



Indian School Finance Company Private Limited
10th Annual Report
2017-18

CORPORATE INFORMATION

CORPORATE IDENTITY NUMBER

U65921AP1994PTC065392

REGISTERED OFFICE

Unit no. 8-2-269/2/52, Plot No. 52, Sagar

Society, Road No. 2, Banjara Hills,

Hyderabad-500 034

Website: www.isfc.in

BOARD OF DIRECTORS

Mr. Rakesh Rewari

Ms. Kalpana Iyer

Mr. Robert Alexander Pattillo

Mr. Neeraj Sharma - Managing Director & CEO

Ms. Ragini Chaudhary

CORPORATE OFFICE

236/237, DLF Towers,

15 Shivaji Marg

New Delhi-110015

STATUTORY AUDITORS

M/s S.R. Batliboi & Associates LLP

Chartered Accountants

DEBENTURE TRUSTEE

IDBI Trusteeship Services Limited

Asian Building, Ground Floor,

17, R, kamani Marg,

Ballard Estate

Mumbai-400001

Maharashtra, India

Catalyst Trusteeship Limited

Mittal Tower, B Wing,

Nariman Point, Mumbai-400021, India

DIRECTOR'S REPORT

TO THE MEMBERS

The Board of Directors of your Company is pleased to present the 10th Annual Report and Audited Financial Statement of Accounts for the year ended on March 31, 2018.

1. FINANCIAL RESULTS:

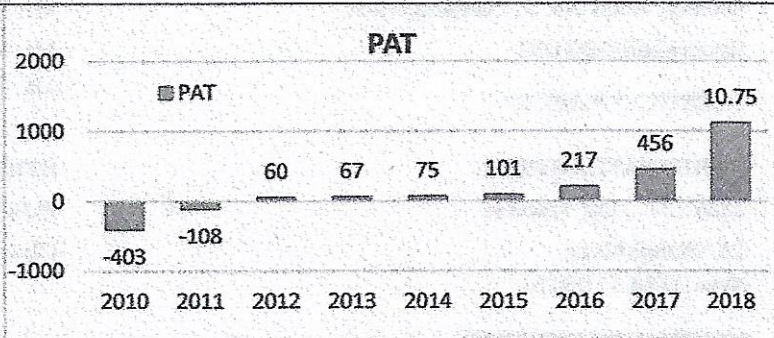
Your Company's performance during the financial year 2017-18 is summarized below:

(Rs. In lacs)

Particulars	Year ended 31.03.2018	Year ended 31.03.2017
Total Income	7,729.48	4343.56
Financial Charges	3,633.36	2145.37
Personnel and Other Expenses	2208.14	1366.06
Provisions & Write-Offs	273.05	145.84
Profit / (Loss) Before Tax	1500.35	686.28
Less: Tax Expense	424.77	230.23
Profit/ (Loss) After Tax	1075.57	456.04
Add Balance brought forward from previous year	145.44	-219.38
Transfer to Reserve Fund under section 45-IC of the RBI Act, 1934	215.11	91.20
Balance Carried to Balance Sheet	1005.90	145.44
Paid up Capital	501.8	501.80

2. BUSINESS PERFORMANCE:

The year witnessed all round performance, sales disbursements were almost double of previous year. Total revenue was up by 77.95% over the previous fiscal to Rs. 77.29 crores, profitability of the company also doubled and the company reported net profit of Rs. 1075.57 Lacs for fiscal 2018, as compared to Rs. 456 Lacs in the previous financial year fiscal.



RATIO ANALYSIS:

Sr.no	Particulars	Units	2017-18	2016-17
1	NIM to Avg. AUM*	In %	10.70	10.40
2	Operating Expenses % to NIM	In %	57.00	63.45
3	Return on Avg. AUM (On books)	In %	4.20	3.10
4	NPA - 90dpd	In %	0.95	1.43

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5	Average AUM	In Lacs	40,392	21,966
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*Avg. AUM = (Opening AUM + Closing AUM)/2

Growth in company led to improvisation of expense ratios and other parameters.

3. SHARE CAPITAL

The capital structure of your company is given as under as on 31st March, 2018:

4. DIVIDEND:

The board has decided not to declare any dividend for the financial year 2017-18.

5. COMPLIANCE WITH NBFC REGULATIONS

The Company has complied with all the applicable rules, regulations & guidelines as prescribed by the Reserve

Authorized		
8,000,000 (Previous year 5,450,000) Equity Shares of Rs. 10/- each		80,000,000
4,000,000 (Previous year 550,000) 0.5% Compulsory Convertible Preference Shares of Rs. 10/- each		40,000,000
		120,000,000
Issued & Subscribed		
Equity Share Capital		
2,219,499 (Previous year 1,249,596) Equity Shares of Rs. 10/- each fully paid up		22,194,990
Compulsory Convertible Preference Share Capital		
283,283 (Previous year 283,283) 0.5% Compulsory Convertible Preference Shares of Rs. 10/- each		2,832,830
3,484,367 (Previous year NIL) 0.5% Compulsory Convertible Preference Shares of Rs. 10/- each		34,843,670
		59,871,490
Paid up Capital		
Equity Share Capital		
1,399,606 (Previous year 1,249,596) Equity Shares of Rs. 10/- each		13,996,060
Less: Amount Recoverable from ESOP Trust (face value of 150,000 Equity Shares allotted to Trust)		(1,500,000)
819,893 (Previous year Nil) Equity Shares of Rs. 10/- each paid up Re 0.01/- each		8,199
Compulsory Convertible Preference Share Capital		
283,283 (Previous year 283,283) 0.5% Compulsory Convertible Preference Shares of Rs. 10/- each		2,832,830
3,484,367 (Previous year Nil) 0.5% Series A Compulsory Convertible Preference Shares of Rs. 10/- each		34,843,670
		50,180,759

Bank of India from time to time and as are applicable to Non-deposit accepting, Non-Systematically Important NBFC's.

6. RESERVES AND PROVISIONS

As per section 45IC of RBI Act, 1934 the Company has transferred Rs. 21,511,542 in reserve fund i.e. aggregating of 20% of its Net Profit.

7. DEPOSITS

The Company is registered as a "Non-Deposit Taking NBFC" with the Reserve Bank of India, hence it has not accepted any public deposits during the year under review.

8. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

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

Rajini Chaudhary

9. MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAVE OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT

The company is planning to raise additional capital in the financial year 2019-20.

10. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE:

During the year under review there has been no such significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

11. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES

The company does not have any subsidiary company and joint venture company.

However, company has one associate company during the year under review and details of the same is mentioned at form MGT-9 annexed to this report.

12. VIGIL MECHANISM / WHISTLE BLOWER POLICY:

The Company has established vigil mechanism for directors and employees to report genuine concerns of fraud & misconduct in the company.

13. THE DETAILS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO ARE AS FOLLOWS:

A) Conservation of energy:

The Company is in the business of extending loans to its customers and does not employ any heavy energy consumption equipment for the purpose. Further, the company promotes usage of latest technology and low energy consumption products in its offices.

B) Technology absorption:

The company uses modern technology solutions like Emails, Cloud Sharing, Loan Management software for its internal communication and process management. All endeavors are made to adopt paperless methods and eco-friendly technology solutions for enhanced productivity and cost efficiencies.

C) Foreign exchange earnings and Outgo:

Foreign Exchange earned and spent by the company during the year under review as given hereunder:

(Amount in Rupees)

Party Name	Foreign Currency Inflow	Foreign Currency Outgo
Interest payment on CCDs to Blayfort Limited	-	1,52,08,252
Processing Fee on Issuance of NCD	-	27,01,932
Net Inflow/Outgo		1,79,10,184

14. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

As on March 31, 2018, the Company has 5 Directors. Of the 5 Directors, 4 are non-executive and 1 is executive Director. As on March 31, 2018 company has two Independent Directors. The composition of the Board is in conformity with Company Law regulations.

Key Managerial Personnel:

Mr. Neeraj Sharma	Managing Director and Chief Executive Officer
Mr. Ankur Aggarwal	Chief Financial and Operating Officer

Rajini Choudhary

[Signature]

Ms. Priya Goel

Company Secretary

I. Changes in Directors and Key Managerial Personnel:

Mr. Rakesh Rewari was appointed as Independent Director of the company w.e.f. 29 May, 2017.

Mr. Gauravjeet Singh resigned from the Board of the company with effect from 26 June, 2017 as nominee director of GMC and in his place Ms. Ragini Chaudhary joined ISFC on 18 Sept., 2017 as nominee director of GMC.

II. Declaration by Independent Directors

All the independent directors have given declaration regarding their compliance of conditions of sub-section 6 of section 149 of the Companies Act, 2013 in the first board meeting of the FY 2018-19 as per the provisions of sub-section 7 of section 149 of the said Act. No independent director has been reappointed for second term on passing of a special resolution by the Company.

III. Company's policy on directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of a director and other matters provided under sub-section (3) of section 178;

Company deliberates the appointment in the Board meetings and decides on the candidature according to qualifications, relevant experience and clean CIBIL records of the Directors.

15. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3) (c) of the Companies Act, 2013:

- (a) that in preparation of the annual financial statements for the year ended March 31, 2018, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that appropriate accounting policies have been selected and applied consistently and judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year ended March 31, 2018;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the annual accounts have been prepared on a going concern basis; and
- (e) the Company has an established internal financial control framework including internal controls over financial reporting, operating controls and for the prevention and detection of frauds and errors. The framework is reviewed periodically by Management and tested by the internal audit team appointed by the Management to conduct the internal audit. Based on the periodical testing, the framework is strengthened from time to time to ensure the adequacy and effectiveness of internal financial controls;
- (f) that systems to ensure compliance with the provisions of all applicable laws were in place and that such systems were adequate and operating effectively.

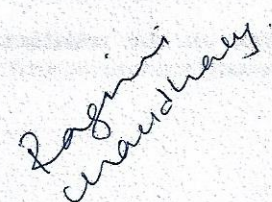
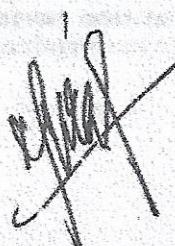
16. NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business.

The notice of Board meetings is given well in advance to all the Directors. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

The Board met six times during the financial year 2017-18 viz.:

- April 24, 2017
- May 29, 2017
- May 30, 2017
- September 18, 2017
- November 13, 2017



Ragini Chaudhary

- February 09, 2018

The maximum interval between any two meetings did not exceed 120 days.

Details of attendance of Directors at Board Meetings and at last Annual General Meeting held in FY 2017-18 are given below:

Name	Category	Attendance	
		Number of Board Meetings Attended	Last AGM 31 August, 2017
Mr. Neeraj Sharma	Executive	6	Yes
Ms Kalpana Iyer	Independent	5	-
Mr Gauravjeet Singh	Non- Executive	3	-
Mr. Robert Alexander Pattillio	Non- Executive	3	-
Mr Rakesh Rewari	Independent	5	-
Ms. Ragini Chaudhary	Non- Executive	3	-

NUMBER OF MEETINGS OF THE Audit Committee:

The Audit Committee met two times during the financial year 2017-18 viz.:

- 30 May, 2018
- 13 Nov, 2018

Details of attendance of Directors at Audit Committee meeting held in FY 2017-18 are given below:

Name	Category	Attendance
Mr. Neeraj Sharma	Executive	2
Ms Kalpana Iyer	Independent	2
Mr Gauravjeet Singh	Non- Executive	-
Mr. Robert Alexander Pattillio	Non- Executive	-
Mr Rakesh Rewari	Independent	2
Ms. Ragini Chaudhary	Non- Executive	1

17. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186

Pursuant to Section 186(11) of the Companies Act, 2013 loans made, guarantees given or securities provided or acquisition of securities by a Non-Banking Financial Company in the ordinary course of its business are exempted from disclosure in the Annual Report.

18. PARTICULARS OF EMPLOYEES

The information required under Section 197 of the Act read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are given below:

- The ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2017-18: 17.57:1
- percentage increase in remuneration of each Director, Chief Financial Officer and Company Secretary during the financial year 2017-18

Executive Directors/KMP	% increase in remuneration in the financial year
Mr. Neeraj Sharma	12.00% (15% during last year)
Mr. Ankur Aggarwal, Chief Financial Officer	18.18% (19.57% during last year)
Ms. Priya Goel, Company Secretary	-

iii) The percentage increase in the median remuneration of employees in the financial year 2017-18: 16.18%

iv) The number of permanent employees on the rolls of company: 313

v) **The explanation on the relationship between average increase in remuneration and company performance:** Company's financial performance has significantly improved as compared to last year.



Ragini Chaudhary

vi) average percentile increases already made in the salaries of employees other than the managerial personnel in the last financial year is **16.28%** and percentile increase in the managerial remuneration is **13.86%**;

vii) The company affirms that the remuneration paid is as per the remuneration policy of the company.

Statement in pursuant to section 197(12) of companies Act, 2013 read with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 forming part of the Director's Report for the year ended March 31, 2017.

A) Personnel who are in receipt of remuneration aggregating not less than Rs. 1,02,00,000 p.a. and employed throughout the financial year:

Name	Designation	Remuneration	Qualification	Experience	Date of Joining	Age	Previous Employment	No. of shares held in the company	Whether related to any director
Neeraj sharma	Managing Director and CEO	11,196,224	CA, CMA	23 Years	October, 2012	46 yrs	Fullerton India Credit Company Ltd.	5,72,403	No

B) Personnel who are in receipt of remuneration aggregating not less than Rs. 8,50,000 per month and employed for part of the financial year: **NIL**

19. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES:

The particulars of every contract or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto is disclosed in **Form No. AOC -2 annexed as Annexure-A** with this report.

20. BUSINESS RISK MANAGEMENT:

Business risk evaluation and management is an ongoing process within the Company covering the entire gamut of business operations and the Board was informed of the same.

In view of the activities of the company the board has opinion that the company has two major inherent risks which may threaten the existence of the company are "default in payment of loans by the customers" and "liquidity risk". However, the company has followed the principal of assessing the risk and accordingly managing the business.

21. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Company Constituted CSR policy during the year 2017-18. Following are the members of CSR Policy of the Company.

- Mr. Rakesh Rewari
- Mr. Neeraj Sharma
- Ms. Ragini Chaudhary

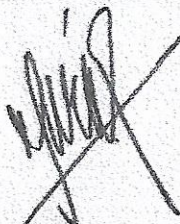
The complete Policy of the company is placed at its website: www.isfc.in and brief details are annexed herewith.

22. EXTRACT OF THE ANNUAL RETURN

Pursuant to section 92(3) of the Companies Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, the details forming part of the extract of the Annual Return in **form MGT-9** is annexed herewith as "**Annexure B**".

23. SECRETARIAL AUDIT REPORT

The Board had appointed M/s Vinita Rani, Practicing Company Secretaries, Delhi as Secretarial Auditor pursuant to the provisions of Section 204 of the Companies Act, 2013. The Report of the Secretarial Auditor is annexed to the Report as per **Annexure 'C'**.



Ragini Chaudhary

24. DISCLOSURE UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. There were no complaints received from any employee during the financial year 2017- 2018 and hence no complaint is outstanding as on 31.03.2018 for redressal.

25. CORPORATE GOVERNANCE REPORT

Your Company has been practicing the principle of good Corporate Governance, which is a continuous and ongoing process.

26. Composition of an Audit Committee:

The company has reconstituted the audit committee comprising of following members as on 29th May, 2017.

Ms. Kalpana Iyer

Mr. Rakesh Rewari

Mr. Robert Alexander Pattillo

27. Internal Financial Controls:

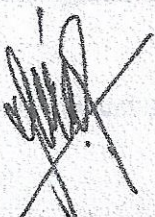
The Company has proper and adequate system of internal control geared towards achieving efficiency in its operations, safeguarding assets, optimum utilization of resources and compliance with statutory regulations. Your company has instituted various preventive or control measures in the loan process to mitigate the risk of extending loans to nonexistent borrowers or fictitious borrowers.

The Company has continued its efforts to align its processes and controls with best practices and has put in place a process wise internal control framework across the Company. The Internal Auditors of the company conduct audits of various departments based on an annual audit plan covering key area of operations. Internal Audit reviews and evaluates the adequacy and effectiveness of internal controls, ensuring adherence to operating guidelines and systems and recommending improvements for strengthening them. There was no material event recorded subsequent to the date of financial statements.

28. ACKNOWLEDGEMENTS

Your Directors take this opportunity to thank Regulatory and Government Authorities, the Company's shareholders, investors, customers, bankers, and other stakeholders for their continued support to the company. Your Directors express their deep sense of appreciation towards all the employees and staff of the company and wish the management all the best for achieving greater heights in the future.

For and on behalf of the Board of Directors
Indian School Finance Company Pvt. Ltd.



Neeraj Sharma
Managing Director & CEO
DIN: 00071579
Delhi

Ragini Chaudhary
Ragini Bajaj Chaudhary
Director
DIN: 02413979
Bangalore

28 May, 2018

ANNEXURE-A
FORM NO. AOC-2

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

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

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

No such transactions were taken place during the year under review.

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

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

Transactions taken place during the year is described hereunder:

(Amount in Rupees)

Particulars	Nature	For the year ended March 31, 2018
Key Management Personnel		
Mr. Neeraj Sharma – Remuneration*	Paid	11,196,224
Mr. Ankur Aggarwal – Remuneration**	Paid	6,300,000
Gray Matters India Private Limited		
(a) Professional Charges (Expenses)	Paid	556,250
Blayfort Limited		
(a) Interest on Compulsorily Convertible Debentures	Paid	15,208,252
Caspian Impact Investments Private Limited		
(a) Term Loan	Received	5,00,00,000
(b) Processing Fee and Interest on Term Loan	Paid	9,453,310
Gray Matters Capital Inc.		
(a) Interest on NCD	Paid	1,100,963

* Includes Provident Fund Contribution of Rs.4,90,572

** Includes Provident Fund Contribution of Rs.3,12,000



Rajin Chaudhary

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN
as on financial year ended on 31.03.2016
Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I REGISTRATION & OTHER DETAILS

- i CIN U65921AP1994PTC065392
- ii Registration Date 09/05/1994
- iii Name of the Company Indian School Finance Company Pvt. Ltd.
- iv Category/Sub-category of the Company Other Credit Granting
- v Address of the Registered office & contact details
First Floor, 8-2-269/2/52, Plot No. 52, Sagar Society Road
No. 2, Banjara Hills, Hyderabad- 500 034
Tel: 011-47572697
Email: ankur@isfc.in
- vi Whether listed company Yes (Debentures of the Company are listed)
- vii Name, Address, contact details of the Registrar & Transfer Agent, If any. Link Intime India Private Limited
C-13, Pannalal Slik Mills Compounded,
L.B.S Marg Bhandup(west),
Mumbai, Maharashtra

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

The principal business activity of the Company includes carrying on the business of finance Company, money lending and securitization business etc.

Sl. No.	Name & Description of main products/services	NIC Code of the product/Service	% to total turnover of the company
i)	Other Credit Granting	99711390	100%

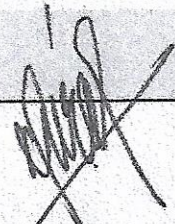
III PARTICULARS OF HOLDING, SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/SUBSIDIARY/ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1	GGV School Financing Co. Limited 2200 Century Parkway, Suite 100 Atlanta, GA 30345	-	Associate Company	43%	2(6) of Companies Act, 2013

Note: Shareholding includes both equity and Compulsory Convertible Preference shares on non-diluted basis.

IV SHAREHOLDING PATTERN

(i) Category-wise shareholding


Rajiv Chaudhary

Sl. No.	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 & Promoter Group	0	0	0	0	0	0	0	0	0.00
	(1) Indian	0	0	0	0	0	0	0	0	0.00
	a) Individual/HUF	0	819903	819903	40%	0	819903	819903	40%	0%
	b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0.00
	c) Bodies Corporates	0	398536	398536	19%	0	398536	398536	19%	0%
	d) Bank/FI	0	0	0	0	0	0	0	0	0.00
	e) Any other	0	0	0	0	0	10	10	0%	0.00
	SUB TOTAL (A) (1)	0	1218439	1218439	59%	0	1218449	1218449	59%	0%
	(2) Foreign	0	0	0	0	0	0	0	0	0.00
	a) NRI- Individuals	0	0	0	0	0	0	0	0	0.00
	b) Other Individuals	0	0	0	0	0	0	0	0	0.00
	c) Bodies Corp.	0	851050	851050	41%	0	851050	851050	41%	0%
	d) Banks/FI	0	0	0	0	0	0	0	0	0.00
	e) Any other...	0	0	0	0	0	0	0	0	0.00
	SUB TOTAL (A) (2)	0	851050	851050	41%	0	851050	851050	41%	0%
	Total Shareholding of Promoter (A) = (A)(1)+(A)(2)	0	2069489	2069489	100%	0	2069499	2069499	100%	0%
B.	PUBLIC SHAREHOLDING	0	0	0	0	0	0	0	0	0.00
	(1) Institutions	0	0	0	0	0	0	0	0	0.00
	a) Mutual Funds	0	0	0	0	0	0	0	0	0.00
	b) Banks/FI	0	0	0	0	0	0	0	0	0.00
	c) Central govt.	0	0	0	0	0	0	0	0	0.00
	d) State Govt.	0	0	0	0	0	0	0	0	0.00
	e) Venture Capital Fund	0	0	0	0	0	0	0	0	0.00
	f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
	g) FIIS	0	0	0	0	0	0	0	0	0.00
	h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0.00
	i) Others (specify)	0	0	0	0	0	0	0	0	0.00
	SUB TOTAL (B)(1):	0	0	0	0	0	0	0	0	0.00
	(2) Non Institutions	0	0	0	0	0	0	0	0	0.00
	a) Bodies corporate	0	0	0	0	0	0	0	0	0.00
	i) Indian	0	0	0	0	0	0	0	0	0.00
	ii) Overseas	0	0	0	0	0	0	0	0	0.00
	b) Individuals	0	0	0	0	0	0	0	0	0.00
	i) Holding shares upto Rs. 1 Lakh	0	0	0	0	0	0	0	0	0.00
	ii) Holding shares above Rs. 1 Lakh	0	0	0	0	0	0	0	0	0.00
	c) Others (NRI & clearing)	0	0	0	0	0	0	0	0	0.00
	SUB TOTAL (B)(2):	0	0	0	0	0	0	0	0	0.00
	Total Public Shareholding (B) = (B)(1)+(B)(2)	0	0	0	0	0	0	0	0	0.00
C.	Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0.00
	Grand Total (A+B+C)	0	2069489	2069489	100	0	2069499	2069499	100	0.00

ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the Year		% change in share holding during the year
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	

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Rajini Chaudhary

1	Neeraj Sharma	5,72,403	25.79%	5,72,403	25.79%	No change
2	Ankur Aggarwal	2,47,500	11.15%	2,47,500	11.15%	No change
	Total	8,19,903	36.94%	8,19,903	36.94%	-

Note: Percentage of shareholding includes only equity shares.

iii) Change in Promoter's shareholding

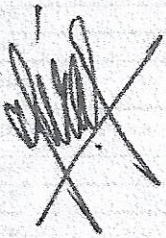
There was no change in promoter's shareholding during the period under review.

iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters & Holders of GDRs & ADRs)

Shareholder's Name	No. of Shares	%
GGV School Financing Co. Ltd	851,040	38.34%
Caspian Impact Investment Adviser Pvt. Ltd	398,536	17.96%
ISFC Employee Welfare Trust	150,000	6.76%
Blayfort Ltd	10	0.00%
Gray Matters Capital AIF	10	0.00%

v) Shareholding of Directors and Key Managerial Personnel

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Shareholding at the end of the year		% change in shareholding during the year
		No. of Shares	% of total shares of the company	No. of Shares	% of total shares of the company	
1	Neeraj Sharma	5,72,403	25.79%	5,72,403	25.79%	No change
2	Ankur Aggarwal	2,47,500	11.15%	2,47,500	11.15%	No change



Ragini Chaudhary

V INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment				
Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebted
Indebtedness at the beginning of the financial year				
i) Principal Amount	2,019,665,000	119,750,000	-	2,139,415,000
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	2,52,06,280	16,94,981	-	26,901,261
Total (i+ii+iii)	2,044,871,280	121,444,981		2,166,316,261
Change in Indebtedness during the financial year				
Additions	1,716,802,299	-	-	1,716,802,299
Reduction		-	-	
Net Change				1,716,802,299
Indebtedness at the end of the financial year				
i) Principal Amount	3,704,145,030	119,750,000	-	3,823,895,030
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	57,528,549	16,94,981	-	59,223,530
Total (i+ii+iii)	3,761,673,579	121,444,981		2,166,316,261

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Name of MD and CEO: Mr. Neeraj Sharma		
S. No.	Particulars of Remuneration	
1	Gross salary	
(a)	Salary as per provisions contained in section 17(1) of the Income Tax, 1961.	Rs. 1,11,96,224
(b)	Value of perquisites u/s 17(2) of the Income tax Act, 1961	-
(c)	Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-
2	Stock option (No. of Shares)	301,500
3	Sweat Equity	-
4	Commission as % of profit, others (specify)	-
5	Others, please specify	-
	Ceiling as per the Act	Not Applicable

B. Other payments to other directors:

S. No	Particulars of Payments	Name of the Directors	Total Amount for the period ending 31.03.18
1	Independent Directors	Kalpna Iyer	215000
		Rakesh Rewari	182000

Rajini Chaudhary

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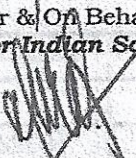
2	Other Non-Executive Directors	-	-
	Overall Ceiling as per the Act.	Not Applicable	


C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

Gross Salary	CFO	CS
(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.	Rs. 63,00,000	Rs. 4,20,000
(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-
(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-
Stock Option (No. of Shares)	132,500	-
Sweat Equity	-	-
Commission as % of profit others, specify	-	-
Others, please specify	-	-

VII PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES
NIL

For & On Behalf of Board Of Directors,
For *Indian School Finance Company Pvt. Ltd.*


Neeraj Sharma
Director
DIN: 00071579
Delhi


Ragini Bajaj Chaudhary
Director
DIN: 02413979
Bangalore

28 May, 2018

Annexure
CSR Policy of the company:

The company has its CSR Policy within broad scope laid down in Schedule VII to the Act, as projects/programmes/activities, excluding activities in its normal course of business. The policy is approved by the Board of Directors. The detailed policy is available at company's website www.isfc.in.

Composition of CSR Committee:

Mr. Rakesh Rewari, Independent Director as Chairman
Ms. Ragini Chaudhary, Non-Independent Director as Member
Mr Neeraj Sharma, Managing Director and CEO

Average Net Profit and Prescribed Expenditure:

The average net profit and prescribed CSR expenditure is as detailed below:

Particulars	(Rs./Lac)
Average net Profits for Last Three Years	340.50
Prescribed CSR Expenditure	6.81

Detailed of CSR spent during the Financial Year 2017-18

Particulars	(Rs./Lac)
Total amount spent during the year	6.81
Amount unspent	Nil

Manner in which the amount spent during the financial year is detailed:

Sr. No	CSR Project or Activity Identify	Sector in which the project is covered	Projects or Programs location	Amount outlay(budget)project or programs wise Rs./Lac)	Amount spent on projects or programs	Cumulative expenditure up to the reporting period	Amount direct or through implementing agency
1	Quality Improvement of Schools	Education	Haryana	3.81	3.81	3.81	Direct
2	Quality Improvement of Schools	Education	New Delhi	3.00	3.00	3.00	*Implementing Agency
	Total CSR Spent			6.81	6.81	6.81	

*Launched in 2017, the National Initiative for Quality Schools in Action (is a holistic and comprehensive program to improve the quality of education delivery and learning in budget private schools in India by National Independence School Alliance. The program integrates school assessments with on-going school advisory and interventions to address the emergent gaps in student learning, teaching and school management.

Responsibility Statement:

Pursuant to the provisions of section 135 of the Companies Act, 2013 read with Companies Rules (Corporate Social Responsibility Policy) Rules, 2014 Mr. Rakesh Rewari, Ms. Ragini Chaudhary and Mr. Neeraj Sharma do confirm that the implementation and monitoring of CSR Policy, is in compliance with the CSR objectives and policy of the company.

Neeraj Sharma
Managing Director and CEO

Rakesh Rewari
Chairman (CSR Committee)

Ragini Chaudhary
Ms. Ragini Chaudhary
Non-Independent Director
28 May, 2018

MANAGEMENT DISCUSSION AND ANALYSIS

Company has established its foot print in 15 states of India where approx. 90% of the country's population resides. Like other years this year too the company has shown good performance on all fronts, be it loan book growth, cost to income ratio, reduction in cost of borrowed funds etc. During the year additional 31 locations were added thereby taking total locations present to 116.

We started retail foray i.e. loans to teachers in Feb 2016, the segment is showing encouraging results, our institutions loan growth was also satisfactory. During 2017-18 we disbursed 3809 loans as compared to 1994 loans during 2016-17.

Sl no	Particulars	Unit	2015-16	2016-17	2017-18
1	Location Present	#	51	75	116
2	Employees	#	114	219	314
3	Number of RM	#	68	127	193
4	Amount of Loan Disbursed	Rs. In Lacs	10702	19697	36304

New locations are constantly adding to the overall disbursements and also to the AUM, north India stands at approx. 41% of company's AUM despite stiff competition in northern states from developed and bigger NBFCs. The company intend to add more states and location during 2018-19. Apart from state offices the company will also open Local Hub Offices in 2018-19 for reducing cost and turnaround time to disburse the loan.

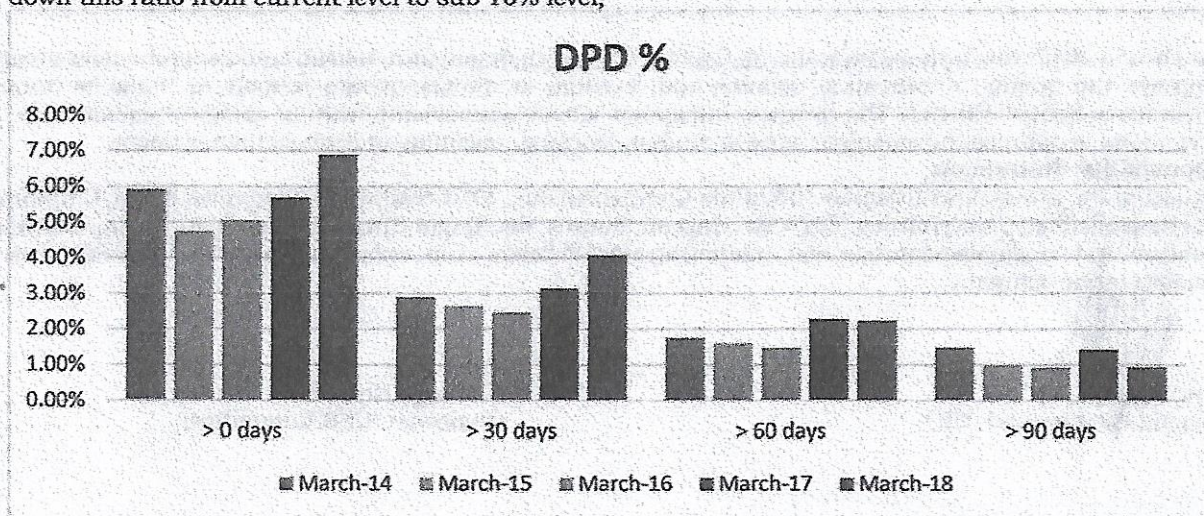
Interest Rate

During the year company reduced Interest rate on its lending products to improve its market share and to be in alignment with the market, resultant fall in revenue would be compensated by increase in volume and quality of portfolio. We intend to further lower the interest rate to be in line with market, albeit, in a gradual fashion to lower the impact on company's financials & profitability. We also intend to introduce risk-based pricing in order to offer lower interest rates.

Portfolio quality

Company follows a very tight underwriting standard, Portfolio quality of the AUM has improved considerably owing to many factors such as distribution of risk by opening new branches and geographies, higher ticket size loans, improvement in CIBIL score of new customer acquisition.

Delinquencies in the portfolio has improved, however owing to our customer's profile bounce rate is still high at approx. 21%, however we receive sizeable amount within next 15 days of EMI bounce. We are trying to bring down this ratio from current level to sub 10% level,



Market segment and size

There are about 14 lacs schools in India where approx. 253 million students are enrolled. Private school are approx. 3.4 lacs in numbers and accommodate 40% of total school going population. More and more parents are sending their wards to private schools due to high teacher's absenteeism and low perceived teaching standards in most of govt. schools as per various studies. Number of private schools is been growing at a CAGR of 4% over last five years. According to a report published by EYFICCI titled private sector's contribution to K-12 education in India, country require additional 1,30,000 private schools by 2022 to meet the growing demand.

Since inceptions, our company has been funding schools and helping them to meet their growing infrastructural requirements. More particularly company funded affordable private schools, however the company has also started funding other education institutions such as Colleges, play schools, coaching centers and vocational colleges. All these products are in their initial stages and are very less in percentage terms to overall AUM, however the company believes that over a period we need to cover the overall spectrum of activities related to education.

Though funding to affordable private schools constitutes major portions of our AUM, catering to high end school still is a challenge in terms of meeting their rates expectations. For high end schools rate of interest on lending is the key issues as they are well fed by either banks or bigger NBFCs, though the company has started funding schools who are not affordable and are either in mid segment or in higher end segment, in our opinion in next one to two year we will be able to start lot of transaction in this category.

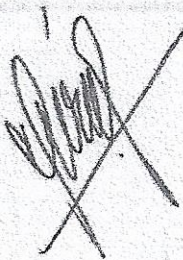
Liquidity, borrowing cost and capital adequacy:

Liquidity for the company is comfortable and we are receiving good support from our lenders. During FY 2017-18, the Company raised approx. Rs. 351 Crores from various lenders compared to Rs. 201 Crores during FY 2016-17. The incremental borrowing cost is still high and ranges between 12.20% to 12.80%, the Company believes that this year the company may witness reduction in its borrowing cost owing to lower interest rate regime and growing comfort among lenders towards the company.

Capital adequacy of the company is at a comfortable level of 19.26%.

Cautionary Statement:

Statements in the management discussion and analysis describing the company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statements. Important factors that could influence the company's operations include change in government regulations, tax, laws, economic & political developments within and outside the country and such other factors.



Rajini Chaudhary