	18	22,452.92	66,093.53
Other income	19	1,375.35	2,700.26
<b>Total Revenue (I)</b>		23,828.27	68,793.79
<b>EXPENSES</b>			
Purchase of stock in trade	20	4,240.75	74,604.45
Changes in inventories of stock in trade	21	14,974.57	(9,991.66)
Employee benefit expenses	22	1,000.63	969.06
Finance costs	23	54.68	-
Depreciation	3	598.91	537.09
Other expenses	24	250.40	2,241.77
<b>Total (II)</b>		21,119.94	68,360.71
<b>Profit/ (loss) before exceptional items and tax (I-II)</b>		2,708.33	433.08
<b>Exceptional items</b>		-	-
<b>Profit/ (loss) before tax</b>		2,708.33	433.08
Tax expense		-	(83.33)
Current tax		-	8.78
Minimum alternate tax		(422.50)	(40.14)
Deferred tax		(60.77)	-
<b>Profit/ (loss) after tax (III)</b>		2,225.06	318.39
<b>OTHER COMPREHENSIVE INCOME</b>			
Items that will be reclassified to profit and loss			
(i) Equity instruments through other comprehensive income - Gain/(loss)		-	-
(ii) Debt instruments through other comprehensive income		-	-
<b>Total Other Comprehensive Income (IV)</b>		0	0
<b>Total Comprehensive Income (III+IV)</b>		2,225.06	318.39
<b>Earning per equity share (EPS)</b>			
[nominal value of share Rs. 10]			
Basic (in Rupees)		0.74	0.11
Diluted (in Rupees)		0.741150074	0.106053217

Notes on the financial statements 1-38

The accompanying notes are an integral part of the financial statements.  
As per our report of even date

FOR V.N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of  
IFL ENTERPRISES LIMITED

O. P. Pareek  
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New Delhi, the 27th day of June 2020

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M.No. : A34263

**IFL ENTERPRISES LIMITED**

CIN: L67100DL2009PLC186958

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2020**

Particulars	For the year ended 31st March 2020 (Rs. In '000)	For the year ended 31st March 2019 (Rs. In '000)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/ (loss) before tax and after extra- ordinary items	2,708.35	433.08
<b>Adjustments for items: -</b>		
Interest on loans advanced	(1,333.14)	(2,447.50)
Net gain on sale of investments	-	(27.93)
Depreciation	598.91	537.09
Operating Profit before working capital changes	1,974.12	(1,505.26)
<b>Working capital adjustments: -</b>		
(Increase)/ decrease in trade receivables	(9,227.61)	5,470.88
(Increase)/ decrease in other current assets	(12,857.90)	(225.36)
(Increase)/ decrease in inventories	14,974.57	(9,991.66)
(Increase)/ decrease in other financial assets	375.00	(375.00)
Increase/ (decrease) in trade payables	541.43	-
Increase/ (decrease) in other financial liabilities	(899.22)	751.99
Increase/ (decrease) in other current liabilities	(152.65)	124.28
Cash generated from operations	(5,272.26)	(5,750.13)
Direct taxes paid	(68.85)	(86.59)
<b>Net cash flow from operating activities (A)</b>	<b>(5,341.11)</b>	<b>(5,836.72)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of property, plant & equipments	(607.51)	-
Net proceeds from sale of investments	-	27.93
Other non-current assets	16,325.20	-
Loans advanced	(11,693.46)	1,831.73
Interest on loans advanced	1,333.13	2,447.50
<b>Net cash flow from investing activities (B)</b>	<b>5,357.36</b>	<b>4,307.16</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net proceeds from borrowings	-	-
<b>Net cash flow from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net cash flow during the year (A + B + C)</b>	<b>16.25</b>	<b>(1,529.56)</b>
Add: Opening cash and cash equivalents	664.00	2,193.56
<b>Closing cash and cash equivalents</b>	<b>680.25</b>	<b>664.00</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	482.54	470.14
Balances with banks in current accounts	197.71	193.86
<b>Total cash and cash equivalents (Note 9)</b>	<b>680.25</b>	<b>664.00</b>

Notes on the financial statements

1-38

The accompanying notes form an integral part of the financial statements.  
As per our report of even date

FOR V.N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of  
IFL ENTERPRISES LIMITED

O. P. Pareek  
Partner  
Membership No. 014238

Gopal Bansal  
Director  
DIN -01246420

Ashok Kumar Bansal  
Director  
DIN -07069510

New Delhi, the 27th day of June 2020

UDIN: 20014238AAAACG7794

Dimple Mangal  
CFO  
PAN : CWUPM3346P

Sandeep Kumar  
Company Secretary  
M.No. : A34263

**IFL ENTERPRISES LIMITED**

CIN: L67100DL2009PLC186958

**STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED ON 31ST MARCH 2020****A. Equity Share Capital**

(Rs. In "000")

Balance as at 1st April 2018	Changes during the year	Balance as at the 31st March 2019
30,021.72	-	30,021.72
Balance as at 1st April 2019	Changes during the year	Balance as at the 31st March
30,021.72	-	30,021.72

**B. Other Equity**

(Rs. In "000")

Particulars	Securities Premium	Retained Earnings	Other Comprehensive Income	Total
Balance as at 1st April 2018	1,055.44	-	32,258.42	33,313.86
Profit for the year	318.39	-	318.39	636.78
Total Comprehensive Income	318.39	-	318.39	636.78
Balance as at 31st March 2019	1,373.83	-	32,576.81	33,950.64
Balance as at 1st April 2019	1,373.83	-	-	33,950.64
Profit for the year	2,225.08	-	2,225.08	4,450.16
Total Comprehensive Income	2,225.08	-	2,225.08	4,450.16
Balance as at 31st March 2020	3,598.91	-	2,225.08	38,400.80

Notes on the financial statements

1-38

The accompanying notes form an integral part of the financial statements.

As per our report on even date

FOR V.N. PUROHIT & CO.  
Chartered Accountants  
Firm Regn. No. 304040E

For and on behalf of the Board of Directors of  
IFL ENTERPRISES LIMITED

O. P. Pareek  
Partner  
Membership No. 014238

Gopal Bansal  
Director  
DIN -01246420

Ashok Kumar Bansal  
Director  
DIN -07069510

New Delhi, the 27th day of June 2020

UDIN: 20014238AAAACG7794

Dimple Mangal  
CFO  
PAN : CWUPM3346P

Sandeep Kumar  
Company Secretary  
M.No. : A34263

IFL ENTERPRISES LIMITED  
CIN: L67100DL2009PLC186958  
NOTES TO THE FINANCIAL STATEMENTS

3. Property, plant and equipment

**Carrying amount:-**

Office premises (Right of Use asset) (Note 2.15)  
Furniture & fixtures  
Computer  
Vehicles  
Generators  
**Total**

As at 31st March 2020 (Rs. In '000')	As at 31st March 2019 (Rs. In '000')
405.01	-
937.76	1,265.54
15.48	15.48
21.48	28.98
275.95	337.06
<b>1,655.68</b>	<b>1,647.06</b>

**Accumulated Cost: -**

Balance as at 1st April 2018  
Additions during the year  
Balance as at 31st March 2019  
Additions during the year  
**Balance as at 31st March 2020**

Office premises (Rs. In '000')	Furniture & fixtures (Rs. In '000')	Computer (Rs. In '000')	Vehicles (Rs. In '000')	Generators (Rs. In '000')	Total (Rs. In '000')
-	2,156.72	309.68	62.73	557.44	3,086.57
-	-	-	-	-	-
-	2,156.72	309.68	62.73	557.44	3,086.57
607.51	-	-	-	-	607.51
<b>607.51</b>	<b>2,156.72</b>	<b>309.68</b>	<b>62.73</b>	<b>557.44</b>	<b>3,694.08</b>

**Accumulated Depreciation: -**

Balance as at 1st April 2018  
Charge for the year  
Balance as at 31st March 2019  
Charge for the year  
**Balance as at 31st March 2020**

-	448.82	284.24	23.63	145.72	902.41
-	442.36	9.96	10.12	74.65	537.09
-	891.18	294.20	33.75	220.37	1,439.50
202.50	327.78	-	7.50	61.12	598.91
<b>202.50</b>	<b>1,218.96</b>	<b>294.20</b>	<b>41.25</b>	<b>281.49</b>	<b>2,038.41</b>

**Carrying amount: -**

Balance as at 1st April 2018  
Balance as at 31st March 2019  
Balance as at 31st March 2020

-	1,707.90	25.44	39.10	411.72	2,184.16
-	1,265.54	15.48	28.98	337.06	1,647.07
405.01	937.76	15.48	21.48	275.95	1,655.68

3.1 All the above property, plant and equipment are owned by the company.

3.2 Effective from 1st April, 2019, the Company adopted Ind AS 116 Leases and applied the same to all lease contracts existing on 1st April, 2019 using the modified retrospective approach with Right of Use asset recognized at an amount equal to the adjusted lease liability. As a result, comparatives for the year ended 31st March, 2019 have not been retrospectively adjusted. Accordingly, the Company recognises office premises as Right of Use asset representing its right to use the said office premises for the contracted lease term.



**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**  
**NOTES TO THE FINANCIAL STATEMENTS**

4. Investments: non current	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
<b>Investment in equity instruments (unquoted)</b>		
4,985 (31st March, 2019 : 4,985) equity shares of Rs. 10 each of La Mancha Enterprises Private Limited	49.85	49.85
	<b>49.85</b>	<b>49.85</b>

4.1 Aggregate market value of quoted investments	-	-
4.2 Aggregate amount of unquoted investments	49.85	49.85

4.3 Investment in Quoted equity instruments is recognised at 'Fair Value Through Other Comprehensive Income' (FVTOCI).

5. Deferred tax assets (net)	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
At the start of the year	340.65	380.80
Credit / (debit) to Statement of Profit and Loss	(60.77)	(40.14)
At the end of the year	<b>279.88</b>	<b>340.66</b>

5.1 Deferred income taxes are recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized.

5.2 The tax effect of significant timing differences that has resulted in deferred tax assets are given below:-

Particulars	For the year ended 31st March 2020 (Rs. In "000")			
	As at 1st April 2019	Recognised in Profit and loss	Recognised in OCI	As at 31st March 2020
Property, plant and equipment	124.02	41.50	-	165.51
Other items	216.64	(102.27)	-	114.37
<b>Total</b>	<b>340.66</b>	<b>(60.77)</b>	<b>-</b>	<b>279.88</b>

Particulars	For the year ended 31st March 2019 (Rs. In "000")			
	As at 1st April 2018	Recognised in Profit and loss	Recognised in OCI	As at 31st March 2019
Property, plant and equipment	54.26	69.76	-	124.02
Other items	326.54	(109.90)	-	216.64
<b>Total</b>	<b>380.80</b>	<b>(40.14)</b>	<b>-</b>	<b>340.66</b>

6. Other non current assets	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
Capital advances	6,420.00	22,420.00
Security deposits	-	325.20
	<b>6,420.00</b>	<b>22,745.20</b>

7. Inventories	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
Fabric (At lower of cost or NRV)	9,899.12	27,330.68
<u>Equity instruments (at FVTPL)</u>		
27,000 (31st March, 2019: 13,500) equity shares of Supershakti Metaliks Ltd. of Rs. 10 each fully paid	8,100.00	5,643.00
	<b>17,999.12</b>	<b>32,973.68</b>

**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**  
**NOTES TO THE FINANCIAL STATEMENTS**

<b>8. Trade receivables: current</b>	<b>As at 31st March 2020 (Rs. In "000")</b>	<b>As at 31st March 2019 (Rs. In "000")</b>
<u>Unsecured, considered good:-</u>		
- Outstanding for the period exceeding 6 months (from the date they became due for payment)	-	3,039.62
- Other receivables	12,296.53	29.31
	<b>12,296.53</b>	<b>3,068.93</b>
<b>9. Cash and cash equivalents</b>	<b>As at 31st March 2020 (Rs. In "000")</b>	<b>As at 31st March 2019 (Rs. In "000")</b>
Cash on hand (as certified)	482.54	470.14
Balances with banks in current accounts	197.71	193.86
	<b>680.25</b>	<b>664.00</b>
<b>10. Loans : current</b>	<b>As at 31st March 2020 (Rs. In "000")</b>	<b>As at 31st March 2019 (Rs. In "000")</b>
<u>Unsecured, considered good:-</u>		
Loans to others	13,106.78	1,413.31
	<b>13,106.78</b>	<b>1,413.31</b>
<b>11. Other financial assets: current</b>	<b>As at 31st March 2020 (Rs. In "000")</b>	<b>As at 31st March 2019 (Rs. In "000")</b>
Interest receivable on capital advance	-	375.00
	<b>-</b>	<b>375.00</b>
<b>12. Other current assets</b>	<b>As at 31st March 2020 (Rs. In "000")</b>	<b>As at 31st March 2019 (Rs. In "000")</b>
Input credit of GST	102.70	995.00
MAT Credit entitlement	8.78	8.78
Advance to suppliers	13,750.00	-
Other advances	0.92	0.72
	<b>13,862.40</b>	<b>1,004.50</b>
<b>13. Equity share capital</b>	<b>As at 31st March 2020 Nos. (Rs. In "000")</b>	<b>As at 31st March 2019 Nos. (Rs. In "000")</b>
<b>Authorised shares</b>		
Equity shares of Rs.10 each with voting rights	3,100,000 31,000.00	3,100,000 31,000.00
Issued, subscribed and fully paid- up shares	3,002,172 31,000.00	3,002,172 31,000.00
<b>13.1 Reconciliation of number of equity shares and amount outstanding</b>	<b>As at 31st March 2020 Nos. (Rs. In "000")</b>	<b>As at 31st March 2019 Nos. (Rs. In "000")</b>
<u>Equity shares</u>		
- At the beginning of the year	3,002,172 30,021.72	3,002,172 30,021.72
- Issued during the year	- -	- -
<b>Total outstanding at end of the period</b>	<b>3,002,172 30,021.72</b>	<b>3,002,172 30,021.72</b>

**13.2 Terms and rights attached to equity shares**

The company has only one class of equity shares having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**  
**NOTES TO THE FINANCIAL STATEMENTS**

**13.3 Details of shareholders holding more than 5% shares in the company: -**

	As at 31st March 2020		As at 31st March 2019	
	Nos.	% holding	Nos.	% holding
India Finsec Limited	559,891	18.65%	559,891	18.65%
Usha Sharma	288,000	9.59%	288,000	9.59%
Tia Enterprises Pvt. Ltd.	-	0.00%	324,000	10.79%
Holy Enterprises Pvt. Ltd.	552,000	18.39%	-	0.00%

**14. Other equity**

	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
<u>Securities premium: -</u>		
Opening balance	31,202.98	31,202.98
Add/(less): utilise/transfer during the year	-	-
Closing balance	31,202.98	31,202.98
<u>Retained earnings: -</u>		
Opening balance	1,373.84	1,055.44
Add/(less): Profit/ (loss) for the year	2,225.08	318.39
Closing balance	3,598.92	1,373.83
	<b>34,801.90</b>	<b>32,576.81</b>

**15. Trade payables**

	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
Dues of creditors other than micro and small enterprises	541.43	-
	<b>541.43</b>	<b>-</b>

15.1 There are no dues to Micro enterprises and Small enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 which are outstanding for a period more than 45 days as on balance sheet date. The information regarding Micro, Small and Medium Enterprises has been determined on the basis of information available with the Company and has been duly relied upon by the auditors of the Company.

**16. Other financial liabilities: current**

	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
Audit fee payable	36.00	36.00
Sitting fees payable	17.10	-
Expenses payable	-	1,350.00
Salary payable	85.00	73.50
Lease liability (Note 2.15)	422.19	-
	<b>560.29</b>	<b>1,459.50</b>

**17. Other current liabilities**

	As at 31st March 2020 (Rs. In "000")	As at 31st March 2019 (Rs. In "000")
TDS payable	5.90	158.55
	<b>5.90</b>	<b>158.55</b>

**18. Revenue from operation**

	For the year ended 31st March 2020 (Rs. In "000")	For the year ended 31st March 2019 (Rs. In "000")
<b>Sale of Fabric</b>	<b>22,452.92</b>	65,905.62
Sale of Shares & securities	-	187.91
	<b>22,452.92</b>	<b>66,093.53</b>

**19. Other Income**

	For the year ended 31st March 2020 (Rs. In "000")	For the year ended 31st March 2019 (Rs. In "000")
Commission income	39.95	-
Interest on loans advanced	1,333.14	2,447.50
Brokerage Income	-	224.84
Net gain on sale of investments	-	27.93
Interest on income tax refund	2.27	-
	<b>1,375.36</b>	<b>2,700.27</b>

**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**  
**NOTES TO THE FINANCIAL STATEMENTS**

<b>20. Purchases of stock in trade</b>	<b>For the year ended 31st March 2020 (Rs. In "000")</b>	<b>For the year ended 31st March 2019 (Rs. In "000")</b>
<u>Purchase of stock in trade: -</u>		
Fabric	4,240.75	68,853.44
Shares & securities	-	5,751.01
	<u>4,240.75</u>	<u>74,604.45</u>
<b>21. Changes in inventories of stock in trade</b>	<b>For the year ended 31st March 2020 (Rs. In "000")</b>	<b>For the year ended 31st March 2019 (Rs. In "000")</b>
Inventories at the beginning of the year	32,973.68	22,982.03
Less : Inventories at the end of the year	(17,999.12)	(32,973.68)
	<u>14,974.56</u>	<u>(9,991.65)</u>
<b>22. Employee benefit expenses</b>	<b>For the year ended 31st March 2020 (Rs. In "000")</b>	<b>For the year ended 31st March 2019 (Rs. In "000")</b>
Director sitting fee	43.00	48.00
Salaries & allowances	951.19	917.00
Staff welfare expense	6.44	4.06
	<u>1,000.63</u>	<u>969.06</u>
<b>23. Finance costs</b>	<b>For the year ended 31st March 2020 (Rs. In "000")</b>	<b>For the year ended 31st March 2019 (Rs. In "000")</b>
Interest expense on lease liabilities (Note 2.15)	54.68	-
	<u>54.68</u>	<u>-</u>
<b>24. Other expenses</b>	<b>For the year ended 31st March 2020 (Rs. In "000")</b>	<b>For the year ended 31st March 2019 (Rs. In "000")</b>
Advertisement expenses	9.72	1.80
Bank charges	3.63	2.46
Commission charges	0.42	200.00
Conveyance expenses	14.92	11.30
Electricity expenses	3.60	3.51
Fee & subscription	23.50	11.17
Filing fees	4.80	12.00
Freight and cartage	-	106.43
Interest on government dues	6.66	10.06
Late filing fee	16.02	1.94
Listing fee	25.00	25.00
Miscellaneous expenses	1.30	1.11
Payment to statutory auditors (Note 31)	46.00	44.50
Postage & telegram	1.68	1.86
Printing and stationery	4.14	10.22
Professional charges	77.60	1,549.50
Rent expenses (Note 2.15)	-	240.00
Telephone expenses	2.68	4.62
Website expenses	8.73	4.30
	<u>250.40</u>	<u>2,241.78</u>

## **NOTES TO FINANCIAL STATEMENTS**

### **1. Corporate information:**

IFL Enterprises Limited (CIN L67100DL2009PLC186958) was incorporated on January 23<sup>rd</sup>, 2009 under the Companies Act, 1956 with the Registrar of Companies Delhi. The Company is involved in the business of acquisition, trading of stocks, bonds etc. It also carries on the business of all kinds of fabrics and other similar products. The Company is listed on Bombay Stock exchange (BSE) [Script code: IFL].

### **2. Significant Accounting Policies:**

#### **(a) Statement of Compliance:**

The financial statements have been prepared in accordance with the Indian Accounting Standards (Ind AS) specified under section 133 of the Companies Act, 2013, read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015.

#### **(b) Basis for preparation of financial statements:**

The financial statements have been prepared in historical cost basis which is generally based on the fair value of consideration given in exchange for goods and services.

#### **(c) Use of Estimates:**

The preparation of financial statements requires the management of the company to make estimates and assumptions that affect the reported amounts of assets and liabilities on the date of financial statements, disclosure of contingent liabilities as at the date of the financial statements, and the reported amounts of income and expenses during the reported period. Estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimates are revised.

#### **(d) Critical accounting estimates:**

##### **(i) Income taxes:**

Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions.

##### **(ii) Impairment of investments:**

The carrying value of investments is reviewed at cost annually, or more frequently whenever, there is indication for impairment. If the recoverable amount is less than the carrying amount, the impairment loss is accounted for.

##### **(iii) Provisions:**

Provisions are recognized when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date adjusted to reflect the current best estimates.

#### **(e) Property, plant and equipment:**

Properties, plant & equipment are stated at actual cost less accumulated depreciation and net of impairment. The actual cost capitalized includes material cost, freight, installation cost, duties and taxes, eligible borrowing costs and other incidental expenses incurred during the construction/installation stage.



The Company has chosen cost model for recognition and this model is applied to all class of assets. After recognition as an asset, an item of property, plant & equipment is carried at its cost less any accumulated depreciation and any accumulated impairment losses.

Depreciable amount of an asset is the cost of an asset less its estimated residual value.

Depreciation on property, plant and equipment, including assets taken on lease, other than freehold land is charged based on Written down method on an estimated useful life as prescribed in Schedule II to the Companies Act, 2013. The useful life of asset taken into consideration as per Schedule II for the purpose of calculating depreciation is as follows: -

Particulars of Property, Plant & Equipment	Useful life (in years)
Furniture & fixtures	10
Computer	3
Vehicles (Two-wheelers)	10
Generators	15

An item of Property, Plant and Equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of Property, Plant and Equipment are determined as a difference between the sale proceeds and the carrying amount of the asset and is recognised in the profit and loss. At the end of each reporting period, the Company reviews the carrying amounts of tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss.

**(f) Revenue recognition:**

Revenue is recognized to the extent it is probable that the economic benefits will flow to the Company & revenue is reliably measured.

- (i) Sale of goods: The Company recognizes revenue from contracts with customers based on a comprehensive assessment model as set out in Ind AS 115 'Revenue from contracts with customers'. The Company identifies contract(s) with a customer and its performance obligations under the contract, determines the transaction price and its allocation to the performance obligations in the contract and recognizes revenue only on satisfactory completion of performance obligations. Revenue is measured at fair value of the consideration received or receivable.
- (ii) Interest income: Interest income is recognised on time proportion basis taking into account the amount outstanding and the rate applicable.
- (iii) Other income: In respect of other heads of income in the Company's accounts the income shall recognize on accrual basis.

**(g) Financial Instruments:**

**Financial Assets: -**

**Recognition and initial measurement: -**

Financial assets and financial liabilities are initially recognised when the Company becomes a party to the contractual provisions of the instrument and are measured initially a fair value adjusted for transaction cost.

**Subsequent measurement: -**

Equity instrument and Mutual Fund: - All equity Instrument and mutual funds within scope of Ind-AS 109 are measured at fair value. Equity instrument and Mutual fund which are held for trading are classified as

at fair value through profit & loss (FVTPL). For all other equity instruments, the Company decided to classify them as at fair value through other comprehensive income (FVTOCI).

Debt instrument: - A 'debt instrument' is measured at the amortised cost if both the following conditions are met. The assets are held within a business model whose objective is to hold assets for collecting contractual cash flows, and contractual terms of the assets give rise on specified dates to cash flows that are solely payments of Principal and Interest on the principal amount outstanding. After initial measurement, such Financial Assets are subsequently measured at amortised cost using the effective interest rate (EIR) method.

De-recognition of Financial Assets: -

A financial asset is primarily de-recognised when the rights to receive cash flows from the asset have expired or Company has transferred its right to receive cash flow from the asset.

**Financial Liabilities**: -

Recognition and initial measurement: -

All Financial liabilities are recognised initially at fair value and transaction cost that is attributable to the acquisition of the financial liabilities is also adjusted. Financial liabilities are classified as amortised cost.

Subsequent measurement: -

Subsequent to initial recognition, these liabilities are measured at Amortised cost using the effective interest rate method.

De-recognition of Financial liabilities: -

Financial liabilities are derecognized when the obligation under the liabilities are discharged or cancelled or expires. Consequently, write back of unsettled credit balances is done on closure of the concerned project or earlier based on the previous experience of Management and actual facts of each case and recognized in other Operating Revenues.

Further when an existing Financial liability is replaced by another from the same lender on substantially different terms, or the terms of existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss.

Offsetting of Financial Instrument: -

Financial Assets and Financial Liabilities are offset and the net amount is reported in the Balance sheet if there is currently enforceable legal right to offset the recognized amounts and there is an intention to settle on net basis, to realize the assets and settle the liabilities simultaneously.

#### **(h) Impairment of Financial Assets:**

Equity instruments, Debt Instruments and Mutual Fund: - In accordance with Ind -AS 109, the Company applies Expected Credit Loss model for measurement and recognition of impairment loss for Financial Assets.

Expected Credit Loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive.

Other Financial Assets: - The Company determines whether there has been a significant increase in the credit risk since initial recognition and if credit risk has increased significantly, impairment loss is provided.

#### **(i) Inventories:**

Inventories (Other than Quoted Shares & Securities) are valued at cost or net realisable value, whichever is lower. Cost is determined on First-In-First-Out (FIFO) basis and includes cost of purchase and other costs incurred in bringing inventories to their present location and condition. Net realisable value is the

estimated selling price in the ordinary course of business, less estimated costs of completion and the estimated costs necessary to make the sale.

**(j) Cash & Cash equivalent:**

Cash and cash equivalents in the balance sheet comprise of cash at bank and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value. For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

**(k) Taxation:**

Tax expense comprises of current tax and deferred tax. Current tax is measured at the amount expected to be paid/recovered from the tax authorities, based on estimated tax liability computed after taking credit for allowances and exemption in accordance with Income Tax Act, 1961. Current and deferred tax are recognised in profit and loss, except when they relate to items that are recognised in other comprehensive income or directly in equity, in which case, the income taxes are recognised in other comprehensive income or directly in equity, respectively. Advance taxes and provisions for current income taxes are presented in the statement of financial position after off-setting advance tax paid and income tax provision.

Deferred income tax is recognised using the balance sheet approach. Deferred income tax assets and liabilities are recognised for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amounts. Deferred income tax is recognised to the extent it is probable that taxable profit will be available against which the deductible temporary differences and the carry forward of unused tax credits and unused tax losses can be utilized. The carrying amount of deferred income tax assets is reviewed at each reporting date. Deferred tax asset/liability is measured at the tax rates that are expected to be applied to the period when the asset is realized or the liability is settled. Deferred tax assets include Minimum Alternative Tax (MAT) paid which is considered as an asset if there is probable evidence that the Company will pay normal income tax after the tax holiday period.

**(l) Employee Benefits:**

Liabilities for short-term employee benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related services are recognized in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled.

**(m) Earnings Per Share:**

Basic earnings/ (loss) per share are calculated by dividing the net profit/ (loss) for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. The weighted average number of equity shares outstanding during the period are adjusted for any bonus shares issued during the period and also after the Balance Sheet date but before the date the financial statements are approved by the Board of Directors. For the purpose of calculating diluted earnings/ (loss) per share, the net profit/ (loss) for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares. The number of equity shares and potentially dilutive equity shares are adjusted for bonus shares as appropriate. The dilutive potential equity shares are adjusted for the proceeds receivable, had the shares been issued at fair value. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date.

**(n) Provision, Contingent Liabilities and Contingent Assets:**

A provision is recognised when the company has a present obligation as a result of past event and it is probable that an outflow of resources will be required to settle the obligation, in respect of which reliable estimate can be made.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance costs.

Contingent Assets and Contingent Liabilities are not recognized in the financial statements.

**(o) Leases:**

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS-116 Leases which replaces the existing lease standard, Ind AS-17 Leases and other interpretations. Ind AS-117 sets out the principle for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees. The Company has adopted Ind AS 116, effective annual reporting period beginning April 1, 2019 and applied the standard to its leases using the modified retrospective approach whereby a lessee applies the new standard from the beginning of the current period. The lessee calculates the lease asset and lease liability as at the beginning of the current period and recognized an adjustment in equity at the beginning of the current period. Accordingly, a lessee will not restate its prior period financial information under this approach.

The Company has elected not to apply the requirements of Ind AS 116 Leases to short term leases of all assets that have a lease term of 12 months or less and leases for which the underlying asset is of low value. The lease payments associated with these leases are recognised as an expense on a straight-line basis over the lease term. The Company recognises right-of-use asset representing its right to use the underlying asset for the lease term at the lease commencement date. The cost of the right-of-use asset measured at inception shall comprise of the amount of the initial measurement of the lease liability adjusted for any lease payments made at or before the commencement date less any lease incentives received, plus any initial direct costs incurred and an estimate of costs to be incurred by the lessee in dismantling and removing the underlying asset or restoring the underlying asset or site on which it is located. The right-of-use assets is subsequently measured at cost less any accumulated depreciation, accumulated impairment losses, if any. The right-of-use assets is depreciated using the straight-line method from the commencement date over the shorter of lease term or useful life of right-of-use asset

The Company measures the lease liability at the present value of the lease payments that are not paid at the commencement date of the lease. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. If that rate cannot be readily determined, the Company uses incremental borrowing rate. For leases with reasonably similar characteristics, the Company, on a lease by lease basis, may adopt either the incremental borrowing rate specific to the lease or the incremental borrowing rate for the portfolio as a whole. The lease liability is subsequently re-measured by increasing the carrying amount to reflect interest on the lease liability, reducing the carrying amount to reflect the lease payments made and re-measuring the carrying amount to reflect any reassessment or lease modifications or to reflect revised in-substance fixed lease payments.

On application of Ind AS 116, the nature of expenses has changed from lease rent in previous periods to depreciation cost for the right-of-use asset, and finance cost for interest accrued on lease liability.



25. **Related parties: -**

As per IND AS 24, the disclosures of transactions with the related parties are given below:

- (a) List of related parties where control exists and also related parties with whom transactions have taken place and relationship:

(i)	Key Management Personnel	Mr. Gopal Bansal (Director) Mr. Ashok Kumar Bansal (Director) Mr. Manoj Kumar (Director) Ms. Himanshi Kashyap (Director) Ms. Dimple Mangal (CFO) Mr. Sandeep Kumar (Company Secretary)
(ii)	Relatives of Key Management Personnel	Ms. Sunita Bansal
(iii)	Enterprises owned or significantly influenced by the Key Management Personnel or their Relatives	M/s. Gopal Bansal (HUF)

- (b) Following transactions are made with the related parties covered under Ind AS- 24 on "Related Parties Disclosure".

S.N o.	Transaction with	Nature of transaction	Transactions during the year		Balances as on	
			31/03/2020 (Rs. '000')	31/03/2019 (Rs. '000')	31/03/2020 (Rs. '000')	31/03/2019 (Rs. '000')
(i)	<u>Key Management Personnel: -</u>					
	Mr. Gopal Bansal	Sitting fees	13.00	10.00	4.50	Nil
	Mr. Manoj Kumar	Sitting fees	15.00	7.00	6,300	Nil
	Mr. Ashok Kumar Bansal	Sitting fees	Nil	9.00	Nil	Nil
	Ms. Himanshi Kashyap	Sitting fees	15.00	15.00	6.30	Nil
	Mr. Sandeep Kumar	Salary	111.19	144.00	15.00	12.00
	Ms. Dimple Mangal	Salary	420.00	395.00	35.00	29.54
(ii)	<u>Relatives of Key Management Personnel: -</u>					
	Mrs. Sunita Bansal	Rent paid	60.00	60.00	Nil	Nil
(iii)	<u>Enterprises in which Key Management Personnel and Relatives are having significant influences: -</u>					
	Gopal Bansal HUF	Rent paid	60.00	60.00	Nil	Nil

26. **Segment information:-**

The Company is presently dealing in Fabrics and other similar products. Hence, being similar economic characteristics, all such dealings are combined in one segment as per Ind AS- 108.

27. Balance of receivables, payables and advances are subject to confirmation.

28. Particulars	31/03/2020 (Rs. '000')	31/03/2019 (Rs. '000')
Earnings/ remittances in foreign currency	Nil	Nil
Expenditure in foreign currency	Nil	Nil



29. Based on and to the extent of the information received by the Company from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) and relied upon by the auditors, the relevant particulars as at the year-end are furnished below: -

<b>Particulars</b>	<b>31/03/2020 (Rs. '000')</b>	<b>31/03/2019 (Rs. '000')</b>
Principal amount due remaining unpaid	Nil	Nil
Interest due on above remaining unpaid	Nil	Nil
Amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006, along with the amount of the payment made to supplier beyond the appointed day during each accounting year.	Nil	Nil
Amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil
Amount of interest accrued and remaining unpaid at the end of each accounting year.	Nil	Nil
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006.	Nil	Nil

30. The outbreak of COVID-19 pandemic is causing significant disturbance and slowdown of economic activities globally. The nationwide lockdown ordered by the Government of India has resulted in significant reduction in economic activities and also the business operations of the Company in terms of sales and production. The management has considered the possible effects that may result from the pandemic on the recoverability/ carrying value of the assets. Based on the current indicators of future economic conditions, the management expects to recover the carrying amount of the assets, however the management will continue to closely monitor any material changes to future economic conditions. Given the uncertainties, the final impact on Company's assets in future may differ from that estimated as at the date of approval of these financial results.
31. Break- up of payments made to Statutory Auditors (excluding taxes) are disclosed as under: -

<b>Particulars</b>	<b>31/03/2020 (Rs. '000')</b>	<b>31/03/2019 (Rs. '000')</b>
In respect of Statutory Audit	40.00	40.00
In respect of Certification	6.00	4.50
<b>TOTAL</b>	<b>46.00</b>	<b>44.50</b>

<b>32. Particulars</b>	<b>31/03/2020 (Rs. '000')</b>	<b>31/03/2019 (Rs. '000')</b>
Contingent Liabilities not provided for	Nil	Nil
Pending litigations by/ against the Company	None	None

32. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

33. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
34. The financial statements were approved for issue by the Board of Directors on 27<sup>th</sup> June, 2020.
35. Previous year's figures have been re-arranged or re-grouped wherever considered necessary.
36. Figures have been rounded off to the nearest thousands of rupees.
37. Figures in brackets indicate negative (-) figures.

Signed for the purpose of Identification

**FOR V.N. PUROHIT & CO.**  
**Chartered Accountants**  
**Firm Regn. 304040E**

**For and on behalf of the board of directors of**  
**IFL Enterprises Limited**

**O.P. Pareek**  
**Partner**  
**Membership No. 014238**

**Gopal Bansal**  
**Director**  
**DIN:01246420**

**Ashok Kumar Bansal**  
**Director**  
**DIN: 07069510**

**UDIN: 20014238AAAACG7794**

**New Delhi, the 27<sup>th</sup> day of June, 2020**

**Dimple Mangal**  
**CFO**  
**PAN: CWUPM3346P**

**Sandeep Kumar**  
**Company Secretary**  
**M.No. A34263**

**IFL ENTERPRISES LIMITED**

**CIN: L67100DL2009PLC186958**

**Registered Office: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085**

**E-mail [Id: iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com) Website: [www.iflenterprises.com](http://www.iflenterprises.com) Contact No. 01147096097**

**PROXY FORM**

**Form No. MGT-11**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]**

**CIN: L67100DL2009PLC186958**

**Name of the Company:** IFL Enterprises Limited

**Registered Office:** D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085

**Name of the member(s):**

**Registered Address :**

**Email ID:**

**Folio No./Client ID :**

**DP ID :**

I/ We being the member(s) holding \_\_\_\_\_ shares of the above named Company hereby appoint:

1. Name: \_\_\_\_\_
2. Address: \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Signature: \_\_\_\_\_ Or failing him
3. Name: \_\_\_\_\_
4. Address: \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Signature: \_\_\_\_\_ Or failing him
5. Name: \_\_\_\_\_
6. Address: \_\_\_\_\_  
E-mail Id \_\_\_\_\_  
Signature: \_\_\_\_\_ Or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Eleventh Annual General Meeting of the Company, to be held on 29<sup>th</sup> September, 2020 at 09:00 a.m. at D-16, 1<sup>st</sup> Floor, Prashant Vihar, Rohini, Delhi-110085 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolutions
<b>Ordinary Business</b>	
1.	To consider and adopt the Audited Financial Statements of the Company for the financial year ended March, 31 2020 and the report of Board of Directors and Auditors thereon.
2.	To appoint a Director in place of <b>Mr. Ashok Kumar Bansal (DIN: 07069510)</b> , who retires by rotation and being eligible seeks re-appointment.
3.	To Re-Appoint M/s V.N. Purohit & Co., Chartered Accountants as Statutory Auditors of the Company.

Signed this..... Day of.....2020

**Signature of the shareholder** .....

**Signature of the Proxy holder(s)** (1) ..... (2) ..... (3) .....

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

Affix  
Re. 1/-  
Revenue  
Stamp

**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**

**Registered Office: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085**  
**E-mail Id: [iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com) Website: [www.iflenterprises.com](http://www.iflenterprises.com) Contact No. 01147096097**

**ATTENDANCE SLIP**

Full name and address of the Shareholder/Proxy Holder (in block letters)	
Joint Holder 1(in block letters)	
Joint Holder 2(in block letters)	
Folio No./DP ID*/Client ID*:	
No. of Shares Held	
I hereby certify that I am a member/proxy for the member of the Company.	
<b>Signature of Shareholder/Proxy</b>	

I/we hereby record my presence at the Eleventh Annual General Meeting of the shareholders of IFL Enterprises Limited held on 29<sup>th</sup> September, 2020 at 09:00 a.m. at D-16, 1<sup>st</sup> Floor, Prashant Vihar, Rohini, Delhi-110085

**Note:** Shareholders attending the Meeting in person or by proxy are requested to complete the attendance slip and hand over at the entrance of the premise.

\*Applicable for shareholders holding shares in electronic form.

**ELECTRONIC VOTING PARTICULARS**

E VOTING SEQUENCE NUMBER (EVSN)	USER ID	PASSWORD

**Note:** Please read the instructions printed under the Notes to the Notice of Eleventh Annual General Meeting dated 05<sup>th</sup> September, 2020 for the e-voting process. The E-voting period starts from 26<sup>th</sup> September, 2020 at 10:00 a.m., and will end on 28<sup>th</sup> September, 2020 at 5:00 p.m. The voting module shall be disabled by CDSL for voting thereafter.

**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**

Registered Office: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085  
E-mail Id- [iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com) Website- [www.iflenterprises.com](http://www.iflenterprises.com) Contact No. 01147096097

**Nomination Form**  
**(Form No. SH-13)**

*[Pursuant to section 72 of the Companies Act, 2013 and rule 19(1) of the Companies (Share Capital and Debentures) Rules 2014]*

To  
**IFL Enterprises Limited**  
**CIN: L67100DL2009PLC186958**  
**Regd. Office: -D-16, 1st Floor, Above ICICI Bank,**  
**Prashant Vihar, Sector-14, Rohini, New Delhi-110085**

I/We .....the holder(s) of the securities particulars of which are given hereunder wish to make nomination and do hereby nominate the following persons in whom shall vest, all the rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being made)**

Nature of securities	Folio No.	No. of securities	Certificate No	Distinctive No.

**(2) PARTICULARS OF THE NOMINEE/S: —**

- (a) Name: \_\_\_\_\_
- (b) Date of Birth: \_\_\_\_\_
- (c) Father's/Mother's/Spouse's \_\_\_\_\_
- (d) Occupation: \_\_\_\_\_
- (e) Nationality: \_\_\_\_\_
- (f) Address: \_\_\_\_\_
- (g) E-mail Id: \_\_\_\_\_
- (h) Relationship with the security holder: \_\_\_\_\_

**(3) IN CASE NOMINEE IS A MINOR—**

- (a) Date of Birth: \_\_\_\_\_
- (b) Date of attaining maturity: \_\_\_\_\_
- (c) Name of Guardian: \_\_\_\_\_
- (d) Address of Guardian: \_\_\_\_\_

**Name:**

**Address:**

**Name of the Security Holder (s)**

**Signature**

**Witness with name and address**



**IFL ENTERPRISES LIMITED**  
**CIN: L67100DL2009PLC186958**

Registered Office: D-16, 1st Floor, Above ICICI Bank, Prashant Vihar, Sector-14, Rohini, New Delhi-110085  
E-mail Id- [iflenterprises@rediffmail.com](mailto:iflenterprises@rediffmail.com) Website- [www.iflenterprises.com](http://www.iflenterprises.com) Contact No. 01147096097

**Cancellation or Variation of Nomination**  
**(Form No. SH-14)**

*[Pursuant to sub-section (3) of section 72 of the Companies Act, 2013 and rule 19(9) of the Companies (Share Capital and Debentures) Rules 2014]*

**To**  
**IFL Enterprises Limited**  
**CIN: L67100DL2009PLC186958**  
**Regd. Office:- D-16, 1st Floor, Above ICICI Bank,**  
**Prashant Vihar, Sector-14, Rohini, New Delhi-110085**

I/ We hereby cancel the nomination(s) made by me/us in favour of .....(name and address of the nominee) in respect of the below mentioned securities.

Or

I/We hereby nominate the following person in place of .....as nominee in respect of the below mentioned securities in whom shall vest all rights in respect of the below mentioned securities in whom shall vest all rights in respect of such securities in the event of my/our death.

**(1) PARTICULARS OF THE SECURITIES (in respect of which nomination is being cancelled/ varied)**

Nature of securities	Folio No.	No. of securities	Certificate No	Distinctive No.

**(2) PARTICULARS OF THE NEW NOMINEE: —**

- (a) Name: \_\_\_\_\_
- (b) Date of Birth: \_\_\_\_\_
- (c) Father's/Mother's/Spouse's \_\_\_\_\_
- (d) Occupation: \_\_\_\_\_
- (e) Nationality: \_\_\_\_\_
- (f) Address: \_\_\_\_\_
- (g) E-mail Id: \_\_\_\_\_
- (h) Relationship with the security holder: \_\_\_\_\_

**(3) IN CASE NOMINEE IS A MINOR—**

- (a) Date of Birth: \_\_\_\_\_
- (b) Date of attaining maturity: \_\_\_\_\_
- (c) Name of Guardian: \_\_\_\_\_
- (d) Address of Guardian: \_\_\_\_\_

**Signature**  
**Name of the Security Holder (s)**  
**Witness with name and address**

## ROUTE MAP

**Venue of AGM: IFL Enterprises Limited**  
**D-16, 1<sup>st</sup> Floor, Prashant Vihar,**  
**Rohini, Delhi-110085**

