



# MORNING GLORY LEASING AND FINANCE LIMITED

33<sup>rd</sup> ANNUAL REPORT  
(2016-2017)

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# CORPORATE INFORMATION

## CIN

L67120DL1984PLC018872

## BOARD OF DIRECTORS

Rajesh Bagri, Managing Director  
Anil Agarwal, Director  
Yogesh Mendiratta, Director  
Roma Monisha Sakraney Daga, Director  
Sanjiv Kumar Sharma, Director  
Sanjay Bhatnagar, Director

## REGISTERED OFFICE

IRIS, House 16, Business Centre,  
Nangal Raya, New Delhi 110046

## SECRETARIAL AUDITORS

M/s Nikhil Jain & Associates  
(Company Secretaries)  
1/283, SF-1, Vaishali  
Ghaziabad-201010

## STATUTORY AUDITORS

M/s Vinod Vishal & Co.  
(Chartered Accountants)  
R—22/ 205, 2nd Floor, Khaneja Complex,  
Main Market, Shakarpur, Delhi-110092

## INTERNAL AUDITORS

Ms. Kajal

## BANKERS

SBI Bank (Formerly SBBJ Bank)  
Faiz Road, New Delhi-110005

## REGISTRAR AND TRANSFER AGENT

Bigshare Services Pvt. Ltd.  
E4/8, First Floor, Jhandewalan  
Extension, New Delhi-110055

## BOARD COMMITTEES

### *Audit Committee:*

Yogesh Mendiratta, Chairman  
Sanjay Bhatnagar, Member  
Sanjiv Kumar Sharma, Member

### *Nomination & Remuneration Committee:*

Yogesh Mendiratta, Chairman  
Sanjay Bhatnagar, Member  
Sanjiv Kumar Sharma, Member

### *Stakeholders Relationship Committee:*

Yogesh Mendiratta, Chairman  
Sanjay Bhatnagar, Member  
Sanjiv Kumar Sharma, Member

### *Risk Management Committee:*

Yogesh Mendiratta, Chairman  
Sanjay Bhatnagar, Member  
Sanjiv Kumar Sharma, Member

## STOCK EXCHANGES WHERE COMPANY'S SECURITIES ARE REGISTERED

Metropolitan Stock Exchange of India  
Limited (MSEI)  
Delhi Stock Exchange Limited (DSE)

## INVESTORS HELPDESK

Sanjay Bhatnagar, Compliance officer  
E-mail: [morninggloryleasing@gmail.com](mailto:morninggloryleasing@gmail.com)  
Contact No. 011-32622647

## WEBSITE

[www.morninggloryleasing.in](http://www.morninggloryleasing.in)

# **MORNING GLORY LEASING AND FINANCE LIMITED**

**Regd. Office:** IRIS House 16, Business Centre, Nangal Raya, New Delhi 110046

**CIN:** L67120DL1984PLC018872, **Ph. No.:** 011-32622647

**E-mail Id:** [morninggloryleasing@gmail.com](mailto:morninggloryleasing@gmail.com)

**Website:** [www.morninggloryleasing.in](http://www.morninggloryleasing.in)

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## **NOTICE**

Notice is hereby given that the 33<sup>rd</sup> Annual General Meeting of the Company will be held on **Saturday, 23<sup>rd</sup> Day of September, 2017 at 04:00 p.m.** at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005 to transact the following businesses:

### **ORDINARY BUSINESS:**

1. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT** the Audited Balance Sheet as at 31<sup>st</sup> March, 2017 and Statement of Profit and Loss for the year ended on that date, together with the Directors’ Report and Auditors’ Report thereon as presented to the meeting, be and the same are hereby, approved and adopted”.

2. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT** Mrs. Roma Monisha Sakraney Daga (DIN: 00148670), Director of the Company, retires by rotation and being eligible for re-appointment, be and is hereby re-appointed as a Director of the Company”.

3. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to sections 139 to 142 and other applicable provisions, of the Companies Act, 2013 and the rules made there under, as amended from time to time, the company here by appoint M/s Rattan Gupta & Co., Chartered Accountants (FRN -304N), as the auditors of the company, to hold office from the conclusion of this AGM till the conclusion of the next Annual General Meeting of the company to examine and audit the accounts of the company for the Financial Year 2017-18 at such remuneration as may be mutually agreed between the Board of directors and auditors.”

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**Morning Glory Leasing and Finance Limited**

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**SPECIAL BUSINESS:**

4. To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution:

**“RESOLVED THAT** pursuant to the provisions of section 149, 152 and other applicable sections , if any of Companies Act, 2013 (“the Act”) read with schedule IV to the Act and the Companies (Appointment and qualification of Directors) Rules, 2014 (‘rules’), including any statutory modification(s) or any amendments or any substitution or any re-enactment thereof for the time being in force and SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, Mr. Sanjay Bhatnagar (DIN: 07653949), who was appointed as an Additional Director by the Board on 10<sup>th</sup> November, 2016, pursuant to Section 161(1) of the Companies Act 2013 & who hold the office upto the date of this Annual General Meeting who is eligible for appointment as an Director pursuant to the Companies Act, 2013, be and is hereby appointed as Director of the Company subject to the approval of members in the Annual General meeting.

**RESOLVED FURTHER THAT** any director of the company be and is hereby authorized to do all such acts, deeds and things as may be required to give effect to the aforesaid resolution.”

**By Order of the Board of Directors  
For Morning Glory Leasing and Finance Limited**

**Place: New Delhi  
Date: 09.08.2017**

**Rajesh Bagri  
Managing Director  
DIN: 00062377**

# NOTES

- (i) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE AT A POLL INSTEAD OF HIMSELF/HERSELF AND THAT A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, DULY COMPLETE AND SIGNED, NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY (50) AND HOLDING IN THE AGGREGATE NOT MORE THAN TEN (10) % OF THE TOTAL SHARE CAPITAL OF THE COMPANY.**
- (ii) The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed herewith. Corporate Members intending to send their respective authorized representative are requested to send a duly certified copy of the Board/ Governing Body resolution authorizing such representative to attend and vote at the 33<sup>rd</sup> Annual General Meeting.
- (iii) In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
- (iv) Pursuant to the provisions of Section 91 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Register of Members and Share Transfer Books of the Company will remain closed from 16<sup>th</sup> September, 2017 to 23<sup>rd</sup> September, 2017 (both days inclusive).
- (v) Electronic copy of the Annual Report for the financial year 2016-17 along with the Notice of the 33<sup>rd</sup> Annual General Meeting of the Company (including Attendance Slip and Proxy Form) is being sent to all the members whose email IDs are registered with the Registrar/Depository Participants(s) unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for the financial year 2016-17 along with Notice of the 33<sup>rd</sup> Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent by other permissible modes.

- (vi) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to submit their PAN details to the Registrar.
- (vii) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members who are holding shares in physical forms are requested to notify changes in their respective address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to Company's Registrar i.e. Bigshare Services Pvt. Ltd., 4E/8, First Floor, Jhandewalan Extension, New Delhi-110055. Beneficial owners holding shares in electronic form are requested to intimate change in address/ Bank Mandate/ National Electronic Clearing Service (NECS) details, if any, to their respective Depository Participants (DP). Members are requested to register/ update their e-mail addresses with the Registrar in case of shares held in physical form and with their respective Depository Participants in case shares are held in electronic form.
- (viii) Members may also note that the Notice of the 33<sup>rd</sup> Annual General Meeting and the Annual Report for the financial year 2016-17 will also be available on the Company's website at [www.morninggloryleasing.in](http://www.morninggloryleasing.in) for download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on all working day. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by any permissible mode free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [morninggloryleasing@gmail.com](mailto:morninggloryleasing@gmail.com).
- (ix) Pursuant to the provisions of Section 72 of the Companies Act 2013, the member(s) holding shares in physical form may nominate, in the prescribed manner, a person to whom all the rights in the shares shall vest in the event of death of the sole holder or all the joint holders. Member(s) holding shares in demat form may contact their respective Depository Participant for availing this facility.
- (x) All documents referred to in the Notice are open for inspection at the registered office of the Company during normal business hours on all working day.

- (xi) The Register of Director and Key Managerial Personnel and their shareholding, maintained under Section 170 of the Companies Act, 2013, and Register of Contracts or Arrangements in which directors are interested under section 189 will be made available for inspection by members of the Company at the meeting.
- (xii) Shareholders who have not dematerialized their shareholding are requested to please dematerialise their holding as it is convenient to trade the shares on the stock exchange and as per listing norms also minimum 50% of the public shareholding is required to be kept in dematerialized form.

## VOTING THROUGH ELECTRONICS MEANS

Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as amended from time to time, the Company is pleased to provide members facility to exercise their right to vote at the 33<sup>rd</sup> Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM (“remote e-voting”) will be provided by National Securities Depository Limited (NSDL).

The Company has approached NSDL for providing e-voting services through our e-voting platform. In this regard, your Demat Account/Folio Number has been enrolled by the Company for your participation in e-voting on resolution placed by the Company on e-Voting system.

The Notice of the 33<sup>rd</sup> Annual General Meeting (AGM) of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form can be downloaded from the link <https://www.evoting.nsdl.com> or [www.morninggloryleasing.in](http://www.morninggloryleasing.in)

The facility for voting through Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.



# PROCEDURE TO LOGIN TO E-VOTING WEBSITE

1. Open the attached PDF file “e-Voting.pdf” giving your Client ID (in case you are holding shares in demat mode) or Folio No. (In case you are holding shares in physical mode) as password, which contains your “User ID” and “Password for e-voting”. Please note that the password is an initial password. You will not receive this PDF file if you are already registered with NSDL for e-voting.
2. Launch internet browser by typing the URL <https://www.evoting.nsdl.com/>
3. Click on “Shareholder - Login”.
4. Put User ID and password as initial password noted in step (1) above and Click Login. If you are already registered with NSDL for e-voting then you can use your existing user ID and password. If you forgot your password, you can reset your password by using “Forgot User Details/Password” option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com)
5. Password Change Menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof.
6. Home page of remote “e-Voting” opens. Click on e-Voting: Active Voting Cycles.
7. Select EVEN (E-Voting Event Number) of Morning Glory Leasing and Finance Limited. Members can cast their vote online from **20<sup>th</sup> September, 2017 (9:00 am) till 22<sup>nd</sup> September, 2017 (5:00 pm)**.
8. Now you are ready for “e-Voting” as “Cast Vote” page opens.
9. Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm”, when prompted.
10. Institutional shareholders (i.e., other than Individuals, HUF, NRI etc.) are also required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority Letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail ([ag4anuraggupta@gmail.com](mailto:ag4anuraggupta@gmail.com)) with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).

# GENERAL INSTRUCTIONS

- a) The e-voting period commences on **20<sup>th</sup> September, 2017 (9:00 am) till 22<sup>nd</sup> September, 2017 (5:00 pm)**. During this period shareholders' of the Company, may cast their vote electronically. The e-voting module shall also be disabled for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- b) Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. **16<sup>th</sup> September, 2017** may obtain the login ID and password by sending a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- c) A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- d) A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- e) The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of **16<sup>th</sup> September, 2017**.
- f) M/s Anurag Gupta & Associates, Company secretaries (COP No. 17887) has been appointed by the Company to act as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- g) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- h) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

- i) The Results shall be declared by the Chairman at the meeting of the Company. The results declared along with the Scrutinizer's Report shall be placed on the Company's website viz., [www.morninggloryleasing.in](http://www.morninggloryleasing.in) and on the website of NSDL on or before Tuesday, 26<sup>th</sup> September, 2017.

All the documents referred to in the accompanying Notice will be available for inspection at the Registered Office of the Company during business hours on all working days up to date of declaration of the result of the 33<sup>rd</sup> Annual General Meeting of the Company.

## OTHER INFORMATION

- Login to e-voting website will be disabled upon five unsuccessful attempts to key-in the correct password. In such an event, you will need to go through 'Forgot Password' option available on the site to reset the same.
- Your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.
- Please note that if you have opened 3-in-1 account with ICICI Group i.e. bank account and demat account with ICICI Bank Limited and trading account with ICICI Securities Limited, you can access e-Voting website of NSDL through their website viz.; [www.icicidirect.com](http://www.icicidirect.com) for the purpose of casting your votes electronically by using your existing user ID and password used for accessing the website [www.icicidirect.com](http://www.icicidirect.com). Please note that in case you are not able to login through the ICICI direct website, you can also access the e-Voting system of NSDL by using your existing user ID and password for the e-voting system of NSDL.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

**MEMBERS HOLDING EQUITY SHARES IN ELECTRONIC FORM AND PROXIES THEREOF, ARE REQUESTED TO BRING THEIR DP ID AND CLIENT ID FOR IDENTIFICATION.**

**By Order of the Board of Directors  
For Morning Glory Leasing and Finance Limited**

**Place: New Delhi  
Date: 09.08.2017**

**Rajesh Bagri  
Managing Director  
DIN: 00062377**

## Explanatory Statement pursuant to Section 102 of the Companies Act, 2013

### ITEM No. 4:

Mr. Sanjay Bhatnagar (DIN: 07653949) was appointed as an Additional Director of the Company by the Board of Director in accordance with the provisions of the section 161 of the Companies Act, 2013. Pursuant to section 161 of the Companies Act, 2013, the above Director holds office up to the date of ensuing Annual General Meeting.

The Board feels that presence of Mr. Sanjay Bhatnagar (DIN: 07653949)) on the Board would be beneficial to the Company and hence recommend passing the resolution as an Ordinary Resolution.

None of the Directors are concerned or interested, directly or indirectly, except Mr. Sanjay Bhatnagar in the resolution.

Your Directors recommend the resolution for approval.

**By Order of the Board of Directors  
For Morning Glory Leasing and Finance Limited**

**Place: New Delhi  
Date: 09.08.2017**

**Rajesh Bagri  
Managing Director  
DIN: 00062377**

## DETAILS OF DIRECTORS RETIRING BY ROTATION AND SEEKING RE-APPOINTMENT

In pursuance of Regulation 36 (3) of SEBI (Listing  
Obligations and Disclosure Requirements) Regulations, 2015

<b>Name of director</b>	Roma Monisha Sakraney	Sanjay Bhatnagar
<b>Nationality</b>	Indian	Indian
<b>Date of Appointment</b>	30.01.2007	10.11.2016
<b>Qualifications</b>	Graduate	Graduate
<b>Number of Shares held in the Company</b>	Nil	Nil
<b>Expertise in specific Functional areas</b>	Financial Sector	Marketing Sector
<b>Director of other Companies (excluding foreign Companies)</b>	Nil	Nil
<b>Relationship between Director Inter se</b>	Nil	Nil

# ROUTE MAP



# DIRECTOR'S REPORT

To,  
The members of  
**Morning Glory leasing And Finance Limited**

The Directors have pleasure in presenting before you the 33<sup>rd</sup> Annual Report on the business and operations of the Company along with the Audited Financial Statement for the financial year ended 31<sup>st</sup> March, 2017.

## 1. FINANCIAL SUMMARY HIGHLIGHTS:

Financial Results of the Company for the year under review along with the figures for previous year are as follows:

(in ₹)

PARTICULARS	31 <sup>st</sup> March, 2017	31 <sup>st</sup> March, 2016
Total Income	1,95,409	4,83,560
Profit/Loss before Depreciation & Tax	(42,995)	(98,761)
Less: Depreciation	-	-
Profit/Loss before Tax	(42,995)	(98,761)
Less: Provision for Tax	-	-
Add: MAT Credit Entitlement	-	-
Less: (Short) /Excess Tax Provision Written off	-	(3,230)
Net Profit/Loss after Tax (c/f)	(42,995)	(1,01,991)

## 2. STATE OF COMPANY AFFAIRS:

During the financial year 2016-17, the Company has recorded revenue of ₹ 1,95,409/-. The Company has earned net loss of ₹ (42,995)/- during the year as compared to loss ₹ (1,01,991)/- in the previous year. The Directors are optimistic about future performance of the Company.

## 3. CHANGE IN NATURE OF BUSINESS

There was no change in the nature of business of company.



#### **4. DIVIDEND:**

As the company has incurred loss, it regrets not to recommend any dividend. But the directors are hopeful better result in ensuring future.

#### **5. TRANSFER TO RESERVES:**

The company Proposes does not transfer any amount to the General reserves, as company have Losses in the Financial year.

#### **6. SHARE CAPITAL**

The paid up share capital as on 31<sup>st</sup> March, 2017 was ₹ 24,90,000/-. There has been no change in the equity share capital of the company during the year.

#### **7. DEPOSITS:**

During the year, the Company has not invited/ accepted any deposits under Companies Act, 2013.

#### **8. SUBSIDIARY / ASSOCIATE/ JOINT-VENTURE COMPANIES:**

The Company does not have any subsidiary / Associate/ Joint-Venture company.

#### **9. DIRECTORS AND KEY MANAGERIAL PERSONNEL**

##### **a. Directors Retires by Rotation**

Mrs. Roma Monisha Sakraney Daga, (DIN: 00148670) Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer herself for re-appointment. The Board of Directors recommends her re-appointment.

##### **b. Regularization of Directors**

In accordance with the provisions of the Companies Act, 2013 and the articles of association of the Company, Mr. Sanjay Bhatnagar was appointed as an Additional Director of the Company on 10<sup>th</sup> November, 2016 and whose term is expires at this ensuing annual general meeting, being eligible and offers himself for regularize her re- appointment as a director of the company. The Board of Directors recommends their appointment for regularization.

##### **c. Independent Directors**

The Independent Directors hold office for a fixed term of five years and are not liable to retire by rotation.

The Independent Directors have submitted their disclosure to the board that they fulfill all the requirements as to qualify for their appointment as an Independent Director under the provisions of the Companies Act, 2013 as well as SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015. Familiarization policy for independent Director is available on company's website.

During the Year, one Independent Meeting held for independent Directors i.e. on 25<sup>th</sup> March, 2017.

**d. Cessation of Director**

During the year, Mr. Sanwar mai Nai expressed their inability to continue as a director, due to their other commitments and submitted their resignation and ceased from the board w.e.f. 10<sup>th</sup> November, 2016. The Board of Directors has accepted the same and placed on record their appreciation for the services rendered by them during the tenure period of their directorship.

**e. Board Evaluation:**

Pursuant to the provisions of the Companies Act, 2013 and relevant Regulation of the SEBI (Listing Obligation and Disclosures requirement) Regulations, 2015, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit Committee, Nomination & Remuneration Committee, Stakeholders Relationship Committee and Risk Management Committees.

**f. Key Managerial Personnel:**

There has been no change in the Key Managerial Personnel of the Company during Previous year and Mr. Rajesh Bagri continues to act as Managing Director (KMP) of the Company.

**10. DIRECTORS' RESPONSIBILITY STATEMENT**

In accordance with the provision of section 134(5) of the Companies Act, 2013 the Board confirms and submits the Director's Responsibility Statement:

- in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- The Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;

- The Directors have taken proper & sufficient care of 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 prevention & detecting fraud & other irregularities;
- The Directors have prepared the accounts for the year ended 31<sup>st</sup> March, 2017 on a going concern basis.
- The directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- The directors had devised proper system to ensure compliance with the provision of all applicable laws and that such systems were adequate and operating effectively.

## 11. MEETINGS:

### a. **Board Meetings**

The Board of Directors duly met Six (6) times during the financial year from 1<sup>st</sup> April, 2016 to 31<sup>st</sup> March, 2017. The dates on which meetings were held are as follows:

30<sup>th</sup> May 2016, 10<sup>th</sup> August 2016, 10<sup>th</sup> November 2016, 22<sup>nd</sup> November 2016, 4<sup>th</sup> February 2017 and 25<sup>th</sup> March 2017.

The periodicity between two Board Meetings was within the maximum time gap as prescribed in the SEBI (Listing Obligations And Disclosure Requirements), Regulations 2015 / Companies Act, 2013.

The composition of the Board of Directors, their attendance at Board Meetings and last Annual General Meeting is as under:

Name of Director	Designation	Category	Number of Board Meetings during the year		Attendance of Last AGM
			Held	Attended	
Mr. Rajesh Bagri	Managing Director	Executive & Non-Independent	6	6	Yes
Mr. Anil Agarwal	Director	Non- Executive & Independent	6	6	Yes
Mrs. Roma Monisha Sakraney Daga	Director	Non- Executive & Non-Independent	6	6	Yes
Mr. Yogesh Mendiratta	Director	Non- Executive & Independent	6	6	Yes

Mr. Sanjiv Kumar Sharma	Director	Non- Executive & Independent	6	6	Yes
Mr. Sanjay Bhatnagar*	Director	Non- Executive & Independent	3	3	No
Mr. Sanwar Mal Nai**	Director	Non- Executive & Independent	3	3	Yes

\*Mr. Sanjay Bhatnagar appointed as Director of Company with effect from 10<sup>th</sup> November, 2016.

\*\*Mr. Sanwar Mal Nai ceased to be Director of company on 10<sup>th</sup> November 2016.

## b. Committee Meetings

### (i) *Audit Committee:*

The Audit Committee comprises three members out of which all members including Chairman of the Committee are Independent Director. During the Year Four (4) Audit Committee Meetings were convened and held.

#### **Meetings of the Committee:**

The Committee met our (4) times on 30<sup>th</sup> May 2016, 10<sup>th</sup> August 2016, 10<sup>th</sup> November 2016 and 4<sup>th</sup> February 2017 during the financial year ended March 31, 2017.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor, Internal Auditor and Executive Directors are invited to the meeting as and when required.

#### **The Composition of the Audit Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Yogesh Mendiratta	Chairman	4	4
Mr. Sanjiv Kumar Sharma	Member	4	4
Mr. Sanjay Bhatnagar*	Member	1	1
Mr. Sanwar Mal Nai**	Member	3	3

\*Mr. Sanjay Bhatnagar was appointed as member of committee w.e.f. 10<sup>th</sup> November, 2016.

\*\*Mr. Sanwar Mal Nai was ceased as member of committee w.e.f. 10<sup>th</sup> November, 2016.

### (ii) *Nomination & Remuneration Committee*

The Nomination & Remuneration Committee comprises three members of which all members including Chairman of the Committee are Independent Director. During the Year three (3) Nomination & Remuneration Committee Meetings were convened and held.

**Meetings of the Committee:**

The Committee met three (3) times on 30<sup>th</sup> May 2016, 10<sup>th</sup> November, 2017 and 4<sup>th</sup> February, 2017 during the financial year ended March 31, 2017.

The Minutes of the Meetings of the Nomination & Remuneration Committee are discussed and taken note by the board of directors.

**The Composition of the Nomination & Remuneration Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Yogesh Mendiratta	Chairman	3	3
Mr. Sanjiv Kumar Sharma	Member	3	3
Mr. Sanjay Bhatnagar*	Member	1	1
Mr. Sanwar Mal Nai**	Member	2	2

\*Mr. Sanjay Bhatnagar was appointed as member of committee w.e.f. 10<sup>th</sup> November, 2016.

\*\*Mr. Sanwar Mal Nai was ceased as member of committee w.e.f. 10<sup>th</sup> November, 2016.

**(iii) Stakeholders' relationship committee:**

The Stakeholders' Relationship Committee comprises three members out of which two including Chairman of the Committee are Independent Director. During the Year three (3) Stakeholders' Relationship Committee Meetings were convened and held.

**Scope of the Committee:**

The scope of the Shareholders/ investors Grievance Committee is to review and address the grievance of the shareholders in respect of share transfers, transmission, non-receipt of Annual report, non-receipt of dividend etc, and other related activities. In addition, the Committee also looks into matters which can facilitate better investor's services and relations.

**Meetings of the Committee:**

The Committee met three (3) times on 10<sup>th</sup> August 2016, 10<sup>th</sup> November, 2017 and 4<sup>th</sup> February, 2017 during the financial year ended March 31, 2017.

The Minutes of the Meetings of the Stakeholders' Relationship Committee are discussed and taken note by the board of directors.

**The Composition of the Stakeholders' Relationship Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Yogesh Mendiratta	Chairman	3	3
Mr. Sanjiv Kumar Sharma	Member	3	3
Mr. Sanjay Bhatnagar*	Member	1	1
Mr. Sanwar Mal Nai**	Member	2	2

\*Mr. Sanjay Bhatnagar was appointed as member of committee w.e.f. 10<sup>th</sup> November, 2016.

\*\*Mr. Sanwar Mal Nai was ceased as member of committee w.e.f. 10<sup>th</sup> November, 2016.

**COMPLIANCE OFFICER:**

<b>Name of the Compliance Officer</b>	Mr. Sanjay Bhatnagar
<b>Contact Details</b>	IRIS House 16, Business Centre, Nangal Raya, New Delhi 110046
<b>E- mail ID</b>	<a href="mailto:morninggloryleasing@gmail.com">morninggloryleasing@gmail.com</a>

**(iv) Risk Management Committee:**

The Risk Management Committee comprises three members of which two including Chairman of the Committee are Independent Director. During the Year Three (3) Risk Management Committee Meetings were convened and held.

**Scope of the Committee:**

The Committee constituted to understand and assess various kinds of risks associated with the running of business and suggesting/implementing ways and means for eliminating/minimizing risks to the business of the Company and periodic review of the management control procedures/tools used to mitigate such risks.

**Meetings of the Committee:**

The Committee met Three (3) times on 10<sup>th</sup> August 2016, 10<sup>th</sup> November 2016 & 4<sup>th</sup> February 2017 during the financial year ended March 31, 2017.

The Minutes of the Meetings of the Risk Management Committee are discussed and taken note by the board of directors.

**The Composition of Risk Management Committee and their attendance at the meeting:**

Name of Members	Category/ Designation	No. of Meetings	
		Held	Attended
Mr. Yogesh Mendiratta	Chairman	3	3
Mr. Sanjiv Kumar Sharma	Member	3	3
Mr. Sanjay Bhatnagar*	Member	1	1
Mr. Sanwar Mal Nai**	Member	2	2

\*Mr. Sanjay Bhatnagar was appointed as member of committee w.e.f. 10<sup>th</sup> November, 2016.

\*\*Mr. Sanwar Mal Nai was ceased as member of committee w.e.f. 10<sup>th</sup> November, 2016.

**c. Share Holder Meetings**

There is only one Share Holder Meeting (32<sup>nd</sup> Annual General Meeting) held on 5<sup>th</sup> September, 2016 at 10.00 AM at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005.

**12. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

Details of Loans, Guarantees and Investment covered under the provisions of section 186 of the Companies Act, 2013 are given in the Notes to the Financial Statements.

**13. INTERNAL FINANCIAL CONTROL SYSTEM:**

The company has in place well defined and adequate internal controls commensurate with the size of the company and same were operating throughout the year. The company has in-house internal audit functions.

**14. DETAILS OF ESTABLISHMENT OF VIGIL MECHANISM:**

Pursuant to the provision of section 177(9) & (10) of the Companies Act, 2013, the Company has formulated a Whistle Blower Policy to establish a vigil mechanism for Directors and employees of the Company to report concerns about unethical behaviour, actual or suspected fraud or violation of the company's code of conduct or ethics policy. The Whistle Blower Policy is available on the website of the Company i.e. [www.morninggloryleasing.in](http://www.morninggloryleasing.in).

**15. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:**

The particulars of contracts or arrangements with related parties for the financial year 2016-17 is annexed herewith to the financial statements in Form No AOC -2.

## **16. CORPORATE GOVERNANCE:**

As per Regulation 15(2) of SEBI (Listing Obligation and Disclosures requirement) Regulation, 2015, report on Corporate Governance is not applicable as the Company is within the prescribed limit that the paid up Share Capital of the Company is ₹ 24,90,000/- (Rupees Twenty Four Lacs Ninety Thousand Only) and Net worth is ₹ 1,05,12,000/- (Rupees One Crore Five lakhs Twelve Thousand Only) as on 31<sup>st</sup> March, 2017.

## **17. MANAGEMENT DISCUSSION ANALYSIS REPORT:**

The Management Discussion and Analysis Report is an integral part of this Report, Hence, annexed thereto under the **Annexure- I.**

## **18. AUDITORS:**

### **(a) Statutory Auditors:**

To appoint M/s Rattan Gupta & Co., Chartered Accountants (FRN -304N), in place of retiring auditor M/s Vinod Vishal & Co., Chartered Accountants (FRN - 09112N), as Statutory Auditor of the company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.

A Certificate from the Auditors has been received to the effect that their appointment, if made, would be within the limits prescribed under section 141(3) (g) of the Companies Act, 2013 and that they are not disqualified to be appointed as statutory auditor in terms of the provisions of the proviso to section 139(1), section 141(2) and section 141(3) of the Companies Act, 2013, and the provisions of Companies (Audit and Auditors) Rules, 2014.

- ***Statutory Auditor's Report***

The Auditors have given an audit report on financials of 2016-17 and annexed herewith marked as **Annexure- II.**

- ***Statutory Auditor's Observations***

The observations made by Auditor with reference to notes to accounts are self-explanatory and need no comments.



**(b) Secretarial Auditors:**

The Company has appointed Mr. Nikhil Jain Proprietor of M/s Nikhil Jain & Associates to hold the office of the Secretarial Auditors of the company and the Secretarial Audit Report.

- ***Secretarial Auditor's Report***

The Secretarial Audit Report is annexed herewith marked as **Annexure- III** to this report in Form No. MR-3.

- ***Secretarial Auditor's Observations***

There is a qualification in the report that company did not appoint Chief Financial Officer and Company Secretary. The Management, Clarified that, it is in the search of suitable candidate for the post of Chief Financial Officer and Company Secretary.

**(c) Internal Auditors:**

The Company has appointed Ms. Kajal, as an Internal Auditor of the Company for the financial year 2016-17.

- ***Internal Auditor's Report***

Ms. Kajal placed the internal audit report to the Company.

- ***Internal Auditor's Observations***

Internal audit report self explanatory and need no comments.

**19. EXTRACT OF THE ANNUAL RETURN:**

The extract of the Annual return for the Financial Year 2016-2017, is being attached with the Directors report in Form No MGT-9 marked as **Annexure- IV.**

**20. PARTICULARS OF EMPLOYEES:**

None of the employee was drawing in excess of the limits by the Companies Act, 2013 and rules made there under which needs to be disclosed in the directors report.

**21. DEMATERILISATION OF SHARES:**

The Company has connectivity with NSDL & CDSL for dematerialization of its equity shares. The ISIN No INE183F01015 has been allotted for the Company.

Therefore, investors may keep their shareholding in the electronic mode with their Depository Participates. 81.00% of the Company's Paid-up Share Capital is in dematerialized form as on 31<sup>st</sup> March, 2017 and balance 19.00% is in physical form.

## **22. HEALTH, SAFETY AND ENVIRONMENT PROTECTION:**

The Company has complied with all the applicable environmental law and labour laws. The Company has been complying with the relevant laws and has been taking all necessary measures to protect the environment and maximize worker protection and safety.

## **23. SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013:**

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy. The policy is available on the website of the company i.e. [www.morninggloryleasing.in](http://www.morninggloryleasing.in)

The following is a summary of sexual harassment complaints received and disposed off during the year 2016-17.

- No of complaints received : 0
- No of complaints disposed off : N.A.

## **24. DEVELOPMENT & IMPLEMENTATION OF RISK MANAGEMENT POLICY:**

The assets of the Company are adequately insured against the loss of fire, riot, earthquake, terrorism, loss of profits, etc other risks which considered necessary by the management. The Company has been addressing the various risks impacting the Company and policy of the Company on risk management is provided elsewhere in this Annual Report in Management Discussion and Analysis.

**25. DETAILS OF POLICY DEVELOPED AND IMPLEMENTED BY THE COMPANY ON ITS CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The Company has not developed and implemented any Corporate Social Responsibility initiatives as the said provisions are not applicable.

**26. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS OF THE COMPANY:**

There are no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status of the company.

**27. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS & OUTGO:**

The Company does not fall under any of the industries covered by the Companies (Accounts) Rules, 2014. Hence, the requirements of disclosure in relation to the conservation of energy, technology absorption, foreign exchange earnings & outgo are not applicable to it.

S. No	Particulars	Current Year 2016-17	Previous Year 2015-2016
A.	Conservation of Energy	Nil	Nil
B.	Technology Absorption	Nil	Nil
C.	Foreign Exchange Earnings & Outgo	Nil	Nil

**ACKNOWLEDGEMENT:**

The Directors are thankful to the Bankers, Customers, Dealers, and Vendors for their valuable support and assistance.

The Directors wish to place on record their appreciation of the commendable work done, dedication and sincerity by all the employees of the Company at all levels during the year under review.

The Company will make every effort to meet the aspirations of its shareholders and wish to sincerely thank them for their whole hearted co-operation and support at all times.

**For and on behalf of the Board of Directors  
For Morning Glory Leasing and finance Limited**

**Place: New Delhi  
Date: 09.08.2017**

**Rajesh Bagri  
Managing Director  
DIN: 00062377**

**Yogesh Mendiratta  
Director  
DIN: 02747560**

# MANAGEMENT DEVELOPMENT & ANALYSIS REPORT

## A. ECONOMIC OUTLOOK

The long-term fundamentals of the Indian economy continue to be strong due to rising incomes and large investments. These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

## B. COMPANY OVERVIEW

The company is engaged in trading in shares, financial services and investment activities where the outlook of the business seems to be encouraging over and above we have been diversified into different businesses ranging from third party product distributions (lowest balance sheet risk) to originating unsecured personal loans, corporate loans (highest balance sheet risk). We believe that we are well placed to leverage on the growth opportunities in the economy.

## C. FINANCIAL PERFORMANCE

The Company has incurred a net loss of ₹ (42,995)/- during the year. The Directors are optimistic about future performance of the Company.

## D. OPPORTUNITIES & THREATS

### *Opportunities*

- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization.

- Focus on selling new product/services.

### ***Threats***

- Inflation could trigger increase in consumer price inflation, which would dampen growth.
- Increased competition in both local & overseas markets.
- Unfavorable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

## **E. RISK MANAGEMENT AND CONCERNS**

The company operates in the Financial Services Sector, which is affected by variety factors linked to economic development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To mitigate this, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken is after weighing the pros and cons of such a decision making taking note of the risk attributable.

## **F. HUMAN RESOURCE**

The Company keeps developing its organizational structure consistently over time. Efforts are made to follow excellent Human Resource practices. Adequate efforts of the staff and management personnel are directed on imparting continuous training to improve the management practices.

The objective of your Company is to create a workplace where every person can achieve his or her full potential. The employees are encouraged to put in their best. Lot of hard work is put in to ensure that new and innovative ideas are given due consideration to achieve the short and long term objectives of your company.

## **G. MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATION FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED**

The employees are satisfied and having good relationship with the Management.

## **H. DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

This is to confirm that the Company has adopted a Code of conduct for its employees including the director. I confirm that the Company has in respect of the financial Year ended 31<sup>st</sup> March, 2017, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the code of Conduct as applicable to them.

## **I. DISCLOSURE OF ACCOUNTING TREATMENT**

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013 ("the 2013 Act") and the relevant provisions of the 2013 Act, as applicable. The financial statements have been prepared on going concern basis under the historical cost convention on accrual basis.

The Company has follows to continue with the period of 1<sup>st</sup> day of April to 31<sup>st</sup> day of March, each year as its financial year for the purpose of preparation of financial statements under the provisions of Section 2(41) of the Companies Act, 2013.

## **J. CAUTIONARY STATEMENT**

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations, predictions and assumptions may be "FORWARD LOOKING" within the meaning of applicable Laws and Regulations. Actual results may differ materially from those expressed herein, important factors that could influence the Company's operations include domestic economic Conditions affecting demand, supply, price conditions, and change in Government's regulations, tax regimes, other statutes and other factors such as industrial relations.

# INDEPENDENT AUDITORS' REPORT

To the Members of  
**MORNING GLORY LEASING & FINANCE LIMITED**

## REPORT ON THE FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **MORNING GLORY LEASING & FINANCE LIMITED** (“the Company”), which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

## MANAGEMENT’S RESPONSIBILITY FOR THE FINANCIAL STATEMENTS

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



## **AUDITORS' RESPONSIBILITY**

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made 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 auditors consider 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 and 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 financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017 and its loss and its 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, 2017 ("the Order") issued by the Central Government of India in terms of Section 143 (11) of the Act, we

give in the Annexure-A, a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143 (3) of the Act, we report that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - e) On the basis of written representations received from the directors, as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) Our Report on the Internal Financial Controls under clause (i) of sub-section 3 of section 143 of the Companies Act, 2013 is given as Annexure-B to this Report.
  - g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has no Contingent Liability of its financial statements.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There were no amounts which were required to be transferred, to the Investor Education and Protection Fund by the Company.

**For and on behalf of  
VINOD VISHAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No: 09112N**

**CA VINOD KUMAR GUPTA  
(PARTNER)  
MEMBERSHIP NO.:- 083418**

**Place: New Delhi  
Dated: 25-05-2017**

## **Annexure-A to the Independent Auditors' Report**

**(Referred to in paragraph 1 under Report on other Legal & Regulatory requirements' of our Report of even date)**

- i. The Company does not have fixed asset hence provisions of the clause no. 3(i) sub clause a), b) & c) of the Order are not applicable to the company.
- ii. The Company does not have inventory hence clause no. 3(ii) of the Order is not applicable to the company.
- iii. The Company has not granted loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 as per information and explanations given to us. Consequently the provisions of clauses 3(iii)(a), (iii)(b) and (iii)(c) of the Order are not applicable.
- iv. In our opinion and according to the information and explanations given to us, in respect of loans, investments, guarantees and security provisions of section 185 and 186 of The Companies Act, 2013 have been complied with.
- v. As the company has not accepted deposits from the public, the provisions of clause 3 (v) of the Order are not applicable.
- vi. The Central Government has not prescribed maintenance of cost records under Section 148 (1) of The Companies Act, 2013 and the rules framed there-under.
- vii. a) According to the information and explanations given to us and the records of the company examined by us, the company has been generally regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other statutory dues to the appropriate authorities during the year in respect of Service Tax, Sales Tax, Excise duty and Tax deducted at source and that there are no undisputed statutory dues as at the yearend outstanding for a period of more than six months from the date they become payable.  
b) There are no dues in respect of income tax, sales tax, service tax, duty of custom, duty of excise, value added tax and cess that have not been deposited with the appropriate authorities on account of any dispute other than those mentioned below:-

<b>Nature of Dues</b>	<b>Amount (Rs.)</b>	<b>Period to which amount relates</b>	<b>Forum where the dispute is pending</b>
NIL	NIL	NIL	NIL

- viii. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not defaulted in repayment of dues to banks, financial institutions and Government. There are no dues to financial institution. The company has not obtained any borrowings by way of debentures.
- ix. In our opinion and according to the information and explanations given to us, The company has not raised any monies by way of initial public offer or further public offer (including debt instruments) and term loans.
- x. To the best of our knowledge and according to the information and explanations given to us, no fraud by the Company and fraud on the Company by its officers or employees has been noticed or reported during the year.
- xi. In our opinion and according to the information and explanations given to us, no managerial remuneration has been paid or provided during the year, so the provisions of clause (xi) of the Order relating to managerial remuneration is not applicable to the company.
- xii. In our opinion and according to the information and explanations given to us, the provisions of clause (xii) of the Order relating to Nidhi Companies is not applicable to the company.
- xiii. In our opinion and according to the information and explanations given to us, all transactions with the related parties are in compliance with sections 177 and 188 of The Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- xiv. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- xv. In our opinion and according to the information and explanations given to us, the Company has not entered into any non-cash transactions with directors or persons connected with them.

xvi. In our opinion and according to the information and explanations given to us, the Company is not required to be registered under section 45-1A of The Reserve Bank of India Act, 1934.

**For and on behalf of  
VINOD VISHAL & CO.  
CHARTERED ACCOUNTANTS  
Firm Registration No: 09112N**

**CA VINOD KUMAR GUPTA  
(PARTNER)  
MEMBERSHIP NO.:- 083418**

**Place: New Delhi  
Dated: 25-05-2017**

# MORNING GLORY LEASING & FINANCE LTD

## BALANCE SHEET AS AT 31st MARCH, 2017

Particulars	Note No	31st March, 2017 (Amount in Rs.)	31st March, 2016 (Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>	<b>2</b>	<b>24,90,000</b>	<b>24,90,000</b>
a) Share Capital			
b) Reserves and Surplus	<b>3</b>	<b>80,60,731</b>	<b>81,03,725</b>
<b>Current Liabilities</b>			
a) Trade payables	<b>4</b>	<b>15,000</b>	<b>15,000</b>
b) Other current liabilities	<b>5</b>	<b>4,70,055</b>	<b>8,250</b>
c) Short-term provisions	<b>6</b>	<b>-</b>	<b>-</b>
		<b>1,10,35,786</b>	<b>1,06,16,975</b>
<b>Assets</b>			
<b>Non-current assets</b>			
a) Fixed assets			
(i) Tangible assets		<b>-</b>	<b>-</b>
b) Non-current investments	<b>7</b>	<b>97,25,086</b>	<b>28,18,240</b>
<b>Current assets</b>			
a) Trade Receivable	<b>8</b>	<b>-</b>	<b>4,44,922</b>
a) Cash and cash equivalents	<b>9</b>	<b>6,67,120</b>	<b>1,25,403</b>
b) Short-term loans and advances	<b>10</b>	<b>6,43,580</b>	<b>72,28,410</b>
		<b>1,10,35,786</b>	<b>1,06,16,975</b>

### SIGNIFICANT ACCOUNTING POLICIES

#### & NOTES ON ACCOUNTS: **1**

NOTE: Schedules 1 to 14 form an integral part of the accounts.

As per our report of even date attached

For Vinod Vishal & Co.  
Firm Registration no. 09112N  
Chartered Accountants

For Morning Glory Leasing and Finance Ltd.

CA Vinod Kumar Gupta  
Partner  
Membership No.: 083418

(Rajesh Bagri)  
Managing Director  
DIN No. 00062377

(Yogesh Mendiratta)  
Director  
DIN No.02747561

Place: New Delhi  
Dated:25-05-2017

**Morning Glory Leasing and Finance Limited**

**Annual Report 2016-17**

**MORNING GLORY LEASING AND FINANCE LTD.**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH,2017**

Particulars	Note No	31st March, 2017 (Amount in Rs.)	31st March, 2016 (Amount in Rs.)
Revenue from operations	11	43,708	1,47,876
Other Income	12	1,51,701	3,35,684
<b>Total Revenue</b>		<b>1,95,409</b>	<b>4,83,560</b>
Expenses:			
Employee benefit expense	13	21,700	-
Other expenses	14	2,16,704	5,82,320
<b>Total Expenses</b>		<b>2,38,404</b>	<b>5,82,320</b>
Profit (Loss) Before Tax		(42,995)	(98,761)
Less : Provision for Tax		-	-
Less : (Short) /Excess I Tax Provision Written off		-	(3,230)
Net Profit Carried Forward		(42,995)	(1,01,991)
<b>BASIC AND DILUTED EARNINGS PER EQUITY SHARE (In Rupees)</b>		-0.17	0.00

SIGNIFICANT ACCOUNTING POLICIES &  
NOTES ON ACCOUNTS: 1

NOTE: Schedules 1 to 14 form an integral part of the accounts.

As per our report of even date attached

For Vinod Vishal & Co.  
Firm Registration no. 09112N  
Chartered Accountants

For Morning Glory Leasing and Finance Ltd.

CA Vinod Kumar Gupta  
Partner  
Membership No.: 083418

(Rajesh Bagri)  
Managing Director  
DIN No. 00062377

(Yogesh Mendiratta)  
Director  
DIN No.02747561

Place: New Delhi  
Dated:25-05-2017

## MORNING GLORY LEASING AND FINANCE LTD.

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2017

Particulars	2016-17	(Figures Rs.) 2015-16
<b>A) Cash Flow from Operating Activities</b>		
Net Profit before Tax & Extraordinary items	(42,995)	(98,761)
Add: Adjustments for:		
Interest Paid	-	-
Depreciation	-	-
Loss/ (Profit) on sale of Investment/Fixed Assets	-	(3,33,893)
Less: Dividend Received on Investments	(43,708)	(1,34,095)
Interest Received	(1,51,701)	(1,791)
Other Income	-	-
<b>Operating Profit before Working Capital Changes</b>	<b>(2,38,404)</b>	<b>(5,68,539)</b>
Adjustments for:		
Trade & Other Receivables	70,29,752	(70,48,152)
Trade Payables	61,805	(1,47,221)
Cash Generated from/(used in) Operations	-	-
Less: Taxes Paid	-	-
<b>Net Cash from/(used in) Operating Activities</b>	<b>68,53,153</b>	<b>(77,63,912)</b>
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Investments	(72,69,692)	-
Sale of Investments/assets	2,28,000	77,44,594
Dividend on Investment Received	43,708	1,34,095
Interest Received	1,51,701	1,791
Other Income	-	-
<b>Net Cash from Investing Activities</b>	<b>(68,46,283)</b>	<b>78,80,480</b>
<b>C) Cash Flow from Financing Activities</b>		
Change in Unsecured Loans	4,00,000	-
Interest Paid	-	-
<b>Net Cash generated in Financing Activities</b>	<b>4,00,000</b>	<b>-</b>
<b>Net Change in Cash and Cash Equivalents (A+B+C)</b>	<b>4,06,871</b>	<b>1,16,567</b>
Cash & Cash Equivalents As At 1st April (Opening Balance)	1,25,403	8,836
Cash & Cash Equivalents As At 31st March (Closing Balance)	6,67,120	1,25,403

For Morning Glory Leasing & Finance Ltd.

Place: New Delhi

Dated: 25-05-2017

Note: Figures in brackets represent cash outflows.

(Rajesh Bagri)

Managing Director

DIN No. 00062377

(Yogesh Mendiratta)

Director

DIN No.02747561

**Morning Glory Leasing and Finance Limited**

**Annual Report 2016-17**



## **NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

### **A. SIGNIFICANT ACCOUNTING POLICIES**

#### **i. Basis of preparation of Financial Statements**

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 the provisions of the Act (to the extent notified), guidelines issued by Reserve Bank of India and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

#### **ii. Revenue Recognition**

Expenses & income considered payable and receivable respectively are accounted for on accrual basis.

#### **iii. Use of Estimates**

The preparation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in current and future periods.

#### **iv. Fixed Assets**

There is no Fixed Asset.

#### **v. Income from stock of Investments & Loans**

Income from stock of investments in interest bearing securities and loans & advances is accounted for on accrual basis. Dividend income from stock of investments in shares is recognized accruing as income of that year in which dividend is declared by the companies in their respective Annual General Meetings.

#### **vi. Investments**

Investments Non Current/Long Term are stated at historical cost. The market value of quoted investments is also disclosed in the Balance Sheet. Cost is inclusive of

transfer expenses if any and at the time of sale cost is determined on the basis of purchase price paid for each share identified through its distinctive no(s), in case of shares held in physical form and FIFO basis in case of shares held in dematerialize form.

#### **vii. Taxation**

Tax expenses for the year comprises of Current tax and deferred tax charge or credit. The deferred Tax Assets and deferred Tax Liabilities are calculated by applying tax rates and tax laws that have been enacted or substantially enacted by the Balance Sheet date. Deferred Tax asset arising mainly on account of brought forward losses and unabsorbed depreciation under tax law are recognized only if there is virtual certainty of its realization. Other deferred tax assets are recognized only to the extent there is a reasonable certainty of realization in future. Deferred Tax Assets / Liabilities are reviewed at each balance sheet date based on development during the year; further future expectations and available case laws to reassess realization/ liabilities.

#### **viii. Contingent Liabilities**

Contingent liabilities are not provided for and are disclosed by way of notes.

### **B. NOTES ON ACCOUNTS**

1. This disclosure is based on the information available with the company regarding the status of suppliers as defined under the "Interest on Delayed Payments to Small Scale & ancillary Industrial Undertaking Act, 1993". Unpaid Interest as on 31<sup>st</sup> March, 2017 Rs. NIL (Previous Year NIL).
2. In the opinion of Board of Directors, the value on realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.
3. The Management has confirmed that adequate provision has been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
4. There is no liability of the company as on 31.03.2017 in respect of retirement / earned leave encashment benefits, if any, payable to its employees.
5. The figures have been rounded off to the nearest rupee.
6. Wherever necessary to confirm the current year's classification, previous year figures have been re-grouped and re-classified.
7. **Deferred Tax Liability/Asset:-**  
No Deferred Tax liability / Asset have been created as there is no timing difference between taxable and Accounting Income of the company.
8. The company is mainly engaged in the activities of Sale / Purchase of securities and all other activities are incidental to / resolve around the main activity and

therefore there are no separate reportable segments as per the Accounting Standard (AS-17) on segment reporting.

9. As per Accounting Standard 18 "Related Party Disclosures" issued by Companies (Accounting Standard) Rules, 2006 transaction with related parties are as follows:

	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
a) Loan Received back		
- Freesia Investment & Trading Co. Ltd.	41,00,000	----
- Alfa Mercantile Ltd.	25,00,000	----
b) Professional Income		
- Orient Bell Ltd.	----	13,781
c) Investment Sold		
- Freesia Investment & Trading Co Ltd.	2,28,000	----

<b>10. EARNING PER SHARE</b>	<b>CURRENT YEAR</b>	<b>PREVIOUS YEAR</b>
(a) Net Profit /(Loss)	(42,995)	(98,761)
Less: Provision Taxation	----	(3,230)
Add: MAT Carried Forward	----	----
	-----	-----
Net Profit / (Loss)	(42,995)	(1,01,991)
	-----	-----
(b) No. of Equity Shares		
Outstanding during the year	2,49,000	2,49,000
(c) Basic & Diluted Earnings (In Rupees) per Share	-0.17	-0.41

**As per our report of even date attached**

**For Vinod Vishal & Co**  
**Firm Registration No. 09112N**  
**Chartered Accountants**

**For Morning Glory Leasing & Finance Ltd.**

**(Vinod Kumar Gupta)**  
**Partner**  
**Membership No.: 083418**

**(Rajesh Bagri)**  
**Managing Director**  
**DIN No.00062377**

**(Yogesh Mendiratta)**  
**Director**  
**DIN No.02747561**

**Place: New Delhi**  
**Dated: 25-05-2017**

## MORNING GLORY LEASING & FINANCE LTD

### NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017

	Note No.	2017	2016
<b>Note No</b>	2		
<b>Share Capital</b>			
Authorised :			
3,00,000 Equity Shares of Rs.10/- each		30,00,000	30,00,000
10,000 Non Cumulative redeemable Preference Shares of Rs.100/- each		10,00,000	10,00,000
		40,00,000	40,00,000
Issued, subscribed & paid up:			
2,49,000 Equity shares of Rs.10/- each fully paid up		24,90,000	24,90,000
Total:		24,90,000	24,90,000

-- Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs.10/.Each holder of Equity Shares is entitled to One vote per share.

-- Reconciliation of the number of shares outstanding and Amount of Share Capital as on 31st March,2017 & 31st March,2016 is as under:

Particulars	As at 31st March,2017		As at 31st March,2016	
	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
Number of shares at the beginning	2,49,000	24,90,000	2,49,000	24,90,000
Number of shares at the end	2,49,000	24,90,000	2,49,000	24,90,000

- The dividend Proposed, if any,by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.No dividend has been proposed for the current year or for the previous year.

Details of shareholder holding more than 5% share in the company				
Name of share holders	No of Equity Shares	% share Holding	No of Equity Shares	% share Holding
Alfa Mercantile Ltd.	25000	10.04	25000	10.04
IRIS Design Pvt. Ltd	25000	10.04	25000	10.04
Freesia Investment & Trading Co. Ltd.	25000	10.04	25000	10.04
Sh. M.K. Daga (HUF)	25000	10.04	25000	10.04
Sh. Madhur Daga	25000	10.04	25000	10.04
Smt. Sarla Daga	25000	10.04	25000	10.04
RAJESH BAGRI	14850	5.96		
Mr. Ramesh Kumar Jain	12500	5.02	12500	5.02

<b>Note No</b>	3		
<b>RESERVE &amp; SURPLUS</b>			
Surplus - Opening Balance		81,03,725	82,05,716
Add : Net Profit after tax transeferred from Statement of Profit & Loss		(42,995)	(1,01,991)
Surplus - Closing Balance		80,60,731	81,03,725

<b>Note No</b>	4		
<b>Trade Payable</b>			
Audit Fees Payable		15,000	15,000
<b>TOTAL</b>		15,000	15,000

## MORNING GLORY LEASING & FINANCE LTD

NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017

Note No	Note No.	2017	2016
<b>Note No</b>	<b>5</b>		
<b>Other current liabilities</b>			
Unsecured Loan		4,00,000	-
Expense payable		70,055	8,250
<b>TOTAL</b>		<b>4,70,055</b>	<b>8,250</b>
<b>Note No</b>	<b>6</b>		
<b>Short-term provisions</b>			
<b>TOTAL</b>		<b>-</b>	<b>-</b>
<b>Note No</b>	<b>8</b>		
<b>Trade Receivable</b>			
(Unsecured, Considered good unless stated otherwise)			
Outstanding over six months from due date		-	-
Other debts		-	4,44,922
		<b>-</b>	<b>4,44,922</b>
<b>Cash and cash equivalents</b>	<b>9</b>		
i) Cash & Bank Balances			
-Cash in hand (As certified)		4,12,208	2,458
-Balance with Schedule Banks (Current A/c)		2,54,912	1,22,945
<b>TOTAL</b>		<b>6,67,120</b>	<b>1,25,403</b>
<b>Note No</b>	<b>10</b>		
<b>Short-term loans and advances</b>			
Loan & Advances given		-	66,00,000
Mat Credit Ass. Year 2014-15		5,32,031	5,32,031
Mat Credit Ass. Year 2015-16		96,379	96,379
ITDS AY 17-18		15,170	-
<b>TOTAL</b>		<b>6,43,580</b>	<b>72,28,410</b>
<b>Note No</b>	<b>11</b>		
<b>Revenue from operations</b>			
Dividend		43,708	1,34,095
Professional Income		-	13,781
<b>TOTAL</b>		<b>43,708</b>	<b>1,47,876</b>
<b>Note No</b>	<b>12</b>		
<b>Other Income</b>			
Interest Income		1,51,701	1,791
Long Term Capital Gain on Shares		-	3,33,893
<b>TOTAL</b>		<b>1,51,701</b>	<b>3,35,684</b>
<b>Note No</b>	<b>13</b>		
<b>Employee benefit expense</b>			
Salary & Wages		21,700	-
<b>TOTAL</b>		<b>21,700</b>	<b>-</b>

**Morning Glory Leasing and Finance Limited**

**Annual Report 2016-17**

## MORNING GLORY LEASING & FINANCE LTD

### NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017

Note No	Note No.	2017	2016
	14		
<b>Other expenses</b>			
Postage & General Charges		3,000	13,876
Professional Charges		2,000	12,981
Listing Fees		28,625	4,96,930
Bank Charges		1,136	1,068
Rent, Rates & Taxes		22,925	21,500
Meeting Fees		-	3,420
Statutory Publication Charges		5,363	17,546
Dmat Charges		13,655	-
Donation & Charity		1,25,000	-
<b>Auditors' Remuneration:</b>			
Audit Fee		15,000	15,000
<b>Total</b>		2,16,704	5,82,320

## MORNING GLORY LEASING & FINANCE LTD

### NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2017

#### Note No 7

#### Non-current investments

Particulars	Opening Stock As on 14.2016		Purchases		Sale/Adjst. during the year		Closing Stock As on 31.03.2017		Dividend As on 31.03.2017		DEMAT/ PHY	Pledge	Unlock	Market price per share	Market Value as on 31.03.16
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Per Share	Amount (Rs.)					
<b>QUOTED</b>															
Equity Shares of Rs.10- each fully paidup of Orient Bell Ltd.	87,370	20,03,298	-	-	-	-	87,370	20,03,298	1	43,685	Demat	-	87,370	173.10	1,51,23,747.00
<b>UNQUOTED</b>															
Equity Shares of Rs.10- each fully paidup of IRIS Designs Pvt. Ltd.	8,480	84,800	-	-	-	-	8,480	84,800	-	-	PHY	-	8,480	10.00	-
Equity Shares of Rs.10- each fully paidup of Elit Tile Solutions Pvt Ltd	40,000	4,00,000	-	-	28,000	2,28,000	12,000	1,72,000	-	-	-	-	-	-	-
Equity Shares of Rs.10- each fully paidup of Freesia Investments & Trading Co. Ltd	90,000	3,30,143	-	-	-	-	90,000	3,30,143	-	-	PHY	0	90,000	-	3,30,143.00
<b>FDR with Banks</b>	-	-	-	70,00,000	-	-	-	70,00,000	-	-	-	-	-	-	-
Interest Accrued but not due on FDR	-	-	-	1,34,846	-	-	-	1,34,846	-	-	-	-	-	-	-
<b>Total:</b>	2,25,850	28,18,240	-	71,34,846	28,000	2,28,000	1,97,850	97,25,086	1	43,685	-	-	95,850	1,51,23,747	-

#### Aggregate value of Shares:-

	Book Value		Market Value	
	As at 31.03.2017 (Rs.)	As at 31.03.2016 (Rs.)	As at 31.03.2017 (Rs.)	As at 31.03.2016 (Rs.)
Quoted	20,03,297	20,03,297	1,51,23,747	1,51,23,747
Unquoted	5,86,943	2,56,800	5,86,943	2,56,800
Bonds/Debtentures/FD	70,00,000	-	70,00,000	-
Interest Accrued but not due on FDR	1,34,846	-	1,34,846	-
	97,25,086	22,60,097	2,28,45,536	1,53,80,547

#### Note:

1. Market value of Quoted Shares have been taken as per BSE/NSE.
2. In case of unquoted shares, cost has been taken as Market value.

## FORM AOC-2

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

Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto.

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

- (a) Name(s) of the related party and nature of relationship: **NIL**  
(b) Nature of contracts/arrangements/transactions: **NIL**  
(c) Duration of the contracts / arrangements/transactions: **NIL**  
(d) Salient terms of the contracts or arrangements or transactions including the value: **NIL**  
(e) Justification for entering into such contracts or arrangements or transactions: **NIL**  
(f) Date of approval by the Board: **NIL**  
(g) Amount paid as advances: **NIL**  
(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188: **NIL**

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

Name(s) of the related party and nature of relationship	Nature of contracts / arrangements/ transactions	Duration of the contracts / arrangements/ transactions	Salient terms of the contracts or arrangements or transactions including the value	Date(s) of transaction by the Board	Amount paid as advances, if any
Freesia Investment & Trading Co. Ltd. Common Directorship	Loan Received back	One	Loan and Advances	28-07-2016	₹ 41,00,000/-
Alfa Mercantile Ltd., Common Directorship	Loan Received back	One	Loan and Advances	24-10-2016	₹ 25,00,000
Freesia Investment & Trading Co. Ltd., Common Directorship	Sale of Investment	One	Sale of Investment	27-04-2016	₹ 2,28,000/-

# Form No. MR-3

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017  
[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,  
The Members,  
**Moring Glory Leasing and Finance Limited**  
House-16, Business Centre, Nangal Raya,  
New Delhi – 110046

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by M/s. Morning Glory Leasing and Finance Limited (hereinafter called “the Company”) (CIN: L67120DL1984PLC018872). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on my verification of the Company’s books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2017 (“Audit Period) complied with the statutory provisions listed hereunder and also that the Company has Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2017, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;  
During the period under review, the Company has complied with the provisions of the aforesaid Act and the rules made thereunder except the following:
- (a) The Company has not complied with the provisions of Section 203(ii) and 203 (iii) of the Companies Act, 2013 for appointment of Company Secretary and Chief Financial Officer during the audit period.



- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

I have relied on the representation made by the Company and its officers for systems and mechanism formed by the Company for compliances under other applicable acts, laws and regulations as applicable to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;

**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 as on 31<sup>st</sup> March, 2017. 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.

- The Company has not complied with the provisions of Section 186 of the Companies Act, 2013
- On the basis of Minutes of Board Meeting, it is apparent that all the decisions are carried through unanimous consensus and there were no dissenting members' views.
- Based on review of compliance mechanism established by the Company and on the basis of certificate issued by officers of the Company, we are of the opinion that the management has adequate systems and processes commensurate with its size and operations, to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- The compliance by the Company of applicable financial laws, like direct and indirect tax laws and financial accounts, has not been reviewed in this Audit since the same have been subject to review by statutory financial audit and other designated professionals.

**For Nikhil Jain & Associates**

**CS Nikhil Jain  
(Proprietor)  
M.No. 48533  
CP. No. 17727**

**Place: Ghaziabad  
Date: 09.08.2017**

This report is to be read with our letter of even date which is annexed as Annexure "A" and forms an integral part of this report.

## ANNEXURE A

To,  
The Members,  
**Moring Glory Leasing and Finance Limited**  
House-16, Business Centre, Nangal Raya,  
New Delhi – 110046

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

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

**For Nikhil Jain & Associates**

**CS Nikhil Jain**  
**(Proprietor)**  
**M.No. 48533**  
**CP. No. 17727**

**Place: Ghaziabad**  
**Date: 09.08.2017**

# FORM No. MGT-9

## EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31/03/2017

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

### I. REGISTRATION AND OTHER DETAILS:

i.	CIN	L67120DL1984PLC018872
ii.	REGISTRATION DATE	03/08/1984
iii.	NAME OF COMPANY	MORNING GLORY LEASING AND FINANCE LIMITED
iv.	CATEGORY OF COMPANY	Company limited by shares
v.	SUB-CATEGORY OF COMPANY	Indian Non-Government Company
vi.	ADDRESS OF COMPANY	IRIS House 16, Business Centre, Nangal Raya, New Delhi -110046
vii.	LISTED/UNLISTED	Listed
viii.	NAME & ADDRESS OF RTA	Bigshare Services Pvt. Ltd. E4/8, First Floor, Jhandewalan Extension, New Delhi- 110055

### II. PRINCIPAL BUSINESS ACTIVIES OF THE COMPANY

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

S. No	Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
1.	Other Financial Services- Dealing in shares and securities	65910	100%

### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

S. N.	Name and Address of the Company	CIN/ GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
NIL					

**Morning Glory Leasing and Finance Limited**

**Annual Report 2016-17**

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

##### i. Category-wise share Holding

Category of Shareholders	No. of shares held at the beginning of the year				No. of shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTORS</b>									
<b>1. Indian</b>									
a) Individual/ HUF	75000	0	75000	30.12	75000	0	75000	30.12	0
b) Central govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies corp.	75000	0	75000	30.12	75000	0	75000	30.12	0
e) Banks/FI	0	0	0	0	0	0	0	0	0
f) Any Others	0	0	0	0	0	0	0	0	0
Sub Total A (1):	150000	0	150000	60.24	150000	0	150000	60.24	0
<b>2. Foreign</b>									
a) NRIs- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/FI	0	0	0	0	0	0	0	0	0
e) Any Others	0	0	0	0	0	0	0	0	0
Sub Total A (2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoter (A)=(A)(1)+(A)(2)	150000	0	150000	60.24	150000	0	150000	60.24	0
<b>B. PUBLIC SHARE HOLDING</b>									
<b>1. Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/ FI	0	0	0	0	0	0	0	0	0

c) Central govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-total (B)(1):-	0	0	0	0	0	0	0	0	0
2.Non Institutions									
a)Bodies Corp.									
(i)Indian	0	0	0	0	0	0	0	0	0
(ii)Overseas	0	0	0	0	0	0	0	0	0
b)Individuals									
(i)Individual Shareholders Holding nominal share capital up to ` 2 lakh	9900	86625	96525	38.77	51680	47320	99000	39.76	0.99
(ii)Individuals shareholders holding nominal share capital excess of ` 2 lakh	0	0	0	0	0	0	0	0	0
c)Others (Specify) HUF	2475	0	2475	0.99	0	0	0	0	(0.99)

sub-total (B) (2):-	12375	86625	99000	39.76	51680	47320	99000	39.76	0
Total Public Shareholding (B)= (B) (2)	12375	86625	99000	39.76	51680	47320	99000	39.76	0
<b>C. Share held by Custodian for GDRs &amp; ADRs NIL</b>									
<b>Grand Total (A+B+C)</b>	<b>162375</b>	<b>86625</b>	<b>249000</b>	<b>100</b>	<b>201680</b>	<b>47320</b>	<b>249000</b>	<b>100</b>	<b>0</b>

## ii. Share Holding of Promoters

Shareholder's Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
Alfa Mercantile Ltd	25000	10.04	0	25000	10.04	0	0
IRIS Designs Pvt Ltd	25000	10.04	0	25000	10.04	0	0
Freeesia Investment and Trading Co. Ltd	25000	10.04	0	25000	10.04	0	0
Mahendra Kumar Daga (HUF)	25000	10.04	0	25000	10.04	0	0
Madhur Daga	25000	10.04	0	25000	10.04	0	0
Sarla Daga	25000	10.04	0	25000	10.04	0	0
<b>TOTAL</b>	<b>150000</b>	<b>60.24</b>	<b>0</b>	<b>150000</b>	<b>60.24</b>	<b>0</b>	<b>0</b>

## iii. Change in Promoters shareholding (Please Specify, if there is no change)

PARTICULARS	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Share	% of total shares of the company	No. of share	% of Total shares of the company
At the beginning of the year	150000	60.24	150000	60.24
Date wise Increase/Decrease in Promoters Share holding the year specifying the reasons for increase / decrease	0	0	0	0
At the end of year	150000	60.24	150000	60.24

**iv. Shareholding Pattern of top ten shareholders (other than Directors, Promoters and Holder of GDRs and ADRs)**

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
At the beginning of the year	172410	69.24	172410	69.24
Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase / decrease: Demat Transfer	(137625)	(55.28)	(137625)	(55.28)
At the end of year (or on the date of separation during the year)	34785	13.96	34785	13.96

**v. Shareholding of Director and Key Managerial Personnel:**

For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
At the beginning of the year	2475	0.99	2475	0.99
Date wise Increase/Decrease in Share holding during the year specifying the reasons for increase / decrease	12375	4.97	12375	4.97
At the end of year	14850	5.96	14850	5.96



## V. INDEBTNESS

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

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

## VI. REMUNARATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

S. No	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		----	-----	-----	----	
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) Profit in lieu of salary under section 17(3) Income tax Act,1961					
2.	Stock Option	-	-	-	-	-
3.	Sweat Equity	-	-	-	-	-
4.	Commission	-	-	-	-	-

	- As % of profit - others, Specify...					
5.	Others, please specify(Sitting Fees)	-	-	-	-	-
	Total (A)	-	-	-	-	-
	Ceiling as per the Act	-	-	-	-	-

#### B. Remunerations to others Director

Particulars of Remuneration	Name of Director				Total Amount
	-----	-----	----	---	
1. Independent Directors •Fee for attending board/committee meetings •Commission •Others, Please specify	-	-	-	-	-
Total (1)	-	-	-	-	-
2. Other Non – Executive Directors •Fee for attending board committee meetings •Commission •Others, please specify	-	-	-	-	-
Total (2)	-	-	-	-	-
<b>Total (B) = (1+2)</b>	-	-	-	-	-
Total Managerial Remuneration	-	-	-	-	-
Overall Ceiling as per the Act	-	-	-	-	-

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

S.N	Particulars of Remuneration	Key Managerial Personnel			
		CEO	CS	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) Profit in lieu of salary under section 17(3) Income tax Act,1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - As % of profit - Others specify.....	-	-	-	-
5.	Others, Please specify	-	-	-	-
	<b>Total</b>	-	-	-	-

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

Type	Section of the companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees imposed	Authority [RD / NCLT / COURT ]	Appeal made, if any (give Details)
<b>A.COMPANY</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>B.DIRECTORS</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
<b>C.OTHER OFFICERS IN DEFAULT</b>					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

# MORNING GLORY LEASING AND FINANCE LIMITED

Regd. Office: IRIS House 16, Business Centre, Nangal Raya, New Delhi 110046

CIN: L67120DL1984PLC018872, Ph. No.: 011-32622647

E-mail Id: [morninggloryleasing@gmail.com](mailto:morninggloryleasing@gmail.com)

Website: [www.morninggloryleasing.in](http://www.morninggloryleasing.in)

## ATTENDANCE SLIP

Please complete this Attendance Slip and hand it over at the Entrance of the Hall. Only Members or their Proxies are entitled to be present at the meeting.

Name and Address of the Member	Folio No.
	Client ID No.
	DP ID No.
	No. of Shares Held

I hereby record my Presence at the 33rd Annual General Meeting of the Company being held on **Saturday, 23<sup>rd</sup> Day of September, 2017 at 4:00 A.M.** at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005 and at any adjournment thereof.

Signature of the Shareholder	Signature of the Proxy

- Note:**
1. The copy of Annual Report may please be brought to the Meeting Hall.
  2. Briefcase, Hand Bags etc. are not allowed inside the Meeting Hall.
  3. Please note that no gifts will be distributed at the meeting.

# MORNING GLORY LEASING AND FINANCE LIMITED

Regd. Office: IRIS House 16, Business Centre, Nangal Raya, New Delhi 110046

CIN: L67120DL1984PLC018872, Ph. No.: 011-32622647

E-mail Id: [morninggloryleasing@gmail.com](mailto:morninggloryleasing@gmail.com)

Website: [www.morninggloryleasing.in](http://www.morninggloryleasing.in)

## FORM NO. MGT-11 PROXY FORM

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

CIN: L67120DL1984PLC018872

Name of the company: Morning Glory Leasing And Finance Limited

Registered office: IRIS House 16, Business Centre, Nangal Raya, New Delhi 110046

Name of Member(s) :
Registered address :
E-mail Id :
Folio No/ Client Id:
DP ID :

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name :	Address :
E-mail Id :	Signature :

or failing him

2. Name :	Address :
E-mail Id :	Signature :

Morning Glory Leasing and Finance Limited

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or failing him

3. Name :	Address :
E-mail Id :	Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 33<sup>rd</sup> Annual general meeting of the company, to be held on **Saturday, 23<sup>rd</sup> Day of September, 2017 at 4:00 A.M..at 16/121-122, Jain Bhawan, Faiz Road, Karol Bagh, New Delhi-110005** and at any adjournment thereof in respect of such resolutions as are indicated below:

S. No.	RESOLUTIONS
<b>Ordinary business</b>	
1	Ordinary Resolution for approval and adoption of Audited Financial Statements as at 31 <sup>st</sup> March, 2017 and Statement of Profit and Loss for the year ended on that date, together with the Director's Report and Auditor's Report.
2	Ordinary Resolution for re- appointment of Mrs. Roma Monisha Sakraney Daga (DIN: 00148670), who is liable to retire by rotation as Director of the Company and being eligible for re-appointment.
3	Ordinary Resolution for the appointment M/s Rattan Gupta & Co., Chartered Accountants (FRN -304N), as Statutory Auditor of the company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company.
<b>Special Business</b>	
4.	Ordinary Resolution for Regularization of Mr. Sanjay Bhatnagar , an Director of the Company as an Independent Director.

Signed this ..... day of..... 20.....

Signature of shareholder

Signature of Proxy holder(s)

Affix Revenue  
Stamp

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



If undelivered, please return to:

**Morning Glory Leasing And Finance Limited**  
IRIS House 16, Business Centre, Nangal Raya,  
New Delhi 110046