

## DIRECTORS' REPORT

Dear Members,

The Board of Directors of your Company take pleasure in presenting the Annual Report together with Audited Financial Statements of the Company for the financial year ended March 31<sup>st</sup>, 2020.

### 1. Financial Performance

(Amount in ₹)

Particulars	As on March 31 <sup>st</sup> , 2020	As on March 31 <sup>st</sup> , 2019
Total Receipt	56,267,757	74,584,968
Total Payment	6,36,77,110	39,218,063
Surplus/(Deficit) before Tax	(7,409,352)	35,366,905
Provision for Income Tax (Written off)	41,476	-
Net Surplus/(Deficit) after Tax	(7,450,828)	35,366,905

The total receipt of the Company for the current financial year is of Rs. 56,267,757/- as compared to Rs. 74,584,968/- in preceding Financial Year. The payments increased from Rs. 39,218,063/- to Rs. 63,677,110/-. Accordingly, the company had reported net surplus of Rs.35,366,905/- in the preceding financial year and has reported net deficit of Rs. 7,450,828/- in the current financial year.

### 2. Dividend

The Company has been restricted by its articles and section 8 of Companies Act, 2013 to pay any dividend to its Members.

### 3. Revision of Financial Statement

There was no revision of the financial statements for the year under review.

### 4. Disclosures under section 134(3)(1) of the Companies Act, 2013

Except as disclosed elsewhere in this report, no material changes and commitments which could affect the Company's financial position have occurred between the end of the financial year of the Company and date of this report.

### 5. Change in nature of business, if any

There were no changes in the nature of business during the financial year ending March 31<sup>st</sup>, 2020.

### 6. Significant and material orders passed by the regulators or courts or tribunals:

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.

### 7. Share Capital

Since the Company is registered under Section 8 and the liability of its members is limited by guarantee, there is no share capital in the company. Accordingly, the Company is exempted from giving disclosures under Sections 43(a)(ii), 54(1)(d), 62(1)(b) and 67(3) of the Companies Act, 2013.

### 8. Information about Subsidiary/ JV/ Associate Company

Company does not have any Subsidiary, Joint venture or Associate Company.

### 9. Reporting of fraud

There are no frauds reported by the Statutory Auditors of the Company under Section 143(12).

### 10. Declaration of Independent Director

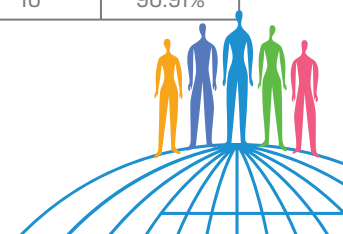
As the Company is a Section 8 Company, the provisions of the Section 149 of the Companies Act, 2013 shall not be applicable.

### 11. Board of Directors, Key Managerial Personnel (KMP) and Board Meetings

Composition & Constitution of Board of Director:

During the year under review, the Board of your company met Twelve (12) times. The details of Board Meeting held, and participation of Directors thereat is as given below:

Sr. No.	Date of meeting	Total No. of Directors on the Date of Meeting	No. of Directors attended	% of Attendance
1	13-04-2019	11	9	81.81%
2	18-05-2019	11	8	72.73%
3	15-06-2019	11	7	63.63%
4	20-07-2019	11	10	90.91%
5	17-08-2019	11	8	72.73%
6	24-09-2019	11	10	90.91%
7	18-10-2019	11	6	54.54%
8	15-11-2019	11	8	72.73%
9	13-12-2019	11	6	54.54%
10	18-01-2020	11	9	81.81%
11	15-02-2020	11	8	72.73%
12	21-03-2020	11	10	90.91%



The details of Board Meetings held till March 31<sup>st</sup>, 2020 and attendance of each Director thereat is as follows:

Sr. No.	Name of the Board Member	No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Navneet Munot	12	11
2	Mr. Anil Ghelani	12	10
3	Mr. Chetan Shah	12	12
4	Mr. Vinay Bagri*	12	12
5	Mr. Abhishek Loonker	12	9
6	Mr. Biharilal Laxman Deora	12	8
7	Mr. Jitendra Chawla	12	11
8	Mr. Kishor Bagri	12	7
9	Mr. Rajendra Kalur	12	8
10	Ms. Ritika Mankar*	12	7
11	Mr. Sampath Reddy Baddam	12	4

\*Pursuant to the provisions of the Companies Act, 2013 and Articles of Association of the Company (AoA), the members of the Company appointed Mr. Vinay Bagri and Ms. Ritika Mankar as Directors of the Company at the Annual General Meeting (AGM) held on September 24<sup>th</sup>, 2019.

The members are informed that at the ensuing Annual General Meeting (AGM), there are two vacancies coming up at the Board of Directors of the Company. These are due to the completion of the first term (i.e. of 3 years) of directorship of Mr. Jitendra Chawla and Mr. Sampath Reddy Baddam. Both of them are eligible for reappointment as Director for the second term of 3 years as per AoA. Mr. Jitendra Chawla is seeking for reappointment while Mr. Sampath Reddy Baddam is opting out.

At the last AGM, the members had passed a resolution for amendment of the AoA wherein one of the amendments was to reserve a minimum of two seats for Women Directors on the Board of the Company. Currently, the Board has one Woman Director, Ms. Ritika Mankar. Hence, one of the said vacancies has to be mandatorily be filled by a Woman Member. Both the vacancies were open for all the Regular members of the Company.

As per the process set out in the AoA, the Nomination Committee (formed as per the provisions of the AoA of the Company) invited applications from the regular members via an email dated May 15<sup>th</sup>, 2020. The Nomination Committee scrutinized all the applications received and recommended vide their email dated June 15<sup>th</sup>, 2020 the candidature of the following applicants:

Mr. Jitendra Chawla, CFA

Ms. Meera Siva, CFA

The recommendations made by the Nomination Committee are not binding on regular members of the Company. The right of selection lies with the regular members at the AGM of the Company and the regular members are free to cast their vote as they may deem fit and are not obliged to act as per the recommendations of the Nomination Committee.

Before the issuance of this notice, some regular members have voluntarily withdrawn their application for the Directorship of the Company. Hence for the two vacant positions for the Directorship on the Board of the Company, the candidature of all the candidates who have applied (and not withdrawn their candidature) for the position of Directorship are being recommended to the regular members at the upcoming AGM for their approval. The members are requested to select the best 2 candidates for the said vacant positions.

As on the date of this report, your Board comprised of following Directors:

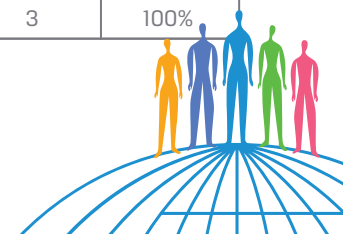
1. Mr. Navneet Munot
2. Mr. Anil Ghelani
3. Mr. Chetan Shah
4. Mr. Vinay Bagri
5. Mr. Abhishek Loonker
6. Mr. Biharilal Laxman Deora
7. Mr. Jitendra Chawla
8. Mr. Kishor Bagri
9. Mr. Rajendra Kalur
10. Ms. Ritika Mankar
11. Mr. Sampath Reddy Baddam

Mr. Gaurang Trivedi's tenure as Chief Executive Officer of the Company ended on August 28<sup>th</sup>, 2019.

## 12. Audit Committee

Composition & Constitution of Audit Committee: Pursuant to the provisions of the Companies Act, 2013, the Company is not required to constitute an Audit Committee. However, for better governance, the Company has formulated an Audit and Risk Committee on October 27<sup>th</sup>, 2017. The Committee met seven (7) times during the financial year 2019-20. The details of committee meeting held and participation of Members of the Committee thereat as given below:

Sr. No.	Date of meeting	Total No. of Committee Members on the Date of Meeting	No. of Committee Members attended	% of Attendance
1	17-05-2019	3	2	66.67%
2	20-07-2019	3	3	100%
3	17-08-2019	3	2	66.67%
4	04-10-2019	3	2	66.67%
5	14-11-2019	3	3	100%
6	17-01-2020	3	3	100%
7	04-03-2020	3	3	100%



During the year under review and as on March 31<sup>st</sup>, 2020, the Committee comprised of following members:

1. Mr. Abhishek Loonker
2. Mr. Biharilal Deora
3. Mr. Rajendra Kalur

The details of committee Meetings held till March 31<sup>st</sup>, 2020 and attendance of each Member thereat is as follows:

Sr. No.	Name of the Board Member	No. of Meetings entitled to attend	No. of Meetings attended
1	Mr. Abhishek Loonker	7	6
2	Mr. Biharilal Laxman Deora	7	7
3	Mr. Rajendra Kalur	7	5

### 13. Nomination Committee:

As the Members are aware that pursuant to the provisions of the Companies Act, 2013, the Company is not required to form Nomination Committee. However, for better governance and as per the provisions of the Articles of Association, the Company has formulated a Nomination Committee, which is an adhoc Committee and not the Board Committee.

### 14. Internal Control System & Risk Management

As the Company is Section 8 Company, which is formed for professional development of its Regular and Affiliate members the former being CFA Charter holders and not carrying on any business commercially hence there are no risks associated with the Company's business.

### 15. Auditors

#### a. Statutory Auditors

The Members of the Company at their Annual General Meeting held on September 23<sup>rd</sup>, 2017, had appointed M/s Sampat & Mehta, Chartered Accountants, having FRN: 109031W, as Statutory Auditors of the Company for a period of five years' subject to ratification in every annual general meeting.

However, as per the Companies (Audit and Auditors) Amendment Rules, 2018 there is no need to ratify the auditor's appointment at every annual general meeting.

Accordingly, at 13<sup>th</sup> Annual General Meeting, the Members ratified appointment of M/s Sampat & Mehta, Chartered Accountants, having FRN: 109031W, Statutory Auditors to hold office till Annual General Meeting to be held in year 2022.

#### b. Comment on Auditors' Report

The report of the Auditors along with notes to schedules forms part of the Annual Report. The observations made by the Auditors in the Auditors' Report are self-explanatory and therefore do not call for any further comments.

### 16. Related party transactions

There are no related party transactions falling under Section 188 of the Companies Act, 2013.

### 17. Particulars of loans, guarantees or investments under section 186:

There are no transactions for the financial year 2019-20 that falls under provisions of Section 186 of the Companies Act, 2013.

### 18. Extract of Annual Return

Pursuant to provisions of Section 92(3) of the Companies Act, 2013 ('the Act') and rule 12(1) of the Companies (Management and Administration) Rules, 2014, extract of annual return is Annexed as Annexure 1.

### 19. Public Deposits

Your Company has not accepted any deposits from the public in terms of Section 73, 74, 75, 76 of the Companies Act, 2013.

### 20. Particulars of Employees

The Company does not have any employee whose particulars are required to be given in terms of the provisions of Section 197(12) of the Companies Act, 2013 read along with Rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

The Company has constituted an Internal Complaints Committee under the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 headed by Ms. Ritika Mankar, Director of the Company. Your Directors state that during the year under review, there were no complaints received or filed under the same.

### 21. Conservation of energy, technology absorption and Foreign exchange earnings and Outgo

The particulars relating to conservation of energy and technology absorption and Foreign exchange earnings and outgo stipulated in the Companies (Accounts) Rules, 2014 is attached as Annexure 2.

### 22. 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) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures, if any;
- b) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- 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 not prepared the annual accounts on a going concern basis; and
- e) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### 23. Appreciation

Your Directors would like to express their appreciation for cooperation and assistance received from volunteers, members, vendors, government authorities, financial institutions, banks and other business associates during the year under review.

**For and on behalf of the Board of Directors of  
Indian Association of Investment Professionals**

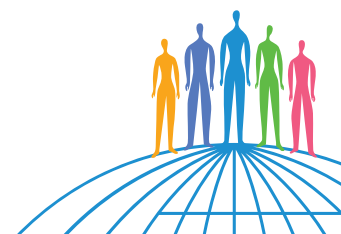
--Sd--

**Navneet Munot**  
Director  
(DIN:05247228)

--Sd--

**Anil Ghelani**  
Director  
(DIN: 05173838)

**Place: Mumbai**  
**Date: August 7<sup>th</sup>, 2020**



Annexure 1

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31<sup>st</sup>, 2020

of

INDIAN ASSOCIATION OF INVESTMENT PROFESSIONALS

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN:-	U91990MH2005GAP152320
ii)	Registration Date	31/03/2005
iii)	Name of the Company	Indian Association of Investment Professionals
iv)	Category / Sub-Category of the Company	Company Limited by Guarantee
v)	Address of the Registered Office and contact details	7th Floor, 702, A Wing, C/66, G Block, One BKC, Opp. Bank Of Baroda, Bandra (East), Mumbai - 400051.
vi)	Whether listed company (Yes/ No)	No
vii)	Name, Address and contact details of Registrar & Transfer Agents (RTA), if any	NA

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
	NA as the Company is Section 8 Company	-	-

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

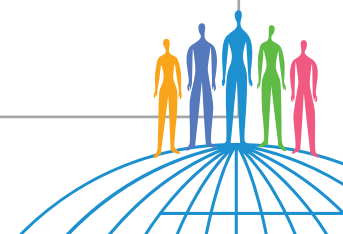
Sr. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary / Associate	% of shares held	Applicable Section
NIL					



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

##### i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>	NA								
<b>(1) Indian</b>									
a) Individual/HUF									
b) Central Govt. or State Govt.									
c) Bodies Corporates									
d) Bank/FI									
e) Any other									
<b>SUB TOTAL:(A) (1)</b>									
<b>(2) Foreign</b>									
a) NRI- Individuals									
b) Other Individuals									
c) Bodies Corp.									
d) Banks/FI									
e) Any other...									
<b>SUB TOTAL (A) (2)</b>									
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>									
<b>B. PUBLIC SHAREHOLDING</b>									
<b>(1) Institutions</b>									
a) Mutual Funds									
b) Banks/FI									
c) Central govt									
d) State Govt.									
e) Venture Capital Fund									
f) Insurance Companies									
g) FIIS									
h) Foreign Venture Capital Funds									
i) Others (specify)									
<b>SUB TOTAL (B)(1)</b>									
<b>(2) Non Institutions</b>									
a) Bodies corporates									
i) Indian									
ii) Overseas									
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs									
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs									
c) Others (specify)									
<b>SUB TOTAL (B)(2)</b>									
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>									
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>									



### I. Shareholding of Promoter

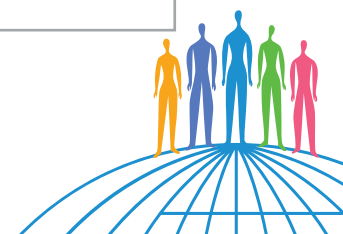
Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
NA								

### II. Change in Promoters' Shareholding (please specify, if there is no change)

	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
At the beginning of the year	NA			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
At the end of the year				

### III. 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 company	No. of Shares	% of total Shares of the company
At the beginning of the year	NA			
Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
At the end of the year				



#### IV. Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company	No. of Shares	% of total Shares of the company
	At the beginning of the year	NA			
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.)				
	At the end of the year				

#### V. INDEBTEDNESS

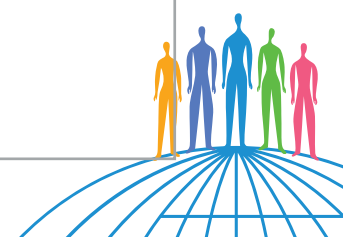
Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NIL			
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				
Change in Indebtedness during the financial year				
• Addition				
• Reduction				
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)				

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

Sr. No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
1	Gross salary	NIL	NIL
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961		
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission - as % of profit - others, specify		
5	Others, please specify		
	Total (A)		
	Ceiling as per the Act		





B. Remuneration to other directors

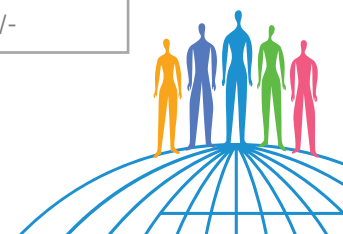
Sr. No.	Particulars of Remuneration	Name of Directors	Total Amount
1	Independent Directors	NIL	NIL
	• Fee for attending board /committee meetings		
	• Commission		
	• Others, please specify		
	Total (1)		
2	Other Non-Executive Directors		
	• Fee for attending board /committee meetings		
	• Commission		
	• Others, please specify		
	Total (2)		
	Total (B)=(1+2)		
	Total Managerial Remuneration		
	Overall Ceiling as per the Act		

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

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	The Company does not have any Company Secretary / Chief Financial Officer. Hence no details on the remuneration paid to them are applicable.		
2	Stock Option			
3	Sweat Equity			
4	Commission - as % of profit - others, specify...			
5	Others, please specify			
	Total			

Sr. No.	Particulars of Remuneration	Mr. Gaurang Trivedi, CEO
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	*₹ 1,500,000/-
2	Stock Option	-
3	Sweat Equity	-
4	Commission - as % of profit - others, specify...	-
5	Others, please specify	-
	Total	₹ 1,500,000/-

\*Mr. Gaurang Trivedi's tenure as Chief Executive Officer of the Company ended on August 28, 2019.



**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
<b>A. COMPANY</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty			NONE		
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty			NONE		
Punishment					
Compounding					

For and on behalf of the Board of Directors of Indian Association of Investment Professionals

--Sd--  
**Navneet Munot**  
 Director  
 (DIN: 05247228)

--Sd--  
**Anil Ghelani**  
 Director  
 (DIN: 05173838)

Place: Mumbai  
 Date: August 7<sup>th</sup>, 2020



Annexure 2

Particulars regarding conservation of energy, technology absorption, foreign exchange earnings and outgo

<b>A. Conservation of Energy:-</b>	
(i) the steps taken or impact on conservation of energy	Saving electricity consumption wherever possible
(ii) the steps taken by the company for utilising alternate sources of energy	NIL
(iii) the capital investment on energy conservation equipment	NIL
<b>B. Technology absorption:-</b>	
(i) the efforts made towards technology absorption;	NIL
(ii) the benefits derived like product improvement, cost reduction, product development or import substitution;	NIL
(iii) in case of imported technology (imported during the last three years reckoned from the beginning of the financial year)-	NIL
(a) the details of technology imported;	
(b) the year of import;	
(c) whether the technology been fully absorbed;	
(d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof; and	
(iv) the expenditure incurred on Research and Development.	NIL
<b>C. Foreign exchange earnings and Outgo-</b>	
The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgo during the year in terms of actual outflows.	Foreign Earnings - ₹ 47,802,350 /- Foreign Outflows - ₹ 206,754/-

For and on behalf of the Board of Directors of  
Indian Association of Investment Professionals

--Sd--  
**Navneet Munot**  
Director  
(DIN: 05247228)

--Sd--  
**Anil Ghelani**  
Director  
(DIN: 05173838)

Place: Mumbai  
Date: August 7<sup>th</sup>, 2020

