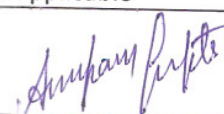




FORM A

Format of covering letter of the annual audit report to be filled with the Stock Exchange

1	Name of the Company	Pro Fin Capital Services Limited
2	Annual financial statements for the year ended	31 <sup>st</sup> March 2015
3	Type of audit observation	Unqualified
4	Frequency of observation	Not applicable
5	To be signed by	 Anupam Gupta Managing Director

**24TH  
ANNUAL REPORT  
2014-2015**



**PRO FIN CAPITAL SERVICES LTD.**

## **Board of Directors**

**Anupam Narain Gupta**

**Abhay Narain Gupta**

**Neeraj Kumar Arora**

**Anant Haridas Palan**

**Neha Gupta (w.e.f. 31/03/2015)**

## **Auditors**

**Mahesh Tejawani,**  
Chartered Accountant

## **Bankers**

HDFC Bank Limited  
Punjab National Bank

## **Registered Office**

503, Western Edge II, Western Express High way,  
Borivali East, Mumbai - 400 066

## **Registrar and Transfer Agents:**

Beetal Financial & Computer Services Pvt. Ltd.,  
Beetal House, 3rd Floor,  
99, Madangir, Near Dada Harsukhdas Mandir,  
New Delhi 110062

## **Email :**

profin.capital1@gmail.com

## **Website :**

www.profincapital.com

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## **NOTICE**

### **24th ANNUAL GENERAL MEETING**

NOTICE IS hereby given that the 24th Annual General Meeting of the Members of Pro Fin Capital Services Limited will be held on Wednesday, 30th September 2015 at the registered office of the Company at 503, Western Edge II, Western Express Highway, Borivali East, Mumbai 400066 at 11.00 am to transact the following business:

#### **Ordinary business**

1 To receive, consider and adopt:

- a) the audited financial statements of the Company for the financial year ended 31st March 2015, the reports of the Directors and the Auditors thereon; and
- b) The audited consolidated financial statements of the Company for the financial year ended 31st March 2015 together with the report of auditors thereon

2 To appoint a director in place of Abhay Narain Gupta (DIN02294699) who retires by rotation and is eligible for re appointment

3 To consider and if thought fit, to pass with or without modification, the following resolution as an ordinary resolution to ratify the appointment of auditors and fix their remuneration:

RESOLVED THAT pursuant to section 139 of the Companies Act 2013 and all other applicable provisions, if any, and the relevant rules framed thereunder, as amended from time to time, the Company hereby ratifies the re appointment of M/s. Mahesh Tejawani, Chartered Accountants, (Membership No. 37194), as the statutory auditors of the Company to hold office from the conclusion of this annual general meeting till the conclusion of the next annual general meeting to be held in the year 2016 to examine and audit the accounts of the Company for the financial year 2015-16 at such remuneration as may be mutually agreed to between the Board of Directors of the Company and the said statutory auditors.

#### **Special Business**

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

RESOLVED THAT Smt. Neha Gupta (DIN 07145514) who was appointed as an additional director of the Company and who holds the office of Director till this annual general meeting and in respect of whom the Company has received a notice from a member proposing her candidature with requisite deposit, be and is hereby appointed as the director of the Company, subject to retirement by rotation.

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

RESOLVED THAT, pursuant to section 196 and other applicable provisions, if any, of the Companies Act 2013("the Act") and pursuant to Schedule V of the Act, consent be and is hereby given for increase in remuneration from Rs. 40,000 to Rs. 75,000 per month (including all perquisites and benefits) to Shri Anupam Narain Gupta, (DIN 02294687) Managing Director, effective from 1st October 2015 till the expiry of his term of appointment.

RESOLVED FURTHER THAT consent is hereby given to the Board of Directors to revise the remuneration of the Managing Director from time to time on recommendation of the Nomination and Remuneration Committee subject to the relevant provisions of the Act read with Schedule V of the Act.

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

RESOLVED THAT, pursuant to section 196 and other applicable provisions, if any, of the Companies Act 2013("the Act") and pursuant to Schedule V of the Act, consent be and is hereby given for increase in remuneration from Rs. 40,000 to Rs. 75,000 per month (including all perquisites and benefits) to Shri Abhay Narain Gupta, (DIN 02294699) Joint Managing Director, effective from 1st October 2015 till the expiry of his term of appointment.

RESOLVED FURTHER THAT consent is hereby given to the Board of Directors to revise the remuneration of



the Joint Managing Director from time to time on recommendation of the Nomination and Remuneration Committee subject to the relevant provisions of the Act read with Schedule V of the Act.

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

RESOLVED THAT pursuant to section 61 of the Companies Act 2013 and all other applicable provisions if any, of the said Act and the relevant rules framed thereunder, as amended from time to time, the nominal value of each share in the share capital of the Company, namely Rs. 10 be subdivided into nominal value of Rs.1 each.

RESOLVED FURTHER THAT the notice under section 64 of the Companies Act 2013 regarding subdivision of capital be given to the Registrar of Companies, Maharashtra, Mumbai in the prescribed form electronically under the signature of Shri Anupam Gupta, Managing Director or Shri Abhay Gupta, Joint Managing Director who are hereby authorized do all such acts, deeds and things as may be necessary or expedient to give effect to this resolution

8 To consider and if thought fit to pass with or without modification the following resolution as a **special resolution**:

RESOLVED THAT consequent upon the subdivision of the capital of the Company, clause V of the Memorandum of Association of the Company be and is hereby amended by substituting the existing clause V with the following new clause:

V The authorized share capital of the Company is Rs. 8,50,00,000 (rupees eight crores fifty lacs) divided into 8,50,00,000(eight crore fifty lacs ) equity shares of Rs. 1 (one ) each with power to increase or reduce the share capital of the Company.

9 To consider and if thought fit to pass with or without modification the following resolution as a **special resolution**

RESOLVED THAT the existing article 3 of the Articles of Association of the Company be amended by substituting the existing article with the new Article, reading as under:

**3 The authorized share capital of the Company is Rs. 8,50,00,000 (rupees eight crores fifty lacs) divided into 8,50,00,000 (eight crores fifty lacs) equity shares of Rs. 1 each with power to sub-divide, consolidate and increase or reduce the share capital, to issue shares with differential, qualified or special rights and to vary or modify the rights attached thereto.**

By order of the Board  
Anupam Narain Gupta  
Managing Director

Mumbai  
29th May 2015  
Registered office:  
503, Western Edge  
Western Express High Way  
Borivali East  
Mumbai 400066

**Notes:**

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than 10 per cent of the total share capital of the Company. A member holding more than 10 per cent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder. Proxies to be effective should be deposited at the registered office of the Company, duly signed and stamped with revenue stamp of Rs. 1, not less than 48 hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of bodies corporate must be supported by an appropriate resolution.
- 2 The explanatory statement pursuant to section 102 of the Companies Act 2013 (the Act) in respect of special business at item Nos. 4 to 9 of the accompanying notice is annexed herewith.
- 3 The Register of members and share transfer books of the Company will remain closed from Thursday, 24th September 2015 to Wednesday 30th September 2015 (both days inclusive) for the purpose of the annual general meeting.
- 4 Electronic copy of the annual report for the year 2014-15 is being sent to those members whose email IDs are registered with the Company/depository participant. Physical copies are being sent to the other members.
- 5 Electronic copy of the notice of the 24th annual general meeting of the Company, indicating the process and manner of e-voting along with attendance slips and proxy form are being sent to all those members whose email IDs are registered with the Company/depository participant. To other members, the above are sent in physical form indicating the process and manner of e-voting, in the permitted mode.
- 6 The notice of the 24th annual general meeting and the annual report will also be available at the Company's website: [www.profincapital.com](http://www.profincapital.com) which can be downloaded. The physical copies of the above documents will also be available at the Company's registered office at Mumbai for inspection during normal business hours on working days (Monday through Friday). All members are entitled to receive physical form of the above, free of cost, upon making a request to the Company at its registered office or dedicated investor email id: [profin.capital1@gmail.com](mailto:profin.capital1@gmail.com)
- 7 **Voting through electronic means**  
In accordance with section 108 of the Act and the relevant rules made thereunder and for the time being in force, the Company is pleased to provide its members the facility of remote e-voting, i.e. e-voting from a place other than the venue of the AGM to exercise their right to vote at the 24th AGM. The voting can be made through the services of Central Depository Services (India) Limited (CDSL).  
The facility for voting, either through electronic voting system or through ballot/polling papers shall also be made available at the venue of the 24th AGM. The members, who attend the meeting and who have not already cast their vote through e-voting, shall be able to exercise their voting rights at the meeting. The members who have already cast their vote through remote e-voting may attend the meeting but shall not be entitled to cast their vote again at the AGM.  
The Company has appointed Shri L Krishnamoorthy practising company secretary, as the scrutinizer for conducting the remote e-voting and the voting process at the AGM in a fair and transparent manner.
- 8 **Instructions for e-voting are as under :**
  - i) The voting period begins on Sunday, 27th September 2013 at 10.00 am and ends on Tuesday, 29th September 2015 at 5.00 pm. During this period shareholders holding shares either in physical form or in dematerialized form, as on the cut off date i.e. 23rd September 2015 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting after 5.00 pm on 29th September 2015.
  - ii) Members holding shares in demat form or physical form as on 23rd September 2015 shall only be eligible for e-voting,
  - iii) The shareholders should log on to the website [www.evotingindia.com](http://www.evotingindia.com)
  - iv) Click on shareholders
  - v) Enter your user ID  
For CDSL: 16 digits beneficiary ID  
For NSDL: 8 character DP ID followed by 8 digit client ID  
Members holding shares in physical form should enter folio number registered with the Company
  - vi) Next enter the image verification as displayed and click on login
  - vii) 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 should be used.
  - viii) If you are a first time user, follow the steps given below:



	For members holding shares in demat form and physical form
PAN	Enter your 10 digit alpha-numeric PAN issued by income tax department <b>Members who have not updated their PAN with the Company/Depository participant are requested to use the first two letters of their name and 8 digits of the sequence number in the PAN field</b>
DOB	Enter the date of birth as recorded in your demat account on in the Company records for the said demat account or folio in dd/mm/yyyy format
Dividend bank details	Enter the dividend bank details as recorded in your demat account or in the Company records for the said demat account or folio <b>Please enter the DOB or dividend bank details in order to login. If the details are not recorded with the depository or Company, then enter the member id/folio number in the dividend bank details filed as mentioned in instruction (v) above</b>

ix) After entering these details appropriately, click on SUBMIT tab

x) Members holding shares in physical form will then directly reach 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. Please note that this password is to be used by the demat holders for voting for resolutions of any other company on which they are eligible to vote provided that the company opts for e-voting through CDSL platform. Please do not share your password with any other person and take utmost care to keep your password confidential.

xi) For members holding the shares in physical form, the details can be used only for e-voting on the resolutions mentioned in this notice.

xii) Click on EVSN for the relevant <Company name> on which you choose to vote.

xiii) On the voting page you will see "RESOLUTION DESCRIPTION" and against the same, the option YES/NO for voting. Select your option. The option YES implies that you assent to the resolution and option NO implies that you dissent to the resolution.

xiv) Click on the "RESOLUTION FILE LINK" if you wish to view the entire resolution details.

xv) 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.

xvi) Once you CONFIRM your vote on the resolution, you will not be allowed to modify your vote.

xvii) You can also take out the print out of the voting done by you by clicking on "CLICK HERE TO PRINT" option on the voting page

xviii) If any demat holder has forgotten the changed password, then enter the user ID and the image verification code and click on FORGOT PASSWORD and enter the details as prompted by the system.

**xix) Note for Non-individual shareholders and custodians :**

Non individual shareholders and custodians are required to log on [www.evotingindia.com](http://www.evotingindia.com) and register themselves as corporate

A scanned copy of the registration form bearing the stamp and sign of the entity should be submitted to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

After receiving the login details, a compliance user should be created using the admin login and password. The compliance user would be able to link the accounts for which they wish to vote on

The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.

A scanned copy of the board resolution and power of attorney which they have issued in favour of the custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

xx) In case you have any queries or issues regarding e-voting, you may refer to the Frequently Asked Questions (FAQs) and evoting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)



**ANNEXURE TO THE NOTICE OF THE 24TH ANNUAL GENERAL MEETING.  
EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS  
PURSUANT TO SECTION 102 OF THE COMPANIES ACT 2013**

**Item: 4**

The Board of directors of the Company, on recommendation of the Remuneration and Nomination Committee, appointed Smt. Neha Gupta, as additional director with effect from 31st March 2015. As additional director, she holds office till the date of the annual general meeting.

Smt. Neha Gupta is a Commerce Graduate and has 7 years experience in the financial markets. She is aged 34 years. She does not hold any shares in the Company. The Directors feel that her experience would be of benefit to the Company. The Company has received a notice from a member proposing her candidature with requisite deposit.

Smt. Neha Gupta is related to Shri Abhay Gupta. None of the other directors are concerned or interested in the resolution. The Directors recommend the resolution for approval of the members.

**Item No 5 and 6**

The Board of directors of the Company, on recommendation of the Remuneration and Nomination Committee, approved increase of remuneration of Shri Anupam Gupta, Managing Director and Shri Abhay Gupta, Joint Managing Director from Rs. 40,000 each to Rs. 75,000 each including all perquisites and benefits, with effect from 1st October 2015. The proposed remunerations are well within the limits under Schedule V of the Companies Act 2013.

Apart from the obvious interests of Shri Anupam Gupta and Shri Abhay Gupta, none of the other directors is interested or concerned in the resolution. The Directors recommend the resolution for approval of the members.

**Item No. 7, 8 and 9**

The nominal value of the equity shares of the Company is Rs. 10 each. The Board of Directors at the meeting held on 30th May 2015 has approved subdivision of the nominal value of each equity share of Rs. 10 each into 10 shares of Re.1 each. Such sub division, it is hoped, may broaden the market for Company's equity shares and attract retail investors. Hence the proposal for subdivision.

Consequential amendments in the relevant capital clauses of the Memorandum of Association and the Articles of Association are required to be made.

Directors and their relatives, who hold the shares in the Company, may be deemed to be interested.

The directors recommend the resolution for the approval of the members.

The Memorandum of Association and the Articles of Association with the proposed amendment is available for inspection of members during week days (Monday through Friday) between 11.00 am to 1.00 pm at the registered office of the Company.

By order of the Board of Directors

Anupam Gupta  
Managing Director

Mumbai  
29th May 2015  
Registered office:  
503, Western Edge  
Western Express High Way  
Borivali East  
Mumbai 400066





## DIRECTORS REPORT

To:

The Members of Pro Fin Capital Services Limited

Your Directors have pleasure in presenting their 24th Annual Report and the audited financial statements for the financial year ended 31st March 2015

### 1 Financial Results

The summarized financial results for the financial year ended 31st March 2015 are presented below:

Rs. In lacs

Details	Financial year ended 31 <sup>st</sup> March 2015 (stand alone)	Financial year ended 31 <sup>st</sup> March 2014 (stand alone)	Consolidated Financial year ended (31/03/2015)
Income	145.65	42.37	167.96
Profit before interest, depreciation and taxation	34.37	3.34	35.18
Finance cost	---	---	---
Depreciation	3.99	0.20	5.11
Profit before tax	30.38	3.14	30.07
Taxation	5.92	0.61	5.93
Profit after tax	24.46	2.53	24.14
Minority interest	---	---	0.16
Balance brough forward previous year (loss)	(264.03)	(288.99)	
Dispsable surplus available after adjustments	---	---	---
Balance carried to balance Sheet (loss)	(239.57)	(264.03)	

Figures for the year ended 31st March 2014 are not provided for consolidated accounts as the Company became holding company during the financial year 2014-15.

### Stand alone

The income during the financial year ended 31st March 2015 is Rs. 145.65 lacs compared to Rs. 42.37 lacs in the previous year- an increase of about 244%. The profit after tax for the financial year ended 31st March 2015 is Rs. 24.46 lacs compared to Rs. 2.53 lacs - an increase of 866% over the previous year

### 2 Dividend and Reserves

The Board of Directors do not recommend any dividend for the financial year ended 31st March 2015 in view of carried forward losses

### 3 Share Capital

The paid up equity share capital of the Company as at 31st March 2015 stood at Rs 546.69 lacs. During the year under review, the Company has not issued shares with differential voting rights nor has it granted any stock options or sweat equity. None of the directors of the Company hold instruments convertible into equity shares during the financial year ended 31st March 2015.

### 4 Issue of warrants on preferential basis

Pursuant to approval by the members of the Company at the extra ordinary general meeting held on 7th April 2014, the Board of Directors of the Company allotted on 21st April 2014, 20,00,000 warrants which are, at the option of the holders, convertible into equity shares at the price of Rs. 113.30 (Rs. 10 face value +premium of Rs. 103.30) per share. These warrants were allotted to persons who are not part of "promoters" or "promoter group". The Company received 25% of the price of the shares upfront. These warrants are convertible into equity shares within a period of 18 months from the date of allotment, ie. 21st April 2014.



## **5 Finance & Accounts**

The Company prepares its financial statements in accordance with the requirements of the Companies Act 2013 and the Generally Accepted Accounting Principles (GAPP) as applicable in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the Company's state of affairs, profits and cash flows for the financial year ended 31st March 2015.

## **6 Business Risks**

Like any other company in the financial services sector, the Company is exposed to business risks which can be internal and external. Growth rates in GDP of Indian and global economy, volatility in the exchange rate of rupee vis-a-vis other principal currencies, increase in inflation, movement in interest rates—all these cause volatility in the price movements at the Stock Exchanges, impacting the operations and profitability of the Company. The Board of Directors is well aware of these risks and through the operational management, continues to monitor them and guides in taking prompt action to mitigate the risks.

## **7 Corporate Social Responsibility**

Section 135 of the Companies Act 2013 and the rules made there under relating to corporate social responsibility are not applicable to the Company during the financial year ended 31st March 2015.

## **8 Subsidiaries**

Tera Natural Resources And Pellets Private Limited has become the subsidiary of the Company during the financial year 2014-15. Necessary details are given in the Report at appropriate places.

## **9 Corporate Governance**

As per SEBI circular CIR/CFD/POLICY CELL/7/2014 dated 15th September 2014, clause 49 of the listing agreement relating to corporate governance is not applicable to the Company.

## **10 Listing of shares in BSE**

During the financial year under report, the equity shares issued by the Company continue to be listed at BSE.

## **11 Extract of Annual Return**

The extract of annual return in form MGT 9, as required under section 92 of the Companies Act 2013, as at 31st March 2015, is annexed to this report as Annexure A which forms part of this report.

## **12 Key Managerial Personnel**

During the year under review, the Company has appointed following persons as its Key Managerial Personnel

Sr No.	Name	Designation
1	Shri Anupam Narain Gupta	Managing Director
2	Shri Abhay Narain Gupta	Joint Managing Director and CFO.

## **13 Board of Directors**

### **Appointment**

During the year, the Board had appointed, on the recommendation of the Remuneration and Nomination Committee, Smt. Neha Gupta, as the additional director from 31st March 2015. As additional director, she holds office till the ensuing annual general meeting. The Company has received notice of her appointment with requisite deposits from a member.

### **Independent Directors**

All Independent directors have given declaration that they meet the criteria of independence as stipulated under section 149(6) of the Companies Act 2013.

As per provisions of Section 152 of the Companies Act 2013 and in accordance with the provisions of the Articles of Association of the Company, Shri Abhay Gupta retires by rotation and being eligible offers himself for re appointment.

## **14 Number of meetings of the Board**

During the year under report, the board met 6 times on 21st April 2014, 30th May 2014, 13th August 2014, 10th November 2014, 8th January 2015 and 31<sup>st</sup> March 2015.

**15 Board Evaluation**

The performance evaluation of the independent directors was completed. The performance evaluation of the Chairman and non-independent directors was carried out by the independent directors and was accepted by the Board.

**16 Particulars of loans, guarantees or investments by the Company**

During the year, the Company has not given any loan or issued any guarantee in connection with the loan. The Company has, during the year under report, acquired 128150 equity shares (46.92%) in Tera Natural Resources And Pellets Private Limited (Tera). Tera has become subsidiary of the Company in terms of section 2(87)(i) of the Companies Act 2013. Tera has obtained requisite approvals and permits for carrying out mining activities in Kolahapur District, Maharashtra. .

**17 Whistle Blower policy**

The Company has in place a mechanism to report genuine concerns or grievances.

**18 Remuneration and Nomination policy**

The Board of directors has adopted a policy framework for selection, appointment and remuneration of directors, key managerial personnel and senior management of the Company.

**19 Related party transactions**

All transactions entered with related parties for the financial year ended 31st March 2015 were on arm's length basis and in the ordinary course of business. Hence provisions of Section 188 of the Companies Act 2013 are not attracted and disclosure in form AOC 2 is not required.

All related party transactions are placed before the Audit Committee and the Board of Directors for approval.

**20 Significant and material orders passed by the regulators or courts**

There are no significant and material orders passed by the regulators or courts against the Company during the year.

**21 Directors responsibility statement**

To the best of knowledge and belief and according to the information and explanation obtained by them, your directors make the following statement in terms of section 134(3)(c) of the Companies Act 2013:

- (i) That in preparation of the annual accounts for the year ended 31st March 2015 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) And applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2015 and of the profit of the Company for the year ended on that date;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the annual accounts have been prepared on a going concern basis
- (v) That the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**22 Statutory auditors**

M/s. Mahesh Tejwani, Chartered Accountants, who are statutory auditors of the Company hold office upto the forthcoming annual general meeting. If appointed, Under section 139 of the Companies Act 2013, they shall hold office from the conclusion of the ensuing annual general meeting till the conclusion of the annual general meeting relating to the financial year ending 31st March 2017. The Company has obtained written confirmation from the auditors that their appointment, if made, would be in conformity with the limits specified in the said section.

**22 Cost Audit**

The provisions of the Companies (Cost Records and Audit) Rules 2014 are not applicable to the Company's operations.

**23 Secretarial Audit Report**

As required under section 204 of the Companies Act 2013, the Secretarial Audit Report from Mr L



Krishnamoorthy Practising Company Secretary (CP No 6885 ) is annexed to this report as Annexure B which forms part of this report.

With reference to the observations in the report regarding appointment of whole time company secretary, it is clarified that the Company is taking steps to appoint suitable company secretary commensurate with its operations and compliance requirements.

**24 Internal control system and their adequacy**

The Company has an effective internal control system commensurate with its size and scale of its operations. The Audit Committee reviews the adequacy and effectiveness of the internal control systems and suggests improvements, wherever required.

**25 Environment and Safety**

The Company's operations do not pose any environment hazards.

**26 Statutory Information**

- (A) **Conservation of energy:** Not applicable
- (B) **Technology Absorption:** Not applicable
- (C) Foreign exchange earnings and expenses: Not applicable

**27 Acknowledgment**

The Directors wish to place on record their appreciation of the contribution made by the employees at all levels but for whose efforts, the Company could not have achieved the remarkable financial results for the financial year ended 31st March 2015.

The Directors also wish to thank the Company's customers and banks for their continued support and faith reposed in the Company.

For and on behalf of the Board

Anupam Gupta  
Managing Director

Mumbai  
Dated 29th May 2015



**Annexure A**  
**FORM NO MGT 9**  
**EXTRACT OF ANNUAL RETURN**

As on financial year ended 31st March 2015

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

**I Registration & Other Details**

1	CIN	L51909MH1991PLC250695
2	Registration Date	22nd July 1991
3	Name of the Company	Pro Fin Capital Services Limited
4	Category/sub category	Non government company limited by shares
5	Address of the registered office	503, Western Edge II, Western Express Highway, Borivli East, Mumbai 400066 Phone: 022-28702070 Email:profin.capital1@gmail.com
6	Whether listed Company	Yes at Bombay Stock Exchange (BSE)
7	Name and address of the RTA	Beetal Financial & Computer Services Private Limited Beetal House, 3rd Floor, 99, Madangir, Near Dada Har Kisandas Mandir, New Delhi 110062 Phone:011-29961281-83 Email:beeetal@beetalfinancial.com

**II Principal business activities of the Company**

(All the business activities contributing 10% or more of the turnover of the Company shall be stated)

Sr. No	Name and description of main Products/Services	NIC code of the products/servies	% to total turnover of the company
1	Finalcial & Related Services	99711359	100

**III Particulars of holding, subsidiary and associate companies:**

Name and address of the Company	CIN	Holding subsidiary associate	Percentage of share held	Applicable Section
Tara Natrual Resources And Pellets Private Limited 84/22, Chandi Ghosh Road, Tollygunge, Kolkota 700040	<b>U13200W B2007PT C116284</b>	Subsidiar y	46.92	2(87) (i)

**IV Shareholding pattern**

Shareholding pattern



Category of Shareholders	No of shares held at the beginning of the year (1/4/2014)				No of Shares held at the end of the year (31/03/2015)				% Change during the year
	Demat	Physical	Total	% of total Shares	Demat	Physical	Total	% of total Shares	
<b>A Promoters</b>									
1 Indian Individual/HUF Bodies Corporate Any other	1445706		1445706	26.44	1621650		1621650	29.66	3.22
<b>Sub total (A)(1)</b>	1445706		1445706	26.44	1621650		1621650	29.66	3.22
<b>2 Foreign NRIs Individuals Bodies Corporate Ant other</b>									
<b>Sub total (A)(2)</b>									
Total shareholding of promoter (A)=(A)(1)+(A)(2)	1445706	---	1445706	26.44	1621650	---	1621650	29.66	3.22
<b>B public Shareholding</b>									
1 institutions Mutual Funds/UTI Banks/Fi Fils others (specify)	---	---	---	---	46444	---	4644	0.85	0.85
<b>Sub total (B)(1)</b>	---	---	---	---	46444	---	4644	0.85	0.85
<b>2 Non institutions Bodies Corporate Indian Overseas</b>	631545	115900	747445	13.67	860359	925000	957859	17.52	3.85
Individuals holding nominal share capital upto Rs. 1 lakh	200134	14110400	1410534	29.46	214703	1293400	1508103	27.59	(1.87)
Individuals holding nominal Capital in excess of Rs. 1 lakh	730262	637100	1367362	25.09	963665	312100	127776	23.34	(1.75)
Clearing members others (Trusts/HUF/NR Is)	10774	---	10774	0.20	6000	---	6000	0.11	(0.09)
	173979	111100	285079	5.21	40479	10600	51079	0.93	(4.28)
<b>Sub Total (B)(2)</b>	1746694	2274500	4021194	73.56	2085206	1713600	3798806	69.9	(4.07)
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	1746694	227450	4021194	73.56	2131650	1713600	3845250	70.34	(3.22)
<b>Grand Total (A)+(B)</b>	3192400	227450	5466900	100	3753300	1713600	5466900	100	---



## ii Shareholding of Promoters

Sr.No	Shareholder's name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		No of Shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	No of shares	% of total shares of the Company	% of shares pledged/encumbered to total shares	
1	Anupam Narain Gupta	400152	7.32	---	458152	8.38	---	1.06
2	Triyamb Secutities Private Limited	1045554	19.13	---	1045554	19.13	---	---
3	Ambe Securities	---	---	---	117944	2.16	---	2.16

## lii Change in promoters' shareholding

Sr.No	Particulars	Shareholding at the beginning of the year		Cumulative shareholding During the year	
		No of shares	% of total shares	No of shares	% of total shares
1	Anupam Narain Gupta at the beginning of the year Purchases : 58,000 At the end of the year	400152	7.32	458152	8.38
2	Ambe secutities private Limited Purchases: 117944 At the end of the year	---	---	117944	2.16

Iv Shareholding pattern of top 10 shareholders (Other than directors/promoters)(Please refer to the details in the annexure)

## V Shareholding of Directors and key managerial personnel

Sr.No	Name	Share holding at the beginning of the year		Cumulative shareholding During the year	
		No of shares	% of total shares	No of shares	% of total shares holding
1	Shri Anupam Narain Gupta, Managing Director Increase due to Purchases 58,0000	400152	7.32	458152	8.38



## V Indebtedness

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

Rs. In lacs

Particulars	Secured loans loans Excluding deposits	Unsecured loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
1 Principal amount	---	644.88	---	644.88
2 Interest due but not paid	---		---	---
3 Interest accrued but not due	---		--	--
<b>Total (1+2+3)</b>	---		---	644.88
<b>Change in indebtedness during the financial year</b>				
Addition	14.09	92.60		
Reduction		(510.36)		
Net Change			---	---
<b>Indebtedness at the end of the financial year</b>				
1 Principal amount	14.09	227.12		
2 Interest due but not paid	---	---		
3 Interest accrued but not due				
<b>Total (1+2+3)</b>				

## VI Remuneration of directors and key managerial personnel

A Remuneration to Managing Director, whole time Director and/or Manager:

B Remuneration to other directors:

Remuneration to key managerial personnel other than MD/WTD/Manager:

Rs. In lacs

Sr No	Particulars of Total Remuneration	Anupam Gupta Managing Director	Abhay Gupya Jt. MD	Total
1	Gross Salary	4.80	4.80	9.60
2	Value of Perquisites	---	---	---
3	Commission	---	---	---
4	Others (Specify)	---	---	---
	<b>Total A</b>	<b>4.80</b>	<b>4.80</b>	<b>9.60</b>




**B Remuneration to other directors:**

Sr No	Particulars of Remuneration	Niraj Kumar Arora	Anant Haridas Palan	Total
-------	-----------------------------	-------------------	---------------------	-------

**Independent Directors**

1	Gross Salary	---	---	---
2	Value of perquisites	---	---	---
3	Commission	---	---	---
4	Others (sitting fees)	0.65	0.65	1.30
	<b>Total</b>			

Sr. No	Name	Shares1	Per1	Date	Diff	Remark	Share2	Per2	Pan No
	Pro Fin Capital Services Private Limited								
1	Triymb Securities Private Limited	1045554	19.1252	31-Mar-14		Nil Movement During The Year	104554	19.1252	AACCT7484L
		1045554	19.1252	31-Mar-15			1045554	19.1252	AACCT7484L
2	ANUPAM NARAIN GUPTA	400152	7.3195	31-Mar-14				0	AIQPG8113N
			0	06-Mar-15	55000	Transfer	455152	8.3256	AIQPG8113N
			0	31-Mar-15	3000	Transfer	458152	8.3805	AIQPG8113N
		458152	8.3805	31-Mar-15			458152	8.3805	AIQPG8113N
			0	- -				0	
3	AMBE SECURITIES PVT LTD	6273	0.1147	29-Aug-14				0	AAACA7950L
			0	05-Sep-14	3700	Transfer	9973	0.1824	AAACA7950L
			0	12-Sep-14	3819	Transfer	13792	0.2523	AAACA7950L
			0	19-Sep-14	2042	Transfer	15834	0.2896	AAACA7950L
			0	30-Sep-14	83781	Transfer	99615	1.8221	AAACA7950L
			0	10-Oct-14	2000	Transfer	101615	1.8587	AAACA7950L
			0	31-Oct-14	2000	Transfer	103615	1.8953	AAACA7950L
			0	14-Nov-14	2489	Transfer	106104	1.9408	AAACA7950L
			0	28-Nov-14	3000	Transfer	109104	1.9957	AAACA7950L
			0	05-Dec-14	83	Transfer	109187	1.9972	AAACA7950L
			0	12-Dec-14	-383	Transfer	108804	1.9902	AAACA7950L
			0	19-Dec-14	191	Transfer	108995	1.9937	AAACA7950L
			0	31-Dec-14	2749	Transfer	111744	2.044	AAACA7950L
			0	20-Mar-15	4500	Transfer	116244	2.1263	AAACA7950L
			0	31-Mar-15	1700	Transfer	117944	2.1574	AAACA7950L
		117944	2.1574	31-Mar-15			117944	2.1574	AAACA7950L
			0	- -				0	
4	ABHAY NARAIN GUPTA	16971	0.3104	31-Mar-14		NIL MOVEMENT During The Year	16971	0.3104	AIZPG5166A
		16971	0.3104	31-Mar-15			16971	0.3104	AIZPG5166A



			0	- -			0	
5	NARAIN KUM AR GUPTA	750	0.0137	30-Sep-14	NIL MOVEMENT During The Year	750	0.0137	BFP9303G
		750	0.0137	31-Mar-15		750	0.0137	BFP9303G
<b>VII Penalties/punishment/compounding of offences : Not applicable</b>								
Sr No	Name	Shares1	Percen Page	Date	No of Shares	Purchase Sale	Cumulative holding	Percentage
	PRO FIN CAPITAL SERVICES LTD (Top 10 SHA REHOLDER)	No pf shares at the beginning						
1	MULTIPLEX CAPITAL LTD	108186	1.9789	31-Mar-14				0
			0	09-May-14	3889	Transfer	112075	2.0501
			0	23-May-14	21	Transfer	112096	2.0504
			0	30-May-14	-5160	Transfer	106936	1.9561
			0	06-Jun-14	8789	Transfer	115725	2.1168
			0	20-Jun-14	1350	Transfer	117075	2.1415
			0	25-Jul-14	66	Transfer	117141	2.1427
			0	01-Aug-14	1100	Transfer	118241	2.1629
			0	08-Aug-14	-1100	Transfer	117141	2.1427
			0	29-Aug-14	14160	Transfer	131301	2.4017
			0	05-Sep-14	5710	Transfer	137011	2.5062
			0	12-Sep-14	-25264	Transfer	111747	2.0441
			0	19-Sep-14	13000	Transfer	124747	2.2819
			0	30-Sep-14	4783	Transfer	12930	2.3694
			0	10-Oct-14	4000	Transfer	133530	2.4425
			0	17-Oct-14	500	Transfer	134030	2.4517
			0	24-Oct-14	4900	Transfer	138930	2.5413
			0	14-Nov-14	10069	Transfer	148999	2.7255
			0	21-Nov-14	3981	Transfer	152980	2.7983
			0	28-Nov-14	3258	Transfer	156238	2.8579
			0	05-Dec-14	4175	Transfer	160413	2.9343
			0	19-Dec-14	14947	Transfer	175360	3.2077
			0	31-Dec-14	1100	Transfer	176460	3.2278
			0	02-Jan-15	-1100	Transfer	175360	3.2077
			0	09-Jan-15	56380	Transfer	231740	4.239
			0	16-Jan-15	32199	Transfer	263939	4.8279
			0	23-Jan-15	-281	Transfer	263658	4.8228
			0	30-Jan-15	5010	Transfer	268668	4.9144
			0	06-Jan-15	-5910	Transfer	262758	4.8063
			0	13-Feb-15	1500	Transfer	264258	4.8338
			0	20-Mar-15	3715	Transfer	267973	4.9017
			0	31-Mar-15	-1877	Transfer	266096	4.8674



	266096	4.8674	31-Mar-15			266096	4.8674
		0	----				0
2 Asian Fintrade Services Private Limited	285988	5.2313	31-Mar-14				0
		0	04-Apr-14	10562	Transfer	296550	5.4245
		0	11-Apr-14	-392	Transfer	296158	5.4173
		0	18-Apr-14	29459	Transfer	325617	5.9562
		0	25-Apr-14	29142	Transfer	354759	6.4892
		0	02-May-14	20562	Transfer	375321	6.8653
		0	09-May-14	9637	Transfer	384958	7.0416
		0	16-May-14	12081	Transfer	397039	7.2626
		0	23-May-14	28580	Transfer	425619	7.7854
		0	30-May-14	3667	Transfer	429286	7.8525
		0	06-Jun-14	5688	Transfer	434974	7.9565
		0	13-Jun-14	15440	Transfer	450414	8.2389
		0	20-Jun-14	19101	Transfer	469515	8.5883
		0	30-Jun-14	25834	Transfer	495349	9.0609
		0	04-Jul-14	4388	Transfer	499737	9.1411
		0	11-Jul-14	2868	Transfer	502605	9.1936
		0	18-Jul-14	-68492	Transfer	434113	7.9408
		0	25-Jul-14	-163301	Transfer	270812	4.9537
		0	01-Aug-14	4053	Transfer	274865	5.0278
		0	08-Aug-14	-7308	Transfer	267557	4.8941
		0	15-Aug-14	8052	Transfer	275609	5.0414
		0	22-Aug-14	4682	Transfer	280291	5.1271
		0	29-Aug-14	6486	Transfer	286777	5.2457
		0	05-Sep-14	2965	Transfer	289742	5.2999
		0	12-Sep-14	46904	Transfer	336646	6.1579
		0	19-Sep-14	16926	Transfer	353572	6.4675
		0	30-Sep-14	-104184	Transfer	249388	4.5618
		0	03-Oct-14	1	Transfer	249389	4.5618
		0	10-Oct-14	5170	Transfer	254559	4.6564
		0	17-Oct-14	484	Transfer	255043	4.6652
		0	24-Oct-14	3371	Transfer	258414	4.7269
		0	31-Oct-14	-7224	Transfer	251190	4.5947
		0	07-Nov-14	4898	Transfer	256088	4.6843
		0	14-Nov-14	8715	Transfer	264803	4.8438
		0	21-Nov-14	3185	Transfer	267988	4.902
		0	28-Nov-14	5627	Transfer	273615	5.0049
		0	05-Dec-14	3155	Transfer	276770	5.0626
		0	12-Dec-14	2505	Transfer	279275	5.1085
		0	19-Dec-14	23166	Transfer	302441	5.5322
		0	31-Dec-14	-54904	Transfer	247537	4.5279
		0	02-Jan-15	4493	Transfer	252030	4.6101
		0	09-Jan-15	34240	Transfer	286270	5.2364
		0	16-Jan-15	7763	Transfer	294033	5.3784
		0	23-Jan-15	-2915	Transfer	291118	5.3251



			0	30-Jan-15	-18951	Transfer	272167	4.9785
			0	06-Feb-15	-6397	Transfer	265770	4.8614
			0	13-Feb-15	6262	Transfer	272032	4.976
			0	20-Feb-15	-6245	Transfer	265787	4.8617
			0	27-Feb-15	622	Transfer	266409	4.8731
			0	06-Mar-15	-9853	Transfer	256556	4.6929
			0	13-Mar-15	3880	Transfer	260436	4.7639
			0	20-Mar-15	-4756	Transfer	255680	4.6769
			0	31-Mar-15	7009	Transfer	262689	4.8051
		262689	4.8051	31-Mar-15			262689	4.8051
			0	- -			0	
3	KAVI KUMAR	225000	4.1157	11-Jul-14		NIL MOVEMENT	225000	4.1157
		225000	4.1157	31-Mar-15			225000	4.1157
			0	- -			0	
4	NARESH GROVER	216034	3.9517	31-Mar-14				0
			0	02-Jan-15	-1500	Transfer	214534	3.9242
			0	09-Jan-15	-4460	Transfer	210074	3.8427
			0	16-Jan-15	-6900	Transfer	203174	3.7164
		203174	3.7164	31-Mar-15			203174	3.7164
			0	- -			0	
5	SANJAY	200000	3.6584	31-Mar-14		NIL MOVEMENT	200000	3.6584
	TRIPATHY	200000	3.6584	31-Mar-15			200000	3.6584
			0	- -			0	
6	ONKAR K. BHATKAR	800	0.0146	31-Mar-14				0
			0	22-Aug-14	-800	Transfer	0	0
			0	30-Sep-14	9026	Transfer	9026	0.1651
			0	31-Oct-14	2851	Transfer	11877	0.2173
			0	31-Dec-14	51879	Transfer	63756	1.1662
			0	30-Jan-15	1	Transfer	63757	1.1662
			0	06-Feb-15	-1705	Transfer	62052	1.135
			0	13-Feb-15	-22575	Transfer	39477	0.7221
			0	20-Feb-15	-2271	Transfer	37206	0.6806
			0	27-Feb-15	3700	Transfer	40906	0.7482
			0	06-Mar-15	71980	Transfer	112886	2.0649
			0	13-Mar-15	-50	Transfer	112836	2.064
			0	20-Mar-15	-170	Transfer	112666	2.0609
			0	31-Mar-15	3917	Transfer	116583	2.1325
		116583	2.1325	31-Mar-15			116583	2.1325
			0	- -			0	
7	GLOBE FINCAP LIMITED	105050	1.9216	31-Mar-14		NIL MOVEMENT	105050	1.9216
		105050	1.9216	31-Mar-15			105050	1.9216
			0	- -			0	
8	AJAY KUMAR	100000	1.8292	31-Mar-14		NIL MOVEMENT	100000	1.8292
		100000	1.8292	31-Mar-15			100000	1.8292
			0	- -			0	
9	SANJAY RAM BRIAN GUPTA	17476	0.3197	25-Jul-14				0
			0	30-Sep-14	77750	Transfer	95226	1.7419
			0	10-Oct-14	-8609	Transfer	86617	1.5844



			0	31-Oct-14	2268	Transfer	88885	1.6259
			0	19-Dec-14	-16743	Transfer	72142	1.3196
			0	30-Jan-15	6764	Transfer	78906	1.4433
		78906	1.4433	31-Mar-15			78906	1.4433
			0	- -			0	
10	PURANCHAND CHOUDHARY	2700	0.0494	31-Mar-14				0
			0	25-Jul-14	107556	Transfer	110256	2.0168
			0	01-Aug-14	-17500	Transfer	92756	1.6967
			0	30-Sep-14	17935	Transfer	110691	2.0247
			0	24-Oct-14	-5066	Transfer	105625	1.9321
			0	31-Oct-14	2946	Transfer	108571	1.986
			0	12-Dec-14	-2000	Transfer	106571	1.9494
			0	19-Dec-14	-31300	Transfer	75271	1.3768
			0	31-Dec-14	34359	Transfer	109630	2.0053
			0	30-Jan-15	10974	Transfer	120604	2.2061
			0	06-Mar-15	-50000	Transfer	70604	1.2915
		70604	1.2915	31-Mar-15			70604	1.2915

## SECRETARIAL AUDIT REPORT - ANNEXURE - B

For the Financial year ended 31st March 2015

Pursuant to section 204(1) of the Companies Act 2013 and rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014

To

The Members of **Pro Fin Capital Services Limited**

I have conducted secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRO FIN CAPITAL SERVICES LIMITED** (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has during the audit period covering the financial year ended on 31st March 2015, complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **PRO FIN CAPITAL SERVICES LIMITED** for the financial year ended 31st March 2015 according to the provisions of

- The Companies Act 2013 (the Act) and the rules made thereunder
- The Securities Contracts (Regulation) Act 1956 (SCRA) and the rules made there under
- The Depositories Act 1996 and the Regulations and Bye-laws framed there under
- Foreign Exchange Management Act 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment and Overseas Direct Investment. During the audit period, the Company had not carried out any external commercial borrowings
- The following Regulations and Guidelines prescribed under the Securities And Exchange Board of India Act 1992 (SEBI Act)
  - The Securities And Exchange Board of India (Substantial Acquisition of Shares and Takeover) Regulations 2011
  - The Securities & Exchange Board of India (Prohibition of Insider Trading) Regulations 1992
  - The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations 2009



- d) The Securities and Exchange Board of India(Registrars to an Issue and Share Transfer Agents) Regulations 1993
- e) The provisions of Securities And Exchange Board of India(Employee Stock Option Scheme and Employee Stock Purchase Scheme)Guidelines, 1999, The Securities And Exchange Board of India (Issue and Listing of Debt Securities)Regulations 2008, The Securities And Exchange Board of India(Delisting of Equity Shares)Regulations 2009 and the Securities And Exchange Board of India (buyback of Securities) Regulations 1998 were not applicable as there were no activities during the audit period requiring compliance with these guidelines and regulations.
- vi) Reserve Bank of India Directions relating to Non-Banking Financial Companies

I have also examined compliance with the applicable clauses of the listing agreements entered into with Bombay Stock Exchange. Although, the Company's shares are listed in Delhi and Kolkata Stock Exchanges, by virtue of Exit Orders issued by SEBI, these exchanges ceased to carry out any trading in the shares, including the shares of the Company, listed in them.

The Secretarial Standards issued by the Institute of Company Secretaries of India are not applicable during the audit period.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, standards, etc mentioned above subject to the following observations:

#### **Observation**

**The Company has not appointed Whole time Company Secretary.**

#### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review, were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaning full participation at the meeting.

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

**I further report** that there are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period, the Company has issued warrants, which are convertible into equity shares, on preferential basis to persons who are not promoters or part of promoter group. Such issue is in accordance with the provisions of SEBI (Issue of Capital And Disclosure Requirements) Regulations 2009 and the Companies Act 2013.

Place: Mumbai

Date: 29th May 2015

L Krishnamoorthy  
FCS 2358: C P No. 6885

Note: This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report

### **Annexure A to the Secretarial Audit Report**

To:

The members of Pro Fin Capital Services Limited

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

- 1 The compliance of provisions of all laws, rules, regulations, standards applicable to Pro Fin Capital Services Limited (the Company) is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of Secretarial Audit Report.
- 2 Maintenance of secretarial and other records of applicable laws is the responsibility of the management



of the Company. My responsibility is to issue Secretarial Audit Report based on the audit of the relevant records maintained and furnished to me by the Company along with explanations where so required.

- 3 I have followed audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on check test basis to ensure that correct facts as reflected in secretarial and other records were produced to me. I believe that the processes and practices I followed provide a reasonable basis for my opinion for the purpose of issue of Secretarial Audit Report.
- 4 I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 5 Wherever required, I have obtained the management representation about the compliance of laws, rules, and regulations and major events during the audit period.
- 6 The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai

Date: 29th May 2015

L Krishnamoorthy  
FCS 2358: C P No. 6885

## INDEPENDENT AUDITOR'S REPORT

TO,

**THE MEMBERS OF PRO FIN CAPITAL SERVICES LTD**

### **Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of **PRO FIN CAPITAL SERVICES LTD** ("the Company"), which comprise the Balance Sheet as at **31/03/2015**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Standalone Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in



the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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

**Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2015, and its Profit and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2015 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 29/05/2015

Place : Mumbai

FOR MAHESH TEJWANI  
(Chartered Accountants)  
Reg No. : 105828W

MAHESH TEJWANI  
Proprietor  
M.No. : 037194





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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

#### **(1) In Respect of Fixed Assets**

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

#### **(2) In Respect of Inventory**

- (a) Physical verification of inventory has been conducted at reasonable intervals by the management.
- (b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. There is no inadequacies in such procedures that should be reported.
- (c) Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

#### **(3) Loans and advances to parties covered under section 189**

The company has not granted unsecured loans, to companies, firms or other parties listed in the register maintained under section 301 and /or to the companies under the same management as defined under sub section (1B) of section of 370 of Companies Act 1956.

- (a) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (b) There is no overdue amount of any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act

#### **(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control**

In my opinion and according to the information and explanation given to me there is adequate internal control procedure commensurate with the size of the company and the nature of its business for the purchase of inventory and Fixed Assets and for sale of goods. There is no failure noticed in correcting major weakness in the internal control.

#### **(5) Rules followed while accepting Deposits**

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed there under have been accepted by the Company.

#### **(6) Maintenance of cost records**

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (l) of section 148 of the Companies Act.

#### **(7) According to the information and explanations given to us in respect of statutory dues**

- (a) Undisputed statutory dues including provident fund, employees 'state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the records of the Company, there are no dues of Income tax, sales tax, customs duty, wealth tax, service tax, excise duty, sales tax and cess that have been not been deposited on amount of any dispute
- (c) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise

#### **(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses**

The company has accumulated losses at 31March 2015 is

Rs 23, 958,679/- and has not incurred cash losses in the current and immediately preceding financial year.



**(9) Default in Repayment of Loans taken from Bank or Financial Institutions**

The company has not defaulted in repayment of dues to financial institution or bank.

**(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company**

In our opinion and according to the information and explanations given to us, the term and conditions of the securities given by the Company for the loans taken by others from bank of financial institutions are not, prima facie prejudicial to the interest of the Company.

**(11) Application versus purpose for which Loan Granted**

In our opinion, the term loans raised by the company during the year has been applied for the purpose for which it was raised.

**(12) Reporting of Fraud During the Year Nature and Amount**

Based upon the audit procedures performed for the purpose of recording the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud or by the company has been noticed or reported during the course of our audit.

Place : Mumbai

Date : 29/05/2015

FOR MAHESH TEJWANI  
(Chartered Accountants)  
Reg No. :105828W

MAHESH TEJWANI  
(Proprietor)  
Membership No : 037194



PRO FIN CAPITAL SERVICES LTD. STANDALONE BALANCE SHEET AS AT 31 MARCH, 2015

Particulars	Note	For the year ended 31 March, 2015 Rs.	For the year ended 31 March, 2014 Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	54,669,000	54,669,000
(b) Reserves and surplus	3	(9,785,678)	(12,230,981)
(c) Money received against share warrants	4	92,885,755	
<b>2 Non Current Liabilities</b>			
(a) Long Term Borrowings	5	38066497	64488500
<b>3 Current liabilities</b>			
(a) Trade Payables	6	122264711	766325
(b) Other current liabilities	7	112,799	11,845
<b>TOTAL</b>		<b>298,213,084</b>	<b>107,704,689</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		2,672,284	99,728
(ii) Intangible assets			
(b) Long term Loans & Advances	9	4,681,833	4,007,797
<b>2 Current assets</b>			
(a) Non Current investments	10	41,495,931	-
(b) Inventories	11	1,827,000	8,136,397
(c) Trade receivables	12	-	1,063,424
(d) Cash and cash equivalents	13	1,577,624	1,042,294
(e) Short-term loans and advances	14	245,958,412	93,355,050
<b>TOTAL</b>		<b>298,213,084</b>	<b>107,704,690</b>
<b>Accompanying notes forming part of the financial statements</b>		1	

For **MAHESH TEJWANI**  
Chartered Accountants

For and on behalf of the Board of Directors

**MAHESH TEJWANI**  
PROPRIETOR  
MNO :-37194  
Place : Mumbai  
Date : 29-05-2015

**Managing Director**

**Jt Managing Director**

**Independent Director**



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

Particulars	Note	For the year ended 31 March, 2015 Rs.	For the year ended 31 March, 2014 Rs.
1 Revenue from operations	15	14551353	4095596
2 Other income	16	13945	141480
<b>3 Total revenue (1+2)</b>		<b>14565298</b>	<b>4237076</b>
4 Expenses			
(d) Employee benefits expense	17	3072500	1659000
(f) Depreciation and amortisation expense	18	499224	20708
(g) Other expenses	19	7955931	2243460
Total expenses		11527655	3923168
5 Profit / (Loss) before tax (3 - 4)		3,037,643	313,909
6 Tax expense:		592,340	61,000
7 Profit / (Loss) for the year (5 - 6)		2,445,303	252,909
8 Earnings per share (of ` 10/- each):			
(a) Basic & diluted	20	0.45	0.05
Accompanying notes forming part of the financial statements	1		

For **MAHESH TEJWANI**  
Chartered Accountants

For and on behalf of the Board of Directors

**MAHESH TEJWANI**  
PROPRIETOR  
MNO :-37194  
Place : Mumbai  
Date : 29-05-2015

**Managing Director**

**Jt Managing Director**

**Independent Director**



**PRO FIN CAPITAL SERVICES LIMITED**  
**STANDALONE CASH FLOW STATEMENT AS ON 31ST MARCH, 2015**

<b>PARTICULARS</b>	<b>AS AT 31.03-2015</b>	<b>AS AT 31.03-2014</b>
<b>A) Cash flow from operating Activities</b>		
Net Profit/(Loss) before tax and extra ordinary items	3,037,643.00	252,910.00
Add: Depreciation	499,224.00	20,708.00
Add: Loss/(profit) on sale of Investment (net)	0.00	0.00
Dimunation in value of Investment	0.00	0.00
Add: Profit/(Loss) on sale of Fixed Asset	0.00	0.00
Operating profit/(Loss) before working capital Change	3,536,867.00	273,618.00
Decrease/ (Increase) in Trade and Other receivables	1,063,424.00	0.00
Decrease/ (Increase) in Long Term Loans & Advances	156,750.00	(276,169.00)
Decrease/ (Increase) in Short Term Loans & Advances	(152,603,364.00)	(66,374,798.00)
Decrease(Increase) in Inventory	6,309,397.00	0.00
Increase/ (Decrease) in Other Current Liabilities	100,954.00	39,870.00
Increase/ (Decrease) in Trade Payables	121,498,386.00	60,416.00
Cash Generate from operations	(19,937,586.00)	(66,277,063.00)
Direct Tax/ FBT Paid (net of refund)	(1,423,125.00)	0.00
<b>B) Cash flow from Investing Activities etc</b>	<b>(21,360,711.00)</b>	<b>(66,277,063.00)</b>
(Increase)/ Decrease in Fixed Assets	(3,071,780.00)	231,630.00
(Increase)/ Decrease of Investments	(41,495,931)	
Net cash used in investing activities	(44,567,711.00)	231,630.00
<b>C) Cash Flow from Financing Activities</b>		
Proceeds from issue of share warrants	92,885,755	
Repayments of Long Term Borrowings	(26,422,003)	
Increase in Share Premium		4,972,000.00
InCREASE IN CAPITAL RESERVE	9,068,605.00	
Increase in Reserves ( shares warrant deferred)		2,243,000.00
Decrease in Share Warrants		(9,075,500.00)
Increase in Short Term Borrowings		64,488,500.00
Increase in Share capital( Net of share warrants conversion)		4,000,000.00
<b>Net Cash outflow from Financing Activities</b>	<b>66,463,752.00</b>	<b>66,628,000.00</b>
Net Increase in cash and cash equilents	535,330	582,567
Cash & Cash Equivalents		
- Opening	1,042,294	459,727
Cash & Cash Equivalents		
- Closing	1,577,624	1,042,294



In terms of our report attached.  
For MAHESH TEJWANI  
Chartered Accountants

**MAHESH TEJWANI**  
**PROPRIETOR**

MNO :-37194

Place : Mumbai

Date : 29-05-2015

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director



## NOTES FORMING PART OF FINANCIAL STATEMENT AS ON 31 MARCH, 2015

The Previous Year Figures Have been regrouped / reclassified wherever necessary to confirm to the current year presentation

	As at 31.3. 2015 Rs.	As at 31.3.2014 Rs.
<b>Note 2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL</b>		
85,00,000 Equity Shares of Rs.10/- each	<u>85,000,000</u>	<u>60,000,000</u>
<b>ISSUED</b>		
54,66,900 Equity Shares of Rs. 10/- each fully paid	<u>54,66,900</u>	<u>54,66,900</u>
<b>SUBSCRIBED &amp; PAID UP</b>		
54,66,900 Equity Shares of Rs. 10/- each fully paid	54,66,900	50,669,000
<b>TOTAL</b>	<u>54,669,000</u>	<u>54,669,000</u>

### Note 2 (a) Reconciliation of number of shares

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares Held	Rs	No. of Shares Held	Rs
<b>Equity Shares:</b>				
Shares At the Beginning of the year	5,466,900	54,669,000	5,066,900	50,669,000
Add: Shares Issued during the year			400,000	4,000,000
Shares At the End of the year	5,466,900	54,669,000.00	5,466,900	54,669,000.00

### Note 2 (b) Reconciliation of number of shares

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholder	As at 31st March 2013		As at 31st March 2012	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	549,952	10.85		
TRIYAMB SECURITIES PVT LTD	1,218,800	24.05	1,218,800	27.91
ASAIN FINTRADE PVT LTD			285,988.00	5.23



### Note 3

#### RESERVE AND SURPLUS

	As at 31.3. 2015 Rs.	As at 1.3.2014 Rs.
<b>Note 3</b>		
General Reserves - As per last Balance Sheet	500,000	500,000
Share Premium		
Opening Balance	13,673,001	8,701,001
Add: Additions During the year	0	4,972,000
Closing Balance	13,673,001	13,673,001
Profit & Loss Account		
Opening balance	(26,403,982)	(28,899,892)
Add: Preferential Share Warrants Deferred		2,243,000
Add: Profit / (Loss) for the year	2,445,303	(23,958,679)
	252,910	(26,403,982)
<b>TOTAL</b>	<b>(9,785,678)</b>	<b>(12,230,981)</b>

### Note 4

#### Money received against share warrants

At The Extraordinary General Meeting Held on 07-04-2014 , the consent of the Company was accorded to the issuance of 26,00,000 equity warrants each convertible into one Equity Share of Re10/- each at the option of holders within a period of eighteen months from the date of allotment at a price ("CONSIDERATION") of Rs 113.30( which includes premium of Rs 103.30) on preferential allotment basis in keeping with related SEBI Regulations. As per terms of issue, 25% of the consideration is payable by the applicants before allotment of Equity warrants and the balance 75% of consideration will e payable before conversion of such Warrants into Equity Shares. In case the conversion option is not exerised within the stipulated time,the amount paid at the time of application (being 25 % of the consideration ) shall be forfeited. The aforesaid Equity Warrant issue has been subscribed upto 20,00,000/- and the Company has received application money of Rs 92885755/- on 21-04-2014 (Previous Year :- Nil ) which has been disclosed as follows:

	As at 31.3. 2015 Rs.	As at 1.3.2014 Rs.
<b>EQUITY SHARE WARRANTS</b>	Number	Amount
Share warrants exerisable on or before 23-10-2015 for one equity share of Rs 10/- each fully paid -up @ Rs 113.30/- per share	2,000,000.00	92,885,755
	Number	Amount
	0	0





**Note 5**

**LONG TERM BORROWINGS**

		<b>As at 31.3. 2015 Rs.</b>	<b>As at 1.3.2014 Rs.</b>
<b>Secured Loans</b>			
<b>Term Loans</b>			
<b>From Banks</b>			
LOAN FROM HDFC BANK	1,409,997		
<b>UNSECURED LOANS</b>			
<b>From Subsidiaries</b>			
Tera Natural Resource & Pellets Pvt LTD	26218000	26218000	
<b>From Related Parties</b>			
Abhay Gupta	518000	518000	
Anupam Gupta	9920500	12465500	
Asain Fin TradeServices Pvt Ltd		10438500	1300000
			14283500
<b>From Others</b>			50205000
			50205000
<b>TOTAL</b>		<b>38,066,497</b>	<b>64488500</b>
<b>Note 6</b>		<b>AS AT</b>	<b>AS AT</b>
<b>TRADE PAYABLES</b>		<b>31-03-2015</b>	<b>31-03-2014</b>
<b>Acceptances</b>			
<b>Other than Related Parties</b>		122114211	
497825			
<b>Related Parties</b>			
Director Remuneration Payble	80000	198000	
Anupam Gupta	70500	150500	70500
			268500
<b>TOTAL</b>		<b>122264711</b>	<b>766325</b>
<b>Note 7</b>			
<b>OTHER CURRENT LIABILITIES</b>			
Statutory Liabilities		112799	11845
<b>TOTAL</b>		<b>112799</b>	<b>11845</b>



Note 8												
Fixed Assets												
i) Tangible assets												
Particulars.	RATE OF DEPRECIATION		GROSS BLOCK				UPTO 01-04-2014	DEPRECIATION		Total upto 31-03-2015	NET BLOCK	
			AS ON 01-04-2014	ADDITION DURING THE YEAR	SALE DURING THE YEAR	TOTAL AS ON 31-03-2015		Provided During the year	SALE ADJUSTMENT NTS		ASON 31-03-2015	ASON 31-03-2014
Furniture & Fixture	18.10%		641,937	0	641,937	0	627,997	0	627,997	0	0	13,940
Office Equipments	13.91%		563,010	0	563,010	0	484,717	0	484,717	0	0	78,293
Computers	40.00%		1,035,320	0	1,035,320	0	1,027,874	0	1,027,874	0	0	7,446
Cycle	20.00%		3,524	0	3,524	0	3,475	0	3,475	0	0	49
Motor car	20.00%			3,071,780		3,071,780	0	399,496	0	0	2,672,284	0
Total (Rs.)			2,243,791	3,071,780	2,243,791	3,071,780	2,144,063	399,496	2,144,063	0	2,672,284	99,728
Previous Year Figures			2,243,791	0	0	2,243,791	2,123,355	20,708	0	2,144,063	99,728	120,436
<b>i) Intangible assets</b>												
NSE Membership Card Processing fees			0	0	0	0	0	0	0	0	0	0
Previous year figures			231,630	0	231,630	231,630		0	0	0	0	231,630
Disposal / Adjustments during the year includes Write Off of Assets Gross Block Rs 22,43,791 (Previous Year : Nil) and Accumulated Depreciation Rs 21,44,063 (Previous Year : Nil)												



# **Note 9**

## **LONG TERM LOANS & ADVANCES**

	<b>As at 31.3. 2015</b>	<b>As at 1.3.2014</b>
a) Security Deposit (unsecured considered Good) <b>Other Than Related Parties</b>	2003000	2003000
<b>Related Parties</b>		
Rashi Gupta	1200000	1356750
b) TDS & income tax ( Net of Provisions)	1414139	583353
c) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances (unsecured considered Good)	22200	22200
	<u>4681833</u>	<u>4007797</u>

# **Note 10**

## **NON CURRENT INVESTMENTS**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Unquoted		
Trade Investments		
Shares in Subsidiary		
Tera Natural Resource & Pellets Pvt Ltd	41495931	0
128150 Equity Shares of Rs 10/- per share for Rs 323/- each	<u>41,495,931</u>	<u>-</u>

# **Note 11**

## **INVENTORIES**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
<b>INVENTORIES</b>		
(At lower of cost or Market value, taken, valued and certified by the Management)	1,827,000	8,136,397
<b>TOTAL</b>	<u><b>1,827,000</b></u>	<u><b>8,136,397</b></u>



**Note 12**

**TRADE RECEIVABLES**

	<u>As at 31.3.2015</u>	<u>As at 1.3.2014</u>
Debtors exceeding Six Month (unsecured considered Good)	0	1063424
<b>TOTAL</b>	<u><b>0</b></u>	<u><b>1,063,424</b></u>

**Note 13**

**CASH & CASH EQUIVALENTS**

	<u>AS AT 31-03-2015</u>	<u>AS AT 31-03-2014</u>
CASH IN HAND	52,327	52,324
BALANCE WITH BANKS	1,525,297	989,970
<b>TOTAL</b>	<u><b>1,577,624</b></u>	<u><b>1,042,294</b></u>

**Note 14**

**SHORT TERM LOANS & ADVANCES**

	<u>AS AT 31-03-2015</u>	<u>AS AT 31-03-2014</u>
(Unsecured, Considered Good)	245738262	93355049
Loans & Advance to Related Party Rashi Gupta	220150	
<b>TOTAL</b>	<u><b>245958412</b></u>	<u><b>93355049</b></u>



**Note 15**

**REVENUE FROM OPERATIONS**

	<b>As at 31.3. 2015</b>	<b>As at 1.3.2014</b>
Interest Received	14551353	4095596
<b>TOTAL</b>	<b>14551353</b>	<b>4095596</b>

**Note 16**

**INDIRECT INCOME**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Dividend	13945	1535
Profit on sale of Current Investments		139945
<b>TOTAL</b>	<b>13945</b>	<b>141480</b>

**Note 17**

**EMPLOYEE BENEFIT EXPENSE**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Salaries & Establishment Other Than Related Party	1,720,000.00	1263000
Related Party	240,000.00	396000
Mangerial Remuneration	960,000.00	
Director Sitting Fee	152,500.00	
<b>TOTAL</b>	<b>3,072,500.00</b>	<b>1659000</b>

**Note 18**

**DEPRICATION & AMORTISATION EXPENSE**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Deprication	399,496.00	20708
Writte off Assets	99,728.00	
<b>TOTAL</b>	<b>499,224.00</b>	<b>20708</b>



# **Note 19**

## **OTHER EXPENSES**

### **Other than Related Party**

	<b>As at 31.3. 2015</b>	<b>As at 1.3.2014</b>
Membership & Subscription	151,686	63,483
Electricity & Water Charges	211,914	170,053
Professional charges	222,141	419,788
Telephone & Communiacion Expenses	90,723	84,718
Business Promotion	212,013	
Bank Charges	6,121	637
Listing Fees	112,360	5,899
Roc Filing Fees	267,514	5,500
Accounting Charges	25,000	15,000
Cable charges	18,720	4,950
Advertisement Exp.	101,852	111,464
Processing Fees		231,630
Postage & Courier Charges	15,115	11,086
Stationery & Computer exp.	52,054	83,424
Loss on Sale of Inventories	4,303,620	
Demat Charges	4,500	26,000
Audit Fee	28,090	28,090
Mis Expenses		21,738
Bad Debts	1,063,424	
Int on Car Loan	37,149	
Repair & Maintenance	71,935	-
<b>Related Party</b>		
Rent - Rashi Gupta	960000	960000
<b>TOTAL</b>	<b>7,955,931</b>	<b>2,243,460</b>

# **Note 20**

## **EARNING PER SHARE**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Net Profit after Tax used as numerator	2,445,303	252,909
Waited Average number of Equity Shares used as denominator	5,466,900	5,466,900
Earning per Share (Rs.)		
(Basic & Diluted)	0.45	0.05
Face Value per Share (Rs.)	10	10



**Pro Fin Capital Services Ltd.**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting and preparation of Financial Statements.**

The Financial Statements have been prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act, 1956. All Income and Expenditure, having a material bearing on the Financial Statements, are recognized on accrual basis.

**2. Use of Estimates**

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in which the results are known / materialized.

**3. Fixed Assets.**

Fixed Assets of the Company are valued at cost which includes allocation / apportionment of direct and indirect expenses incurred in relation to such Fixed Assets.

**4. Depreciation.**

Depreciation on fixed assets is provided on Written down Method in accordance with the provisions of Section 123(2) of The companies Act 2013 which was made effective from 01-04-2014.

**5. Investment (Long Term)**

- a) Quoted Investment: Long term investments are valued scrip wise at cost (including expenses & STT incurred there on) unless there is a permanent diminution in the value of securities, in which event, the same has been valued at nominal value of Rs. 1/- per company.
- b) Unquoted investment has been valued at lower of cost or breakup value. Where the break value is negative or where the annual accounts are not available, the same has been valued at a nominal value of Re. 1/- per company.

**6. Stock in Trade (Inventories)**

**Shares :**

**Quoted** shares are valued scrip wise at lower of carrying cost or market value (includes the expenses & STT incurred there on).

**7. Revenue Recognition**

- a) Transactions in respect of Investment / Dealing in Securities are recognised on trade dates
- b) Dividend/interest on debenture, income is accounted for on cash basis.
- c) Profit / Loss on sale of securities are accounted for on weighted average method and is recognized on settlement date. Profit on sale of securities is netted with the loss on sale of securities, if any.

**8. Expenditure**

Expenses are in general accounted on accrual basis except for ex-gratia, leave encashment. Adequate provisions have been made in the accounts for all known losses and liabilities.

**9. Retirement benefit of Employees.**

- i) Gratuity - In accordance with the Indian laws, the Company provides for gratuity, a defined benefit plan covering all employees, who have completed more than 5 years.
- ii) Leave Encashment - Encashment of un-availed leaves credit is being done at the year-end.

**10. Provision, Contingent Liabilities and Contingent Assets**

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



#### 11. Tax on Income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

#### 12. Earning Per Share

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard-20 on Earning per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of shares outstanding during the year.

#### 13. Impairment of Assets

An asset is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment loss recognized in prior year is recorded when there is an indication that impairment loss recognized earlier for the assets no longer exists or has decreased.

#### 14. Miscellaneous Expenditure

Preliminary/pre-operative/ Share Issue Expenses have been amortized equally over a period of ten years.

#### 15. Money received against share warrants

At The Extraordinary General Meeting Held on 07-04-2014, the consent of the Company was accorded to the issuance of 26,00,000 equity warrants each convertible into one Equity Share of Re10/- each at the option of holders within a period of eighteen months from the date of allotment at a price ("CONSIDERATION") of Rs 113.30( which includes premium of Rs 103.30) on preferential allotment basis in keeping with related SEBI Regulations. As per terms of issue, 25% of the consideration is payable by the applicants before allotment of Equity warrants and the balance 75% of consideration will e payable before conversion of such Warrants into Equity Shares. In case the conversion option is not exercised within the stipulated time, the amount paid at the time of application (being 25% of the consideration ) shall be forfeited. The aforesaid Equity Warrant issue has been subscribed upto 20,00,000/- and the Company has received application money of Rs 92885755/- on 21-04-2014 (Previous Year :- Nil)

#### B. Notes on account

- 1) a) Contingent liabilities not provided for, in respect of
  - i) In respect of a penalty claim of Rs.1.75 Lacs from SEBI u/s 15A of SEBI ACT.( Prev Year Rs 1.75 Lacs)
  - b) Claim against the Company not acknowledged as Debts 6.35 Lacs (Prev. Year- 6.35 Lacs)
- 2) Disclosure in terms of Accounting Standards (AS) issued by the institute of Chartered Accountants of India

##### a. Related Party Disclosures (AS-18)

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:-

Srl.	Name of the Related Party	Relationship
1	Mr. Anupam Narain Gupta	Key Managerial Personnel
2	Mr. Narain Kumar Gupta	Relative of Key Managerial Personnel
3	Mrs. Rashmi Anand Kedia	Relative of Key Managerial Personnel
4	Mr. Abhay Narain Gupta	Key Managerial Personnel
5	Triyamb Securities Private Ltd.	Associate Companies
6	Mrs Neha Gupta.	Key Managerial Personnel





● Transaction during the year with related parties:

Nature of Transactions (Excluding reimbursements)	Associate Companies	Key Managerial Personnel (Rs.)	Others	Current Year Total (Rs.)	Previous Year Total (Rs.)
Others	Nil	Nil	Nil	Nil	Nil
Expenditure					
- Salary	Nil	9,60,000/-	1,98,000/-	2,40,000/-	3,96,000/-
Rent	Nil	Nil	9,60,000/-	9,60,000/-	9,60,000/-

**b. Segment reporting (AS-17)**

In the opinion of the Management, the company operates in one segment i.e. dealing in purchase and sales of securities and also rendering related services. As such, there are no other reportable segments.

**c. Tax on Income (AS-22)**

The Company has substantial unabsorbed depreciation and carried forward losses under Tax laws. However, in view of the uncertainty future taxable income and prudent method, the tax effect of timing difference as per AS 22 of ICAI has not been assessed and accordingly deferred tax assets (net of the deferred tax liabilities) has not been recognized in the books as on 31st March 2014.

**d. Earnings Per Share (AS - 20)**

Basic earnings per share are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year .

The Company has not issued any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.

The disclosure in respect of the earning per share as per AS-20 is as under:-

Class of shares	Basic & Diluted Earnings Per Share (Rs.)	
	31.03.2015	31.03.2014
Profit attributable to the Shareholders	24,55,303	2,52,909
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	5,466,900	5,466,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(0.045)	(0.04)
Nominal Value of the shares (Rs.)	10	10

3). Additional information required by Part II of Schedule VI of the Companies Act 1956

a) Quantitative details of principle items

i) Purchase and Sale of Equity Shares held as Stock in Trade

Particulars	31.03.2015		31.03.2014	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Equity Share				
Opening Stock	461222	8136397	NIL	NIL
Purchases	1000	957940	NIL	NIL
Sales	229222	2963714	NIL	NIL
Closing Stock	233000	1827000	NIL	NIL



b) Sundry debtors include Rs. Nil (Previous Year Rs. Nil) due from companies in which directors are interested as directors.

**b) Managerial Remuneration**

Managerial Remuneration under Section 198 of the Companies Act, 1956 (included under Personnel Expenditure in Schedule 9)

Particulars	2014-2015 (Rs.)	2013-2014 (Rs.)
Salaries	9,60,000	NIL

As no commission is payable to Directors, the computation of net profits in accordance with section 309(5) read with section 349 of the companies Act, 1956, has not been given.

- |                                    |                         |
|------------------------------------|-------------------------|
| a) Expenditure in Foreign Currency | Rs. NIL (Prev Year NIL) |
| b) Earning in Foreign Currency     | Rs. Nil (Prev Year NIL) |
| c) Remittance in Foreign Currency  | Rs. Nil (Prev Year NIL) |

4. Auditors Remuneration includes:

Particulars	2014-2015 (Rs.)	2013-2014 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	28090	28090
b) For other Services	-	84420

5. Disclosure as required under section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is nil in respect of all the items specified therein.
6. In the opinion of the management, fall in the market value of Investment is temporary in nature. Therefore no provision for diminution in value of Securities has been considered by the company.
7. Gratuity In accordance with the Indian laws, the Company provides for gratuity, a defined benefit plan covering all employees, who have completed more than 5 years. There is no employee in the company who has completed 5 years of services. In view thereof, no provision has been created. Leave Encashment - Encashment of un-availed leaves credit, if any, is being done at the year-end. Accordingly, no provision is created at the year-end.
8. The company has made a petition with SEBI for the refund of deposit lying with OTCEI which is under process. However, the exchange has demanded due of Rs. 6,85 lakh which has been contested and has not been provided for in the accounts.
9. Debtors are subject to confirmation and reconciliation. In certain cases, the company has filed the civil cases against defaulted parties for recovery of old dues. Which have been decided in the favour of the company? However, in the opinion of the Management, all the debts and advances, including suit filed cases and deposit with OTCEI, are considered good for recovery. Further, balances of Sundry parties, debit or credit, are subject to confirmation / reconciliation. In the opinion of the Management, the Current Assets, Loans and Advances have a value of realization in the ordinary course of the business at least equal to the amount at which they were stated in the Balance Sheet.
10. Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.

**Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000**

Particulars	Amounts Received	
	31-03-2015	31-03-2014
Total amount received from issue of warrants	92885755	Nil
Purpose for which the money received has been utilized :		
a. Capital expenditure	Nil	Nil
b. Working capital	92885755	Nil



11. Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2015	01
Pending as on March 31, 2015	Nil

12. Cash Flow Statement:

The Cash Flow Statement is prepared by the "Indirect Method" set out in Accounting Standard on "Cash Flow Statement" and presents the Cash Flow by operating, investing and financing Activities.

13. Previous year's figures have been rearranged / regrouped wherever necessary.

Notes 1 to 12 forms an integral part of Balance Sheet and Profit & Loss Account

For **Mahesh Tejawani**  
Chartered Accountants

For and behalf of the Board  
**Pro Fin Capital Services Ltd.**

**Mahesh Tejawani**

Proprietor  
Membership No. 37194  
Place : Mumbai  
Dated : 29-05-2015

Mg. Director

Jt Mg. Director

Independent Director



### FORM AOC 1

(pursuant to section 129(3) of the Companies Act 2013 read with Rule of the Companies (Accounts) Rules 2014)

#### Part "A" subsidiaries

1	Sl No.	01
2	Name of subsidiary	Tera Natural Resources And Pellets Private Limited
3	Reporting period for the subsidiary	1st April 2014 to 31st March 2015
4	Reporting currency	Indian Rupees
5	Share Capital	2,731,120
6	Reserves & Surplus	104,825,894
7	Total Assets	138,796,416
8	Total Liabilities	31,239,402
9	Investments	2,280,000
10	Turnover	2,231,025
11	Loss	( 31,628)
12	Proposed dividend	Not applicable
13	Percentage of shareholding	46.92

Place: Mumbai

Dated: 29th May 2015

Managing Director

Joint Managing Director

Independent Director



## INDEPENDENT AUDITOR'S REPORT

TO,

**THE MEMBERS OF PRO FIN CAPITAL SERVICES LTD**

### **Report on the Consolidated Financial Statements**

We have audited the accompanying financial statements of **PRO FIN CAPITAL SERVICES LTD** ("the Company"), which comprise the Balance Sheet as at **31/03/2015**, the Statement of Profit and Loss, the cash flow statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### **Management's Responsibility for the Consolidated Financial Statements**

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

### **Auditor's Responsibility**

Our responsibility is to express an opinion on these Consolidated financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the Consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Consolidated financial statements.

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

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2015, and its Profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.



As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the cash flow statement dealt with by this Report are in agreement with the books of account.
- (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2015 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - i. The Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements.
  - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 29/05/2015

Place : Mumbai

FOR MAHESH TEJWANI  
(Chartered Accountants)  
Reg No. :105828W

MAHESH TEJWANI  
Proprietor  
M.No. : 037194



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

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Pro Fin Capital Services Limited on the Consolidated Financial Statements)

#### **(1) In Respect of Fixed Assets**

- (a) The Holding Company and one of its Subsidiary are maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the respective managements of Holding and Subsidiary at reasonable intervals; No material discrepancies were noticed on such verification.

#### **(2) In Respect of Inventory**

- (a) Physical verification of inventory has been conducted at reasonable intervals by the management of Holding Company. The Subsidiary does not have any stock hence this clause is not applicable to it.
- (b) Procedures for physical verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. There is no inadequacies in such procedures that should be reported in the case of Holding Company.
- (c) The Holding Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification.

#### **(3) Loans and advances to parties covered under section 189**

The Holding Company and its Subsidiary has not granted unsecured loans, to companies, firms or other parties listed in the register maintained under section 301 and/or to the companies under the same management as defined under sub section (1B) of section of 370 of Companies Act 1956.

- (a) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (b) There is no overdue amount of any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 189 of the Companies Act

#### **(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control**

In my opinion and according to the information and explanation given to me there is adequate internal control procedure commensurate with the size of the Holding Company, its Subsidiary and the nature of its business for the purchase of inventory and Fixed Assets and for sale of goods. There is no failure noticed in correcting major weakness in the internal control.

#### **(5) Rules followed while accepting Deposits**

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed there under have been accepted by the Holding Company & its Subsidiary Company.

#### **(6) Maintenance of cost records**

The Holding Company and Subsidiary Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (I) of section 148 of the Companies Act.

#### **(7) According to the information and explanations given to us in respect of statutory dues**

- (a) Undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities though there has been a slight delay in a few cases.
- (b) According to the records of the Holding Company & Subsidiary Company, there are no dues of Income tax, sales tax, customs duty, wealth tax, service tax, excise duty, sales tax and cess that have been not been deposited on amount of any dispute
- (c) There has not been an occasion in case of the Holding Company & Subsidiary Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of reporting delay in transferring such sums does not arise

#### **(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses**

The Holding Company has accumulated losses at 31 March 2015 is Rs 23, 958,679/- and has not incurred



cash losses in the current and immediately preceding financial year. The Subsidiary Company does not have any accumulated losses but has incurred Cash losses .

**(9) Default in Repayment of Loans taken from Bank or Financial Institutions**

The Holding Company has not defaulted in repayment of dues to financial institution or bank. The Subsidiary Company has not obtained any loans from financial institutions.

**(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company**

In our opinion and according to the information and explanations given to us, the term and conditions of the securities given by the Holding Company for the loans taken by others from bank of financial institutions are not, prima facie prejudicial to the interest of the Holding Company. The Subsidiary Company has not obtained any loans from financial institutions.

**(11) Application versus purpose for which Loan Granted**

In our opinion, the term loans raised by the Holding Company & Subsidiary Company during the year has been applied for the purpose for which it was raised.

**(12) Reporting of Fraud During the Year Nature and Amount**

Based upon the audit procedures performed for the purpose of recording the true and fair view of the financial statements and as per the information and explanations given by the management, we report that no fraud or by the Holding Company & Subsidiary Company has been noticed or reported during the course of our audit.

Date : 29/05/2015

Place : Mumbai

FOR MAHESH TEJWANI  
(Chartered Accountants)  
Reg No. :105828W

MAHESH TEJWANI  
Proprietor  
M.No. : 037194





Pro Fin Capital Services Ltd.  
Consolidated Balance Sheet as at 31 March, 2015

Particulars	Note	For the year ended 31 March, 2015 Rs.	For the year ended 31 March, 2014 Rs.
<b>A EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	2	54,669,000	54,669,000
(b) Reserves and surplus	3	(765,670)	(12,230,981)
(c) Money received against share warrants	4	92,885,755	
2 Minority Interest		57040941	
3 Non Current Liabilities			
(a) Long Term Borrowings	5	24122497	64488500
(b) Deferred Tax Liabilities		8660	11,845
4 Current liabilities			
(a) Trade Payables	6	140152586	766325
(b) Other current liabilities	7	202,153	11,845
<b>TOTAL</b>		<b>368,315,922</b>	<b>107,704,689</b>
<b>B ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets	8		
(i) Tangible assets		2,710,405	99,728
(ii) Intangible assets			
(b) Long term Loans & Advances	9	5,171,096	4,007,797
<b>2 Current assets</b>			
(a) Non Current investments	10	2,280,000	-
(b) Inventories	11	1,827,000	8,136,397
(c) Trade receivables	12	-	1,063,424
(d) Cash and cash equivalents	13	1,837,462	1,042,294
(e) Short-term loans and advances	14	354,489,959	93,355,048
<b>TOTAL</b>		<b>368,315,922</b>	<b>107,704,688</b>
<b>Accompanying notes forming part of the financial statements</b>	1		

For **MAHESH TEJWANI**  
Chartered Accountants  
**MAHESH TEJWANI**  
PROPRIETOR  
MNO :-37194  
Place : Mumbai  
Date : 29-05-2015

For and on behalf of the Board of Directors

**Managing Director**

**Jt Managing Director**

**Independent Director**



## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2015

Particulars	Note	For the year ended 31 March, 2015 Rs.	For the year ended 31 March, 2014 Rs.
1 Revenue from operations	15	16782378	4095596
2 Other income	16	13945	141480
<b>3 Total revenue (1+2)</b>		<b>16796323</b>	<b>4237076</b>
4 Expenses			
(d) Employee benefits expense	<b>17</b>	3342146	1659000
(f) Depreciation and amortisation expense	<b>18</b>	511706	20708
(g) Other expenses	<b>19</b>	9935770	2243460
Total expenses		13789622	3923168
5 Profit / (Loss) before tax (3 - 4)		3,006,701	313,909
6 Tax expense:			61,000
Current Tax		592340	
Deferred Tax		821	
		593161	
7 Profit / (Loss) for the year (5 - 6)		2,413,540	252,909
8 Minority Interest		16,834	
9 Profit/(Loss) for the year (7-8)		2,396,706	
10 Earnings per share (of ` 10/- each):			
(a) Basic & diluted	20	0.441	0.050
Accompanying notes forming part of the financial statements	1		

For **MAHESH TEJWANI**  
Chartered Accountants

For and on behalf of the Board of Directors

**MAHESH TEJWANI**  
PROPRIETOR  
MNO :-37194  
Place : Mumbai  
Date : 29-05-2015

**Managing Director**

**Jt Managing Director**

**Independent Director**



**PRO FIN CAPITAL SERVICES LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH, 2015**

PARTICULARS	AS AT 31.03-2015	AS AT 31.03-2014
<b>A) Cash flow from operating Activities</b>		
Net Profit/(Loss) before tax and extra ordinary items	2,989,867.00	252,910.00
Add: Depreciation	511,706.00	20,708.00
Add: Loss/(profit) on sale of Investment (net)	0.00	0.00
Dimunation in value of Investment	0.00	0.00
Add: Profit/(Loss) on sale of Fixed Asset	0.00	0.00
Operating profit/(Loss) before working capital Change	3,501,573.00	273,618.00
Decrease/ (Increase) in Trade and Other receivables	1,063,424.00	0.00
Decrease/ (Increase) in Long Term Loans & Advances	(109,410.00)	(276,169.00)
Decrease/ (Increase) in Short Term Loans & Advances	(261,134,911.00)	(66,374,798.00)
Decrease(Increase) in Inventory	6,309,397.00	0.00
Increase/ (Decrease) in Other Current Liabilities	198,968.00	39,870.00
Increase/ (Decrease) in Trade Payables	139,386,261.00	60,416.00
Cash Generate from operations	(110,784,698.00)	(66,277,063.00)
Direct Tax/ FBT Paid (net of refund)	(1,647,049.00)	0.00
<b>B) Cash flow from Investing Activities etc</b>	<b>(112,431,747.00)</b>	<b>(66,277,063.00)</b>
(Increase)/ Decrease in Fixed Assets	(3,122,383.00)	231,630.00
(Increase)/ Decrease of Investments	(2,280,000)	
Net cash used in investing activities	(5,402,383.00)	231,630.00
<b>C) Cash Flow from Financing Activities</b>		
Proceeds from issue of share warrants	92,885,755	
Repayments of Long Term Borrowings	(40,366,003)	
Increase in Share Premium		4,972,000.00
InCREASE IN CAPITAL RESERVE	9,068,605.00	
Increase in Reserves ( shares warrant deferred)		2,243,000.00
Decrease in Share Warrants		(9,075,500.00)
Increase in Short Term Borrowings		64,488,500.00
Increase in Minority Interest	57,040,941.00	
Increase in Share capital( Net of share warrants conversion)		4,000,000.00
<b>Net Cash outflow from Financing Activities</b>	<b>118,629,298.00</b>	<b>66,628,000.00</b>
Net Increase in cash and cash equilents	795,168	582,567
Cash & Cash Equivalents		
- Opening	1,042,294	459,727



Cash & Cash Equivalents		
- Closing	1,837,462	1,042,294
In terms of our report attached.	For and on behalf of the Board of Directors	
For MAHESH TEJWANI		
Chartered Accountants	Managing Director	Jt Managing Director
<b>MAHESH TEJWANI</b>		
<b>PROPRIETOR</b>		
MNO :-37194		
Place : Mumbai		
Date : 29-05-2015		



## NOTES FORMING PART OF FINANCIAL STATEMENT AS ON 31 MARCH, 2015

The Previous Year Figures Have been regrouped / reclassified wherever necessary to confirm to the current year presentation

	As at 31.3. 2015 Rs.	As at 31.3.2014 Rs.
<b>Note 2</b>		
<b>SHARE CAPITAL</b>		
<b>AUTHORISED SHARE CAPITAL</b>		
85,00,000 Equity Shares of Rs.10/- each	85,000,000	60,000,000
<b>ISSUED</b>		
54,66,900 Equity Shares of Rs. 10/- each fully paid	54,66,900	54,66,900
<b>SUBSCRIBED &amp; PAID UP</b>		
54,66,900 Equity Shares of Rs. 10/- each fully paid	54,66,900	50,669,000
<b>TOTAL</b>	54,669,000	54,669,000

### Note 2 (a) Reconciliation of number of shares

Particulars	As at 31st March 2015		As at 31st March 2014	
	No. of Shares Held	Rs	No. of Shares Held	Rs
<b>Equity Shares:</b>				
Shares At the Beginning of the year	5,466,900	54,669,000	5,066,900	50,669,000
Add: Shares Issued during the year			400,000	4,000,000
Shares At the End of the year	5,466,900	54,669,000.00	5,466,900	54,669,000.00

### Note 2 (b) Reconciliation of number of shares

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholder	As at 31st March 2015		As at 31st March 2014	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	456,152	8.38	400,152	7.32
TRIYAMB SECURITIES PVT LTD	1,218,800	19.13	1,045,554	19.13
ASAIN FINTRADE PVT LTD			285,988.00	5.23



### Note 3

#### RESERVE AND SURPLUS

	AS AT 31-03-2015	AS AT 31-03-2014
General Reserves - As Per last Balance Sheet	500,000	500,000
Share Premium		
Opening Balance	13,673,001	8,701,001
Add:	0	4,972,000
Closing Balance	13,673,001	13,673,001
Capital Reserves		
Opening Balance		
Add: On Consolidation	9,068,605.00	9,068,605
Profit&Loss Account		
Opening balance	(26,403,982)	(28,899,892)
Add: Preferential Share Warrants Deferred		2,243,000
Add: Profit / (Loss) for the year	2,396,706	(24,007,276)
	252,910	(26,403,981)
<b>TOTAL</b>	<b>(765,670)</b>	<b>(12,230,891)</b>

### Note 4

Money received against share warrants At The Extraordinary General Meeting Held on 07-04-2014, the consent of the Company was accorded to the issuance of 26,00,000 equity warrants each convertible into one Equity Share of Re10/- each at the option of holders within a period of eighteen months from the date of allotment at a price ("CONSIDERATION") of Rs 113.30( which includes premium of Rs 103.30) on preferential allotment basis in keeping with related SEBI Regulations. As per terms of issue, 25% of the consideration is payable by the applicants before allotment of Equity warrants and the balance 75% of consideration will be payable before conversion of such Warrants into Equity Shares. In case the conversion option is not exercised within the stipulated time, the amount paid at the time of application (being 25 % of the consideration ) shall be forfeited. The aforesaid Equity Warrant issue has been subscribed upto 20,00,000/- and the Company has received application money of Rs 92885755/- on 21-04-2014 (Previous Year :- Nil ) which has been disclosed as follows:

	AS AT 31-03-2015	AS AT 31-03-2014
<b>EQUITY SHARE WARRANTS</b>		
share warrants exercisable on or before 23-10-2015 for one equity share of Rs 10/- each fully paid-up @ Rs 113.30/- per share	Number 2,000,000.00 Amount 92,885,755	Number 0 Amount 0



**Note 5**

**LONG TERM BORROWINGS**

	<b>As at 31.03. 2015</b>	<b>As at 31.03.2014</b>
<b>Secured Loans</b>		
<b>Term Loans</b>		
<b>From Banks</b>		
LOAN FROM HDFC BANK	1,409,9977.00	
(Repayble in 60 installments (Secured against Vehicle)		
<b>From Related Parties</b>		
Abhay Gupta	518000	518000
Anupam Gupta	9920500	12465500
Sumit Sharma	61000	
Asain Fin TradeServices Pvt Ltd	10499500	1300000
		14283500
<b>From Others</b>	12213000	50205000
<b>TOTAL</b>	<b>24,122,497.00</b>	<b>64488500</b>

**Note 6**

**TRADE PAYABLES**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
<b>Acceptances</b>		
<b>Other than Related Parties</b>	140002086	497825
<b>Related Parties</b>		
Director Remuneration Payble	80000	198000
Anupam Gupta	70500	150500
		70500
<b>TOTAL</b>	<b>140152586</b>	<b>766325</b>

**Note 7**

**OTHER CURRENT LIABILITIES**

Statutory Liabilities	112799	11845
Other Paybles	89354	
<b>TOTAL</b>	<b>202153</b>	<b>11845</b>

Note 8											
Fixed Assets											
i) Tangible assets											
	RATE OF DEPRECIATION		GROSS BLOCK				UPTO 01-04-2014	DEPRECIATION		Total upto 31-03-2015	NET BLOCK
Particulars.			AS ON 01-04-2014	ADDITION DURING THE YEAR	SALE DURING THE YEAR	TOTAL AS ON 31-03-2015		Provided During the year	SALE ADJUSTMENT NTS		ASON 31-03-2015
Furniture & Fixture	18.10%		641,937	0	641,937	0	627,997	0	627,997	0	13,940
Office Equipments	13.91%		563,010	0	563,010	0	484,717	0	484,717	0	78,293
Computers	40.00%		1,112,320	0	1,035,320	77,000	1,054,271	0	1,027,874	38,879	58,049
Cycle	20.00%		3,524	0	3,524	0	3,475	0	3,475	0	49
Motor car	20.00%			3,071,780		3,071,780	0	399,496	0	0	2,672,284
Total (Rs.)			2,320,791	3,071,780	2,243,791	3,148,780	2,170,460	399,496	2,144,063	38,879	2,710,405
Previous Year Figures			2,243,791	0	0	2,243,791	2,123,355	20,708	0	2,144,063	99,728
i) Intangible assets											
NSE Membership Card Processing fees			0	0	0	0	0	0	0	0	0
Previous year figures			231,630	0	231,630	231,630	0	0	0	0	231,630
Disposal / Adjustments during the year includes Write Off of Assets Gross Block Rs 22,43,791 ( Previous Year : Nil) and Accumulated Depreciation Rs 21,44,063 (- Previous Year : Nil)											







**Note 9**

**LONG TERM LOANS & ADVANCES**

	<b>As at 31.3. 2015</b>	<b>As at 31.3.2014</b>
a) Security Deposit (unsecured considered Good) <b>Other Than Related Parties</b>	2003000	2003000
<b>Related Parties</b>		
Rashi Gupta	1200000	1356750
b) TDS & income tax ( Net of Provisions)	1903402	583353
c) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances (unsecured considered Good)	22200	22200
	<u>5171096</u>	<u>4007797</u>

**Note 10**

**NON CURRENT INVESTMENTS**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Unquoted Trade Investments		
Equity Investments in Private Limited Company	2280000	0
	<u>2,280,000</u>	<u>-</u>

**Note 11**

**INVENTORIES**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
INVENTORIES (At lower of cost or Market value, taken, valued and certified by the Management)	1,827,000	8,136,397
<b>TOTAL</b>	<u><b>1,827,000</b></u>	<u><b>8,136,397</b></u>



**Note 12**

**TRADE RECEIVABLES**

	<b>As at 31.3. 2015</b>	<b>As at 31.3.2014</b>
Debtors exceeding Six Month (unsecured considered Good)	0	1063424
<b>TOTAL</b>	<b>0</b>	<b>1,063,424</b>

**Note 13**

**CASH & CASH EQUIVALENTS**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
CASH IN HAND	256,542	52,324
BALANCE WITH BANKS	1,580,920	989,970
<b>TOTAL</b>	<b>1,837,462</b>	<b>1,042,294</b>

**Note 14**

**SHORT TERM LOANS & ADVANCES**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
(Unsecured, Considered Good)	354269809	93355048
Loans & Advance to Related Party Rashi Gupta	220150	
<b>TOTAL</b>	<b>354489959</b>	<b>93355048</b>



# **Note 15**

## **REVENUE FROM OPERATIONS**

	<b>As at 31.3. 2015</b>	<b>As at 31.3.2014</b>
Interest Received	16782378	4095596
<b>TOTAL</b>	<b>16782378</b>	<b>4095596</b>

# **Note 16**

## **INDIRECT INCOME**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Dividend	13945	1535
Profit on sale of Current Investments		139945
<b>TOTAL</b>	<b>13945</b>	<b>141480</b>

# **Note 17**

## **EMPLOYEE BENEFIT EXPENSE**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Salaries & Establishment		
Other Than Related Party	1,944,000.00	1263000
Related Party	240,000.00	396000
Mangerial Remuneration	960,000.00	
Director Sitting Fee	152,500.00	
staff Welfare	45,646.00	
<b>TOTAL</b>	<b>3,072,500.00</b>	<b>1659000</b>

# **Note 18**

## **DEPRICATION & AMORTISATION EXPENSE**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Deprication	411,978.00	20708
Writte off Assets	99,728.00	
<b>TOTAL</b>	<b>499,224.00</b>	<b>20708</b>



# **Note 19**

## **OTHER EXPENSES**

### **Other than Related Party**

	<b>As at 31.3. 2015</b>	<b>As at 31.3.2014</b>
Membership & Subscription	151,686	63,483
Electricity & Water Charges	211,914	170,053
Professional charges	301,495	419,788
Telephone & Communiacion Expenses	90,723	84,718
Business Promotion	212,013	
Bank Charges & Interest	36,488	637
Listing Fees	112,360	5,899
Roc Filing Fees	308,214	5,500
Accounting Charges	25,000	15,000
Cable charges	18,720	4,950
Advertisement Exp.	101,852	111,464
Processing Fees		231,630
Postage & Courier Charges	15,115	11,086
Stationery & Computer exp.	64,304	83,424
Loss on Sale of Inventories	4,303,620	
Demat Charges	4,500	26,000
Audit Fee	43,090	28,090
Mis Expenses	1,500	21,738
Bad Debts	1,063,424	
Int on Car Loan	37,149	
Repair & Maintence	71,935	-
Conveyance	26,650	
Office Expense	44,018	
<b>Related Party</b>		
Rent - Rashi Gupta	960000	960000
	<b>9,935,770</b>	<b>2,243,460</b>

# **Note 20**

## **EARNING PER SHARE**

	<b>AS AT 31-03-2015</b>	<b>AS AT 31-03-2014</b>
Net Profit after Tax used as numerator	2,413,540	252,909
Waited Average number of Equity Shares used as denominator	5,466,900	5,466,900
Earning per Share (Rs.)		
(Basic & Diluted)	0.44	0.05
Face Value per Share (Rs.)	10	10



**Pro Fin Capital Services Ltd.**

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. Basis of Accounting and preparation of Financial Statements.**

The Consolidated Financial Statements have been prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act, 1956. All Income and Expenditure, having a material bearing on the Consolidated Financial Statements, are recognized on accrual basis.

**2. Use of Estimates**

The presentation of Consolidated financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of Consolidated financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in which the results are known / materialized.

**3. Fixed Assets.**

Fixed Assets of the Holding Company & Subsidiary Company are valued at cost which includes allocation / apportionment of direct and indirect expenses incurred in relation to such Fixed Assets.

**4. Depreciation.**

Depreciation on fixed assets is provided on Written down Method in accordance with the provisions of Section 123(2) of The companies Act 2013 which was made effective from 01-04-2014.

**5. Investment (Long Term)**

**a) Quoted Investment :** Long term investments are valued scrip wise at cost (including expenses & STT incurred there on) unless there is a permanent diminution in the value of securities, in which event, the same has been valued at nominal value of Rs.1/- per company.

**b) Unquoted investment** has been valued at lower of cost or breakup value. Where the break value is negative or where the annual accounts are not available, the same has been valued at a nominal value of Re. 1/- per company.

**6. Stock in Trade (Inventories)**

**Shares :**

**Quoted** shares are valued scrip wise at lower of carrying cost or market value (includes the expenses & STT incurred there on).

**7. Revenue Recognition**

a) Transactions in respect of Investment / Dealing in Securities are recognised on trade dates

b) Dividend/interest on debenture, income is accounted for on cash basis.

c) Profit / Loss on sale of securities are accounted for on weighted average method and is recognized on settlement date. Profit on sale of securities is netted with the loss on sale of securities, if any.

**8. Expenditure**

Expenses are in general accounted on accrual basis except for ex-gratia, leave encashment. Adequate provisions have been made in the accounts for all known losses and liabilities.

**9. Retirement benefit of Employees.**

i) **Gratuity** - In accordance with the Indian laws, the Company provides for gratuity, a defined benefit plan covering all employees, who have completed more than 5 years.



ii) **Leave Encashment** - Encashment of un-availed leaves credit is being done at the year-end.

**10. Provision, Contingent Liabilities and Contingent Assets**

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

**11. Tax on Income**

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of Income Tax Act, 1961.

Deferred tax is recognized, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets in respect of unabsorbed depreciation and carry forward losses are recognized if there is virtual certainty that there will be sufficient future taxable income available to realize such losses.

**12. Earning Per Share**

The Company reports basic and diluted Earnings per Share (EPS) in accordance with Accounting Standard-20 on Earning per Share. Basic EPS is computed by dividing the net profit or loss for the year by the weighted average number of shares outstanding during the year.

**13. Impairment of Assets**

An asset is treated as impaired, when carrying cost of assets exceeds its recoverable amount. An impairment loss is charged to the Profit and Loss Account in the year in which an asset is identified as impaired. Reversal of impairment loss recognized in prior year is recorded when there is an indication that impairment loss recognized earlier for the assets no longer exists or has decreased.

**14. Miscellaneous Expenditure**

Preliminary/ pre-operative/ Share Issue Expenses have been amortized equally over a period of ten years.

**15. Money received against share warrants**

In the case of Holding Company at The Extraordinary General Meeting Held on 07-04-2014, the consent of the Company was accorded to the issuance of 26,00,000 equity warrants each convertible into one Equity Share of Re10/- each at the option of holders within a period of eighteen months from the date of allotment at a price ("CONSIDERATION") of Rs 113.30 (which includes premium of Rs 103.30) on preferential allotment basis in keeping with related SEBI Regulations. As per terms of issue, 25% of the consideration is payable by the applicants before allotment of Equity warrants and the balance 75% of consideration will be payable before conversion of such Warrants into Equity Shares. In case the conversion option is not exercised within the stipulated time, the amount paid at the time of application (being 25 % of the consideration) shall be forfeited. The aforesaid Equity Warrant issue has been subscribed upto 20,00,000/- and the Company has received application money of Rs 92885755/- on 21-04-2014 (Previous Year :- Nil)

**B. Notes on account**

1) a) Contingent liabilities not provided for, in respect of

In the case Of Holding Company the contingent Liabilities are as follows:-



i) In respect of a penalty claim of Rs.1.75 Lacs from SEBI u/s 15A of SEBI ACT. (Prev Year Rs 1.75 Lacs)

b) Claim against the Company not acknowledged as Debts 6.35 Lacs (Prev. Year-6.35 Lacs)

**2) Disclosure in terms of Accounting Standards (AS) issued by the institute of Chartered Accountants of India**

**a. Related Party Disclosures (AS-18)**

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below :-

Srl.	Name of the Related Party	Relationship
1	Mr. Anupam Narain Gupta	Key Managerial Personnel
2	Mr. Narain Kumar Gupta	Relative of Key Managerial Personnel
3	Mrs. Rashi Anand Kedia	Relative of Key Managerial Personnel
4	Mr. Abhay Narain Gupta	Key Managerial Personnel
5	Triyamb Securities Private Ltd.	Associate Companies
6	Mrs Neha Gupta.	Key Managerial Personnel
7	Mr Sandesh Sawant	Key Managerial Personnel
8	Mr Allan Rebello	Key Managerial Personnel

**● Transaction during the year with related parties :**

Nature of (Excluding reimbursements)	Associate Companies	Key Managerial Personnel (Rs.)	Others	Current Year Total (Rs.)	Previous year Total (Rs.)
Others	Nil	Nil	Nil	Nil	Nil
Expenditure - Salary	Nil	9,60,000/-	1,98,000/-	2,40,000/-	3,96,000/-
Rent	Nil	Nil	9,60,000/-	9,60,000/-	9,60,000/-

**b. Segment reporting (AS-17)**

In the opinion of the Management, the company operates in one segment i.e. dealing in purchase and sales of securities and also rendering related services. As such, there are no other reportable segments.

**c. Tax on Income (AS-22)**

The Company has substantial unabsorbed depreciation and carried forward losses under Tax laws. However, in view of the uncertainty future taxable income and prudent method, the tax effect of timing difference as per AS 22 of ICAI has not been assessed and accordingly deferred tax assets (net of the deferred tax liabilities) has not been recognized in the books as on 31st March 2014.

**d. Earnings Per Share (AS - 20)**

Basic earnings per share are calculated by dividing the profit for the year attributable to equity shareholders



by the weighted average number of equity shares outstanding during the year

. The Company has not issued any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.

The disclosure in respect of the earning per share as per AS-20 is as under:-

Class of shares	Basic & Diluted Earnings Per Share (Rs.)	
	31.03.2015	31.03.2014
Profit attributable to the Shareholders	23,96,706	2,52,909
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	5,466,900	5,466,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(0.044)	(0.04)
Nominal Value of the shares (Rs.)	10	10

**3). Additional information required by Part II of Schedule VI of the Companies Act 1956**

**a) Quantitative details of principle items**

**i) Purchase and Sale of Equity Shares held as Stock in Trade**

Particulars	31.03.2015		31.03.2014	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Equity Share				
Opening Stock	461222	8136397	NIL	NIL
Purchases	1000	957940	NIL	NIL
Sales	229222	2963714	NIL	NIL
Closing Stock	233000	1827000	NIL	NIL

**b) Sundry debtors** include Rs. Nil (Previous Year Rs. Nil) due from companies in which directors are interested as directors.

**b) Managerial Remuneration**

Managerial Remuneration under Section 198 of the Companies Act, 1956 (included under Personnel Expenditure in Schedule 9)

Particulars	2014-2015 (Rs.)	2013-2014 (Rs.)
Salaries	9,60,000	NIL

As no commission is payable to Directors, the computation of net profits in accordance with section 309(5) read with section 349 of the companies Act, 1956, has not been given.

a) Expenditure in Foreign Currency Rs. NIL (Prev Year NIL)

b) Earning in Foreign Currency Rs. Nil (Prev Year NIL)





c) Remittance in Foreign Currency

Rs. Nil (Prev Year NIL)

4. Auditors Remuneration includes :

Particulars	2014-15 (Rs.)	2013-14 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	43090	-
b) For other Services	28090	84420

5. Disclosure as required under section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is nil in respect of all the items specified therein.
6. In the opinion of the management, fall in the market value of Investment is temporary in nature .Therefore no provision for diminution in value of Securities has been considered by the company.
7. **Gratuity** In accordance with the Indian laws, the Company provides for gratuity, a defined benefit plan covering all employees, who have completed more than 5 years. There is no employee in the company who has completed 5 years of services. In view thereof, no provision has been created. **Leave Encashment** - Encashment of un-availed leaves credit, if any, is being done at the year-end. Accordingly, no provision is created at the year-end.
8. The company has made a petition with SEBI for the refund of deposit lying with OTCEI which is under process. However, the exchange has demanded due of Rs. 6,85 lakh which has been contested and has not been provided for in the accounts.
9. Debtors are subject to confirmation and reconciliation. In certain cases, the company has filed the civil cases against defaulted parties for recovery of old dues. Which have been decided in the favour of the company? However, in the opinion of the Management, all the debts and advances, including suit filed cases and deposit with OTCEI, are considered good for recovery. Further, balances of Sundry parties, debit or credit, are subject to confirmation / reconciliation. In the opinion of the Management, the Current Assets, Loans and Advances have a value of realization in the ordinary course of the business at least equal to the amount at which they were stated in the Balance Sheet.
10. Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.

**Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000**

Particulars	Amounts Received	
	31-03-2015	31-03-2014
Total amount received from issue of warrants	92885755	Nil
Purpose for which the money received has been utilized :		
a. Capital expenditure	Nil	Nil
b. Working capital	92885755	Nil



11. Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2015	01
Pending as on March 31, 2015	Nil

12. Cash Flow Statement :

The Cash Flow Statement is prepared by the "Indirect Method " set out un Accounting Standard on " Cash Flow Statement " and presents the Cash Flow by operating , investing and financing Activities.

13. Previous year's figures have been rearranged / regrouped wherever necessary.

Notes 1 to 12 forms an integral part of Balance Sheet and Profit & Loss Account

For **Mahesh Tejawani**  
Chartered Accountants

For and behalf of the Board  
**Pro Fin Capital Services Ltd.**

**Mahesh Tejawani**

Proprietor

Mg. Director

Jt Mg. Director

Membership No. 37194

Place : Mumbai

Dated : 29-05-2015

Independent Director



**Pro Fin Capital Services Limited**

**CIN: L51909MH1991PLC250695**

Registered Office: 503, Western Edge II, Western Express Highway, Borivli East, Mumbai 400066

Phone: 022-28702070, Email: profin.capital1@gmail.com

Website: www.profincapital.com

**ATTENDANCE SLIP**

Folio No. / DP ID & Client ID\*

No. of shares held

\* Applicable in case shares are held in electronic form.

I/We certify that I/We am/are registered shareholder /proxy for the registered shareholder of the Company.

I/We hereby record my presence at the TWENTY FOURTH ANNUAL GENERAL MEETING of the Company to be held at 503, Western Edge II, Western Express Highway, Borivali East, Mumbai 400066 on Wednesday, September 30, 2015 at 11.00 am

\_\_\_\_\_  
Shareholder's / Proxy's name in BLOCK letters Signature of Shareholder /Proxy

Note: 1 Please fill in the attendance slip and hand it over at the entrance of the Meeting Hall. Joint Shareholder(s) may obtain additional attendance slip at the venue of the meeting.

2 In case of joint holders attending the meeting, the member whose name appears as the first holder, in the order of names appearing in the register of members, will only be entitled to vote



**Pro Fin Capital Services Limited**

**CIN: L51909MH1991PLC250695**

Registered Office: 503, Western Edge II, Western Express Highway, Borivli East, Mumbai 400066

Phone: 022-28702070, Email:profin.capital1@gmail.com

Website: www.profincapital.com

**PROXY FORM**

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

24th Annual General Meeting on Wednesday,30th September,2015

Name of the shareholder(s) :

Registered address :

E-mail ID :

Folio No. /DP ID & Client ID\* :

No. of shares held :

\* Applicable in case shares are held in electronic form.

I/We, being the holder(s) of..... shares of Pro Fin Capital Services Limited, hereby appoint:

1 Name: ..... Email id: .....

Address: .....

Failing him/her ..... Signature ..... or

2 Name: ..... Email id: .....

Address: .....

Failing him/her ..... Signature ..... or

3 Name: ..... Email id: .....

Address: .....

..... Signature .....

as my / our proxy to attend and vote (on Poll) for me/us and on my/ our behalf at the TWENTY THIRD ANNUAL GENERAL MEETING of the Company to be held on WEDNESDAY, 30TH September, 2015 at 11. 00 a.m. at 503, Western Edge II, Western Express Highway, Borivli East, Mumbai 400066 and at any adjournment thereof in respect of such resolutions and in such manner as are indicated below:



Sr No.	Particulars	Type of resolution ordinary/special	I/We (assent to the resolution For	I/We (dissent to resolution Against
1	<b>Ordinary Business:</b> A Approval of Balacne Sheet as at 31st March, 2015 and stat ement of Profit & Loss for the year ended at that date ane the report of Directors and Auditors thereon.	Ordinary		
	B Approval of consolidated finan cial statement for 31/3/15 with audi tors report	Ordinary		
2	Appointment of Shri Abhay Gupta as Director	Ordinary		
3	Re-appointment of Auditor	Ordinary		
4	<b>Special Business :</b> Approval of Smt. Neha Gupta as Director	Ordinary		
5	Approval of increase in remunerati for Shri Anupam Gupta, Managing Director	Ordinary		
6	Approval of incerase in remunerati on for Shri Abhay Gupta, Joint Mana ging Director	Ordinary		
7	Approval for subdivision of the face value of Rs. 10 per share into 10 equity shares of Rs. 1 each	Ordinary		
8	Approval for amendment of capital clause in the Memorandum of Asso ciation consequent to sub division of shares	Special		
9	Approval for amendment of capital Clause in the Articles of Association consequent to sub division of shares	Special		

Signed this..... day of.....2015

Signature of Share Holder..... Signature of proxy holder(s).....

Revenue Stamp Rs. 1/-



**Note:**

1. This form in order to be effective must be duly stamped, completed and signed and must be deposited at the Registered Office of the Company, not later than 48 hours before the commencement of the meeting.
2. Please put a 'X' in the appropriate column against the resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all the resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.

**INSTRUCTIONS**

1. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
2. A shareholder can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a shareholder casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. The right of voting by ballot form shall not be exercised by a proxy.
4. To avoid fraudulent transactions, the identity/signature of the shareholders holding shares in electronic/ demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of shareholders holding shares in physical form is verified as per the records of the share transfer agent of the Company (i.e. Beetal Financial & Computer Services (P) Ltd.). Shareholders are requested to keep the same updated.
5. There will be only one ballot form for every Folio/DP ID Client ID irrespective of the number of joint holders.
6. In case of joint holders, the ballot form should be signed by the first named shareholder and in his/her absence by the next named shareholder. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such ballot form from other joint holders.
7. Where the ballot form has been signed by an authorized representative of the body corporate/ trust/ society, etc. a certified copy of the relevant authorization/ board resolution to vote should accompany the ballot form.



### Updation of shareholder information

To :

Pro Fin Capital Services Limited  
503, Western Edge II  
Western Express Highway  
Borivali East, Mumbai 400066

I/We request you to record the following information in respect of equity shares held by me/us in your company, as per details given below:

#### General Information

Folio Number	
Name of the first shareholder	
PAN	
CIN/Registration No.	
(Applicable for corporate shareholders)	
Tel Phone with STD	
Mobile No	
Email ID:	

#### Bank Details

(Name of the Bank	
Bank Branch Address	
Bank Account No.*	
IFSC(11 digit)	
MICR (9 digit)	

● **A blank cancelled cheque is enclosed for verification of bank details**

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed due to incomplete or incorrect information, I/We would not hold the Company responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/We hold the shares under the above folio number.

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Signature of the sole/first holder

Place :

Dated :



Regd. Book Post / Courier

*If undelivered, please return to :*

**Pro Fin Capital Services Limited**

503, Western Edge II

Western Express Highway,

Borivali East

Mumbai 400066