

# P K Soni & Co. - Chartered Accountants

CA

14/14, Lower Ground Floor, Kalkaji, New Delhi - 110019 Ph. 40569400

## Auditor's Certificate on Corporate Governance

To,

The Members of  
**Genesis Finance Company Limited**

We have examined the compliance of conditions of corporate governance by Genesis Finance Company Limited (the company) for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the listing agreement of the said company with Delhi Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to 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, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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.K.Soni & Co.**  
Chartered Accountants  
FRN : 010248N

*Pawan Soni*

**Pawan Kumar Soni**  
Proprietor  
MRN : 052849  
Place: New Delhi  
Dated: 30-05-2015



## **Independent Auditors' Report**

To,  
The Members of  
**Genesis Finance Company Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of **Genesis Finance Company Limited ('the company')**, which comprise the Balance Sheet as at 31<sup>st</sup> March, 2015, the statement of Profit & Loss Account and the cash flow statement for the year ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

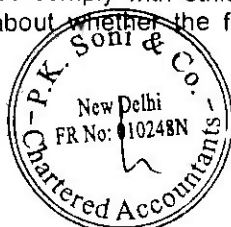
The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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



An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

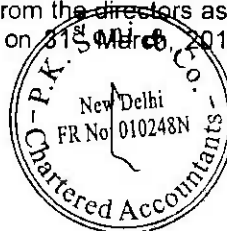
### Opinion

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

- a) In the case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March, 2015;
- b) In the case of statement of Profit & Loss Account of the Profit of the company for the year ended on that date; and
- c) In the case of the cash flow statement, of the cash flows for the year ended on that date.

### Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) order, 2015 ('the Order'), issued by Central Government of India in terms of subsection (1) of section 143 of the Act, and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the annexure a statement on the matters specified in paragraph 3 and 4 of the said order.
2. As required by section 143(3) of the Act, we report that:-
  - a) We have sought and obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b) In our opinion, proper books of account as required by the Law have been kept by the company so far as appears from our examination of those books.
  - c) The company has no branch offices during the year of audit
  - d) The Balance Sheet, the statement of Profit & Loss Account and the cash flow statement dealt with by this report are in agreement with the books of account.
  - e) In our opinion, the aforesaid standalone financial statements comply with the accounting standard specified under section 133 of the Act, read with rule 7 of the Companies (Accounts) Rules, 2014.
  - f) On the basis of written representation received from the directors as on 31<sup>st</sup> March, 2015, none of the directors of the company is disqualified as on 31<sup>st</sup> March, 2015 from being appointed as a director in terms of section 164(2) of the Act.



g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements. Refer note 23(1d) to the standalone financial statement.
- ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **P.K.Soni & Co.**  
Chartered Accountants  
FRN : 010248N

*Pawan Kumar Soni*

**Pawan Kumar Soni**  
Proprietor  
MRN : 052849  
Place: New Delhi  
Dated: 30-05-2015



ANNEXURE REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" OF THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE TO THE MEMBERS OF GENESISI FINANCE COMPANY LIMITED, WE REPORT THAT :

- (i) The company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. As per the information provided to us these fixed assets have been physically verified by the management at reasonable intervals; whether any material discrepancies were noticed on such verification and if so, whether the same have been properly dealt with in the books of account;
- (ii) The Company is a non banking finance company, primarily rendering financial services. Accordingly, it does not hold any physical inventories. Thus, paragraph 3(ii) of the Order is not applicable.
- (iii) In our opinion and as per the information given to us the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act.
- (iv) In our opinion and as per the information given to us there is an adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of fixed assets and for the sale of services. The activities of the company do not involve purchase of inventory and sale of goods. We have not observed any major weaknesses in internal control system during the course of audit.
- (v) The company has not accepted any deposits from public.
- (vi) The Central Government has not prescribed maintenance of cost records under section 148(1) of the Act, for any of the services rendered by the company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted accrued in the books of account in respect of undisputed statutory dues including provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance and duty of excise.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2015 for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records of the Company examined by us, there are no material dues of income-tax, sales-tax, wealth-tax, service-tax, customs duty, and excise duty which have not been deposited on account of any dispute. However, according to information and explanations given to us, the following dues of income tax has not been deposited on account of dispute:-



Name of the statute	Nature of Dues	Amount (Rs)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs 3,55,030	Asstt Yr 2012-13	CIT (A), Delhi
Income Tax Act, 1961	Income Tax	Rs 94,770	Asstt Yr 2006-07	A.O to give effect of appeal order given by CIT(A)

(c) According to the information and explanations given to us there were no amounts which were required to be transferred to the investor education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules there under.

- (viii) The company has no accumulated loss in the current year.
- (ix) The company has not defaulted in repayment of dues to a financial institution or bank or debenture holders.
- (x) In our opinion and according to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- (xi) In our opinion and as per the information given to us the term loans were applied for the purpose for which the loans were obtained.
- (xii) Based on the audit procedures performed and information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

For **P.K.Soni & Co.**  
Chartered Accountants  
FRN : 010248N

*Pawan Kumar Soni*

**Pawan Kumar Soni**  
Proprietor  
MRN : 052849  
Place: New Delhi  
Dated: 30-05-2015



**Genesis Finance Company Limited**  
**Balance Sheet as at 31st March, 2015**

(in Lacs)

**EQUITY AND LIABILITIES**
**Shareholder's Funds**

Share Capital	3	481.75		481.75	
Reserves and Surplus	4	<u>3,879.47</u>		<u>3,675.56</u>	
			4,361.22		4,157.31

**Share application money pending allotment**
**Non-Current Liabilities**

Long-Term Borrowings	5	1,925.02		16.73	
Long Term Provisions	6	<u>40.56</u>		<u>40.56</u>	
			1,965.58		57.29

**Current Liabilities**

Short-Term Borrowings	7	1,480.26		3,851.33	
Other Current Liabilities	8	54.88		8.05	
Short-Term Provisions	9	<u>16.35</u>		<u>16.35</u>	
			1,551.49		3,875.73
<b>Total</b>			<b><u>7,878.29</u></b>		<b><u>8,090.33</u></b>

**ASSETS**
**Non-current assets**
**Fixed assets**

Tangible Assets	10	63.49		102.94	
Intangible Assets	10	-		-	
Capital work-in-progress	10	-		-	
Intangible assets under development	10	-		-	
Non-current Investments	11	847.85		847.80	
Deferred tax assets (net)	12	16.45		8.05	
Long Term Loans and Advances	13	2,999.16		3,492.38	
Other Non-current Assets	14	<u>-</u>		<u>0.13</u>	
			3,926.95		4,451.30

**Current assets**

Cash and cash equivalents	15	3.69		7.95	
Short-Term Loans and Advances	16	2,956.76		2,824.30	
Other Current Assets	17	<u>990.89</u>		<u>806.78</u>	
			3,951.34		3,639.03
<b>Total</b>			<b><u>7,878.29</u></b>		<b><u>8,090.33</u></b>

Significant Accounting Policies  
Notes on Financial Statements

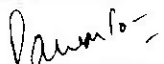
1 to 24

As per our Report of even date.

For P.K Soni &amp; Co.

Chartered Accountants

FRN : 010248N

  
**Pawan Kumar Soni**  
Proprietor

MRN : 052849  
New Delhi

Dated: 30-05-2015



for and on behalf of the Board

  
**Naresh Garg**  
Managing  
Director

  
**Sangeeta Garg**  
Director

**Genesis Finance Company Limited**  
**Statement of Profit and Loss for the year ended 31st March, 2015**

(' in Lacs)

31st March 2014

**INCOME**

I	Revenue from operations- Interest Received	18	1,182.31	1,100.62
II	Other Income	19	5.87	2.57
III	<b>Total Income (I+II)</b>		<b>1,188.18</b>	<b>1,103.19</b>

**EXPENDITURE**

IV	Employee benefit Expenses	20	100.66	74.96
	Financial costs	21	591.20	546.91
	Depreciation and Amortization	10	36.05	15.13
	Other expenses	22	146.86	203.03
	Preliminary Expenses w/off	14	0.13	0.13
	<b>Total Expenses</b>		<b>874.90</b>	<b>840.16</b>
V	Profit before exceptional and extraordinary (III-IV)		313.28	263.03
VI	Exceptional Items		-	-
VII	Profit before extraordinary items and tax (V - VI)		313.28	263.03
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		313.28	263.03
X	Tax Expenses/Provision			
	(i) Current tax		110.00	87.00
	(ii) Deferred tax		(8.40)	(1.29)
	(iii) Provision for earlier years		4.01	-
	(iv) Provision for Standard Assets		-	-
XI	Profit(Loss) from the period from continuing operations (IX-X)		207.67	177.32
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax Expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		207.67	177.32
XVI	Earning per equity share of face value of ₹ 10/- each Basic and Diluted		4.31	3.68

**Significant Accounting Policies**  
**Notes on Financial Statements**

1 to 24

**As per our Report of even date.**

For P.K Soni & Co.  
Chartered Accountants  
FRN : 010248N

Pawan Kumar Soni  
Proprietor  
MRN : 052849

New Delhi  
Dated: 30-05-2015


for and on behalf of the Board

Naresh Garg  
Managing  
Director

Sangeeta Garg  
Director



# **CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2015**

	(' in Lacs)	
	<b>F.Y. 2014-15</b>	<b>F.Y. 2013-14</b>
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit Before Tax	313.28	263.03
Adjustments for :		
Depreciation	36.05	15.13
Retirement Benefits	-	2.76
Preliminary Expenses	0.13	0.13
	<u>36.18</u>	<u>18.02</u>
<b>Operating Profit Before Working Capital Changes</b>	<b>349.46</b>	<b>281.05</b>
<b>Changes in Working Capital :</b>		
Increase/ (Decrease) in Short-Term Provisions	-	-
Increase/ (Decrease) in Other Current Liabilities	46.83	457.80
Increase/ (Decrease) in Long-Term Loans and Advances	493.22	(887.18)
Increase/ (Decrease) in Short-Term Loans and Advances	(132.46)	1,069.78
Increase/ (Decrease) in Other Current Assets	(181.56)	(762.85)
Stock of Acquired and /or Developed Properties		
Investments (Net)	<u>(0.05)</u>	<u>(53.57)</u>
	<u>225.98</u>	<u>(176.02)</u>
Cash Generated from Operations	575.44	105.03
Taxes paid (net of refunds)	116.54	83.57
Net Cash from Operations	458.90	21.46
Net Cash Generated from Operations	458.90	21.46
Extraordinary Items	-	-
Net Cash Generated from Operating Activities	458.90	21.46
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Tangible / Intangible Assets(Net)	<u>(0.38)</u>	<u>(28.10)</u>
Net Cash from Investing Activities	<u>(0.38)</u>	<u>(28.10)</u>
<b>C CASH FLOW FROM FINANCEING ACTIVITES</b>		
Share Application Money Received Pending Allotment	-	-
Proceeds from Share allotment	-	-
Securities Premium received	-	-
Availment (Repayment) of Long-Term Borrowings(Net of repayments)	1,908.29	11.55
Availment (Repayment) of Shot-Term Borrowings	<u>(2,371.07)</u>	<u>-</u>
Net Cash used in Financing Activities	<u>(462.78)</u>	<u>11.55</u>
Net increase in Cash and Cash Equivalents	(4.26)	4.91
Cash and Cash Equivalents at the Beginning of the Year	7.95	3.04
Cash and Cash Equivalents at the end of the year	3.69	7.95

Cash and Cash Equivalents comprises of:

Cash on Hand	3.69	7.95
Cheques on Hand	-	-
Balances with Banks- Highly liquid investments	-	-
<b>Total</b>		

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

As per our report of even date attached

**As per our Report of even date.**

For P.K Soni & Co.  
Chartered Accountants  
FRN : 010248N

**Pawan Kumar Soni**  
Proprietor  
MRN : 052849

New Delhi

Dated: 30-05-2015

**Auditors' Certificate**

To the Members of Genesis Finance Co. Ltd.

We have verified the above Cash Flow Statement of Genesis Finance Company Limited, derived from the audited financial Statements for the year ended March 31, 2015 and found the same to be drawn in accordance therewith and also with the Requirements of Clause 32 of the Listing Agreements with the Stock Exchange.

for and on behalf of the Board

**Narresh Garg**  
Managing  
Director

**Sangeeta Garg**  
Director

For P.K Soni & Co.  
Chartered Accountants  
FRN : 010248N

**Pawan Kumar Soni**



## Notes to Standalone Financial Statements as at March 31, 2015

### 1. Corporate Overview

Genesis Finance Company Limited was registered as Limited Company with Registrar of Companies, Delhi and Haryana on 03.07.1990. The Company received the Certificate of Commencement of Business on 24.07.1990. The Company is registered as non deposit taking NBFC as defined under section 45 IA of the Reserve Bank of India Act, 1934. The Company is engaged in the business of financing for more than twenty years. Its shares are listed on Delhi Stock Exchange.

### 2. Significant Accounting Policies

The financial statements have been prepared in accordance with generally accounting principles as well as the requirements of Section 133 of the Companies Act, 2013 read with Rule 7 of the Companies (Accounts) Rules, 2014. The Significant policies are as follows

#### a. Basis of Accounting

The accounts are prepared on the accrual concept of accounting under the historical cost convention and on the basis of a going concern.

#### b. Provisions and Contingent liability

A provision is recognised for a present obligation as a result of past events if it is probable that an outflow of resources will be required to settle the obligation and in respect of which a reliable estimate can be made. Provisions are not discounted to its present value and are determined based on best estimate of the amount required to settle the obligation at the Balance Sheet date. A contingent liability is disclosed, unless the possibility of an outflow of resources is remote.

#### c. Fixed Assets

Fixed Assets are stated at cost of acquisition inclusive of inward freight, duties and taxes and incidental expenses relating to acquisition.

#### d. Miscellaneous Expenditure

Preliminary expenses is amortized over a period of 5 years in accordance with Section 35 D of the Income Tax Act, 1961.

#### e. Depreciation

Depreciation is being provided on straight- line method over useful life of the asset as specified in Schedule II of the Companies Act, 2013. Depreciation on additions is charged on pro-rata basis relating to period of use of such assets.

#### f. Revenue Recognition

Interest income on loan financing is accounted for on accrual basis.  
Management fees and charges on delayed payments are accounted for on received basis

#### g. Investments

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long-term investments and are carried at cost.



**h. Employees Benefit**

Provision for gratuity is made on estimated basis.

**i. Cash and cash equivalents**

Cash and Bank balances in the Balance Sheet comprises of cash at bank including fixed deposits, cheques in hand and cash on hand.

**j. Taxation**

Provision for Income Tax is made on the assessable income at the tax rate applicable to the relevant assessment year. Deferred Income Taxes are recognized for the future tax consequences attributable to timing differences between the financial statement determination of income and their recognition for tax purposes. The effect on deferred tax assets and liabilities of change in tax rates is recognized in income using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

**k. Earnings Per Share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.



**Notes on Financial Statements for the year ended 31st March, 2015**

		( in Lacs)	
		As at 31st March, 2015	As at 31st March, 2014
3	<b>Share Capital</b>		
	<b>Authorised Share Capital</b>		
	50,00,000 Equity Shares of ₹ 10 each (50,00,000)	500.00	500.00
	<b>Issued, Subscribed &amp; Paid up</b>		
	4817500 Equity Shares of ₹ 10 each fully paid up (4817500)	481.75	481.75
		<b>481.75</b>	<b>481.75</b>
	<b>The Details of Shareholders holding more than 5% shares</b>		
b	Name of the Shareholder		
		<b>No. of Shares held</b>	<b>No. of Shares held</b>
		<b>%</b>	<b>%</b>
	Mrs. Bhagwati Devi	558460	558460
	Mr. Naresh Garg	443560	443560
	Mrs. Sangeeta Garg	560070	560070
	M/s. Amla Securities Ltd.	400000	400000
	M/s. Genesis Dream Merchants Private Limited	392432	392432
	Mr Prateet Garg	393060	393060
	Mr Sahil Garg	321100	321100
c	<b>The Reconciliation of the number of shares outstanding is set out below:</b>		
	Particulars		
	Equity Shares at the beginning of the year	4817500	4817500
	Add: Shares issued on Preferential Allotment	-	-
	Add: Shares issued on exercise of Employee Stock options	-	-
	Less: Shares cancelled on buy back of Equity Shares	-	-
	Equity Shares at the end of the year	<b>4,817,500</b>	<b>4,817,500</b>
4	<b>Reserve &amp; Surplus</b>		
	<b>Securities Premium Reserve</b>		
	As per last Balance Sheet	3086.75	3086.75
	Add: On issue of Shares	0.00	0.00
	Less: on buy back of shares	0.00	0.00
		3086.75	3086.75
	Less: Calls in arrears	-	-
	<b>Total - A</b>	<b>3,086.75</b>	<b>3,086.75</b>
	<b>General Reserve U/s 45IC of RBI Act</b>		
	As per last Balance Sheet	95.00	55.00
	Add: Transferred from Profit and Loss Account	45.00	40.00
	<b>Total - B</b>	<b>140.00</b>	<b>95.00</b>
	<b>Profit and Loss Account</b>		
	As per last Balance Sheet	493.81	356.49
	Less : Retained Earning effect of fixed assets	3.77	-
	Add : Profit during the year	207.67	177.32
		697.72	533.81
	<b>Less: Appropriations</b>		
	Transferred to General Reserve	45.00	40.00
	<b>Total - C</b>	<b>652.72</b>	<b>493.81</b>
	<b>The Company has not declared any dividend during last two financial years.</b>		
	<b>Total (A+B+C)</b>	<b>3,879.47</b>	<b>3,675.56</b>



**Notes on Financial Statements for the year ended 31st March, 2015**

5

(In Lacs)

**As at  
31st March, 2015**
**As at  
31st March, 2014**
**Loan Term Borrowings**
**Secured**

(a) From Syndicate Bank	1,916.66	-
(Secured against assignment of Loan Agreements and personal guarantees of two promoter directors of the company and equitable mortgage of property owned by promoter directors. Repayable in 60 monthly installments, Refer Note no.7)		
(b) From Volkswagen Finance Private Limited	8.36	16.73
(Against hypothecation of Audi Car Refer Note no.7)		
	<b>1,925.02</b>	<b>16.73</b>

6 **Long Term Provisions**

Provision for Employee Benefit-Gratuity (unfunded)	40.56	40.56
	<b>40.56</b>	<b>40.56</b>

7 **Short Term Borrowings**
**Loans repayable on demand**
**- Secured**

- From Syndicate Bank	971.89	3,843.67
(Against assignment of Loan Agreements and personal guarantees of two promoter directors of the company and equitable mortgage of property owned by promoter directors)		
- From Syndicate Bank	500.00	
(Principal amount of Term loan to be repaid within next 12 month)		

**Other loans and advances**

Car loan (to be paid in next 12 month)	8.37	7.66
(Principal amount of Car loan to be repaid within next 12 month)		

<b>1,480.26</b>	<b>3,851.33</b>
-----------------	-----------------

8 **Other Current Liabilities**

Expenses Payable	35.29	6.41
TDS Payable	5.59	1.64
Advance against sale of Car	14.00	
	<b>54.88</b>	<b>8.05</b>

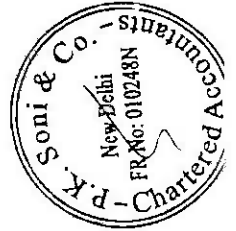
9 **Short Term Provisions**

Provision for Standard Assets	16.35	16.35
	<b>16.35</b>	<b>16.35</b>



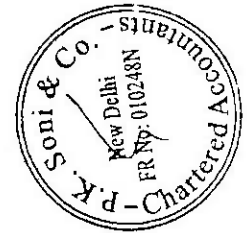
**Note 10 : Fixed Assets**

Particulars	Cost of the asset	WDV on 31/03/2014	Useful Life (Years)	Remaining Life (Years)	Residual Value (taken 5% of cost)	Carrying Amount	Retained Earning Effect	Depreciation rate
<b>Office Equipments</b>								
Air-Conditioner	1.91	0.93	5	NIL	0.10	0.10	0.83	-
Cellular phone	0.26	0.05	5	NIL	0.01	0.01	0.04	-
Counting Machine	0.34	0.26	5	NIL	0.02	0.02	0.24	-
EPBX	0.30	0.13	5	NIL	0.02	0.02	0.12	-
Fax Machine	0.33	0.06	5	NIL	0.02	0.02	0.04	-
Inverter	0.15	0.01	5	NIL	0.01	0.01	0.00	-
Office Equipment	1.48	0.2	5	NIL	0.07	0.07	0.13	-
Photostat	0.96	0.48	5	NIL	0.05	0.05	0.43	-
<b>Electrical installations and Equipment</b>								
Generator	1.58	0.64	5	NIL	0.08	0.08	0.56	-
<b>Motor Cars other than those used in business of running them on hire</b>								
Car	9.25	4.91	8	4	0.46	4.45	0	52.71
Car BMW	39.27	26.49	8	5	1.96	24.53	0	45.07
Car BMW	39.27	26.49	8	5	1.96	24.53	0	45.07
Car Audi	38.50	37.89	8	8	1.93	35.97	0	31.23
<b>Motor Cycles, scooter and other mopeds</b>								
Motor Cycle	0.58	0.54	10	10	0.03	0.51	0	25.89
<b>Computers - End user devices such as desktop, laptops, etc</b>								
Computer/Software	34.71	2.89	3	NIL	1.74	1.74	1.15	-
<b>Furniture &amp; Fixtures</b>								
Furniture & Fixtures	2.25	0.33	10	NIL	0.11	0.11	0.22	-
<b>Buildings (other than factory buildings) RCC Frame Structure</b>								
Office Premises	1.00	0.62	60	39	0.05	0.57	0	7.39
<b>TOTAL</b>	<b>172.14</b>	<b>102.92</b>			<b>8.61</b>	<b>92.76</b>	<b>3.77</b>	



**DEPRECIATION CHART AS PER COMPANIES ACT 2013**

Particulars	Carrying Amount	Addition during the year	Total	Deletion during the year	Depreciation for the year	Carrying cost as on 31/03/2015	Residual Value	WDV as on 31/03/2015
<b>Office Equipments</b>								
Air-Conditioner	-	-	-	-	-	-	0.10	0.10
Cellular phone	-	-	-	-	-	-	0.01	0.01
Counting Machine	-	-	-	-	-	-	0.02	0.02
EPBX	-	-	-	-	-	-	0.02	0.02
Fax Machine	-	-	-	-	-	-	0.02	0.02
Invertor	-	-	-	-	-	-	0.01	0.01
Office Equipment	-	-	-	-	-	-	0.07	0.07
Photostat	-	-	-	-	-	-	0.05	0.05
<b>Electrical installations and Equipment</b>								
Generator	-	-	-	-	-	-	0.08	0.08
<b>Motor Cars other than those used in business of running them on hire</b>								
Car	4.45	-	4.45	-	2.34	2.10	0.46	2.57
Car BMW	24.53	-	24.53	-	11.05	13.47	1.96	15.44
Car BMW	24.53	-	24.53	-	11.05	13.47	1.96	15.44
Car Audi	35.97	-	35.97	-	11.23	24.73	1.93	26.66
<b>Motor Cycles, scooter and other mopeds</b>								
Motor Cycle	0.51	-	0.51	-	0.13	0.38	0.03	0.41
<b>Computers - End user devices such as desktop, laptops, etc</b>								
Computer/Software	1.74	0.38	2.12	-	0.19	0.19	1.74	1.93
<b>Furniture &amp; Fixtures</b>								
Furniture & Fixtures	-	-	-	-	-	-	0.11	0.11
<b>Buildings (other than factory buildings) RCC Frame Structure</b>								
Office Premises	0.57	-	0.57	-	0.04	0.53	0.05	0.58
<b>TOTAL</b>	<b>92.28</b>	<b>0.38</b>	<b>92.66</b>	<b>0.00</b>	<b>36.05</b>	<b>54.88</b>	<b>8.61</b>	<b>63.49</b>



**Notes on Financial Statements for the year ended 31st March, 2015**

	As at 31st March, 2015	(` in Lacs) As at 31st March, 2014
<b>11 Non Current Investments</b>		
<b>Long Term Investments</b>		
Investment in Property bearing No. 1923A, Mangolia, DLF, Gurgaon and paid the consideration in terms of Agreement to Sell. The same is yet to be transferred in the name of the company as the builder (DLF Ltd.) is yet to start the transfer/execution of Conveyance Deed.	847.85	847.80
	<u>847.85</u>	<u>847.80</u>
<b>12 Deferred Tax Assets (Net)</b>		
Related to Fixed Assets	3.29	(5.11)
Disallowances under the Income Tax Act, 1961	13.16	13.16
	<u>16.45</u>	<u>8.05</u>
<b>13 Long Term Loans and Advances</b>		
Loans and Advances to related parties	-	-
Other Loans and Advances	2,999.16	3,492.38
	<u>2,999.16</u>	<u>3,492.38</u>
<b>Sub-classification of Long Term Loans and Advances</b>		
Secured, considered good	2,999.16	3,466.22
Unsecured, considered good	-	26.16
Doubtful	-	-
	<u>2,999.16</u>	<u>3,492.38</u>
<b>14 Other Non Current Assets</b>		
(To the extent off not written off )		
Preliminary Expenses	0.13	0.26
Less: Written Off	0.13	0.13
	<u>-</u>	<u>0.13</u>





**Notes on Financial Statements for the year ended 31st March, 2015**

		( in Lacs)
	As at 31st March, 2015	As at 31st March, 2014
15	<b><u>Cash and Cash equivalents</u></b>	
	Balance with Banks	
	Cash in hand (as certified by a director)	
	3.69	7.95
	<u>3.69</u>	<u>7.95</u>
16	<b><u>Short Term Loans &amp; Advances</u></b>	
	Loans and advances	
	2,956.76	2,824.30
	<u>2,956.76</u>	<u>2,824.30</u>
	<b><u>Sub-classification of Loans and Advances</u></b>	
	Secured, considered good	
	2,941.74	2,699.50
	Unsecured, considered good	
	15.02	124.80
	Doubtful	
	<u>2,956.76</u>	<u>2,824.30</u>
	<b><u>Sub-classification of Loans and Advances</u></b>	
	Due from Directors, Officer or parties in which they are interested	
	-	-
	Other	
	2,956.76	2,824.30
	<u>2,956.76</u>	<u>2,824.30</u>
17	<b><u>Other Current Assets</u></b>	
	TDS and Advance Tax (net of provision for tax)	
	19.23	16.68
	Trade Receivables ( Less than six months)	
	91.47	54.87
	Other Current Assets	
	880.19	735.23
	<u>990.89</u>	<u>806.78</u>
18	<b><u>Revenue From Operations</u></b>	
	Interest Received	
	1,182.31	1,100.62
	<u>1,182.31</u>	<u>1,100.62</u>
19	<b><u>Other Income</u></b>	
	Management/Processing Fees	
	5.87	2.57
	<u>5.87</u>	<u>2.57</u>
20	<b><u>Employee Benefit Expense</u></b>	
	Staff Salary(including bonus, gratuity, conveyance,etc)	
	27.11	27.40
	Director Remuneration	
	62.98	38.40
	Staff Welfare Expenses	
	10.57	9.16
	<u>100.66</u>	<u>74.96</u>
21	<b><u>Financial Costs</u></b>	
	Interest Paid	
	524.69	546.50
	Interest paid on TDS	
	0.08	-
	Bank Charges	
	66.43	0.41
	<u>591.20</u>	<u>546.91</u>



**Notes on Financial Statements for the year ended 31st March, 2015**

		(' In Lacs)	
		As at 31st March, 2015	As at 31st March, 2014
22	<b>Administrative &amp; Other Expenses</b>		
	Advertisement	1.11	17.18
	Annual General Meeting Expenses	4.77	4.78
	Annual Listing Fees	0.30	0.08
	Audit Fees	1.00	1.00
	Books & Periodicals	1.31	1.51
	Business Promotion Expenses	2.58	6.67
	Conveyance Expenses	3.51	4.45
	Club Expenses	0.28	0.14
	Collection Charges	4.19	12.08
	Commission	45.00	51.40
	Computer Operation & Maintenance	6.37	7.92
	Conference Expenses	5.54	8.60
	Courier & Postage	0.33	0.29
	Donation	0.10	0.67
	Electricity & Water Expenses	9.14	5.91
	Entertainment Expenses	1.32	2.09
	Fees & Registraton	0.44	7.65
	Festival Expenses	5.39	6.20
	Filing Fees	0.18	0.06
	Generator Expenses	0.46	0.73
	Insurance Expenses	1.11	1.83
	Legal & Professional Expenses	25.51	18.65
	Miscellaneous Expenses	0.41	0.11
	Office Repair & Maintenance	8.17	18.88
	Printing Stationery & Photostat	4.05	4.44
	Property Tax	0.04	0.69
	Rent	-	3.00
	Telephone Expenses	1.59	2.49
	Travelling Expenses	4.42	8.71
	Vehicle Running & Maintenance	8.24	4.82
		<b>146.86</b>	<b>203.03</b>

23	<b>1 OTHER NOTES</b>	Amount in	
		Current Year	Previous Year
	a Director Remuneration	6,296,400	3,840,000
	b Auditor.s Remuneration Audit Fees	100,000	100,000
	c Foreign Exchange Earning	Nil	Nil
	Foreign Exchange Outgo	Nil	Nil
	d Contingent Liabilities not provided for Disputed Income Tax Demand	449,800	Nil

There is income tax demand of Rs 94770/- for Asstt Yr 2006-07 and Rs 3,55,030/- for Asstt Yr 2012-13 as per the department. The company has obtained relief from CIT (A) for Asstt Yr 2006-07 for which effect is to be given by the department. For Asstt Yr 2012-13, the appeal is pending before CIT (A), as the company has got relief from CIT(A) in earlier years and the issues are same, hence the company is hopeful of getting relief in this year also and accordingly in the opinion of management no provision is required for the outstanding demand.

e	Claims against the Company not acknowledged as debts	Nil	Nil
f	Estimated amount of contracts remaining to be executed on capital account and not provided for	Nil	Nil

**2 Related party disclosures**

A List of Related Parties and their relationship:

**Individual Promoters**

- 1.Naresh Garg, the person having control during the year
- 2.Sangeeta Garg, the person having control during the year

**B Associates**

- Genesis Holdings Private Limited
- Genesis Dream Merchants Private Limited

**C Relatives**

- Prateet Garg

**D Key Managemnt Personnel**

- Gopal Bisht- Director



**E Transaction during the year with related parties:**

			in Lacs
		Key Management Personnel	Relatives
Balance as at 31.03.2015	Associate		
1 Short Term Loans given	-	-	-
2 Commission Paid	-	-	-
3 Directors' Remuneration	-	62.98 (38.40)	-

(Figures in brackets are for previous year)

**2 ADDITIONAL INFORMATION**

There is no other additional information required to be disclosed pursuant to provisions of Schedule III to the Companies Act, 2013.

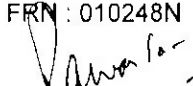
**GENERAL**

The Financial statement have been prepared as per revised schedule III of The Companies Act, 2013.

The previous year figures have been regrouped / reclassified, wherever deemed necessary to conform to the current presentation or make them comparable with last years' figures.

**As per our Report of even date.**


For P.K Soni & Co.  
Chartered Accountants  
FRN : 010248N

  
**Pawan Kumar Soni**  
Proprietor  
MRN : 052849  
New Delhi  
Dated: 30-05-2015



for and on behalf of the Board

  
**Naresh Garg**  
Managing  
Director

  
**Sangeeta Garg**  
Director

**Note 24 ANNEXED TO THE BALANCE SHEET AS AT 31.03.2015 OF NBFCs**

(As required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Banks) Directions, 1998)

**LIABILITIES SIDE**

Serial No.	Particulars	in Lacs	
		Amount Outstanding	Amount Overdue
1	Loans and Advances availed by NBFC inclusive of Interest Accrued thereon but not paid		
	(a) Debentures		
	- Secured	Nil	Nil
	- Unsecured	Nil	Nil
	(Other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	Nil	Nil
	(c) Term Loans	2,445.39	Nil
	(d) Inter-corporate Loans and borrowings	Nil	Nil
	(e) Commercial Paper	Nil	Nil
	(f) Public Deposits	Nil	Nil
	(g) Cash Credit/ Working Capital Limit from Bank	971.89	Nil
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
	(a) In the form of unsecured debentures	Nil	Nil
	(b) In the form of secured debentures i.e., debentures where there is a shortfall in value of security	Nil	Nil
	(c) Other public deposits	Nil	Nil
<b>ASSETS SIDE</b>			
3	Break-up of Loans and Advances including Bills receivables (other than those included in (4) below)		
	(a) Secured		
	Long Term		2,999.16
	Short Term		2,941.74
	Sub Total		5,940.90
	(b) Unsecured		
	Long Term		
	Short Term		15.02
	Sub Total		15.02
	Total		5,955.92
4	Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		
	(i) Lease assets including lease rentals under sundry debtors		Nil
	(ii) Stock on hire including hire charges under sundry debtors		Nil
	(iii) Hypothecation loans counting towards EL/HP activities		Nil



in Lacs

5	Break-up of Investments				IN 2000
	<u>Current Investments*</u>				
	1	Quoted			
		(i)	Shares		
			(a) Equity		Nil
			(b) Preference		Nil
		(ii)	Debentures and Bonds		Nil
		(iii)	Units of mutual funds		Nil
		(iv)	Government Securities		Nil
		(v)	Others (please specify)		Nil
	2	Unquoted			
		(i)	Shares		
			(a) Equity		Nil
			(b) Preference		Nil
		(ii)	Debentures and Bonds		Nil
		(iii)	Units of mutual funds		Nil
		(iv)	Government Securities		Nil
		(v)	Others (please specify)		Nil
	* Held as Stock in Trade				
	<u>Long Term Investments</u>				
	1	Quoted			
		(i)	Shares		
			(a) Equity		Nil
			(b) Preference		Nil
		(ii)	Debentures and Bonds		Nil
		(iii)	Units of mutual funds		Nil
		(iv)	Government Securities		Nil
		(v)	Others (please specify)		Nil
	2	Unquoted			
		(i)	Shares		
			(a) Equity		Nil
			(b) Preference		Nil
		(ii)	Debentures and Bonds		Nil
		(iii)	Units of mutual funds		Nil
		(iv)	Government Securities		Nil
		(v)	Investment in property		847.85

6	Borrower group-wise classification of all leased assets, stock on hire and loans and advances see Note 2 below			Please	
	Category		Amount net of provisions		
			Secured	Unsecured	Total
	1	Related Parties**			
		(a) Subsidiaries	Nil	Nil	Nil
		(b) Companies in the same group	Nil	Nil	Nil
		(c) Other related parties	-	-	0
	2	Other than related parties	5,940.90	15.02	5,955.92
		Total	5,940.90	15.02	5955.92



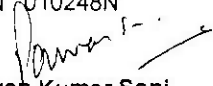
in Lacs

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
	1 Related Parties**		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group	Nil	Nil
	(c) Other related parties	Nil	Nil
	2 Other than related parties	Nil	Nil
	Total	Nil	Nil
** As per Accounting Standard 18 of ICAI			

8	Other Information		Amount
	(i) Gross Non-Performing Assets		
	(a) Related Parties		Nil
	(b) Other than Related Parties		Nil
	(ii) Net Non-Performing Assets		
	(a) Related Parties		Nil
	(b) Other than Related Parties		Nil
	(iii) Assets acquired in satisfaction of debts		Nil

As per our Report of even date.

For P.K Soni & Co.  
Chartered Accountants  
FRN : 010248N

  
**Pawan Kumar Soni**  
Proprietor  
MRN : 052849  
New Delhi  
Dated: 30-05-2015



for and on behalf of the Board

  
**Nareesh Garg**  
Managing Director

  
**Sangeeta Garg**  
Director

**BOARD REPORT**  
**GENESIS FINANCE COMPANY LIMITED**

**Dear Shareholders,**

Your Board of Directors take immense pleasure in presenting the Twenty Fifth Annual Report along with the Audited Financial Statements for the Financial Year ended on 31<sup>st</sup> March, 2015 of Genesis Finance Company Limited. Further, in compliance with the Companies Act, 2013 the Company has made all requisite disclosures in this Board Report with the objective of accountability and transparency in its operations to make you aware about its performance and future perspective of the Company.

**1. KAPIL BERERA's DECLARATION OF NON-INDEPENDENCE**

Dear members, before going further with the Board Report, as a matter of good governance practice, your Board of Directors want to inform you that the Non-Executive Independent Director of the Company – Mr. Kapil Berera who had been on the Board since late 1980s and was serving as the independent Director has given his declaration of Non-Independence vide his letter dated 14<sup>th</sup> August, 2015. He stands out to be a Promoter of the Company and so the stand of independence is certainly quashed and conclusively he furnished such information to the Board following which he was removed from the position of Independent Director to being only Non-executive Promoter Director on the Board.

In the entire Board Report, his status has been shown as **“Non-Executive Independent Director”** but that is because the Board Report relates to FY 2014-15 in which he acted as in that capacity.

**2. MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

To avoid duplication between the Board's Report and the Management Discussion and Analysis Report, your Board presents below a composite summary of performance of the business and functions of the Company.

**3. EXTRACT OF ANNUAL RETURN IN FORM MGT-9 AS PER SECTION 92 (3), SECTION 134(3)(a) AND RULE 11 OF THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014**

In compliance with the above said provisions the extract of the Annual Return has been annexed with this Board Report in Form MGT-9 as **Annexure – I**.

**4. FINANCIAL RESULTS [AOC-3]**

Particulars	Year ended March 31 <sup>st</sup> , 2015 (in lacs)	Year ended March 31 <sup>st</sup> , 2014 (in lacs)
Total Income (including other income)	1188.18	1103.19
Expenditure	838.85	825.03

<b>Cash Profit</b>	349.33	278.29
<b>Less :Depreciation and amortization expenses</b>	36.05	15.1
<b>Profit before Tax</b>	313.28	263.03
<b>Less :Tax Paid</b>	105.61	85.71
<b>Profit After Tax</b>	207.67	177.32
<b>Balance brought forward</b>	---	---
<b>Surplus carried forward</b>	---	---
<b>Transfer to reserves</b>	207.67	177.32

## 5. MEETINGS OF THE BOARD

A company is a Chariot driven through by its Charioteer. The company is not a small Chariot and hence it has multiple Charioteers which together come up as ONE team of Board of Directors. To have detailed discussions over the business matters of utmost important and carrying concern with the business objectives of the Company the Board has to assemble together to seek the best solution and choose a path which is necessary for continues and prosperous growth of the Company.

During the period under review, your Board of Directors met for six times as specified in detail below –

<b>BOARD MEETINGS</b>	<b>BOARD MEETING DATES</b>
1 <sup>st</sup> Board Meeting	30 <sup>th</sup> May, 2014
2 <sup>nd</sup> Board Meeting	1 <sup>st</sup> July, 2014
3 <sup>rd</sup> Board Meeting	14 <sup>th</sup> August 2014
4 <sup>th</sup> Board Meeting	14 <sup>th</sup> November, 2014
5 <sup>th</sup> Board Meeting	28 <sup>th</sup> January, 2015
6 <sup>th</sup> Board Meeting	13 <sup>th</sup> February, 2015

## 6. INFORMATION ON STATE OF THE COMPANY AFFAIRS

During the year under review, your Company earned a profit before tax of Rs. 313.28 Lacs as compared to Net Profit before tax of Rs 263.03 Lacs in the previous year. The total income from Finance and other activity of Company has been increased from Rs 1103.19 Lacs to Rs 1,188.18 Lacs.

Depicting the growth parameter from the angle of financial aspect, the steady walk of the company continues. However, it is to be noticed that the year 2014-15 has been an important year remarked with amendments, circulars, notifications in law from time and again. The environment wasn't very stable but the growth is commendable in the present situations. We have assurances and belief on our plans and strategies and so consider it to be the crop growing season that has been passed and coming forth is the harvesting year.



## **7. MATERIAL CHANGE IN THE NATURE OF THE BUSINESS AFFECTING FINANCIAL POSITION OF THE COMPANY**

There has been one material change in the affairs and existence of the Company since the day of the end of the Financial Year till the date of approval of Board Report and that is the company has ceased to be a listed entity. It has been placed in the Dissemination Board by the order of SEBI dated 19<sup>th</sup> November, 2014. The information was received by the Company vide a mail dated 12<sup>th</sup> July 2015 stating the list of the companies which have been shifted to the Dissemination Board.

The Companies exclusively listed on de-recognized Stock Exchanges were given an exit opportunity vide letter dated 19<sup>th</sup> November, 2014 for either direct listing to Recognised Stock Exchange or for De-listing. The Company could not take any step on either of the legs and hence it was shifted to Dissemination Board by the Delhi Stock Exchange along with other 1000 plus companies. However, the Company continues to operate the NBFC business.

## **8. DIVIDEND& RESERVES RATIO**

In view with the decent growth prospects and probability for a boom in the industry the retaining of profits is advised by the Finance team of the company for having higher returns. Consequently, your Directors have decided to retain the profits for the operations of the company. As such, the Board has not recommended any Dividend for the year under review. Henceforth, the company after paying off its expenses and taxes recommends retaining the entire profit.

## **9. FIXED DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 73 of the Companies Act, 2013 and the Companies (Acceptance of Deposits) Rules, 2014.

## **10. CHANGE IN SHARE CAPITAL DURING THE FINANCIAL YEAR 2014-15**

There is no change in share capital structure of the Company during the financial year 2014-15.

## **11. DIRECTORS**

**MRS. SANGEETA GARG (DIN – 01117956) Whole Time Director** of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, offer herself for re-appointment. The Board advises for her re-appointment.

## **12. DIRECTORS' RESPONSIBILITY STATEMENT**

The Company has taken the utmost care in its operations, compliance, transparency, financial disclosures and the financial statements have been made to give a true and fair view of the state of affairs of the Company. As required under Section 134(5) and 134(3)(c), and based upon the detailed representation, due diligence and inquiry thereof your Board of Directors assures and confirms as under –

- (a) In the preparation of the annual accounts for the financial year ended on 31st March, 2015, the applicable Accounting Standards have been followed and there are no material departures from the same;
- (b) The selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2015 and of the profit of the Company for that period.
- (c) Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The annual accounts have been prepared on 'going concern' basis;
- (e) The Internal financial controls have been laid down by the Company and such financial controls were adequate and operating effectively and;
- (f) Proper systems had been devised in compliance with the provision of all the applicable laws and such systems were adequate and operating effectively.

### 13. CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement, the report on Corporate Governance together with the Auditors' Certificate on compliance in this regard and Managing Director's declaration regarding compliance of Code of Conduct by Board Members and Senior Management Personnel is attached and forms part of this Report as **Annexure-II**.

### 14. STATUTORY AUDITOR'S REPORT

The observations of the Auditors' report read together with the relevant notes to the accounts are self-explanatory and therefore, do not call any further comments.

However, according to information and explanations given to auditors, the following dues of income-tax have not been deposited on account of pending litigation before the Income Tax Authorities :-

Name of the statute	Nature of Dues	Amount (Rs)	Period	Forum where dispute is pending
Income Tax Act, 1961	Income Tax	Rs 3,55,030	Assessment Year 2012-13	CIT(A), Delhi
Income Tax Act, 1961	Income Tax	Rs. 94,770	Assessment Year 2006-07	A.O. to give effect of appeal order given by CIT(A)

### 15. DETAILS OF THE STOCK EXCHANGES WHERE THE SHARES ARE LISTED

The Company's Equity Shares are presently not listed on any Stock Exchange as Delhi Stock Exchange Limited (DSE) has put the Company on Dissemination Board due to its on-going recognition issue.

#### **16. DECLARATION OF INDEPENDENCE BY INDEPENDENT DIRECTORS UNDER SECTION 149(6) OF COMPANIES ACT, 2013**

Presently the Company has two Independent Directors namely:

- a. Umang Sarkar
- b. Kapil Berera

who have given declaration as required in sub-section (6) of Section 149 of the Companies Act, 2013.

#### **17. DISCLOSURE RELATING TO RISK MANAGEMENT POLICY**

The Board of Directors of your Company constituted a Risk Management Committee and framed a Risk Management Policy in terms of Companies Act, 2013 and rules framed there under.

#### **18. DISCLOSURE IN RELATION TO THE VIGIL MECHANISM**

The Board of Directors of your Company in its meeting considered the adoption of Vigil Mechanism Policy in compliance of Section 177 (9) of Companies Act, 2013 in place of existing Whistle Blower Policy.

#### **19. DISCLOSURE ON THE NOMINATION AND REMUNERATION POLICY OF THE COMPANY PURSUANT TO SECTION 134(3) (e) AND SECTION 178 (3)**

The Board of Directors of your Company has constituted The Nomination and Remuneration Committee with the requisite terms of reference as required under Section 178 of the Companies Act, 2013 and other applicable provisions thereof. The Details of the Nomination and Remuneration Committee has been provided under Corporate Governance Report, which forms part of this Annual Report.

#### **20. COMPOSITION OF AUDIT COMMITTEE**

The Composition of Audit Committee as on 31<sup>st</sup> March, 2015 is as under:-

<b>Name of the Directors</b>	Umang Sarkar	Kapil Berera
<b>Designation</b>	Member & Chairman	Member
<b>Category</b>	Independent Director	Independent Director

The composition of the Audit Committee, its meetings, powers, roles, terms of references etc. have been provided under Corporate Governance Report, which forms part of this Annual Report.

#### **21. EVALUATION BY BOARD OF ITS OWN PERFORMANCE, ITS COMMITTEES AND INDIVIDUAL DIRECTORS WITH REFERENCE TO SECTION 134(3)(p) OF**

**COMPANIES ACT 2013 AND RULE 8(4) OF COMPANIES (ACCOUNTS) RULES, 2014  
AND CLAUSE 49 IV(B) OF LISTING AGREEMENT**

Pursuant to the above said provisions of the Companies Act, 2013, Rules thereof and Clause 49 of the Listing Agreement, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of its Committees as per the criteria laid down in the Nomination, Remuneration and Evaluation policy. Further the Independent directors have also reviewed the performance of Non-Independent directors and Board as a whole including reviewing the performance of the Chairperson of the Company taken into account the views of Executive Directors and Non-Executive Directors vide their separate meeting which was held on 30<sup>th</sup> March, 2015 at the registered office of the company at New Delhi.

**22. PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS – SECTION 186**

The company has not given any loans or guarantees covered under the provisions of section 186 of the Companies Act, 2013. The details of the investments made by company are given in the notes to the financial statements. Such investments made are exempt under the *Proviso* to sub-section 11(a) of Section 186.

**23. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES REFERRED TO IN SUB SECTION 1 OF SECTION 188**

As there are no such transactions has been entered by the company so no AOC-2 is required to be given in this report.

**24. THE DETAILS OF DIRECTORS OR KEY MANAGERIAL PERSONNEL WHO WERE APPOINTED OR HAVE RESIGNED DURING THE YEAR**

APPOINTMENTS		CESSATIONS	
Name	Date	Name	Date
Smriti Sharma – Company Secretary	1 <sup>st</sup> July, 2014	Arvind Kumar Sharma	5 <sup>th</sup> August, 2014
Gopal Singh Bisht Chief Financial Officer	1 <sup>st</sup> August, 2014	Girish Sareen – Independent Non- Executive Director	8 <sup>th</sup> October, 2014
Umang Sarkar – Independent Non- Executive Director	14 <sup>th</sup> August, 2014	Smriti Sharma – Company Secretary	1 <sup>st</sup> December 2014

**25. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS**

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

**26. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has an independent Internal Control System, commensurate with the size, scale and Complexity of its operations. The Audit Committee of the Company has been delegated power to review the internal control systems and its adequacy.

The Audit Committee monitors and evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its branches.

## **27. AUDITORS**

### **1. STATUTORY AUDITORS**

In the Twenty Fourth (24<sup>th</sup>) Annual General Meeting of the Company M/s. P.K. Soni & Co. – Chartered Accountants were appointed as the statutory auditors of the Company for a term of 3 years i.e. to hold the office as Statutory Auditors upto the conclusion of the Twenty Seventh (27<sup>th</sup>) Annual General Meeting to be held in the year 2017. The said appointment was in terms of Section 139 of the Companies Act and rules made pursuant to it.

### **2. SECRETARIAL AUDITORS**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Abhimanyu Upadhyaya bearing COP No – 4729 and Membership Number – FCS 5921 of M/s.A. UPADHYAYA & ASSOCIATES, Practicing Company Secretaries having office at 209, 2nd Floor, 6/41, Sunder Kiran Building WEA, Karol Bagh, New Delhi-110005 to undertake the Secretarial Audit of the Company, for the financial year 2014-15.

The Report of the Secretarial Audit is annexed herewith as **Annexure-III**. There are no qualifications in the Report of Secretarial Auditor and hence commands no clarifications.

### **3. INTERNAL AUDITORS**

The company has appointed Mr. Gulshan Jhurani, Chartered Accountant, as Internal Auditor of the company in its meeting held on 14<sup>th</sup> August, 2014, for the Financial Year 2014-15.

Further his re-appointment has been put forth at the ensuing 25<sup>th</sup> Annual General Meeting of the Company.

## **28. DISCLOSURES PURSUANT TO SECTION 197 (12) AND RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**Required disclosures are as under –**

**1. THE RATIO OF REMUNERATION OF EACH DIRECTOR TO THE MEDIAN EMPLOYEES REMUNERATION OF THE COMPANY FOR THE FY 2014-2015**

S.No.	Name	Designation	CTC	Median Employee Salary	Ratio
1.	Naresh Garg	Managing Director	36,00,000	2,04,000	17.64:1
2.	Sangeeta Garg	Whole Time Director	24,00,000	2,04,000	11.76:1
3.	Gopal Singh Bisht	Whole Time Director	2,98,400	2,04,000	1.46:1

**Note:-**

- Ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year: The information required pursuant to Section 197 read with Rule 5(1)(i) of The Companies (Appointment and Remuneration) Rules, 2014 in respect of ratio of remuneration of each director to the median remuneration of the employees of the Company for the Financial Year, will be made available for inspection at its registered office of the Company during the working hours for a period of twenty one days before the date of annual general meeting of the company pursuant to Section 136 of the Companies Act, 2013 and members, if any interested in obtaining the details thereof, shall make specific request to the Compliance officer of the Company in this regard.
- Required median has been calculated by considering the annual cost to the Company (CTC) for the Directors and Employees.

**2. THE PERCENTAGE INCREASE IN REMUNERATION OF EACH DIRECTOR, CHIEF FINANCIAL OFFICER, CHIEF EXECUTIVE OFFICER, COMPANY SECRETARY OR MANAGER, IN THE FINANCIAL YEAR 2014-2015**

The changes made in the remuneration of each director, chief financial officer, chief executive officer, company secretary or manager in the financial year is as follows:-

S. No.	Name	Designation	Remuneration paid in 2013-14	Remuneration paid in 2014-15	Change	Percentage (%)
1	Naresh Garg	Managing Director	24,00,000	36,00,000*	12,00,000	50.00
2	Sangeeta Garg	Chairman & Whole-Time Director	12,00,000	24,00,000**	12,00,000	100
3	Gopal Singh Bisht	Whole-Time Director	2,40,000	2,98,400***	58,400	24.33
4	Smriti Sharma	Company Secretary	-	1,00,000****	-	-

**NOTES:-**

- \* - Remuneration of Mr. Naresh Garg was increased from Rs. 2,00,000/- to Rs. 3,50,000/- per month w.e.f. 1<sup>st</sup> August, 2014

\*\* - Remuneration of Mrs. Sangeeta Garg was increased from Rs. 1,00,000/- to Rs. 2,50,000/- per month w.e.f. 1<sup>st</sup> August, 2014

\*\*\* - Remuneration of Mr. Gopal Singh Bisht was revised in Board Meeting dated 14<sup>th</sup> August, 2014 from Rs. 20,000/- to Rs. 30,000/- per month w.e.f. 1<sup>st</sup> October, 2014

\*\*\*\* - Remuneration to Ms. Smriti Sharma was paid only from 1<sup>st</sup> July 2014 to 30<sup>th</sup> November, 2014 as she had resigned from the position w.e.f. 1<sup>st</sup> December, 2014

### 3. THE PERCENTAGE INCREASE IN THE MEDIAN REMUNERATION OF EMPLOYEES IN THE FINANCIAL YEAR

The details of percentage increase in the median remuneration of employees in the Financial Year are as follows:-

Median of Common employees from April 2014 to March 2015 –

Remuneration of Apr-14 (Total earning + Employer PF)	Remuneration of Mar-15 (Total earning + Employer PF)	Increase	Percentage
20,000	20,000	-	-

### 4. THE NUMBER OF PERMANENT EMPLOYEES ON THE ROLLS OF COMPANY

The number of permanent employees on the rolls of the Company as on 31<sup>st</sup> March, 2015 is Twelve (12).

Name of the Company	As on 31st March 2014 (No. of Employees on Payrolls)	As on 31st March 2015 (No. of Employees on Payrolls)	% Change During The Year
Genesis Finance Company Limited	16	12	-25%

### 5. THE EXPLANATION ON THE RELATIONSHIP BETWEEN AVERAGE INCREASE IN REMUNERATION AND COMPANY PERFORMANCES

#### COMPANY PERFORMANCE

(in lacs)

PARTICULARS	FINANCIAL YEAR 2013-2014	FINANCIAL YEAR 2014-2015	% Change
Total Revenue	1103.19	1188.18	7.70
Profit Before Tax	263.03	313.28	19.10
Profit After Tax	177.32	207.67	17.11
Total Remuneration Paid	74.96	100.66	34.28

The overall remuneration paid by the company has gone up by 34.28% as compared to previous financial year. Most of the employees of the company have only the fixed components with negligible variable components hence the remuneration paid does not vary

with the revenue or Profit after tax of the company. The nature of the business of the company directly relates with market conditions, economic environment, government stability and various other factors. The company has the practice of having a long term relationship with its employees and thus do not have major impact of increase/decrease in revenue or change in market conditions. The company evaluates its employees, KMP's, as per nomination and remuneration and evaluation policy adopted by the board.

#### **6. COMPARISON OF THE REMUNERATION OF THE KEY MANAGERIAL PERSONNEL AGAINST THE PERFORMANCE OF THE COMPANY**

<b>S. No</b>	<b>Name</b>	<b>Designation</b>	<b>Remuneration paid in F.Y. 13-14</b>	<b>Remuneration paid in F.Y. 14-15</b>	<b>Change</b>	<b>Percent (%)</b>
<b>1</b>	Naresh Garg	Managing Director	24,00,000	36,00,000*	12,00,000	50.00
<b>2</b>	Gopal Singh Bisht	Chief Financial Officer	2,40,000	2,98,400**	58,400	24.33
<b>3</b>	Smriti Sharma	Company Secretary	-	1,00,000***	-	-

\* - Remuneration of Mr. Naresh Garg was increased from Rs. 2,00,000/- to Rs. 3,50,000/- per month w.e.f. 1<sup>st</sup> August, 2014.

\*\* - Remuneration of Mr. Gopal Singh Bisht was revised in Board Meeting dated 14<sup>th</sup> August, 2014 from Rs. 20,000/- to Rs. 30,000/- per month w.e.f. 1<sup>st</sup> October, 2014

\*\*\* - Remuneration to Ms. Smriti Sharma was paid only from 1<sup>st</sup> July 2014 to 30<sup>th</sup> November, 2014 as she had resigned from the position w.e.f. 1<sup>st</sup> December, 2014.

The standalone profit after tax of the company has increased during the current financial year i.e. 2014-15 by 17.11% as compared to FY 2013-14. The remuneration of the KMP's are duly reviewed on annual basis keeping in mind the tenure, the past performance and current performance.

#### **7. AVERAGE PERCENTILE INCREASE ALREADY MADE IN THE SALARIES OF EMPLOYEES OTHER THAN THE MANAGERIAL PERSONNEL IN THE LAST FINANCIAL YEAR AND ITS COMPARISON WITH THE PERCENTILE INCREASE IN THE MANAGERIAL REMUNERATION AND JUSTIFICATION THEREOF AND POINT OUT IF THERE ARE ANY EXCEPTIONAL CIRCUMSTANCES FOR INCREASE IN THE MANAGERIAL REMUNERATION**

The details relating to the average percentile increase in the salary from last financial year is as follows:



(in lacs)

Remuneratio n paid to employees excluding managerial personnel for the FY 2013- 2014	Remuneratio n paid to employees excluding managerial personnel for the FY 2014- 2015	% Change in remuneratio n paid to employees excluding managerial personnel	Remuneratio n paid to managerial personnel for the FY 2013- 2014	Remuneratio n paid to managerial personnel for the FY 2014- 2015	% Change in remuneratio n paid to managerial personnel
<b>36.56</b>	<b>37.68</b>	<b>3.06</b>	<b>38.40</b>	<b>62.98</b>	<b>64.01</b>

The salaries of the employees other than managerial personnel in comparison to last financial year has increased by 3.06% However, the managerial remuneration has increase manifold during the financial year because of the increase in managerial remuneration of our Managing Director Mr. Naresh Garg and one Whole-Time Director Mrs. Sangeeta Garg. The reason for such manifold increase in their remuneration was due to their efficient capabilities and strength the company has returned on profit making track and so their hard needed to be significantly awarded. Further, remuneration of the other KMP's has been reviewed as recommended by Nomination and remuneration Committee of the company and approved by the Board. Further, the remuneration has been paid in accordance with the remuneration policy of the company.

**8. THE KEY PARAMETERS FOR ANY VARIABLE COMPONENT OF REMUNERATION AVAILED BY THE DIRECTORS**

There is no variable component in the remuneration availed by the Directors.

**9. THE RATIO OF REMUNERATION OF THE HIGHEST PAID DIRECTORS TO THAT OF THE EMPLOYEES WHO ARE NOT DIRECTORS BUT RECEIVE REMUNERATION IN EXCESS OF THE HIGHEST PAID DIRECTORS DURING THE YEAR**

There is no employee in the Company who receives remuneration in excess of the highest paid Director during the Year.

**10. AFFIRMATION THAT THE REMUNERATION IS AS PER THE REMUNERATION POLICY OF THE COMPANY**

The Company is in compliant with the remuneration as specified in its remuneration policy. There is no director/KMP who receives remuneration which is not in terms with the policy laid down by the Board.

**29. DISCLOSURE OF RELATION SHIPS BETWEEN DIRECTORS INTER-SE**

Two Directors of the Company are related to each other in accordance with section 2 (77) of the Companies Act, 2013 and Rule 4 of the Companies (Specification of Definitions Details) Rules, 2014.

- a) Sangeeta Garg
- b) Naresh Garg

### **30. DISCLOSURE ON NO. OF SHARES AND CONVERTIBLE DEBENTURES HELD BY NON-EXECUTIVE DIRECTORS**

6500 Equity shares are held by Kapil Berera(Non- Executive Director) of the Company as on 31<sup>st</sup>March, 2015. No Convertible Debentures has been issued by the Company as on 31<sup>st</sup>March, 2015.

### **31. DETAILS AND INFORMATION AS REQUIRED UNDER SECTION 134 (3) (1) OF THE COMPANIES ACT, 2013**

No material changes and commitments, have taken place between the end of the financial year of the company to which the balance sheet relates and the date of report, which affects the financial position of the Company.

### **32. CONSERVATION OF ENERGY,TECHNOLOGY ABSORPTION**

The Company's (Disclosure of Particulars in the Report of the Board of Directors') Rules, 1998, require the disclosure of particulars regarding Conservation of Energy in Form-A and Technology Absorption in Form-B prescribed by the Rules. The Company not being a Manufacturing Company is advised that the requirements of Forms-A &B are not applicable.

### **33. FOREIGN EXCHANGE EARNINGS AND OUTGO**

Earning:	Nil
Outgo:	Nil

### **34. OPPORTUNITY & THREATS**

The economy is growing at slow pace during the year under review, believing that such a strategy will provide just reasonable investment opportunity in the future. Moreover high inflation can adversely affect the investment decision.

### **35. RISK AND CONCERNS**

GFCL is exposed to specific risks that are particular to its businesses and the environment within which it operates, including interest rate volatility, economic cycle, market risk, and credit risk, GFCL manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

### **36. CORPORATE SOCIAL RESPONSIBILITY**

The Company does not have a Corporate Social Responsibility Committee as the Company does not fall in any criteria listed under Section 135(1) of the Companies Act, 2013 which specifies that every company having

- Net Worth of Rs. 500 Crores or more; or
- Turnover of Rs. 1000 Crores or more; or

- Net Profit of Rs. 5 Crores or more

shall constitute a Corporate Social Responsibility Committee of the Board.

### 37. ACKNOWLEDGEMENT

Your Directors wish to express their grateful appreciation for the valuable support and co-operation received from sub-brokers, business associates, vendors, bankers, financial institutions, investors, stakeholders, registrar and share transfer agent, other business affiliates and media.

The Board places on record its sincere appreciation towards the Company's valued customers for the support and confidence reposed by them in the organization and the stakeholders for their continued co-operation and support to the company and looks forward to the continuance of this supportive relationship in future.

Your Directors also place on record their deep sense of appreciation for the devoted services of the employees during the year under review.

For and on Behalf of the Board

**GENESIS FINANCE COMPANY LIMITED**

  
**NARESH GARG**  
Managing Director  
DIN: - 00916814

  
**SANGEETA GARG**  
Whole-Time Director & Chairman  
DIN: - 01117956

Encl –

1. Annexure – I : MGT-9
2. Annexure – II : Corporate Governance Report
3. Annexure – III : Secretarial Audit Report

Date:-21. August.2015

Place:- New Delhi

## Annexure A

### MGT-9

#### Extract of Annual Return

As on the Financial Year ended on March 31, 2015

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

#### I. Registration And Other Details:

<b>CIN</b>	<b>L65910DL1990PLC040705</b>
<b>Registration Date</b>	03/07/1990
<b>Name of the Company</b>	Genesis Finance Company Limited
<b>Category / Sub-Category of the Company</b>	Listed Public Company Limited by Shares/ Indian Non-Government Company
<b>Address of the Registered office and contact details</b>	4 MMTC/STC Market, Geetanjali, New Delhi - 110017 E-Mail ID – cs.gfcl@gmail.com Tel. No: 011-26691132 Fax: N/A
<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	Skyline Financial Services Pvt. Ltd. D-153 A, 1 <sup>st</sup> Floor Okhla Industrial Area, Phase-I New Delhi- 110020

#### 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:

Name and Description of main products/ services	NIC Code of the Product/S service	% of Total Turnover to the Company
<b>Other Credit Granting</b> This class includes financial service activities primarily concerned with making loans by institutions not involved in monetary intermediation (such as venture capital companies, industrial banks, investment clubs), where the granting of credit can take a variety of forms, such as loans, mortgages, credit cards etc. This class excludes: - credit granting for house purchase by specialized institutions that also take deposits, see 6419 - operational leasing, see division 77, according to type of goods leased	64920	100.00%

### III. Particulars of Holding, Subsidiary And Associate Companies:

Name and Address of the Company	CIN	Holding/ Subsidiary/ Associate	% of Shares held	Applicable Section
<b>N/A</b>				

**Note:** Company has no holding and subsidiary companies.

### IV. Share Holding Pattern (Equity Share Capital Breakup as Percentage of Total)

#### I. Category- Wise Shareholding

	Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
A.	Promoter									
1	Indian									
a)	Individuals/ HUF	1003630	1279120	2282750	47.38	1003630	1279120	2282750	47.38	NIL
b)	Central Government	-	-	-	-	-	-	-	-	-
c)	State Government(s)	-	-	-	-	-	-	-	-	-
d)	Bodies Corporate	240000	377432	617432	12.82	240000	377432	617432	12.82	NIL
e)	Banks/FI	-	-	-	-	-	-	-	-	-
f)	Any Others	-	-	-	-	-	-	-	-	-
Sub Total(A)(1)		1243630	1656552	2900182	60.20	1243630	1656552	2900182	60.20	NIL
2	Foreign									
a)	NRIs- Individuals	-	-	-	-	-	-	-	-	-
b)	Other- Individuals	-	-	-	-	-	-	-	-	-
c)	Bodies Corporate	-	-	-	-	-	-	-	-	-
d)	Banks/FI	-	-	-	-	-	-	-	-	-

	Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
e)	Any Other	-	-	-	-	-	-	-	-	-
Sub Total(A)(2)		-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)		1243630	1656552	2900182	60.20	1243630	1656552	2900182	60.20	NIL
B.	Public shareholding									
1	Institutions									
a)	Mutual Funds/ UTI	-	-	-	-	-	-	-	-	-
b)	Banks/FI	-	-	-	-	-	-	-	-	-
c)	Central Govt.	-	-	-	-	-	-	-	-	-
d)	State Govt.	-	-	-	-	-	-	-	-	-
e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
f)	Insurance Companies	-	-	-	-	-	-	-	-	-
g)	FII	-	-	-	-	-	-	-	-	-
h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i)	Any Other	-	-	-	-	-	-	-	-	-
Sub-Total (B)(1)		-	-	-	-	-	-	-	-	-
2	Non-institutions									
a)	Bodies Corporate	-	530000	530000	11.00	-	530000	530000	11.00	NIL
I	Indian	-	130000	130000	2.70	-	130000	130000	2.70	NIL
ii	Overseas	-	400000	400000	8.30	-	400000	400000	8.30	NIL

	Category of Shareholders	No of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
		Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
b)	Individuals									NIL
I	Individuals shareholders holding nominal share capital up to Rs 1 lakh	19610	26750	46360	0.96	19610	26750	46360	0.96	NIL
ii	Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	175400	1032598	1207998	25.08	175400	1032598	1207998	25.08	NIL
c)	Other (N.R.I. (Repat. & Non-Rept.)	-	132960	132960	2.76	-	132960	132960	2.76	NIL
Sub-Total (B)(2)		195010	1722308	1917318	39.80	195010	1722308	1917318	39.80	NIL
Total Public Shareholding (B)= (B)(1)+(B)(2)		195010	1722308	1917318	39.80	195010	1722308	1917318	39.80	NIL
C.	Shares held by Custodians for GDRs & ADRs	-	-	-	-	-	-	-	-	-
GRAND TOTAL (A)+(B)+(C)		1438640	3378860	4817500	100%	1438640	3378860	4817500	100%	NIL

## II. Shareholding of Promoters-

Sr. No.	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 pledged/encumbered to total shares	No. of Shares	% of total shares of the Company	% of pledged/encumbered to total shares	
1	Mrs. Bhagwati Devi	558460	11.59	0	558460	11.59	-	0
2	Mr. Prateet Garg	393060	8.16	0	393060	8.16	-	0
3	Mr. Sahil Garg	321100	6.67	0	321100	6.67	-	0
4	Mr. Naresh Garg	443560	9.21	0	321100	9.21	-	0
5	Mrs. Sangeeta Garg	560070	11.63	0	560070	11.63	-	0
6	Mr. Kapil Berera	6500	0.13	0	6500	0.13	-	0

7	M/s. Genesis Dream Merchants Pvt. Ltd	3892432	8.15	0	3892432	8.15	-	0
8	M/s. Genesis Holdings Private Limited	125000	2.59	0	125000	2.59	-	0
9	M/s. Sopan Real Estate Private Limited	100000	2.08	0	100000	2.08	-	0

### III. Change in Promoters Shareholding (Please specify, if there is no change)-

**THERE WAS NO CHANGE IN THE SHAREHOLDING OF THE PROMOTERS DURING THE YEAR**

### V. Shareholding Pattern of Top Ten Shareholders: (Other than Directors, Promoters and Holders of ADR's and GDR')

Sr. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the Year		Cumulative Shareholding During the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>M/s. Amla Securities Limited</b>	400000	8.30	400000	8.30
	At the beginning of the year	400000	8.30	400000	8.30
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	400000	8.30	400000	8.30
2.	<b>Mr. Vinod Kumar</b>	190400	3.95	190400	3.95
	At the beginning of the year	190400	3.95	190400	3.95
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	190400	3.95	190400	3.95
3.	<b>Mr. VinodTayal</b>	175598	3.65	175598	3.65
	At the beginning of the year	175598	3.65	175598	3.65
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	175598	3.65	175598	3.65
4.	<b>Mrs. Manju&amp;Mr.AshishKapoor</b>	145000	3.01	145000	3.01
	At the beginning of the year	145000	3.01	145000	3.01
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	145000	3.01	145000	3.01
5.	<b>M/s. Kaizen Realtors Private Ltd.</b>	125000	2.59	125000	2.59
	At the beginning of the year	125000	2.59	125000	2.59
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	125000	2.59	125000	2.59
6.	<b>Mr. SharanTayal</b>	121600	2.52	121600	2.52
	At the beginning of the year	121600	2.52	121600	2.52
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	121600	2.52	121600	2.52
7.	<b>Mr. Ravi Virmani</b>	110000	2.28	110000	2.28
	At the beginning of the year	110000	2.28	110000	2.28



	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	110000	2.28	110000	2.28
8.	<b>Mr. Sumer Datta</b>	96000	1.99	96000	1.99
	At the beginning of the year	96000	1.99	96000	1.99
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	96000	1.99	96000	1.99
9.	<b>Mr. Abhinav Dhawan</b>	72500	1.50	72500	1.50
	At the beginning of the year	72500	1.50	72500	1.50
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	72500	1.50	72500	1.50
10.	<b>Mr. Banwari Lal</b>	71500	1.48	71500	1.48
	At the beginning of the year	71500	1.48	71500	1.48
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	71500	1.48	71500	1.48
11.	<b>Mr. Tript Singh</b>	-	-	62500	1.30
	At the beginning of the year	-	-	62500	1.30
	During the year shares Acquired/allotted/Transferred	-	-	62500	1.30
	At the end of the year	-	-	62500	1.30
12.	<b>Mr. K.J. Turabjee</b>	-	-	62460	1.30
	At the beginning of the year	-	-	62460	1.30
	During the year shares Acquired/allotted/Transferred	-	-	62460	1.30
	At the end of the year	-	-	62460	1.30

## VI. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Particulars	Shareholding at the beginning of the Year		Cumulative Shareholding During the Year	
		No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1.	<b>Mr. Naresh Garg</b>	443560	9.21	443560	9.21
	At the beginning of the year	443560	9.21	443560	9.21
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	443560	9.21	443560	9.21
2.	<b>Mr. Sangeeta Garg</b>	560070	11.63	560070	11.63
	At the beginning of the year	560070	11.63	560070	11.63
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	560070	11.63	560070	11.63
3.	<b>Mr. Kapil Berera</b>	6500	0.13	6500	0.13
	At the beginning of the year	6500	0.13	6500	0.13
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	6500	0.13	6500	0.13

4.	<b>Mr. Gopal Singh Bisht</b>	500	0.01	500	0.01
	At the beginning of the year	500	0.01	500	0.01
	During the year shares Acquired/allotted/Transferred	-	-	-	-
	At the end of the year	500	0.01	500	0.01

**VII. Indebtness - Indebtedness of the Company including interest outstanding/accrued but not due for payment** (Rs. In Lacs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i. Principal Amount	(3868.06)	NIL	NIL	(3868.06)
ii. Interest due but not paid	NIL	NIL	NIL	NIL
iii. Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>(3868.06)</b>	<b>-</b>	<b>-</b>	<b>(3868.06)</b>
Change in Indebtedness during the financial year				
Addition-	-	-	-	-
Reduction-	<b>(462.78)</b>			<b>(462.78)</b>
<b>Net Change</b>	<b>(462.78)</b>	<b>-</b>	<b>-</b>	<b>(462.78)</b>
Indebtedness at the end of the financial year				
i. Principal Amount	<b>3405.28</b>	-	-	<b>3405.28</b>
ii. Interest due but not paid	NIL			-
iii. Interest accrued but not due	NIL			-
<b>Total (i+ii+iii)</b>	<b>3405.28</b>	<b>-</b>	<b>-</b>	<b>3405.28</b>

**VIII. Remuneration of Directors And Key Managerial Personnel:**

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

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Managing Director NARESH GARG</b>	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		Rs. 36,00,000/-

	(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	-	NIL
3	Sweat Equity	-	NIL
4	Commission - as % of profit - others, specify...	-	NIL
5	Others, please specify	-	NIL
	Total (A)		
	Ceiling as per Act	-	Ceiling exceeded w.e.f. 1 <sup>st</sup> August 2014 by passing Special Resolution in AGM dated 27 <sup>th</sup> September 2014

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Whole-Time Director – Sangeeta Garg</b>	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961  (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		Rs. 24,00,000/-
2	Stock Option	-	NIL
3	Sweat Equity	-	NIL
4	Commission - as % of profit - others, specify...	-	NIL
5	Others, please specify	-	NIL
	Total (A)		Rs. 24,00,000/-
	Ceiling as per Act	-	Ceiling exceeded w.e.f. 1 <sup>st</sup> August 2014 by passing Special Resolution in AGM dated 27 <sup>th</sup> September 2014

(Rs. In Lacs)

Sr. No.	Particulars of Remuneration	Name of MD/WTD/ Manager	Total Amount
		<b>Whole-Time Director Gopal Singh Bisht</b>	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax		Rs. 2,98,400/-

	Act, 1961  (b) Value of perquisites u/s 17(2) Income-tax Act, 1961  (c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option	-	NIL
3	Sweat Equity	-	NIL
4	Commission - as % of profit - others, specify...	-	NIL
5	Others, please specify	-	NIL
	Total (A)		Rs. 2,98,400/-
	Ceiling as per Act	-	-

**B. Remuneration to Other Directors:**

The company did not pay any remuneration to the Non-Executive Director(s) or Independent Directors as the same has been prohibited by the Act.

The Company did also not pay any sitting pay, commission or share out of profit to the Non-Executive/Independent Directors.

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

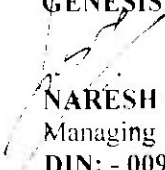
Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		Managing Director	Company Secretary	CFO	Total
1.	Gross salary  a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 b) Value of perquisites u/s 17(2) Income-tax Act, 1961 c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	Rs. 36,00,000/-	Rs. 1,00,000/-	NIL	Rs. 37,00,000/-
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission - As % of profit - Others, specify	NIL	NIL	NIL	NIL

5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	Rs. 36,00,000/-	Rs. 1,00,000/-	NIL	Rs. 37,00,000 -

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

There were no penalties / punishment / compounding of offences for the year ending March 31, 2015.

For and on Behalf of the Board  
GENESIS FINANCE COMPANY LIMITED

  
**NARESH GARG**  
Managing Director  
DIN: - 00916814

  
**SANGEETA GARG**  
Whole-Time Director & Chairman  
DIN: - 01117956

Date:-21.August.2015  
Place:-New Delhi

The Company has complied with the mandatory requirements of the Code in terms of clause 49 of the listing agreement. The aim of “**Good Corporate Governance**” is to manage affairs of the company in a transparent manner in order to maximize long-term value of the company for the benefit of its shareholders and all other stakeholders.

## 1. COMPANY’S PHILOSOPHY ON CORPORATE GOVERNANCE

Corporate Governance is a set of systems, processes and principles which ensure that a Company is governed in the best interest of all stakeholders. It is about promoting fairness, equity, transparency, accountability and respect for laws. It provides a structure that works for the benefit of everyone concerned, by ensuring that the Company adheres to ethical standards, laws and accepted best practices. Company believes that good Corporate Governance practices enable a Company to attract financial and human capital and leverage these resources to maximize long-term shareholder value, while preserving the interests of multiple stake holders, including society at large.

To achieve excellence in Corporate Governance Company always follows the principles of transparency, accountability and integrity in functioning, so as to constantly enhance value for all stakeholders and fulfill the social obligation entrusted upon the corporate sector. The company always strives towards articulating good code of ethics and governance principles thereby perpetuating it into generating long term economic value.

Your Company has complied with the requirements of the Corporate Governance Code, the disclosure requirements of which are given below:

## 2. BOARD OF DIRECTORS

The Board of Directors of the Company consists of a Managing Director, Two Executive Directors and Two Non-Executive Directors being both Independent Directors.

The day to day management of the affairs of the Company is entrusted with the senior management personnel, headed by the Managing Director, who functions under the overall supervision, direction and control of the Board of Directors of the Company. Board meets regularly to discuss, review and decide upon the matters such as policy formulation, setting up of goals, appraisal of performances with the goals and control functions, etc.

As on 31<sup>st</sup> March, 2015 the composition of the Board of Directors of the Company does not meet with the stipulated requirements of clause 49 of the Listing Agreements of the stock Exchanges due to unexpected resignation of Mr. Girish Sareen from the position of Non-Executive Independent Director.

The Board is not making any efforts to appoint a new Independent Director at the present stage as the Delhi Stock Exchange is facing the de-recognition issue and the company lies in the Dissemination Board. While the Board is yet to take any decision on the further listing or delisting of the company, for now it has decided to wait for the DSE's recognition matter to be settled first before taking any further call on following the listing compliances w.r.t Board composition. The chairperson of the Board is Mrs. Sangeeta Garg, the Whole Time Director for the period under review. The composition and membership of other Board/ Committees of Directors is given hereunder:

Name of the Director	Category	Other Directorships	Committee Membership	Committee Chairmanship
Mr. Naresh Garg	Managing Director	Genesis Dream Merchants Private Limited Genesis Holdings Private Limited	2	1
Mr. Kapil Berera	Non-Executive Director	Astral Travel Private Limited Luxury Couch Hotel Bookings Private Limited	3	Nil
Mrs. Sangeeta Garg	Executive Director	Genesis Dream Merchants Private Limited	2	Nil
Mr. Gopal Bisht	Executive Director	Genesis Holdings Private Limited	4	Nil

Mr. Umang Sarkar	Non-Executive Independent Director	Visual Impact Private Limited Security System Randhawa Construction Private Limited	3	3
------------------	------------------------------------	---	---	---

### 3. MEETING OF THE BOARD AND ATTENDANCE THEREAT

The day to day matters concerning the business is conducted by the Executives of the Company under the direction of Executive Directors with the ultimate supervision of the Board. The Board holds its meetings at regular intervals to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

The Board of Directors of your company met six times on, 30 May, 2014, 1 July, 2014, 14 August, 2014, 14 November 2014, 28 January, 2015, and on 13 February, 2015 during the year under review. The attendance of various directors thereat is as under:

Serial No	Name of the director	No of board Meetings attended	Whether attended the last AGM
1.	Mr. Girish Sareen	3	Yes
2.	Mr. Naresh Garg	6	Yes
3.	Mr. Kapil Berera	6	Yes
4.	Mrs. Sangeeta Garg	6	Yes
5.	Mr. Gopal Bisht	6	Yes
6.	Mr. Arvind Kumar Sharma	2	No
7.	Mr. Umang Sarkar	3	No

The Board met once in every quarter to review the quarterly financial results and other items of the agenda and if necessary, additional meetings were held as and when required. The gap between two meetings did not exceeded One Hundred Twenty Days.

#### A. INDEPENDENT DIRECTORS' SEPARATE MEETING

As per the requirement of Clause 49 of the Listing Agreement and Clause VII (1) of Schedule IV of the Companies Act, 2013, the Independent Directors of the Company met on 30<sup>th</sup> March, 2015, inter alia to discuss:

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

#### Attendance of Directors at Independent Directors Meeting

Name of the Directors	30 <sup>th</sup> March, 2015
Mr. Umang Sarkar	✓
Mr. Kapil Berera	✓

**B. DETAILS OF BOARD OF DIRECTORS**

---

The information or details pertaining to the Directors seeking appointment / re-appointment in the ensuing Annual General Meeting, and a brief overview of the other members on the Board to be provided in terms of Clause 49 of the Listing Agreement with the Stock Exchanges, are furnished below:

**a. Mrs. Sangeeta Garg –**

She was the Chairman of the Company for the period under review. She is liable to retire by rotation in terms of provisions of Companies Act, 2013 read with the Articles of Association of the Company. But she being eligible has offered herself for re-appointment at the 25<sup>th</sup> AGM.

Age: 47 Years

Qualification: Bachelor of Commerce

Professional Expertise: Finance and Office Administration

Shareholding in the Company: 5,60,070 Equity Shares

Directorships: She was acting as the Whole Time Director and the Chairperson of the Company for the period under review. She was also as a member of the Stakeholder Relationship Committee of Board of Directors of the Company.

**b. Mr. Gopal Bisht**

Age: 44 Years

Qualification: Bachelor of Commerce

Professional Expertise: Master in Computer Application

Shareholding in the Company: 500 Equity Shares

Directorships: He was acting as the Whole Time Director and the Compliance Officer for the Stakeholder Relationship Committee and Secretary to Audit Committee of Board of Directors of the Company for some part of the year while the Company did not have a Company Secretary.

**c. Mr. Naresh Garg**

Age: 54 Years

Qualification: Bachelor of Commerce, Master of Commerce

Professional Expertise: Experienced in Leasing and Hire-Purchase Business

Shareholding in the Company: 4,43,560 Equity Shares

Directorships: He is the Managing Director of the Company for the period under the review. He is a member of the Stakeholder Relationship Committee of Board of Directors of the Company.

**d. Mr. Kapil Berera**

Age: 51 Years

Qualification: Bachelor of Commerce, Delhi University



Professional Expertise: Finance

Shareholding in the Company: 6500 Equity Shares

Directorships: He is the Non-Executive Independent Director in the Company. He had been the member of the Audit Committee and Remuneration Committee of Board of Directors of the Company for the period under review.

**e. Mr. Umang Sarkar**

Age: 35 Years

Qualification: Chartered Accountant

Professional Expertise: Finance & Audit

Shareholding in the Company: NIL

Directorships: He is the Non-Executive Independent Director and Chairman of the Audit Committee and Remuneration Committee of Board of Directors of the Company.

#### 4. COMMITTEE OF THE BOARD

##### i. Audit Committee

In terms of clause 49 –II of the listing agreement and Section 177 (1) of the Companies Act, 2013, an audit committee has been properly constituted. Composition of the audit committee and details of its meeting attended are as follow:

Serial No	Name of the Director	Category	No of Committee Meetings held	No. of Committee meetings attended
1.	Mr. Kapil Berera	Non - Executive Independent Director	5	5
2.	Mr. Girish Sareen	Non - Executive Independent Director	5	3
3.	Mr. Umang Sarkar	Non - Executive Independent Director	5	2

The Chairman of the Audit Committee is Mr. Umang Sarkar, who is a Non - Executive Independent Director and is proficient in financial accounting knowledge as per clause 49 of the listing agreement. He is a Chartered Accountant and holds experience and knowledge of auditing and accounting.

Mr. Gopal Bisht is the Secretary to the Audit Committee until the Company appoints a Company Secretary.

**Term of reference:** The functioning and terms of reference of the Audit Committee are as prescribed under section 177 of the Companies Act, 2013 and Clause 49 of the listing agreement with the Stock Exchange.

**Objective** – The primary objective of the Committee is to monitor and provide an effective supervision of the management's financial reporting process, to ensure accurate and timely disclosures, with the highest level of transparency, integrity and quality of financial reporting. The Committee oversees the work carried out in the financial reporting process by the management, by Internal Auditors and Statutory Auditors and notes the processes and safeguards employed by each of them. In particular, these include:

##### **Role & Powers of the Audit Committee –**

1. Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommendation of appointment, remuneration and terms of appointment of the auditors and the fixation of audit fees.
3. Approval of payment to Statutory Auditors for any other services rendered by them.
4. Reviewing with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required being included in the Director's Responsibility Statement to be included in the Board's Report in terms of clause (c) of sub-section of Section 134 of the Companies Act, 2013.
  - b) Changes, if any, in accounting policies and practices and reasons for the same.
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications in the draft audit report
5. Reviewing with the management, the quarterly financial statements before submission to the board for approval.
6. Reviewing with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public or rights issue and making appropriate recommendations to the Board to take up steps in this matter.
7. Review and monitor the auditor's independence and performance and effectiveness of audit process.
8. Approval or any subsequent modification of transactions of the Company with related parties.
9. Scrutiny of inter-corporate loans and investments.
10. Valuation of undertakings or assets of the Company wherever it is necessary
11. Evaluation of internal financial controls and risk management systems.
12. Review with the management, performance of statutory and internal auditors and adequacy of the internal control systems.
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
14. Discussion with internal auditors of any significant findings and follow up there on.

15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
18. To review the Whistle Blower Policy and Vigil Mechanism.
19. Approval of appointment of CFO (i.e., the Whole-Time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background etc. of the candidate.
20. The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the Company.
21. The auditors of a Company and the Key Managerial Personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report.
22. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

## ii. Nomination & Remuneration & Evaluation Committee

The company has adopted a Nomination, Remuneration & Evaluation Policy during the year to comply with the provisions of Section 178 (1) of Companies Act, 2013. Below mentioned are few highlights of the same –

### a. Composition

The Chairman of the Nomination and Remuneration Committee is Mr. Umang Sarkar, who is a Non-Executive Independent Director.

Composition of the Remuneration committee and details of the meetings attended are as follow:

S. No.	Name of the Director	Category	No of Committee Meetings held	No. of Committee Meetings Attended
1.	Mr. Umang Sarkar	Non-Executive Independent Director	2	0
2.	Mr. Kapil Berera	Non-Executive Independent Director	2	2
3.	Mr. Gopal Bisht	Executive Director	2	2
4.	Mr. Girish Sareen*	Non-Executive Independent Director	2	2

**NOTE: -** \* Mr. Girish Sareen resigned from the Board during the year and at present he is not a part of the Committee. Mr. Umang Sarkar had been appointed during the year to take up his place but thereafter no meeting of this committee took place.

### b. Terms of Reference

The broad terms of reference of the Committee are as follows:

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, recommend to the Board their appointment and removal and shall carry out evaluation of every Director's performance.
2. To formulate the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.
3. The Nomination and Remuneration Committee shall, while formulating the policy ensure that:
  - a) the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully;
  - b) relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
  - c) remuneration to Directors, Key Managerial Personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals:
4. The Chairperson of the said Committee or, in his absence, any other member of the committee authorized by him in this behalf shall attend the general meetings of the company.
5. To consider and fix the remuneration package of non-executive and executive Directors including pension rights and any compensation payment.
6. All elements of remuneration package of Directors such as benefits, bonus, stock options, pension etc.
7. Any other work and policy, related and incidental to the objectives of the committee as per provisions of the Act and rules made thereunder.

**c. Remuneration to Whole-time / Executive / Managing Director**

**1. Remuneration**

The Whole-time Director shall be eligible for remuneration as may be approved by the Shareholders of the Company on the recommendation of the Committee and the Board of Directors. The break-up of the pay scale, performance bonus and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and shall be within the overall remuneration approved by the shareholders and Central Government, wherever required.

**2. Minimum Remuneration**

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Whole-time Directors in accordance with the provisions of the Companies Act, 2013 and if it is not able to comply with such provisions, then with the previous approval of the Central Government.

**3. Provisions for excess remuneration**

If any Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he/ she shall refund such sums to the Company and until such

sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**d. Remuneration to Non-executive / Independent Director**

**1. Sitting Fees**

The Non-executive / Independent Directors of the Company may receive remuneration by way of sitting fees for attending the meeting of the Board of Directors or Committees thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013 and rules framed or such amount as may be prescribed by the Central Government.

**2. Profit-linked Commission**

The profit-linked Commission may be paid within the monetary limit approved by the shareholders of the Company subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013 and rules framed thereunder.

**3. Stock Options**

An Independent Director shall not be entitled to any stock option of the Company.

**e. Criteria for performance evaluation of Independent Directors and the Board**

As per the provisions of Clause 49 of Listing Agreement, the Nomination and Remuneration Committee (the "Committee") shall lay down the evaluation criteria for performance evaluation of Independent Directors and the Board.

Further, the Board is required to monitor and review Board Evaluation Framework. This Framework shall contain the details of Board's self-evaluation.

The Board is committed to assess its own performance as a Board in order to identify its strengths and areas in which it may improve its functioning.

The Committee shall establish the following processes for evaluation of performance of Independent Director and the Board:

1. Once a year, the Board will conduct a self-evaluation. It is the responsibility of the Chairman of the Board, supported by the Company Secretary of the Company, to organize the evaluation process and act on its outcome;
2. The Committee shall formulate evaluation criteria for the Board and the Independent Directors which shall be broadly based on:
  - 2.1 Knowledge to perform the role;
  - 2.2 Time and level of participation;
  - 2.3 Performance of duties and level of oversight; and
  - 2.4 Professional conduct and independence.
3. The Board /Independent Directors shall be asked to complete the evaluation forms and submit the same to the Chairman.
4. The formats for Performance Evaluation of the Board of Directors, Non-independent Directors, Chairman

and Independent Directors are the part of the Policy.

**f. Remuneration to KMP, Senior Management Personnel and Other Employees**

The KMP except Managing Director and Whole Time Director, Senior Management Personnel and other employees of the Company shall be paid monthly remuneration as per the Company's HR policies and / or as maybe approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be as per the Company's HR policies.

The VP HR and / or the Chief Financial Officer of the Company will make annual presentation(s) before the Committee which would have requisite details setting out the proposed performance bonus payouts for the current financial year as well as the proposed increments for the next financial year. The Committee shall peruse and approve the same unless required under relevant regulations, to refer the same to the Board of Directors and / or Shareholders of the Company.

This Remuneration Policy shall apply to all future/ continuing employment / engagement(s) with the Company. In other respects, the Remuneration Policy shall be of guidance for the Board.

The remuneration for KMP and Senior Managerial Personnel and other employees of the Company shall be approved by the Committee based on the recommendation / presentation by the Principal – HR and / or the Chief Financial Officer of the Company. In case any of the relevant regulations require that remuneration of KMPs or any other officer is to be specifically approved by the Committee and / or the Board of Directors then such approval will be accordingly procured

Details of Remuneration, Sitting fees, etc. paid to all the Directors for the year ended 31<sup>st</sup> March, 2015 are given hereunder:

**Executive Directors (Managing/Whole-Time Directors)**

S. No	Name	Salary	Perquisite	Commission	Total
1.	Mr. Naresh Garg*	Rs. 36,00,000/-	Nil	Nil	Rs.36,00,000/-
2.	Mrs. Sangeeta Garg**	Rs. 24,00,000/-	Nil	Nil	Rs.24,00,000/-
3.	Mr. Gopal Bisht	Rs. 2,98,400/-	Nil	Nil	Rs. 2,98,400/-

**NOTES:-**

- \* - Remuneration of Mr. Naresh Garg was increased from Rs. 2,00,000/- to Rs. 3,50,000/- per month w.e.f. 1<sup>st</sup> August, 2014
- \*\* - Remuneration of Mrs. Sangeeta Garg was increased from Rs. 1,00,000/- to Rs. 2,50,000/- per month w.e.f. 1<sup>st</sup> August, 2014
- \*\* - Remuneration of Mr. Gopal Singh Bisht was increased from Rs. 2,40,000/- to Rs. 2,98,400/- per month w.e.f. 1<sup>st</sup> October, 2014 vide resolution passed in board meeting dated 14<sup>th</sup> August, 2014.

**Non-Executive Directors (Independent Directors)**

S No.	Name	Sitting Fee	Perquisite	Commission	Total
1.	Mr. Umang Sarkar	Nil	Nil	Nil	-
2.	Mr. Kapil Berera	Nil	Nil	Nil	-
3.	Mr. Girish Sareen	Nil	Nil	Nil	-
4.	Mr. Arvind Kumar Sharma	Nil	Nil	Nil	-

### iii. Stakeholders Relationship Committee

The Stakeholder Relationship Committee was constituted in August, 2002 with the name – “Investor Grievances Committee and Share Transfer Committee” which has been renamed to – “Stakeholders Relationship Committee” in accordance with the provisions of Section 178 of The Companies Act, 2013. It comprised of four Board members on it. Mr. Umang Sarkar was appointed as Non-Executive Independent Director and he currently chairs the committee. Mr. Kapil Berera was another Non-Executive Independent Director as a member. Mrs. Sangeeta Garg, Whole Time Director and Mr. Naresh Garg, Managing Director are the other members of the Committee. Mr. Gopal Bisht, Director is acting as a Secretary/Compliance officer of the committee.

S No.	Name of the director	Category	No of Committee Meetings held	No. of Committee meetings attended
1.	Mr. Umang Sarkar	Non - Executive Director	0	0
2.	Mr. Kapil Berera	Non - Executive Director	0	0
3.	Mrs. Sangeeta Garg	Executive Director	0	0
4.	Mr. Naresh Garg	Managing Director	0	0
5.	Mr. Gopal Bisht	Secretary/Compliance Officer	0	0

The committee looks into redressing of investors complaints like non receipt of dividends, non-receipt of Annual Reports, Share Transfers, Issue of Share Certificates and Duplicate/Renewal of Share Certificates, etc.

It recommends measures for overall improvements in the quality and promptness in investor services.

**Compliance officer –**

Mr. Gopal Bisht,  
Whole-Time Director & CFO

**Address of Compliance Officer –**

Genesis Finance Company Limited  
4, MMTC/STC Market, Geetanjali, Delhi – 110017

**Pending Share Transfer-**No request for transfer were pending for approval as on 31<sup>st</sup> March, 2015

**Complaints received /resolved-** During the year no complaint was received from investors.

**Terms of reference:** To look into various investors related issues including redressal of complaints of shareholders/investors relating to –

- a) Transfer of shares
- b) Non-receipt of balance sheet
- c) Non-receipt of dividend etc.
- d) Issue of duplicate share certificate
- e) Other queries

For the purpose of expediting the process of transfer and transmission of securities and other matters like consolidation of share certificates, issue of duplicate share certificates, de-materialization / re-materialization of share, the Board of the Company has delegated the power to the Registrar and Share Transfer Agent of the Company which is M/s. Skyline Financial Services Private Limited.

### iv. Risk Management Committee

The Company follows well - established risk assessment and minimization procedures which are periodically reviewed by the Board.

For this the Company has constituted a Risk Management Committee and framed a sturdy Risk Management Policy for the company to detect any threats to the extinction of the business.

The composition of the Committee is as follows –

S. No	Name	Designation
1	Naresh Garg	Chairman & Managing Director
2	Sangeeta Garg	Member & Whole-Time Director
3	Gopal Bisht	Member and Whole-Time Director & CFO

#### Terms of reference:

- The committee shall inform the Board members about the risk assessment and minimization procedures.
- The Board shall be responsible for framing, implementing and monitoring the risk management plan for the company
- The Board may delegate monitoring and reviewing of the risk management plan to the committee and such other functions as it may deem fit.
- The majority of Committee shall consist of members of the Board of Directors.  
Senior executives may be the members of the said Committee but the Chairman of the Committee shall be a member of the Board of Directors.

## 5. GENERAL BODY MEETINGS

The last three Annual General Meetings were held as per details below:

Year	Day	Date	Time	Location	No of special resolution passed
2012	Monday	13.08.2012	11.00 A.M.	B-24 Geetanjali Enclave- New Delhi	NIL
2013	Monday	30.09.2013	11.00 A.M.	B-24 Geetanjali Enclave- New Delhi	NIL
2014	Monday	27.09.2014	12.30A.M	B-24 Geetanjali Enclave- New Delhi	1

## 6. DISCLOSURES

The Company has complied with the requirements of the stock Exchange, SEBI and other Statutory Authorities on all matters related to capital markets during the last three years. No penalties or structures have been imposed on the Company by the Stock Exchanges or SEBI.

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and Clause 49 of the Listing Agreement, the Company has a Whistle Blower Policy for establishing a vigil mechanism for Directors and employees. The policy has been hosted on the website of the Company at - <http://www.genesisfinance.net>

The Company has fully complied with all the mandatory requirements prescribed under clause 49 of the Listing Agreement.

**Disclosure on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.–** None of the transactions with any of the related parties were in conflict with the interest of the Company.



**7. DEMATERIALISATION OF SHARES**

M/s Skyline Financial Services Pvt. Ltd is the common agency for undertaking physical transfers and act as Depository Registrar.

**8. CEO/CFO CERTIFICATION**

The CEO/CFO certificate for the year ended 31 March, 2015 has been annexed at the end of this report. Similarly, the CEO/CFO also gives quarterly certification on the financial results while placing the quarterly financial results before the board in terms of Clause 41 of the listing agreement entered into with stock exchange.

**9. MEANS OF COMMUNICATION**

Annual Financial Results of the company are sent to each and every shareholder of the company and copies of the same are simultaneously sent to the Stock Exchange as per the requirements of the Listing Agreement.

Quarterly Financial Statements are regularly published in the leading newspapers for every quarter except the March 2015 quarter as the company was under the dilemma of complying with the provisions of Listing Agreement due to its transfer to the Dissemination Board.

Financial Results are published in leading Local & National newspapers such as Hari Bhumi (Hindi Newspaper), Deccan Herald(English Newspaper), and Financial Chronicle (English Newspaper) and National Dhuniya (Hindi Edition)

All important information relating to Company and its performance including the financial results and shareholding pattern are displayed on the Company's website [www.genesisfinance.net](http://www.genesisfinance.net).

**10. SHAREHOLDER'S INFORMATION**

- |  |   |  |
|--|---|--|
| (i) Annual General Meeting                                 | : |  |
| Date and time of Annual General Meeting                    | : | Tuesday 27 <sup>th</sup> September, 2014 at 11.00 A.M.   |
| Venue of Annual General Meeting                            | : | B-24, Geetanjali Enclave, New Delhi-110 017.   |
| (ii) Financial Calendar                                    | : | 1 <sup>st</sup> April, 2014 to 31 <sup>st</sup> March, 2015  |
| (iii) Adoption of quarterly results for the quarter ending | : |  |
| June, 2014   | : | 14 <sup>th</sup> August, 2014  |
| September, 2014  | : | 14 <sup>th</sup> November, 2014  |
| December, 2014   | : | 13 <sup>th</sup> February 2014   |
| March, 2015  | : | 30 <sup>th</sup> May 2015  |
| (iv) Book Closure Date                                     | : | 08 <sup>th</sup> September, 2015(Tuesday) to 15 <sup>th</sup> September, 2014 (Tuesday)(both days inclusive) |
| (v) Dividend Payment Date                                  | : | Not Applicable   |
| (vi) Listing on Stock Exchanges                            | : | Delhi Stock Exchange.  |

*(Note: Annual Listing Fees for the year 2014-15 have been paid to the above stock exchange)*

- |   |   |                                       |
|---|---|---------------------------------------|
| Name of the Stock Exchanges                       | : | The Delhi Stock Exchange              |
| where the Equity Shares of the Company are listed | : |                                       |
| Stock Code  | : | 18049                                 |
| (vii) Stock Price Performance / Market price data | : | Securities not traded during the year |
| (viii) Share Transfer system:                     | : |                                       |

M/s Skyline Financial Services Pvt. Ltd are the common agency for undertaking physical transfers and act as depository Registrar. The Board of directors has delegated the power of approving transfer and transmission of share and other matters like consolidation of certificates, issue of duplicate share certificates, dematerialization / dematerialization of shares, to registrar and share transfer agents of the company. All these matters are approved by the Common agency regularly.

Correspondence address

: Skyline Financial Services Pvt. Ltd.  
D-153 A, 1<sup>st</sup> Floor  
Okhla Industrial Area, Phase-I  
New Delhi- 110020

(ix) Liquidity of shares: The equity shares of the company are listed for trading at the Delhi Stock Exchanges. However, the Securities were not traded during the year.

(x) Shareholding pattern as on 31 March, 2015:

Category code	Category of Shareholder	Total number of shares	As a percentage of total number of shares
<b>(A)</b>	<b>Shareholding of Promoter and Promoter Group</b>		
<b>1</b>	<b>Indian</b>		
(a)	Individuals/ Hindu Undivided Family	2282750	47.38
			0.00
(b)	Central Government/ State Government(s)	0	
(c)	Bodies Corporate	617432	12.82
(d)	Financial Institutions/ Banks	0	0.00
(e)	Any Others(Specify)	0	0.00
(e-i)			
(e-ii)			
	<b>Sub Total(A)(1)</b>	<b>2900182</b>	<b>60.20</b>
<b>2</b>	<b>Foreign</b>		
a	Individuals (Non-Residents Individuals/ Foreign Individuals)		0.00
b	Bodies Corporate	0	0.00
c	Institutions		0.00
d	Any Others(Specify)		0.00
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0.00</b>

	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>2900182</b>	<b>60.20</b>
<b>(B)</b>	<b>Public shareholding</b>		
<b>1</b>	<b>Institutions</b>		0.00
(a)	Mutual Funds/ UTI		0.00
(b)	Financial Institutions / Banks		0.00
(c)	Central Government/ State Government(s)		0.00
(d)	Venture Capital Funds		0.00
(e)	Insurance Companies		0.00
(f)	Foreign Institutional Investors		0.00
(g)	Foreign Venture Capital Investors		0.00
(h)	Any Other (specify)		0.00
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0.00</b>
<b>B 2</b>	<b>Non-institutions</b>		
(a)	Bodies Corporate	130000	2.70
(b)	Individuals	1254358	26.04
I	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	46360	0.96
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	1207998	25.08
(c)	N.R.I. (Repat & Non-Rept).	132960	2.76
(c-i)	Public Trusts	0	0.00
(c-ii)	Corporate Bodies – OCB	400000	8.30
	<b>Sub-Total (B)(2)</b>	<b>1917318</b>	<b>39.80</b>
<b>(B)</b>	<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>1917318</b>	<b>39.80</b>
	<b>TOTAL (A)+(B)</b>	<b>4817500</b>	<b>100.00</b>
<b>(C)</b>	Shares held by Custodians and against which Depository Receipts have been issued	<b>0</b>	<b>0.00</b>
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>4817500</b>	<b>100.00</b>

(xi) Distribution of shareholders:

**DISTRIBUTION OF HOLDINGS AS ON 31.03.2015**

Share or debenture Holding of nominal Value of		Share / Debenture holders		Share / Debenture amount	
Rs.	Rs.	Number	% to Total No.s	(In Rs.)	% to total Amount
(1)		(2)	(3)	(4)	(5)
Up to	5,00	111	74.00	1,11,600/-	0.23
501 to	1000	3	2.00	26,000/-	0.05
1001 to	2000	1	0.67	16,000/-	0.03
2001 to	3000	Nil	Nil	Nil	Nil
3001 to	4000	Nil	Nil	Nil	Nil
4001 to	5000	2	1.33	1,00,000/-	0.21
5001 to	10,000	4	2.67	3,45,000/-	0.72
10,001 and	above	29	19.33	4,75,76,400/-	98.76
<b>Total</b>		<b>150</b>	<b>100.00</b>	<b>4,81,75,000/-</b>	<b>100.00</b>

(xii) Address of Communication:

The Shareholders may address their : GENESIS FINANCE COMPANY LTD.  
Communication suggestion / grievances / queries to 4,MMTC/STC MARKET, GEETANJALI,  
NEW DELHI - 110 017

**11. MANAGEMENT DISCUSSION AND ANALYSIS**

To avoid duplication between the Directors' Report and the Management Discussion and Analysis, the Board has consolidated the matters of the report to present a composite summary of performance of the business and functions of the Company.

**12. RECONCILIATION OF SHARE CAPITAL AUDIT**

As stipulated by the Securities Exchange Board of India, Mr. Samrish Bhanja, Managing Partner at M/s. B. Samrish & Co., a qualified Practicing Company Secretary has carried out the reconciliation of Share Capital Audit to reconcile the total admitted capital with NSDL and CDSL, total issued and listed capital. The audit is carried out every quarter and the report thereon is submitted to the Stock Exchanges. The audit confirms that the total issued/paid up capital is in agreement with the aggregate total number of shares in physical form, shares allotted & advised for demat credit but pending execution and the total number of dematerialized shares held with NSDL and CDSL.

**13. AUDITORS' REPORT ON CORPORATE GOVERNANCE**

As required by Clause 49 of the Listing Agreement, the Auditors' certificate is enclosed at the end of this report.

**14. FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTOR**

The company conducted the familiarization programme for Independent Director as required under Clause 49 of the Listing Agreement. The Company's Board of Directors and the Senior management team gathered for a small get-together on the eve of Christmas and New Year where in during the day time sessions were taken by the Managing Director Mr. Naresh Garg and the then Chairman Mrs. Sangeeta Garg to enhance the leadership skills and motivation and in the evening few activities were conducted as to increase the interaction of the Independent Directors with the Executive directors of the Company.

#### 15. CODE FOR THE BOARD OF DIRECTORS AND SENIOR MANAGEMENT PERSONNEL

The Company has laid down a code of conduct for the members of the board and senior management personnel of the Company. The code of conduct has been posted on the Company's website i.e. <http://www.genesisfinance.net>

The code of conduct has been circulated to all the members of the Board and Senior Management personnel and they have affirmed their compliance with the said code of conduct for the financial year ended 31st March, 2015. A declaration to this effect signed by Mr. Naresh Garg, Managing Director of the Company is appended at the end of this report.

#### 16. CODE FOR THE INDEPENDENT DIRECTORS

The Company has laid down a code of conduct for the Independent Directors of the Company and the same is available on the Company's website i.e. <http://www.genesisfinance.net>

#### 17. FORMAL LETTER OF APPOINTMENT OF INDEPENDENT DIRECTOR

The company had appointed Independent Director by a Formal Letter of appointment as required under Clause 49 of the Listing Agreement and the Companies Act, 2013 and the same has been posted on the Company's website i.e. <http://www.genesisfinance.net>

#### Declaration by Managing Director

I, Naresh Garg, Managing Director of Genesis Finance Company Limited (GFCL), hereby confirm pursuant to Clause 49(1)(D) of the Listing Agreement that :-

- The Board of Directors of GFCL has laid down a Code of Conduct for all Board Members and the Senior Management of the Company.
- All the Board Members and Senior Management Personnel have affirmed their compliance with the said conduct for year ended March 31<sup>st</sup> 2015.

  
Naresh Garg  
Managing Director  
DIN: 00916814

Place: New Delhi  
Date: 21/08/2015

---

**Chief Executive Officer (CEO) and Chief Financial Officer (CFO) Certification**

---

I, Naresh Garg, Managing Director, responsible for the finance function certify that:

1. We have reviewed the financial statements and cash flow statement for the year ended 31 March, 2015 and to the best of our knowledge and belief:
  - a. These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading
  - b. 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
2. To the best of our knowledge and belief, no transactions entered into by the company during the year ended 31st March 2015 are fraudulent, illegal or violative of the company's code of conduct
3. We accept the responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the internal control systems of the company pertaining to financial reporting. Deficiencies in design or operation of such internal controls, if any, of which we are aware, have been disclosed to the auditors and the audit committee and steps have been taken to rectify these deficiencies
4. We have indicated to the Company's Auditors and the Audit Committee of the Company's board of directors that during the year:
  - a. There has not been any significant change in internal control over financial reporting during the year under reference
  - b. There has not been any significant change in the accounting policies during the year except as laid down in AS-15, requiring disclosure in the notes to the financial statements and
  - c. We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having a significant role in the Company's internal control system over financial reporting.

Place: New Delhi  
Date: 21/08/2015

  
Naresh Garg  
Managing Director  
DIN: 00916814

---

**Auditor's Certificate on Corporate Governance**

---

To,

The Members of  
**Genesis Finance Company Limited**  
**4, MMTC/STC Market**  
**Geetanjali Enclave**  
**New Delhi – 110 017**

We have examined the compliance of conditions of corporate governance by Genesis Finance Company Limited (the company) for the year ended 31<sup>st</sup> March, 2015 as stipulated in clause 49 of the listing agreement of the said company with Delhi Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to 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, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

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.K.Soni & Co.**  
Chartered Accountants  
FRN: 010248N  
Sd/- *Pawan Soni*  
**Pawan Kumar Soni**  
Proprietor  
MRN: 052849  
Place: New Delhi  
Dated: 30/05/2015





Ref No

Date

Form No. MR-3

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2015

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2015

TO,  
THE BOARD OF DIRECTORS  
GENESIS FINANCE COMPANY LIMITED  
4, MMTC/STC MARKET, GEETANJALI,  
NEW DELHI-110 017

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Genesis Finance Company 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> march 2015 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Genesis Finance Company Limited ("The Company") for the period ended on 31<sup>st</sup> March 2015 to the extent applicable to the Company according to the provisions of:

I. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act)  
And the Rules made there under.

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;





# A. UPADHYAYA & ASSOCIATES

Mob. : 9312271115  
011-45769176

COMPANY SECRETARY

Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No

Date

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g. The Company has complied with the requirements under the Equity Listing Agreements entered into with The Delhi Stock Exchange Association Limited.
- h. The Memorandum and Articles of Association.

**I have also examined compliance with the applicable clauses of the following:**

- i) The Listing Agreements entered into by the Company with the Delhi Stock Association Limited.

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

**2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:**

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors.
- g) The 24th Annual General Meeting held on 27th September 2014 at 12.30 P.M at B-24



Ref No

Date

- Geetanjali Enclave New Delhi-110017,
- h) Minutes of proceedings of General Meetings and of the Board and its Committee Meetings;
  - i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, Retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
  - k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors.
  - l) Appointment and remuneration of Auditors.
  - m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;(NA)
  - n) Declaration and payment of dividends;(NA)
  - o) Transfer of amounts as not required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
  - p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
  - q) Investment of the Company's funds including investments and loans to others;
  - r) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
  - s) Directors' report;
  - t) Contracts, common seal, registered office and publication of name of the Company; and
  - u) Generally, all other applicable provisions of the Act and the Rules made under the Act.
  - v) The Company is registered as Non-Banking Financial Company (NBFC) under Section 45-IA of the RBI Act, 1934, and complied with all provision of RBI Act 1934 and filed the return with RBI from time to time.

### 3. I further report that:

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

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

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



Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No.

Date

\_ The Company has obtained all necessary approvals under the various provisions of the Act; and

\_ There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

\_ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

**6. I further report that:**

- a. The Company has complied with the requirements under the Equity Listing Agreements entered into with The Delhi Stock Exchange Association Limited .
- b. The Company has complied with the provisions of the Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- c. The Company has not required to complied with the provisions of the Securities and exchange Board of India(Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations as the share are not traded on Delhi stock exchange.

8. I further report that based on the information received and records maintained 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.

I 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.

I further report that during the audit period there were no instances of :



# A.UPADHYAYA & ASSOCIATES

Mob. : 9312271115  
011-45769176

COMPANY SECRETARY

Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No

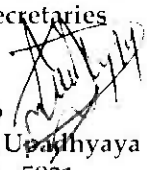
Date

- (i) Public/Right/Preferential issue of shares / debentures/ sweat equity.
- (ii) ) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

Place: New Delhi  
Date: 24/07/2015

A.UPADHYAYA & ASSOCIATES  
Company Secretaries

Prop   
Abhimanyu Upadhyaya  
M.No:5921  
CP. No:4729



**A.UPADHYAYA & ASSOCIATES**

Mob. : 9312271115  
011-45769176

**COMPANY SECRETARY**

Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No

Date

**Form No. MR-3**

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2015

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

**SECRETARIAL AUDIT REPORT**

FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH 2015

TO,  
THE BOARD OF DIRECTORS  
GENESIS FINANCE COMPANY LIMITED  
4, MMTC/STC MARKET, GEETANJALI,  
NEW DELHI-110 017

I, have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Genesis Finance Company 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 my opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period ended on 31<sup>st</sup> march 2015 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Genesis Finance Company Limited ("The Company") for the period ended on 31<sup>st</sup> March 2015 to the extent applicable to the Company according to the provisions of:

I. The Companies Act, 1956 (to the extent applicable) and the Companies Act, 2013 (the Act)  
And the Rules made there under.

II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made thereunder;

III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;



# A. UPADHYAYA & ASSOCIATES

Mob. : 9312271115  
011-45769176

COMPANY SECRETARY

Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No

Date

V. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ("SEBI Act") to the extent applicable to the Company:-

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- 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 (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- e. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- f. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- g. The Company has complied with the requirements under the Equity Listing Agreements entered into with The Delhi Stock Exchange Association Limited.
- h. The Memorandum and Articles of Association.

**I have also examined compliance with the applicable clauses of the following:**

- i) The Listing Agreements entered into by the Company with the Delhi Stock Association Limited.

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

**2. I further report that the Company has, in my opinion, complied with the provisions of the Companies Act, 1956 and the Rules made under that Act and the provisions of Companies Act, 2013 as notified by Ministry of Corporate Affairs and the Memorandum and Articles of Association of the Company, with regard to:**

- a) Maintenance of various statutory registers and documents and making necessary entries therein;
- b) Closure of the Register of Members.
- c) Forms, returns, documents and resolutions required to be filed with the Registrar of Companies and the Central Government;
- d) Service of documents by the Company on its Members, Auditors and the Registrar of Companies;
- e) Notice of Board meetings and Committee meetings of Directors;
- f) The meetings of Directors and Committees of Directors.
- g) The 24th Annual General Meeting held on 27th September 2014 at 12.30 P.M at B-24



Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No

Date

- Geetanjali Enclave New Delhi-110017,
- h) Minutes of proceedings of General Meetings and of the Board and its Committee Meetings;
  - i) Approvals of the Members, the Board of Directors, the Committees of Directors and the government authorities, wherever required;
  - j) Constitution of the Board of Directors / Committee(s) of Directors, appointment, Retirement and reappointment of Directors including the Managing Director and Whole-time Directors;
  - k) Payment of remuneration to Directors including the Managing Director and Whole-time Directors.
  - l) Appointment and remuneration of Auditors.
  - m) Transfers and transmissions of the Company's shares and issue and dispatch of duplicate certificates of shares;(NA)
  - n) Declaration and payment of dividends;(NA)
  - o) Transfer of amounts as not required under the Act to the Investor Education and Protection Fund and uploading of details of unpaid and unclaimed dividends on the websites of the Company and the Ministry of Corporate Affairs;
  - p) Borrowings and registration, modification and satisfaction of charges wherever applicable;
  - q) Investment of the Company's funds including investments and loans to others;
  - r) Form of balance sheet as prescribed under Part I, form of statement of profit and loss as prescribed under Part II and General Instructions for preparation of the same as prescribed in Schedule VI to the Act;
  - s) Directors' report;
  - t) Contracts, common seal, registered office and publication of name of the Company; and
  - u) Generally, all other applicable provisions of the Act and the Rules made under the Act.
  - v) The Company is registered as Non-Banking Financial Company (NBFC) under Section 45-IA of the RBI Act, 1934, and complied with all provision of RBI Act 1934 and filed the return with RBI from time to time.

**3. I further report that:**

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

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

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



Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No.

Date

\_ The Company has obtained all necessary approvals under the various provisions of the Act; and

\_ There was no prosecution initiated and no fines or penalties were imposed during the year under review under the Act, SEBI Act, SCRA, Depositories Act, Listing Agreement and Rules, Regulations and Guidelines framed under these Acts against / on the Company, its Directors and Officers.

\_ The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel;

4. The Company has complied with the provisions of the Securities Contracts (Regulation) Act, 1956 and the Rules made under that Act, with regard to maintenance of minimum public shareholding.

5. I further report that the Company has complied with the provisions of the Depositories Act, 1996 and the Byelaws framed thereunder by the Depositories with regard to dematerialization / rematerialisation of securities and reconciliation of records of dematerialized securities with all securities issued by the Company.

**6. I further report that:**

- a. The Company has complied with the requirements under the Equity Listing Agreements entered into with The Delhi Stock Exchange Association Limited .
- b. The Company has complied with the provisions of the Securities and Exchange Board of India(Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the said Regulations;
- c. The Company has not required to complied with the provisions of the Securities and exchange Board of India(Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures and maintenance of records required under the said Regulations as the share are not traded on Delhi stock exchange.

8. I further report that based on the information received and records maintained 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.

I 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.

I further report that during the audit period there were no instances of :





# A.UPADHYAYA & ASSOCIATES

Mob. : 9312271115  
011-45769176

COMPANY SECRETARY

Add.: 6/41, 209, Sunder Kiran Building, W.E.A., Karol Bagh, New Delhi - 110005

E-mail : [updacs@yahoo.co.in](mailto:updacs@yahoo.co.in), [updacs@gmail.com](mailto:updacs@gmail.com)

Ref No

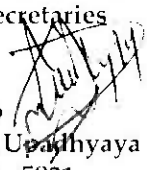
Date

- (i) Public/Right/Preferential issue of shares / debentures/ sweat equity.
- (ii) ) Redemption / buy-back of securities
- (iii) Major decisions taken by the members in pursuance to section 180 of the Companies Act, 2013
- (iv) Merger / amalgamation / reconstruction, etc.
- (v) Foreign technical collaborations

No specific non compliances / observations / audit qualification, reservation or adverse remarks were observed.

Place: New Delhi  
Date: 24/07/2015

A.UPADHYAYA & ASSOCIATES  
Company Secretaries

Prop   
Abhimanyu Upadhyaya  
M.No:5921  
CP. No:4729