

INTERACTIVE FINANCIAL SERVICES LIMITED

NURTURING YOUR FUTURE



**ANNUAL
REPORT**

2014-15

INDEX

<i>CONTENTS</i>	<i>PAGE NOS.</i>
<i>CORPORATE INFORMATION</i>	01
<i>NOTICE</i>	02
<i>DIRECTORS' REPORT</i>	09
<i>CORPORATE GOVERNANCE REPORT</i>	30
<i>MANAGEMENT DISCUSSION AND ANALYSIS REPORT</i>	41
<i>AUDITORS' REPORT</i>	42
<i>BALANCE SHEET</i>	46
<i>STATEMENT OF PROFIT AND LOSS</i>	47
<i>CASHFLOW STATEMENTS</i>	48
<i>NOTES TO FINANCIAL STATEMENTS</i>	49
<i>PROXY FORM</i>	56
<i>ATTENDANCE SLIP</i>	57

CORPORATE INFORMATION
CIN: L65910GJ1994PLC023393

- **Ashok Vithalani**
- **Managing Director**

DIN: 00023247

- **Prashant Parikh**
- **Independent Director**

DIN: 00040591

- **Ashvin Popat**
- **Independent Director**

DIN: 02510845

KEY MANAGERIAL PERSONNEL

Hitesh Joshi
CFO

Paresh Shah
CS & Compliance Officer

REGISTRAR AND STA

**Satellite Corporate Services
Private Limited.**
*B-302, Sony Apartment, Opp. St.
Jude High School, 90 ft. Road, Off
Andheri Kurla Road, Jarimari,
Sakinaka, Mumbai – 400 072.*

AUDITORS

M. R. Pandhi & Associates
Chartered Accountants

SECRETARIAL AUDITOR

Anand S. Lavingia
Practising Company Secretary

REGISTERED OFFICE

*4 Saujanya Raw Houses Nr. darpan Six Roads, Navrangpura,
Ahmedabad – 380 009, Gujarat.*

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the 21st ANNUAL GENERAL MEETING (AGM) No. IFSL/AGM/21/2014-15 of the Members of **INTERACTIVE FINANCIAL SERVICES LIMITED** will be held at the Registered Office of the Company at 4 Saujanya Raw Houses, Nr. Darpan Six Roads, Navrangpura, Ahmedabad- 380009, Gujarat, India, on September 30, 2015 at 11.00 a.m. to transact the following businesses:

ORDINARY BUSINESS

1. Adoption of financial statements

To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2015, including the audited Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss for the year ended on that date and the report of the Board of Directors and Auditor's report thereon.

2. Re-appointment of Director

To re-appoint Mr. Ashok Vithlani (DIN: 00023247), Director who retires by rotation and being eligible offers himself for re-appointment.

3. Appointment of M/s. M.R. Pandhi & Associates, Chartered Accountant as the Statutory Auditors of the Company

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof, M/s. M.R. Pandhi & Associates, Chartered Accountant, (Firm Registration No. 112360W), the retiring auditors of the Company, be and is hereby re-appointed as the Statutory Auditors of the Company to hold the office from the conclusion of this 21st Annual General Meeting till the conclusion of 23rd Annual General Meeting of the Company, subject to ratification as to the said appointment at next Annual General Meeting by the members of the Company, and that the chairman of the Company be and is hereby authorised to fix their terms of remuneration, in addition to actual out of pocket expenses, actual travel expenses, service tax and other applicable taxes, in connection with the audit of the accounts of the Company."

"RESOLVED FURTHER THAT to give effect to above resolution, the Board of Directors of the Company be and is hereby authorized for and on behalf of the Company to take all necessary steps and to do all such acts, deeds, matters and things which may deem necessary in this behalf."

4. Appointment of Ms. Sejalben Mandavia as a Non-Executive Director of the Company

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 (Act) and the Rules framed there under, as amended from time to time and applicable clauses of Listing Agreement entered into with the Stock Exchanges, Ms. Sejalben Mandavia, who holding valid DIN: 03468579, who has given her written consent to act as Director of the Company and declaration to the effect that she is not disqualified to become a director under the act and in respect of

whom the Company has received a written notice under Section 160 of the act from the member signifying candidature of Ms. Sejalben Mandavia for the office of Director along with deposit of 1 lakh rupees, be and is hereby appointed as Non-executive Director of the Company, liable to retire by rotation.”

Registered Office:
4, Saujanya Row House,
Nr. Darpan Six Roads,
Navrangpura,
Ahmedabad – 380 009

**For and on behalf of the Board of Directors
INTERACTIVE FINANCIAL SERVICES LIMITED**

Date: September 03, 2015

**Ashok Vithalani
Managing Director
DIN: 00023247**

NOTES

1. The Explanatory Statement pursuant to Section 102 (1) of the Companies Act, 2013 with respect to the special businesses as set out in the Notice is annexed.
2. The Board of Directors, in their Meeting held on May 30, 2015 has approved the Financial Result of the Company for the Financial Year 2014-15. However, the Company has applied for Direct Listing of Equity Shares of the Company at BSE Limited and in terms of requirement of BSE Limited, the Chief Financial Officer of the Company needs to signed the Financial Result of the year 2014-15. Therefore, the Company has get, the Financial Statement of the Company, signed by all the Signatories including Chief Financial Officer of the Company, who was appointed after the Approval of Financial Statement on May 30, 2015, on June 30, 2015.

3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY/ PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. SUCH A PROXY/ PROXIES NEED NOT BE A MEMBER OF THE COMPANY.

As per Section 105 of the Companies Act, 2013 and Rule 19, Sub-Rule (2) of the Companies (Management and Administration) Rules, 2014, a person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting.

A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority, as applicable.

4. Members are requested to bring their Attendance Slip along with their copy of Annual Report to the Meeting.
5. The Register of Members and the Share Transfer books of the Company will remain closed from Monday, September 21, 2015 to Wednesday, September 30, 2015 (both days inclusive) for 21st Annual General Meeting of the Company.
6. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice.
7. Electronic copy of the Annual Report for the financial statement 2014-15 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes 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 statement 2014-15 is being sent in the permitted mode.

8. GREEN INITIATIVE

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21 April, 2011 and Circular No. 18/2011 dated 29 April, 2011, has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the Companies and allowed companies to send Annual Report

comprising of Balance Sheet, Statement of the Profit & Loss, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members.

Keeping in view the underlying theme and the circulars issued by MCA, we propose to send future communications in electronic mode to the e-mail address provided by you to the depositories and made available by them being the registered address. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit. Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to please promptly provide their details (name, folio no., e-mail id) to the Registrar and Transfer Agent of the company. Members who hold shares in electronic form are requested to get their details updated with the respective Depositories. The annual report and other communications/documents sent electronically would also be displayed on the Company's website: www.ifinservices.com. As a Member of the Company, you will be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of requisition from you.

To support this green initiative of the Government in full measure, we request members who have not registered their e-mail addresses; so far, to register their e-mail addresses by submitting their e-mail address to their DP or to the Company's Registrar and opt for the electronic mode of communication, in the interest of the environment.

9. Members may also note that the Notice of the Annual General Meeting and the Annual Report for the financial year 2014-15 will also be available on the Company's website www.ifinservices.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days.
10. All documents referred to in the accompanying Notice shall be open for inspection at the Registered Office of the Company during normal business hours (4.00 P.M. to 6.00 P.M.) on all working days except Saturday, Sunday and Public holiday up to and including the date of the Annual General Meeting of the Company.
11. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their questions in writing to the Company at least 7 (Seven) days before the date of the Meeting so that the information required may be made available at the Meeting.

EXPLANATORY STATEMENT

(pursuant to Section 102(1) of the Companies Act, 2013)

Item No. 4

Ms. Sejalben Mandavia, aged about 41 years, is an Advocate and graduate. She is having vide experience in the field of law.

The Company has received notice from member on August 25, 2015, before the approval of notice of 21st Annual general meeting by the Board of directors in meeting held on September, 2015, along with the deposit of requisite amount under Section 160 of the Act proposing the candidatures of the Ms. Sejalben Mandavia for the office of Director of the Company.

The Company has also received from Ms. Sejalben Mandavia (i) consent in writing to act as Director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014; and (ii) intimation in Form DIR-8 pursuant to Rule 14 of the Companies (Appointment & Qualification of Directors) Rules, 2014 to the effect that they are not disqualified in accordance with sub-section (2) of Section 164 of the Companies Act, 2013.

On the basis of consent and declaration given by Ms. Sejal Mandavia and looking at the requirement of the Companies Act, 2013 and applicable clauses of the Listing Agreement, the Board has decided to place the resolution for appointment of Ms. Sejal Mandavia as a Non-Executive Director of the Company before the members for their approval in 21st AGM.

Further, Ms. Sejalben Mandavia, if appointed on the Board of the Company, will be liable to retire by rotations subject to provision of Section 152 of the Companies Act, 2013.

Mr. Sejalben Mandavia is deemed to be interested in the resolutions set out at Item no. 4 of the Notice with regard to her appointment.

The Board of Directors recommends the said resolution for Members' approval.

Save and except above, none of the other Directors or key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

Registered Office:
4, Saujanya Row House,
Nr. Darpan Six Roads,
Navrangpura,
Ahmedabad – 380 009

For and on behalf of the Board of Directors
INTERACTIVE FINANCIAL SERVICES LIMITED

Date: September 03, 2015

Ashok Vithalani
Managing Director
DIN: 00023247

**ANNEXURE TO NOTICE
DETAILS OF DIRECTOR SEEKING APPOINTMENT**

Item No. 2

Name of the Director

Mr. Ashok Vithlani

Date of Birth

August 16, 1949

Number of Shares Held in the Company as on March 31, 2015

256,600/- Equity Shares of Rs. 10/- each

Expertise in Specific Functional Area

Mr. Ashok Purshottam Vithlani has spent an impressive 40 years in the industry, finding his way through the ladders up to the top.

Having started off as a selling agent for a variety of products, his hard work and dexterity earned him the CEO position of Rasna, a highly popular soft drink concentrate in India. The marvels of Rasna and its expansion from being a local brand to having existed in the conscience of the national and international masses have all been through the strategic finesse of Ashok.

He has been instrumental in launching marketing communications plans for different consumer products and brands. Today, he is an eminent speaker and many premier business institutes employ his esteemed services to let their students learn the ropes of marketing communications and branding. He is on board of several companies and consults various national and international organizations.

He has a very rich experience in financing business as well. He has a vast experience in various other industries is also associated with other Companies which includes recruitment & job placement Agency, trading services and various other fields.

Name of the Public Companies in which he hold Directorship

1. Polad Finance Limited
2. Interactive Financial Services Limited

No. of the Committees* of Public Companies of which he holds Membership / Chairmanship

He is Member of Audit Committee and Stakeholders' Grievances and Relationship cum Share Transfer Committee of the Company.

Item No. 4

Name of the proposed Director

Ms. Sejalben Mandavia

Date of Birth

August 18, 1964

Number of Shares Held in the Company as on March 31, 2015

Nil

Expertise in Specific Functional Area

She is having wide experience in the field of law.

Name of the Public Companies in which he hold Directorship

NIL

No. of the Committees* of Public Companies of which he holds Membership / Chairmanship

N.A.

* Committees include Audit Committee and Stakeholders' Grievances and Relationship Committee within the meaning of Clause 49 of the Listing Agreement and provisions of the Companies Act, 2013

DIRECTORS' REPORT

To the Members,
Interactive Financial Services Limited
Ahmedabad

Your Directors have pleasure in presenting 21st Annual Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2015.

FINANCIAL RESULTS

The Company's financial performance for the year under review along with previous year figures is given hereunder:

(Amount in Rs.)

Particulars	For the year ended on 2014-15	For the year ended on 2013-14
Net Sales /Income from Business Operations	2,279,479	2,094,693
Other Income	4,350	3,216
Total Income	2,283,829	2,097,909
Profit before Finance Charges, Tax, Depreciation / Amortization (PBITDA)	797,303	576,046
Less: Interest & Finance Charges	547,271	19,932
Profit before Tax, Depreciation and Amortization (PBTDA)	250,032	556,114
Less: Depreciation and Amortization	8,521	27,532
Net Profit / (Loss) before Taxation (PBT)	241,511	528,582
Less: Current Income Tax	(3,174)	---
Less: Deferred Tax	(73,811)	---
Net Profit / (Loss) after Taxation (PAT)	318,496	528,582
Balance carried to Balance Sheet	318,496	528,582
Earning per share (Basic)	0.11	0.18
Earning per Share (Diluted)	0.11	0.18

REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS

During the period under review, the Company's income from operations for the financial year 2014-15 stood at Rs. 2,279,479/- as compared to Rs. 2,094,693/- of that of the previous financial year which shows growth in the income of the Company by 8.82% over the previous year. However, due to higher Finance expenses during the financial year 2014-15, the overall profitability of the Company is reduced by 39.75% as against previous year's Net profit.

The Company is engaged in the business of providing financial services, in particular, financial intermediation. The overall business has remained almost stagnant. In today's competition and declining market conditions / competition from unorganized sector units etc., maintaining the market position shall be considered an important part for business sustainability.

DIVIDEND

Your Directors regret to recommend any dividend for the financial year 2014-15 due to insufficient profit (previous year Nil).

TRANSFER OF PROFIT TO THE RESERVE

The Company has not apportioned any amount towards any reserve during the year.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

There is no unclaimed/unpaid Dividend within the meaning of the provisions of Section 205C of the Companies Act, 1956 / 125 of the Companies Act, 2013.

INFORMATION ON BOARD OF DIRECTOR, COMMITTEE AND ITS MEETINGS

Composition

The Board of the Company consists of Three (3) members as on March 31, 2015, one (1) of whom is Promoter and Managing Director and remaining two (2) are Non-Executive Independent Directors.

Board Meetings

Regular meetings of the Board are held at least once in a quarter. Additional Board meetings are convened to discuss and decide on various business policies, strategies and other businesses.

During the year under review, Six board meetings were held on May 30, 2014, June 20, 2014, August 11, 2014, September 30, 2014, November 14, 2014, February 14, 2015.

The gap between two consecutive meetings was not more than one hundred and twenty days as provided in section 173 of the Act.

The Independent Directors of the Company has met one time on February 14, 2015, inter alia, to evaluate the performance of Non-Independent Directors, Board as a whole and performance of Chairman of the Company.

Further, your Company has formed following Committees of the Board in accordance with Companies Act, 2013 and the Listing Agreement

1. Audit Committee
2. Stakeholders Grievances and Relationship cum Share Transfer Committee
3. Nomination and Remuneration Committee

The details of number of meetings of Committees, its composition, powers, terms of reference is furnished under the requisite head of corporate governance report.

Appointment, Re-appointment and Resignation of Directors

During the year, in terms of Section 149 & 152 and Clause 49 of the Listing Agreement, the Members of the Company in their last Annual General Meeting, have appointed Mr. Prashant Parikh and Mr. Ashvin Popat as Independent Directors of the Company to hold office for a period up to conclusion of 25th Annual General Meeting.

Further, Mr. Ashok Vithalani, Managing Director of the Company was re-appointed as Chairman & Managing Director of the Company for a period of three year w.e.f. October

1, 2014 to September 30, 2017. The members of the Company have approved his appointment in their last Annual General Meeting of the Company.

In accordance with the provisions of the Articles of Association and Section 152 of the Companies Act 2013, Mr. Ashok Vithalani, Managing Director of the Company, retire by rotation at the ensuring Annual General Meeting and being eligible, offer himself for re-appointment. The Board of Directors recommends his re-appointment on the Board of the Company.

None of the Directors of the Company has resigned from the Directorship of the Company. None of the Directors of the Company is disqualified for being appointed as Director as specified in Section 164 (2) of the Companies Act, 2013.

Declaration by Independent Directors

The Company has received necessary declaration from each Independent Director under Section 149(7) of the Companies Act, 2013, to the effect that they meet the criteria of independence laid down in Section 149(6) of the Companies Act, 2013 and Clause 49 of the Listing Agreement. The terms and conditions of the Independent Directors are incorporated on the website of the Company at www.ifinservices.com.

Details of Key Managerial Personnel

Mr. Ashok Vithalani, Managing Director is the Key Managerial Personnel (“KMP”) as per the provisions of the Companies Act, 2013 and was already holding office as such before the commencement of the Companies Act, 2013. However, Members of the Company, in their last Annual General Meeting, has re-appointed him as Chairman & Managing Director of the Company for a period of 3 years w.e.f. October 1, 2014 to September 30, 2017.

Further, Mr. Paresh Shah was acting as Company Secretary and Compliance Officer of the Company. He had tendered his resignation from the post of as such w.e.f. September 30, 2014 and was appointed as Chief Financial Officer of the Company w.e.f. October 1, 2014.

Nomination and Remuneration Policy

In terms of the provisions of the Companies Act, 2013 as amended from time to time, the Company has devised a policy on Nomination and Remuneration of Directors, Key Managerial Personnel and Senior Management. Key points of the policy are:

- A. Policy on Appointment of Directors, Key Managerial Personnel and Senior Management Personnel
 - i. The policy is formulated to identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP and Senior Management personnel and recommend to the Board for his / her appointment.
 - ii. A person should possess adequate qualification, expertise and experience for the position he/ she is considered for appointment.

B. Policy on remuneration of Director, KMP and Senior Management Personnel

The Company’s philosophy is to align Director, KMP and Senior Management Personnel with adequate compensation so that the compensation is used as a strategic tool that helps Company to attract, retain and motivate highly talented individuals who are

committed to the core value of the Company. The Company follows mixed of fixed pay, benefits and performance based variable pay. The Company pays remuneration by way of salary. The remuneration paid by the Company is within the salary scale approved by the Board and Shareholders.

Board Evaluation

List of criteria on which performance may be evaluated was prepared after taking into consideration of the various aspects of the Board's functioning, composition of the Board and Committees, culture, execution and performance of specific duties, obligation and governance. The Company has devised the policy on Performance Evaluation of Directors.

The evaluation of all non-independent directors and the Board as a whole was conducted by the Independent Directors at their meeting held on February 14, 2015, based on the criteria and framework adopted by the Board.

On the other hand, Nomination and Remuneration Committee has carried out performance evaluation of all the Directors. The Board has approved the evaluation results as suggested by the Nomination and Remuneration Committee.

The Board of Directors expressed their satisfaction with the evaluation process.

PUBLIC DEPOSIT

The company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India & the Provision of Section 73 to 76 of the Company Act, 2013 or any other relevant provisions of the Act and the Rules there under are not applicable.

CORPORATE SOCIAL RESPONSIBILITY

The Company is not falling within the criteria as prescribed under Section 135 of the Companies Act, 2013. Therefore, the disclosure of information as required under Section 135 of the Companies Act, 2013 and rules made thereunder are not applicable to the Company hence not given in the Directors' Report.

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS & SECURITY

Details of Loans, Guarantees, Investments and Security covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statement.

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There are no material changes and commitments, affecting the financial position of the Company which has occurred between the end of financial year of the Company i.e. March 31, 2015 and the date of Director's Report i.e. May 30, 2015.

CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All transactions to be entered by the Company with related parties will be in the ordinary course of business and on an arm's length basis. However, the Company has not entered into any related party transaction, as provided in Section 188 of the Companies Act, 2013, with the related party. Hence, Disclosure as required under Section 188 of the Companies Act, 2013 is not applicable to the Company.

EXTRACT OF ANNUAL RETURN

Pursuant to sub-section 3(a) of Section 134 and sub-section (3) of Section 92 of the Companies Act, 2013 read with Rule 12 of Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as at March 31, 2015 in Form MGT-9, forms part of this Director Report as **Annexure- "A"**.

PARTICULAR OF EMPLOYEES

The ratio of remuneration of each Director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are forming part of this Director Report as **Annexure - "B"**.

The details as required under section 197(12) of the Companies Act, 2013, read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel), 2014 is not applicable as there is no employee in the Company employed throughout the financial year with salary above Rs. 60 Lakh p.a. or employed part of the financial year with average salary above Rs. 5 Lakh per month

Further, there is no employee employed throughout Financial year or part thereof, was in receipt of remuneration of in aggregate is in excess of that drawn by the Managing Director or Whole time Director or Manager and holds by himself or along with his spouse and dependent children, not less than Two percent (2%) of the Equity Shares of the Company.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The details of conservation of energy, technology absorption etc. as required to be given under section 134(3)(m) of the Companies Act 2013 read with the Companies (Accounts) Rules, 2014, are not applicable to the Company, as the Company is not carrying on any manufacturing activities.

Further, there was no foreign exchange earnings and outgo during the financial year 2014-15 (Previous Year - Nil).

COMPLAINTS RELATING TO CHILD LABOUR, FORCED LABOUR, INVOLUNTARY LABOUR, SEXUAL HARASSMENT

No cases/Complaints of child labour, forced labour, involuntary labour and discriminatory employment were reported in the last financial year. Your Directors further state that during the year under review, there was no cases filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

FRAUD REPORTING

There were no cases of frauds reported by auditors under 143(12) of the Companies Act, 2013 to the Board.

BUSINESS RISK MANAGEMENT

The Company is aware of the risks associated with the business. It regularly analyses and takes corrective actions for managing and mitigating the same.

CORPORATE GOVERNANCE

Your Company strives to incorporate the appropriate standards for corporate governance. Pursuant to Clause 49 of listing agreement to the Stock Exchange Corporate Governance Report and Practicing Company Secretary on its compliance is annexed and forms part of this report.

MANAGEMENT DISCUSSION AND ANALYSIS (MDA)

MDA, for the year under review, as stipulated under clause 49 of the Listing Agreement, is presented in a separate section forming part of this Annual Report.

STATUTORY AUDITORS & THEIR REPORT

The period of appointment of M/s. M.R. Pandhi & Associates, Chartered Accountants (Firm Reg. No. 112360W), as statutory auditors of the Company expires on the day of the ensuing annual general meeting.

Being eligible, the Board of Directors of the Company, based on the recommendation of Audit Committee, has recommended their re-appointment from the conclusion of the 21st Annual General Meeting till the conclusion of 23rd Annual General Meeting, subject to ratification of said appointment at the next annual general meeting, in compliance with the provision of Section 139(2) of the Companies Act, 2013.

The Company has received a necessary consent and certificate from them to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

The Auditors' Report on the accounts of the Company for the accounting year ended March 31, 2015 is self-explanatory and do not call for further explanations or comments that may be treated as adequate compliance of Section 134 of the Companies Act, 2013.

SECRETARIAL AUDITOR & THEIR REPORT

Pursuant to the provisions of section 204 of the Act and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Anand S. Lavingia, Practicing Company Secretary to carry out the Secretarial Audit for the financial year ended on March 31, 2015. Secretarial Audit Report is attached to the Director Report as **Annexure-“C”**.

The Secretarial Auditors' Report for the financial year ended on March 31, 2015 is self explanatory and do not call for further explanations or comments that may be treated as adequate compliances of various act, rules, regulations, guidelines etc. as applicable to the Company except that the report contain some observation by the Auditor that Company has not filled certain resolutions with the registrar. Your Directors state that in terms of MCA Notification No. G.S.R. 206(E) dated March 18, 2015, the Company is not required to file that resolutions with the registrar.

Further, the report contains the Qualification regarding the non-appointment of Internal Auditor and Woman Director on the Board of the Company. The Directors hereby state that the Company is in process to comply with the same by appointing the Internal Auditor and Woman Director in the current year. Further the Company is in process to recover the loan given to the companies in which Director is interested.

DIRECTORS RESPONSIBILITY STATEMENT

In terms of section 134(3)(c) of the Companies Act 2013, your Directors state and hereby submit its responsibility Statement:—

- (a) in the preparation of the annual financial statements for the year ended on March 31, 2015, applicable accounting standards read with requirements set out under schedule III of the Act, have been followed along with proper explanation relating to material departures, if any;
- (b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2015 and of the profit of the company for the year ended on that date.;
- (c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) the directors had prepared the annual accounts on a going concern basis;
- (e) proper internal financial controls are in place and that the financial controls are adequate and are operating effectively and
- (f) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

GENERAL DISCLOSURE

Your Directors state that the Company has made disclosures in this report for the items prescribed in section 134(3) of the Act and Rule 8 of The Companies (Accounts) Rules, 2014 to the extent the transactions took place on those items during the year.

Your Directors further state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of Equity Shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and ESOS.
4. Details pertaining to Annual Report on Corporate Social Responsibility.
5. Details of Subsidiary, Associates and Joint Venture Company.
6. Details of Contracts and arrangement with the related parties.
7. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

ACKNOWLEDGEMENTS

Your Directors wish to place on record their sincere appreciation for significant contributions made by the employees at all levels through their dedication, hard work

and commitment, enabling the Company to achieve good performance during the year under review.

Your Directors also take this opportunity to place on record the valuable co-operation and support extended by the banks, government, business associates and the shareholders for their continued confidence reposed in the Company and look forward to having the same support in all future endeavors.

Registered Office:

4, Saujanya Row House,
Nr. Darpan Six Roads,
Navrangpura,
Ahmedabad – 380 009

Date: May 30, 2015

**For and on behalf of the Board of Directors
INTERACTIVE FINANCIAL SERVICES LIMITED**

**Ashok Vithalani
Managing Director
DIN: 00023247**

**A.V. Patel
Director
DIN: 02510845**

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2015

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

FORM NO. MGT - 9

1. Registration and Other Details	
CIN:	L65910GJ1994PLC023393
Registration Date:	10/24/1994
Name of the Company:	INTERACTIVE FINANCIAL SERVICES LIMITED
Category / Sub-Category of the Company:	Company limited by shares/ Indian Non-Government Comapny
Address of the Registered Office and contact details:	4 SAUJANYA RAW HOUSES, NR. DARPAN SIX ROADS, NAVRANGPURA, AHMEDABAD-380009
Whether listed Company:	Yes
Name, address and contact details of	The Company maintain in house Registrar and Transfer activity

2. PRINCIPAL BUSINESS ACTIVITY OF THE COMPANY:		
All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-		
Name and Description of main Products / Services	NIC Code of the Product / Service	% to total turnover of the Company
Financial leasing & Intermedation, Activities of commercial loan companies	65910	100

3. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES :					
SR. No.	Name and Address of the Company	Holding/ Subsidiary /Associate	CIN/GLN	% of shares held	Applicable Section
N.A.					

4. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)									
I) Category-wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	-	233600	233600	7.75%	-	361100	361100	11.98%	4.23%
b) Central Govt.	-	-	0	0.00%	-	-	0	0.00%	-
c) State Govt.	-	-	0	0.00%	-	-	0	0.00%	-
d) Bodies Corporate	-	1044500	1044500	34.67%	-	1044500	1044500	34.67%	-
e) Banks/FI	-	-	0	0.00%	-	-	0	0.00%	-
f) Any other	-	-	0	0.00%	-	-	0	0.00%	-
Sub-Total (A)(1):	0	1278100	1278100	42.42%	0	1405600	1405600	46.65%	4.23%
(2) Foreign									

a) NRIs - Individuals	0	0	0	0.00%	0	0	0	0.00%	0.00%
b) Other - Individuals	-	-	0	0.00%	-	-	0	0.00%	0.00%
c) Bodies Corporate	-	-	0	0.00%	-	-	0	0.00%	0.00%
d) Banks / FI	-	-	0	0.00%	-	-	0	0.00%	0.00%
e) Any Other....	-	-	0	0.00%	-	-	0	0.00%	0.00%
Sub-Total (A)(2):	0	0	0	0.00%	0	0	0	0.00%	0.00%
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	0	1278100	1278100	42.42%	0	1405600	1405600	46.65%	4.23%
B. Public Share Holding									
(1) Institutions									
a) Mutual Funds / UTI	-	-	0	0.00%	-	-	0	0.00%	-
b) Banks / FI	-	-	0	0.00%	-	-	0	0.00%	-
c) Central Govt.	-	-	0	0.00%	-	-	0	0.00%	-
d) State Govt.(s)	-	-	0	0.00%	-	-	0	0.00%	-
e) Venture Capital Funds	-	-	0	0.00%	-	-	0	0.00%	-
f) Insurance Company	-	-	0	0.00%	-	-	0	0.00%	-
g) FIIs	-	-	0	0.00%	-	-	0	0.00%	-
h) Foreign Venture Capital Funds	-	-	0	0.00%	-	-	0	0.00%	-
i) Others (specify)	-	-	0	0.00%	-	-	0	0.00%	-
Sub-Total (B)(1):	0	0	0	0.00%	0	0	0	0.00%	0.00%
(2) Non-Institution									
a) Bodies Corporate									
i. Indian	-	69600	69600	2.31%	-	69600	69600	2.31%	-
ii. Overseas	-	-	0	0.00%	-	-	0	0.00%	-
b) Individuals									
i. Individual Shareholders holding nominal share capital upto Rs. 1 lakh	-	1343400	1343400	44.59%	-	1343400	1343400	44.59%	0.00%
i. Individual Shareholders holding nominal share capital in excess of Rs. 1 lakh	-	322000	322000	10.69%	-	194500	194500	6.46%	-4.23%
c) Others (specify)									

i. Shares held by Pakistani citizens vested with the Custodian of Enemy Property	-	-	0	0.00%	-	-	0	0.00%	-
ii. Other Foreign Nationals	-	-	0	0.00%	-	-	0	0.00%	-
iii. Foreign Bodies	-	-	0	0.00%	-	-	0	0.00%	-
iv. NRI / OCBs	-	-	0	0.00%	-	-	0	0.00%	-
v. Clearing Members / Clearing House	-	-	0	0.00%	-	-	0	0.00%	-
vi. Trusts	-	-	0	0.00%	-	-	0	0.00%	-
vii. Limited Liability Partnership	-	-	0	0.00%	-	-	0	0.00%	-
viii. Foreign Portfolio Investor (Corporate)	-	-	0	0.00%	-	-	0	0.00%	-
ix. Qualified Foreign Investor	-	-	0	0.00%	-	-	0	0.00%	-
Sub-Total (B)(2):	0	1735000	1735000	57.58%	0	1607500	1607500	53.35%	-4.23%
Total Public Shareholding (B)=(B)(1)+(B)(2)	0	1735000	1735000	57.58%	0	1607500	1607500	53.35%	-4.23%
C. Shares held by Custodian for GDRs & ADRs	-	-	0	0.00%	-	-	0	0.00%	-
Grand Total (A+B)	0	3013100	3013100	100.00%	0	3013100	3013100	100.00%	0.00%

ii) Shareholding of Promoters

Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total shares of the Company	% of Shares Pledged / encumbered to total shares	
Mr. Ashok P. Vithalani	129100	4.28%	-	256600	8.52%	-	4.23%
Ms. Meenaben D. Somaiya	25500	0.85%	-	25500	0.85%	-	0.00%
Mr. Dharmesh B. Somaiya	32000	1.06%	-	32000	1.06%	-	0.00%

Mr. Sanjay A. Popat	47000	1.56%	-	47000	1.56%	-	0.00%
Medrick Investment & Finance P. Ltd	867400	28.79%	-	867400	28.79%	-	0.00%
Polad Traders Pvt Ltd.	92500	3.07%	-	92500	3.07%	-	0.00%
Polad Finance Ltd.	84600	2.81%	-	84600	2.81%	-	0.00%
Total	1278100	42.42%	-	1405600	46.65%	-	4.23%

iii) Change in Promoters' Shareholding

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
1. Mr. Ashok P. Vithalani				
At the beginning of the year	129100	4.28%	129100	4.28%
30/03/2015 - Acquire through Transfer	127500	4.23%	256600	8.52%
At the end of the year	256600	8.52%	256600	8.52%

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders 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	No. of Shares	% of total shares of the
1. Mr. Sudhir Kanada				
At the beginning of the year	127500	4.23%	127500	4.23%
30/03/2015 - Transfer	127500	4.23%	-	-
At the end of the year	-	-	-	-
2. Mr. Bharat M. Shah				
At the beginning of the year	53000	1.76%	53000	1.76%
No Change	-	-	-	-
At the end of the year	53000	1.76%	53000	1.76%
3. M/S. Harsiddh Equity & Stc				
At the beginning of the year	50000	1.66%	50000	1.66%
No Change	-	-	-	-
At the end of the year	50000	1.66%	50000	1.66%
4. Ms. Sheela Hansoti				
At the beginning of the year	41900	1.39%	41900	1.39%
No Change	-	-	-	-
At the end of the year	41900	1.39%	41900	1.39%
5. Mr. Madhusudan R. Patel				
At the beginning of the year	40000	1.33%	40000	1.33%
No Change	-	-	-	-
At the end of the year	40000	1.33%	40000	1.33%
6. Mr. Hanifbhai Balim				
At the beginning of the year	29000	0.96%	29000	0.96%
No Change	-	-	-	-
At the end of the year	29000	0.96%	29000	0.96%
7. Ms. Bhavna N. Patel				
At the beginning of the year	20100	0.67%	20100	0.67%
No Change	-	-	-	-
At the end of the year	20100	0.67%	20100	0.67%
8. Ms. Jagruti Barbhaya				
At the beginning of the year	10500	0.35%	10500	0.35%
No Change	-	-	-	-
At the end of the year	10500	0.35%	10500	0.35%
10. M/S. Suryanagri Fin Lease				

At the beginning of the year	10000	0.33%	10000	0.33%
No Change	-	-	-	-
At the end of the year	10000	0.33%	10000	0.33%
11. Ms. Shenaz Saltana Saiyed				
At the beginning of the year	10000	0.33%	10000	0.33%
No Change	-	-	-	-
At the end of the year	10000	0.33%	10000	0.33%
12. Mr. Bhupendra Patel				
At the beginning of the year	10000	0.33%	10000	0.33%
No Change	-	-	-	-
At the end of the year	10000	0.33%	10000	0.33%
13. Ms. Bharati N. Patel				
At the beginning of the year	9600	0.32%	9600	0.32%
Date wise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/decrease (e.g.				
No Change	-	-	-	-
At the end of the year	9600	0.32%	9600	0.32%

v) Shareholding of Directors and Key Managerial Personnel				
For Each of the Directors	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of	No. of Shares	% of total shares of
1. Mr. Ashok P. Vithalani (Managing Director)				
At the beginning of the year	129100	4.28%	129100	4.28%
30/03/2015 - Transfer	127500	4.23%	256600	8.52%
At the end of the year	256600	8.52%	256600	8.52%
2. Mr. Prashant D. Parikh (Director)				
At the beginning of the year	-	-	-	-
No Change	-	-	-	-
At the end of the year	-	-	-	-
3. Mr. Ashvin V. Popat (Director)				
At the beginning of the year	-	-	-	-
No Change	-	-	-	-
At the end of the year	-	-	-	-

For Each of the KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of	No. of Shares	% of total shares of
1. Mr. Paresh N. Shah (CFO)				
At the beginning of the year	-	0.00%	-	-
No Change	-	0.00%	-	-
At the end of the year	-	0.00%	-	-

V. INDEBTEDNESS				
Indebtedness of the Company including interest outstanding/accrued but not due for payment				
	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness Rs.
Indebtedness at the beginning of the financial year				
i. Principal Amount		3886641		3886641
ii. Interest due but not paid		0		0
iii. Interest accrued but not due		0		0
Total (I + ii + iii)	0	3886641	0	3886641
Change in Indebtedness during the financial year				
Addition		4362142		4362142
Reduction		0		0

Net Change	0	4362142	0	4362142
Indebtedness at the end of the financial year				
i. Principal Amount		8248783		8248783
ii. Interest due but not paid		0		0
iii. Interest accrued but not due		0		0
Total (I + ii + iii)	0	8248783	0	8248783

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SR. No.	Particulars of Remuneration	Mr. Ashok P. Vithalani - Managing Director	Total Amount
1	Gross Salary		
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	300000	300000
	(b) Value of perquisites under Section 17(2) Income Tax Act,	150000	150000
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act,	0	0
2	Stock Options	0	0
3	Sweat Equity	0	0
4	Commission		
	a. as percentage of profit	0	0
	b. Others, specify....	0	0
5	Others, please specify	0	0
	TOTAL (A)	450000	450000
	Ceiling as per the Act	Due to inadequate profit during the year the Company has paid remuneration in accordance with Schedule V to the Companies Act, 2013 as per the terms and condition of remuneration approved by the members	

B. Remuneration to other Directors:

1. Independent Directors

SR. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		Mr. Prashant D. Parikh	Mr. Ashvin V. Popat	
	Fee for attending Board/Committee Meetings	0	0	0
	Commission	0	0	0
	Others, please specify	0	0	0
	Total (B)(1)	0	0	0

B. Remuneration to other Directors:

2. Other non-executive Directors

SR. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		NONE	NONE	
	Fee for attending	-	-	0
	Commission	-	-	0
	Others, please specify	-	-	0
	Total (B)(2)	0	0	0
	Total (B)(1) + (B)(2)	-	-	0
	Total Managerial Remuneration (A)+(B)	-	-	450000
	Overall Ceiling as per the Act	NA		

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD				
SR. No.	Particulars of Remuneration	Key Managerial Personnel		Total Amount
		Mr. Paresh N. Shah CFO		
1	Gross Salary			
	a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	194400		194400
	(b) Value of perquisites under Section 17(2) Income Tax Act,	120000		120000
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act,			0
2	Stock Options			0
3	Sweat Equity			0
4	Commission			
	a. as percentage of profit			0
	b. Others, specify....			0
5	Others, please specify			0
	TOTAL (C)	314400	0	314400

VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES:					
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment / Compounding fees Imposed	Authority [RD / NCLT / COURT]	Appeal made, if any (give details)
A. COMPANY					
Penalty					
Punishment			NOT APPLICABLE		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			NOT APPLICABLE		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			NOT APPLICABLE		
Compounding					

**For and on behalf of the Board of Directors
INTERACTIVE FINANCIAL SERVICES LIMITED**

Date: May 30, 2015

**Ashok Vithalani
Managing Director
DIN: 00023247**

**A.V. Patel
Director
DIN: 02510845**

Particulars of Employees

A. The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of sub-section 12 of Section 197 of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- a) The ratio of remuneration of each director to the median employee's remuneration for the financial year:

Sr. No.	Name	Designation	Ratio
1.	Mr. Ashok Vithalani	Managing Director	05:01

- b) The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year:

Sr. No.	Name	Designation	Percentage
2.	Mr. Ashok Vithalani	Managing Director	0.00
3.	Mr. Paresh Shah	Key Managerial Personnel	0.00

- c) The percentage increase in the median remuneration of employees in the financial year: N.A.

- d) The number of permanent employees on the rolls of the Company:

1 Employees (Excluding KMP)

- e) The explanation on relationship between average increase in remuneration and Company performance:

During the year, there was no change in the remunerating paid to the employee (excluding KMP) over the previous year.

- f) Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company:

The Company has paid Remuneration of Rs. 4.5 Lakh to Mr. Ashok Vithalani, who is the promoter as well as Managing Director of the Company. He has very wide experience in the Finance field and managing whole affairs of the Company.

- g) Variation in the Market Capitalization of the Company, P/E Ratio and Price of the Shares: Not Applicable as the Recognised Stock Exchange were Inoperative

derecognised by SEBI since then trading of the Equity Shares is suspended and hence no market price data is available.

- h) Average percentile increase in the salaries of the employees and Managerial Remuneration:

Sr. No.	Particulars	Percentile Increase /Decrease
1.	Employee other than Managerial Personnel	0.00%
2.	Managerial Personnel (KMP)	00.00%

- i) Component of Remuneration:

(Amount in Rs.)

Sr. No.	Component of Remuneration	Name of Managing Director
		Mr. Ashok Vithalani
1.	Gross Salary	
	a) Salary as per provisions contained in Section 27 (1) of the Income Tax Act, 1961	4,50,000
	Total	4,50,000

- j) There is no employee who are not Director but receive remuneration higher than the Director in the Company.

The Board of Directors of the Company affirmed that remuneration of all the Key Managerial Personnel of the Company are as per the Remuneration Policy of the Company.

SECRETARIAL AUDIT REPORT

Form MR - 3

For the financial year ended 31/03/2015

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,

The Members,

INTERACTIVE FINANCIAL SERVICES LIMITED

4 Saujanya Raw Houses,

Nr. Darpan Six Roads,

Navrangpura,

Ahmedabad- 380009, Gujarat

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Interactive Financial Services Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing my 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 my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2015, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 March 31, 2015 according to the provisions of:

- i. The Companies Act, 2013 ('the Act') and the rules made there under as applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;

- iv. 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;

I have also examined compliance with the applicable clauses of the Listing Agreements entered into by the Company with stock exchanges.

Further Company being engaged in the finance business, the Company is required to comply with the Reserve Bank [NBFC] Directions, 1977. *The Company has not obtained registration from Reserve Bank of India as per RBI regulations applicable or Non-banking finance Companies.*

During the period under review the Company has generally complied with the provisions of the Act, Rules and regulations mentioned above *except filing of certain resolutions with the registrar under Companies Act, 2013 and Company has not appointed Internal Auditor. Further, the Company has granted loan to entity in which the Director of the Company is interested.*

During the Period under review, provisions of the following Acts, Rules, Regulations, Guidelines, Standards, etc. were not applicable to the Company:

- i. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- ii. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- iii. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- iv. 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; - Not applicable as the Company is not registered as Registrar to an Issue & Share Transfer Agent. However, the Company was maintaining In-house Share Transfer and Registers.
- v. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
- vi. The Securities and Exchange Board of India (Buy back of Securities) Regulations, 1998;
- vii. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- viii. Secretarial Standards issued by the Institute of Company Secretaries of India.

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 *except the Company has not appointed Woman Director in the Board as provided under section 149 of the Companies Act, 2013.* The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

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

I further report that -

There are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that -

During the audit period, there were no specific events/ actions having a major bearing on the operations of the Company's affairs happened during the audit period.

Place: Ahmedabad

Signature :

Date: May 30, 2015

Name of Company Secretary in practice: Anand Lavingia

ACS No. : 26458

C P No. : 11410

Note: This Report is to be read with my letter of above date which is annexed as Annexure I and forms an integral part of this report.

To,

Annexure I

The Members,

INTERACTIVE FINANCIAL SERVICES LIMITED

4 Saujanya Raw Houses,

Nr. Darpan Six Roads,

Navrangpura,

Ahmedabad- 380009, Gujarat

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

1. Maintenance of secretarial records is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of secretarial records. The verification was done based on the records and documents provided to me, on test basis, to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provision of corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Signature :

Date: May 30, 2015

Name of Company Secretary in practice: Anand Lavingia

ACS No.: 26458

COP No.: 11410

CORPORATE GOVERNANCE REPORT

INTERACTIVE FINANCIAL SERVICES LIMITED believes in continuous good corporate governance and always strives to improve performance at all levels by adhering to corporate governance practices, such as managing its affairs with diligence, transparency, responsibility and accountability. We have, therefore, designed our systems and action plans to enhance performance and stakeholders' value in the long run. To create a culture of good governance, your Company has adopted practices that comprise of performance accountability, effective management control, constitution of Board Committees as a part of the internal control system, fair representation of professionally qualified, non-executive and independent Directors on the Board, adequate and timely compliance, disclosure of information on performance, ownership and governance of the Company and payment of statutory dues. The Compliance Report on Corporate Governance herein signifies compliance of all mandatory requirements of clause 49 of the Listing Agreement.

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and expectations. The Company will continue to focus its resources, strengths and strategies for enhancement of the long term shareholders' value while at the same time protecting the interest of other stakeholders.

BOARD INFORMATION:

Composition

The composition of the Board of Directors of the Company represents an appropriate mix of executive and non-executive Independent directors to ensure the independence of the Board and to separate the board functions of governance and management. The Board of the Company consists of Three (3) members as on March 31, 2015; out of which one (1) is Promoter & Managing Director and remaining two (2) are Non-Executive Independent Directors.

None of the Directors on the Board is a member of more than ten Committees and Chairman of more than five Committees across all companies in which they are Directors.

Board Meetings

In compliance with clause 49 of the Listing Agreement and as required under the Companies Act, 2013, the Board meets at least once in each quarter and the gap between any two Board meetings was not more than 120 days.

During the year under review, Six board meetings were held on May 30, 2014, June 20, 2014, August 11, 2014, September 30, 2014, November 14, 2014, February 14, 2015. The Board meetings are generally held at registered office of the Company.

The following table provides the attendance of the Directors at the Board meetings of the Company and also the number of Directorships held in Companies and Chairmanship / membership in Board Committees of Public Limited Companies as at March 31, 2015.

Name of the Director/DIN	Category	No. of Board meetings Attended	Attendance at last AGM	No. of Directors hip Held	*No. of Committee of which Member/(Chairman)	No. of Shares held (%)
Ashok Vithalani DIN: 02325030	Managing Director	06	YES	9	M-2	256600 (8.52%)
Prashant Parikh DIN: 00040591	Independent Director	06	YES	3	C-1 M-1	Nil
Ashvin Popat DIN: 02510845	Independent Director	06	YES	3	C-1 M-1	Nil

*Committee includes Audit Committee and Stakeholders grievances & relationship committee as provided under clause 49 of the Listing Agreement.

A separate Meeting of Independent Directors was held on February 14, 2015 to review the performance of Non-Independent Directors, Board as a whole and performance of Chairman of the Board. The Codes of Independent Directors are incorporated on the website of the Company www.ifinservices.com.

Details of the Directors seeking appointment/re-appointment in forthcoming Annual General Meeting

The information as required by clause 49 of the Listing Agreement with the stock exchange in relation to appointment/reappointment of Directors of the Company are given in the annexure to the Notice of Annual general Meeting.

Committees of the Board

In order to ensure focused attention on business and for better governance and accountability, the Board has constituted the following mandatory committees:

- A. Audit Committee.
- B. Nomination and Remuneration Committee.
- C. Investors' / Stakeholders' Relationship Committee.

A. Audit Committee

The primary objective of the Audit Committee is to monitor and provide effective supervision of the Management's financial reporting process with the view to ensure accurate, timely and proper disclosures and transparency, integrity and quality of financial reporting.

I. Meetings, Composition and Attendance in the meetings during the year:

The Audit Committee held five (5) meetings during 2014-15 on May 30, 2014, August 11, 2014, September 30, 2014, November 14, 2014, and February 14, 2015.

The Audit Committee comprises of three Directors and two of them are Independent Directors. The composition of the Audit Committee as on March 31, 2015 and details

of the attendance of the members of the committee at the meetings of the Committee are as under:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. Ashvin Popat	Independent Director	Chairman	5
Mr. Prashant Parikh	Independent Director	Member	5
Mr. Ashok Vithalani	Managing Director	Member	5

The Statutory Auditor and Chief Financial Officer/secretary of the Company are invited in the meeting of the Committee wherever requires. All the members of the Audit Committee have the requisite qualification for appointment on the Committee and possess sound knowledge of accounting practices, financial and internal controls.

II. Terms of Reference:

Audit Committee assists the Board in fulfilling its oversight responsibilities of monitoring financial reporting processes; review the Company's established systems of procedures for internal financial controls, governance and reviewing the statutory and internal audits.

The Audit Committee discharges such functions and duties which are generally specified under clause 49 of the Listing Agreement and section 177 of the Companies Act, 2013. Some of the important functions being performed by the Committee are;

1. Oversight of the Company's financial reporting process and financial information.
2. Reviewing with the management the quarterly / annual unaudited / audited financial statements and Limited Review Report / Audit Reports of the Statutory Auditors before recommending approval by the Board of Directors.
3. Reviewing changes in the accounting policies, major accounting estimates based on exercise of judgment by the management, significant adjustments made in the financial statements, etc.
4. Review of Management Discussion and Analysis of financial and operational performances.
5. Review of inter-corporate loans and investments.
6. Review the adequacy and effectiveness of internal financial controls and systems
7. Review and discuss with the management major financial risk exposures and steps taken to monitor and control it.
8. Overseeing and reviewing the functioning of vigil mechanism [implemented by the Company as Whistle Blower Policy.]
9. Review the scope of the Internal Auditors and Audit Plan to ensure reasonable coverage of different areas of operations.

10. Review, discuss and monitor the observations reported by Statutory / Internal Auditors and its compliance.
11. Review and recommend to the Board the appointment / re-appointment of the Statutory and Cost Auditors after due consideration of their independence and effectiveness.
12. Approving the payment towards additional services rendered by the Statutory Auditors except those enumerated in section 144 of the Companies Act, 2013.
13. Recommending to the Board the remuneration of the Statutory and Cost Auditors.
14. Review of Cost Audit Report submitted by the Cost Auditors.
15. Approval of the appointment, removal and terms of remuneration of Internal Auditors.
16. Approval of the Related Party Transactions and granting omnibus approvals for certain related party transactions, which are in the ordinary course of business and at arm's length basis.
17. Approval of appointment of CFO (i.e., the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
18. Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

B. Nomination And Remuneration Committee:

The main objective of the Nomination and Remuneration Committee is to determine and recommend to Board, the Company's policies on remuneration packages for executive and nonexecutive directors and policies on Nomination for appointment of Director, KMPs and Senior Management Personnel.

I. Meetings, Composition and Attendance in the meetings during the year:

The Remuneration Committee comprises of three Directors of the Company viz. Mr. Ashvin Popat as Chairman and Mr. Prashant Parikh and Mr. Ashok Vithalani as members of the Committee.

During the period under review, two Nomination and Remuneration Committee meetings were held respectively on May 30, 2014 and September 30, 2014. Details of attendance of each member of the Committee are as under:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. Ashvin Popat	Independent Director	Chairman	2
Mr. Prashant Parikh	Independent Director	Member	2
Mr. Ashok Vithalani	Managing Director	Member	2

II. Terms of Reference

The terms of reference of the Committee are, inter alia, includes;

- 1) To recommend to the Board, the remuneration packages of Company's Managing/Whole time/Executive Directors, including all elements of

remuneration package (i.e. salary, benefits, bonuses, perquisites, commission, performance incentives, stock options, pension, retirement benefits, details of fixed component and performance linked incentives along with the performance criteria, service contracts, notice period, severance fees etc).

- 2) Company's policy on specific remuneration packages for Company's Managing/Joint Managing/ Executive Directors, including pension rights and any compensation payment.
- 3) To implement, supervise and administer any share or stock option scheme of the Company.
- 4) Formulation of the criteria for determining qualifications, positive attributes and independence of a Director and recommend to the Board a policy, relating to the remuneration of the Directors, Key managerial personnel and other employees.
- 5) Formulation of criteria for evaluation of Independent Directors and the Board.
- 6) Devising a policy on Board diversity.
- 7) Identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

III. Remuneration of Directors

The details regarding remuneration paid to the Managing Director either by way of salary, perquisite or sitting fees/commission etc. is given in Form No. MGT - 9, attached as an Annexure-"A" to the Director's Report.

C. Stakeholder's Grievances & Relationship cum Share Transfer Committee:

The Main purpose of the Stakeholder's Grievances & Relationship Committee is to focus on the redressal of Shareholders / Investors Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. Further, the Committee is assigned the responsibility to approve the transfer of Shares of the Company and to carry out other incidental matters.

I. Composition, Meetings and Attendance in the meetings during the year:

The Stakeholder's Grievances & Relationship cum Share Transfer Committee comprises of three members as on March 31, 2015. Mr. Prashant Parikh is a Chairman of the Committee and Mr. Ashwin Popat and Mr. Ashok Vithalani as members.

Compliance Officer of the Company is acting as a secretary to the Committee which was appointed by the Board of Directors.

During the year under review, four meetings were held on May 30, 2014, August 11, 2014, November 14, 2014 and February 14, 2015.

Details of attendance of each member of the Committee are as under:

Name of the Director	Category	Designation	No. of Meetings Attended
Mr. Prashant Parikh	Independent Director	Chairman	4
Mr. Ashwin Popat	Independent Director	Member	4
Mr. Ashok Vithalani	Managing Director	Member	4

II. Complaint

During the year, the Company had not received any complaints from the Shareholders. There was no complaint was pending as on March 31, 2015.

III. Board terms of reference

The Stakeholder's Grievance & Relationship Committee as a committee of the Board has been constituted mainly to focus on the redressal of Shareholders / Investors Grievances, if any, like Transfer / Transmission / Demat of Shares; Loss of Share Certificates; Non-receipt of Annual Report; Dividend Warrants; etc. Further, the Committee is assigned the responsibility to approve the transfer of Shares of the Company and to carry out other incidental matters.

SUBSIDIARY COMPANY

The Company does not have any subsidiary Company as on March 31, 2015.

GENERAL BODY MEETINGS

Details of the last three Annual General Meetings are as under:

AGM	DATE	TIME	VENUE
20 th	Tuesday, September 30, 2014	04.00 P. M.	4, Saujanya Row House,Nr. Darpan Six Roads, Navrangpura, Ahmedabad – 380 009.
19 th	Monday, September 30, 2013	11.00 A. M.	4, Saujanya Row House,Nr. Darpan Six Roads, Navrangpura, Ahmedabad – 380 009.
18 th	Saturday, September 29, 2012	11.00 A. M.	4, Saujanya Row House,Nr. Darpan Six Roads, Navrangpura, Ahmedabad – 380 009.

DISCLOSURES

Legal Compliances

The Company follows a formal management policy and system of legal compliance & reporting to facilitate periodical review by the Board of compliance status of laws applicable to the Company and steps taken to rectify non-compliances, if any. There were no instances of material non-compliance and no strictures or penalties were imposed on the Company either by SEBI, Stock Exchanges or any statutory authorities on any matter related to capital markets during the last three years.

Code of Conduct

The Code of Business Conduct adopted by the Company. The members of the Board and senior management of the Company have submitted their affirmation on compliance with the Code of Business Conduct for the effective period. The declaration by the Managing Director to that effect forms part of this report as Annexure.

Related Party Transactions

All transactions to be entered into with Related parties as defined under the Act and pursuant clause of the Listing Agreement will be in the ordinary course of business and on an arm's length basis and do not attract the provisions of section 188 of the Act.

There were no materially significant transactions with related parties during the financial year which were in the conflict of interest of the Company. Suitable disclosures as required by the Accounting Standard [AS 18] have been made in the notes to the Financial Statements.

The Board has approved a policy for related party transactions which has been uploaded on the website of the Company. Adequate care was taken to ensure that the potential conflict of interest did not harm the interests of the Company at large.

Whistle Blower Policy

The Company has a whistle blower policy to deal with any instance of fraud and mismanagement. The employees of the Company are free to report violations of any laws, rules, regulations and concerns about unethical conduct to the Audit Committee under this policy. The policy ensures that strict confidentiality is maintained whilst dealing with concerns and also that no discrimination with any person for a genuinely raised concern.

Mandatory & Non-Mandatory Clauses

The Company has complied with all mandatory requirements laid down by the Clause 49. The non-mandatory requirements complied with has been disclosed at the relevant places.

MEANS OF COMMUNICATION TO SHAREHOLDERS

The Company's corporate website www.ifinservices.com provides comprehensive information to the Shareholders.

During the year, unaudited half-yearly and audited annual financial results of the Company were submitted to the stock exchanges soon after the Board meeting concludes. All official news release of relevance to the investors are also made available on the website for a reasonable period of time.

General Shareholders Information

a)	AGM: Date, Day, Time & Venue	Wednesday, September 30, 2015 at 11:00 a.m. at 4, Saujanya Row House, Nr. Darpan Six Roads, Navrangpura, Ahmedabad – 380 009.
b)	Financial year	April 01, 2014 to March 31, 2015.
c)	Tentative Financial Calendar for the year 2015-16	<ul style="list-style-type: none">- First Qtr. Results: Second week of August 2015.- Half yearly Results: Second week of November 2015.- Third Qtr. Results: First week of February, 2016.- Results for year-end: Fourth week of May, 2016.

d)	Date of Book Closure	Monday, September 21, 2015 to Wednesday, September 30, 2015 (both days inclusive)
e)	Listing on stock Exchange(s)	The Company's equity shares are listed on Ahmedabad Stock Exchange Limited & Madras Stock Exchange Association Ltd. as on 31/03/2015 and further the company is in process of Direct Listing of its Equity Shares on BSE Limited.
f)	Security id / Security Code	INTERACTIV/ 26076
g)	Registrar and Share Transfer Agent	Satellite Corporate Services Private Limited. B-302, Sony Apartment, Opp. St. Jude High School, 90 ft. Road, Off Andheri Kurla Road, Jarimari, Sakinaka, Mumbai - 400 072, Maharashtra. E-mail: service@satellitecorporate.com
h)	Compliance Officer	Paresh Shah, Telephone: 079-2642 7428 E-mail: info@iFinServices.com

i) Market Price Data

The Regional Stock Exchanges were inoperative/ derecognized by SEBI since then the trading of equity shares is suspended and hence no market price data is available for the same.

j) Distribution of Shareholding as on March 31, 2015.

By size of shareholding:

Range of No. of Shares	Shares held		No. of Shareholders	
	Number	Percentage	Number	Percentage
From - To				
Upto1000	1450	83.29	591,900	19.64
1001-5000	259	14.88	634,200	21.05
5001-10000	19	1.09	136,900	4.54
10,001-20,000	1	0.05	10,500	0.35
20,001-30,000	3	0.17	74,600	2.48
30,001-40,000	2	0.11	72,000	2.39
40,001-50,000	3	0.17	138,900	4.61
50,001-1,00,000	3	0.17	230,100	7.64
1,00,001 and Above	2	0.11	1,124,000	37.30

By Category of Shareholders:

Category	No. of Shares		Total Shares	% of Holding
	Electronic	Physical		
Promoters' Group				
- Bodies Corporate	-	104,4500	104,4500	34.66

- Directors	-	256,600	256,600	8.52
- Director Relatives	-	47,000	47,000	1.56
- Other	-	57,500	57,500	1.91
Mutual Funds and UTI	-	-	-	-
Banks, FI's & Insurance Companies	-	-	-	-
Foreign Institutional Investors / NRIs	-	-	-	-
Other Bodies Corporate	-	69,600	69,600	2.31
Indian Public	-	1,537,900	1,537,900	51.04
Total	-	3,013,100	3,013,100	100.00

Registered Office:
4, Saujanya Row House,
Nr. Darpan Six Roads,
Navrangpura,
Ahmedabad – 380 009

Date: May 30, 2015

For and on behalf of the Board of Directors
INTERACTIVE FINANCIAL SERVICES LIMITED

Ashok Vithalani
Managing Director
DIN: 00023247

**To,
The Members of
Interactive Financial Services Limited**

Affirmation of compliance with code of Business conduct

In accordance with Clause 49 of the Listing Agreement with the Stock Exchanges, I hereby confirm that the Company has adopted Code of Conduct for the Directors and the Senior Management Personnel of the Company for the financial year ended March 31, 2015.

The Company has obtained confirmation for the compliance of Code of Conduct from the Board members and senior management personnel on an annual basis.

Registered Office:
4, Saujanya Row House,
Nr. Darpan Six Roads,
Navrangpura,
Ahmedabad – 380 009

**For and on behalf of the Board of Directors
INTERACTIVE FINANCIAL SERVICES LIMITED**

Date: May 30, 2015

**Ashok Vithalani
Managing Director
DIN: 00023247**

**To,
The Members
Interactive Financial Services Limited**

I have examined the compliance of conditions of Corporate Governance by Interactive Financial Services Limited (“the Company”) under Clause 49 of the Listing Agreement with Stock Exchanges for the Financial Year ended March 31, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the Company for ensuring compliance of the conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

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

For, Anand S. Lavingia
Practicing Company Secretary

Place: Ahmedabad
Date: May 30, 2015.

Anand Lavingia
ACS No: 26458
C P No: 11410

MANAGEMENT DISCUSSION ANALYSIS REPORT

OUTLOOK

The company is confident in spite of the possible recessionary conditions in the industry it will perform better in view of the strong fundamentals of the Indian companies and hope to improve its Turnover.

INTERNAL CONTROLS SYSTEMS AND THEIR ADEQUACY

The company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of law and regulations. The internal control system is supported by the internal audit process. The Internal Auditor reviews and ensures that the audit observations are acted upon. The Audit Committee of the Board reviews the Internal Audit reports and the adequacy and effectiveness of internal controls.

HUMAN RESOURCES

The relationship with the employees continues to be cordial. The Company recognizes the importance and contribution of its employees for its growth and development and constantly endeavors to train nurture and groom its people. The Company puts emphasis on attracting and retaining the right talent. The company places emphasis on training and development of employees at all levels and has introduced methods and practices for Human Resource Development.

CAUTIONARY STATEMENT

Certain statements in this section relating to estimates, projections and expectations may be forward looking within the meaning of applicable laws and regulations. The actual results could differ marginally from what the directors envisage in terms of the future performance and outlook. The factors that may affect the performance of the company will be changes pertaining to government policies, tariff barriers, delays in registrations, changes in local and overseas markets and the related factors thereof.

INDEPENDENT AUDITORS' REPORT

To The Members

Interactive Financial Services Ltd.

Ahmedabad

Report on the Financial Statements

We have audited the accompanying financial statements of Interactive Financial Services Ltd., Ahmedabad which comprise the Balance sheet as at 31st March 2015 and the Statement of Profit and Loss and Cash Flow Statement for the year ended on 31st March 2015, 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 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 of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgements and estimates that are reasonable and prudent ; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement,whether due to fraud or error.

Auditor's Responsibility for the Financial Statements

Our responsibility is to express an opinion on these financial statements based on our audit. We have taken into account the provisions of the Act , the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit in accordance with the Standards on Auditing specified under Section 143 (10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

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

state of affairs of the company as at 31st March 2015 and its profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

- 1 As required by the Companies (Auditor's Report) Order, 2015, ("the order ") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the Annexure a statement on the matters specified in paragraph 3 and 4 of the said Order to the extent applicable.
- 2 As required by section 143(3) of the Act, we report that:
 - (a) we have sought and obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - (b) in our opinion, the Company has kept proper books of account as required by law, so far, as appears from our examination of the books.
 - (c) the Balance Sheet, the Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - (d) in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act read Rule 7 of the Companies (Accounts) Rules, 2014.
 - (e) on the basis of written representations received from the directors as on March 31, 2015, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of section 164 (2) of the Companies Act, 2013.
 - (f) 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 does not have any pending litigations which would impact its financial position.
 - (ii) The Company did not have any long term contracts including derivative contracts 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, M. R. Pandhi & Associates
Chartered Accountants
Firm Registration No.112360W

Ahmedabad, 30th June, 2015

N. R. Pandit
Partner
Membership No.033436

Interactive Financial Services Ltd.
ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 1 under the heading of "report on other legal and regulatory requirements" of our report of even date

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that;

- (i) In respect of Fixed Assets
 - a. The Company has maintained proper records showing full particulars including quantitative details and location of the fixed assets.
 - b. The management during the year has physically verified all the fixed assets. According to the information and explanations given to us, there is a regular programme of verification which, in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (ii) In respect of Inventories
 - a. The company's nature of operation does not require it to hold inventories. Accordingly clause 3(ii) of the Companies (Auditor's Report) Order, 2015 is not applicable.
- (iii) In Respect of Loan Granted;
 - a. The Company has granted loan aggregating to Rs. 10.65 lacs during the year to one company covered in the register maintained under section 189 of the Companies Act, 2013.
 - b. The rate of interest, other terms and conditions of such loans are, in our opinion prima facie not prejudicial to the interest of the company.
 - c. As per the information and explanations given to us, in respect of loan granted, the repayment of loan and interest is regular.
 - d. There is no overdue amount in respect of loan granted by the company.
- (iv) As per the information and explanations given to us, there is in our opinion an adequate internal control system commensurate with the size of the Company and nature of its business for the purchase of Inventory and Fixed Assets and for sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) The Company has not accepted any deposit from the public Therefore, the provisions of clause (v) of paragraph 3 of the Order are not applicable to the Company.
- (vi) As per the information and explanations given to us, the provisions of maintenance of cost records specified by the Central Government under section 148(1) of the Companies Act, 2013 are not applicable to the company during the year under reference.
- (vii) According to information and explanations given to us in respect of statutory and other dues;
 - a. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted / accrued in the books of account in respect of undisputed statutory dues including Income Tax, Service tax, and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. As explained to us, the Company did not have any dues on account of employees' state insurance, provident fund, wealth tax, Sales tax, VAT and duty of customs.
 - b. According to information and explanation given to us, no undisputed amounts payable in respect of Income Tax, service tax and other material statutory dues were in arrears as at March 31, 2015 for a period of more than six months from the date they became payable.
 - c. No amount is required to be transferred to Investor Education and protection fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rules made thereunder.
- (viii) The Company does not have accumulated losses. The company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (ix) Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that the company has not defaulted in the repayment of dues to Banks. The Company has not borrowed funds from Financial Institution or Debenture holder.
- (x) In our opinion and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.

- (xi) In our opinion and according to the information provided to us the Company has not availed any term loan during the year.
- (xii) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year nor we have been informed of such case by the management.

For, M. R. Pandhi & Associates
Chartered Accountants
Firm Registration No.112360W

N. R. Pandit
Partner
Membership No.033436
Place : Ahmedabad
Date : 30th June, 2015

**INTERACTIVE FINANCIAL SERVICES LTD.
BALANCE SHEET AS AT 31ST MARCH 2015**

Particulars	Note No	As at 31st March 2015	As at 31st March 2014
I. EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	1	30,131,000	30,131,000
(b) Reserves and Surplus	2	710,271	392,783
(2) Share application money pending allotment		-	-
(3) Non-Current Liabilities			
(a) Deferred tax liabilities (Net)	3	-	73,811
(4) Current Liabilities			
(a) Short-term borrowings	4	8,248,783	3,886,641
(b) Trade payables	5	60,952	52,257
(c) Other current liabilities	6	515,837	580,704
(d) Short-term provisions	7	-	64,584
Total		39,666,844	35,181,780
II.Assets			
(1) Non-current assets			
(a) <i>Fixed assets</i>	8		
(i) Tangible assets		366,633	533,285
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances	9	38,360,908	34,091,429
(e) Other non-current assets	10	68,620	65,116
(2) Current assets			
(d) Cash and Bank balances	11	870,218	486,986
(e) Short-term loans and advances	12	465	4,965
Significant Accounting Policies and Notes on Financial Statements	<u>A to M</u> <u>1 to 31</u>		
Total		39,666,844	35,181,780

See accompanying notes forming part of the financial statements

For, M. R. Pandhi & Associates
Chartered Accountants
Firm Registration No.112360W

N. R. Pandit
Partner
Membership No.033436
Ahmedabad, 30th June, 2015

For and on Behalf of the Board of Directors

Mr. Ashok P. Vithlani Mr. A. V. Popat
Managing Director Director
DIN: 00023247 DIN: 02510845

Mr. Hitesh Joshi Mr. Paresh N. Shah
Chief Financial Officer Company Secretary

Ahmedabad, 30th June, 2015

INTERACTIVE FINANCIAL SERVICES LTD.

Statement of Profit and Loss for the year ended 31st March 2015

	Particulars	Note No	2014-2015 Amount Rs.	2013-2014 Amount Rs.
	Income from Operation			
I.	Revenue from operations	13	2,279,479	2,094,693
II.	Other Income	14	4,350	3,216
III.	Total Revenue		2,283,829	2,097,909
IV.	<u>Expenses:</u>			
	Employee benefit expense	15	892,262	853,400
	Financial costs	16	547,271	19,932
	Depreciation and amortization expense		8,521	27,532
	Other expenses	17	594,264	668,463
	Total Expenses		2,042,318	1,569,327
V.	Profit before tax (III - IV)		241,511	528,582
VI.	Tax expense:			
	(1) Current tax expense for current year		46,100	110,000
	(2) (Less) : MAT Credit for current year		(46,100)	(110,000)
	(3) Short/(Excess) Provi. of I. Tax (Earlier Year)		(3,174)	
	(4) Net Current Tax Expense		(3,174)	
	(5) Deferred tax		(73,811)	
	NET TAX EXPENSE / (BENEFIT)		(76,985)	
VIII.	Profit/(Loss) for the period (XI - XII)		318,496	528,582
IX.	Earning per equity share:			
	(1) Basic		0.11	0.18
	(2) Diluted		0.11	0.18
	Significant Accounting Policies and Notes on Financial Statements	A to M 1 to 31		

As per our report of even date

For, M. R. Pandhi & Associates
Chartered Accountants

Firm Registration No.112360W

N. R. Pandit
Partner

Ahmedabad, 30th June, 2015

For and on Behalf of the Board of Directors

Mr. Ashok P. Vithlani Mr. A. V. Popat
Managing Director Director
DIN: 00023247 DIN: 02510845

Mr. Hitesh Joshi Mr. Paresh N. Shah
Chief Financial Officer Company Secretary

Ahmedabad, 30th June, 2015

**INTERACTIVE FINANCIAL SERVICES LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2015**

[Amount in Rupees]

Particulars	2014-2015	2013-2014
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before taxation and extraordinary items	241,511	528,582
Adjustment for :-		
Depreciation and Amortization	8,521	27,532
Foreign Exchange Rate Fluctuation	-	-
Finance Costs	547,271	19,932
Excess provision w/back for Taxation of earlier years	3,175	-
Provision for doubtful debt and other loans and Advances	-	-
sub-total	558,966	47,464
Profit on sales of fixed assets	846	-
Loss on sales of fixed assets	(142,968)	-
Interest income	-	-
	701,088	47,464
Operating Profit before working capital changes	942,600	576,046
Change in working Capital :		
Adjustment for Decrease (Increase) in operating assets		
Inventories	-	-
Trade receivables	-	-
Short Term loans & advances	4,500	(1,591)
Long Term loans & advances	(4,269,479)	(3,794,099)
Other Current Assets	-	-
Other Non-current Assets	(3,504)	(6,118)
Adjustment for (Decrease) Increase in operating liabilities		
Trade payables	8,695	3,121
Other current liabilities	(64,867)	137,091
Other long term liabilities	-	-
Short term provision	(64,584)	64,584
Long term provision	-	-
Cash Generated from Operations	(3,446,639)	(3,020,966)
Direct tax Paid	-	45,416
Cash Flow before extraordinary items	(3,446,639)	(3,066,382)
Extraordinary Items/Prior Period Items	-	-
Net cash from Operating Activities	(3,446,639)	(3,066,382)
B. NET CASH FLOW FROM INVESTMENT ACTIVITIES		
Purchase of Fixed Assets	-	-
interest income	-	-
Proceeds from sale of fixed assets	15,000	-
Net Cash from Investment Activities	15,000	-
C. CASH FLOWS FROM FINANCING ACTIVITIES		
Interest Expense	(547,271)	(19,932)
Proceeds of long term borrowings	-	-
Repayment of long term borrowings	-	-
Proceeds of short term borrowings	4,362,142	3,441,832
Net Cash from financial activities	3,814,871	3,421,900
NET INCREASE /(-) DECREASE IN CASH AND CASH EQUIVALENTS	383,232	355,518
FOREIGN EXCHANGE RATE FLUCTUATION	-	-
OPENING BALANCE IN CASH AND CASH EQUIVALENTS	486,986	131,468
CLOSING BALANCE IN CASH AND CASH EQUIVALENTS	870,218	486,986

Notes on Cash Flow Statement:

- The above statement has been prepared following the "Indirect Method" as set out in Accounting Standard 3 on Cash Flow Statement issued by the Institute Of Chartered Accountants of India.
- Cash and Cash Equivalents represent Cash and Bank (excluding fixed deposits).

As per our report of even date attached.

For, M. R. Pandhi & Associates
Chartered Accountants
Firm Registration No.112360W

N. R. Pandit
Partner
Membership No.033436

Ahmedabad, 30th June, 2015

For and on Behalf of the Board of Directors

Mr. Ashok P. Vithlani Mr. A. V. Popat
Managing Director Director
DIN: 00023247 DIN: 02510845

Mr. Hitesh Joshi Mr. Paresh N. Shah
Chief Financial Officer Company Secretary

Ahmedabad, 30th June, 2015

Interactive Financial Services Ltd.
Notes forming part of the Financial Statements as at 31st March 2015

Note No	Particulars	As at 31st March 2015	As at 31st March 2014
1	Share Capital Equity Share Capital Authorised Share capital : 8,000,000 (Previous year 8,000,000) Equity Shares of Rs.10/-each	80,000,000	80,000,000
	Issued, subscribed & paid up: 3,013,100 (Previous year 3,013,100) Equity Shares of Rs.10/-each	30,131,000	30,131,000
	Total	30,131,000	30,131,000

Notes:

- i All the equity shares carry equal rights and obligation including for dividend and with respect to voting.
ii The Reconciliation of the number of shares and amount outstanding as at the year end is set as below:

Particular	As at 31st March 2015		As at 31st March 2014	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
Equity shares at the beginning of the year	3,013,100	30,131,000	3,013,100	30,131,000
Add: Equity Shares issued during the year	-	-	-	-
Equity shares at the end of the year	3,013,100	30,131,000	3,013,100	30,131,000

- iii The details of shareholders holding more than 5% of the equity shares of the Company as at year end is as below :

Particulars	As at 31st March 2015		As at 31st March 2014	
Medrick Investment & Finance P Ltd	867,400	28.79%	867,400	28.79%
Ashok P Vitlhani	256,600	8.52%	-	0.00%

- iv The company is neither Holding Company nor a subsidiary of any other company.
v During preceding 5 years, neither any shares have been allotted for consideration other than cash, bonus shares nor any shares have been bought back

2	Reserves and Surplus a. Other Reserve Profit and loss account Opening Balance	392,783	(135,799)
	Less: Depreciation written off on Assets whose useful life is over	1,008	-
	Add : net profit / (loss) after tax from continuing operations	318,496	528,582
	Closing balance	710,271	392,783
	Total	710,271	392,783

3	Deferred Tax Liabilities Deferred Tax Liabilities On timing differences on depreciation on fixed assets	37,536	-
	Deferred Tax (Assets) Unabsorbed Depreciation & Business Losses	308,843	-
	Provision for Doubtful debts	-	-
	Net Deferred Tax Liability / (Asset) on the date of Balance Sheet	(271,307)	-
	Less : Provided for in the previous years	73,811	73,811
	Deferred Tax Provided / (Reversed) during the year	(73,811)	-

The Company has provided for deferred tax in accordance with the Accounting Standard on " Accounting for Taxes on Income " (AS 22) issued by the Institute of chartered Accountants of India. The details deferred tax assets and liabilities of the company as on the date of balance sheet are as above. As on 31-03-2015 the company has net deferred tax asset and as per the general prudence, the Company has not provided for deferred tax asset in the absence of virtual certainty.

4	Short-terms borrowings - Unsecured Loans and advances from KMP	1,749,809	1,039,809
	Loans and advances from Inter Corporate Company	6,498,974	2,846,832
	Total	8,248,783	3,886,641

5	Trade Payable A) Trade Payable Sundry Creditors	60,952.30	52,257.00
	Total	60,952	52,257

Interactive Financial Services Ltd.
Notes forming part of the Financial Statements as at 31st March 2015

Note No	Particulars	As at 31st March 2015		As at 31st March 2014							
6	<u>Other current liabilities</u>		2014-2015		2013-14						
	Outstanding Liabilities		449,118		575,475						
	Statutory Liabilities		66,719		5,229						
	Total		515,837		580,704						
7	<u>Short-term provisions</u>										
	Provision for Income tax (net of advance tax/TDS Rs.73,500/-)		-		64,584						
Total		-		64,584							
8 Fixed assets											
Particulars	Gross Block				Depreciation Fund			Net Block			
	As On 01-Apr-14	Addition during the year	Deduction during the year	Total As on 31-Mar-15	Up To 31-Mar-14	Assets Written off Whose	Deduction/A diustment	Total As on 31-Mar-15	Total As on 31-Mar-15	Total As on 31-Mar-14	
<u>Tangible Assets</u>											
Office Building	501,900	-	-	501,900	157,948	-	-	187,783	314,117	343,952	
Office Equipme	371,732	-	371,732	-	254,728	-	254,728	-	-	117,004	
Furniture Fixtu	1,050,340	-	-	1,050,340	1,018,129	1,008	21,314	997,823	52,517	32,211	
Computers	779,250	-	779,250	-	740,287	-	740,287	-	-	38,963	
Vehicles	26,079	-	26,079	-	24,924	-	24,924	-	-	1,155	
Total Rs.	2,729,301	-	1,177,061	1,552,240	2,196,016	1,008	1,041,253	1,185,606	366,634	533,285	
9	<u>Long Term Loans and Advances</u>										
	Sub Standard Asset										
	Other Advances									6,449,757	
	Less : Provision for doubtful Debts									2,257,415	
	Net Other Advances									792,342	
	Business Advances									35,727,384	
	Advance for Capital Assets									625,000	
	Balance with Government Authorities									1,216,182	
Total									38,360,908	34,091,429	
Notes :											
i Loans & Advances includes due from a company in which one of director is director / member,											
Particular	AAA IT Solutions P Ltd.										
										6,286,042	4,784,040
Total									6,286,042	4,784,040	
10	<u>Other non-current assets</u>										
	Deposits									68,620.00	65,116.00
Total									68,620.00	65,116.00	
11	<u>Cash and Bank Balances</u>										
	<u>a. Cash and Cash Equivalents</u>										
	<u>Cash</u>										
	Cash on hand									828,219	462,083
	<u>Cash Equivalents</u>										
	Balances with banks - in current accounts									41,999	24,903
Total									870,218	486,986	
12	<u>Short term loans and advances</u>										
	Prepaid Expense									465	4,965
Total									465	4,965	

INTERACTIVE FINANCIAL SERVICES LTD.

Notes forming part of Statement of Financial Statements for the year ended on 31st March 2015

Note No	Particulars	2014-2015 Amount Rs.	2013-2014 Amount Rs.
13	<u>Revenue from Operations</u>		
	Operational Income	2,279,479	2,094,693
	Total	2,279,479	2,094,693
14	<u>Othe Income</u>		
	Other Income	3,504	3,216
	Profit on sale of Asset	846	-
	Total	4,350	3,216
15	<u>Employee Benefits Expense</u>		
	Salary, Bonus & Exgratia	174,746	155,294
	Leave Encashment Expenses	24,433	24,433
	Other Allowances	243,083	223,673
	Directors Remuneration	450,000	450,000
	Total	892,262	853,400
16	<u>Finance Costs</u>		
	Interest Expenses	546,189	19,652
	Bank Charges	1,082	280
	Other Borrowing Cost	-	-
	Total	547,271	19,932
17	<u>Other Expenses</u>		
	Provision for Doubtful Debts	-	-
	Bad Debts W/off	-	519,762
	Insurance Expenses	1,054	1,061
	Auditors Remuneration	37,079	37,079
	Electricity Expenses	36,394	29,129
	Loss On Sale of Assets	142,968	-
	Motor Car Petrol Exps.	7,228	27,943
	Administrative & General Expenses	369,541	53,489
	Total	594,264	668,463

Interactive Financial Services Ltd.

: Significant Accounting Policies :

A Basis of preparation of financial statements and revenue recognition:-

- 1 The financial statements have been prepared under the historical cost convention in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 2013 as adopted consistently by the company.
- 2 Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles followed by the company.
- 3 Sale of Software is recognized on the basis of the terms of the contract and billed to client. Revenue in respect of insurance / other claims, interest, commission etc is recognized only when it reasonably certain that the ultimate collection will be made. Income on sub-standard assets is recognized as and when received. Sales is exclusive of Service tax and other government levies.

B Fixed Assets & Depreciation / Amortisation: -

- 1 Fixed assets are stated at cost of acquisition less accumulated depreciation. All cost, till commencement of commercial production is capitalized.
- 2 Depreciation is systematically allocated over the useful life of tangible assets as specified in part C of schedule II of Companies Act 2013. Intangible assets (except goodwill) are amortized equally over five years. Goodwill is tested for impairment annually.
- 3 Pursuant to accounting standard 28 " Impairment of Assets" issued by the ICAI, The Company has a system to review the carrying cost of all the assets vis-à-vis recoverable value and impairment loss, if any is charged to Profit and Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed if there has been a change in estimate of

C Employee Retirement Benefit :-

- a. The Provident Fund Act, Employee State Insurance Act and the payment of Gratuity Act are not applicable to the company. Therefore, the company has no such liability.
- b. Wages, salaries, paid annual leave, sick leave and bonuses are accrued in the year in which he services are rendered by the employees. The company does not permit accumulating of unused leaves.
- c. In view of the above, the disclosure as required under Accounting Standard - 15 (Revised) is not given.

D Taxation:-

Taxation expense comprises current tax and deferred tax charge or credit. Provision for income tax is made on the basis of the assessable income at the tax rate applicable to the relevant assessment year. Advance tax and tax deducted at source are adjusted against provision for taxation and balance, if any, are shown in the balance sheet under respective heads

E Deferred Taxation

Deferred tax resulting from timing differences between book and tax profit is accounted for under the liability method at the current rate of Income tax to the extent that the timing differences are expected to crystallize as deferred tax charge/ benefit in the profit and loss a/c and as deferred tax Assets/Liability in the Balance-Sheet.

F Insurance Claim

Insurance and other claims to the extent considered recoverable are accounted for in the year of claim based on the amount assessed by the surveyor. However, claims and refund whose recovery cannot be ascertained with reasonable certainty, are accounted for on acceptance/actual receipts basis.

G Dividend Income

Dividend is accounted in the year in which the same is declared. Interim dividend is accounted as and when received.

H Use of Estimates

In preparing Company's financial statements in conformity with accounting principles generally accepted in India, management is required to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period;; actual results could differ from those

Interactive Financial Services Ltd.

: Significant Accounting Policies :

I Impairment of Assets

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit & Loss account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

J Provision, Contingent Liabilities and Contingent Assets

Provisions involving substantial degree of estimation in measurement are recognised when there is a present obligation as result of past events and it is probable that there will be an outflow of resources. Contingent liabilities are not recognised but are disclosed in the notes, Contingent assets are neither recognised nor disclosed in the financial statements.

K Related Party Transaction

Parties are considered to be related if at any time during the year; one party has the ability to control the other party or to exercise significant influence over the other party in making financial and / or operating decision.

L Earning Per Share (EPS)

The earning considered in ascertaining the company's EPS comprises the net profit for the period after tax attributed to equity shareholders. The number of shares used in computing basic EPS is the weighted average number of shares outstanding during the year.

M Investments

Investments are stated at cost. Cost is inclusive of brokerage, fees and duties.

INTERACTIVE FINANCIAL SERVICES LTD.

: General Notes forming the parts of Accounts:

- 18 Previous year's figures have been regrouped, reclassified and rearranged wherever necessary.
- 19 Figures have been rounded off to nearest of rupee.
- 20 In the opinion of the Board, the Current Assets, Loans and Advances are approximately of the value, if realized, during the ordinary course of business.
- 21 The balances of sundry debtors and sundry creditors are subject to confirmation from respective parties. Necessary adjustments, if any, will be made when accounts are reconciled / settled.

22 Payment to Auditors : (exclusive of service tax)

Particulars	2014-2015	2013-2014
i) For Audit Fees	25,000	25,000
ii) For Taxation services	8,000	8,000
Total Rs:	33,000	33,000

23 Value of Imports on C. I. F Basis in respect of

Particulars	2014-2015	2013-2014
Raw Material / Capital Goods etc.	NIL	NIL

24 Expenditure in Foreign currency

Particulars	2014-2015	2013-2014
Business Tour / Dividend etc.	NIL	NIL

25 Earnings in Foreign currency

Particulars	2014-2015	2013-2014
Exports at FOB value	NIL	NIL

- 26 As at 31st March 2015, no supplier has intimated the company about its status as Micro, Small and Medium Enterprise or its registration with the appropriate authority under the Micro, Small and medium enterprises development Act, 2006. In view of this Disclosure u/s 22 of the Micro, Small and medium enterprises development Act, 2006 is not furnished for the year ended 31st March 2015

27 Segment Reporting:

The Company is mainly engaged only one segment. The products i.e. Interest Income & Rent Income, earned in indian markets only. Hence there are no reportable business segments and/or geographical segment.

28 **Related party Disclosure. :-**

Disclosures as required by Accounting Standard 18 "Related Party Disclosures" are given below.

A Key Management Personnel

- 1 Mr. Ashok P. Vithlani - Managing Director
2 Mr. Ashwin V. Popat - Director

B Related Parties

- 1 Distribution Point
2 Hemraj Nanji HUF
3 Polad Traders P Ltd.
4 Polad Finance Ltd.
5 Expression Advt. & Mktg. P Ltd.
6 Search Solutions P Ltd.
7 AAA IT Solutions P Ltd.
8 Interactive Manpower Solutions P Ltd.
9 Cross Bryne Design Studio P Ltd.
10 SAP Infotech P ltd.

C Transactions with related parties :

Amount Rs. in lakhs

SN	Nature of Transaction	Related Parties		Key Management Personnel		Relative of KMP	
		2014-2015	2013-2014	2014-2015	2013-2014	2014-2015	2013-2014
1	Receipt of Loan	32.61	28.33	2.60	5.95	NIL	NIL
2	Repayment of Loan	1.00	NIL	NIL	NIL	NIL	NIL
3	Other Payment Received	0.08	1.38	NIL	NIL	NIL	NIL
4	Other Payment Repaid	NIL	NIL	NIL	NIL	NIL	NIL
5	Loan Given	10.65	22.00	NIL	NIL	NIL	NIL
6	Loan Refund Received	NIL	NIL	NIL	NIL	NIL	NIL
7	Interest Paid	5.46	0.15	NIL	NIL	NIL	NIL

INTERACTIVE FINANCIAL SERVICES LTD.

: General Notes forming the parts of Accounts:

8	Interest Received	6.87	4.54	NIL	NIL	NIL	NIL
9	Remuneration Paid	NIL	NIL	4.50	4.50	NIL	NIL
10	Balance Outstanding						
a.	Short Term Borrowings	64.99	28.47	NIL	NIL	NIL	NIL
b.	Loan & Advances	86.67	69.84	NIL	NIL	NIL	NIL

29 Particulars of Earnings Per Share:

Earning per share computed in accordance with Accounting Standard 20 issued by The Institute of Chartered Accountants of India.

Particulars	2014-2015	2013-2014
Net Profit attributable to Share Holders	318,496	528,582
Number of Equity shares/Weighted Equity Shares	3,013,100	3,013,100
Nominal value of share	0.11	0.18
Earning per share	0.11	0.18

The Company does not have any outstanding dilutive potential equity shares. Consequently the basic and dilutive earning per share of the Company remain the same.

30 Expenditure incurred by the company on employees

- i if employed throughout the financial year an were in receipt of remuneration for that year which in aggregate was not less than Rs.6,000,000/- Rs. Nil (Previous year Rs. Nil)
- ii if employed for a part of the financial year an were in receipt of remuneration for any part of that year at he rate, which in aggregate was not less than Rs.500,000/- per month Rs. Nil (Previous year Rs. Nil)

31 Additional Information pursuant to Note 5 of Part II of Revised Schedule VI of the Companies Act,1956:

A) TURNOVER:

Amount Rs. In Lakhs

SL. NO.	CLASS OF GOODS	Turnover for the year : 2014-2015	Turnover for the year : 2013-2014
A	Interest Income	2,279,479	2,094,693
		-	
	TOTAL	2,279,479	2,094,693
		-	-

For, M. R. Pandhi & Associates
Chartered Accountants
Firm Registration No.112360W

N. R. Pandit
Partner
Membership No.033436

Ahmedabad, 30th June, 2015

For and on Behalf of the Board of Directors

Mr. Ashok P. Vithlani Managing Director DIN: 00023247	Mr. A. V. Papat Director DIN: 02510845
---	--

Mr. Hitesh Joshi Chief Financial Officer	Mr. Paresh N. Shah Company Secretary
---	---

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: **L65910GJ1994PLC023393**

Name of the Company: **INTERACTIVE FINANCIAL SERVICES LIMITED**

Registered office: **4 Saujanya Raw Houses, Nr. Darpan Six Roads, Navrangpura, Ahmedabad-380009, Gujarat, India**

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

I/We, being the member (s) holding shares of the **Interactive Financial Services Limited**, hereby appoint

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

or failing him

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

or failing him

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

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting No. IFSL/AGM/21/2014-15 of the Company, to be held on Wednesday, September 30, 2015 at 11:00 A.M. at 4 Saujanya Raw Houses, Nr. Darpan Six Roads, Navrangpura, Ahmedabad- 380009, Gujarat, India and at any adjournment thereof in respect of such resolutions as are indicated below:

Resol. number	Resolutions	Vote (Optional see note 2) (Please mention no. of shares)		
		For	Against	Abstain
Ordinary Business:				
1.	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditor's report for the financial year ended 31 st March, 2015			
2.	Re-appointment of Mr. Prashant D. Parikh (DIN: 00040591), Director who retires by rotation and being eligible offers herself for re-appointment			
3.	Appointment of M/s. M.R. Pandhi & Associates as Auditors of the Company			
4.	Appointment of Ms. Sejalben Mandavia as a Non-Executive Director of the Company			

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.
- It is optional to indicate your preference. If, you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

Attendance slip

INTERACTIVE FINANCIAL SERVICES LIMITED

CIN: L65910GJ1994PLC023393

4 Saujanya Raw Houses, Nr. Darpan Six Roads, Navrangpura,
Ahmedabad-380009, Gujarat, India

Tel: +91-079-26427428,

E-Mail: ashokvithlani@poland.net

Member's/Proxy's Name (In Block Letters):

Member's Folio/DP ID-Client ID No.:

Number of shares held:

I certified that I am a member/proxy/authorized representative for the member of the Company

I hereby record my presence at the 21st Annual General Meeting of the Company No. IFSL/AGM/21/2014-15 held at 4 Saujanya Raw Houses, Nr. Darpan Six Roads, Navrangpura, Ahmedabad- 380009, Gujarat, India on Wednesday, September 30, 2015 at 11:00 A.M.

Member's/Proxy's Signature

Note: Please fill up this Attendance Slip and hand it over at the Entrance of the Meeting Hall. Members are requested to bring their copies of Annual Report to the AGM.