



ShaliBhadra

FINANCE LIMITED

CIN : L65923MH1992PLC064886

3, Kamat Industrial Estate,

396, Veer Savarkar Marg,

Opp. Siddhi Vinayak Temple,

Next to Chintamani Jewellers,

Prabhadevi, Mumbai - 400-025.

Phone : 2432 2993 / 2432 2994

2422 4575 / 2438 2607

2432 3005

E-mail : shalibhadra_mum@yahoo.co.in

To,
The Secretary,
The Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai – 400 001.
The Secretary,

Date: 28th September, 2019

Dear Sir,

Sub: Submission of Annual Report for F.Y. 2018- 2019.

Ref: Code No.: 511754.

With reference to the above please find enclosed herewith 7 copies of audited Annual Report for the year ended 31st March 2019.

Kindly acknowledge the receipt of the same.

Thanking You,

Yours Faithfully
For SHALIBHADRA FINANCE LIMITED


MINESH M.DOSHI
MANAGING DIRECTOR



Shalibhadra

FINANCE LIMITED

Fulfilling Dreams



Annual Report

2018-19

Our Growth Story

Asset under Management

108 crores

Total Income

22 crores

Net Profit after Tax

6.4 crores

Branches

36

Live customers

78,151

Return on Average Net Worth

19.2%

Growth in Net Profit after Tax

13%

Gross Interest Spread (%)

10.46%

Total assets

115 crores

Net Worth

36 crores

EPS

12.79

Dividend %

12%

Total Income/Average
Portfolio

22.56%

Expense to Avg. Portfolio
Ratio

5.44%

PAT / Total Income

28.79%

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Corporate Information

Board of Directors

Mr Minesh Doshi	Managing Director
Mr Narotanmal Rampuria	Independent Director
Dr. Falguni Doshi	Independent Director
Mr. Vatsal Doshi	Director

Registered Office

3, Kamat Industrial Estate,
Opp. Siddhi Vinayak Temple,
396, Veer Savarkar Marg,
Prabhadevi,
Mumbai 400 025.

Email: shalibhadra_mum@yahoo.co.in
Website: www.shalibhadrafinance.com

Bankers

Bank of Maharashtra
Dena Bank
State Bank of India
AU Small Finance Bank

Auditors

M/s. Vora & Associates

Chartered Accountants
(Firm Registration Number:
111612W)

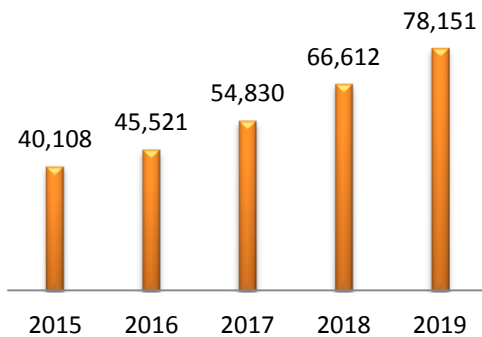
Share Transfer Service

Link Intime India Pvt. Ltd
C 101, 247 Park, L.B.S. Marg,
Vikhroli (West),
Mumbai, Maharashtra, 400083

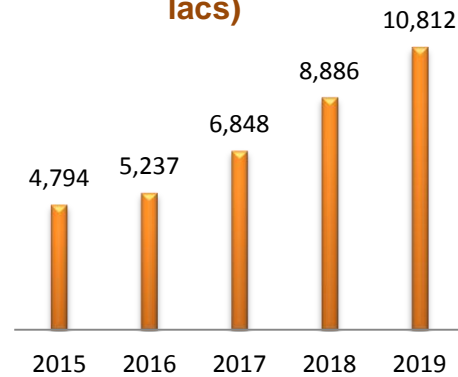
Key Performance Indicators

During FY 18-19, Net profit after Tax grew by about 13% from 5.67 crores to 6.39 crores. Company continued to maintain a high capital adequacy of about 35% as against the mandatory regulatory requirement of 15%.

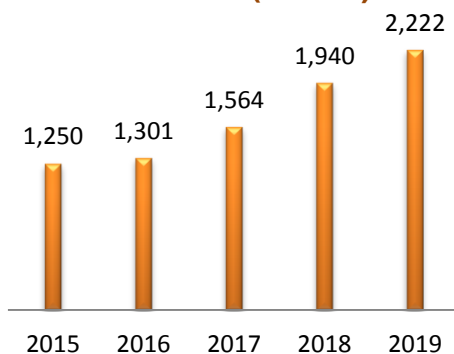
Number of Live Customers



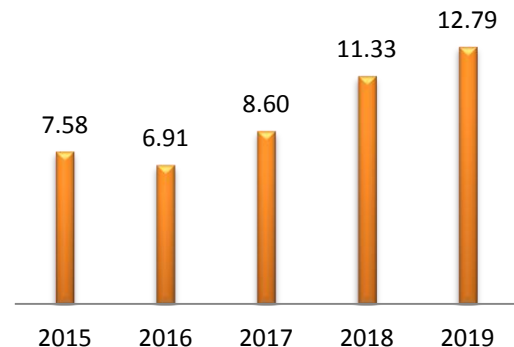
Asset Under Management (in lacs)



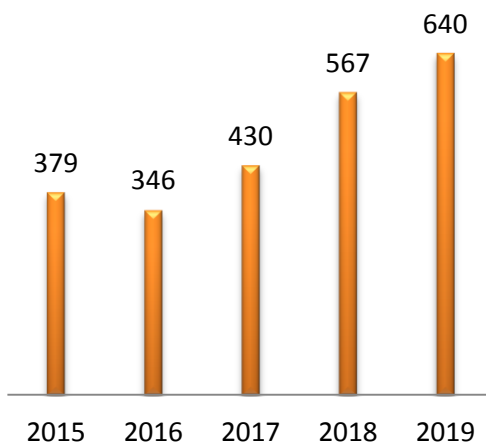
Total Income (in lacs)



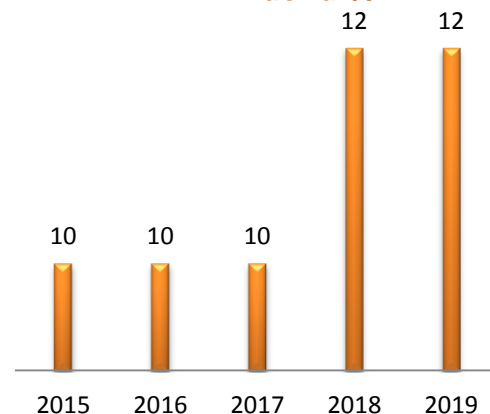
EPS



Net Profit After Tax (in lacs)

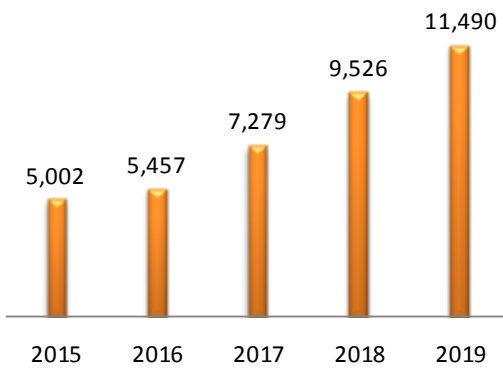


Dividend %

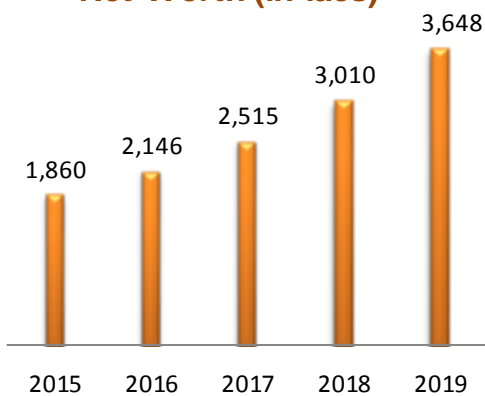


During FY 18-19, the portfolio reached 108 crores mark. Gross Interest spread was maintained at 10.46% and Return on Average Net worth at 19.22%

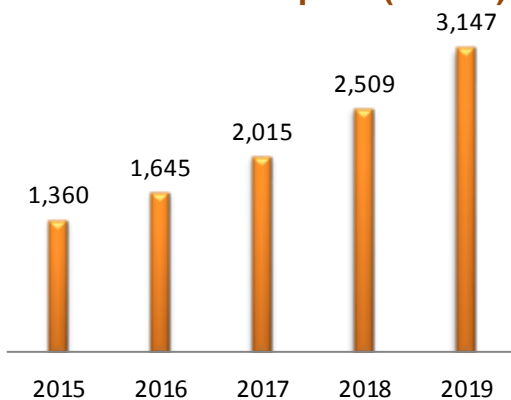
Total Assets (in lacs)



Net Worth (in lacs)



Reserves & Surplus (in lacs)



The Shalibhadra Advantage

<p>Unique business model</p> 	<p>Quick disbursement</p> 	<p>Robust Credit assessment</p> 
<p>Focus on “Difficult to reach areas”</p> 	<p>Sufficient capital adequacy</p> 	<p>Leveraging technology</p> 
<p>Flexible repayment options</p> 	<p>100% cashless disbursements</p> 	<p>Strong workforce</p> 

Discovering new geographies

During FY 18-19, company expanded its network into the state of Madhya Pradesh. Number of branches increased from 32 to 36.

With a network of 36 branches, we currently serve a total of 29 districts in the states of Gujarat, Maharashtra & Madhya Pradesh. Such wide rural presence has enabled us to cater the diverse financial needs of our customers.

In FY 19-20, company is considering further expansion into the state of Rajasthan.

Gujarat

- Ahmedabad
- Ahwa
- Anand
- Bardoli
- Bharuch
- Dabhoi
- Dahod
- Halol
- Himmatnagar
- Mehsana
- Nadiad
- Navsari
- Rajpipla
- Surat
- Vadodara
- Valsad
- Vapi

Maharashtra

- Ahmednagar
- Alibaug
- Boisar
- Dhule
- Jalgaon
- Kolhapur
- Mahad
- Malegaon
- Nandurbar
- Nashik
- Sangamner
- Sangli
- Satara
- Shahpur
- Surgana

Madhya Pradesh

- Burhanpur
- Harda
- Khandva
- Khargone



Easy and fast appraisal and disbursements makes Shalibhadra the preferred choice of its customers



Live customers

78,151

Growth in customer base

17.3%

OUR VISION

To cater to the diverse financial needs of rural India

OUR MISSION

To become leading NBFC serving rural & semi urban areas of western India by creating a sustainable & innovative business model meeting the needs of all our stakeholders

5 years at a glance

Particulars	2018-19	2017-18	2016-17	2015-16	2014-15
Estimated Assets Financed	1,08,12,29,636	88,86,16,131	68,47,94,851	52,37,05,234	47,94,25,243
Number of live contracts	78,151	66,612	54,830	45,521	40,108
Total Assets	1,14,90,15,104	95,26,34,939	72,79,20,295	54,56,54,054	50,02,09,416
Total Income	22,22,25,008	19,39,63,633	15,64,08,179	13,00,77,079	12,50,45,347
Profit before depreciation & tax	9,01,07,023	7,99,13,580	6,53,70,163	5,50,16,638	5,92,12,850
Depreciation	7,50,850	6,14,777	4,71,320	3,67,953	5,60,857
Profit Before Tax (PBT)	8,93,56,173	7,92,98,803	6,48,98,843	5,46,48,685	5,86,51,992
Profit After Tax (PAT)	6,39,87,173	5,66,75,604	4,30,18,837	3,45,86,727	3,79,33,137
Dividend %	12	12	10	10	10
Equity Share Capital	5,00,31,000	5,00,31,000	5,00,31,000	5,00,31,000	5,00,31,000
Reserves & Surplus	31,47,48,365	25,09,28,043	20,15,12,428	16,45,21,057	13,59,61,798
Net Worth	36,47,79,365	30,09,59,043	25,15,43,428	21,45,52,057	18,59,92,798
Branches	36	32	28	24	21
Earnings Per Share (EPS)	12.79	11.33	8.60	6.91	7.58

Director's Report

Dear Members,

Your directors are delighted to present the 28th Annual Report and the Audited financial statements of the company for the year ended March 31, 2019.

Financial Results:

Particulars	Rs. in '000		
	2018 - 19	2017 - 18	% Change
Business Income	2,22,225	1,93,964	15%
Profit before Interest, Depreciation & Tax	1,69,378	1,44,924	17%
Less: Interest	79,271	65,010	22%
Depreciation	751	615	22%
Profit before tax	89,356	79,299	13%
Less: Provision for Income Tax	25,100	22,300	13%
Provision for Deferred Tax	269	323	-17%
Profit after tax	63,987	56,676	13%
Add: Balance brought forward from Previous Year	1,43,237	1,05,062	36%
	2,07,224	1,61,738	28%
Less: Appropriations			
Proposed Dividend	-*	-*	-*
Distribution Tax	-*	-*	-*
Transfer to / (from) General Reserve	9,000	7,000	29%
Transfer to Special Reserve	13,000	11,500	13%
Balance carried to Balance Sheet	1,85,224	1,43,238	29%

* Proposed dividend is not included in Annual accounts in compliance with Accounting Standards.

Operations

FY 2018-19 was yet another year of outstanding achievements for our company. With over 13% growth, Net Profit after tax increased from 5.7 crores to 6.4 crores.

We were able to post a 15% growth in topline with the portfolio nearing 108 crores.

Outlook and Prospects:

Outlook & Prospect look very encouraging due to increase sale of new two wheelers.

Dividend:

Your Directors have recommended a dividend of 12% (i.e. Rs 1.20 per equity share) for the financial year ended March 31, 2019 to those Members whose names appear in the register of members as on the book closure date. The dividend including dividend tax will amount to Rs. 74.27 lacs (last year Re. 1.20 per equity share was declared).

Finance:

Company plans to raise fund Rs. 25 corers from banks/financial institutions during FY 2019-20.

Corporate Governance & Compliance Certificate:

A separate section on Corporate Governance is included in the Annual Report and the certificate from company secretary confirming the Compliance of the conditions on the Corporate Governance as stipulated in Regulations 17 to 27, clauses (b) to (i) of sub-regulation (2) of Regulation 46 and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 are annexed to this Report.

Public Fixed Deposits:

The Company has no public deposit as of date and will not accept any deposit without prior approval of the statutory authorities concerned.

RBI Guidelines:

The Company is consistently complying with all the guidelines issued by the Reserve Bank of India for NBFC's (AFC's) with respect to capital adequacy, asset classification, provisioning and income recognition on non-performing assets.

The capital adequacy of the Company as on 31st March, 2019 is much higher than the minimum norms stipulated by the RBI for NBFC (AFC's).

Management's discussion and analysis report:

Management's Discussion and Analysis Report for the year under review is presented in a separate section forming part of the Annual Report.

Accounts & Accounting Standards:

The Company adheres to the prudential guidelines prescribed by the Reserve Bank of India and to the Accounting Standards issued by the Institute of Chartered Accountant of India in preparation of its financial statements.

The particulars on the related party exposures, non-performing assets and business levels in vehicle loans purchase and other activities, required to be disclosed in the format prescribed by the Reserve Bank of India are contained in the schedules forming part of the accounts.

Changes in composition of Board of Directors

Mr Narotanmal Rampuria, Independent Director of the company, has retired at the ensuing AGM on completion of 5 years term. The Board wishes to place on record its appreciation for the valuable contribution of Mr Narotanmal Rampuria in the sustained growth of the Company during his tenure as Director of the Company.

Dr. Flaguni Doshi, Independent Director of the company, shall retire at the ensuing AGM on completion of 5 years term, being eligible, offered for reappointment.

Mr. Kamalkant A Keswani shall be appointed as Independent director of the company for a period of 5 years starting from the ensuing AGM upto 30th September 2024.

To comply with the provisions of Section 152 of the Companies Act, 2013 Mr. Minesh M. Doshi, shall retire by rotation at the ensuing AGM, being eligible, offered for reappointment.

Declaration by Independent directors:

Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

Independent directors meeting:

During the year under review, the independent Directors of the Company met thrice inter-alia, to discuss:

- (a) Evaluation of performance of Non-Independent Directors and the Board of Directors of the company as a whole.
- (b) Evaluation of performance of the Chairman of the Company, taking into views of Executive and Non Executive Directors.
- (c) Evaluation of the quantity, content and timelines of flow of information between the Management and the board that is necessary for the Board to effectively and reasonably perform its duties.

Induction and training of the board members:

Directors are issued a detailed appointment letter which inter alia sets out terms of appointment, duties, responsibilities etc. of such director. Each independent director of the Company on appointment is given such letter of appointment and also briefed by the Managing Director/ Executive Director about the nature of business of the Company, its finances, operations etc. The Compliance Officer of the company also assists the Independent Director in understanding their statutory duties, obligations and responsibilities as a Director/ Independent Director of the Company.

Evaluation of performance of the board members:

Pursuant to the provisions of the Companies Act, 2013 and Listing Regulation, the evaluation of the performance of the Board as well as of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee has been carried out. The performance evaluation of the Independent Directors was carried out by the entire Board and the performance evaluation of the Chairman and Non-Independent Directors was carried out by the Independent Directors.

Particulars of Loans, Guarantees or Investments in Securities:

Pursuant to section 186(11) of the Companies Act, 2013, the provisions of section 186 (4) of the Act requiring disclosure in the financial statements of the full particulars of the loans made and guarantees given or securities provided by a Non-Banking Financial Company in the ordinary course of its business and the purpose for which the loan or guarantee or security is proposed to be utilized by the recipient of the loan or guarantee or security are exempted from disclosure in the Annual Report. Further, pursuant to the provisions of section 186 (4) of the Act, the details of investments made by the Company are given in the Notes to the Financial Statements.

Risk management:

Pursuant to section 134 (3) (n) of the Companies Act, 2013 & listing regulation, the company has constituted a business risk management committee. The details of the committee and its terms of reference are set out in the corporate governance report. At present the company has not identified any element of risk which may threaten the existence of the company.

Significant and material orders passed by regulators/courts if any:

There are no significant or material orders passed by the Regulators / courts which would impact the going concern status of the Company and its operations.

Share Capital:

- The Company has not bought back any of its securities during the year under review.
- The Company has not issued any Sweat Equity Shares during the year under review.
- No Bonus Shares were issued during the year under review.

Employee stock options:

The Company has not provided any Stock Option Scheme to the employees.

Disclosure under the Sexual harassment of women at workplace (Prevention, prohibition and redressal) Act, 2013:

The company has in place an Anti-Harassment policy in line with the requirements of the Sexual harassment of women at the workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. During the year under review, company has not received any Sexual Harassment Complaints.

Directors' Responsibility Statement:

Pursuant to the provisions of section 134(5) of the Companies Act, 2013, ('the Act') your Directors confirm that:

- In the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards read with requirements set out under Schedule III to the Act, have been followed and there are no material departures from the same;

- The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- The Directors have prepared the annual accounts on a 'going concern' basis;
- The Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- The Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Material Changes after the date of Balance Sheet:

There has been no material change and commitment affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

Contracts & arrangements with related parties:

All contracts / arrangements / transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any contract / arrangement / transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions. Your Directors draw attention of the members to Notes to the financial statement which sets out related party disclosures.

Credit Rating:

The Company's financial discipline and prudence is reflected in the credit rating **BBB- (stable)** for bank loans ascribed by rating agency ICRA.

Particulars of Remuneration and related disclosures:

Mr. Vatsal M. Doshi was appointed as director of the company at the previous AGM, at a remuneration as set

out by Nomination & Remuneration committee of the Board.

Meetings of the Board & its committees:

For further details on meetings of the Board & its committees refer report on Corporate Governance

Vigil mechanism:

The Company in order to maintain highest standards of ethical, moral and legal conduct, adopted Vigil Mechanism/Whistle Blower policy to provide an avenue to its employees to raise concerns of any violations of legal or regulatory requirements, incorrect or misrepresentations of any financial statements and reports, etc. The Audit committee of the company oversees the said mechanism from time to time. None of the Company personnel has been denied access to the Audit Committee.

Internal Financial Controls:

The Company has in place adequate internal financial controls with reference to financial statements. During the year, such controls were tested and no reportable material weakness in the design or operation was observed.

Corporate Social Responsibility (CSR):

The company has identified suitable projects in the field of education that are eligible activities for Corporate Social Responsibility, in terms of provisions of Section 135 of the Companies Act, 2013, and rules framed thereunder.

Conservation of Energy, Technology Absorption:

Additional information required under the Companies Act, regarding conservation of Energy, Technology Absorption is not applicable as the company is not carrying out any manufacturing operation.

Foreign Exchange Earnings and Outgo:

During the year under review, the company has neither earned any foreign exchange income nor incurred any expenses.

Extract of Annual Return:

The extract of Annual Return pursuant to the provisions of Section 92 read with Rule 12 of the Companies (Management and administration) Rules, 2014 is annexed herewith as Annexure to this Report.

Statutory Auditors:

M/s Vora & Associates, Chartered Accountants were appointed as Statutory Auditors of the Company for a period of 5 years, commencing from the conclusion of the 26th AGM till the conclusion of the 31st AGM. They have confirmed that they are not disqualified from continuing as Auditors of the Company.

Secretarial Auditor:

The Secretarial Audit Report for the financial year ended March 31, 2019 is annexed herewith.

Reporting of Frauds by Auditors:

During the year under review, the Statutory Auditors and the Secretarial Auditor have not reported any instances of frauds committed in the Company by its Officers or Employees to the Audit Committee under section 143(12) of the Companies Act, 2013, details of which needs to be mentioned in this Report.

Subsidiary companies:

The Company does not have any Subsidiary.

Acknowledgments:

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the financial institutions, banks, Government authorities, vendors, customers and members during the year. Your Directors wish to place on record their appreciation to all the employees for their hard work, dedication, commitment and rendering impeccable service to every constituent of the company's customer and shareholders.

Place: Mumbai
Date: May 30, 2019

For & on behalf of the Board

Minesh Doshi
Managing Director

Secretarial Audit Report for the year ended 31st March, 2019

[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,
Shalibhadra Finance Limited
3, Kamat Ind. Estate, Opp.Sidhi Vinayak Temple
Veer Savarkar Marg, Prabhadevi,
Mumbai-400025.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, We hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2019 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 the Company for the financial year ended on March 31, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The Reserve bank of India Act, 1934 and rules and regulation made there under from time to time and any other modification enactment issue by RBI which is applicable on Non Banking Financial Companies (NBFC);and prudential norms issued by RBI under the Act and other applicable rules under the Act.
- (vi) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 notified on October 28, 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; and
 - (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 issued by The Institute of Company Secretaries of India (Not notified hence not applicable to the Company during the Audit period).
- (ii) The Listing Agreement entered into by the Company with BSE Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except to the extent as mentioned below:

- 1) *As per section 203 of the Companies Act, 2013 every company whose paid up capital is above Rs. 5 crore needs to appoint Whole Time Company Secretary. As such Company has not appointed any Company Secretary*
- 2) *As per section 108 of Companies Act, 2013, every Listed company needs to give electronic voting facility for its Annual General Meeting. As such the company has not conducted e-voting in its 28th Annual General Meeting*
- 3) *Company is a active non compliant has not filed E form 22A till date*

We further report that:

- 1) The Directors have disclosed their interest and concerns in contracts and arrangements, shareholdings and directorships in other companies and interests in other entities as and when required and their disclosures have been noted and recorded by the Board;
- 2) The Directors have complied with the disclosure requirements in respect of their eligibility of appointments, their being independent and compliance with the Code of Conduct for Directors and Senior Management Personnel;
- 3) The Company has obtained all necessary approvals under the various provisions of the Act.

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.

Place: Mumbai
Date : 10th August, 2019

For P. D. Pandya & Associates
Practising Company Secretary

Sd/-
(Pares D. Pandya)
Proprietor

ACS No. 12123
C P No.: 4869

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

Annexure A

TO,
THE MEMBERS,
Shalibhadra Finance Limited
3, Kamat Ind. Estate, Opp.Sidhi Vinayak Temple
Veer Savarkar Marg, Prabhadevi,
Mumbai - 400025.

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.
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 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.

Place: Mumbai
Date: 10th August, 2019

For P. D. Pandya & Associates
Practising Company Secretary

Sd/-
(Paresh D. Pandya)
Proprietor

ACS No. 12123
C P No.: 4869

FORM NO. MGT 9

EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2019

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

I. REGISTRATION & OTHER DETAILS:

1	CIN	L65923MH1992PLC064886
2	Registration Date	16-01-1992
3	Name of the Company	SHALIBHADRA FINANCE LTD
4	Category/Sub-category of the Company	PUBLIC LTD/COMPANY LIMITED BY SHARES
5	Address of the Registered office & contact details	3, KAMAT INDUSTRIAL ESTATE, 396, SIDDHI VINAYAK TEMPLE, NEXT TO CHINTAMANI JEWELLERS, PRABHADEVI, MUMBAI - 400 025
6	Whether listed company	LISTED
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	LINK INTIME SPECTRUM REGISTRY PVT LTD C-13, PANNALAL SILK MILLS, LBS MARG, NEAR SANGRILLA BISCUIT FACTORY, BHANDUP (WEST), MUMBAI - 400 078.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Finance & Investment activities	6492	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

SN	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	N.A	N.A	N.A	N.A	N.A

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 [As on 31-March-2018]				No. of Shares held at the end of the year [As on 31-March-2019]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	20,03,681	-	20,03,681	40.05	20,03,681	-	20,03,681	40.05	0.00
b) Central Govt			-	0.00			-	0.00	0.00
c) State Govt(s)			-	0.00			-	0.00	0.00
d) Bodies Corp.	5,67,510	-	5,67,510	11.34	5,67,510	-	5,67,510	11.34	0.00
e) Banks / FI			-	0.00			-	0.00	0.00
f) Any other			-	0.00			-	0.00	0.00
Sub Total (A) (1)	2571191	0	2571191	51.39	2571191.00	-	2571191.00	51.39	0.00

(2) Foreign										
a) NRI Individuals			-	0.00			-	0.00	0.00	
b) Other Individuals			-	0.00			-	0.00	0.00	
c) Bodies Corp.			-	0.00			-	0.00	0.00	
d) Any other			-	0.00			-	0.00	0.00	
Sub Total (A) (2)	-	-	-	0.00	-	-	-	0.00	0.00	
TOTAL (A)	2571191	0	2571191	51.39	2571191	0	2571191	51.39	0.00	
B. Public										
1. Institutions										
a) Mutual Funds			-	0.00			-	0.00	0.00	
b) Banks / FI			-	0.00			-	0.00	0.00	
c) Central Govt			-	0.00			-	0.00	0.00	
d) State Govt(s)			-	0.00			-	0.00	0.00	
e) Venture Capital Funds			-	0.00			-	0.00	0.00	
f) Insurance Companies			-	0.00			-	0.00	0.00	
g) FIs			-	0.00			-	0.00	0.00	
h) Foreign Venture Capital Funds			-	0.00			-	0.00	0.00	
i) Others (specify)			-	0.00			-	0.00	0.00	
Sub-total (B)(1):-	-	-	-	0.00	-	-	-	0.00	0.00	
2. Non-Institutions										
a) Bodies Corp.	3,22,649	3,59,000	6,81,649	13.62	6,42,983	1,02,300	7,45,283	14.90	1.27	
i) Indian			-	0.00				0.00	0.00	
ii) Overseas			-	0.00				0.00	0.00	
b) Individuals	1,21,158		1,21,158		71,380	-	71,380			
i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	5,87,523	2,51,100	8,38,623	16.76	6,27,874	2,37,100	8,64,974	17.29	0.53	
ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	6,95,935	-	6,95,935	13.91	5,83,001	-	5,83,001	11.65	-2.26	
c) Others (specify)	8500		8,500		8400		8,400			
Non Resident Indians	6700	4907	11,607	0.00	147038	4103	1,51,141	0.03	0.03	
Overseas Corporate Bodies			-	0.00			-	0.00	0.00	
Foreign Nationals	58867		58,867	0.01	0	0	-	0.00	-0.01	
Clearing Members	15570		15,570	0.00	7730	0	7,730	0.00	-0.50	
Trusts			-	0.00			-	0.00	0.00	
Foreign Bodies - D R			-	0.00			-	0.00	0.00	
Sub-total (B)(2):-	1816902	615007	2431909	44.31	2088406	343503	2431909	43.87	-0.44	
Total Public (B)	1816902	615007	2431909	44.31	2088406	343503	2431909	43.87	-0.44	
C. Shares held by Custodian for GDRs & ADRs			-	0.00				0.00	0.00	
Grand Total (A+B+C)	43,88,093	6,15,007	50,03,100	95.71	46,59,597	3,43,503	50,03,100	95.26	-0.44	

(ii) Shareholding of Promoter

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Mukund H Doshi	-	0.00	-	-	-	-	0.00
2	Kala Doshi & Alok Enterprises (Prop. Kala Doshi)	-	0.00	-	-	-	-	0.00
3	Sheetal M Doshi	9,92,172	19.83	-	7,92,172	15.83	6,80,000	-4.00
4	Heena A Doshi	40,319	0.81	-	40,319	0.81	-	0.00
5	Amit M Doshi HUF	42,500	0.85	-	61,000	1.22	-	0.37
6	Amit M Doshi	2,39,240	4.78	-	1,70,580	3.41	-	-1.37
7	Minesh M Doshi	6,04,050	12.07	-	6,72,710	13.45	-	1.37
8	Mukund H Doshi HUF	35,000	0.70	-	35,000	0.70	-	0.00
9	Minesh M Doshi HUF	-	0.00	-	31,900	0.64	-	0.64
10	Vatsal M Doshi	-	0.00	-	2,00,000	4.00	-	4.00
11	Ayushi M Doshi	6,900	0.14	-	-	0.00	-	-0.14
12	Minesh M Doshi (Guardian of Vatsal Minesh Doshi)	25,000	0.50	-	-	0.00	-	-0.50
13	Nishita A Doshi	18,500	0.37	-	-	0.00	-	-0.37
14	Ramkrishna Climatiseurs Pvt Ltd	2,45,300	4.90	-	2,45,300	4.90	-	0.00
15	Financial Analysts Investment Rating Ltd	1,87,200	3.74	-	1,87,200	3.74	-	0.00
16	Vatsal Financial Services Pvt Ltd	1,35,000	2.70	-	1,35,000	2.70	-	0.00
17	Shalibhadra Capital Market Limited	10	0.00	-	10	0.00	-	0.00

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	NIL	Nil	NIL	-	0.00	-	0.00
2	NIL	Nil	NIL	-	0.00	-	0.00
3	NIL	Nil	NIL	-	0.00	-	0.00

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

SN	Name of the shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	Sharda Gupta	01-04-2018	At the beginning of the year	61,382	1.23	61,382	1.23
			Transfer			(61,382)	-1.23
			31-03-2019	At the end of the year			-
2	Anurag Gupta HUF	01-04-2018	At the beginning of the year	71,206	1.42	71,206	1.42
			Transfer			(71,206)	-1.42
			31-03-2019	At the end of the year			-
3	Vijaya Pabhatthi	01-04-2018	At the beginning of the year	74,867	1.50	74,867	1.50
			Transfer			-	0.00
			31-03-2019	At the end of the year			74,867
4	Amidhara Agencies Pvt Ltd	01-04-2018	At the beginning of the year	2,49,200	4.98	2,49,200	4.98
			31-03-2019	At the end of the year			2,49,200
5	Amrut Credit Corporation Ltd	01-04-2018	At the beginning of the year	1,01,900	2.04	1,01,900	2.04
			31-03-2019	At the end of the year			1,01,900

6	Proxcel Management Agencies Private Limited	01-04-2018	At the beginning of the year	1,48,625	2.97	1,48,625	2.97
			Transfer			7,775	0.16
		31-03-2019	At the end of the year			1,56,400	3.13
7	Hemant Pratapbhai Kotak	01-04-2018	At the beginning of the year	1,37,000	2.74	1,37,000	2.74
			Transfer			9,000	0.18
		31-03-2019	At the end of the year			1,28,000	2.56
8	Vikram Pratapbhai Kotak	01-04-2018	At the beginning of the year	1,63,800	3.27	1,63,800	3.27
			Transfer			(9,200)	-0.18
		31-03-2019	At the end of the year			1,73,000	3.46
9	Princy Dayakrishna Goyal	01-04-2018	At the beginning of the year	51,667	1.03	51,667	1.03
			Transfer			-	0.00
		31-03-2019	At the end of the year			51,667	1.03
10	Yash Management And Satellite	01-04-2018	At the beginning of the year	65,513	1.31	65,513	1.31
			Transfer			65,513	1.31
		31-03-2019	At the end of the year			-	0.00
11	Amit Jasani Financial Services Pvt Ltd	01-04-2018	At the beginning of the year	69,138	1.38	69,138	1.38
			Transfer			69,138	1.38
		31-03-2019	At the end of the year			-	0.00
15	Advani Pvt Ltd	01-04-2018	At the beginning of the year	1,61,062	3.22	1,61,062	3.22
			Transfer	-	-	-	0.00
		31-03-2019	At the end of the year	-	-	1,61,062	3.22

(v) Shareholding of Directors and Key Managerial Personnel:

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	Directors						
1	Vatsal M Doshi			-	0.00	2,00,000	4.00
2	Minesh M Doshi			6,04,050	12.07	6,72,710	13.45
	Key Managerial Personnel			6,04,050	12.07	8,72,710	17.45

V. INDEBTEDNESS

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	35,05,94,793	24,43,59,680	Nil	59,49,54,473
ii) Interest due but not paid	Nil	Nil	Nil	-
iii) Interest accrued but not due	Nil	Nil	Nil	-
Total (i+ii+iii)	35,05,94,793	24,43,59,680	-	59,49,54,473
Change in Indebtedness during the financial year				
* Addition	12,26,22,090	Nil	Nil	12,26,22,090
* Reduction	Nil	30,40,255	Nil	30,40,255
Net Change	12,26,22,090	30,40,255	-	12,56,62,345

Indebtedness at the end of the financial year				
i) Principal Amount	47,32,16,883	24,13,19,425	Nil	71,45,36,308
ii) Interest due but not paid	Nil	Nil	Nil	-
iii) Interest accrued but not due	Nil	Nil	Nil	-
Total (i+ii+iii)	47,32,16,883	24,13,19,425	-	71,45,36,308

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		Name	Designation	
		Minesh M Doshi	Vatsal M Doshi	
		Managing Director	Director	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	-	6,00,000	6,00,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit	-	-	-
	- others, specify	-	-	-
5	Others, please specify	-	-	-
	Total (A)	-	6,00,000.00	6,00,000
	Ceiling as per the Act			

B. Remuneration to other Directors

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
1	Independent Directors				
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (1)	-	-	-	-
2	Other Non-Executive Directors		NONE		-
	Fee for attending board committee meetings				-
	Commission				-
	Others, please specify				-
	Total (2)	-	-	-	-
	Total (B)=(1+2)	-	-	-	-
	Total Managerial Remuneration				6,00,000
	Overall Ceiling as per the Act				

C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD					
SN.	Particulars of Remuneration		Name of Key Managerial Personnel		Total Amount
	Name		Palak Patani		(Rs/Lac)
	Designation	CEO	CFO	M.COM, MBA	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		7,80,000		7,80,000
	(b) Value of perquisites u/s 17(2) Income-tax Act,		-		-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		-		-
2	Stock Option		-		-
3	Sweat Equity		-		-
4	Commission				
	- as % of profit		-		-
	- others, specify		-		-
5	Others, please specify				-
	Total	-	7,80,000	-	7,80,000

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					
Punishment					
Compounding					
B. DIRECTORS					
Penalty			NONE		
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

Management Discussion and Analysis

Company Overview:

The Company is asset finance company focusing on rural, semi-urban & other under banked geographies of Gujarat, Maharashtra & Madhya Pradesh.

Company has conceptualized simple, speedy, small ticket asset financing products with high yields.

With a network of 36 branches, we offer wide range of customized retail products such as financing two wheelers, auto rickshaw, cars & consumer durables.

Key Competitive Advantages:

- Robust and comprehensive Credit assessment and Risk management framework.
- Significant presence in Rural and Semi-urban markets with focus on low and middle income customers.
- Deep customer insight and strong business model.
- Strong Balance sheet.
- Easy and fast appraisal and disbursements makes Shalibhadra the preferred choice for many of its customers.
- Flexible repayment options aligned to the unique needs of customers.

Risk Management:

- The Company is exposed to high credit risk given the unbanked rural customer base. The Company manages credit risk through customized credit norms established through adequate experience in this line of business. Deep insight about the nature of borrowers and a strong business model reduces the risk of default significantly. Moreover, the advances being retail loans are spread over a large customer and geographic base.
- There may be drastic economic slowdown in demand for the two wheelers. However, company is confident to growing business due to withdrawal of NBFC's /Bank from this sector coupled with company's diversified business portfolio and customer reach.
- There is always a greater difficulty of seizing NPA assets from rural area due to non-co-operation of customers and local community pressure. Company has mitigated this risk to a great degree by keeping average loan size small, financing a maximum of 75% of vehicle cost, adapting a robust hypothecation policy and collaborating with local business partners.

- Shortage of skilled manpower in the local areas of operation poses a considerable risk. To counter this, the company strives to attract and retain the best talent from local markets, adopts a robust performance management system, employee engagement and training practices to create an inspiring and rewarding work environment.
- However, a major slowdown in economy, fluctuation in interest rates, liquidity availability, extra-ordinary increase in fuel prices or vehicle taxes, floods or such calamities can drastically affect growth and asset portfolio in non-urban segments.

Operations & Control Systems:

Shalibhadra Finance Limited has a very good presence in Gujarat and Maharashtra, being *"the dominant player"* in its segment of financing 2 wheelers in rural, semi-rural and under banked areas. Company operates in small towns, villages and city outskirts where the customer is not very literate and highly unorganized. With its grip on the right pulse of the market segment in question, the Company has mastered the art of keeping excellent relations with its clients without compromising on growth and bottom-line, resulting in return business and word of mouth publicity.

The Company has tie up's with various dealers, brokers and service station spread around 50 km range of each branch from where regular business is generated.

Company also believes that normal collection through post dated cheques / ECS / NACH will not work in rural areas due to poor banking habits & less banking penetration. Therefore the company has tied up with various Co-operative banks to collect on behalf of company which has received good response from customers.

Company does not operate on franchise or DSA model but put up its own branches in owned premises. The company thinks that this small loan business is highly service oriented & requires physical presence & cannot be done from a long distance. We have to be physically present & be face-to-face to give service to rural borrower. Company covers up to 50 km. of area from each branch to keep its high standard of service & be in touch with customers directly.

Company employs local rural people who know local market well, know local language properly & can easily establish good relationship with local customers. This also helps in keeping employee cost down and attrition rate low.

Shalibhadra Finance Limited have a reasonably de-centralized decision making system with the first contact employee empowered to initiate sanction of loans under supervision of branch heads upto certain amounts. All disbursements of loan are done from head office. All branches are fully computerized and are linked on line.

Once loan is sanctioned there is strong MIS system which is centralized at head office. Monthly reporting system of all overdues and follow-ups with customers are in place. All documents pertaining to hypothecation are kept at branches. NOC are sent from Head office. The company has also got all its documents digitized by an outside agency.

People having extremely low income are served by Microfinance institutions. The company does not target them as they usually do not have means / income to buy any vehicles. The company wants to finance people who are in slightly higher income bracket.

Company has started financing white goods in rural areas. Due to heavy competition from large NBFCs, company will not be able to grow this business. Company has also started financing old 3/4 wheelers.

The company has got rating renewal of BBB- (Stable) from ICRA. This will help in raising funds at cheaper rate.

Company successfully expanded in the state of Madhya Pradesh this year. Company is trying to increase geographical presence. It is planning to open new branches in Maharashtra & further expand in Madhya Pradesh this year.

Company has also recently implemented new software which has improved efficiency.

Future Outlook:

Due to withdrawal by Banks /NBFC from Two wheelers financing business we have great opportunity to tap this market

The Indian rural landscape is rapidly changing, presenting various growth opportunities. The rural customer (>75% of the population) is becoming more market savvy, and aspires for a higher life quality. Objective of the company is to grow its customer base to over 1,00,000 customers, 50 branches and a vehicle finance portfolio of Rs 125 crores by March 2020.

Shalibhadra Finance Limited plans to concentrate further on smaller but upcoming towns to avoid margin competition. Customers of the company are generally

salaried class, agriculturist and self-employed. This industry is growing in double figure rates and competition from other NBFC's and banks is practically non-existent due to relatively small & wide market and high service oriented business.

Human Resource

Company believes in taking care of its employees and ensuring that their career aspirations are met through professional growth, personal development and fair economic rewards.

With a very low attrition rates, company is focused in creating a happy & engaged workforce

Information Technology

Investments have been made in state-of-the-art IT infrastructure to enable collection campaigns, asset recovery, better communication & service to customers. Outsourced services are deployed to leverage specialised skills and better service levels.

Internal Control

The Company has put in place an adequate internal control system to safeguard all assets and ensure operational excellence. The system also meticulously records all transaction details and ensures regulatory compliance.

Reputed audit firms also ensure that all transactions are correctly authorised and reported. The reports are reviewed by the Audit Committee of the Board. Wherever necessary, internal control systems are strengthened and corrective actions initiated

Cautionary Statement:

Certain statements in the Management Discussion and Analysis describing the Company's objectives, predictions may be "forward-looking statements" within the meaning of applicable laws and regulations. Actual results may vary significantly from the forward looking statements contained in this document due to various risks and uncertainties.

Financial Performance

During the year the operations have been satisfactory and profitable insofar as the Company has generated revenue of Rs.22.2 crores (Previous year Rs. 19.4 crores) and a profit after tax of Rs.6.4 crores (Previous Year Rs 5.7 crores).

Corporate Governance Report

The Company is in compliance with the requirements mandated by the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 [“the Listing Regulations”]. A Report on compliance with the Code of Corporate Governance as stipulated in the Listing Regulations is set out below:

1. Company’s Philosophy on Code of Governance:

The company is committed to good corporate governance and has started implementing corporate governance norms as prescribed by SEBI. The company respects the rights of not only its shareholders but also of general public to the information on the performance of the company and considers itself a trustee of its shareholders.

2. Board Of Directors:

The Company is fully compliant with the Corporate Governance Norms in terms of constitution of the Board with a good combination of Executive and Non – Executive Directors. The board has complete access to any information within the Company and to any employee of the Company.

Composition and Category

The Board comprised four directors. The Chairman of the Company is an Independent Director. Composition of the Board of Directors is given below:

- 1 Managing Director
- 2 Promoter Directors
- 2 Independent Directors

Attendance of Each Director at the Board Meetings and the Last Annual General Meeting

The Board met at least once in a calendar quarter and the maximum time gap between any two Meetings was not more than one hundred and twenty days. These Meetings were well attended.

During the financial year ended March 31, 2019 Twelve Board Meetings were held on 26th April 2018, 31st May 2018, 28th June 2018, 26th July 2018, 30th August 2018, 28th September 2018, 30th October 2018, 14th November 2018, 26th December 2018, 31st January 2019, 28th February 2019, 28th March 2019. The requisite quorum was present for all the Meetings.

Name of Director	No. of Board Meetings attended	Attendance at last AGM held on 28 th September 2017
Shri Minesh M.Doshi	12	Present
Shri Narotanmal Rampuria	10	Present
Dr. Falguni S. Doshi (Chairperson)	10	Present
Shri Vatsal M. Doshi	12	Present

Meetings of Independent Directors

As stipulated by the Code of Independent Directors under the Act and the Listing Regulations, three Meetings of Independent Directors were held during the year. These Meetings were conducted without the presence of Non-Independent Directors and members of the Management.

3. Audit Committee :

Company has formed Audit Committee comprising 3 Directors of the Company. Four Meetings were held during the year on 26th April 2018, 26th July 2018, 30th October 2018 and 31st January 2019 to consider the periodical financial statements and discussion on internal control system of the Company.

Name of the Director	Meetings attended
Dr. Falguni S. Doshi (Chairperson)	4

Shri Minesh M.Doshi	4
Shri Noratan Mal Rampuria	4

The terms of reference of this Committee are very wide and are in line with the regulatory requirements mandated by the act and the Listing Regulations. Terms of reference broadly are as under:

- To hold periodic discussions with the Statutory Auditors of the Company concerning the financial reports of the Company, internal control systems, scope of audit and observations of the Auditors/ Internal Auditors;
- To review compliance with internal control systems;
- To review the quarterly, half yearly and annual financial results of the Company before submission to the Board;
- To make recommendations to the Board on any matter relating to the financial management of the Company, including the Audit Report;
- Recommending the appointment/reappointment of statutory auditors and fixation of their remuneration.

4. Remuneration Committee :

Company has formed Remuneration committee comprising 3 Directors of the Company. The Committee has met on 26th April 2018.

Name of the Director	Meetings attended
Shri Noratan Mal Rampuria	1
Dr. Falguni Doshi	1
Shri Vatsal M.Doshi	1

The terms of reference of the Committee broadly are as under:

- Formulate the criteria for evaluation of Independent Directors and the Board
- Identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal
- Administer, monitor and formulate detailed terms and conditions of the Employees' Stock Option Scheme
- Review human resources policies and overall human resources of the Company & perform such other functions as may be necessary or appropriate for the performance of its duties

5. Remuneration to Directors :

As approved by the members in Twenty Seventh Annual General Meeting held on 28th September 2018, a remuneration of Rs 6 Lakhs was paid to Mr. Vatsal M Doshi for FY 2018-19.

6. Shareholders Committee/ Investors Grievances Committee:

Six Meetings were held during the year on 26th April 2018, 28th June 2018, 30st August 2018, 30th October 2018, 26th December 2018 and 28th February 2019.

Name of the Director	Meetings attended
Dr. Falguni S. Doshi (Chairperson)	6
Shri Noratan Mal Rampuria	6
Shri Minesh M.Doshi	6

The committee reviews all matters connected with the securities transfer. The committee also looks into redressal of shareholders complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividends and issue of share certificates on account of bonus, split or any other matter related to securities of the Company. The committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The committee meets as and when required, depending upon grievances and /or request for physical transfer of securities received by the Company. Details of shares transfers / transmission approved by the Committee and Shareholders/Investors grievances are placed at the Board Meetings from time to time.

Company has attended the Investors Grievances / Correspondence promptly. There is no pending complaint as on 31st March 2019. There is no outstanding request for Share Transfer and dematerialization as on 31st March 2019.

7. Corporate Social Responsibility and Governance Committee :

Company has formed the Committee comprising 3 Directors. Two Meetings were held during the year on 30th October 2018 and 28th February 2019.

Name of Director	Meetings attended
Shri Minesh M.Doshi	2
Dr. Falguni S. Doshi	2
Shri Noratan Mal Rampuria	2

8. General Body Meetings:

The last three Annual General Meeting of the Company were held as under:

Financial Year	Date	Time	Venue	Special Resolution passed
2015- 16	29 th September 2016	3.30 p.m.	Unit no. 13 & 14, Hind Service Industries Premises Co-op Society, Off Veer Savarkar marga, Dadar, Mumbai 400 028	To approve Borrowing limits & creation of charge on the assets of the Company.
2016- 17	28 th September 2017	3.30 p.m.	3, Kamat Industrial Estate, 396, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025	To appoint Mr. Vatsal M. Doshi as Director liable to retire by rotation. To approve Borrowing limits & creation of charge on the assets of the Company.
2017- 18	28 th September 2018	11 a.m.	3, Kamat Industrial Estate, 396, Veer Savarkar Marg, Prabhadevi, Mumbai 400 025	To appoint Mr. Vatsal M. Doshi as Whole Time Director To approve Borrowing limits & creation of charge on the assets of the Company.

During the period under report the Company has not called any Extra Ordinary General Meeting. Further no resolutions have been passed through postal ballot.

9. Means Of Communication:

The quarterly and half-yearly results are forthwith communicated to Mumbai Stock Exchange after they are approved and taken on record by Board of the Directors of the Company. Company's Management Discussion and Analysis for the year ended March 31st, 2019 forms a part of and this Annual Report and is given under the section so captioned.

10. General Shareholder Information:

- a. Annual General Meeting:** 30th September, 2019 at 11 a.m.
At 3, Kamat Industrial Estate,
Opp. Siddhi Vinayak Temple,
Prabhadevi, Mumbai – 400 025
- b. Date of Book Closure:** 26th September 2019 to 27th September 2019
- c. Listing on Stock Exchange:** Shares of the Company are listed on Mumbai Stock Exchange.
Annual listing fees as prescribed has been paid for the FY 2018 - 19
- d. Financial Calendar:**

Financial Reporting for the Year ended March 31, 2019 By End of May 2019 (Audited)

Quarter ending June 30, 2018 By End of July 2018

Quarter ending September 30, 2018 By End of October 2018

Quarter ending December 31, 2018 By End of January 2019

Annual General Meeting for the year ended March 31, 2018 September 30, 2019

e. **Stock Code:** BSE, Mumbai (Physical) – 11754
BSE, Mumbai (Demat Segment) – 511754

f. **ISIN:** INE861D01011

g. **Stock Market Data:**

Monthly High and Low of Company's shares for the Financial Year 2018 - 19 at BSE

Month	Open Price	High Price	Low Price	Close Price	No. of Shares	No. of Trades	Total Turnover (Rs.)	Deliverable Quantity	% Deli. Qty to Traded Qty	Spread High-Low	Spread Close-Open
Apr-18	130.00	153.00	120.30	145.00	1,11,175	547	1,58,82,397	1,05,459	94.86	32.70	15.00
May-18	150.20	159.00	130.20	149.80	1,19,106	451	1,74,43,943	1,13,156	95.00	28.80	-0.40
Jun-18	150.00	150.50	109.00	116.05	41,420	446	53,08,446	37,274	89.99	41.50	-33.95
Jul-18	119.00	127.60	105.75	116.00	9,457	127	11,14,715	8,582	90.75	21.85	-3.00
Aug-18	115.10	126.50	98.10	105.00	63,271	293	71,94,328	57,716	91.22	28.40	-10.10
Sep-18	112.00	119.20	80.00	86.65	48,612	474	50,36,035	37,881	77.93	39.20	-25.35
Oct-18	92.00	92.00	68.00	76.25	1,98,979	642	1,59,33,453	1,76,206	88.56	24.00	-15.75
Nov-18	79.90	96.50	79.90	92.00	55,723	186	51,06,091	51,926	93.19	16.60	12.10
Dec-18	93.00	108.00	90.00	101.00	1,27,528	136	1,19,16,642	1,23,533	96.87	18.00	8.00
Jan-19	104.00	104.00	80.20	89.90	44,593	130	41,02,168	36,248	81.29	23.80	-14.10
Feb-19	85.00	95.00	78.40	82.00	34,907	187	29,88,453	31,566	90.43	16.60	-3.00
Mar-19	81.05	95.00	81.05	91.00	14,199	150	12,19,108	11,194	78.84	13.95	9.95
Total					8,68,970	3,769	9,32,45,779	7,90,741			

h. **Share Transfer System:**

Share transfer application received in physical form and Demat requests found in order are normally confirmed within reasonable time and posted /informed to the agencies within the requisite time.

i. **Share Holding Pattern as on 31st March, 2019**

Sr No.	Category	No. of Shares held	% age of Shareholding
1.	Indian Promoters	20,03,681	40.05
2.	Persons acting in concern	5,67,510	11.34
3.	Private Corporate Bodies	7,45,283	14.90
4.	Indian Public	16,86,626	33.71
Grand Total		50,03,100	100

j. **Dematerialization of shares:**

93.05% of the Company's paid up equity share capital has been Dematerialized up to March 31, 2019. Trading in the equity shares of the Company at Bombay Stock Exchange is permitted only in dematerialized form. The details of Demat shares:

Depository	No. of Shares	% of Capital
NSDL	18,26,694	36.51
CDSL	28,28,606	56.54
Total	43,75,600	93.05

Request for dematerialization of shares are processed and confirmation is given to the respective depositories i.e. National Security Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days. Shares of the Company are regularly traded on BSE.

k. Shares under Lock-In:

There are no shares under lock in as on 31st March, 2019.

l. Address for Correspondence for Shareholders / Registered Office:

Shalibhadra Finance Limited,
3, Kamat Industrial Estate,
396, V.S.Marg,
Opp. Siddivinayak Temple,
Prabhadevi, Mumbai – 400 025.
Email: shalibhadra_mum@yahoo.co.in

11. Other Disclosures:

SEBI has initiated penalty proceedings against the company for late filing of certain documents. Matter is still under consideration by SEBI.

Other than above Stock Exchange or SEBI has not imposed any fine, penalty or restriction for non-compliance of any matters relating to capital market during last three years.

Declaration by the Managing Director under Regulation 34(3) read with Schedule V of the Listing Regulations

To,
The Members
Shalibhadra Finance Limited

I, Minesh Doshi, Managing Director of Shalibhadra Finance Limited declare that all the Members of the Board of Directors and Senior Management Personnel have affirmed compliance with the Code of Conduct for the year ended 31st March, 2019.

Place: Mumbai
Date: May 30, 2019

For Shalibhadra Finance Limited

Minesh Doshi
Managing Director

CEO/CFO Certification

To,
The Board of Directors
Shalibhadra Finance Limited

We, the undersigned, in our respective capacities as Managing Director and Chief Financial Officer of the Company, to the best of our knowledge and belief certify that:

- a) We have reviewed financial statements and the cash flow statement for the financial year ended 31st March, 2019 and that to the best of our knowledge and belief:
 - (i) these statements do not contain any materially untrue statement or omit any material fact nor do they 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, to the best of our knowledge and belief, no transactions entered into by the Company during the year which 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 that we 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 or operation of such internal controls, if any, of which we are 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 that:
 - (i) there have been no significant changes in internal control over financial reporting during this year;
 - (ii) there have been no significant changes in accounting policies during this year; and
 - (iii) there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Minesh Doshi
Managing Director

Palak Patani
Chief Financial Officer

Place: Mumbai
Date: May 30, 2019

Certificate on compliance with conditions of Corporate Governance

To,
The Members,
Shalibhadra Finance Limited

We have examined the compliance of conditions of Corporate Governance by Shalibhadra Finance Limited, for the year ended 31st March 2019 as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulation.

Based on the representation received from the Company and certified by the Share Transfer Agent of the Company, no investor grievance is pending for a period exceeding one month as on 31st March, 2019 against the Company and the Share Transfer Agent have reported to the Shareholders / Investors Grievances Committee on the status of the grievances.

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.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulation.

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 P. D. Pandya & Associates,
Company Secretaries

Paresh D. Pandya
Proprietor
C.P. No.4869

Place: Mumbai
Date: 10th August, 2019

Independent Auditors' Report

To,
The Members Of,
SHALIBHADRA FINANCE LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying Financial statements of **SHALIBHADRA FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31 March 2019, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended and notes to financial statements including a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Financial Statements give the information required by the 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 31st March, 2019, the Profit 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 the ethical requirements that are relevant to our audit of the Financial Statements under the provision of the Act and the rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ICAI's Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

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 below to be the key audit matters to be communicated in our report:

Key Audit Matters	How the matter was addressed in our report
Revenue Recognition : Income/ Interest from vehicle loan are accounted for on an accrual basis and are recognized so as to produce a constant periodic return on the amount financed.	We have verified the income / interest on the loans sanctioned on a quarterly basis and it is accounted regularly on mercantile basis.
Sanctioning of Loans : The Company is mainly in the business of Auto finance to Customers for personal use, wherein grant of loan is based on personal evaluation of the borrower by the management and security given by hypothecation of the vehicle with RTO registration authority. Bank Finance is availed on the stock in trade of receivables from the customers in regular course of business.	We have checked the control system of authorization, sanction of loans, the security offered to the Company and down payment made by the Customer. There is no excess amount availed from the banks against eligible stock in trade.

Information Other than the Financial Statements and Auditors Report thereon The Company's Board of Directors is responsible for the other information. The Other information comprises the information included in the Directors Report, Management discussion & Analysis and Business responsibility report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover 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 financial statements or our knowledge obtained during the course of 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.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, 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 Responsibility for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's 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 from fraud or error and are considered material if, individually or in the 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 SA's, we exercise professional judgement and maintain professional skepticism throughout the audit. We also:

- 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 for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, 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.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- 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.
- 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.

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 control 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 reasonably be thought to bear on our independence, and where applicable, related 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, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("The Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the 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 appears from our examination of those books;
 - c) The Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the aforesaid Financial Statements comply with the Accounting Standards specified under Section 133 of the Act read with the relevant rule 7 of the Companies (Accounts) Rules, 2014;
 - e) On the basis of written representations received from the directors as on 31 March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2019, 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) Rule, 2014, as amended in our opinion and to the best of our information and according to the explanation given to us:
- i. The Company does not have any pending litigations which shall impact its financial positions.
 - ii. The Company does not have any long terms contracts for which provisions are required to be made.
 - iii. The Company is not liable to transfer any amount to the Investor Education and Protection Fund.

For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS
(ICAI Firm Reg. No.: 111612W)

BHAKTI M. VORA
PARTNER
(Membership No.: 148837)

PLACE: MUMBAI
DATED: 30th May, 2019

Annexure A to the Auditors' Report

The Annexure referred to in paragraph 1 under "Report on Other legal and Regulatory Requirements" section of our Report to the members of the Company on the Financial Statements for the year ended 31st March 2019.

- (i) In respect of its Fixed Assets
1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 2. As explained to us and according to the practice generally followed by the Company, all the fixed assets have been verified in a periodical manner by the management during the year and no material discrepancies were noticed on such physical verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on physical verification.
 3. The title deeds of immovable properties are held in the name of the Company.
- (ii) In respect of inventories
The Company's inventory include loans sanctioned by the Company, hence physical verification of inventory is not applicable.
- (iii) In respect of loans granted, secured or unsecured, by the Company to firms or other parties covered in the register maintained u/s 189 of the Act;
- The Company has not granted any secured / unsecured loan to any of the parties covered in the register maintained under section 189 of the Act. Accordingly, sub clauses (a), (b) and (c) are not applicable.
- (iv) In our Opinion and according to the information and explanation given to us, The Company has complied with the provisions of section 185 and 186 of the Act in respect of granting of loans, making investments, providing guarantees and securities, as applicable.
- (v) The Company has not accepted any deposits within the meaning of Section 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly the provisions of clause 3 (v) of the Order are not applicable.
- (vi) The maintenance of cost records has not been specified by the Central Government under Section 148 (1) of the Act for the business activities carried out by the Company. Thus, reporting under clause 3 (vi) of the Order is not applicable to the Company.
- (vii) According to information and explanation given to us, In respect to statutory dues
- (a) The Company has generally been regular in depositing undisputed statutory dues under Income tax, Goods & Service Tax and other Statutory Dues as applicable to it with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were outstanding as at 31st March, 2019 for a period of more than six months from the date on when they became payable.
 - (b) According to the information and explanations given to us, there are no dues in respect of Income Tax, Goods & Service Tax and other Statutory Dues as applicable to it, outstanding on account of any dispute.
- (viii) The Company has not defaulted in repayment of dues to any bank or financial institution during the year under review.

- (ix) The Company has not raised any moneys by way of Initial Public Offer or further public offer or obtained term loans during the year. Hence reporting under clause 3 (ix) of the Order is not applicable to the Company.
- (x) To the best of our knowledge and according to the information and explanation given to us, no fraud by the Company or no material fraud on the Company by its officers or employees has been noticed or reported during this year.
- (xi) According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for the managerial remuneration as mandated by the provisions of section 197 read with Schedule V of the Act.
- (xii) The Company is not a Nidhi Company and hence reporting under clause 3 (xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the transactions with related parties are in compliance with section 177 and section 188 of the Act, as applicable, and the details have been disclosed in the Financial Statements as required by the applicable accounting standard.
- (xiv) During the year, the Company has not made any preferential allotment or private placement of shares or fully or partly paid convertible debentures and hence reporting under clause 3 (xiv) of the Order is not applicable to the Company.
- (xv) In our opinion and according to the information and explanations given to us, during the year the Company has not entered into any non-cash transactions with its Directors or persons connected with them and hence reporting under clause 3 (xv) of the Order is not applicable to the Company.
- (xvi) The Company is registered under section 45-IA of the Reserve Bank of India Act, 1934.

For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS
(ICAI Firm Reg. No.: 111612W)

BHAKTI M. VORA
PARTNER
(Membership No.: 148837)

PLACE: MUMBAI
DATED: 30th May, 2019

Annexure B to the Auditors' Report

Independent Auditors Report on Internal Financial Control over Financial Reporting

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

We have audited the internal financial controls over financial reporting of **SHALIBHADRA FINANCE LIMITED** ("the Company") as of March 31, 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (2) Provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected.

Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For VORA & ASSOCIATES
CHARTERED ACCOUNTANTS
(ICAI Firm Reg. No.: 111612W)

BHAKTI M. VORA
PARTNER
(Membership No.: 148837)

PLACE: MUMBAI
DATED: 30th May, 2019

Balance Sheet as at 31st March, 2019

(Amounts in INR)

Particulars	Note No	As at 31-Mar-19	As at 31-Mar-18
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share capital	2	5,00,31,000	5,00,31,000
Reserves and surplus	3	31,47,48,365	25,81,88,030
Total shareholder's funds		36,47,79,365	30,82,19,030
Non - current liabilities			
Long term borrowings	4	71,45,36,308	59,49,54,473
Other long term liabilities	5	1,71,54,001	1,68,29,583
Deferred tax liabilities (net)	6	21,42,434	18,73,434
Total non - current liabilities		73,38,32,743	61,36,57,490
Current liabilities			
Trade payables	7	8,92,892	5,65,543
Short term provisions	8	3,73,95,000	3,17,76,098
Other Current Liabilities	9	1,21,15,103	91,09,080
Total Current liabilities		5,04,02,995	4,14,50,721
TOTAL		1,14,90,15,104	96,33,27,244
ASSETS			
Non current assets			
Investment	10	1,25,00,000	1,25,00,000
Fixed Assets	11		
Tangible assets		2,11,50,506	1,98,14,842
Long term loans and advances	12	53,63,980	83,48,687
Other non-current assets	13	35,83,84,616	29,47,14,271
Total non current assets		39,73,99,102	33,53,77,801
Current assets			
Inventories	14	72,28,45,020	59,39,01,860
Sundry Debtors (Less than 6 months)	15	59,343	5,152
Cash and cash equivalents	16	2,65,67,256	3,19,49,474
Other Current Assets	17	21,44,383	20,92,956
Total current assets		75,16,16,002	62,79,49,443
TOTAL		1,14,90,15,104	96,33,27,244
Significant accounting policies and	1		

As per our report of even date

For Vora & Associates
Chartered Accountants
Firm Registration Number: 111612W

Bhakti M. Vora
Partner
Membership Number: 148837

Place: Mumbai
Date: 30th May, 2019

For & on behalf of Board of Directors
Shalibhadra Finance Limited

Minesh M.Doshi **Vatsal M.Doshi**
Managing Director Director

Palak V Patani
Chief Financial Officer

Profit and Loss for the year ended 31st March,2019

(Amounts in INR)

Particulars	Note No	Year ending 31st Mar 2019	Year ending 31st Mar 2018
Revenue from operations	18	22,18,10,311	19,30,78,558
Other income	19	4,14,697	8,85,075
Total Revenue		22,22,25,008	19,39,63,632
Expenses			
Employee benefits expense	20	2,08,53,004	1,83,11,769
Finance costs	21	7,92,70,573	6,50,10,138
Depreciation and amortization expenses	11	7,50,850	6,14,777
Provisions & Write Off	22	98,23,559	70,71,942
Other expenses	23	2,21,70,850	2,36,56,203
Total expenses		13,28,68,836	11,46,64,829
Profit before exceptional items, extraordinary items and tax		8,93,56,173	7,92,98,803
Tax expenses:			
1. Current tax		2,51,00,000	2,23,00,000
2. Deferred tax expense / (credit)		2,69,000	3,23,199
Profit for the year from continuing operations		6,39,87,173	5,66,75,604
Profit for the year from discontinuing operations		-	-
Profit for the year		6,39,87,173	5,66,75,604
Dividend & Dividend Distribution Tax		74,26,838	-
Profit for the year after Dividend		5,65,60,335	5,66,75,604
Earnings per share:			
1. Basic		12.79	11.33
2. Diluted		12.79	11.33
Significant accounting policies and notes on accounts	1		

As per our report of even date

For Vora & Associates

Chartered Accountants

Firm Registration Number: 111612W

Bhakti M. Vora

Partner

Membership Number: 148837

Place: Mumbai

Date: 30th May, 2019

For and on behalf of Board of Directors**Shalibhadra Finance Limited****Minesh.M.Doshi**

Managing Director

Vatsal.M.Doshi

Director

Palak V Patani

Chief Financial Officer

Cash Flow Statement for the year ended March 31, 2019

	2018-19	2017-18
(A) Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	8,11,78,485	7,86,84,026
Adjustment for:		
Depreciation	7,50,850	6,14,777
Extra Ordinary items	-	-
Interest paid	7,92,70,573	6,50,10,138
Dividend received	-	-
	8,00,21,423	6,56,24,915
Operating Profit before Working Capital Change	16,11,99,908	14,43,08,941
Adjustment for:		
Trade and other receivables		
Inventories	-19,26,13,505	-20,38,21,280
Trade Payables	95,45,692	-8,95,861
Cash Generated From Operation		
Interest paid	-7,92,70,573	-6,50,10,138
Direct Tax paid	-2,53,69,000	-2,26,23,199
Cash flow before extraordinary items	-28,77,07,386	-29,23,50,478
Extra-ordinary items	-	-
Net Cash From Operating Activities	-12,65,07,478	-14,80,41,537
(B) Cash Flow From Investing Activities		
Purchase of fixed assets	-13,35,664	-38,83,383
Sale of fixed assets (net of Depreciation)	-	-
Purchase of Investments	-	-
Sale of Investments	-	-
Movement in advances	28,79,089	27,64,435
Dividend received	-	-
Net Cash Used In Investing Activities	15,43,425	-11,18,948
(C) Cash Flow From Financing Activities		
Proceeds from long term borrowings	11,95,81,835	16,89,34,903

Proceeds from short term borrowings	-	-
Net Cash Used In Financing Activities	11,95,81,835	16,89,34,903
Net Increase/(Decrease)In Cash & Cash Equivalents	-53,82,218	1,97,74,418
Cash And Cash Equivalents :		
Opening Balance at the beginning of the year	3,19,49,474	1,21,75,056
Closing Balance at the end of the year	2,65,67,256	3,19,49,474
Net Increase/(Decrease)In Cash & Cash Equivalents	-53,82,218	1,97,74,418

Notes:

1. The Cash flow statement has been prepared under the Indirect as the set out in Accounting Standard – 3 “Cash Flow Statement” issued by The Institute of Chartered Accounts of India.
2. Cash & Cash Equivalents includes Cash & Bank Balance.
3. Figures of Previous years have been regrouped and rearranged wherever necessary to confirm with Current Years classification.
4. Negative Figures indicates cash outflow.

As per our report of even date

For Vora & Associates

Chartered Accountants

Firm Registration Number: 111612W

Bhakti M. Vora

Partner

Membership Number: 148837

Place: Mumbai

Date: 30th May, 2019

For and on behalf of Board of Directors of Shalibhadra Finance Limited

Minesh M.Doshi

Managing Director

Vatsal M.Doshi

Director

Palak V Patani

Chief Financial Officer

Place: Mumbai

Date: 30th May, 2019

Notes on Financial Statements

for the year ended 31st March, 2019

Note 1 - Significant Accounting Policies

(I) Accounting Policies

a. Interest on Vehicle Loans

Income / Interest from vehicle loan is accounted for on an accrual basis and is recognized so as to produce a constant periodic return on the amount financed.

Interest on fixed deposits with Bank on cash basis

b. Other Income

In respect of other heads of income the Company follows the practice of accounting for such income on accrual basis except for interest income on delayed payment charges which are accounted on the basis of the certainty of collection and /or receipt basis.

c. Method of Depreciation

The company provides depreciation on Straight Line Method.

d. Expenses

Expenditure is accounted for an accrual basis.

e. Fixed Assets

The fixed assets have been valued at cost less Depreciation.

f. Closing Stock

Loan stock of vehicles is valued at cost less installment accrued and due.

In the opinion of the management, 2/3rd of the loan stock is classified as current & 1/3rd is classified as non-current.

(II) Prudential Norms

In terms of guidelines issued by Reserve Bank of India to Non Banking Financial Companies on prudential norms for income recognition, assets classification, provisioning for Bad Debts etc., the following additional information is given. No new provisions for non-performing assets are required in current year.

(III) Exceptional item represents Contingent Provision against standard Assets at 0.25% of standard assets made as per RBI Circular No. DNBS. PD. CC. No. 207/03.02.002/2010-11 dated 17 January ,2011

(IV) The Company is having many bank accounts in various branches of the Company wherein realization from customers and payments are made from time to time. The Bank reconciliation of few bank accounts are under progress since it is carried out manually. However, the Net difference in Bank Balance is unascertainable. After due reconciliation necessary effect shall be given to the respective bank accounts in due course

(V) In the opinion of the Board of Directors the current assets, loans and advances have a value of realization in the ordinary course of business at least equal to the amount of which these are stated in the Balance Sheet.

(VI) Managerial Remuneration under Companies Act 2013 for FY 18-19 is Rs. 6,00,000 (P.Y: NIL).

(VII) Other information required by relating to exports, imports and earning in foreign currency, remittance in foreign currency transaction are not applicable.

(VIII) The company considers its financing business as single segment hence Accounting Standard 17 on segment reporting issued by The Institute of Chartered Accountants of India is not applicable to the company.

(IX) Previous year's figures have been regrouped, recasted and rearranged wherever necessary.

(X) Related parties disclosures under AS 18:

a) Particulars of Party where control exists/Relative of parties where control exists:

Name of the Related Party	Nature of Relationship
(i) M/s Shalibhadra Capital Market Ltd.	Party where control exists
(ii) M/s Financial Analysts And Investment Rating Limited	Party where control exists

(iii) Mr. Amit M.Doshi	Relative Party where control exist
(iv) Mr. Amit M.Doshi HUF	Relative Party where control exist
(v) Mrs.Heena A.Doshi	Relative Party where control exist
(vi) Mrs.Kala M.Doshi	Relative Party where control exist
(vii) Mr. Minesh M.Doshi HUF	Relative Party where control exist
(viii) Mr. Minesh M. Doshi	Relative Party where control exist
(ix) Mr. Mukund H.Doshi	Relative Party where control exist
(x) Mr. Mukund H .Doshi HUF	Relative Party where control exist
(xi) Mrs. Sheetal M Doshi	Relative Party where control exist
(xii) Mrs. Darshana V Patani	Relative Party where control exist
(xiii) Mr. Kantilal D Patani	Relative Party where control exist
(xiv) Mr. Palak V Patani	Relative Party where control exist
(xv) Mr. Vatsal M Doshi	Relative Party where control exist
(xvi) Ms. Nishita A Doshi	Relative Party where control exist

b) Key Management Personnel:

Name of the Related Party	Nature of Relationship
(i) Mr. Minesh M.Doshi	Managing Director
(ii) Mr. Palak V Patani	Chief Financial Officer

c) Transactions with Party where control exists/Relative of parties where control exists:

Particulars	31.03.2019	31.03.2018
	Relative of Party where control Exists	Relative of Party where control Exists
(i) Loans taken during the year		
Balance at year end	14,40,38,363	14,00,58,680
(ii) Interest	1,53,52,847	1,42,82,331
	Party where control Exists	Party where control Exists
(i) Due to Related parties		
Balance at year end	9,72,81,062	10,43,01,000
(ii) Interest	1,38,85,729	1,12,91,549

d) Details of Transaction relating to persons referred to in item (B) above:

Particulars	31.03.2019	31.03.2018
	Value of Transaction	Value of Transaction
(i) Remuneration to Directors	6,00,000	NIL

(XI) Earnings Per Share Under AS 20:

Particulars	31 Mar 2019	31 Mar 2018
Profit after tax	6,39,87,173	5,66,75,604
Less: Preference dividend, if any	-	-
Adjusted profit after tax	6,39,87,173	5,66,75,604
Weighted average number of equity shares outstanding	50,03,100	50,03,100
Earnings Per Share	12.79	11.33
Face Value Per Share	10	10

(XII) Income Tax is computed in accordance with Accounting standard 22-Accounting for taxes on Income, notified by companies (Accounting Standards) Rules, 2006. Tax expenses are accounted in the same period to which the revenue and expenses relate.

(XIII) Deferred Tax, other than unabsorbed depreciation and brought forward losses, is recognized only if there is reasonable certainty that will be realized in future and are reviewed for their appropriateness

Notes on Financial Statements

for the year ended 31st March, 2019

(Amounts in INR)

Note 2 - Share Capital	As at 31 Mar 2019	As at 31 Mar 2018
Authorized:		
68,00,000 Equity shares of Rs 10 each	6,80,00,000	6,80,00,000
2,00,000 10% Preference Shares of Rs.10 each (Redeemable after two years from date of issue at the option of the company by giving a notice of not less than 48 hours)	20,00,000	20,00,000
Issued, subscribed and paid up:		
5003100 Equity shares (Previous year 5003100 Equity Shares) of Rs 10 each, fully paid.	5,00,31,000	5,00,31,000
Total share capital	5,00,31,000	5,00,31,000
Issued, subscribed and paid up share capital includes:		
a. Equity shareholders holding more than 5% of the equity shares alongwith the number of equity shares held is given below:		
As at	31 Mar 2019	31 Mar 2018
Sheetal Doshi (792172 Equity Shares as at 31.03.2019 and P.Y. 992172)	0.1583	0.1983
Minesh Doshi (672710 Equity Shares as at 31.03.2019 and P.Y. 579200)	0.1345	0.1158
b. Reconciliation of the number of shares at the beginning of the year and at the end of the year		
Opening balance	5,00,31,000	5,00,31,000
Add: Share issued during the year	-	-
Less: Bonus issues / redemption / buyback of shares during the year	-	-
Closing balance	5,00,31,000	5,00,31,000
Note 3 - Reserves and surplus		
	As at 31 Mar 2019	As at 31 Mar 2018
General Reserve		
Opening Balance	4,55,45,663	3,85,45,663
Add: Transefered from Profit & Loss Account	90,00,000	70,00,000
	5,45,45,663	4,55,45,663
Special Reserve		
(As per RBI [Ammendment] Act, 1997)		
Opening Balance	6,94,05,000	5,79,05,000
Add: Transefered from Profit & Loss Account	1,30,00,000	1,15,00,000
Profit and Loss Account		
Balance at the beginning	14,32,37,367	10,50,61,763
Add: Net profit / (loss) for the period	5,65,60,335	5,66,75,604
Less: Appropriations / adjustments		
Transfer to General Reserve	90,00,000	70,00,000
Transfer to Special Reserve	1,30,00,000	1,15,00,000
Equity Dividend	-	-
Disribution Tax thereon	-	-
Balance at the end	17,77,97,702	14,32,37,367
Total Reserves and Suplus	31,47,48,365	25,81,88,030

(Amounts in INR)

Note 4 - Long term borrowings	As at 31 Mar 2019	As at 31 Mar 2018
Secured		
Term loan from banks (Refer Point No.1)	9,78,15,850	4,28,48,551
Cash Credit from Bank (Refer Point No.2)	22,57,91,777	19,39,50,749
Term loan from others	14,96,09,256	11,37,95,493
Unsecured		
Loans from Bodies Corporates	14,40,38,363	14,00,58,680
Loans from Directors & Relatives	9,72,81,062	10,43,01,000
Total long term borrowings	71,45,36,308	59,49,54,473
Points:		
1. Term loan Repayable within one year Rs.146,901,177 P.Y.Rs.110,613,773		
2. Secured by first charge on loan stock & equitable mortgage of immoveable properties & personal guarantee of two directors (Total limit Rs.21.50 Crore (P.Y.21.50 Crore)		

Note 5 - Other long term liabilities	As at 31 Mar 2019	As at 31 Mar 2018
Security Deposits	1,71,54,001	1,68,29,583
Total other long term liabilities	1,71,54,001	1,68,29,583

Note 6 - Deferred tax liability (net)	As at 31 Mar 2019	As at 31 Mar 2018
Deferred tax liability on depreciation	21,42,434	18,73,434
Total deferred tax liability	21,42,434	18,73,434

Note 7 - Trade payables	As at 31 Mar 2019	As at 31 Mar 2018
Trade payables	8,92,892	5,65,543
Total trade payables	8,92,892	5,65,543

(Amount in INR)

Note 8 - Short term provisions	As at 31 Mar 2019	As at 31 Mar 2018
Contingent Provision against Standard Assets (As per RBI Circular No.DBNS.PD.CC.No.207/03.02.002/2010-11 17 January 2011)	1,22,95,000	96,77,000
Provision for taxes	2,51,00,000	2,23,00,000
Distribution tax on dividend	-	(2,00,902)
Total short term provisions	3,73,95,000	3,17,76,098

Note 9 - Other current liabilities	As at 31 Mar 2019	As at 31 Mar 2018
Bank Balance(Due to cheques overdrawn)	-	-
Security Deposits	85,77,000	84,14,792
TDS Payable	-	-
GST Tax payable	-	-
CGST Tax payable	-	-
SGST Tax payable	-	-
ESIC Employess	-	-
EPF Employees	-	-
Other liabilities	35,38,103	6,94,288
Total other current liabilities	1,21,15,103	91,09,080

Note 10 - Investment	As at 31 Mar 2019	As at 31 Mar 2018
Investment in 476943 units of SBI Corporate Bond Fund Regular Plan - Growth (Market Value Rs.1,25,00,000/- P.Y.Rs.1,25,00,000/-)	1,25,00,000	1,25,00,000
Total investment	1,25,00,000	1,25,00,000
Points		
1. SBI is having lien on above units against their term loan & CC facility		

Note 12 - Long term loans and advances	As at 31 Mar 2019	As at 31 Mar 2018
Unsecured, considered good:		
Loans to employees	21,44,383	20,92,956
Advances recoverable in cash or kind or for value to be received	32,19,597	62,55,731
Total long term loans and advances	53,63,980	83,48,687

Note 13 - Other non-current assets	As at 31 Mar 2019	As at 31 Mar 2018
Loan Stock	36,14,22,510	29,69,50,930
Less NPA Provisions	30,37,894	22,36,659
Total other non-current assets	35,83,84,616	29,47,14,271

(Amounts in INR)

Note 14 - Inventories	As at 31 Mar 2019	As at 31 Mar 2018
Loan Stock	72,28,45,020	59,39,01,860
Total Inventories	72,28,45,020	59,39,01,860

Note 15 - Sundry Debtors (Less than 6 months)	As at 31 Mar 2019	As at 31 Mar 2018
Sundry Debtors	59,343	5,152
Total Sundry Debtors (Less than 6 months)	59,343	5,152

Note 16 - Cash and cash equivalents	As at 31 Mar 2019	As at 31 Mar 2018
Cash on hand	19,41,227	6,79,084
Current Accounts	1,74,73,325	2,38,80,021
Fixed deposits maturing within 12 months	71,52,704	73,90,369
Total cash and cash equivalents	2,65,67,256	3,19,49,474

Point 1:

The fixed deposits are placed with the bank as a margin money for availing the working capital facilities from the bank.

Note 17 - Other current assets	As at 31 Mar 2019	As at 31 Mar 2018
Loans to employees	21,44,383	20,92,956
Total other current assets	21,44,383	20,92,956

Note 18 - Revenue from operations	Year ending 31 Mar 2019	Year ending 31 Mar 2018
Income from assets financing	22,18,10,311	19,30,78,558
Total revenue from operations	22,18,10,311	19,30,78,558

Note 19 - Other income	Year ending 31 Mar 2019	Year ending 31 Mar 2018
Interest on Fixed Deposit with bank	4,11,111	8,83,850
Others	3,586	1,225
Total other income	4,14,697	8,85,075

(Amounts in INR)

Note 20 - Employees benefit expenses	Year ending 31 Mar 2019	Year ending 31 Mar 2018
Salary, Provident fund etc.	1,98,76,606	1,74,33,177
Directors Remuneration	6,00,000	-
Staff welfare expenses	3,58,398	8,46,474
Gratuity	18,000	32,118
Total employees benefits expenses	2,08,53,004	1,83,11,769

Note 21 - Finance costs	Year ending 31 Mar 2019	Year ending 31 Mar 2018
Interest paid to Bank	2,84,60,339	2,88,15,872
Interest on other Loans	5,08,10,234	3,61,94,266
Total finance costs	7,92,70,573	6,50,10,138

Note 22 - Provisions & Write Off	Year ending 31 Mar 2019	Year ending 31 Mar 2018
Bad debts written off	64,04,324	42,38,942
Provision for NPA	8,01,235	6,58,000
Contingent Provision for Standard Assets	26,18,000	21,75,000
Total Provisions & Write Off	98,23,559	70,71,942

Note 23 - Other expenses	Year ending 31 Mar 2019	Year ending 31 Mar 2018
Advertisement & Brokerage Expenses	20,38,249	19,44,323
Audit fees	70,000	50,000
Books & Periodicals	4,33,290	6,00,682
Bank Charges	16,33,921	29,02,533
Conveyance	5,86,677	8,23,983
Filing Fees	2,697	6,766
Listing fees	2,50,000	2,50,000
Membership & subscriptions	79,837	1,71,690
Miscellaneous expenses	5,16,258	6,41,790
Office Expenses	25,77,599	18,52,767
Postage & Telegraph	12,60,123	13,37,178
Printing & Stationary	9,98,228	10,86,529
Professional & other legal charges	36,90,695	49,82,063
Rent	5,47,800	4,31,000
Rates & Taxes	1,58,193	45,737
Repairs & Maintainance	6,31,212	6,66,570
Service Tax, Service charges & other fees	3,36,000	2,82,139
GST tax paid	3,64,093	8,30,762
CGST Tax Paid	9,92,244	4,41,838
SGST Tax paid	9,89,059	4,45,509
Travelling expenses	8,94,021	10,92,024
Telephone Charges, Fax & Internet	13,12,490	12,05,619
Vehicle Expenses	12,66,333	10,53,709
Xerox & Copy Charges	5,41,831	5,10,992
Total other expenses	2,21,70,850	2,36,56,203

Note 11 - Fixed Assets

(Amounts in INR)

Nature of asset	Gross Block				Depreciation				Net Block	
	Opening balance	Additions	Deletions	Closing balance	Opening balance	Additions	Deletions	Closing balance	31 Mar 2019	31 Mar 2018
Premises	2,10,30,882	16,26,250	-	2,26,57,132	18,30,170	3,52,931	-	21,83,101	2,04,74,031	1,92,00,712
Computers	37,62,013	1,58,136	-	39,20,149	31,47,887	3,93,001	-	35,40,888	3,79,261	6,14,126
Office Equipments	-	3,02,128	-	3,02,128	-	4,918	-	4,918	2,97,210	-
Vehicles	8,67,665	-	-	8,67,665	8,67,665	-	-	8,67,665	-	-
Current Year	2,56,60,560	20,86,514	-	2,77,47,074	58,45,722	7,50,850	-	65,96,572	2,11,50,506	1,98,14,842
Previous Year	2,11,62,401	44,98,159	-	2,56,60,560	52,30,945	6,14,777	-	58,45,722	1,98,14,842	1,59,31,460

Note:

a) The addition to fixed assets have been classified in accordance with the classification normally adopted by the Management.

FOR AND ON BEHALF OF THE BOARD

Minesh M Doshi Managing Director
Vatsal M Doshi Director

Place: Mumbai
Date: 30th May, 2019

Palak V Patani
Chief Financial Officer

Schedule to Balance Sheet (as required in terms of Paragraph 13 of "Non-Systemically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015")

(Rs. in '000)

	March 2019		March 2018	
	Amount Outstanding	Amount Overdue (unclaimed)	Amount Outstanding	Amount Overdue (unclaimed)
LIABILITIES SIDE				
(1) Loans and advance availed by the NBFC's inclusive of interest accrued thereon but not paid:				
(a) Debenture : Secured	0	0	0	0
Unsecured <i>(other than falling within the meaning of public deposits)</i>	0	0	0	0
(b) Deferred Credits	0	0	0	0
(c) Term Loan	9,78,158	0	1,56,644	0
(d) Inter-corporate loans and borrowing	0	0	0	0
(e) Commercial Paper/other loans	2,41,319	0	2,44,359	0
(f) Public Deposits ****	0	0	0	0
(g) FCNR Loan	0	0	0	0
(h) Subordinated debt	0	0	0	0
(2) Break-up of (l)(F) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)				
(a) In the form of Unsecured debentures	0	0	0	0
(b) In the form of party secured debentures i.e. debentures where there is a shortfall in the value of security.	0	0	0	0
(c) Other public deposits***	0	0	0	0
ASSET SIDE				
(3) Break-up of Loans and Advance including bills receivables [other than those included in (4) below]				
(a) Secured		0		0
(b) Unsecured		0		0

<p>(4) Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities.</p> <p>(i) Lease assets including lease rentals under sundry debtors:</p> <p style="padding-left: 20px;">(a) Financial lease 0 0</p> <p style="padding-left: 20px;">(b) Operating lease 0 0</p> <p>(ii) Stock on hire including hire changes Under sundry debtors:</p> <p style="padding-left: 20px;">(a) Assets on hire 0 0</p> <p style="padding-left: 20px;">(b) Repossessed Assets 0 0</p> <p>(iii) Hypothecation loans counting towards EL/HP activities</p> <p style="padding-left: 20px;">(a) Loans where assets have been repossessed 0 0</p> <p style="padding-left: 20px;">(b) Loans other than (a) above 10,81,229 8,88,862</p>						
<p>(5) Break-up of Investments:</p> <p><u>Current Investments:</u></p> <p>1. Quoted:</p> <p style="padding-left: 20px;">a. Shares: (i) Equity 0 0</p> <p style="padding-left: 40px;">(ii) Preference 0 0</p> <p style="padding-left: 20px;">b. Debentures and Bonds 0 0</p> <p style="padding-left: 20px;">c. Units of mutual funds 0 0</p> <p style="padding-left: 20px;">d. Government Securities 0 0</p> <p>2. Unquoted:</p> <p style="padding-left: 20px;">a. Shares: (i) Equity 0 0</p> <p style="padding-left: 40px;">(ii) Preference 0 0</p> <p style="padding-left: 20px;">b. Debentures and Bonds 0 0</p> <p style="padding-left: 20px;">c. Units of mutual funds 0 0</p> <p style="padding-left: 20px;">d. Government Securities 0 0</p> <p><u>Long Term Investments:</u></p> <p>1. Quoted:</p> <p style="padding-left: 20px;">a. Shares: (i) Equity 0 0</p> <p style="padding-left: 40px;">(ii) Preference 0 0</p> <p style="padding-left: 20px;">b. Debentures and Bonds 0 0</p> <p style="padding-left: 20px;">c. Units of mutual funds 0 0</p> <p style="padding-left: 20px;">d. Government Securities 0 0</p> <p>2. Unquoted:</p> <p style="padding-left: 20px;">a. Shares: (i) Equity 0 0</p> <p style="padding-left: 40px;">(ii) Preference 0 0</p> <p style="padding-left: 20px;">b. Debentures and Bonds 0 0</p> <p style="padding-left: 20px;">c. Units of mutual funds 0 0</p> <p style="padding-left: 20px;">d. Government Securities 0 0</p>						
6) Borrower group-wise classification of all leased assets, stock-on-hire and loans & advances						
<p style="text-align: center;">Category</p> <p>1. Related Parties</p> <p style="padding-left: 20px;">a) Subsidiaries 0 0 0 0 0 0</p> <p style="padding-left: 20px;">b) Companies in the same group 0 0 0 0 0 0</p> <p style="padding-left: 20px;">c) Other related parties 0 0 0 0 0 0</p> <p>2. Other than related parties 10,81,229 0 10,81,229 8,88,862 0 8,88,862</p> <p style="text-align: right;">TOTAL 10,81,229 0 10,81,229 8,88,862 0 8,88,862</p>	March 2019			March 2018		
	Amount net of provisions			Amount net of provisions		
	Secured	Unsecured	Total	Secured	Unsecured	Total

(7) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):				
Category	March 2019		March 2018	
	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties				
(a) Subsidiaries	0	0	0	0
(b) Companies in the same group	0	0	0	0
(c) Other related parties	0	0	0	0
2. Other than related parties	0	0	0	0
TOTAL	0	0	0	0
(8) Other Information				
Particulars	March 2019		March 2018	
	Amount		Amount	
1. Gross Non-Performing Assets				
(a) Related parties		0		0
(b) Other than related parties		30,379		22,367
2. Net Non-Performing Assets				
a. Related parties		0		0
b. Other than related parties		27,341		20,130
3. Assets acquired in satisfaction of debt.		0		0

**** Represent unclaimed deposit & interest thereof in respect of which the company is yet to receive instruction for repayment/ renewal from the depositors.

Notice

Notice is hereby given that the Twenty Eighth Annual General Meeting of the members of Shalibhadra Finance Limited will be held on Monday, 30th September, 2019 at 11 a.m, at Registered Office of the company at 3, Kamat Industrial Estate, 396, Veer Savarkar Marg, Opp. Siddhi Vinayak Temple, Prabhadevi, Mumbai – 400 025, to transact the following business:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2019 and the Statement of Profit or Loss for the year ended on that date and the Report of Directors and Auditors thereon.
2. To consider & declare dividend on equity shares for the year ending 31st March, 2019.
3. To appoint Mr. Minesh M. Doshi, who retires by rotation and being eligible, offers himself for re-appointment as a Director and in this regard, pass the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 152 of the Companies Act, 2013, Mr. Minesh M. Doshi, who retires by rotation at this meeting and being eligible has offered himself for re-appointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation.”

Special Business:

4. To re-appoint Dr. Falguni S. Doshi as an Independent Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Dr. Falguni S. Doshi (DIN: 02726844), who was appointed as an Independent Director and who holds office as an Independent Director up to 29th September 2019 and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing her candidature for the office of Director, being eligible, be and is hereby re-appointed as an Independent Director, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years, i.e., up to 30th September 2024;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

5. To appoint Shri Kamalkant A Keswani as an Independent Director and in this regard, to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), Shri Kamalkant A Keswani, in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, being eligible, be and is hereby appointed as an Independent Director, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years, i.e., up to 30th September 2024;

RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

6. To approve Borrowing limits of the Company and creation of charge on the assets of the Company and in this regard to consider and, if thought fit, to pass the following as a Special Resolution:

“RESOLVED THAT pursuant to the provisions of Section 180(1)(c) and other applicable provisions, if any, of the Companies Act, 2013 including any statutory modifications or any amendments or any substitution or

re-enactment thereof, if any, for the time being in force and all other applicable Acts, laws, rules, regulations and guidelines for the time being in force; the consent of the Company be and is hereby accorded to the Board of Directors of the Company for borrowing from time to time as they may think fit, any sum or sums of money not exceeding Rs. 180 crore (One hundred eighty Crore only) [including the money already borrowed by the Company] on such terms and conditions as the Board may deem fit, whether the same may be secured or unsecured and if secured, whether by way of mortgage, charge or hypothecation, pledge or otherwise in any way whatsoever, on, over or in any respect of all, or any of the Company's assets and effects or properties whether moveable or immoveable, including stock-in-trade, notwithstanding that the money to be borrowed together with the money already borrowed by the Company (apart from the temporary loans obtained from the Company's Bankers in the ordinary course of business) and remaining un-discharged at any given time, exceed the aggregate, for the time being, of the paid-up capital of the Company and its free reserves.

RESOLVED FURTHER THAT for the purpose of giving effect to the above Resolution, the Board of Directors of the Company be and is hereby authorised to take all such actions and to give all such directions and to do all such acts, deeds, matters and things as may be necessary and/or expedient in that behalf."

Notes:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company .The instrument appointing a proxy must be deposited with the company at its registered office of the company not less than forty eight hours before the commencement of the meeting.
2. The Share Transfer Book and the Register of Members of the Company will be closed from 26th September, 2019 to 27th September, 2019 (Both Days inclusive) for determining the names of members eligible for dividend on Equity Shares, if declared at the Meeting.
3. Corporate members intending to send their authorized representatives to attend the Meeting are requested to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
4. All members are requested to:
 - (i) Shareholders desirous of obtaining any information are requested to address their questions to the Company's Head Office, so as to reach at least 10 days before the date of the meeting so that the information may be made available at the meeting to the best extent possible.
 - (ii) Members/Proxies are requested to bring their copy of their Annual Report along with them and to produce the attendance slip at the entrance of the meeting hall.
 - (iii) Convert their shares in Demat form for easy liquidity or sale through Stock Exchange and safety.
 - (iv) Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their Demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company.
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days, except Sundays and Holidays, between 11.00 a.m. and 1.00 p.m. upto date of the Annual General Meeting.
6. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. In all correspondence with the Company, the members are requested to quote their members folio numbers and in case their shares are held in dematerialized form, quote their client ID Number and their DPID Number.

Additional Information with respect to Item Nos. 4, 5 and 6

ITEM NO.4

Details of Director seeking re-appointment at the forthcoming Annual General Meeting:

At the Annual General Meeting held on 30th September 2014, the members of the Company had appointed Dr. Falguni S. Doshi (DIN: 02726844) as an Independent Director of the Company, to hold office up to 29th September 2019 ("first term"). The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation, has recommended re-appointment of Dr. Falguni S. Doshi as an Independent Director, for a second term of 5 (five) consecutive years, on the Board of the Company. The Board, based on the performance evaluation and as per the recommendation of the Nomination and Remuneration Committee, considers that, given her background and experience and contributions made by her, the continued association of Dr. Falguni S. Doshi would be beneficial to the Company and it is desirable to continue to avail her services as an Independent Director. Accordingly, it is proposed to re-appoint Dr. Falguni S. Doshi as an Independent Director of the Company, not liable to retire by rotation, for a second term of 5 (five) consecutive years on the Board of the Company at such remuneration as may be decided by Nomination and Remuneration committee from time to time.

Dr. Falguni S. Doshi is not disqualified from being appointed as a director in terms of Section 164 of the Companies Act, 2013 ("the Act"), and has given her consent to act as a director. The Company has also received declaration from Dr. Falguni S. Doshi that she meets the criteria of independence as prescribed both under Section 149(6) of the Act and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Brief details are presented as follows:

Name	: Dr. Falguni Doshi
Qualification	: BSC PT MIAP Wide experience in the field of medicine.
Directorships of other boards	: Rushabh Capital Markets Ltd

ITEM NO.5

Details of Director seeking appointment at the forthcoming Annual General Meeting:

In terms of Section 149 and other applicable provisions, if any, of the Companies Act 2013, Shri Kamalkant A Keswani, being eligible, is proposed to be appointed as an Independent Director for Five Consecutive years for a term up to 30th September 2024. A notice has been received from a member proposing Shri Kamalkant A Keswani as a candidate for the office of Director of the Company at such remuneration as may be decided by Nomination and Remuneration committee from time to time.

Shri Kamalkant A Keswani is not disqualified from being appointed as Director in terms of Section 164 of Companies Act, 2013 and has given his consent to act as Director. The company has also received a declaration to the effect that he meets the criteria of independent as provided in section 149(6) of Companies Act, 2013 and under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations"). Brief details are presented as follows:

Name	: Shri Kamalkant A Keswani
Date of Birth	: 22.02.1953
Qualification	: B.Com., LL.B. C.A.I.I.B, Pg.DBIM : Former Banker with 25 years' experience. Turned Coach cum Consultant since last 20 years. Aggregate experience of 45 years engaged in providing Debt Syndication / Financial Re-engineering / NPA Resolution / Strategic Consultancy / Training Services.
Directorships of other boards	: Nil

ITEM NO.6

Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013

The following Explanatory Statement pursuant to section 102(1) of the Companies Act, 2013 (“the Act”), sets out all material facts relating to the business of the accompanying Notice.

In terms of the provisions of section 180(1)(c) of the Act, the Board of Directors of a company cannot borrow moneys in excess of the amount of the paid-up capital of the company and its free reserves without the approval of the Members by way of a Special Resolution.

In order to further expand its business and to meet increased financial needs for the budgeted disbursements, it is proposed to enhance the borrowing limits of the Company to Rs. 180 crores.

The Company may be required to secure some of the borrowings by creating mortgage/charge on all or any of the movable or immovable properties of the Company in favour of the lender(s) in such form, manner and ranking as may be determined by the Board of Directors of the Company from time to time, in consultation with the lender(s). In terms of section 180(1)(a) of the Act any proposal to sell, lease or otherwise dispose of the whole, or substantially the whole, of any such undertaking requires the approval of the Members by way of a Special Resolution.

Accordingly, the consent of the Members is being sought for the enhancement of the borrowing limits and to secure such borrowings by mortgage/charge on any of the movable and/or immovable properties and/or the whole or any part of the undertaking(s) of the Company as set out in Special Resolution appended to this Notice. The Board recommends the passing of the Resolution as a Special Resolution. Your approval is sought for passing the Special Resolution as set out in this Notice. None of the Directors, Key Managerial Personnel of the Company and their relatives are in any way, concerned or interested, financially or otherwise, in the Resolution except to the extent of their shareholding interest, if any, in the Company.

For and on behalf of Board of Directors

Minesh Doshi
Managing Director

Registered Office:

3, Kamat Industrial Estate,
396, V.S. Marg,
Opp. Siddhi Vinayak Temple,
Prabhadevi,
Mumbai – 400 025.
Tel: 24 322 993/ 24 322 994.

Place: Mumbai

Date: 30th May, 2019.

SHALIBHADRA FINANCE LIMITED.
 Regd. Office: 3, Kamat Industrial Estate, 396, Veer Savarkar Marg.,
 Prabhadevi, Mumbai: 400 025, India

PROXY FORM

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

Full name of the Shareholder:.....
 Folio No.
 DP ID*:
 Client Id*:

I/We of
being a member / members of Shalibhadra Finance Limited hereby
 appoint in the district of or failing him
 of in the
 district ofon my / our behalf at the Twenty Eighth Annual General
 Meeting of the Company to be held on 30th September, 2019 at 3, Kamat Industrial Estate, 396, Veer Savarkar Marg, Opp.
 Siddhi Vinayak Temple, Prabhadevi, Mumbai – 400 025.

Signed this on day of 2019

Signature of Share holder

Notes:

1. This form duly completed should be deposited at the Registered Office of the Company before 48 hours of the meeting.
2. A Proxy need not be a Member.
3. Appointing a proxy does not prevent a member from attending the meeting in person if he so wishes.
4. In the case of joint holders, the signature of any one holder will be sufficient, but name of all the joint holders should be stated.

**Applicable for shareholders holding shares in electronic form.*

SHALIBHADRA FINANCE LIMITED.
Regd. Office: 3, Kamat Industrial Estate, 396, Veer Savarkar Marg.,
Prabhadevi, Mumbai: 400 025, India

ATTENDANCE SLIP

(Shareholders attending the Meeting in person or by Proxy are requested to completed the attendance slip and hand over at the entrance of the Meeting Hall)

I hereby record my presence at the 28th Annual General Meeting of the Company 3, Kamat Industrial Estate, 396, Veer Savarkar Marg, Prabhadevi, Mumbai: 400 025 on 30th September, 2019 at 11 a.m.

Full name of the Shareholder /Proxy.....

Folio No.:

DP Id*:

Client Id*:

.....
Signature of Shareholder/Proxy

PLEASE BRING THIS ATTENDENCE SLIP TO THE MEETING

**Applicable for shareholders holding shares in electronic form.*



SHALIBHADRA

FINANCE LIMITED

**3, Kamat Industrial Estate,
396, Veer Savarkar Marg,
Opp. Siddhivinayak Temple,
Prabhadevi, Mumbai – 400 025.**

**Email: shalibhadra_mum@yahoo.co.in
Website: www.shalibhadrafinance.com**