

Pro Fin Capital Services Ltd.



October 4, 2017

Department of Corporate Services
BSE Limited
Phiroze Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai – 400 001

Respected Sir or Madam,

Ref: Scrip Code – 511557, Scrip Name: PROFINC

Sub: Submission of Annual Report for the financial year 2016-17

Pursuant to Regulation 34(1) of the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 ("Listing Regulations"), we enclose herewith the Annual Report for the financial year 2016-17 approved and adopted in the 26th Annual General Meeting held on Friday, September 29, 2017 at the Registered Office of the Company.

Kindly take the same on record.

Thanking You,
Yours Faithfully



For PRO FIN CAPITAL SERVICES LTD.

Anupam N. Gupta
MANAGING DIRECTOR
DIN: 02294687

Encl: a/a

**26TH
ANNUAL REPORT
2016-2017**



PRO FIN CAPITAL SERVICES LTD.

Board of Directors

Shri Anupam Narain Gupta **02294687**
Managing Director

Shri Abhay Narain Gupta **02294699**
Whole-time Director

Shri Neeraj Kr. Arora **00177569**
Independent Director

Shri Anant Haridas Palan **02183592**
Independent Director

Smt. Neha Anupam Gupta **07145514**
Director

Auditors

M/s. Mahesh Tejwani
11-E, Parvati, 2nd Floor,
Jai Bharat Soc, 5th Road,
Khar (w), Mumbai-400 052

Bankers

HDFC Bank Limited
Punjab Nantional Bank

Registered Office

503, Western Edge II, Western Express High way,
Borivali (East), Mumbai - 400 066
CIN : LSI 909MH1991PLC250695

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

26th ANNUAL GENERAL MEETING

NOTICE is hereby given that the 26th Annual General Meeting of the Members of Pro Fin Capital Services Limited will be held on Friday, 29th September 2017 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 the Standalone & Consolidated audited financial statements of the Company for the financial year ended 31st March 2017, the reports of the Directors and the Auditors thereon.
2. To appoint a director in place of Shri Abhay N. Gupta (DIN 02294699) who retires by rotation and being eligible offers himself for re appointment.
3. To appoint Auditors to hold office from the conclusion of this Twenty Sixth Annual General Meeting, until the conclusion of the Thirty First Annual General Meeting and to fix their remuneration and pass the following resolution as an

Ordinary Resolution:

"RESOLVED THAT pursuant to provisions of Section 139 of Companies Act, 2013 and rules made thereunder, as amended from time to time, M/s. Mukesh Harjani, Chartered Accountants, Mumbai, (Membership No-041899), be and are hereby appointed as Auditors for a term of five years i.e. from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Thirty First AGM (subject to ratification of their appointment at every AGM) and that the Board of Directors be and are hereby authorized to fix their remuneration.

By Order of the Board of Directors

Date: - 30/05/2017

Place: - Mumbai

(Anupam N. Gupta)

Managing Director



IMPORTANT NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE VALID MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PERSON CAN ACT AS PROXY FOR ONLY 50 MEMBERS AND HOLDING IN AGGREGATE NOT MORE THAN 10 PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS PROXY FOR ANY OTHER MEMBER.

2. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.

3. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.

4. Members/ Proxies/ Authorized Representatives should bring the enclosed Attendance Slip, duly filled in for attending the Meeting. Copies of the Annual Reports or Attendance Slips will not be distributed at the Meeting.

5. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 23rd September, 2017 to Friday, 29th September, 2017 (both days inclusive) for the purpose of Annual General Meeting.

6. SEBI and the Ministry of Corporate Affairs encourage paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with Beetal Financial & Computer Services (P) Ltd., the Registrar & Share Transfer Agents of the Company and members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrar & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.

7. In terms of Section 101 and 136 of the Companies Act, 2013 read together with Rules made thereunder, the copy of the Annual Report including Financial Statements, Board's Report, etc. and this notice is being sent by electronic mode, to those members who have registered their e-mail IDs with their respective Depository Participants or with the Registrar & Share Transfer Agents of the Company, unless any member has requested for a physical copy of the same. In case you wish to get a physical copy of the Annual Report, you may send your request to profin.capital1@gmail.com mentioning your Folio/DP ID & Client ID. Members are requested to bring copies of the Annual Report to the Annual General Meeting. For members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode.

8. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed form SH-13 with the Company's Registrar & Share Transfer Agents. In respect of shares in electronic/ demat form, the members may please contact their respective Depository Participant.

9. Members are requested to send all communications relating to shares, change of address, etc., to the Registrar & Share Transfer Agents at the following address:

Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3rd Floor,

99 Madangir,

Behind Local Shopping Centre,

Nr. Dada Harsukhdas Mandir,

New-Delhi-110062

Tel: 011-29961281/83

Fax: 011-29961284



If the shares are held in electronic form, then change of address and change in Bank Accounts etc, should be furnished to the respective Depository Participants (DPs).

10. Voting options:

Voting through electronic means

A. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended by the Companies (Management & Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting votes by members using a electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL).

B. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.

C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

D. The remote e-voting period commences on 26th September, 2017 (9.00 am) and ends on 28th September, 2017 (5.00 pm). During this period the members of the Company holding shares either in physical form or dematerialized form, as on cut-off date of 22nd September, 2017 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

E. The instructions for shareholders voting electronically are as under:

(i) The voting period begins on Tuesday 26th September 2017 and ends on Thursday 28th September 2017. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 22nd September 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) 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 (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits



<p>Dividend Bank Details OR Date of Birth (DOB)</p>	<ul style="list-style-type: none"> of the sequence number in the PAN field. In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field. Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
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(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) 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. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) 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.

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

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non - Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to 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 account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to 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 (POA) 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 the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

F. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).

G. The voting rights shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 22nd September, 2017

H. Members registered with CDSL for remote e-voting can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password using "Forgot User Details / Password" option available on www.evotingindia.com or contact CDSL at the following toll free no.: 1800-200-5533.

I. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall be not allowed to vote again at the AGM

J. A person whose name is recorded in the register of members or in the register of the beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.00

K.Mr. L. Krishnamoorthy Practising Company Secretary, FCS 2358 COP No: 6885 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.

L. The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

M. The Scrutinizer shall after the conclusion of the voting at the AGM, will first count the votes cast at the meeting by polling papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

N. The result declared alongwith the result of the Scrutinizer shall be placed on the website of the Company viz. www.profincapital.com and on the website of the CDSL immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The results shall be immediately forwarded to the BSE Limited, Mumbai.

11. Brief Profile of Director being Appointed / Re-appointed:

Name	Mr. Abhay Narain Gupta
DIN	02294699
Age	36
Date of Appointment	16/02/2011
Qualification	B. Com
Expertise	10 years of rich experience in Financial markets
Other Directorships	1. Tera Natural Resources & Pellets Pvt. Ltd. 2. Asian Comtrade Pvt. Ltd. 3. Ambe Securities Pvt. Ltd. 4. Triyamb Securities Pvt. Ltd. 5. Asian Fintrade Services Pvt. Ltd.
Chairman/Member of Committee of the Board of the Companies on which he/she is a Director Shareholding in the	NIL



Company	63
Relationship with any Director(s) of the Company	He is related to Mr. Anupam Narain Gupta, Director of the Company.

Mumbai
Date: 30th May 2017

By Order of the Board of Directors

(Anupam N. Gupta)
Managing Director



DIRECTORS REPORT

To:

The Members of Pro Fin Capital Services Limited

Your Directors have pleasure in presenting their 26th Annual Report and the audited financial statements for the financial year ended 31st March 2017

1. Financial Results

The summarized financial results for the financial year ended 31st March 2017 are presented below:

Rs. In Lakhs

Details	Financial year ended 31 st March 2017 (stand alone)	Financial year ended 31 st March 2016 (stand alone)
Income	2649.23	609.11
Profit before interest, depreciation and taxation	125.25	58.99
Finance cost	15.64	3.99
Depreciation	20.73	8.39
Profit before tax	88.88	46.62
Taxation	22.83	8.00
Profit after tax	66.05	38.62
Minority Interest	---	---
Transfer & Appropriations	42.08	35.54
Balance brought forward previous year (loss)	(123.20)	(239.58)
Disposable surplus available after adjustments	23.97	3.08
Pref Share Warrants Deferred	---	113.30
Balance carried to balance sheet (loss)	(99.23)	(123.20)

2. Performance Evaluation

The Income during the financial year ended 31st March 2017 is Rs. 2649.23 compared to Rs. 609.11 in the previous year. The profit after tax for the financial year ended 31st March 2017 is Rs. 66.05 lakhs compared to Rs. 38.62 lakhs in the previous year.

The Board proposes to transfer Rs. 42.08 lacs which includes transfer to statutory reserves and standard asset reserve, as per RBI directions.

3. Dividend and Reserves

The Board of Directors does not recommend any dividend for the financial year ended 31st March 2017.

4. Share Capital

The Company has issued and allotted 16,00,000 equity shares to those holders of warrants who had exercised the option to convert the warrants into shares by paying the balance 75% of the price of share, in accordance with the provisions of SEBI (Issue of Capital And Disclosure Requirements) Regulations 2009. The total number of equity shares issued stood at 70,66,900 of Rs. 10 each and the paid up equity share capital of the Company as at 31st March 2016 stood at Rs. 7,06,69,000.



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 2017.

6. NBFC registration with RBI

During the year under report, the Company continues to be registered with RBI as an NBFC.

7. 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-à-vis other principal currencies, increase in inflation, movement in interest rates all these cause affect business sentiments and impact the Company's business. The Board of Directors is well aware of these risks and through operational management, continues to monitor them and guides in taking prompt action to mitigate the risks.

8. Subsidiaries

The company has a subsidiary Tera Natural Resources and Pellets Private Limited. Necessary details in form AOC-1 are annexed to this report. The annual accounts of the subsidiary and the related detailed information shall be made available to the shareholders of the Company, seeking such information at any point of time. The annual accounts of the subsidiary company shall also be kept open for inspection by any shareholder at the Registered Office at 503, Western Edge II, Western Express Highway, Borivali (E), Mumbai- 400 066.

9. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Stakeholder Relationship and Nomination & Remuneration Committees. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Non-Independent Directors was carried out by Independent Directors. The Directors expressed their satisfaction with the evaluation process

10. Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration.

11. Meetings of Board of Directors

The Meetings of the Board of Directors are scheduled well in advance and held at the Registered Office of the Company at Borivali. The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

During the year under report, the Board met 9 (nine) times on 30th May 2016, 12th August 2016, 25th August 2016, 11th November 2016, 01st December, 2016, 13th February 2017, 27th February 2017, 01st March 2017 & 22nd March 2017.



12. Listing of shares on BSE

During the financial year under report, the equity shares issued by the company continue to be listed on BSE. Out of the issued capital of 70,66,900 equity shares, 52,66,900 equity shares are listed at BSE. The Company has made a representation to SEBI against the decision of BSE for not granting listing and trading approval in respect of 18,00,000 equity shares. These shares were issued and allotted on conversion of warrants by the non-promoter persons. The Company is hopeful of getting the approval from BSE during the current financial year.

13. Extract of Annual Return

The extract of Annual Return in Form MGT 9, as required in section 92 of the Companies Act, 2013, as at 31st March 2017, is annexed to this report as Annexure C which forms part of this report.

14. Vigil Mechanism / Whistle Blower Policy

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach Chairman of the Audit Committee of the Company.

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise concerns about serious irregularities within the Company.

15. Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code.

All Board Directors and the designated employees have confirmed compliance with the Code.

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

Details of loans, guarantees and investments are given in the notes to the financial statements

17. 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.

18. 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) read with section 134(5) of the Companies Act, 2013 in preparation of the Annual Accounts for the year ended on March 31, 2017 and state that:

- (i) That in preparation of annual accounts for the year ended 31st March 2017 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 2017 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 have devised proper systems to ensure compliance with the provisions of all applicable law and that such systems were adequate and operating effectively

19. Statutory auditors

M/s. Mahesh Tajwani, Chartered Accountants who are statutory auditors of the Company hold office up to the forthcoming annual general meeting under section 139 (2) of the Act read with Companies (Audit and Auditors) Rules 2014 as their term of appoint ends.

20. The Company has received a notice from a member proposing the candidature of M/s. Mukesh Harjani, Chartered Accountants (Membership No. 041899) as auditor of the Company. The Company has received the written consent and the certificate of eligibility from the said auditor pursuant to section 139(1) of the Act. If appointed, 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 2022. Members are requested to appoint the auditors and fix their remuneration

21. Cost Audit

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

22. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Company has appointed Mr. L. Krishnamoorthy, Practising Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2016-2017. The Secretarial Audit Report for the financial year 2016-17 has been annexed to this Report.

23. 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.

24. Environment and safety

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

25. Statutory Information

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

26. Corporate Social Responsibility

The provisions of Section 135 are not applicable to the Company.

27. Related party transactions

All transactions entered with related parties for the financial year ended 31st March 2017 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.

28. Acknowledgement

Your Directors would like to place on record their sincere appreciation to Shareholders, Bankers, Institutions and Employees for their co-operation and support.

For and on behalf of Board of Directors

Place: Mumbai
Date: 30/05/2017

(Anupam N. Gupta)
Managing Director



Annexure B

Disclosure under the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014

● The ratio of remuneration of each director to the median remuneration of employees of the Company	1.49:1
The percentage of increase in remuneration of each director, CEO., CFO, Company Secretary or Manager	10.1% (for each managerial personnel)
The percentage increase in the median remuneration of employees in the financial year	268%
The number of permanent employees	10
Average percentile increase already made in the salaries of employees other than managerial personnel	33.8%
Comparison with percentile increase in the managerial remuneration and justification thereof	Compared to percentage increase in remuneration of other employees, the percentage increase in remuneration of managerial personnel is less
It is affirmed that the remuneration is as per the remuneration policy of the Company,	

- The remuneration is paid only to the Managing Director and Joint Managing Director. Other directors are not paid any remuneration other than sitting fees.

As there are no employees in receipt of remuneration in excess of limits mentioned in Rule 5(2) of the above rules, details mentioned in rule 5(2) are not given.



Annexure C to the Directors Report
Form No. MGT 9
EXTRACT OF ANNUAL RETURN
As on the Financial Year ended on March 31, 2017

[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, Borivali East, Mumbai 400066 Phone: 022-28702070 Email: profin.capital1@gmail.com Website: www.profincapital.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: beetal@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/ services	% to total turnover of the Company
1	Financial & Related Services	99711359	100

III Particulars of holding, subsidiary and associate companies :

Name and address of the Company	CIN associate	Holding/subsidiary/ held	Percentage of share	Applicable Section
Tera Natural Resources And Pellets Private Limited 84/22, Chandi Ghosh Road, Tollygunge, Kolkata 700040	U13200WB2007PTC116284	Subsidiary	46.92	2(87)(i)



IV Shareholding pattern
Shareholding pattern

Category of shareholders change	No of shares held at the end of the year year (31/03/ 2016)				No of shares held at the end of the (1/04/2017)				% during the year
	Demat	Physical	Total	% of total shares	Demat	Physical	Total	% of total shares	
A Promoters									
1 Indian									
Individual/HUF									
Bodies Corporate	1849739	--	1849739	26.17	1789784	--	25.33		(0.84)
Any other									
Sub total (A)(1)	1849739	--	1849739	26.17	1789784	--	25.33		(0.84)
2 Foreign	--	--	--	--	--	--	--	--	--
NRIs Individuals									
Bodies Corporate									
Any other									
Sub total (A)(2)									
Total shareholding of promoter (A)=(A)(1)+(A)(2)	1849739	--	1849739	26.17	1789784	--	1789784	25.33	(0.84)
B Public shareholding									
1 Institutions									
Mutual Funds/UTI	--	--	--	--	--	--	--	--	--
Banks/FI									
FIs	266444	--	266444	3.77	117944	--	117944	1.67	(2.10)
Others (Specify)									
Sub total (B)(1)	266444	--	266444	3.77	117944	--	117944	1.67	(2.10)
2 Non Institutions									
Bodies Corporate	502413	72100	574513	8.13	739213	68100	807313	11.42	3.29
Indian									
Overseas	--	--	--	--	--	--	--	--	--
Individuals holding nominal share capital upto Rs. 1 lakh	335926	1238300	1574226	22.28	563557	1128550	1692107	23.94	1.66
Individuals holding nominal capital in excess of Rs. 1 lakh	832992	19000000	2732992	38.67	463800	1900000	2363800	33.45	5.22
Clearing members	52	--	52	0.0007	30471	--	30471	0.43	0.4293
Others									



(Trusts/HUF/NRIs)	59334	59334	68934	0.98	5885	9600	15485	0.22	(0.76)
Sub Total (B)(2)	1730717	3220000	4850717	70.05	2052922	3106250	5159172	73.00	2.95
Total Public shareholding (B)=(B)(1)+(B)(2)	1997161	3220000	5217161	73.82	2170866	3106250	5277116	74.67	0.85
Grand total (A) + (B)	3846900	3220000	7066900	100	3960650	3106250	7066900	100	--

iii Change in promoters' shareholding

Sr	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 total 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	639892	9.05	19.30	649492	9.19	24.71	5.41
2	Triyamb Securities Private Limited	859904	12.17	13.30	859904	12.17	13.30	0.02
3	Ambe Securities Private Limited	177441	2.51	--	178800	2.53	31.21	0.02

iii Change in promoters' shareholding

Sr Particulars No	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: 9,600 At the end of the year	639892	9.05	649492	9.19
2 Ambe Securities Private Limited Purchases: 1359 At the end of the year	177441	2.51	178800	2.53
3 Triyamb Securities Private Limited Purchases/ Sales: Nil	859904	12.17	859904	12.17



IV Shareholding pattern of top 10 shareholders (Other than directors/promoters)									
SRL NO	NAME	SHARES1	PER1	DATE	DIFF	REMARKS	SHARE	2PER2	PAN-NO
	PRO FIN CAPITAL SERVICES LIMITED [TOP 10 SHAREHOLDER]								
1	SANDESH MADHUKAR SAWANT	1280000	18.1126	31-Mar-16		NIL MOVEMENT DURING THE YEAR	1280000	18.1126	0006453
		1280000	18.1126	31-Mar-17			1280000	18.1126	0006453
			0	- -				0	
2	ALLAN CYPRIAN REBELLO	320030	4.5286	31-Mar-16				0	AABPR 3932K
			0	05-Aug-16	120	Transfer	320150	4.5303	AABPR 3932K
		320150	4.5303	31-Mar-17			320150	4.5303	AABPR 3932K
			0	- -				0	
3	MULTIPLEX CAPITAL LTD	254882	3.6067	31-Mar-16				0	AAACM 1761B
			0	18-May-16	5750	Transfer	260632	3.6881	AAAC M1761B
			0	10-Jun-16	180	Transfer	260812	3.6906	AAAC M1761B
			0	22-Jul-16	2250	Transfer	263062	3.7225	AAAC M1761B
			0	05-Aug-16	-5050	Transfer	258012	3.651	AAAC M1761B
			0	19-Aug-16	-529	Transfer	257483	3.6435	AAAC M1761B
			0	09-Sep-16	68000	Transfer	325483	4.6057	AAAC M1761B
			0	16-Sep-16	-68000	Transfer	257483	3.6435	AAAC M1761B
			0	21-Oct-16	-10000	Transfer	247483	3.502	AAAC M1761B
			0	17-Feb-17	-350	Transfer	247133	3.497	AAAC M1761B
			0	31-Mar-17	-100	Transfer	247033	3.4956	AAAC M1761B
		247033	3.4956	31-Mar-17			247033	3.4956	AAAC M1761B
			0	- -				0	
4	KAVEE KUMAR	225000	3.1839	31-Mar-16				0	ADEPK 6840K



			0	12-Aug-16	-4000	Transfer	221000	3.1273	ADEPK 6840K
			0	09-Sep-16	-5000	Transfer	216000	3.0565	ADEPK 6840K
			0	23-Sep-16	-2500	Transfer	213500	3.0211	ADEPK 6840K
			0	30-Sep-16	-1000	Transfer	212500	3.007	ADEPK 6840K
			0	04-Nov-16	-2000	Transfer	210500	2.9787	ADEPK 6840K
			0	16-Dec-16	-1000	Transfer	209500	2.9645	ADEPK 6840K
			0	23-Dec-16	-1000	Transfer	208500	2.9504	ADEPK 6840K
		208500	2.9504	31-Mar-17			208500	2.9504	ADEPK 6840K
			0	- -				0	
5	SANJAY TRIPATHY	200000	2.8301	31-Mar-16		NIL MOV- EMENT- DURING THE YEAR	200000	2.8301	0006336
		200000	2.8301	31-Mar-17			200000	2.8301	0006336
			0	- -				0	
6	ANIL KUMAR	200000	2.8301	31-Mar-16		NIL MOV- EMENT- DURING THE YEAR	200000	2.8301	AAMPK 9521G
		200000	2.8301	31-Mar-17			200000	2.8301	AAMPK 9521G
			0	- -				0	
7	LTS INVESTMENT FUND LTD	246444	3.4873	31-Mar-16				0	AACGL 0500F
			0	29-Apr-16	10000	Transfer	256444	3.6288	AACGL 0500F
			0	19-Aug-16	-7500	Transfer	248944	3.5227	AACGL 0500F
			0	18-Nov-16	-105000	Transfer	143944	2.0369	AACGL 0500F
			0	17-Feb-17	40000	Transfer	183944	2.6029	AACGL 0500F
		183944	2.6029	31-Mar-17			183944	2.6029	AACGL 0500F
			0	- -				0	
8	AJAY KUMAR	100000	1.415	31-Mar-16		NIL MOV-	100000	1.415	0006299



						EMENT - DURING THE YEAR			
		100000	1.415	31-Mar-17			100000	1.415	0006299
9	NARESH GROVER	101053	0 1.4299	- - 31-Mar-16			0 0		ADNPG 0426G
			0	29-Apr-16	-5000	Transfer	98053	1.3592	ADNPG 0426G
			0	06-May-16	-10000	Transfer	86053	1.2177	ADNPG 0426G
			0	13-May-16	-1100	Transfer	84953	1.2021	ADNPG 0426G
			0	19-Aug-16	-711	Transfer	84242	1.1921	ADNPG 0426G
			0	26-Aug-16	-821	Transfer	83421	1.1804	ADNPG 0426G
			0	02-Sep-16	-1510	Transfer	81911	1.1591	ADNPG 0426G
			0	09-Sep-16	-6	Transfer	81905	1.159	ADNPG 0426G
			0	16-Sep-16	-394	Transfer	81511	1.1534	ADNPG 0426G
			0	23-Sep-16	-324	Transfer	81187	1.1488	ADNPG 0426G
			0	30-Sep-16	-1131	Transfer	80056	1.1328	ADNPG 0426G
			0	07-Oct-16	-684	Transfer	79372	1.1232	ADNPG 0426G
			0	14-Oct-16	-582	Transfer	78790	1.1149	ADNPG 0426G
		78790	1.1149	31-Mar-17			78790	1.1149	ADNPG 0426G
			0	- -			0		
10	RAJNISH KHARE	75000	1.0613	10-Jun-16			0		AHCPK 6376L
			0	22-Jul-16	-250	Transfer	74750	1.0577	AHCPK 6376L
		74750	1.0577	31-Mar-17			74750	1.0577	AHCPK 6376L
			0	- -			0		



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 Share holding
1	Shri Anupam Narain Gupta, Managing Director Increase due to purchases: 9,600	639892	9.05	649492	9.19
2	Shri Abhay Narain Gupta, Joint Managing Director Decrease due to sales: 53,000	53063	0.75	63	0.00

VI Indebtedness

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

Rs. In lakhs

Particulars	Secured loans Excluding deposits	Unsecured loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1 Principal amount	11.62	826.87	--	838.49
2 Interest due but not paid	--	--	--	--
3 Interest accrued but not due	--	--	--	--
Total (1+2+3)	11.62	82.87	--	838.49
Change in Indebtedness during the financial year				
Addition	48.29	457.76		506.05
Reduction	(9.40)	(175.94)		
Net change			--	(185.34)
Indebtedness at the end of the financial year				
1 Principal amount	50.51	1108.69		1159.20
2 Interest due but not paid	--	--	--	--
3 Interest accrued but not due				
Total (1+2+3)	50.51	1108.69	--	1159.20

VII Remuneration of directors and key managerial personnel

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

B Remuneration to other directors:



C Remuneration to Company Secretary:

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

Rs. In lakhs				
Sr No	Particulars of Total Remuneration	Anupam Gupta Managing Director	Abhay Gupta Jt. MD	Total:
1	Gross salary	6.00	6.00	12.00
2	Value of perquisites	--	--	--
3	Commission	--	--	--
4	Others (specify)	--	--	--
Total A		6.00	6.00	12.00

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)	0.74	0.74	1.48
	Total	0.74	0.74	1.48

C Remuneration to Company Secretary:

Sr No	Particulars of Remuneration	Nitin Vinayak Kore	Total
5	Gross salary	3.00	3.00
6	Value of perquisites	---	---
7	Commission	---	---
8	Others (Sitting fees)	3.00	3.00
	Total	3.00	3.00

VII Penalties/punishment/compounding of offences : Nil



SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March 2017

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 2017, 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 2017 according to the provisions of:

- i) The Companies Act 2013(the Act) and the rules made thereunder
- ii) SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015. In terms of Regulation 15(2)(a), Regulations 17 to 27, 46(2)(b)(i) and paras C, D and E of Schedule V are not applicable to the Company.
- iii) The Securities Contracts(Regulation) Act 1956 (SCRA) and the rules made there under
- iv) The Depositories Act 1996 and the Regulations and Bye-laws framed there under
- v) 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
- vi) The following Regulations and Guidelines prescribed under the Securities And Exchange Board of India Act 1992(SEBI Act)
 - a) The Securities And Exchange Board of India(Substantial Acquisition of Shares and Takeover) Regulations 2011
 - b) The Securities & Exchange Board of India(Prohibition of Insider Trading) Regulations 2015
 - c) 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.
- vii) Reserve Bank of India Directions relating to Non-Banking Financial Companies
The Company's shares are listed in BSE. They are listed at Delhi and Kolkata Stock Exchanges. However, by virtue of Exit Orders issued by SEBI, these exchanges ceased to carry out any trading in the shares listed in them.

The Secretarial Standards issued by the Institute of Company Secretaries of India are followed with regard to board meetings, committee meetings and annual general meeting held during the year.

During the period under review, the Company has complied with the provisions of the Acts, Rules, Regulations, Guidelines, standards, etc mentioned above.



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.

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 meaningful participation at the meeting.

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 and allotted 16,00,000 equity shares to those holders of warrants who had exercised the option to convert the warrants into shares by paying the balance 75% of the price of share, in accordance with the provisions of SEBI (Issue of Capital And Disclosure Requirements) Regulations 2009.

Place: Mumbai
Date: 30th May 2017

L Krishnamoorthy
FCS 2358: COP 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

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 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 about 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: 30th May 2017

L Krishnamoorthy
FCS 2358: COP No. 6885

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

2016 continues to be in the pattern of what we have been seeing after the NDA Government took over. Bold Government decisions combined with solid economic performance. This has made India the only BRICS market to be loved by global investors. Soft Global Commodity prices, Benign CPI, Controlled Fiscal deficit trending lower, Significant deposit growth, Stable INR and robust Foreign Exchange reserves all bode well for a country which 3 years back had 20% depreciation in its currency.

NBFC sector has gained systemic importance in the last few years as exemplified by its increasing share in total system credit. NBFCs now account for an estimated 15.2% of the total loans and account for about a third of the total system's incremental credit. NBFCs are now the biggest receiver of funds in the system. The growth in NBFCs is not only due to the strong financial performance reported by most players, but also due to the rise in the number of niche players over the years. December 2016 marked a charismatic growth for the Non-Banking Financial Companies (NBFC) industry. According to the Reserve Bank of India's (RBI) Financial Stability Report, NBFC loans expanded 16.6% in the year, nearly twice as fast as the pedestrian credit growth of 8.8% across the banking sector. The aggregate balance sheet of the NBFC sector expanded 15.5% in FY2016 in comparison to 15.7% in FY2015.

Opportunities and Threats

Your Company being a loan finance Company seeks opportunities in the capital market. The volatility in the stock indices in the financial year under report represents both an opportunity and challenge for the Company. Capital market activities in which most of our activities depend on is also influenced by global events and hence there is an amount of uncertainty in the near term outlook of the market.

Segment-wise Performance

The Company is engaged in financial services during the year under review, hence the requirement of segment-wise reporting is considered irrelevant.

Outlook

Major themes to impact Indian markets in 2017 include resurrection in consumption demand, growth led by policy reforms, move towards digitization, monetary stance of global central banks and economic policy decisions. The impact of demonetization has not weighed on consumption demand and growth continues to be robust. The 2017-18 will possibly see a higher growth rate with the Government coming up with the GST middle of this year. Improvement in consumption demand is expected to be a major theme for 2017 supported by a gradually rising rural wage level, implementation of the 7th pay commission, lowering of interest rates in the Indian economy and continued government spending. Interest subvention of 3% and 4% for housing loan announced in

December 2016 may boost low cost housing segment. Post the fixation of tax structure by the GST council, GST law now awaits implementation in 2017. This simplification of tax structure along with reforms pertaining to land, labor, infrastructure sectors and modification in FDI policy could contribute to sustainable growth over medium term. Global factors including commodity price movements, economic policies of the new government in the US and monetary policy stance of global central banks could have a bearing on capital flows to emerging markets like India. A likely rise in inflation pressure in the US from wage rise and expansion in the economy should elicit future interest rate hike actions by the US Federal Reserve in 2017. Global growth rate is likely to improve, led by the US and other emerging economies in 2017 which could benefit the Indian export oriented sectors. That said, India's lower linkage to global economies makes the domestic macro factors and fiscal trends the key catalysts to determine growth. Improving fiscal situation, inflation rate, exports growth, rising FDI flows point towards fundamental stability in the economy which augurs well for long term equity investing. Domestic corporate earnings volatility may increase as corporates attempt to tide over the impact of currency replacement program. Franklin Templeton expects Earnings for FY17 to be lower than estimate with EPS growth likely at around 10%. Consensus earnings growth for FY18 is expected to be healthy at high teens. The fundamental strength of the economy and attractive valuation levels of the market (1 year forward P/E for



BSE Sensex at 14.7x, moderate levels implying low risk) present a positive outlook for equity.
(Source: Franklin Templeton)

HUMAN RESOURCES

There has been no material development on the Human Resource/ Industrial Relations front during the year. As on 31st March 2017 the Company had 7 employees. The company has also provided medical insurance for its employees and family members as a welfare measure. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

The Company has no female employee and hence, provisions of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 are not applicable.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory / internal guidelines on a periodic basis.

New instructions/ guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and the functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in their course of their activities and processes. New products and process launched during the year were subjected to scrutiny from compliance standpoint and proposals of financial services were screened from risk control prospective.

The Company has complied with all requirements of regulatory authorities. No penalties / strictures were imposed on the Company by the stock exchanges or SEBI or any statutory authority on any matter related to capital market during the year.

CAUTIONARY STATEMENT

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projects, estimates, expectations and predictions may forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Mumbai
Date: 30th May, 2017

(Anupam N. Gupta)
Managing Director



INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF PRO FIN CAPITAL SERVICES LTD

Report on the Financial Statements

We have audited the accompanying financial statements of PRO FIN CAPITAL SERVICES LTD ("the Company"), which comprise the Balance Sheet as at 31/03/2017, 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 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 financial statements based on our audit.

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

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

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31/03/2017, 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, 2016 ("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 31/03/2017 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (g) 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 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.
 - iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

Date : 30/05/2017

Place : Mumbai

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

MAHESH TEJWANI
Proprietor
M.No. : 037194

"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of PRO FIN CAPITAL SERVICES LTD Company limited
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PRO FIN CAPITAL SERVICES LTD Company Limited

("The Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial

Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.



Date : 30/05/2017

Place : Mumbai

FORMAHESHTejwani
(Chartered Accountants)
Reg No. : 105828W

MAHESH TEJWANI
Proprietor
M.No. : 037194

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2017

To,

The Members of PRO FIN CAPITAL SERVICES LTD

(I) In Respect of Fixed Assets

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

(II) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(III) Compliance under section 189 of The Companies Act, 2013

The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

- (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (b) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (c) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

(iv) Compliance under section 185 and 186 of The Companies Act, 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

The company has not accepted any Deposits.

(vi) 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 (1) of section 148 of the Companies Act, 2013.

(vii) Deposit of Statutory Dues

- (a) 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.
- (b) There is no dispute with the revenue authorities regarding any duty or tax payable.

(viii) Repayment of Loans and Borrowings

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

(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The Company has not applied term loans for the purposes other than for which those are raised

(x) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.



(xi) Managerial Remuneration

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(xiii) Related party compliance with Section 177 and 188 of companies Act - 2013

Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc. , as required by the applicable accounting standards.

(xiv) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and registration has been obtained by the company

Place : Mumbai
Date : 30/05/2017

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

MAHESH TEJWANI
(Proprietor)
Membership No : 037194



PRO FIN CAPITAL SERVICES LTD. STANDALONE BALANCE SHEET AS AT 31 MARCH, 2017

Particulars	Note	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	70,669,000	70,669,000
(b) Reserves and surplus	3	172145521	168,427,000
2 Non Current Liabilities			
(a) Long Term Borrowings	4	115920316	83849619
3 Current liabilities			
(a) Trade Payables	5	537813023	169645042
(b) Other current liabilities	6	5559173	2,859,613
TOTAL		902107033	495,450,274
B ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		6,150,038	1,833,721
(ii) Intangible assets		-	-
(b) Long term Loans & Advances	8	41,495,931	41,495,931
(c) Long term Loans & Advances	9	15,408,561	8,127,298
(d) Deferred Tax Net	10	231,425	88,038
2 Current assets			
(a) Inventories	11	4,494,464	4,503,905
(b) Cash and cash equivalents	12	9,395,843	209,775
(c) Short-term loans and advances	13	824,930,771	439,191,606
TOTAL		902,107,033	495,450,274
Accompanying notes forming part of the financial statements	1	(0)	

For MAHESH TEJWANI
Chartered Accountants

For and on behalf of the Board of Directors

MAHESH TEJWANI
PROPRIETOR
MNO :-37194
Place : Mumbai
Date : 30-05-2017

Managing Director

Jt Managing Director

Independent Director

Company Secretary



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2017

Particulars	Note	For the year ended 31 March, 2017 Rs.	For the year ended 31 March, 2016 Rs.
1 Revenue from operations	14	264922873	60911510
2 Other income	15	599	803
3 Total revenue (1+2)		<u>264923472</u>	<u>60912313</u>
4 Expenses			
(a) Purchase of Stock In Trade (Shares)	16	241308243	50702968
(b) Change In Inventories of finished Goods, Stock in Trade and Work in Progress	17	9441	-2676905
(c) Employee benefits expense	18	3987500	2086500
(d) Finance Expense	19	1564293	399355
(d) Depreciation and amortisation expense	20	2073426	838563
(e) Other expenses	21	7092304	4899796
Total expenses		<u>256035207</u>	<u>56250277</u>
5 Profit / (Loss) before tax (3 - 4)		8888265	4662036
6 Tax expense: Current Tax		2426201	888352
Deferred Tax		-143387	-88038
Provision For Standard Assets		2886930	2,259,044
Statutory reserve		1321090	1,294,922
7 Profit / (Loss) for the year (5 - 6)		2397431	307756
8 Earnings per share (of ₹10/- each):			
(a) Basic & diluted	22	0.34	0.04
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

Company Secretary



NOTES FORMING PART OF FINANCIAL STATEMENT AS ON 31 MARCH 2017

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

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Note 2		
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
85,00,000 Equity Shares of Rs.10/- each	<u>85,000,000</u>	<u>85,000,000</u>
ISSUED		
70,66,900 Equity Shares of Rs. 10/- each fully paid	<u>70,66,900</u>	<u>70,66,900</u>
SUBSCRIBED & PAID UP		
70,66,900 Equity Shares of Rs. 10/- each fully paid	<u>70,66,900</u>	<u>70,66,900</u>
TOTAL	<u>70,66,900</u>	<u>70,66,900</u>

Note 2 (a) Reconciliation of number of shares

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares Held	Rs	No. of Shares Held	Rs
Equity Shares:				
Shares At the Beginning of the year	7,066,900	70,669,000	5,466,900	54,669,000
Add: Shares issued during the year			1,600,000	16,000,000
Shares At the End of the year	7,066,900	70,669,000	7,066,900	70,669,000

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 2017		As at 31st March 2016	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	598,392	8.47	639,892	9.05
TRIYAMB SECURITIES PVT LTD	0	0.00	859,904	12.18
SUNDESH M SAWANT	1,280,000	18.11	1,280,000.00	18.11



Note 3

RESERVE AND SURPLUS

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
	Note 3	
General Reserves - As per last Balance Sheet	500,000	500,000
Share Premium		
Opening Balance	178,953,001	18,873,001
Add: Additions During the year	165,280,000	
Closing Balance	178,953,001	178,953,001
Statutory Reserve		
Opening Balance	1,294,922	-
Add: Additions During the year	1321090	1,294,922
Closing Balance	<u>2616012</u>	<u>1,294,922</u>
Profit & Loss Account		
Opening balance	(12,320,923)	(23,958,679)
Add: Preferential Share Warrants Deferred		11,380,000
Add: Profit / (Loss) for the year	2379431 (9923492)	307,756 (12,320,923)
TOTAL	<u>172145521</u>	<u>168,427,000</u>

Note 4

LONG TERM BORROWINGS

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Secured Loans		
Term Loans		
From Banks		
LOAN FROM HDFC BANK (Repayable in 60 Installments) (Secured against Vehicle)	886886	1161689
LOAN FROM ICICI BANK (Repayable in 60 installments) (Secured against Vehicle)	4163957	
UNSECURED LOANS		
From Subsidiaries		
Tera Natural Resource & Pellets Pvt LTD	92929102	72651700
From Related Parties		
Abhey Gupta	576018	1013000
Anupam Gupta	1869998	1671000
	2446016	2684000
From Others	15497555	7352230
TOTAL	<u>115,820,316</u>	<u>83,849,619</u>



Note 5

TRADE PAYABLES

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Acceptances		
Other than Related Parties	537813028	169645042
TOTAL	537813028	169645042

Note 6

OTHER CURRENT LIABILITIES

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Other Payable	343802	337712
Statutory Liabilities	69397	262857
Provision for Standard Asset (as per RBI Guidelines)	5145974	2259044
TOTAL	5559173	2859613

Note 7

Fixed Assets

i) Tangible assets

Particulars.	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	ASON	ADDITION	SALE	TOTAL	UPTO	Provided	SALE/ ADJU- ST ME- NTS	Total upto	ASON	ASON
Motor car	01-04-2016 3,071,780	DURING 6,389,743	DURING	ASON 9,461,523	01-04-2016 1,238,059	During the 2,073,426	0	3,311,485	6,150,038	1,833,721
TOTAL	0	6,389,743	0	9,461,523	399,496	2,073,426	0	2,472,922	6,150,038	1,833,721
PREVIOUS YR	3,071,780			3,071,780	399,496	838,563	0	1,238,059	1,833,721	2,672,284

Disposal / Adjustments during the year includes Write Off of Assets Gross Block Rs Nil (Previous Year : 22,43,791) and Accumulated Depreciation Rs Nil-(Previous Year : 21,44,063/-)


Note 8
NON CURRENT INVESTMENTS

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Unquoted		
Trade Investments		
Shares In Subsidiary		
Tera Natural Resource & Pellets Pvt Ltd	41495931	41495931
128150 Equity Shares of Rs 10/- per share for Rs 328/- each		
	41495931	41495931

Note 9
LONG TERM LOANS & ADVANCES

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
a) Security Deposit (unsecured considered Good) Other Than Related Parties	2008000	2008000
Related Parties		
Rashi Gupta	2200000	1200000
b) TDS & Income tax (Net of Provisions)	9536440	3859604
c) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances (unsecured considered Good)	1526627	1022200
	15408561	8127298

Note 10
DEFERRED TAX ASSET

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Deferred Tax Asset	231425	88038
	231425	88038

Note 11
INVENTORIES

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
INVENTORIES -SHARES (At lower of cost or Market value, taken, valued and certified by the Management)	4494464	4503905
TOTAL	4494464	4503905



Notes 12

CASH & CASH EQUIVALENTS

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
CASH IN HAND	558,007	13,327
BALANCE WITH BANKS	8,837,836	196,448
TOTAL	9,395,843	209,775

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	0	118937	118937
Add: Permitted Receipts	0	150000	150000
Less: Permitted Payments	0	6840	6840
Closing Cash In Hand as on 30.12.2016	0	262097	262097

Note 13

SHORT TERM LOANS & ADVANCES

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Advances(Unsecured,Considered Good)	824859621	439171456
Loans & Advance to Related Party Rashi Gupta	71150	20150
TOTAL	824830771	439181606

Note 14

REVENUE FROM OPERATIONS

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Sale (Trading of Shares)	182400991	21031140
Interest Received	82521882	39680370
TOTAL	264922873	60911510

Note 15

INDIRECT INCOME

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Dividend	599	803
TOTAL	599	803



Note 16

PURCHASE OF STOCK IN TRADE

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Purchase of Shares	241308243	50702968
TOTAL	241308243	50702968

Note 17

**CHANGES IN INVENTORIES OF FINISHED GOODS
STOCK IN TRADE**

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Opening Stock of Shares	4503905	1827000
Closing Stock of Shares	4494464	4503905
TOTAL	9441	(2676905)

Note 18

EMPLOYEE BENEFIT EXPENSE

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Salaries & Establishment Other Than Related Party Related Party	2,717,500	928500 -
Managerial Remuneration	1,200,000	1090000
Director Sitting Fee	70,000	70000
TOTAL	3,987,500	2086500

Note 19

Finance Expense

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Interest on Car Loan	458,353	133830
Interest on Private Parties	1,105,885	265525
Other Interest	55	-
TOTAL	1,564,293	399355

Note 20

DEPRICATION & AMORTISATION EXPENSE

	As at 31.3. 2017 Rs.	As at 31.3.2016 Rs.
Deprication	2,073,426	838563
TOTAL	2,073,426	838563



Note 21

OTHER EXPENSES

Other than Related Party

	<u>As at 31.3. 2017 Rs.</u>	<u>As at 31.3.2016 Rs.</u>
Membership & Subscription	71,113	58,488
Electricity & Water Charges	124,920	180,290
Professional charges	1,656,248	632,785
Telephone & Communication Expenses	204,534	209,820
Business Promotion	1,078,656	-
Bank Charges	3,530	7,795
AGM Expenses	30,250	-
Roc Filing Fees	2,400	11,800
Accounting Charges	25,000	25,000
Cable charges	44,260	10,080
Advertisement Exp.	48,528	63,155
Postage & Courier Charges	10,610	6,057
Printing & stationery expense	122,460	-
Demat Charges	5,800	5,907
Audit Fee	28,080	28,080
Insurance	1,304	-
Travelling Expenses	707,063	560,65
Repair & Maintenance	64,263	38,040
Staff Welfare	174,096	12099
Office Expense	94,850	12790
Donation	-	500000
Conveyance	102,050	4500
Car Expense	450,747.00	207035
Commission	1,000,000.00	1870000
Mis Expenses	83,532.00	-
Related Party		
Rent - Rashi Gupta	960000	960000
	7,092,304	4,899,796

Note 22

EARNING PER SHARE

	<u>As at 31.3. 2017 Rs.</u>	<u>As at 31.3.2016 Rs.</u>
Net Profit after Tax used as numerator	2397431	307,756
Weighted Average number of Equity Shares used as denominator	7,069,900	7,069,900
Earning per Share (Rs.)		
(Basic & Diluted)	0.34	0.04
Face Value per Share (Rs.)	10	10



**PRO FIN CAPITAL SERVICES LIMITED
STANDALONE CASH FLOW STATEMENT AS ON 31ST MARCH, 2017**

PARTICULARS	AS AT 31.03-2017	AS AT 31.03-2016
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	8,888,265.00	4,662,036.00
Add: Depreciation	2,073,426.00	838,563.00
Less:- Interest income		
Add:- Interest Exps	1,564,293.00	
Operating profit/(Loss) before working capital Change	12,525,984.00	5,500,599.00
Decrease/ (Increase) in Long Term Loans & Advances	(1,504,427.00)	(1,000,000.00)
Decrease/ (Increase) in Short Term Loans & Advances	(385,716,610.00)	(193,233,183.00)
Decrease(Increase) in Inventory	9,441.00	(2,676,905.00)
Increase/ (Decrease) in Other Current Liabilities	(209,925.00)	63,398.00
Increase/ (Decrease) in Trade Payables	368,167,981.00	47,804,702.00
Cash Generate from operations	(6,727,556.00)	(143,541,399.00)
Direct Tax/ FBT Paid (net of refund)	(8,203,037.00)	(3,333,817.00)
B) Cash flow from Investing Activities etc	(14,930,593.00)	(146,875,216.00)
Purchase in Fixed Assets	(6,389,743.00)	—
(Increase)/ Decrease of Investments		
Net cash used in investing activities	(6,389,743.00)	0.00
C)		
Cash Flow from Financing Activities		
Repayments of Long Term Secured Loans	(940,789)	—
Proceeds Received in Long Term Borrowings	33,011,486	45,783,122
Increase in Share Premium	—	165,280,000.00
Increase in Reserves (shares warrant deferred)	—	11,330,000.00
Decrease in Share Warrants	—	(92,885,755.00)
Interest Paid	(1,564,293.00)	
Increase in Share capital (Net of share warrants conversion)	—	16,000,000.00
Net Cash outflow from Financing Activities	30,506,404.00	145,507,367.00
Net Increase in cash and cash equivalents	9,186,068	(1,367,849)
Cash & Cash Equivalents		
- Opening	209,775	1,577,624
Cash & Cash Equivalents		
- Closing	9,395,843	209,775



In terms of our report attached.

For **MAHESH TEJWANI**

Chartered Accountants

MAHESH TEJWANI

PROPRIETOR

MNO :-37194

Place : Mumbai

Date : 30-05-2017

For and on behalf of the Board of Directors

Independent Director

Managing Director

Jt Managing Director

Company Secretary

NOTE -1

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.

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. Rashi Anand Kedia	Relative of Key Managerial Personnel
4	Mr. Abhay Narain Gupta	Key Managerial Personnel
5	Triyamb Securities Private Ltd.	Associate Companies
6	Asian Fintrade Services Pvt Ltd	Associate Companies
7	Ambe Securities Pvt Ltd	Associate Companies
8	Profin Commodities Pvt Ltd	Associate Companies
9	Mrs Neha Gupta.	Key Managerial Personnel
10	Tera Natural Resources And Pellets Private Limited	Subsidiary Company



● **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	12,00,000/-	Nil	12,00,000/-	10,90,000/-
Rent	Nil	Nil	9,60,000/-	9,60,000/-	9,60,000/-
Purchase of inventories (Shares)	241308242.70			241308242.70	44015920.20
Sale of inventories (Shares)	182400990.89			182400990.89	17850404.78

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)

Income Tax Expense comprises current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for current accounting period in accordance with the applicable rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred Tax reflects the impact of timing difference between according income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation and items relating to capital losses which is recognized based on virtual certainty, supported by continuing evidence that there will be sufficient future taxable income available to realize the assets.

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.)	
	31.03.2017	31.03.2016
Profit attributable to the Shareholders	23,97,431	3,07,756
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	70,66,900	70,66,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(0.34)	(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	31.03.2017		31.03.2016	
Equity Share	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	333300	4503905	233000	1827000
Purchases	329500	241308242	1547798	50702968
Sales	330100	241317683	1447498	21031140
Closing Stock	332700	4494464	333300	4503905

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	2016-2017 (Rs.)	2015-2016 (Rs.)
Salaries	12,00,000	10,90,000

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	2016-17 (Rs.)	2015-16 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	28090	28090
b) For other Services	-	

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.

11. Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2017	Nil
Pending as on March 31, 2017	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 Tejwani

For and behalf of the Board

Chartered Accountants

Pro Fin Capital Services Ltd.

Reg No. :105828W

Mahesh Tejwani

Proprietor

Mg. Director

Jt Mg. Director

Membership No. 37194

Place : Mumbai

Dated : 30-05-2017

Independent Director

Company Secretary

Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A" Subsidiaries

1. Serial No.	01
2. Name of Subsidiary	Tera Natural Resources & Pellets Pvt. Ltd.
3. Reporting period for the subsidiary	1st April 2016 to 31st March 2017
4. Reporting currency	Indian Rupees
5. Share Capital	27,31,120
6. Reserves & Surplus	10,47,02,118
7. Total Assets	17,12,95,313
8. Total Liabilities	6,38,62,075
9. Investments	22,80,000
10. Turnover	11,25,949
11. Profit / Loss	65,637
12. Proposed dividend	Not Applicable
13. Percentage of shareholding	46.92



INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF PRO FIN CAPITAL SERVICES LTD

Report on the Financial Statements

We have audited the accompanying Consolidated financial statements of PRO FIN CAPITAL SERVICES LTD ("the Holding Company") and its Subsidiary Tera Natural Resources & Pellets Private Limited, ("the Subsidiary Company"), which comprise the Consolidated Balance Sheet as at 31/03/2017, the Consolidated Statement of Profit and Loss, the Consolidated 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 Financial Statements

The Holding 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 consolidated financial statements that give a true and fair view of the financial position, financial performance and consolidated 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 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Holding Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Directors, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 31/03/2017, and its Consolidated Profit and its Consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("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:

- (h) 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.
- (i) 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.
- (j) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the consolidated cash flow statement dealt with by this Report are in agreement with the books of account.
- (k) In our opinion, the aforesaid Consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (l) On the basis of the written representations received from the directors as on 31/03/2017 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2017 from being appointed as a director in terms of Section 164 (2) of the Act.
- (m) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B".
- (n) 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:
 - v. The Holding Company has disclosed the impact of pending litigations on its financial position in its Consolidated financial statements.
 - vi. The Holding 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.
 - vii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
 - viii. The Holding Company has provided requisite disclosures in the Consolidated financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management.

Date : 30/05/2017

Place : Mumbai

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

MAHESH TEJWANI
Proprietor
M.No. : 037194

"Annexure B" to the Independent Auditor's Report of even date on the Consolidated Financial Statements of PRO FIN CAPITAL SERVICES LTD Company limited
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of PRO FIN CAPITAL SERVICES LTD Company Limited

("The Holding Company") as of March 31, 2017 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Holding Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities



include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.



Date : 30/05/2017

Place : Mumbai

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

MAHESH TEJWANI
Proprietor
M.No. : 037194

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2017

To,

The Members of PRO FIN CAPITAL SERVICES LTD

(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.
- (c) No Immovable properties are held in the name of Company

(2) In Respect of Inventories

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.

(3) Compliance under section 189 of The Companies Act, 2013

- (a) The Holding Company and its Subsidiary has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (b) The Holding Company and its Subsidiary has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013 hence this clause not applicable.
- (c) The Holding Company and its Subsidiary has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013. therefore this clause not applicable
- (d) The Holding Company and its Subsidiary has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013. therefore this clause not applicable

(4) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(5) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits

The Holding Company and its Subsidiary has has not accepted any Deposits.

(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 (1) of section 148 of the Companies Act, 2013.

(7) Deposit of Statutory Dues

- (a) 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.
- (b) There is no dispute with the revenue authorities regarding any duty or tax payable.

(8) Repayment of Loans and Borrowings

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



- (9) **Utilization of Money Raised by Public Offers and Term Loan For which they Raised**
The Holding Company has not applied term loans for the purposes other than for which those are raised
- (10) **Reporting of Fraud During the Year**
Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.
- (11) **Managerial Remuneration**
Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.
- (12) **Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio**
As per information and records available with us The Holding & Subsidiary company is not Nidhi Company.
- (13) **Related party compliance with Section 177 and 188 of companies Act - 2013**
Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
- (14) **Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures**
The Holding Company has made Preferential Allotment during the year and complied with all the requirements of Section 42 and the amount raised have been used for which the funds raised. Further the company has written off Rs1,13,30,000/- for nonpayment of balance 75% as required before the stipulated time. The Subsidiary company has not raised any shares through private placements.
- (15) **Compliance under section 192 of Companies Act - 2013**
The Holding & Subsidiary company has not entered into any non-cash transactions with directors or persons connected with him.
- (16) **Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934**
The Holding company are required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and registration has been obtained by the company.

Place : Mumbai
Date : 30/05/2017

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

MAHESH TEJWANI
(Proprietor)
Membership No : 037194



Pro Fin Capital Services Ltd. Consolidated Balance Sheet as at 31 March, 2017				
Particulars	Note	As at 31 March, 2017	As at 31 March, 2016	
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share capital	2	70,669,000	70,669,000	
(b) Reserves and surplus	3	181,138,288	177,388,968	
			-	
2 Minority Interest		57010179	56975339	
3 Non Current Liabilities				
(a) Long Term Borrowings	4	57517243	48471919	
(b) Deferred Tax Liabilities				
4 Current liabilities				
(a) Trade Payables	5	559780898	198112917	
(b) Other current liabilities	6	5,698,527	2,973,967	
TOTAL		931,814,133	552,592,110	
B ASSETS				
1 Non-current assets				
(a) Fixed assets	7			
(i) Tangible assets		6,172,005	1,862,733	
(ii) Intangible assets			-	
(b) Non Current investments	8	2,280,000	2,280,000	
(c) Long term Loans & Advances	9	15,870,446	8,506,026	
(d) Deferred Tax Asset	10	225,386	82,192	
2 Current assets				
(a) Inventories	11	4,494,464	4,503,905	
(b) Cash and cash equivalents	12	9,471,565	269,016	
(c) Short-term loans and advances	13	893,300,267	535,088,238	
TOTAL		931,814,133	552,592,110	
Accompanying notes forming part of the financial statements	1			



In terms of our report attached.

For MAHESH TEJWANI

Chartered Accountants

MAHESH TEJWANI

PROPRIETOR

MNO :-37194

Place : Mumbai

Date : 30-05-2017

For and on behalf of the Board of Directors

Managing Director Jt Managing Director

Independent Director Company Secretary



Pro Fin Capital Services Ltd. Consolidated Statement of Profit and Loss for the year ended 31 March, 2017			
Particulars	Note	"For the year ended "31 March, 2017""	For the year ended "31 March, 2016"
1 Revenue from operations	15	266048822	62731060
2 Other income	16	599	803
3 Total revenue (1+2)		266049421	62731863
4 Expenses			
(a) Purchase of Stock In Trade (Shares)		241308243	50702968
(b) Change In Inventories offinished Goods, Stock in Trade and Work in Progress		9441	-2676905
(c) Employee benefits expense	17	4334236	2233859
(d) Finance Expense		1564293	399355
(e) Depreciation and amortisation expense	18	2080471	847867
(f) Other expenses	19	7769204	6396573
Total expenses		257065888	57903717
5 Profit / (Loss) before tax (3 - 4)		8,983,533	4,828,146
6 Tax expense:			
Current Tax		2455839	939682
Deferred Tax		-143194	-80912
7 Profit / (Loss) for the year (5 -6)		6,671,088	3,979,376
8 Provision For Standard Assets		2,886,930	2,259,044
9 Statutory Reserve		1,321,090	1,294,922
10 Minority Interest		34,840	62,356
11 Profit/(Loss) for the year (7-8)		2,428,228	363,054
12 Earnings per share (of ` 10/- each):			
(a) Basic & diluted	20	0.34	0.05
Accompanying notes forming part of the financial statements	1		



In terms of our report attached.

**For MAHESH TEJWANI
Chartered Accountants**

For and on behalf of the Board of Directors

MAHESH TEJWANI

**Managing Director
Independent Director**

**Jt Managing Director
Company Secretary**



Notes Forming part of the financial statements

The Previous year figures have been regrouped /reclassified, wherever necessary to confirm to the current year presentation

Note 2

SHARE CAPITAL	AS AT 31-03-2017	AS AT 31-03-2016
AUTHORISED SHARE CAPITAL		
85,00,000 Equity Shares of Rs.10/- each	85,000,000	85,000,000
ISSUED		
70,66,900 Equity Shares of Rs. 10/- each fully paid	70,669,000	70,669,000
SUBSCRIBED & PAID UP		
70,66,900 Equity Shares of Rs. 10/- each fully paid	70,669,000	70,669,000
TOTAL	70,669,000	70,669,000

Note 2 (a) Reconciliation of number of shares

Particulars	As at 31st March 2017		As at 31st March 2016	
	No. of Shares Held	Rs	No. of Shares Held	Rs
Equity Shares:				
Shares At the Beginning of the year	7,066,900	70,669,000	5,466,900	54,669,000
Add: Shares Issued during the year			1,600,000	16,000,000
Shares At the End of the year	7,066,900	70,669,000	7,066,900	70,669,000

Note 2 (b)

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 2017		As at 31st March 2016	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	598,392	8.47	639,892	9.05
TRIYAMB SECURITIES PVT LTD	0.	00	859,904	12.16
SUNDESH M SAWANT	1,280,000	18.11	1,280,000.00	18.11

Note 3			
RESERVE AND SURPLUS			
	AS AT		AS AT
	31-03-2017		31-03-2016
General Reserves - As per last Balance Sheet	500,000		500,000
Share Premium			
Opening Balance	178,953,001		13,673,001
Add: Additions During the year			165,280,000
Closing Balance	178,953,001		178,953,001
Statutory Reserve			
Opening Balance	1,294,922		
Add: Additions During the year	1,321,090		1,294,922
Closing Balance	2,616,012		1,294,922
Capital Reserves			
Opening Balance	8,955,132	9,068,605	
Less Adjustment towards Prior Period Item	0	113,473	8,955,132
	8,955,132		8,955,132
Profit & Loss Account			
Opening balance	(12,314,087)	(24,007,141)	
Add: Preferential Share Warrants Deferred		1,330,000	
Add: Profit / (Loss) for the year	2,428,228	(9,885,859)	363,054
			(12,314,087)
TOTAL	181,138,286		177,388,968



Note 4

LONG TERM BORROWINGS

	<u>AS AT 31-03-2017</u>	<u>AS AT 31-03-2016</u>
Secured Loans		
Term Loans		
From Banks		
LOAN FROM HDFC BANK	886688	1,161,689.00
(Repayble in 60 installments)		
(Secured against Vehicle)		
 LOAN FROM ICICI BANK	 4163957	
(Repayble in 60 installments)		
(Secured against Vehicle)		
From Related Parties		
Abhay Gupta	576018	1013000
Anupam Gupta	1869998	1671000
Sumit Sharma	61000	61000
	2507016	2745000
 From Others	 49959584	 44565230
TOTAL	<u>57,517,243.00</u>	<u>48,471,919.00</u>

**Note 5****TRADE PAYABLES****AS AT
31-03-2017****AS AT
31-03-2016****Acceptances****Other than Related Parties****559780898****196112917****TOTAL****559780898****196112917****Note 6****OTHER CURRENT LIABILITIES****Statutory Liabilities****69397****262857****Other Payables****483156****452066****Provision For Standard Asset
(As per RBI Guidelines)****5145974****2259044****TOTAL****5698527****2973967**

i) Tangible assets

Particulars.	GROSS BLOCK					DEPRECIATION			NET BLOCK	
	ASON DURING 2016	ADDIT-ION DURING	SALE DURING THE	TOTAL ASON 31-03-	UPTO 01-04-2016	Provided During the year	SALE/A-DJUSTM+ ENTS	Total up- to 31-03-2017	ASON 31-03-2017	ASON 31-03-2016
Computers	77,000	0		77,000	47,988	7,045		55,033	21,967	29,012
Motor car	3,071,780	6,389,743		9,461,523	1,238,059	2,073,426	0	3,311,485	6,150,038	1,833,721
Total (Rs.)	3,148,780	6,389,743	0	9,538,523	47,988	2,080,471	0	55,033	6,172,005	1,862,738
Previous Year Figures	2,243,791	0	0	2,243,791	2,123,355	20,708	0	2,144,063	99,728	120,436

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 8

NON CURRENT INVESTMENTS

	AS AT 31-03-2017	AS AT 31-03-2016
Unquoted Trade Investments		
Equity Investments in Private Limited Company	2280000	2280000
	<u>2,280,000</u>	<u>2,280,000</u>

Note 9

LONG TERM LOANS & ADVANCES

	AS AT 31-03-2017	AS AT 31-03-2016
a) Security Deposit (unsecured considered Good)	2003000	2003000
b) Sales Tax Deposit	25000	25000
c) Deposit		
Related Parties		
Rashi Gupta	2200000	1200000
d) TDS & income tax (Net of Provisions)	10073325	4213332
e) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
f) Other Loans & Advances (unsecured considered Good)	1526627	1022200
	<u>15870448</u>	<u>8508028</u>



Note 10

	AS AT 31-03-2017	AS AT 31-03-2016
DEFERRED TAX (NET)		
Deferred Tax	225388	82192
	225,388	82,192

Note 11

	AS AT 31-03-2017	AS AT 31-03-2016
INVENTORIES		
INVENTORIES (At lower of cost or Market value, taken, valued and certified by the Management)	4,494,464	4,503,905
TOTAL	4,494,464	4,503,905

Note 13

CASH & CASH EQUIVALENTS	AS AT 31-03-2017	S AT 31-03-2016
CASH IN HAND	608,860	38,371
BALANCE WITH BANKS	8,862,705	230,645
TOTAL	9,471,565	269,016

The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016

Particulars	SBN	Other Denomination Notes	Total
Closing Cash in Hand as on 08.11.2016	0	148791	148791
Add: Permitted Receipts	0	200000	200000
Less: Permitted Payments	0	6840	6840
Closing Cash in Hand as on 30.12.2016	0	342951	342951



Note 14

SHORT TERM LOANS & ADVANCES	AS AT 31-03-2017	AS AT 31-03-2016
(Unsecured, Considered Good)	893229117	535068088
Loans & Advance to Related Party		
Raahi Gupta	71150	20150
TOTAL	893300267	535088238

Note 15

REVENUE FROM OPERATIONS	AS AT 31-03-2017	AS AT 31-03-2016
Sale (Trading Of Shares)	182400991	21031140
Interest Received	83847831	41699920
TOTAL	266048822	62731060

Note 16

INDIRECT INCOME	AS AT 31-03-2017	AS AT 31-03-2016
Dividend	599	803
Profit on sale of Current Investments		
TOTAL	599	803



Note 17

	AS AT 31-03-2017	AS AT 31-03-2016
PURCHASE OF STOCK IN TRADE		
Purchase of shares	241308243	50702968
TOTAL	241308243	50702968

Note 18

**CHANGES IN INVENTORIES OF FINISHED GOODS
STOCK IN TRADE**

	AS AT 31-03-2017	AS AT 31-03-2016
Opening Stock In Shares	4503905	1827000
Closing Stock In Shares	- 4494464	- 4503905
TOTAL	9441	2676905

Note 19

EMPLOYEE BENEFIT EXPENSE

	AS AT 31-03-2017	AS AT 31-03-2016
Salaries & Establishment Other Than Related Party Related Party	2,871,500.00	1048500
Mangerial Remuneration	1,200,000.00	1090000
Director Sitting Fee	70,000.00	70000
Staff Welfare	192,736.00	27359
TOTAL	4,334,236.00	2233859

Note 20

FINANCE EXPENSE

	AS AT 31-03-2017	AS AT 31-03-2016
Interest on Car Loan	458,353.00	133830
Interest on Private Parties	1,105,885.00	265525
Other Int	55.00	
TOTAL	1,564,293.00	399355



Note 21

	AS AT 31-03-2017	AS AT 31-03-2016
DEPRICATION & AMORTISATION EXPENSE		
Deprication	2,080,471.00	847867
TOTAL	2,080,471.00	847867

Note 22

	AS AT 31-03-2017	AS AT 31-03-2016
OTHER EXPENSES Other than Related Party		
Membership & Subscription	71,113	58,488
Electricity & Water Charges	124,920	180,290
Professional charges	1,885,748	688,835
Telephone & Communiacion Expenses	206,848	213,040
Business Promotion	1,078,656	
Bank Charges	4,162	8,461
AGM Expense	30,250	
Roc Filing Fees	4,400	26,800
Accounting Charges	25,000	25,000
Cable charges	44,260	10,080
Advertisment Exp.	46,528	63,155
Donation		500,000
Postage & Courier Charges	10,610	8,057
Stationery & Computer exp	137,760	10,250
Commission	1,000,000	1,870,000
Demat Charges	5,800	5,907
Audit Fee	53,090	53,090
Mis Expenses	83,532	
insurance	1,304	
Sundry Balance W/off	750,000	1,360,000
Travelling Expense	707,063	56,065
Repair & Maintenance	64,263	38,040
Conveyance	102,050	4,500
Office Expense	131,100	46,450
Car Expense	450,747	207,035
Sales Tax	-	5,030.00
Service Tax	10,000	
Related Party		
Rent - Rashi Gupta	960,000	960000
	7,769,204	6,396,573

**Note 23****EARNING PER SHARE**

	<u>AS AT</u> <u>31-03-2017</u>	<u>AS AT</u> <u>31-03-2016</u>
Net Profit after Tax used as numerator	2,428,228	363,054
Weighted Average number of Equity Shares used as denominator	7,069,900	7,069,900
Earning per Share (Rs.) (Basic & Diluted)	0.34	0.05
Face Value per Share (Rs.)	10	10



PRO FIN CAPITAL SERVICES LIMITED		
CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH, 2017		
PARTICULARS	AS AT	AS AT
	31.03-2017	31.03-2016
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	8,948,693.00	4,765,790.00
Add: Depreciation	2,080,471.00	847,867.00
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	11,029,164.00	5,613,657.00
Decrease/ (Increase) in Trade and Other receivables	0.00	0.00
Decrease/ (Increase) in Long Term Loans & Advances	(1,504,427.00)	(758,840.00)
Decrease/ (Increase) in Short Term Loans & Advances	(358,212,029.00)	(180,598,279.00)
Decrease(Increase) in Inventory	9,441.00	(2,676,905.00)
Increase/ (Decrease) in Other Current Liabilities	(162,370.00)	512,770.00
Increase/ (Decrease) in Trade Payables	363,667,981.00	55,960,331.00
Cash Generate from operations	14,827,760.00	(121,947,266.00)
Direct Tax/ FBT Paid (net of refund)	(8,315,632.00)	(3,515,772.00)
B) Cash flow from Investing Activities etc	6,512,128.00	(125,463,038.00)
(Increase)/ Decrease in Fixed Assets	(6,389,743.00)	0.00
(Increase)/ Decrease of Investments	-	-
Net cash used in investing activities	(6,389,743.00)	0.00
C) Cash Flow from Financing Activities		
Proceeds from issue of share warrants	-	(92,885,755.00)
Proceeds of Long Term Borrowings	9,045,324.00	24,349,422.00
Increase in Share Premium	-	165,280,000.00
REDUCTION IN CAPITAL RESERVE	-	(113,473.00)
Increase in Reserves (shares warrant deferred)	-	11,330,000.00
Increase in Minority Interest	34,840.00	(65,602.00)
Increase in Share capital	0.00	16,000,000.00
Net Cash outflow from Financing Activities	9,080,164.00	123,894,592.00
Net Increase in cash and cash equilents	9,202,549	(1,568,446)
Cash & Cash Equivalents		
- Opening	269,016	1,837,462
Cash & Cash Equivalents		
- Closing	9,471,565	269,016



In terms of our report attached.

**For MAHESH TEJWANI
Chartered Accountants**

For and on behalf of the Board of Directors

**MAHESH TEJWANI
PROPRIETOR
MNO :-37194
Place : Mumbai
Date : 5/30/2017**

**Managing Director
Jt Managing Director**

**Independent Director
Company Secretary**

NOTE -1**A. SIGNIFICANT ACCOUNTING POLICIES****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 Financial Statements, are recognized on accrual basis.

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 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 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.

Investment (Long Term)

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.

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.

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).

Revenue Recognition

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

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

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.

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.

Retirement benefit of Employees.

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.

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

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.

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.

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.

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.

Miscellaneous Expenditure

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

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

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	Asian Fintrade Services Pvt Ltd	Associate Companies
7	Ambe Securities Pvt Ltd	Associate Companies
8	Profin Commodities Pvt Ltd	Associate Companies
9	Mrs Neha Gupta.	Key Managerial Personnel
10	Tera Natural Resources And Pellets Private Limited	Subsidiary Company

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	12,00,000/-	Nil	12,00,000/-	10,90,000/-
Rent	Nil	Nil	9,60,000/-	9,60,000/-	9,60,000/-
Purchase of inventories (Shares)	241308242.70			241308242.70	44015920.20
Sale of inventories (Shares)	182400990.89			182400990.89	17850404.78
Segment reporting (AS-17)					



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.

Tax on Income (AS-22)

Income Tax Expense comprises current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for current accounting period in accordance with the applicable rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred Tax reflects the impact of timing difference between according income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation and items relating to capital losses which is recognized based on virtual certainty, supported by continuing evidence that there will be sufficient future taxable income available to realize the assets.

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.)	
	31.03.2017	31.03.2016
Profit attributable to the Shareholders	23,97,431	3,07,756
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	70,66,900	70,66,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(0.34)	(0.04)
Nominal Value of the shares (Rs.)	10	10

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	31.03.2017		31.03.2016	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	333300	4503905	233000	1827000
Purchases	329500	241308242	1547798	50702968
Sales	330100	241317683	1447498	21031140
Closing Stock	332700	4494464	333300	4503905

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

Managerial Remuneration

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

Particulars	2016-2017(Rs.)	2015-2016 (Rs.)
Salaries	12,00,000	10,90,000



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.

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

Auditors Remuneration includes:

Particulars	2016-17 (Rs.)	2015-16 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	28090	28090
b) For other Services	-	-

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.

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.

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.

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.

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.

Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.

Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2017	Nil
Pending as on March 31, 2017	Nil

Cash Flow Statement :

The Consolidated 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.

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 Tejwani
Chartered Accountants
Reg No. :105828W

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

Mahesh Tejwani
Proprietor
Membership No. 37194

Mg. Director

Jt Mg. Director

Place : Mumbai
Dated : 30-05-2017

Company Secretary

Independent Director



PRO FIN CAPITAL SERVICES LIMITED

CIN: L51909MH1991PLC250695

Registered Office: 503, Western Edge II,
Western Express Highway, Borivali (East), Mumbai-400 066

Tel No. 022-28702070,

Website: www.profincapital.com Email: profin.capital1@gmail.com

PROXYFORM

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

26th Annual General Meeting on Friday, 29th September, 2017

CIN:	L51909MH1991PLC250695		
Name of the Company:	Pro Fin Capital Services Limited		
Registered Office:	503, Western Edge II, Western Express Highway, Borivali (E), Mumbai-400066		
Name of the Member(s):			
Registered Address:			
E-mail Id:			
Folio No./ Client Id		DP ID:	

I/We, being the Member(s) of shares of the above named Company, hereby appoint

1. Name			
Address			
E-mail Id	Signature		
or failing him			
2. Name			
Address			
E-mail Id	Signature		
or failing him			
3. Name			
Address			
E-mail Id	Signature		

as my/our proxy to attend or vote for me/us and on my/our behalf at the Twenty-Sixth Annual General Meeting of the Company, to be held on Friday, September 29, 2017 at 11.00 a.m. at the Registered Office of the Company at 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai-400066 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Vote (Optional) (See Note No. 4)	
		For	Against
Ordinary Business			
1.	Adoption of -		
	a. The Standalone Financial Statement of the Company for the year ended March 31, 2017 and the report of Directors and Auditors thereon.		
	b. The Consolidated Financial Statement of the Company for the ended March 31, 2017, and the report of the Auditors thereon.		



2.	Appointment of Director in place of Mr. Abhay N. Gupta (holding DIN 02294699) who retires by rotation and being eligible, seeks re-appointment.		
3.	Ratification of appointment of Statutory Auditors of the Company, and to fix their remuneration.		

Signed this..... day of2017.

Signature of the Shareholder: _____

Signature of 1st Proxy holder: _____

Signature of 2nd Proxy holder: _____

Signature of 3rd Proxy holder: _____

Affix Revenue
Stamp

Note:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. If appointed for more than fifty Members, the Proxy shall choose any fifty Member and confirm the same to the Company before the commencement of specified period for inspection. In case the Proxy fails to do so, the Company shall consider only the first fifty proxies received as valid
3. Any alteration or correction made to this Proxy form must be initialed by the signatory / signatories.
4. If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For". If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "Against". If no direction is given, your Proxy may vote or abstain as he / she thinks fit.



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.



PRO FIN CAPITAL SERVICES LIMITED

CIN: L51909MH1991PLC250695

Registered Office: 503, Western Edge II,
Western Express Highway, Borivali (East), Mumbai-400 066

Tel No. 022-28702070,

Website: www.profincapital.com Email: profin.capital1@gmail.com

ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Regd. Folio No. / DP ID* / Client ID*:

Sl. No.

Name :

Address :

Joint Holder :

*Applicable for shares held in electronic form

I/We hereby record my/our presence at the **Twenty-Sixth Annual General Meeting** of the Company on Friday, 29th September, 2017 at 11.00 a.m. at the Registered Office of the Company at 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai-400 066

Full name of Member/Proxy _____

(IN BLOCK LETTERS)

Signature of the Member/Proxy

Note:

" Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD
--	---------	----------

The Remote e-voting facility will be available during the following period:

Commencement of Remote e-voting From 9.00 a.m. (IST) on	End of Remote e-voting Up to 5.00 p.m. (IST)
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The cut-off date for the purpose of remote e-voting & voting at the AGM is 22nd September 2017



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Updation of Shareholder information

To:

Pro Fin Capital Services Limited
503, Western Edge II
Western Express Highway
Borivali East, Mumbai 400 066

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 to Corporate Shareholders)	
Telephone with STD	
Mobile No.	
Email ID	

Bank Details

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

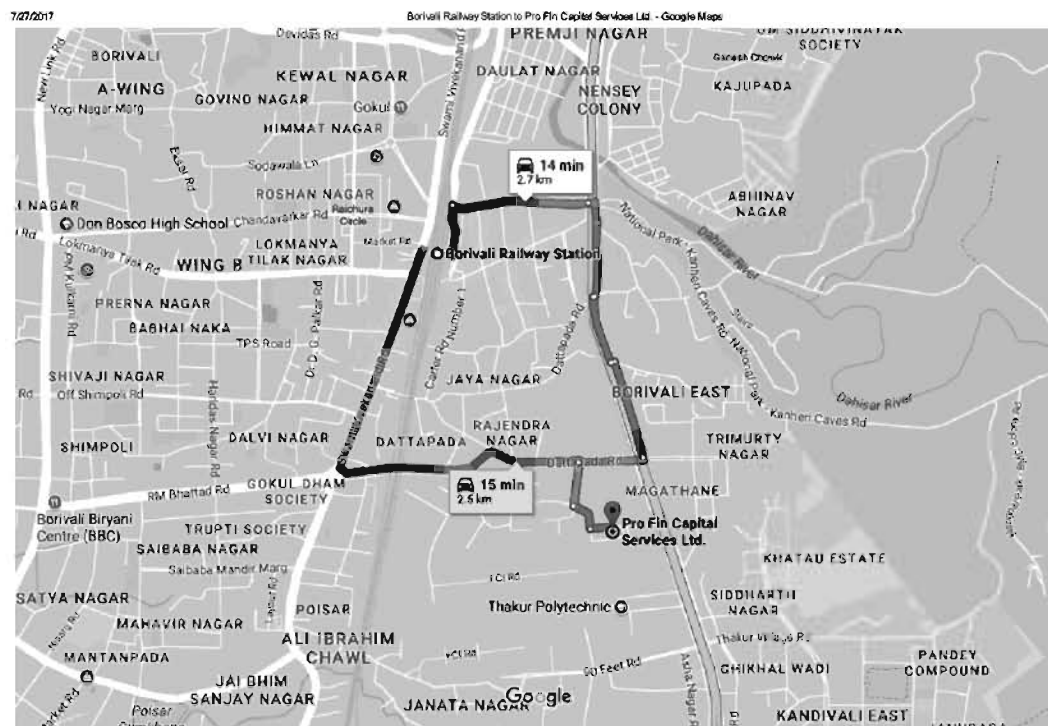
● **A blank cancelled cheque is enclosed for verification of bank details**

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.

Date:

Place: Mumbai

Signature of the sole/first holder

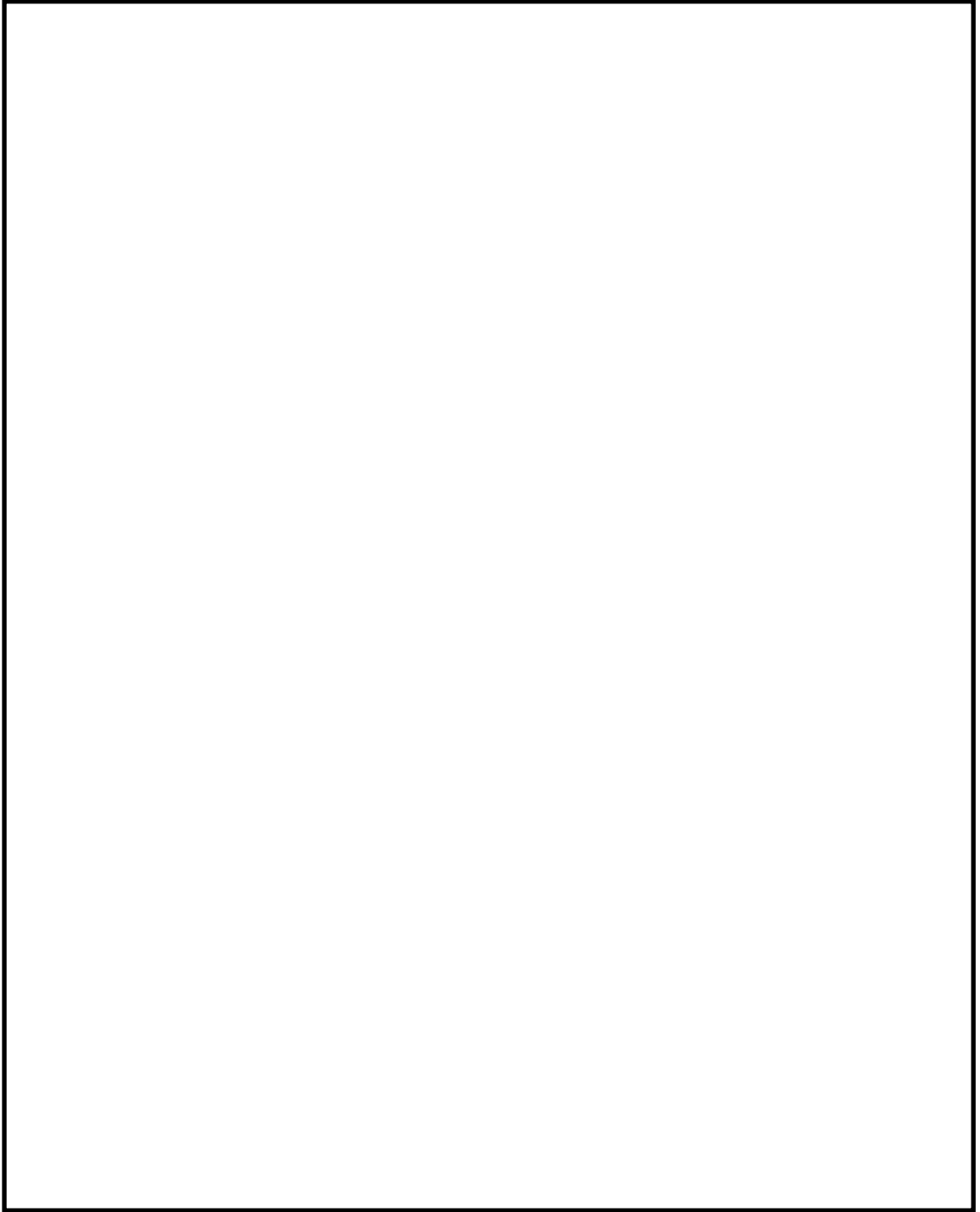


<https://www.google.co.in/maps/@19.0311111,72.8155556,15z> Borivali Railway Station - Borivali - East - Mumbai - Maharashtra - Pro Fin Capital Services Ltd. - B-503 - WESTERN-EDGE-2 - WESTERN-EXPRESS-HIGHWAY - BORIVALI(EAST) - Po. 2/3



This image shows a full page of white paper with horizontal blue ruling lines. The lines are evenly spaced and run across the width of the page, typical of notebook or legal stationery. There are no margins, text, or other markings on the page.

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Regd. Book Post / Courier

If undelivered return to

Profin.Capital Services LTD

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