



# **CAPFIN INDIA LIMITED**

**CIN: L74999DL1992PLC048032**

**Regd. Office:211, Jagdamba Tower,  
13, Preet Vihar, Commercial Complex,  
Delhi-110092**

**22<sup>nd</sup> ANNUAL REPORT 2013-2014**

**COMPANY INFORMATION****BOARD OF DIRECTORS**

1.Dinesh Kumar	DIN: 01104655
2.Piyush Kumar	DIN: 01902609
3.Sunil Chopra	DIN: 06686443
4.Meenakshi Rathi	DIN: 00325130

**AUDITORS****Statutory Auditors**

M/s Bhupinder Shah & Co  
306, South Extn. Plaza II,  
New Delhi- 110049

**REGISTERED OFFICE**

**211, Jagdamba Tower, 13, Preet Vihar  
Commercial, Complex, Delhi-110092.**

Phone No: 011-22055161

Mob. +91-9560839512

CIN: L74999DL1992PLC048032

E-mail id: [capfinindia@yahoo.com](mailto:capfinindia@yahoo.com)

Website: [www.capfinindia.com](http://www.capfinindia.com)

**REGISTRAR AND SHARE TRANSFER  
AGENT**

M/s. LINK INTIME INDIA PVT LTD.

44 Community Centre, 2nd Floor,

Naraina Industrial Area, Phase-I,

Near PVR Naraina

New Delhi-110028

Tel No.: 011- 41410592/93/94

Fax No. 011-41410591

**AUDIT COMMITTEE**

Mr. Dinesh Kumar (Chairman)

Mr. Sunil Chopra

Mr. Piyush Kumar

**STAKEHOLDERS RELATIONSHIP  
COMMITTEE**

Mr. Dinesh Kumar (Chairman)

Mr. Sunil Chopra

Mr. Piyush Kumar

**NOMINATION AND REMUNERATION  
COMMITTEE**

Mr. Dinesh Kumar (Chairman)

Mr. Sunil Chopra

Mr. Piyush Kumar

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## NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of CAPFIN INDIA LIMITED will be held on Sunday, 28<sup>th</sup> Day of September, 2014 at 9:30 A.M at Maheshwari Kala Kendra (Maheshwari Mandal), C-Block, Opp. C-160, Ashok Vihar, Phase-I, Delhi-110052.

### ORDINARY BUSINESS

1. To receive, consider and adopt the audited Financial Statements of the company for the year ended 31st March, 2014, and the reports of the Board of Director's and Auditors thereon.
2. To appoint a Director in place of Mr. Piyush Kumar (DIN: 01902609,) who retires by rotation and being eligible to offer himself for re-appointment.
3. To re-appoint M/s. Bhupinder Shah & Co. Chartered Accountants (ICAI Reg. No. 008169N) as Statutory Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of ensuing Annual General meeting and fix their remuneration.

### SPECIAL BUSINESS:

4. **To appoint Ms. Meenakshi Rathi as an Whole Time Director of the Company to consider and if thought fit to pass with or without modification the following resolutions as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to the provisions of Sections 152 and all other applicable provisions of the Companies Act, 2013 read with (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Ms. Meenakshi Rathi (DIN: 00325130), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 on August 28, 2014, who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing her candidature for the office of Director, be and is hereby appointed as an Director of the Company.

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**RESOLVED FURTHER THAT** in accordance with the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 the consent of the Company be and is hereby accorded to the appointment of Ms. Meenakshi Rathi (holding DIN: 00325130), Whole Time Director, designated as Key Managerial Personnel (KMP) , not liable to retire by rotation for a period of three (3) years with effect from the date of Annual General Meeting on the terms and conditions for an appointment and remuneration as contained in the appointment letter as per the provisions of the Companies Act, 2013.

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to alter and vary such terms of appointment and remuneration so as to not exceed the limits specified in Schedule V to the Companies Act or any statutory modification thereof, from time to time and to settle any question or difficulty in connection therewith or incidental thereto.”

5. **To appoint Mr. Sunil Chopra as Independent Director of the company to consider and if thought fit to pass with or without modification the following resolutions as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to section 149, 150, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof) for the time being in force and clause 49 of the listing agreement Mr. Sunil Chopra (DIN:06686443), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 on March 26, 2014 and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation to hold office for five (5) consecutive years for a term up to March 31, 2019.”

6. **To appoint Mr. Dinesh Kumar as an Independent Director of the company and in this regard to consider and if thought fit to pass with or without modification the following resolutions as Ordinary Resolution:**

**“RESOLVED THAT** pursuant to section 149, 150, 152 read with schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modifications or re-enactment thereof) for the time being in force and clause 49 of the listing agreement Mr. Dinesh Kumar (DIN: 01104655) be and is hereby

appointed as an Independent Director of the Company not liable to retire by rotation to hold office for five (5) consecutive years for a term up to March 31, 2019.”

**Place:** New Delhi  
**Date:** August 28, 2014

**By Order of the Board  
For Capfin India Limited**

Sd/-  
**Piyush Kumar**  
Director  
DIN: 01902609

**NOTES:**

1. The Register of Members and the Share Transfer books of the Company will remain closed from Friday 25th September, 2014 to Sunday, 28<sup>th</sup> September, 2014 (both days inclusive) for annual closing.
2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
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. 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 ATTACHED HEREWITH. PROXIES SUBMITTED ON BEHALF OF THE COMPANIES ETC. MUST BE SUPPORTED BY AN APPROPRIATE RESOLUTION AS APPLICABLE
4. A person can act as a proxy on behalf of Members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or a Member.
5. Electronic copy of the Annual Report for Financial year end 31<sup>st</sup> March, 2014 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

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- registered their email address, physical copies of the Annual Report for 31<sup>st</sup> March, 2014 is being sent in the permitted mode
6. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 31<sup>st</sup> March, 2014 will also be available on the Company's website [www.Capfinindia.com](http://www.Capfinindia.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at 211, Jagdamba Tower, 13, Preet Vihar Commercial Complex, Delhi-110092 for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [capfinindialtd@yahoo.co.in](mailto:capfinindialtd@yahoo.co.in)
  7. All documents referred to in the accompanying Notice and the Explanatory Statement & copies of Memorandum and Articles of Association of the Company shall be open for inspection at the Registered Office of the Company on any working day during (11.00 am to 2.00 pm) up to and including the date of the Annual General Meeting of the Company and Register of Director's Shareholding will be open for inspection.
  8. Pursuant to the directions of the Securities and Exchange Board of India (SEBI), trading in the shares of your Company is in compulsory de-materialized form. Members who have not yet got their shares de-materialized, are requested to opt for the same in their own interest and send their share certificates through Depository Participant (s) with whom they have opened the de-materialization account to the Company's Registrar.
- M/s. LINK INTIME INDIA PVT LTD,**  
**Regd. Off -13 Pannalal Silk Mills Compound,**  
**LBS Road, Bhandup West, Mumbai 400 078**
- Corporate Office:** 44 Community Centre,  
2<sup>nd</sup> Floor, Naraina Industrial Area,  
Phase-I, Near PVR Naraina New Delhi-110028  
Tel.: +91 011- 41410592/93/94 Fax: 011-41410591  
Email Id.: [delhilinkintime.co.in](mailto:delhilinkintime.co.in) , Website: [www.linkintime.co.in](http://www.linkintime.co.in)
9. The Members / Proxies are requested to produce at the Registration Counter(s) the attached attendance slip, duly completed and signed, for admission to the meeting hall. Photocopies of Attendance Slip will not be entertained for issuing Gate Pass for attending Annual General Meeting. However, in case of non-receipt of Notice of Annual General Meeting, members are requested to write to the Company at its registered office or to the RTA for issuing the duplicate of the same.

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10. As permitted by Ministry of Corporate Affairs, we invite our members to participate in the Green Initiative by registering their email IDs with the Company to enable it to send the documents such as Annual Report, Notices of General Meetings etc. by email.
11. In case you have any query relating to the enclosed Annual Accounts you are requested to send the same at the Registered office of the Company or on email id "[capfinindialtd@yahoo.co.in](mailto:capfinindialtd@yahoo.co.in)", at least 10 days before the date of Annual General Meeting so as to enable the management to keep the information ready.
12. Members holding shares in physical form and desirous of making a nomination. In respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 or any statutory re-enactment thereof, are requested to submit the request in prescribed form 2B to the RTA.
13. In all correspondence with the Company, members are requested to quote their account/folio numbers.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demits accounts. Members holding shares in physical form can submit their PAN to the Company / LINK INTIME.
15. 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. The Directors have furnished the requisite declarations for their appointment/re-appointment

**16. Voting through electronic means;**

In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, and Clause 35B of the Listing Agreement, the company is pleased to provide members, the facility to exercise their right to vote by electronic means at the 22<sup>nd</sup> Annual General Meeting (AGM) and the business may be transacted through e-voting services provided by Central Depository Services (India) limited (CDSL).

**The procedure and instructions for e-voting are as follows:**

- i. Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii. Click on "Shareholders" tab.

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- iii. Now, select the “COMPANY NAME – **CAPFIN INDIA LIMITED**” from the drop down menu and click on “SUBMIT”.
- iv. Now, enter your User ID as given overleaf in the box.
- v. If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- vi. Now, fill up the following details in the appropriate boxes:

PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat account shareholders as well as physical shareholders) as given overleaf in the box.
DOB*	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Bank Details*	Enter the Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

\*Please enter any one of the details in order to login. In case either the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- vii. After entering these details appropriately, click on “SUBMIT” tab.
- viii. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- ix. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- x. Click on the EVSN for **Capfin India Limited** to vote.
- xi. On the voting page, you will see Resolution Description and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xii. Click on the “Resolutions File Link” if you wish to view the entire Resolutions.

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- xiii. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xiv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xv. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvi. If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code and click on Forgot Password & enter the details as prompted by the system.
- xvii. Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**General Instructions:**

- (A) The e-voting period commences on 21<sup>st</sup> September, 2014 (9.00 a.m.) and ends on 23<sup>rd</sup> September, 2014 (6.00 p.m.). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (B) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (C) The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cutoff date (record date) of 22<sup>nd</sup> August, 2014.
- (D) Mrs. Ruchika Jain, Practicing Company Secretary (Membership No. FCS – 7665 & CP No. 8493), has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- (E) The Results shall be declared on or after the AGM of the Company. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website **[www.capfinindia.com](http://www.capfinindia.com)** and on the website of CDSL within two (2) days of passing of the resolutions at the AGM of the Company and communicated to the Stock Exchange(s).

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**The explanatory statement pursuant to section 102 of the companies act, 2013, in respect of special business under item no.4 to 6 above, is annexed hereto and form part of this notice.**

**Item No. 4:**

Ms. Meenakshi Rathi was appointed as an additional director on the board with effect from August 28<sup>th</sup>, 2014 pursuant to section 161(1) of the Companies Act, 2013 read with rules and other applicable provisions, the director shall hold office up to the Annual General Meeting.

The appointment of Ms. Meenakshi Rathi designated as Whole Time Director (KMP) is appropriate and in the best interest of the Company. The approval of the members is being sought to the terms, conditions and stipulations for the appointment of Ms Meenakshi Rathi as the Whole Time Director and the remuneration payable to her if any. The terms and conditions proposed (fixed by the Board of Directors at their meeting held on 28<sup>th</sup> August 2014) are keeping in line.

The company has received notice under section 160 of the Companies Act, 2013 from members proposing her candidature as a Director of the company along with the prescribed deposit of Rs. 100,000/-.

In view of the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013. The Board recommends the Ordinary Resolution set out at item no. 4 of the accompanying Notice for the approval of the Members. Copy of the Draft Appointment Letter referred to in the resolution would be available for inspection without any fee by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday, up to and including the date of the Annual General Meeting.

Brief Profile of the Ms. Meenakshi Rathi is enclosed as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Except Ms. Meenakshi Rathi, being an appointee, none of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the resolution set out at Item No. 4.

The Board commends the Ordinary Resolutions set out at Item Nos. 4 of the Notice for approval by the shareholders.

**Item No: 5**

Mr. Sunil Chopra was appointed as an additional director on the board with effect from 26<sup>th</sup> March 2014 pursuant to section 161(1) and other applicable provisions of the

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Companies Act, 2013, whose term of office expires at the forth coming Annual general Meeting.

In terms of section 149, 150 and 152 read with schedule IV and any other applicable provisions, if any of the companies Act, 2013 and rules made there under and clause 49 of the Listing Agreement, it is proposed that the above said Director is appointed as an Independent Director for a term of consecutive five years up to March 31, 2019 and he shall not be eligible for liable to retire by rotation.

The company has received notice under section 160 of the Companies Act, 2013 from members proposing his candidature as a Director of the company along with the prescribed deposit of Rs. 100,000/-.

Mr. Sunil Chopra is not disqualified from being appointed as a director in terms of section 164 of the Act, and has given his consent to be appointed as Director.

In the opinion of the Board, the Independent Directors fulfills all the conditions specified in the Act, and rules made thereunder, also the appointment letter have been issued to the Independent Director and the Copy of the Draft Appointment Letter is available on the website.

The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue avail their services, Accordingly, the Board recommends the appointment of Independent Directors and proposes to pass the resolution set out in terms of ITEM No. 5.

Brief Profile of the Mr. Sunil Chopra is enclosed as a disclosure under Clause 49 of the Listing agreement with the Stock Exchange.

Save and except Mr. Sunil Chopra and his relatives to the extent of their shareholdings, if any, in the company, none of the other directors /Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in item No. 5.

#### **Item No. 6**

Mr. Dinesh Kumar is holding the office of Director as an Independent director on the Board of the company. In terms of section 149, 150 and 152 read with schedule IV and any other applicable provisions, if any of the companies Act, 2013 and rules made there under and clause 49 of the Listing Agreement, it is proposed that the above said Director be and is hereby appointed as an Independent Director for a term of consecutive five years up to March 31, 2019 and he shall not be eligible for liable to retire by rotation.

Mr. Dinesh Kumar is not disqualified from being appointed as a director in terms of section 164 of the Act, and has given his consent to be appointed as Director.

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In the opinion of the Board, the Independent Directors fulfill all the conditions specified in the Act, and rules made there under, also the appointment letter have been issued to the Independent Director.

The Board considers that their continued association would be of immense benefit to the company and it is desirable to continue avail their services, Accordingly, the Board recommends the appointment of Independent Directors and proposes to pass the resolution set out in terms of ITEM No. 6.

Brief Profile of the Mr. Dinesh Kumar is enclosed.

Save and except Mr. Dinesh Kumar and his relatives to the extent of their shareholdings, if any, in the company, none of the other directors /Key Managerial Personnel and their relatives are in any way, concerned or interested, financially or otherwise, in the resolution set out in item No. 6.

**Place:** New Delhi

**Date:** August 28, 2014

**By Order of the Board  
For Capfin India Limited**

Sd/-

**Piyush Kumar**

Director

DIN: 01902609

**(Annexure to Notice dated 28<sup>th</sup> August, 2014)**  
**Details of Directors seeking appointment/re appointment at the**  
**Forthcoming Annual General meeting**  
**(pursuant to clause 49 of the Listing Agreement)**

<b>Name of the Director</b>	Mr. Sunil Chopra	Mr. Dinesh Kumar	Ms. Meenakshi Rathi
<b>Date of Birth</b>	28.02.1964	14.08.1960	16.05.1970
<b>Original Date of Appointment</b>	26.03.2014	24.09.1995	28.08.2014
<b>Qualification</b>	Chartered Accountant	Graduate	CWA (Inter)
<b>Expertise in Areas</b>	Expert in Finance	20 years experience in handling business activities	Expert in Finance
<b>Directorships held in other Public Companies in India</b>	NIL	NIL	NIL
<b>Memberships/ Chairmanships of Audit and Stakeholders Relationship committees across Public companies</b>	NIL	NIL	NIL
<b>Shareholding</b>	NIL	NIL	NIL

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**DIRECTOR REPORT**

To,

**Dear Shareholders**

Your director's have the pleasure in presenting their 22nd Annual report of the company along with audited financial statements as required under the Ministry of Corporate Affairs' General Circular 08/2014 No. 1/19/2013-CL-V dated April 4, 2014, the Financial Statements and other reports required to be attached to the Annual Report for FY 2013-14 are governed by the relevant provisions, schedules, rules of the Companies Act, 1956.

**FINANCIAL RESULTS**

The results of your Company's financial prudence and business excellence for the year ended 31<sup>st</sup> March, 2014 are as follows:

Particulars	(Rs. In Lacs)	
	Financial year ended 31.03.2014	Financial year ended 31.03.2013
Gross Income	136.19	287.15
Profit/(Loss) before Depreciation and Tax	5.05	2.69
Less: Depreciation	0.02	0.00
Profit/(Loss) before Tax	5.03	2.69
Add/Less: Provision for tax including deferred Tax	1.40	0.52
Profit/(Loss) after Tax	3.67	3.43

**REVIEW OF OPERATIONS**

During the year under review, your company has earned a Profit before depreciation and Income Tax of Rs. 5.05 lacs from its operation. After providing of depreciation of Rs. 0.02 lacs and provisions of Income Tax of Rs 1.40 Lacs the company's net profit amounts Rs. 3.67 Lacs as compared to profit of Rs. 3.43 earned previous year. Your Company continues to take effective steps in broad-basing its range of activities. The performance of the Company during the period under review has been satisfactory.

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**DIVIDEND AND APPROPRIATIONS**

Keeping in view the future requirements of funds by the Company for its proposed growth and expansion, the Board expresses its inability to recommend any dividend from the available profit.

**FUTURE OUTLOOK**

In the current year, your directors are putting up efforts and it is hoped that the company will do better in the current year. The outlook for the current year is also very bright and your directors are hopeful of doing a good business during the current year

**MATERIAL CHANGES**

There were no material changes and commitments, affecting the financial position of the Company between the end of the financial year of the company and the date of the Director's Report.

**PARTICULARS OF EMPLOYEES UNDER SECTION 217(2A) OF THE COMPANIES ACT, 1956**

None of the employee drew remuneration of Rs. 5,00,000/- or more per month or Rs. 60,00,000 /- or more per annum during the financial year 31/03/2013. This information is furnished with respect to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of the Employees) Rules, 1975 forming part of the Directors' Report.

**DIRECTORS' RESPONSIBILITY STATEMENTS**

In accordance with Section 217(2A) of the Companies Act, 1956, the Directors confirm that:

- a) That in the preparation of the annual accounts the applicable accounting standards has been followed along with proper explanation relating to material departures.
- b) That they have 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 affairs of the company at the end of the financial year and of the profit or loss of the company for the period under review.
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

**Regd. Office: 211, Jagdamba Tower, 13, Preet Vihar Commercial Complex,  
Delhi-110092**

**Email: [capfinindia ltd@yahoo.co.in](mailto:capfinindia ltd@yahoo.co.in), PH No. 011-22055161**



d) That they have prepared the annual accounts on a 'going concern' basis.

### **FIXED DEPOSITS**

The Company has not accepted any public deposits during FY 2013- 14 within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

As per NBFC Guidelines issued by the Reserve Bank of India, the Board of Directors has passed the required resolution confirming that the Company has neither accepted any public deposits and nor does it intend to do so in the coming year 2013-2014.

### **BOARD OF DIRECTORS**

The company has appointed Mr. Sunil Chopra, Mr. Dinesh Kumar as Independent Directors as per the applicability of the Companies Act, 2013. The company has received declarations from the said independent directors of the company confirming that they meet the criteria of independence as prescribed both under section 149(6) of the Companies Act, 2013 and clause 49 of the Listing Agreement.

In accordance with the provisions of Section 149(4) and proviso to Section 152(5) of the Companies Act, 2013, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming AGM of the Company.

Ms. Meenakshi Rathi has been appointed as Whole Time Director on the board with effect from 28<sup>th</sup> August, 2014 subject to approval of shareholders in the forth coming Annual General Meeting.

In accordance with the requirements of the Act and the Articles of Association of the Company, Mr. Piyush Kumar retires by rotation and is eligible for re-appointment.

Mr. Jai Bhagwan Mahant, the independent director has resigned from the board and the company appreciates the contribution given by him in the company.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, EARNING AND OUTGO FOREIGN EXCHANGE**

The particulars regarding energy conservation, technology absorption, foreign exchange earnings and outgo as prescribed under section 217(I) (e) of the companies Act, 1956 read with companies (disclosure of particulars in the report of the board of directors) Rules 1998 are not applicable.

## **AUDITORS**

M/s. Bhupinder Shah & Co. Chartered Accountants, New Delhi retires at the forthcoming Annual General Meeting of the Company and have expressed their willingness for re-appointment as statutory auditors in accordance with the Companies Act, 2013 and confirmed that their re-appointment, if made, will be within the prescribed limits under section 141(3) of the Companies Act, 2013 and they are not disqualified for such reappointment within the meaning of Section 141 of the said act.

## **AUDITORS' REPORT**

The Auditors of the company have not expressed any qualification in their report and notes to accounts given are self explanatory.

## **COMPLIANCE CERTIFICATE**

Being the company having paid-up share capital of Rs. 34,500,000/- it is required to obtain Compliance certificate from a practicing Company Secretary and it has been duly attached with the director's report signed by M/s. R J & Associates.

## **MANAGEMENT ANALYSIS AND DISCUSSION**

The Financial service sector is passing through a period of dull phase, which has also affected the growth of the company. We feel, with the picking up of the Indian Economy, the finance sector shall also pickup and your company hopes to do the better during the year under review.

## **CORPORATE GOVERNANCE**

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Practicing Company Secretary confirming compliance of Corporate Governance norms as stipulated in Clause 49 of the Listing Agreement with the Indian Stock Exchanges is included in the Annual Report pursuant to clause 49 of the Listing Agreements.

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**ACKNOWLEDGEMENT**

Your Directors wish to place on record their thanks to the bankers for their continued support, co-operation and all time assistance. Sincere thanks are also due to the employees for showing their hard work and belongingness.

**For and on behalf of the Board of Directors  
For Capfin India Limited**

Sd/-  
**Dinesh Kumar**  
Director  
DIN: 01104655

Sd/-  
**Piyush Kumar**  
Director  
DIN: 01902609

**Place:** Delhi  
**Dated:** August 28, 2014

## **CORPORATE GOVERNANCE REPORT**

### **I. Company's Philosophy on Corporate Governance**

The Board of Directors believes that the Code prescribes only a minimum framework for governance of a business in corporate framework. The Board's philosophy is to develop this desired minimum framework and institutionalize the spirit it entails. This will lay the foundation for further development of superior governance practices, which are vital for growing a successful business, creating sustainable long-term shareholder value and balancing it with the interests of other stakeholders in the Company. The Board recognizes that transparency; disclosure, financial controls and accountability are the pillars of any good system of corporate governance.

A report on the implementation of the code of Corporate Governance as per Clause 49 of the Listing Agreement is given below

### **II. Board of Directors**

#### **A. BOARD'S COMPOSITION AND CATEGORY**

At present, the Board comprises of three (3) non-executive directors out of which two directors are independent directors. The Company has a Non-Executive Chairman and the two Independent Directors comprise one third of the total strength of the Board. All the Independent Directors have confirmed that they meet the 'independence' criteria as mentioned under the existing Clause 49 of the Listing Agreement and Section 149 of the Act.

None of the Directors on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees [Committees being, Audit Committee and Stakeholder Relationship Committee (Erstwhile Investors' Grievance Committee)] across all the Indian public limited companies in which he/she is a Director. All the Directors have made necessary disclosures regarding Committee positions held by them in other companies and do not hold the office of Director in more than twenty companies, including ten public companies.

None of the directors has any pecuniary relationship with the company except sitting fees for attending Board/Committee meetings from the company.

The composition and overall attendance of the Board of directors during the last financial year is stated in table below:

Name & Designation	Status i.e. Promoter, Executive, Non Executive, Independent, Non Executive, Nominee	Date of appointment	No. of Board Meetings of the Company\$		Last AGM attended	No. of other directorship and committee membership and chairmanship^^			
			Held during the year	Attended during the year		Other Board Directorship	Other Board Chairmanship	Committee Membership	Committee Chairmanship
Mr. Dinesh Kumar	Non-Executive & Independent	24/4/1995	6	6	Yes	Nil	Nil	Nil	Nil
Mr. Piyush Kumar	Non-Executive & Promoter	23/8/2000	6	6	Yes	1	Nil	Nil	Nil
*Mr. Jai Bhagwan Mahant	Non-Executive & Independent	10/3/2003	6	6	No	Nil	Nil	Nil	Nil
**Mr. Sunil Chopra	Non Executive & Independent	26/3/2014	6	Nil	No	Nil	Nil	Nil	Nil

\*Mr. Jai Bhagwan Mahant has stepped down from the board with effect from 29<sup>th</sup> March, 2014.

\*\*Mr. Sunil Chopra has been appointed on the Board with effect from 26<sup>th</sup> March, 2014.

\$ Private Limited Companies, Foreign Companies, Alternate Directorships and are excluded for the above purpose

^^The Committee considered for the above purpose are those prescribed in the Listing Agreement i.e. Audit Committee and Shareholders' / Investors' Grievance Committee.

## **B. BOARD MEETINGS AND ATTENDANCE**

Your Company's Board met 6 times during the period and details of the meetings are highlighted below the Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors generally one week before the meeting. All material information is incorporated in the agenda papers for facilitating meaningful and focused discussion at the meeting. In case of urgencies, resolutions are passed by Circulation if any. Your Company has placed all relevant information before the Board as per Annexure IA of Clause 49 of the Listing Agreement.

During the year the 2013-2014, the Board met six (6) times as per the detail;

S.No.	Date of board meeting held
1	30 <sup>th</sup> April, 2013
2	29 <sup>th</sup> July, 2013
3	27 <sup>th</sup> August, 2013
4	28 <sup>th</sup> September, 2013
5	30 <sup>th</sup> October, 2013
6	28 <sup>th</sup> January, 2014

**i. Shareholding Of Non Executive Directors**

Name of Director	Number of Shares
Mr. Dinesh Kumar	NIL
Mr. Piyush Kumar	3760.5
Mr. Jai Bhagwan Mahant	NIL

**ii. Non Executive Directors' Compensation**

No fees or compensation is paid to any non- executive director during the financial year ended on March 31, 2014.

**III. COMMITTEES OF THE BOARD**

**AUDIT COMMITTEE:**

The constituted Audit Committee of Directors which has the powers similar to those stated in the listing Agreement and the term of reference and role of the Audit Committee are as per the guidelines set out in the Listing Agreement entered into with the Stock Exchanges read with 292A of the Companies Act, 1956 & Section 177 of the Companies Act, 2013 and includes such other functions as may be assigned to it by board from time to time. The minutes of meeting of Audit committees are placed before the Board.

**i) Composition of Audit Committee:**

As per listing agreement at least two-third of the members of Audit Committee shall be Independent Directors. The Audit Committee of the Board of your Company comprises of three members for the financial year end 31.03.2014. All members of audit committee are financially literate. Mr. Dinesh Kumar has an accounting and related financial management expertise. The Statutory auditor of the company also attends the meetings.

Name of Members	Designation	Status/ Position
Mr. Dinesh Kumar	Chairman	Non Executive and Independent
*Mr. Jai Bhagwan Mahant	Member	Non Executive and Independent
Mr. Piyush Kumar	Member	Non Executive and Promoter
**Mr. Sunil Chopra	Member	Non Executive and Independent

\***Mr. Jai Bhagwan Mahant** stepped down as a member of the committee with effect from 29<sup>th</sup> March, 2014.

\*\***Mr. Sunil Chopra** has been appointed as the member of the committee with effect from 26<sup>th</sup> March, 2014.

**ii) No. of meeting and attendance at meetings**

During the year the Audit Committee meeting held as per the detail given below:

S.No	Date of Meeting	Attendance
1	30 <sup>th</sup> April, 2013	Mr. Piyush , Mr. Dinesh, Mr. Jai Bhagwan Mahant
2	29 <sup>th</sup> July, 2013	Mr. Piyush , Mr. Dinesh, Mr. Jai Bhagwan Mahant
3	27 <sup>th</sup> August, 2013	Mr. Piyush , Mr. Dinesh, Mr. Jai Bhagwan Mahant
4	28 <sup>th</sup> September, 2013	Mr. Piyush , Mr. Dinesh, Mr. Jai Bhagwan Mahant
5	30 <sup>th</sup> October, 2013	Mr. Piyush , Mr. Dinesh , Mr. Jai Bhagwan Mahant
6	28 <sup>th</sup> January, 2014	Mr. Piyush , Mr. Dinesh, Mr. Jai Bhagwan Mahant

**iii) Powers and role of audit committee and review of information by it:**

The powers and terms of reference of the Audit Committee are as mentioned in the Clause 49 II(C) (D) & (E) of the Listing Agreement and section 292A of the Companies Act, 1956 including overseeing financial reporting processes, fixation of Audit fees, reviewing with the management, the financial statements, accounting policies and practices, adequacy of internal audit functions and discussion with internal auditors on any significant findings, financial and risk management policies.

**REMUNERATION COMMITTEE**

During the year no remuneration committee was constituted by the Company, as none of the directors is withdrawing remuneration from the company.

**STAKEHOLDERS RELATIONSHIP COMMITTEE**

In compliance with the Listing Agreement requirements and provisions of the Companies Act, 2013, the Company has a Stakeholders' Relationship Committee (formerly known as Shareholders Grievance Committee). The Committee comprises three members including two Independent Directors. A Committee has been constituted by the Board of Directors consists of Mr. Dinesh Kumar, Mr. Jai Bhagwan Mahant and Mr. Piyush Kumar non-executive Directors as its members. Mr. Dinesh Kumar acts chairman of the meeting.

The committee looks in to the redressal of shareholders and investor complaints, Transfer/Transmission of Shares, monitoring expeditious redressal of investors' grievance, and such other matters as may be delegated to committee by the Board of Director of the company from time to time. There was no complaint received / pending as on 31.03.2014.

**RE- APPOINTMNET OF DIRECTORS**

The company has appointed Mr. Sunil Chopra, Mr. Dinesh Kumar as Independent Directors as per the applicability of the companies Act, 2013 for a period of five years up to 31<sup>st</sup> March, 2019. The company has received declarations from the said independent directors of the company confirming that they meet the criteria of independence as prescribed both under section 149(6) of the companies act, 2013 and clause 49 of the Listing Agreement.

In accordance with the provisions of Section 149(4) and proviso to Section 152(5) of the Companies Act, 2013, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming AGM of the Company.

Ms. Meenakshi Rathi is appointed as Whole Time Director on the board with effect from 28<sup>th</sup> August, 2014 subject to approval of shareholders in the forth coming Annual General Meeting.

In accordance with the requirements of the Act and the Articles of Association of the Company, Mr. Piyush Kumar retires by rotation and is eligible for re-appointment.

Mr. Jai Bhagwan Mahant, the independent director has resigned from the board and the company appreciates the contribution given by him in the company.

#### **SUBSIDIARY COMPANIES**

The Company does not have any subsidiary company as on 31.03.2014

#### **GENERAL BODY MEETINGS**

The Detail of the Annual General Meetings (AGM) held during the last three years is as under:

<b>Financial Year Ended</b>	<b>Date</b>	<b>Time</b>	<b>Venue</b>
31 <sup>st</sup> March, 2013	28 <sup>th</sup> September, 2013	9.15 A.M.	Maheshwari Kala Kendra (Maheshwari Mandal), C-Block, Opp. C-160, Ashok Vihar, Phase-I, Delhi – 110052.
31 <sup>st</sup> March, 2012	29 <sup>th</sup> September, 2012	9.30 A.M.	GUGARS, 358, Kohat Enclave, Pitampura, New Delhi
31 <sup>st</sup> March, 2011	30 <sup>th</sup> September, 2011	9.30 A.M.	GUGARS, 358, Kohat Enclave, Pitampura, New Delhi

#### **Special Resolutions Passed at the Last Three AGMs**

No special resolution was passed in any of the last three AGMs held on September 30, 2011, September 29, 2012 and September 28, 2013.

#### **MANAGEMENT DISCUSSION & ANALYSIS REPORT**



The Management discussion and Analysis Report is a part of the Director Report.

## **CODE OF CONDUCT**

The company has laid down a code of conduct for all the Board Members and Senior Management Personnel. All Board Members and Senior Management Personnel have confirmed compliance with the said code of conduct for the financial year ended 31<sup>st</sup> March, 2014. The declaration to this effect signed by Mr. Piyush Kumar, director, forms part of the report.

## **DISCLOSURES**

**i. Disclosures on materially significant related party transactions that may have potential conflict with the interest of the Company at large.**

Transactions with related parties if any are disclosed elsewhere in the Balance Sheet forming part of this Annual Report.

**ii. Details of non-compliance by the Company**

There have been instances of receiving notice with regard to non-compliances by the Company and imposing of penalties and strictures on the company by stock exchange which have been resolved to the benefit of the stock exchange, however, there were no instances of receiving notice with regard to non-compliances by the Company and imposing of penalties and strictures on the company by SEBI or any statutory authority or on any matter related to capital markets, during the last three years.

**iii. There has been a whistle blower policy and no personnel have been denied access to the audit committee**

**iv. Details of Compliance with mandatory requirements and adoption of the non-mandatory requirements**

The Company confirms that it has fully complied with all mandatory requirements of Clause 49 of the Listing Agreement relating to Corporate Governance.

The status of compliance with non-mandatory requirements of Clause 49 of the Listing Agreement are as detailed hereunder:

- a) **Board** -There was no fixed tenure for the Independent Directors as per Listing Agreement and Companies Act 1956. However as per Companies Act, 2013 the independent directors will be appointed for a period of 5 consecutive years.
- b) **Remuneration Committee**- The Company has not set up any Remuneration Committee for the Financial Year ending on 31 March, 2014. However, the

company has constituted Nomination & Remuneration Committee as per new Companies Act, 2013.

- c) **Shareholders' Rights-** The quarterly financial results are published in the newspapers as mentioned under the heading "Means of Communication". The results are not separately circulated to the shareholders.
- d) **Audit qualifications-** There are no audit qualifications in the Company's financial statements for the year under reference.
- e) **Disclosure of Accounting Treatment -** The Company has followed the Guidelines of Accounting Standards laid down by the Institute of Chartered Accountants of India (ICAI) in preparation of its financial statements.
- f) **Subsidiary Companies:** The provisions relating to the subsidiary companies are not applicable to the company as the company does not have any subsidiary company.
- g) **Management:** Detailed report on Management Discussion and Analysis (MD & A) forms part of the Directors Report.
- h) **Risk Assessment:** The Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that board controls risk through means of a properly defined framework.
- i) **Utilization of proceeds from Preferential Issue:** No proceeds have been received through public issue, right issue and preferential issue, etc. during the financial year ending on March 31, 2014.

## MEANS OF COMMUNICATION

The primary source of information regarding the operations of the company is its website- [capfinindia.com](http://capfinindia.com). The Company has promptly reported all material information including the declaration of quarterly financial results to the Delhi Stock Exchange Limited (DSE), where the equity shares of the Company are listed.

During the year, quarterly, half-yearly and annual financial results of the Company were submitted to the stock exchanges soon after the Board meeting approved these and were also published in the leading newspapers- English & Vernacular newspaper.

## GENERAL SHAREHOLDER INFORMATION

- a) **Annual General Meeting to be held:**

Date & Time	Sunday, 28 <sup>th</sup> September, 2014 at 9:30 AM
Venue	Maheshwari Kala Kendra (Maheshwari Mandal), C-Block, Opp. C-160, Ashok Vihar, Phase-I, Delhi – 110052.

**b) Tentative Financial Calendar for the year 2014-15**

Financial year	1-April to 31-March
First Quarter results	30 <sup>th</sup> July 2014
Half Yearly results	Fourth week of October 2014
Third Quarter results	Fourth week of January 2015
Results for year-end *& Disclosure of Interest	Fourth week of April, 2015

**c) Date of Book Closure**

26<sup>th</sup> September, 2014 to 28<sup>th</sup> September, 2014 (both days inclusive)

**d) Dividend payment Date**

Due to insufficiency of funds, Directors of your company are unable to pay any dividend for this financial year.

**e) Listing on Stock Exchanges and security codes**

S. No.	Name of Stock Exchange	Address
1	Delhi Stock Exchange	DSE House, 3/1, Asaf Ali Road, New Delhi-110002
2	Jaipur Stock Exchange	Stock Exchange Building, J.L. Marg, Malviya Nagar, Jaipur-302017
3	Madhya Pradesh Stock Exchange	Palika Plaza, Phase-II, 201, MTH Compound, INDORE-452001(MP)

The Company has paid the annual listing fees for the year 2013-14 to stock exchange mentioned at S. No. 1 and 3 only.

**f) Stock/Company/Security**

Dematerialization international security identification number in NSDL & CDSL for equity shares: INE960C01013

**g) Market Price Data**

Since the shares of the company has not been traded on Delhi and other stock exchange in last 12 months, thus the data containing the highest and lowest quotation of equity shares of the company are not available.

**h) Registrar and Transfer Agent**

The Company's Shares were not traded on any stock exchanges for last several years However, in Compliance of SEBI requirements; the Company has appointed M/s. **Link Intime India Private Limited** as Registrar to Transfer Agent who can handle share transfer work in physical form and other related activities.

The address of the Registrar and Transfer agent of our company is:

**LINK INTIME INDIA PRIVATE LIMITED**  
**(Formerly: IN-TIME SPECTRUM REGISTRY LIMITED)**  
 44, Community Centre, 2<sup>nd</sup> Floor, Naraina Industrial Area  
 Phase-I, Near PVR Naraina, New Delh 110028

**i) Share Transfer System**

The Company's shares are transferable through the depository system. However the shares in physical form are processed by the registrar & Transfer Agent and approved by the shareholders/ Investors grievance Committee. The Share Transfer process is reviewed by the said Committee. The Share Transfer in physical form is presently processed within a period of 15 days from the date of receipt.

**j) Distribution of Shareholding**

The shareholding distribution of equity shares as on 31<sup>st</sup> March, 2014 given below:

Sr. No.	Holding of Nominal Value of Rs.	No. of share holders	No. of shares	% of total
1.	Upto 2500	126	17,836	0.52
2.	2501-5000	1610	583,574	16.92
3	5001-10000	52	34,300	0.99
4	10001-20000	83	106,780	3.10
5	20001-30000	29	75,900	2.20
6	30001-40000	10	35,200	1.02
7	40001-50000	12	58,800	1.70
8	50001-100000	42	332,100	9.63
9	100001 and above	66	2,205,510	63.92
<b>TOTAL</b>		<b>2030</b>	<b>3,450,000</b>	<b>100.00</b>

**Share holding pattern as on 31<sup>st</sup> March, 2014:**

Description of Investors	No. of shares held	% of shareholding
--------------------------	--------------------	-------------------

Promoters	125,710	3.64 %
Financial Institutions, Insurance Companies Banks and Mutual Funds etc.	NIL	NIL
Foreign Institutional Investors	NIL	NIL
Bodies Corporate	975,400	28.27 %
NRIs/ OCBs	NIL	NIL
Clearing Member	NIL	NIL
Indian Public:-		
i) Individual shareholders holding Nominal share capital up to Rs. 1 lacs.	1,171,190	33.94 %
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lacs.	1,106,400	32.06 %
Others	71,300	2.07 %
<b>Total</b>	<b>3,450,000</b>	<b>100 %</b>

**k) Dematerialization of shares and liquidity**

The Company shares can now be traded in dematerialized form and have to be delivered in the dematerialized form to all Stock Exchanges. To enable shareholders an easy access to the de – mat system, the Company has executed agreements with both existing Depositories namely National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).

**1) Investors' Correspondence may be addressed to:**

The name and designation of the Compliance Officer is Mr. Piyush Kumar, Director of the company. The shareholders can get in touch with compliance officer on all legal and Secretarial matters relating to the company.

**Address for Communication/Registered Office:**

M/s CAPFIN INDIA LIMITED  
C-12, Raj Nagar, CHB Society  
Pitampura, Delhi-110034

**Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity**

Outstanding GDRs/ ADRs/ Warrants or any Convertible instruments, conversion date and likely impact on equity are not applicable on the company.

**Plant locations**

Not Applicable

**Non- mandatory requirement**

The Company has not adopted any of the non- mandatory requirements specified in Annexure-III of clause 49 of the Listing Agreement.

**For and on behalf of the Board of Directors  
For Capfin India Limited**

**Date:** August 28, 2014

**Place:** New Delhi

**Sd/-**  
**Dinesh Kumar**  
Director  
**(DIN: 01104655)**

**Sd/-**  
**Piyush Kumar**  
Director  
**(DIN: 01902609)**

**Declaration by Mr. Piyush Kumar, Director, under clause 49 of the Listing Agreement regarding compliance with code of Conduct**

In accordance with Clause 49 ID of the Listing Agreement, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance with code of Conduct, as applicable to them, for the Financial Year ended on March 31, 2014.

**Date:** August 28, 2014

**Place:** New Delhi

Sd/-  
**Piyush Kumar**  
**Director**  
**(DIN: 01902609)**

**Certification by Mr. Piyush Kumar Director, pursuant to Clause 49 of the Listing Agreement regarding financial statements**

I, Piyush Kumar, certify that:

- a) I have reviewed the financial statements and the cash flow of Capfin India Limited (“the company”) for the year ended March 31, 2014 and to the best of my knowledge and belief:
  - i. These statement do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - ii. These statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year that are fraudulent, illegal or violative of the Company’s code of conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting. There are no deficiencies in the design or operation of internal control.
- d) I have indicated to the Auditors and the Audit Committee that there are no
  - i. Significant changes in the internal control over financial reporting during the year;
  - ii. Significant changes in accounting policies during the year;
  - iii. Instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company’s internal control system over financial reporting.

**For Capfin India Limited**

**Date:** August 28, 2014

**Place:** New Delhi

Sd/-  
**Piyush Kumar**  
**Director**  
**(DIN: 01902609)**

**BHUPINDER SHAH & CO.**  
Chartered Accountants

**306, South Extn. Plaza-II,**  
209, Masjid Moth, N.D.S.E. II,  
New Delhi -110 049



**AUDITORS CERTIFICATE ON COPROPRATE GOVERNANCE**

As required by clause 49 of Listing Agreement, the Auditors Certificate is given below:

**AUDITORS CERTIFICATE**

**To**  
**The Members of Capfin India Limited**

We have examined the compliance of conditions of Corporate Governance by Capfin India Limited for the year ended as on 31<sup>st</sup> March, 2014 as stipulated in Clause 49 of the Listing Agreement of the said company with the Stock Exchange.

The compliance of the condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of the opinion on the Financial Statement of the company.

In our opinion and to the best of our information and according to the explanation given to us we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above mentioned listing agreement.

We stated that no investor grievances are pending for a period exceeding one month against the company as per records maintained by the company.

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

**For Bhupinder Shah & Co.**  
**Chartered Accountants**

**Sd/-**  
**(Bhupinder Shah)**  
**Partner**  
**M.No. 84879**

**Place: Delhi**  
**Date: August 28,2014**

**AUDITORS' REPORT**

To The Members of  
**CAPFIN INDIA LIMITED**

1. We have audited the attached balance sheet of **CAPFIN INDIA LIMITED**, as at 31<sup>st</sup> March, 2014, the statement of profit & loss and also the cash flow statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph above, we state that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (ii) In our opinion, proper books of account, as required by law have been kept by the company so far, as appears from our examination of the books;
  - (iii) The balance sheet, the statement of profit & loss and cash flow statement dealt with by this report are in agreement with books of account;
  - (iv) In our opinion, the balance sheet, the statement of profit & loss and cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;

- (v) On the basis of written representations received from the directors of the Company as on 31.03.2014 and taken on record by Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a director in term of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
- (vi) in our opinion and to the best of our information and according to explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the prescribed manner so required and give a true & fair view in conformity with accounting principles generally accepted in India :
- (a) in the case of the balance sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2014;
  - (b) in the case of the statement of profit and loss, of the profit for the year ended on that date; and
  - (c) in the case of cash flow statement, of the cash flows of the company for the year ended on that date.

For BHUPINDER SHAH & CO.  
Chartered Accountants  
Firm Registration No. 008169N

Sd/-

(BHUPINDER SHAH)  
B.Com (H), FCA, DISA  
ICAI Membership No. 084879  
PARTNER

DELHI  
29<sup>TH</sup> MAY, 2014

**ANNEXURE TO THE AUDITORS REPORT  
OF EVEN DATE TO MEMBERS OF  
CAPFIN INDIA LIMITED,  
ON THE FINANCIAL STATEMENTS  
FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**  
[Referred to in paragraph (3) of our report of even date]

As required by the Companies (Auditors' Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we report that :

- (i) In respect of fixed assets:
  - (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - (b) According to the information and explanations given to us, physically verification of fixed assets has been conducted at reasonable intervals during the year, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - (c) According to the information and explanations given to us, the company has not disposed off a substantial part of its fixed assets during the year under review.
  
- (ii) In respect of its inventories:
  - (a) The inventory has been verified from DMAT statement of holding during the year by the management. In our opinion, the frequency of verification is reasonable.
  - (b) The procedures of verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
  - (c) The company is maintaining proper records of inventory. The discrepancies noticed on verification between the stocks in DMAT form and the book records were not material.
  
- (iii) In respect of loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act 1956:
  - (a) As per information and explanation given to us, the company has not granted any loans, secured or unsecured to the companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956.

- Accordingly, clauses (iii) (b) to (iii) (d) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (e) The company has not taken any loan secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.  
Accordingly, clauses (iii)(f) to (iii)(g) of paragraph 4 of the Companies (Auditor's Report) Order, 2003 are not applicable.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
- (v) In respect of contracts or arrangements entered in the register maintained in pursuance of Section 301 of the Companies Act, 1956.
- (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangement referred to in section 301 of the Companies Act, 1956 have been so entered in the register required to be maintained under that section.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- (vi) In our opinion & according to the information & explanations given to us, the company has not accepted any deposits from the public under section 58A & 58AA or any other relevant provisions of the Companies Act, 1956.
- (vii) In our opinion, the company has an adequate internal audit system to commensurate with its size and nature of its business.
- (viii) As informed to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956, for any of the products of the company.

- (ix) In respect of statutory dues:
- (a) The company is regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues with the appropriate authorities to the extent applicable to it. According to the information and explanations given to us, no undisputed amounts payable in respect sales tax/income tax/custom duty/wealth tax/service tax/excise duty/cess were in arrears, as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of sales tax, income tax, customs duty, wealth tax, excise duty and cess which have not been deposited on account of any dispute.
- (x) In our opinion, the company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion, according to the information & explanation given to us, the company has not defaulted in repayment of dues to a financial institutions or bank or debentures holders.
- (xii) According to information and explanation given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) (a) In our opinion, the company is not a Chit Fund or a Nidhi Mutual Benefit Fund/Society.
- (b) Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company has maintained proper records of the transactions and contracts for its dealing or trading in shares, securities, debentures or other investments where in trading in shares, securities, debentures or other investments where in timely entries have been made. The share, securities, debentures or investments have been held by the company in its own name.
- (xv) In our opinion & information given to us, the company has not given guarantees for loans taken by others from Banks or Financial Institutions.
- (xvi) In our opinion, no term loans have been raised by the company.

- (xvii) According to the information and explanations given to us and overall examination of the balance sheet of the company, we report that no funds raised on short- term basis have been used for long term investments. No long-term funds have been used to finance short-term assets.
- (xviii) According to the information & explanations given to us, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- (xix) According to the information & explanations given to us, the company has not issued any debentures during the year.
- (xx) No money has been raised by the company by public issues during the year.
- (xxi) According to the information & explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

For BHUPINDER SHAH & CO.  
Chartered Accountants  
Firm Registration No. 008169N

sd/-

(BHUPINDER SHAH)  
B.Com (H), FCA, DISA  
ICAI Membership No. 084879  
PARTNER

DELHI  
29<sup>TH</sup> MAY, 2014

**Balance Sheet as at 31st March 2014**

₹ in rupees

Particulars	Note No.	As at 31st March 2014	As at 31st March 2013
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's funds</b>			
Share capital	1	3,23,34,870.00	3,23,34,870.00
Reserves and surplus	2	34,76,376.27	31,93,973.27
		<b>3,58,11,246.27</b>	<b>3,55,28,843.27</b>
<b>Current liabilities</b>			
Other current liabilities	3	2,47,508.00	1,76,280.00
Short-term provisions	4	96,926.00	67,946.00
		<b>3,44,434.00</b>	<b>2,44,226.00</b>
<b>TOTAL</b>		<b>3,61,55,680.27</b>	<b>3,57,73,069.27</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets	5		
Tangible assets		29,918.00	8,156.00
Non-current investments	6	1,22,99,046.00	1,22,99,046.00
Deferred tax assets (net)	7	4,173.00	5,389.00
Long-term loans and advances	8	1,71,02,414.00	1,48,27,549.00
		<b>2,94,35,551.00</b>	<b>2,71,40,140.00</b>
<b>Current assets</b>			
Inventories	9	11,320.00	21,760.00
Cash and cash equivalents	10	41,15,954.27	60,19,026.27
Short-term loans and advances	8	25,92,855.00	25,92,143.00
		<b>67,20,129.27</b>	<b>86,32,929.27</b>
<b>TOTAL</b>		<b>3,61,55,680.27</b>	<b>3,57,73,069.27</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	11		

The note referred above form an integral part of the Accounts

Audit Report as on even date attached

For BHUPINDER SHAH & CO.

Chartered Accountants

(FRN: 008169N)

For and on behalf of the Board of Directors

Sd/-

Sd/-

BHUPINDER SHAH  
PARTNER  
Membership No.: 084879  
Place: DELHI  
Date: 29/05/2014

DINESH KUMAR  
Director  
DIN: 01104655

PIYUSH KUMAR  
Director  
DIN: 01902609



₹ in rupees

**Statement of Profit and loss for the year ended 31st March 2014**

Particulars	Note No.	31st March 2014	31st March 2013
<b>Revenue</b>			
Revenue from operations	12	1,20,82,197.73	2,72,30,595.00
Other income	13	15,36,330.00	14,83,972.00
		<b>15,36,330.00</b>	<b>14,83,972.00</b>
<b>Total revenue</b>		<b>1,36,18,527.73</b>	<b>2,87,14,567.00</b>
<b>Expenses</b>			
Purchase of stock-in-trade	14	1,18,30,593.67	2,72,46,198.00
Changes in inventories	15	10,440.00	400.00
Employee benefit expenses	16	7,37,410.00	6,74,300.00
Depreciation and amortization expenses	17	3,738.00	142.00
Other expenses	18	6,49,870.06	5,24,853.25
<b>Total expenses</b>		<b>1,32,32,051.73</b>	<b>2,84,45,893.25</b>
<b>Profit before tax</b>		<b>3,86,476.00</b>	<b>2,68,673.75</b>
<b>Tax expenses</b>			
Current tax		66,766.00	51,196.00
(Less): MAT Credit utilized/(available)		36,091.00	(1,26,270.00)
Deferred tax		1,216.00	1,133.00
<b>Profit(Loss) for the period from continuing operations</b>		<b>2,82,403.00</b>	<b>3,42,614.75</b>
<b>Earning per share</b>			
<b>Basic</b>	19		
Before extraordinary Items		0.08	0.10
After extraordinary Adjustment		0.08	0.10
<b>Diluted</b>			
<b>Average number of shares for EPS</b>		<b>3450000</b>	<b>3450000</b>
<b>SIGNIFICANT ACCOUNTING POLICIES &amp; NOTES TO THE ACCOUNTS</b>	11		

The note referred above form an integral part of the Accounts

Audit Report as on even date attached

For BHUPINDER SHAH & CO.

Chartered Accountants

(FRN: 008169N)

Sd/-

**BHUPINDER SHAH**

**PARTNER**

Membership No.: 084879

Place: DELHI

Date: 29/05/2014

For and on behalf of the Board of Directors

Sd/-

**DINESH KUMAR**

Director

DIN: 01104655

Sd/-

**PIYUSH KUMAR**

Director

DIN: 01902609

**Notes to Financial statements for the year ended 31st March 2014**

The previous year figures have been regrouped / reclassified, wherever necessary to conform to the current year presentation.

**Note No. 1 Share Capital**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Authorised :</b>		
4000000 (31/03/2013:4000000) Equity shares of Rs. 10.00/- par value	4,00,00,000.00	4,00,00,000.00
<b>Issued :</b>		
3450000 (31/03/2013:3450000) Equity shares of Rs. 10.00/- par value	3,45,00,000.00	3,45,00,000.00
<b>Subscribed and paid-up :</b>		
3450000 (31/03/2013:3450000) Equity shares of Rs. 10.00/- par value	3,45,00,000.00	3,45,00,000.00
	<b>3,45,00,000.00</b>	<b>3,45,00,000.00</b>
<b>Less: Subscribed but not fully Paid up</b>		
585700 (31/03/2013:585700) Equity shares	21,65,130.00	21,65,130.00
	<b>3,23,34,870.00</b>	<b>3,23,34,870.00</b>
<b>Total</b>	<b>3,23,34,870.00</b>	<b>3,23,34,870.00</b>

**Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period**

**Equity shares**

₹ in rupees

	As at 31st March 2014		As at 31st March 2013	
	No. of Shares	Amount	No. of Shares	Amount
<b>At the beginning of the period</b>	28,64,300	3,23,34,870.00	28,64,300	3,23,34,870.00
Issued during the Period	0.00	0.00	0.00	0.00
Redeemed or bought back during the period	0.00	0.00	0.00	0.00
<b>Outstanding at end of the period</b>	<b>28,64,300</b>	<b>3,23,34,870.00</b>	<b>28,64,300</b>	<b>3,23,34,870.00</b>

**Right, Preferences and Restriction attached to shares**

**Equity shares**

The company has only one class of Equity having a par value Rs. 10.00 per share. Each shareholder is eligible for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the Equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their shareholding.

**Note No. 2 Reserves and surplus**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Surplus as per Statement of Profit &amp; Loss</b>		
Opening Balance	31,93,973.27	28,51,358.52
Add: Profit for the year	2,82,403.00	3,42,614.75
Less : Deletion during the year	0.00	0.00
<b>Net Surplus as per Statement of Profit &amp; Loss</b>	<b>34,76,376.27</b>	<b>31,93,973.27</b>
<b>Total Reserves and Surplus</b>	<b>34,76,376.27</b>	<b>31,93,973.27</b>

**Note No. 3 Other current liabilities**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Others payables</b>		
Expenses Payable	2,47,508.00	1,76,280.00
	<b>2,47,508.00</b>	<b>1,76,280.00</b>
<b>Total</b>	<b>2,47,508.00</b>	<b>1,76,280.00</b>

₹ in rupees

**Note No. 3(a) Other current liabilities : Expenses Payable**

Particulars	As at 31st March 2014	As at 31st March 2013
Bhupinder Shah and Co.	10,618.00	5,000.00
Listing fees payable (Jaipur Stock Exchange)	69,300.00	69,300.00
Salaries payable	83,500.00	33,500.00
Ex-Gratia	51,470.00	45,480.00
Legal and Professional charges payable	32,620.00	23,000.00
<b>Total</b>	<b>2,47,508.00</b>	<b>1,76,280.00</b>

**Note No. 4 Provisions**

₹ in rupees

Particulars	As at 31st March 2014			As at 31st March 2013		
	Long-term	Short-term	Total	Long-term	Short-term	Total
<b>Other provisions</b>						
Provision for Current Income Tax	0.00	66,766.00	66,766.00	0.00	51,196.00	51,196.00
Provision for Leave Encashment	0.00	30,160.00	30,160.00	0.00	16,750.00	16,750.00
	<b>0.00</b>	<b>96,926.00</b>	<b>96,926.00</b>	<b>0.00</b>	<b>67,946.00</b>	<b>67,946.00</b>
<b>Total</b>	<b>0.00</b>	<b>96,926.00</b>	<b>96,926.00</b>	<b>0.00</b>	<b>67,946.00</b>	<b>67,946.00</b>

**Note No. 6 Non-current investments**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Non-Trade Investment(Valued at cost unless stated otherwise)</b>		
<b>Investments in equity Instruments, Unquoted</b>		
(Lower of cost and Market value)		
50000 Equity Shares of Rs. 10 each of Mantri Leasing and Finance Services Ltd	5,00,000.00	5,00,000.00
275100 Equity Shares of Rs. 10 each of Focus Stock Brokers Ltd	27,51,000.00	27,51,000.00
17500 Equity Shares of Rs. 10 each of Mantri Capital Services Ltd	1,75,000.00	1,75,000.00
109565 Equity Shares of Rs. 10 each of Ondot Couriers and Cargo Ltd	88,73,046.00	88,73,046.00
<b>Gross Investment</b>	<b>1,22,99,046.00</b>	<b>1,22,99,046.00</b>
<b>Net Investment</b>	<b>1,22,99,046.00</b>	<b>1,22,99,046.00</b>
<b>Aggregate amount of unquoted investments</b>	<b>1,22,99,046.00</b>	<b>1,22,99,046.00</b>

**Note No. 7 Deferred Tax**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Deferred tax assets</b>		
Timing difference on account of Written Down Value of Depreciable Assets		
On difference between book balance and tax balance of depreciable assets		
(a) As per the Income Tax Act, 1961	43,423.00	25,596.00
(b) As per the Companies Act, 1956	29,918.00	8,156.00
Total = (a-b)	13,505.00	17,440.00
Deferred tax asset depreciation	4,173.00	5,389.00
<b>Gross deferred tax asset</b>	<b>4,173.00</b>	<b>5,389.00</b>
<b>Net deferred tax assets</b>	<b>4,173.00</b>	<b>5,389.00</b>

**Note No. 5 Fixed Assets Chart as at 31st March 2014**

**₹ in rupees**

	Assets	Dep. Rate	Gross Block				Accumulated Depreciation/ Amortisation							Net Block		
			Balance as at 1st April 2013	Additions during the year	Addition on account of business acquisition	Deletion during the year	Balance as at 31st March 2014	Balance as at 1st April 2013	Provided during the year	Addition on account of business acquisition	Deletion / adjustments during the year	Other Adjustment	Impairment/ Reversal*	Balance as at 31st March 2014	Balance as at 31st March 2014	Balance as at 31st March 2013
<b>A</b>	<b>Tangible assets</b>															
	<b>Own Assets</b>															
	<b>Plant Machinery</b>															
	Printer	13.91	8,295.00	0.00	0.00	0.00	8,295.00	142.00	1,134.00	0.00	0.00	0.00	0.00	1,276.00	7,019.00	8,153.00
	Office Equipments	13.91	0.00	25,500.00	0.00	0.00	25,500.00	0.00	2,604.00	0.00	0.00	0.00	0.00	2,604.00	22,896.00	0.00
	<b>Motor Vehicles</b>															
	Vehicles: cars	13.91	1,35,000.00	0.00	0.00	0.00	1,35,000.00	1,34,999.00	0.00	0.00	0.00	0.00	0.00	1,34,999.00	1.00	1.00
	<b>Furniture Fixtures</b>															
	Furniture and fixtures	18.91	35,400.00	0.00	0.00	0.00	35,400.00	35,399.00	0.00	0.00	0.00	0.00	0.00	35,399.00	1.00	1.00
	<b>Computer Equipments</b>															
	Computer hardware	16.21	1,55,900.00	0.00	0.00	0.00	1,55,900.00	1,55,899.00	0.00	0.00	0.00	0.00	0.00	1,55,899.00	1.00	1.00
	<b>Total (A)</b>		<b>3,34,595.00</b>	<b>25,500.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,60,095.00</b>	<b>3,26,439.00</b>	<b>3,738.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,30,177.00</b>	<b>29,918.00</b>	<b>8,156.00</b>
	<b>P.Y Total</b>		<b>3,26,300.00</b>	<b>8,295.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,34,595.00</b>	<b>3,26,297.00</b>	<b>142.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>0.00</b>	<b>3,26,439.00</b>	<b>8,156.00</b>	<b>3.00</b>

**Note No. 8 Loans and advances**

₹ in rupees

Particulars	As at 31st March 2014		As at 31st March 2013	
	Long-term	Short-term	Long-term	Short-term
<b>Other loans and advances</b>				
Advance income tax	0.00	0.00	0.00	50,000.00
Tax Deducted at Source	0.00	57,996.00	0.00	15,053.00
MAT credit entitlement	0.00	90,179.00	0.00	1,26,270.00
Capital Advance for fixed asset	0.00	22,34,977.00	0.00	22,34,977.00
Loans to parties	1,71,02,414.00	0.00	1,48,27,549.00	0.00
Advance recoverable in cash or in kind or for value to be received	0.00	2,09,703.00	0.00	1,65,843.00
	<b>1,71,02,414.00</b>	<b>25,92,855.00</b>	<b>1,48,27,549.00</b>	<b>25,92,143.00</b>
<b>Total</b>	<b>1,71,02,414.00</b>	<b>25,92,855.00</b>	<b>1,48,27,549.00</b>	<b>25,92,143.00</b>

**Note No. 9 Inventories**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
(Valued at cost or NRV unless otherwise stated)		
Traded goods	11,320.00	21,760.00
<b>Total</b>	<b>11,320.00</b>	<b>21,760.00</b>

**Note No. 10 Cash and cash equivalents**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
<b>Balances with Banks</b>		
Balances with Banks	40,89,235.27	59,80,300.27
<b>Total</b>	<b>40,89,235.27</b>	<b>59,80,300.27</b>
<b>Cash in hand</b>		
Cash in Hand	26,719.00	38,726.00
<b>Total</b>	<b>26,719.00</b>	<b>38,726.00</b>
<b>Total</b>	<b>41,15,954.27</b>	<b>60,19,026.27</b>

**Note No. 10(a) Cash and cash equivalents : Balances with Banks**

₹ in rupees

Particulars	As at 31st March 2014	As at 31st March 2013
State Bank of Bikaner and Jaipur	40,89,235.27	59,80,300.27
<b>Total</b>	<b>40,89,235.27</b>	<b>59,80,300.27</b>

**Note No. 12 Revenue from operations**

₹ in rupees

Particulars	31st March 2014	31st March 2013
<b>Sale of products</b>		
Quoted Listed Shares	1,20,82,097.69	2,71,43,902.00
	<b>1,20,82,097.69</b>	<b>2,71,43,902.00</b>
<b>Other operating revenues</b>		
Income from Jobbing	100.04	86,693.00
	<b>100.04</b>	<b>86,693.00</b>
<b>Gross revenue from operations</b>	<b>1,20,82,197.73</b>	<b>2,72,30,595.00</b>

**Note No. 13 Other income**

₹ in rupees

Particulars	31st March 2014	31st March 2013
Interest Income	14,82,830.00	14,15,188.00
Dividend Income	53,500.00	68,784.00
<b>Total</b>	<b>15,36,330.00</b>	<b>14,83,972.00</b>

**Note No. 14 Purchase of stock-in-trade**

₹ in rupees

Particulars	31st March 2014	31st March 2013
Quoted Listed Shares	1,18,30,593.67	2,72,46,198.00
<b>Total</b>	<b>1,18,30,593.67</b>	<b>2,72,46,198.00</b>

**Note No. 15 Changes in inventories**

₹ in rupees

Particulars	31st March 2014	31st March 2013
<b>Inventory at the end of the year</b>		
Traded Goods	11,320.00	21,760.00
	<b>11,320.00</b>	<b>21,760.00</b>
<b>Inventory at the beginning of the year</b>		
Traded Goods	21,760.00	22,160.00
	<b>21,760.00</b>	<b>22,160.00</b>
<b>(Increase)/decrease in inventories</b>		
Traded Goods	10,440.00	400.00
	<b>10,440.00</b>	<b>400.00</b>

**Note No. 16 Employee benefit expenses**

₹ in rupees

Particulars	31st March 2014	31st March 2013
<b>Salaries and Wages</b>		
Salaries	5,97,040.00	5,91,480.00
Leave encashment	30,160.00	16,750.00
	<b>6,27,200.00</b>	<b>6,08,230.00</b>
<b>Staff welfare Expenses</b>		
Staff welfare Expenses	1,10,210.00	66,070.00
	<b>1,10,210.00</b>	<b>66,070.00</b>
<b>Total</b>	<b>7,37,410.00</b>	<b>6,74,300.00</b>

**Note No. 17 Depreciation and amortization expenses**

₹ in rupees

Particulars	31st March 2014	31st March 2013
Depreciation on tangible assets	3,738.00	142.00
<b>Total</b>	<b>3,738.00</b>	<b>142.00</b>

**Note No. 18 Other expenses**

₹ in rupees

Particulars	31st March 2014	31st March 2013
Bank charges	1,331.00	1,672.00
Books periodicals	46,050.00	27,825.00
Conveyance expenses	98,620.00	65,650.00
DEMAT charges	2,469.00	9,421.00
Electricity expenses	0.00	54,050.00
Filing Fee	3,000.00	3,000.00
General Meeting Expenses	27,500.00	22,500.00
Legal and Professional Charges	42,620.00	23,000.00
Miscellaneous Expenses	93,787.19	65,357.25
Postage	46,172.00	29,455.00
Printing and Stationery	53,264.00	31,885.00
Publication Expenses	11,400.00	11,909.00
Repairs and Maintenance : Cars	26,010.00	8,560.00
Vehicle Expenses	97,150.00	53,750.00
Repairs and Maintenance :Computers	23,940.00	7,375.00
Securities Transaction tax	24,694.00	57,748.00
Shares Transfer and Registration Fees	37,920.00	46,696.00
Brokerage & other charges	6,612.18	0.00
Short and Excess	1,712.69	0.00
Auditors Remuneration	5,618.00	5,000.00
<b>Total</b>	<b>6,49,870.06</b>	<b>5,24,853.25</b>

₹ in rupees

**Note No. 19 Earning Per Share**

Particulars	Before Extraordinary items		After Extraordinary items	
	31st March 2014	31st March 2013	31st March 2014	31st March 2013
<b>Basic</b>				
Profit after tax (A)	2,82,403.00	3,42,614.75	2,82,403.00	3,42,614.75
Weighted average number of shares outstanding (B)	34,50,000	34,50,000	34,50,000	34,50,000
Basic EPS (A / B)	0.08	0.10	0.08	0.10
Face value per share	10.00	10.00	10.00	10.00

## CAPFIN INDIA LIMITED

### NOTE 11

### SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014

#### 1. Basis of Preparation of Financial Statement

The financial statements have been prepared and presented under the historical cost convention on the accrual basis i.e. mercantile system of accounting and on the basis of going concern with the accounting principles generally accepted in India 'GAAP' and comply with the mandatory Accounting Standards, Guidance Notes and other pronouncements issued by The Institute of Chartered Accountants of India to the extent applicable and with the relevant provisions of the Companies Act, 1956. Historical costs are not adjusted to reflect the changing value in the purchasing power of money.

#### 2. Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent liabilities on the date of financial statements. Actual results if they differ from those estimates are recognized in the current and future periods.

#### 3. Fixed Assets

Fixed assets are stated at cost less accumulated depreciation. Depreciation on fixed assets of the company has been on Straight Line Method, pro-rata on monthly balances and at the rates specified in schedule XIV of the Companies Act, 1956.

#### 4. Depreciation

Depreciation on fixed assets of the company has been charged on Straight Line Method in the manner and at the rates specified in schedule XIV of the Companies Act, 1956.

#### 5. Employee Benefits

The leave encashment expenses are accounted for on accrual basis. No provision of gratuity or any estimated contingent liability has been determined since The Payment of Gratuity Act, 1972 is not applicable to the enterprise for the time being. The provision of Employees' Provident Funds and Miscellaneous Provisions Act, 1952 were not applicable to the enterprise during the year.

6. Investments in unquoted equity shares have been valued at cost.

#### 7. Foreign Currency Transactions

There were no transactions in foreign currency.



## **8. Inventories**

Inventory is physically taken and valued by the management at lower of cost or net realisable value.

9. With regard to clause 3(ii) of part II of Schedule VI of the Companies Act, 1956, in respect of its activities relating to sale and purchase of securities held as stock in trade, the company does not fall under the category of clause 3(ii)(a) "Manufacturing Company" or clause 3(ii)(b) "Trading Company" or clause 3(ii)(c) "company rendering or supplying services" but falls under the category of "other companies" as given in clause 3(ii)(e).
10. In the opinion of the directors of the company, the Current Assets, Loans and Advances have a value on realisation in the ordinary course of business at least equal to the amounts at which they are stated.

## **11. Income Tax :**

An amount of Rs 66,766/- (Previous year : Rs 51,196/-) has been provided towards Current Income Tax Liability during the year. Deferred Income Tax Asset as on 31st March, 2014 was Rs 4,173/- (Previous year : Rs 5,389/-).

12. Managerial Remuneration                      NIL

## **13. Auditors Remuneration**

Audit Fees    Rs 5,618/-

## **14. Tax Expenses**

Provision for income tax comprises of current tax and deferred tax charge or release. Current income tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian income tax act, 1961. Deferred tax is recognized, subject to consideration of prudence, on timing differences, being difference between taxable and accounting income and expenditure that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets are not recognized unless there is "virtual certainty" that sufficient future taxable income will be available against which such deferred tax assets will be realized.

## **15. Earnings Per Share**

Basic earnings/ (loss) per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

## 16. Contingent Liabilities and Provisions

The company recognises a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

Accounting policies not specifically referred to are consistent and in consonance with generally accepted accounting principles and conventions.

17. Previous period figures have been regrouped wherever necessary to conform to current year's presentation.

Sd/-

(PIYUSH KUMAR)  
DIRECTOR

Sd/-

(DINESH KUMAR)  
DIRECTOR

AUDITORS' REPORT  
As per audit report on even date.  
For BHUPINDER SHAH & CO.  
Chartered Accountants  
Firm Registration No. 008169N

(BHUPINDER SHAH)  
B.Com (H), FCA, DISA  
ICAI Membership No. 084879  
PARTNER

DELHI  
29<sup>TH</sup> MAY, 2014

**CAPFIN INDIA LIMITED**

**CIN: L74999DL1992PLC048032**

**Registered Office: 211, Jagdamba Tower, 13, Preet Vihar Commercial Complex, Delhi-110092**

**Tel No.: 011-22055161; Mob: +91-9560839512; E- mail id: capfinindialtd@yahoo.com.in**

**Website: [www.capfinindia.com](http://www.capfinindia.com)**

**ATTENDANCE SLIP**

Members or their proxies are requested to present this form for admission, duly signed in accordance with their specimen signatures registered with the Company.

<b>DP Id &amp; Client Id/ Regd. Folio No.*</b>	
--	--

<b>No. of shares</b>	
----------------------	--

**Name(s) and address of the member in full**

.....  
.....  
.....

I/ we hereby record my/ our presence at the Twenty Second Annual General Meeting of the Company being held on Sunday 28<sup>th</sup> September, 2014 at 9.30 a.m. at C-Block, Opp C-160,Ashok Vihar, Phase-I, Delhi-110052, India.

**Please (✓) in the box**

- Member**  
 **Proxy**

\*Applicable for member holding shares in physical form.

\_\_\_\_\_  
**Signature of Member/ Proxy**

**CAPFIN INDIA LIMITED**

**CIN: L74999DL1992PLC048032**

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**Tel No.: 011-22055161; Mob: +91-9560839512; E- mail id: capfinindia ltd@yahoo.com.in**

**Website: [www.capfinindia.com](http://www.capfinindia.com)**

**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 : L74999DL1992PLC048032  
 Name of the Company : Capfin India Limited  
 Registered Office : 211,Jagdamba Tower, 13, Preet Vihar Commercial Complex, Delhi-110092  
 Name of the member(s) :  
 Registered address :  
 E-mail Id :  
 Folio No. / Client Id :  
 DP ID :

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

**1. Name :**  
**Address :**  
**E-mail Id :**  
**Signature :.....or failing him**

**2. Name:**  
**Address:**  
**E-mail Id:**  
**Signature :.....or failing him**

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

As my/ our proxy to attend and vote (on a poll) for me/ us and on my/ our behalf at the..... Annual General Meeting/ Extraordinary General Meeting of the Company, to be held on the **28 day of September, 2014** at 9.30 a.m. at Maheshwari Kala Kendra (Maheshwari Mandal), C-Block, Opp. C-160, Ashok Vihar, Phase-I, Delhi-110052 and at any adjourned thereof in respect of such resolutions as are indicated below:

**Resolution No:**

**Ordinary Business**

1. To receive, consider and adopt the audited Financial Statements of the company for the year ended 31st March, 2014, and the reports of the Board of Director's and Auditors thereon
2. To appoint a Director in place of Mr. Piyush Kumar (DIN: 01902609,) who retires by rotation and being eligible to offer himself for re-appointment.
3. Appointment of M/s Bhupinder Shah & Co., Chartered Accountants, as the Statutory Auditors of the Company and to authorize the Board of Directors to fix their remuneration.

**Special Business**

4. To appoint Ms. Meenakshi Rathi as an Whole Time Director
5. To appoint Mr. Sunil Chopra as Independent Director of the company
6. To appoint Mr. Dinesh Kumar as an Independent Director of the company

Signed 28<sup>th</sup> day of Sept, 2014

**Affix Revenue  
Stamp**

Signature of the shareholder

Signature of the Proxy holder(s)

Note:

1. 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.

**BOOK POST**

If undelivered please return to :-

**CAPFIN INDIA LIMITED**

Regd Office : C-12, Raj Nagar,

C.H.B. Society, Pitampura, Delhi - 110034