



22<sup>nd</sup>  
ANNUAL REPORT  
2008-09



**MOONGIPA CAPITAL FINANCE LIMITED**

**ENDURING VALUES NEW AGE THINKING**





**BOARD OF DIRECTORS**

1. SH. SANJAY JAIN
2. SH. SANJEEV JAIN
3. SH. SHYAM SHARMA
4. SH. VIKAS SHARMA

**AUDITORS**

M/S SAXENA & SAXENA  
Chartered Accountants  
New Delhi - 110 005

**REGISTERED OFFICE**

18/14, W.E.A. Pusa Lane,  
Karol Bagh  
New Delhi - 110 005

**SHARE TRANSFER AGENT**

M/S SKY LINE FINANCIAL SERVICES PVT. LTD.  
123, Vinoba Puri, Lajpat Nagar-II  
New Delhi - 110 024

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## MOONGIPA CAPITAL FINANCE LIMITED

### NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the members of MOONGIPA CAPITAL FINANCE LIMITED will be held on Tuesday, the 29th September, 2009 at 11.00 A.M. at Gupta Farms, Alipur Road, Village Hollambi, Delhi - 110 036 to transact the following business.

#### ORDINARY BUSINESS

- To receive, consider, and adopt Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date and Report of the board of Directors and auditors thereon.
- To appoint director in place of Sh. Sanjay Jain, who retires by rotation and being eligible offers himself for re-appointment.
- To appoint the Statutory Auditors of the company, and to fix their remuneration.

#### SPECIAL BUSINESS

- To pass, with or without modification, the following resolution as ordinary resolution:

Resolved that Mr. Mohd. Nasir be appointed as Director of the company under Section 257 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

- To pass, with or without modification, the following resolution as ordinary resolution

Resolved that Mr. Rakesh Ram be appointed as Director of the company under Section 257 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a member proposing his candidature for the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

- To consider and if thought fit, to pass with or without modifications, the following resolution as a special resolution

Resolved that subject to the provisions of the companies Act, 1956, Securities Contracts (Regulation) Act, 1956, and the rules framed thereunder, listing agreement, SEBI (Delisting of Securities) Guidelines, 2003, and such other applicable laws, rules, regulations and guidelines, and subject to such approvals, permission and sanctions, as may be necessary, the Board of directors of the company be and is hereby authorised to seek voluntarily delisting of its securities from The Delhi Stock Exchange Association Ltd & Ahmedabad Stock Exchange Ltd stock exchanges.

Resolved Further that the securities of the company shall continue to be listed on the stock exchange having nation wide trading terminals vis The Bombay Stock Exchange Ltd. and therefore as per the said guidelines issued by the Securities and Exchange Board of India, no exit opportunity need to be given to the shareholders of the company.

Resolved further that the Board of directors of the company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolution

By order of the Board

Place : New Delhi  
Date : 06-08- 2009

Sanjay Jain  
Director

#### NOTES :

- A MEMBER ENTITLED TO ATTEND & VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT TO BE THE MEMBER OF THE COMPANY. CONSENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- The relevant Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item no 4 to 6 the Notice set about above, is annexed hereto.
- All documents referred to in the accompanying Notice & Explanatory Statement are open for inspection at the Registered office of the company during the office hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting.

- Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
- The Register of Members shall remain closed from 22nd September to 29th September, 2009. (Both days inclusive)
- Shareholders seeking any information and having any query with regard to accounts are requested to write the company early to enable the Management to keep the information ready.
- Details of Directors seeking re-appointment in the ensuing Annual General Meeting pursuant to Clause 49 of the Listing agreement.

Name of the Director	Mr. Sanjay Jain	Mr. Mohd. Nasir	Mr. Rakesh Ram
Age	43	24	22
Qualification	B.Com, L.L.B, M.B.A	U. Graduate	Graduate
Profile/Expertise in Specific functional	He has got a wide experience in the field of finance and administration	Experience in Automobile & Consumer Finance	Experience in Accounts & Finance.
List of other Companies in which Directorship held as on 31-3-2009	Moongipa Securities Limited	Nil	Nil
Chairman/Member of the Committees of the Board of Companies in which he is a Director as on 31-03-2009.	Member Share Transfer and investors grievance committee, Member Remuneration and Compensation committee Moongipa Capital Finance Ltd.	Nil	Nil
Share holding as on 31 <sup>st</sup> March, 2009	8.42%	Nil	Nil

#### EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT 1956

##### ITEM 4

The Company has received a notice under section 257 of the companies Act, 1956 from a member signifying his intention to propose the name of Mr. Mohd. Nasir for appointment as a director of the company.

The Directors recommended his appointment as a director liable to retire by rotation. None of the directors except Mr. Mohd. Nasir is interested in this resolution.

##### ITEM 5

The Company has received a notice under section 257 of the companies Act, 1956 from a member signifying his intention to propose the name of Mr. Rakesh Ram for appointment as a director of the company.

The Directors recommended his appointment as a director liable to retire by rotation. None of the directors except Mr. Rakesh Ram is interested in this resolution.

##### ITEM 6

The Securities & Exchange Board of India (SEBI) notified guidelines for voluntary delisting of securities from the stock exchange. As per clause 5.2 of SEBI (Delisting of Securities) Guidelines, 2003. An exit opportunity to the shareholders need not be given where securities of the company remain listed on the stock exchange having nation wide trading terminal, i.e., The Bombay Stock Exchange Ltd. and any other stock exchange that may be specified by SEBI in this regard.

At present the equity shares of the company are listed at Bombay Stock Exchange Ltd., The Delhi Stock Exchange Association Ltd. and Ahmedabad Stock Exchange Ltd. Considering the negligible volume of trading and as a part of its cost reduction measure, the consent of members is sought for getting its securities delisted from The Delhi Stock Exchange Association Ltd. and Ahmedabad Stock Exchange Ltd. as proposed in the special resolution. The securities of the company shall continue to be listed on The Bombay Stock Exchange Ltd.

The Board recommends the resolution for approval of members.

None of the directors is, in way, concerned or interested in the said resolution.

By order of the Board

Place : New Delhi  
Date : 06-08- 2009

Sanjay Jain  
Director



# MOONGIPA CAPITAL FINANCE LIMITED

## DIRECTORS' REPORT

To the members,

Your directors have the pleasure in presenting the 22<sup>nd</sup> Annual Report together with Audited Statement of Accounts of your Company for the year ended 31 March 2009.

### FINANCIAL RESULTS

Financial results of the company for the year under review are summarized below:

	(RS. In Lacs)	
	Year Ended 31.03.2009	Year Ended 31.03.2008
Gross Income	51.48	63.09
Less : Interest & Finance Charges	0.35	0.18
Less : Personnel & Admn. Charges	41.09	35.61
Less : Loss on sale of assets	10.18	0.00
Less: Depreciation	2.66	3.89
Less: Provision for Substandard Assets	1.05	0.00
Less : Provision for Taxes	15.46	7.67
Net Profit/(Loss) for the year	(19.32)	15.75

### DIVIDEND

Since with a view to conserve the resources the Directors have not recommended any dividend for the year ended 31.03.2009.

### PERFORMANCE REVIEW

The year 2008-09 has been an unprecedented year with extremely difficult economic conditions across the globe. Growth momentum dipped significantly for the economies across the world over the past few quarters. The Indian economy, which witnessed robust growth up to the second quarter of F. Year -2009, recorded sharp deceleration thereafter in the wake of persistent global economic slowdown. During the year under review, the Company has incurred a loss of Rs. 19.32 Lakhs as against the profit of Rs. 15.75 in the last financial year. However the directors are confident that the company shall revive back, considering the present market conditions and economic revival of the country.

### RBI PRUDENTIAL NORMS

Your Company continues to comply with all the guidelines issued by Reserve Bank of India, to the extent as applicable to the Company.

### BUSINESS PROSPECTS

As the demand for financial services is a derived demand, developments in economic conditions exert a significant influence on the business of financial sector. Your Company strives to continually understand the implication to its business of the various changes, as also the impact of altered economic policies and international developments.

### FIXED DEPOSITS

For the year ending 31 March 2009 your company has not accepted any deposits under section 58A of the Companies Act 1956.

### DIRECTOR

Mr. Sanjay Jain, director of your company, retires by rotation and being eligible offers himself for reappointment.

The company has received a notice in writing from member proposing the candidature of Mr. Mohd. Nasir under Section 257 of the Companies Act, 1956 for the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

The company has received a notice in writing from member proposing the candidature of Mr. Rakesh Ram under Section 257 of the Companies Act, 1956 for the office of director, be and is hereby appointed as a Director of the Company liable to retire by rotation.

Mr. Vikas Sharma has resigned from the Board of Directors. The Board expresses deep gratitude and appreciation for the co-operation and contribution extended by him during his tenure as director of the Company.

## DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors hereby confirm:

- In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- We have selected such accounting policies and applied them consistently and made judgements and estimates that are responsible and prudent so as to give a true & fair view of the state of affairs of the company at the end of financial year and of the profit of the company for that period.
- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- We have prepared the annual accounts on a going concern basis.

## CORPORATE GOVERNANCE

As per clause 49 of the listing agreement with the Stock Exchanges, a separate section of Corporate Governance report together with the certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report.

## AUDITORS

M/s Saxena & Saxena, Chartered Accountants, the Statutory Auditors of the company will retire at the conclusion of the Annual General Meeting and being eligible for reappointment consented to be reappointed for another term. Necessary certificates pursuant to Section 224(1)(B) of the Companies Act 1956 have been obtained from the Auditors.

## AUDITORS REPORT

The observations of the Auditors and the relevant notes on the accounts are self-explanatory & therefore do not call for any further comments.

## CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INCOME/OUTFLOW

Additional information on conservation of energy, technology absorption as required under Sec.217 (1)(e) Of the Companies Act, 1956 is not applicable, as the company is a Non-Manufacturing Company. During the year under review, there has been no foreign exchange Income/Out flow.

## PERSONNEL

There is no employee in the company whose particulars are required to be given under Section 217(2A) of the Companies Act 1956

## ACKNOWLEDGEMENT

Your directors would like to express their appreciation and gratitude to the company's Business Associates, Bankers, valued clients, Association of Leasing & Finance companies, Government agencies as well as shareholders.

Your directors also take the opportunity to place on record, their deep sense of appreciation of the devoted and dedicated services provided by the employees at all levels, and also their contribution towards company's continuing success.

For & On behalf of the Board

Place: New Delhi  
Date: 06-08-2009

Chairman

## MANAGEMENT DISCUSSION AND ANALYSIS

### 1. Industry Trends and Business Analysis

The activities of Finance and investment Companies in India have undergone qualitative changes over the years. They have become prominent in a wide range of activities. By now, their role as effective financial intermediaries has been well recognized as they have inherent ability to take inherent decisions, assume greater risks, apply innovative marketing strategies and customize their products and services according to the needs of the clients. In order to have a healthy financial and investment sectors in a country like ours, there has to be a sustainable marriage between the primary lending institutions (Banks and FIs) and the intermediaries so that both of them stick to their core competencies and not to compete with other unnecessarily.



**2. Opportunities, Threats & Outlook**

As the demand for financial services is a derived demand, developments in the industrial sector exert a significant influence on the business of financial sector. Your company strives to continually understand the implication to its business of the various changes, as also effect of altered economic policies and international developments.

**3. Risk and Concerns**

There are a lot of uncertainties on the interest front in the economy and there is the likelihood of the hardening of interest and the said situation may create a lot of turmoil in the market.

**4. Internal control system and their adequacy**

The company has adequate internal control systems commensurate with the Size of the business duly supplemented with an internal audit to ensure against any unauthorized use or disposition of assets.

The internal controls are periodically reviewed by the Audit Committee to ensure their adequacy and effectiveness.

**5. Human Resources**

Your Company has required manpower to manage its activities keeping in view its emphasis on cost reduction. The Company recognizes the importance of human resources in achieving success in its commercial pursuits and follows a good man management policy.

**6. Cautionary statement**

Statements in this "Management Discussion and Analysis Report" describing the Company objectives, projections, estimates, expectations or predictions may be "forward looking statements" within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could make a difference to the Company's operations include global and India demand supply conditions, cyclical demand and pricing in the Company's principal markets, changes in Government regulations, tax regimes, and economic developments within India.

**CORPORATE GOVERNANCE REPORT – 2008-09**

**1. COMPANY'S PHILOSOPHY**

Moongipa Capital Finance Ltd's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreements with stock exchanges, but also several voluntary practices aims at a superior level of business ethics, effective supervision and enhancement of shareholder's value.

**2. BOARD OF DIRECTORS**

**Composition of the Board**

The Board of Directors of the Company consists of four Members.

During the year under review, Eight Board Meetings were held on:-

30<sup>th</sup> April 2008, 31<sup>st</sup> July 2008, 07<sup>th</sup> August 2008, 10<sup>th</sup> October 2008, 31<sup>st</sup> October 2008, 27<sup>th</sup> December 2008, 31<sup>st</sup> January 2009 and 19<sup>th</sup> March 2009.

The composition of Board of Directors during the year 2008-09 and related informations:

Director	Category/ Date of Appointment	No. of Board Meetings Attended	Attendance At the AGM Held on 25/09/08	No. of Outside Director- ship(*)	No. of Outside Committee(s) On which Member Chairman
Sanjay Jain	Promoter / Executive / 16/07/1989	8	Yes	1	1
Shyam Sharma	Executive Independent / 28/06/2004	7	Yes	Nil	Nil
Sanjeev Jain	Non-Executive/ Independent / 12/12/2005	7	Yes	Nil	Nil
Vikas Sharma	Executive /Independent / 16/05/2007	8	Yes	Nil	Nil

\* Excluding Directorship in Private, Foreign Companies and Companies which are granted license under section 25 of the Companies Act 1956.

**3. COMMITTEES OF THE BOARD**

**(a) AUDIT COMMITTEE**

The role and the functions of the Audit Committee are as per the guidelines set out in the listing agreement with the stock exchanges and as per Companies Act 1956. The Committee acts as a link between the statutory auditors and the Board of Directors.

The responsibility of the Audit Committee include the overseeing of the financial reporting process to ensure fairness, adequate disclosures and credibility of financial statements, recommendation of appointment and removal of statutory auditors, review of the adequacy of internal control systems.

**Composition**

The Audit Committee comprised two executive & one non-executive independent directors. There were 5 meetings of the Committee during the year.

The details of composition of the Committee, dates, and attendance at its meetings are given below:

Date of meeting:

30<sup>th</sup> April 2008, 31<sup>st</sup> July 2008, 07<sup>th</sup> August 2008, 31<sup>st</sup> October 2008 and 31<sup>st</sup> January 2009.

The attendance during the current year is as under:

Name of Members	Categories of Directorship	Meetings Attended
Shyam Sharma	Member	5
Sanjeev Jain	Chairman	4
Vikas Sharma	Member	4

**(b). SHARE TRANSFER & INVESTORS GRIEVANCE COMMITTEE**

The Share Transfer & Investors Grievance Committee consists of two directors – Mr. Sanjay Jain and Mr. Shyam Sharma and is chaired by Mr. Shyam Sharma

The function and powers of the committee include approval and rejection of transfer and transmission of Shares, issue of duplicate certificates, review and redress of Shareholders and investor complaints relating to transfer of shares, non-receipt of dividends and non-receipt of Annual Report etc.

Committee meets once in the year.

**Name and designation of Compliance Officer:**

Mr. Sanjay Jain, Director

Investor's service:

No. of Complaints / Correspondence received during the year ended March 31, 2009:	Nil
No. of Complaints resolved to the Satisfaction of shareholders during the year:	Nil
No. of pending Share transfers as on 31st March 2009	Nil

**(c) REMUNERATION AND COMPENSATION COMMITTEE**

Remuneration Committee consists of two directors – Mr. Sanjay Jain and Mr. Shyam Sharma and is chaired by Mr. Shyam Sharma

The functions of the Remuneration Committee include recommendation of appointments to the Board, evaluation of the performance of the staff and also remuneration to the staff

Committee meets once in the year.

**4. DISCLOSURES**

- a) There are no materially significant transactions made by the Company with its promoters, directors or management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.
- b) No penalties have been imposed on the Company by the Stock Exchanges or the Securities and Exchange Board of India or any statutory authority on any matter related to capital markets during the last three years.



## MOONGIPA CAPITAL FINANCE LIMITED

### 5. MEANS OF COMMUNICATION

The Board of Directors of the Company approved and has taken on record the unaudited financial results within one month of close of quarter / half year and has communicated these and annual results to all the Stock Exchanges where the shares of the Company are listed and also published the same in the Dainik Mahalaxmi Bhagyodaya.

### 6. GENERAL SHAREHOLDER INFORMATION

22nd Annual General Meeting

Date 29th September 2009  
Time 11.00 A.M.  
Venue Gupta Farms, Allipur Road, Village Hollambi, Delhi-110036.

#### FINANCIAL CALENDER: APRIL 2009 TO MARCH 2010

First Quarter results Last week of July 2009  
Half Yearly Results Last week of October 2009  
Third Quarter results Last week of January 2010

#### Results for the year

Ending March 2010 Last week of April 2010  
Dates of Book Closure 22<sup>nd</sup> September to 29<sup>th</sup> September 2009. (Both days inclusive)

### 7. SHARE DETAILS

Listed at : The Stock Exchange, Mumbai, Delhi and Ahmedabad.

Stock Code:

Stock Exchange	Stock Code
BSE	530167
DSE	7894
ASE	37969

8. **Market Price Data:** During April 2008 to March 2009 the data were not available as there were no trading of shares in the Delhi Stock Exchange, Bombay Stock Exchange and Ahmedabad Stock Exchange.

9. **Share Transfer System :** Share Transfer Committee meets and approves share transfers. Sky Line Financial Services Pvt. Ltd, Company's Registrar & Share Transfer Agents process these transfers. Share transfers are registered and returned within 30 days from the date of lodgment if documents are complete in all respect.

### 10. Registrar and Transfer Agents:

M/S Sky Line Financial Services Pvt. Ltd,  
123, Vinoba Puri, Lajpat Nagar - II  
New Delhi-110024.

### 11. Distribution of the shareholding as on 31<sup>st</sup> March 2009

Range	No. of Share Holders	% of Share Holders	No. of Shares	% of Share Holding
1-5000	3071	82.29	577100	18.89
5001-10000	293	7.77	247700	8.11
10001-20000	137	3.63	216300	7.08
20001-30000	118	3.13	290100	9.50
30001-40000	12	0.32	43100	1.41
40001-50000	46	1.22	216600	7.09
50001-100000	23	0.61	174950	5.73
100001 and above	39	1.03	1288950	42.19
<b>Total</b>	<b>3739</b>	<b>100.00</b>	<b>3054800</b>	<b>100.00</b>

### 12. Categories of Shareholders as on 31<sup>st</sup> March 2009.

Category	No. of Shares Held	% of Share holding
Promoters	1039250	34.02
Others (Individuals/ Corporate Bodies)	2015550	65.98

### 13. Location and time of General Meetings held in last three years

Year	AGM/EGM	Location	Date	Time
2007-08	AGM	Gupta Farms Village Hollambi	25/09/2008	11.00 A.M
2006-07	AGM	Gupta Farms Village Hollambi	28/09/2007	11.00 A.M.
2005-06	AGM	Gupta Farms Village Hollambi	28/09/2006	11.00 A.M

### 14. ADDRESS FOR CORRESPONDENCE

Registered Office : 18/14, W.E.A., Pusa Lane, Karol Bagh, New Delhi-110005

For & On behalf of the Board

Chairman

Place: New Delhi  
Date 06-08-2009

### AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

We have examined the compliance of conditions of corporate governance by Moongipa Capital Finance Limited for the year ended on 31<sup>st</sup> March, 2009 as stipulated in clause 49 of the Listing Agreement of the said Company with stock exchange.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement except the company has not created any website for hosting of code of conduct.

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

For Saxena & Saxena  
Chartered Accountants

Vineet Agrawal  
Partner  
M. No. 403579

Place: New Delhi  
Date: 06 August 2009

### AUDITORS' REPORT

#### TO THE MEMBERS OF MOONGIPA CAPITAL FINANCE LIMITED

1. We have audited the attached Balance Sheet of Moongipa Capital Finance Ltd. as at March 31, 2009 and also the Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosure in the financial statement. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provide a reasonable basis for our opinion.

3. As required by Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Sub Section (4A) of section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.



## MOONGIPA CAPITAL FINANCE LIMITED

4. Further to our comments in the annexure referred to in paragraph (3) above, we report that:-
- (a) We have 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 appears from our examination of the books;
- (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
- (d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act 1956 *except AS-15 on Employee Benefits as the company has not provided the liability of gratuity since no employee has put in the qualified period of service.*
- (e) On the basis of the written representations received from the Directors, as on March 31, 2009, and taken on record by the Board of Directors, we report that none of the Directors of the Company are disqualified as on March 31, 2009 from being appointed as a director, in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956;
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- (i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2009;
- (ii) In the case of the Profit and Loss Account, of the loss of the Company for the year ended on that date, and
- (iii) In the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.
- (v) According to the information and explanations given to us, during the year the company has not entered into any transaction in pursuance of contracts or arrangements that needed to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vi) The Company has not accepted any deposits from the public.
- (vii) In our opinion, the internal audit system of the Company is commensurate with its size and nature of its business.
- (viii) The Company is in the business of financing therefore maintenance of Cost Records under Section 209 (1)(d) of the Companies Act, 1956 is not applicable.
- (ix) (a) According to the records, information and explanations provided to us, the company is generally regular in depositing with appropriate authorities undisputed amount of Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it and no undisputed amounts payable were outstanding as at March 31, 2009 for a period of more than six months from the date they became payable.
- (b) As per the information and explanations given to us there are no disputed statutory dues.
- (x) The company does not have any accumulated losses at the end of the financial year. The company has incurred cash losses during the financial year covered by our audit however it has not incurred cash losses in the immediately preceding financial year.
- (xi) Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks or debenture holders.
- (xii) In our opinion and according to the information and explanations given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in shares, securities, debentures and other investments.
- (xv) According to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) There were no term loans outstanding at the beginning of the year.
- (xvii) According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that the Company has not utilized any amount from short term sources towards long-term investment.
- (xviii) According to the information and explanations given to us, during the year, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- (xix) The Company has not issued any debentures. Therefore clause (xix) of the order is not applicable to the Company.
- (xx) The Company has not raised any money by way of public issues during the year.
- (xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For Saxena & Saxena  
Chartered Accountants

Vineet Agrawal  
Partner  
M. No. 403579

Place: New Delhi  
Date: 06 August 2009

**Annexure to the Auditors' Report of even date to the members of  
Moongipa Capital Finance Ltd. for the Financial Year 2008-2009  
Referred to in paragraph 3 of our Report of even date**

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
- (b) As explained to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
- (c) In our opinion and according to the information and explanation given to us the company has not disposed off a substantial part of its fixed assets during the year.
- (ii) The Company is in the business of financing and hence it does not hold any inventory of finished goods, stores, raw materials. Hence clause (ii) of Para 4 of the order is not applicable.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not taken or granted any loans during the year to parties covered in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.

For Saxena & Saxena  
Chartered Accountants

Vineet Agrawal  
Partner  
M. No. 403579

Place: - New Delhi  
Date: - 6<sup>th</sup> August 2009



**MOONGIPA CAPITAL FINANCE LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2009**

SCHEDULE	AS AT 31-03-2009 (Rs.)	AS AT 31-03-2008 (Rs.)
<b>SOURCES OF FUNDS</b>		
<b>SHARE HOLDERS' FUNDS</b>		
SHARE CAPITAL	30,548,000	30,548,000
RESERVES & SURPLUS	5,838,735	7,770,411
<b>LOAN FUNDS</b>		
SECURED LOANS	-	75
UNSECURED LOANS	-	126,530
	<u>36,386,735</u>	<u>38,445,016</u>
<b>APPLICATION OF FUNDS</b>		
<b>FIXED ASSETS</b>		
GROSS BLOCK	3,705,926	4,905,216
LESS: DEPRECIATION	2,812,552	3,645,270
NET BLOCK	893,374	1,259,946
INVESTMENTS	9,487,805	11,743,344
DEFERRED TAX (ASSETS)	12,624	1,272,570
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>		
FINANCIAL ASSETS	18,541,277	21,706,734
CASH AND BANK BALANCES	7,201,038	2,017,737
LOANS AND ADVANCES	475,877	870,431
	<u>26,218,192</u>	<u>24,594,902</u>
<b>LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>		
CURRENT LIABILITIES	118,490	320,564
PROVISIONS	106,770	105,181
	<u>225,260</u>	<u>425,745</u>
<b>NETT CURRENT ASSETS</b>	<u>25,992,932</u>	<u>24,169,157</u>
<b>TOTAL</b>	<u>36,386,735</u>	<u>38,445,016</u>

Significant Accounting Policies and Notes to the Accounts

As per our report of even date attached  
For Saxena & Saxena  
Chartered Accountants

For and on behalf of the Board

VINEET AGRAWAL  
Partner  
M. NO. 403579  
Place : New Delhi  
Date : 06-08-2009

Sanjay Jain  
Director

Shyam Sharma  
Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

SCHEDULE - I	AS AT 31-03-2009 (Rs.)	AS AT 31-03-2008 (Rs.)
<b>SHARE CAPITAL</b>		
<b>AUTHORISED</b>		
40,00,000 Equity Shares of Rs. 10/- each.	40,000,000	40,000,000
<b>ISSUED SUBSCRIBED AND PAID UP</b>		
30,54,800 Equity Shares of Rs. 10/- each fully paid up	30,548,000	30,548,000
	<u>30,548,000</u>	<u>30,548,000</u>

**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2009**

SCHEDULE	YEAR ENDED 31-03-2009 (Rs.)	YEAR ENDED 31-03-2008 (Rs.)
<b>INCOME</b>		
INCOME FROM OPERATIONS	X	4,783,929
OTHER INCOME	XI	363,715
	(A)	<u>5,147,644</u>
<b>EXPENDITURE</b>		
INTEREST & FINANCE CHARGES	XII	34,609
PERSONNEL EXPENSES	XIII	2,440,751
ADMINISTRATIVE AND OTHER EXPENSES	XIV	1,668,740
LOSS ON SALE OF ASSETS		865,520
DEPRECIATION		266,044
PROVISION FOR NON PERFORMING ASSETS		105,449
	(B)	<u>5,381,113</u>
PROFIT/(LOSS) BEFORE TAXATION (A-B)		(233,469)
PRIOR PERIOD ITEMS		152,209
PROFIT/(LOSS) BEFORE TAXATION		(385,678)
<b>LESS:-PROVISION FOR TAXES</b>		
CURRENT TAX		237,164
FRINGE BENEFIT TAX		42,321
DEFERRED TAX		1,259,946
EARLIER YEARS		6,567
		<u>(1,931,676)</u>
ADD: Profit Brought Forward From Previous Year		7,770,411
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<u>5,838,735</u>
<b>BASIC &amp; DILUTED EARNING PER SHARE</b>		<u>(0.63)</u>
		0.52
Significant Accounting Policies and Notes to the Accounts	XV	

As per our report of even date attached  
For Saxena & Saxena  
Chartered Accountants

For and on behalf of the Board

VINEET AGRAWAL  
Partner  
M. NO. 403579  
Place : New Delhi  
Date : 06-08-2009

Sanjay Jain  
Director

Shyam Sharma  
Director

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

SCHEDULE - II	AS AT 31-03-2009 (Rs.)	AS AT 31-03-2008 (Rs.)
<b>RESERVES &amp; SURPLUS</b>		
Profit & Loss A/C	5,838,735	7,770,411
	<u>5,838,735</u>	<u>7,770,411</u>
<b>SCHEDULE - III</b>		
<b>SECURED LOANS</b>		
CASH CREDIT FROM BANKS	-	75
(Against Hypothecation of assets/ Instalments on assets and personal guarantee of Directors)	-	75
	<u>-</u>	<u>75</u>
<b>UNSECURED LOANS</b>		
LEASE DEPOSITS	-	126,530
	<u>-</u>	<u>126,530</u>
<b>TOTAL Rs.</b>	<u>-</u>	<u>126605</u>




**MOONGIPA CAPITAL FINANCE LIMITED**
**SCHEDULE-IV**
**SCHEDULE OF FIXED ASSETS**

FIXED ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2008	ADD. DURING THE YEAR	DEL. DURING THE YEAR	AS AT 31.03.2009	AS AT 01.04.2008	PRO. DURING	W.B. DURING THE YEAR	AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
<b>LEASED ASSETS</b>										
VEHICLES	1263990		1263990	0	1077162	21601	1098763	0	0	186828
<b>TOTAL</b>	<b>1263990</b>		<b>1263990</b>	<b>0</b>	<b>1077162</b>	<b>21601</b>	<b>1098763</b>	<b>0</b>	<b>0</b>	<b>186828</b>
<b>OTHER ASSETS</b>										
LAND & BUILDING	161860			161860		0			161860	161860
COMPUTERS	855374			855374	597871	103001		700872	154502	257503
FURNITURE & FIXTURE	748490			748490	693146	10017		703163	45327	55344
PLANT & MACHINERY	213495			213495	137198	10141		147339	66156	76297
VEHICLES	1232500			1232500	899246	86279		985525	246975	333254
OFFICE EQUIPMENTS	429507	64700		494207	240648	35004		275652	218555	188859
	<b>3641226</b>	<b>64700</b>	<b>0</b>	<b>3705926</b>	<b>2568109</b>	<b>244443</b>	<b>0</b>	<b>2812552</b>	<b>893374</b>	<b>1073117</b>
<b>TOTAL</b>	<b>4905216</b>	<b>64700</b>	<b>1263990</b>	<b>3705926</b>	<b>3645271</b>	<b>266044</b>	<b>1098763</b>	<b>2812552</b>	<b>893374</b>	<b>1259945</b>
PREVIOUS YEAR	4741818	163398	0	4905216	3256265	389005	0	3645271	1259945	1485553

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	AS AT 31-03-2009 (Rs.)	AS AT 31-03-2008 (Rs.)
<b>SCHEDULE - V</b>		
<b>INVESTMENT</b>		
<b>INVESTMENT IN SHARES</b>		
<b>LONG TERM INVESTMENTS (QUOTED)</b>		
MOONGIPA SECURITIES LIMITED	8,173,472	8,173,472
8,16,300 Equity Shares of Rs. 10/- Each Fully Paid Up		
SMC GLOBAL SECURITIES LTD	39,000	39,000
3,900 Equity Shares of Rs. 10/- Each Fully Paid Up		
<b>INVESTMENT IN MUTUAL FUND (LONG TERM UNQUOTED)</b>		
KOTAK SECURITIES LIMITED-II	1,225,449	3,485,955
RELIANCE LIQUID FUND	49,884	44,917
	<b>9,487,805</b>	<b>11,743,344</b>
<b>SCHEDULE - VI</b>		
<b>FINANCIAL ASSETS</b>		
ASSETS FINANCED	1,054,489	5,801,650
CONSUMER LOANS	14,001,391	10,206,570
OTHER LOANS	3,485,397	5,698,514
	<b>18,541,277</b>	<b>21,706,734</b>
<b>SCHEDULE - VII</b>		
<b>CASH AND BANK BALANCES</b>		
Cash in Hand	231,068	142,362
Balance with scheduled Banks:		
In Current Accounts	312,729	1,875,375
In Fixed Deposit Accounts	6,500,000	-
Interest Accrued On FDR'S	157,241	-
	<b>7,201,038</b>	<b>2,017,737</b>

**SCHEDULES FORMING PART OF THE BALANCE SHEET**

	AS AT 31-03-2009 (Rs.)	AS AT 31-03-2008 (Rs.)
<b>SCHEDULE - VIII</b>		
<b>LOANS AND ADVANCES</b>		
<b>(Unsecured, considered good)</b>		
<b>ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED</b>		
	-	401,746
INCOME TAX (APPEAL)	149,693	149,693
T.D.S. (FY 2003-2004)	97,733	218,992
INCOME TAX REFUND (FY 2008-09)	128,451	-
SECURITY DEPOSIT	100,000	100,000
	<b>475,877</b>	<b>870,431</b>
<b>SCHEDULE-IX</b>		
<b>CURRENT LIABILITIES</b>		
EXPENSES PAYABLE	88,490	320,564
RENT SECURITY	30,000	-
	<b>118,490</b>	<b>320,564</b>
<b>PROVISIONS</b>		
PROVISION FOR INCOME TAX (NET OF ADVANCE TAX & TDS)	-	79,107
PROVISION FOR FRINGE BENEFIT TAX (NET OF ADVANCE TAX)	1,321	112
PROVISION FOR GRATUITY	-	25,962
PROVISION FOR NON PERFORMING ASSETS	105,449	-
	<b>106,770</b>	<b>105,181</b>
<b>SCHEDULE -X</b>		
<b>INCOME</b>		
HYPOTHECATION CHARGES 08-09	867,672	3,334,045
INCOME LOAN	3,578,033	1,150,915
INTEREST RECEIVED	338,224	1,177,399
	<b>4,783,929</b>	<b>5,662,359</b>



## MOONGIPA CAPITAL FINANCE LIMITED

### SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	AS AT 31-03-2009 (Rs.)	AS AT 31-03-2008 (Rs.)
<b>SCHEDULE - XI</b>		
<b>OTHER INCOME</b>		
RENT RECEIVED (TDS-19214, Previous Year-40158)	177,489	192,091
PROFIT ON SALE OF SHARES	-	423,400
INTEREST RECD ON F.D.R (GROSS, TDS NIL)	158,128	8,957
DIVIDEND	10,827	12,496
INTEREST RECD ON INCOME TAX REFUND	17,271	7,535
MISC. INCOME	-	2,425
	<b>363,715</b>	<b>646,904</b>
<b>SCHEDULE - XII</b>		
<b>INTEREST &amp; FINANCE CHARGES</b>		
BANK CHARGES	5,190	16,534
BANK INTEREST	29,419	1,282
	<b>34,609</b>	<b>17,816</b>
<b>SCHEDULE - XIII</b>		
<b>PERSONNEL EXPENSES</b>		
SALARIES AND ALLOWANCES	2,152,985	1,912,237
STAFF WELFARE & TRAINING EXPENSES	95,766	83,388
DIRECTOR'S REMUNERATION	192,000	144,000
	<b>2,440,751</b>	<b>2,139,625</b>
<b>SCHEDULE - XIV</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
ADVERTISEMENT	5,140	4,460
AUDIT FEES	16,545	16,854
NEWSPAPER & PERIODICALS	7,905	15,419
BUSINESS PROMOTION	348,857	313,755
CAR RUNNING & MAINTENANCE	13,353	69,516
CHARITY & DONATION	-	348
CONVEYANCE EXPENSES	100,925	80,507
DEMAT CHARGES	449	1,069
ELECTRICITY EXPENSES	78,700	42,555
FEES & SUBSCRIPTION	1,500	2,348
INSURANCE- VEHICLE	16,245	19,385
LEGAL & PROFESSIONAL CHARGES	197,633	144,100
LISTING FEES	299,803	10,200
MEETING EXP.	57,500	53,850
MISCELLANEOUS EXPENSES	39,720	22,578
POSTAGE & TELEGRAM	39,777	65,573
PRINTING & STATIONERY	135,876	156,948
RATES & TAXES	22,277	22,277
RENT	57,000	198,000
SCOOTER/ MOTOR CYCLE RUNNING & MAINTENANCE	37,742	37,092
SUNDRY REPAIRS AND MAINTENANCE	155,902	110,662
TELEPHONE EXPENSES	35,891	31,628
TRAVELLING EXPENSES	-	2,584
	<b>1,668,740</b>	<b>1,421,708</b>

### SCHEDULES FORMING PART OF ACCOUNTS AS ON 31.03.2009

#### SCHEDULE XV : SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE ACCOUNTS

##### A. SIGNIFICANT ACCOUNTING POLICIES

1. The financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting and they comply with the relevant provisions of the Companies Act, 1956 and the Accounting Standards issued by the Institute of chartered Accountants of India (ICAI), as applicable. The Company follows the directions prescribed by the Reserve bank of India for Non Banking Financial Companies.

##### 2. INCOME RECOGNITION

Revenue is being recognized in accordance with the generally accepted accounting principles in India on accrual basis. Accordingly, wherever there are uncertainties in the realization of income, the same is not accounted for till such time the uncertainty is resolved. Subject to the above, specific incomes have been accounted for as under:

- (i) Lease rental are accounted for on accrual basis
- (ii) Interest on loans & advances and income from service charges are accounted for on accrual basis except on NPA accounts where income has been realized on realization basis as per RBI guidelines..
- (iii) Dividends are accounted for as and when received.

##### 3. FIXED ASSETS & DEPRECIATION

(i) Leased out assets are stated at cost less depreciation. Depreciation on plant & machinery is provided as per straight line method and on other leased assets as per written down value method at the rates and in the manner specified in schedule XV of the Companies Act, 1956.

(ii) Assets other than leased out assets are also stated at cost less depreciation. Depreciation on these assets has been calculated in the same manner as stated above for leased out assets.

(iii) The leased assets whose lease period expired during the year have been written off.

##### 4. INVESTMENTS

Investments are stated at cost. Profit /Loss on sale of long term investments is provided at the time of Sale / transfer of investments. Any diminution in the value other than temporary is recognized in the accounts.

##### 5. NON PERFORMING ASSETS

Income recognition, assets classification, and provisioning in respect of non-performing assets have been done in accordance of RBI directives.

##### 6. RETIREMENT BENEFIT

No provision has been made for the retirement benefits payable to the employees since no employee has yet put in the qualifying period of services. The same will be provided when it becomes due.

##### 7. ACCOUNTING FOR TAXES ON INCOME

1) Tax expenses comprise Income Tax, Deferred Tax & Fringe Benefit Tax. Current Income Tax and Fringe Benefit Tax is measured at the amount expected to be paid to the Tax authorities in accordance with the provisions of Income Tax Act 1961.

2) The Deferred Tax resulting from timing difference between book and taxable profit is accounted for using tax rates and tax law that have been enacted or substantially enacted as at the Balance Sheet date. The deferred tax asset is recognized and carried forward only to the extent there is reasonable certainty that the asset will be realized in the future.

##### 8. IMPAIRMENT OF ASSETS

The carrying amount of assets is reviewed at each balance sheet date to ascertain impairment based on internal/ external factors. An impairment loss is recognized when the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is greater of the assets' net selling price and value in use.

##### 9. CONTINGENT LIABILITIES

Contingent Liabilities are not provided and are disclosed in notes to the accounts



## MOONGIPA CAPITAL FINANCE LIMITED

### 10. HYPOTHECATED STOCK

Hypothecated stock has been stated at the total amount of installments recoverable as reduced by the interest element pertaining to the following financial year.

### B. NOTES TO THE ACCOUNTS

1. Contingent liability not provided for- Rs. Nil	(Previous Year – Rs. Nil)
2. Claim against the company not acknowledged as debts- Nil	(Previous Year – Rs. Nil)
3. Estimated amount of contract remaining to be executed on capital accounts- Nil	(Previous Year – Rs. Nil)

### 4. AUDITORS REMUNERATION

	YEAR ENDED Rs. 31.03.2009	YEAR ENDED Rs. 31.03.2008
(i) Audit Fee	16,545	16,854
(ii) Other Services	-	-
	16,545	16,854

5. Earning and Expenditure in foreign currency Nil – Nil
6. Balances grouped under loans & advances and current liabilities are subject to confirmation.
7. The company does not owe any amount to a Small Scale Industrial Undertaking or small and medium enterprises.
8. The shares of Moongipa Securities Ltd and SMC Global Securities Ltd. being held by the company has not been traded during the year, as such the market value of such investment as on 31-03-2009 is not available.
9. The Company is involved in the business of financing activity only as such there is only one reportable segment. Further the Company is operating in India only. Therefore the reporting requirements as prescribed under AS-17 issued by the ICAI are not applicable to the company.
10. Deferred Tax Assets / (Liabilities)::

Particulars	Deferred Tax at 01.04.08	Current Year Credit/(Change)	Deferred tax at 31.03.09
Depreciation & Gratuity Provisions	12,72,570	12,59,946	12,624

### 11. Earning Per Share:

Sl. No.	Particulars	Current Year	Previous Year
a)	Net Profit available for Equity Share Holders		
	Net Profit after tax available for Equity Share Holders	(19,31,676)	15,745,83
b)	Calculation of Weighted Average No. of Equity Share @ 10/- each	30,54,800	30,54,800
c)	Basic Earning Per Share	(0.63)	0.52

### 12. Related Party Disclosure

Name	Nature of Relationship
Moongipa Securities Ltd	Enterprise over which key management personnel is able to exercise significant influence.

Transaction during the year NIL (Previous year Rs. NIL)

### 13. Disclosure as required under AS-29 for provisions.

Particulars	Opening Balance	Provided	Paid	Closing Balance
Income Tax	79,107	2,37,164	4,44,722	(1,28,451)
FBT	112	42,321	41,112	1,321
Gratuity	25,962	-	25,962	-
NPA	-	1,05,449	-	1,05,449

### 14. The amounts have been rounded off to the nearest rupee.

15. Previous year figures have been regrouped and rearranged wherever considered necessary to make them comparable with the current figures.

As per our report of even date attached

for SAXENA & SAXENA  
Chartered Accountants

For and on behalf of the Board

VINEET AGRAWAL  
Partner  
M. NO. 403579

SANJAY JAIN  
Director

SHYAM SHARMA  
Director

Place : New Delhi  
Dated : 06-08-2009

### SCHEDULE

As required in terms of Paragraph 9BB of NBFC Prudential Norms (Reserve Bank) Directions, 1998

		(Rs. in Lakhs)	
	Particulars	Amount Outstanding	Amount Overdue
<b>Liabilities side:</b>			
1	<b>Loans and advances availed by the NBFCs</b>		
	(a) Debentures : Secured	-	-
	Unsecured		
	(other than falling within the meaning of public deposits)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowings	-	-
	(e) Commercial paper	-	-
	(f) Public Deposits	-	-
	(g) Other loans (specify nature) Lease Deposits	-	-
	(h) Bank Borrowing	-	-
2.	<b>Break-up of 1 (f) above (Outstanding public deposits)</b>		
	(a) In the form of Unsecured debentures	-	-
	(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security.	-	-
	(c) Other public deposits	-	-

		(Rs. in Lakhs)	
	Particulars	Amount Outstanding	
<b>Assets side:</b>			
3.	<b>Break-up of Loans and Advances including bills receivables (other than those included in (4) below):</b>		
	(a) Secured	-	
	(b) Unsecured (including Advance for Business Assets)	174.87	
4.	<b>Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL / HP activities:</b>		
(i)	Lease assets including lease rentals under sundry debtors		
	(a) Financial lease	-	
	(b) Operating Lease	-	
(ii)	Net Stock on hire including hire charges under sundry debtors		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
(iii)	hypothecation loans counting towards EL / HP activities:		
	(a) Loans where assets have been repossessed	-	
	(b) Loans other than (a) above	10.54	



**MOONGIPA CAPITAL FINANCE LIMITED**

(Rs. in Lakhs)			
	Particulars	Cost	Market Value
5.	<b>Break-up of Investments:</b>		
	Current Investments:		
	1. Quoted:	0.39	N.A.
	2. Unquoted:		
	(i) Preference Shares	-	-
	(ii) Units of mutual funds	-	-
	Long term Investments:		
	1. Quoted:		
	(i) Equity Shares	81.73	N.A.
	(ii) Debentures and Bonds	-	-
	(iii) Government Securities	-	-
	2. Unquoted:		
	(i) Equity Shares	-	-
	(ii) Government Securities	-	-
	(iii) Units of mutual funds	12.76	N.A.
	<b>Total</b>	<b>94.88</b>	<b>N.A.</b>

\* Unquoted Investments disclosed at break up / fair value / NAV

6. Borrower group-wise classification of all assets, stock-on-hire and loans and advances:			
Category	Amount net of provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	-	-	-
2. Other than related parties	10.54	174.87	185.41
<b>Total</b>	<b>10.54</b>	<b>174.87</b>	<b>185.41</b>

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted)			
(Rs. in Lakhs)			
Category	Market Value Break up or fair value or NAV	Book Value (Net of Provisions)	
1. Related Parties **			
(a) Subsidiaries	-	-	-
(b) Companies in the same group	-	-	-
(c) Other related parties	N.A.	82.12	
2. Other than related parties	12.76	12.76	
<b>Total</b>	<b>12.76</b>	<b>94.88</b>	

\*\* As per Accounting Standard

8. Other information			
(Rs. in Lakhs)			
Particulars	Amount		
(i) <b>Gross Non-Performing Assets</b>			
(a) Related Parties	-	-	-
(b) Other than related parties	-	10.54	
(ii) <b>Net Non-Performing Assets</b>			
(a) Related Parties	-	-	-
(b) Other than related parties	-	9.49	
(iii) Assets acquired in satisfaction of debt (during the year)	-	-	-

**SCHEDULE XV**

**BALANCE SHEET ABSTRACT & COMPANY'S GENERAL BUSINESS PROFILE AS AT 31ST MARCH 2009**

**I. Registration Details**

Registration No. : 28669      State code : 055

Balance Sheet Date: 31 Month : 03 Year : 2009

**II. Capital Raised during the year (Rs.)**

Public Issue : NIL      Right Issue : NIL

Bonus Issue : NIL      Private Placement : NIL

**III. Position of mobilisation & deployment of funds (Amounts in Rs. Thousands)**

Total Liabilities : 36612      Total Assets : 36612

**Sources of Funds**

Paid up capital : 30548      Reserves & Surplus : 5839

Secured Loans : NIL      Unsecured Loans : NIL

**Application of Funds**

Net Fixed Asset : 893      Investments : 9488

Net Current Asset : 25993      Misc. Expenditure : NIL

Accumulated Loss: NIL      Deferred Tax Assets : 13

**IV. Performance of Company (Amounts in Rs. Thousands)**

Turnover/Income: 5148      Total Expenditure : 5534

Profit Before Tax: (386)      Profit After Tax : (1932)

Earning per share : (0.63)      Dividend : NIL

**V. Generic Names of Principal Products of the Company**

(As per Monetary terms)

Item Code No (ITC Code)	:	Not Applicable
Product Description	:	Finance, Hypothecation
Item Code No. (ITC Code)	:	Not Applicable
Product Description	:	Investment Banking
Item Code No (ITC Code)	:	Not Applicable
Product Description	:	Advisory services



**MOONGIPA CAPITAL FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009**

PARTICULARS	31.03.2009 RS.	31.03.2008 RS.
<b>A. CASH FLOW FROM OPERATING ACTIVITIES:-</b>		
Net Profit/Loss before tax and extraordinary items	(385,678)	2,341,110
Adjustments for:		
1. Depreciation	266,044	389,005
2. Loss on Sale of Assets	-	-
3. Provision for Gratuity	(25,962)	25,962
4. Provision for NPAs	105,449	-
Operating profit before working capital changes	(40,147)	2,756,077
Adjustments for Trade & other receivables		
1. Financial Assets & Loans & Advances	3,688,462	215,868
Trade Payable:		
1. Current Liabilities	(202,074)	(578,850)
Cash generated from operations	3,446,241	2,393,095
Less Payment of Taxes	(492,401)	(436,517)
Cash flow before extraordinary items	2,953,840	1,956,578
Extra ordinary items	-	-
Net Cash generated from operating activities (A)	2,953,840	1,956,578
<b>B. CASH FLOW FROM INVESTING ACTIVITIES:-</b>		
1. Purchase of Fixed Assets	(64,700)	(163,398)
2. Sale of Fixed Assets	38,697	-
3. Purchase/Sale of Investments	2,255,539	(230,872)
Net Cash used for Investing Activities (B)	2,229,536	(394,270)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES:-</b>		
1. Increase/(Decrease) in Bank Borrowings.	(75)	(897,453)
Net Cash generated from financing activities (C)	(75)	(897,453)
Net Increase/(Decrease) in cash and cash equivalent (A+B+C)	5,183,301	664,855
Cash and cash equivalent as at beginning of the year	2,017,737	1,352,881
Cash and cash equivalent as at end of the year	7,201,038	2,017,737
Cash and cash equivalent consist of		
CASH IN HAND	231,068	142,362
BALANCE WITH SCHEDULED BANKS:		
IN CURRENT ACCOUNTS	312,729	1,875,375
IN DEPOSIT ACCOUNTS	6,500,000	-
INTEREST ACCRUED ON FDR'S	157,241	-
	7,201,038	2,017,737

For and on behalf of the Board

VINEET AGRAWAL  
Partner  
M. NO. 403579

SANJAY JAIN  
Director

SHYAM SHARMA  
Director

Place : New Delhi  
Dated : 06-08-2009

**AUDITOR'S CERTIFICATE**

We have verified the annexed Cash Flow Statement of MOONGIPA CAPITAL FINANCE LIMITED derived from the audited annual accounts for the year ended 31st March, 2009, and found the same to be drawn in accordance therewith and also in accordance with the requirements of clause 32 of the Listing Agreements with the Stock Exchanges.

As per our report of even date

**FOR SAXENA & SAXENA**  
Chartered Accountants

VINEET AGRAWAL  
Partner  
M. NO. 403579  
Place : New Delhi  
Date : 06-08-2009

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**MOONGIPA CAPITAL FINANCE LIMITED**

Regd. Office: 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi – 110005

**PROXY FORM**

I/We.....of.....in the District of.....being a member/members of Moongipa Capital Finance Limited Company, hereby appoint..... Miss/Mrs./Mr.....of.....in the District of the.....as my/our proxy to vote for me/us on my/our behalf at the **22nd Annual General Meeting** of the company to be held on Tuesday, the 29th September, 2009 at 11.00 A.M. and at any adjournment thereof.  
Signed this.....day of.....2009

- NOTE:**
1. If a member is unable to attend the meeting he/she may sign this form and send it to the Registered Office of the Company so as to reach at least 48 hours before the time for holding the meeting.
  2. In view of the directive of Ministry of Finance, Government of India no gifts or coupons would be given to the shareholders for attending the Annual General Meeting.
  3. The copy of Annual Report may please be brought to the meeting.

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**MOONGIPA CAPITAL FINANCE LIMITED**

Regd. Office: 18/14, W.E.A. Pusa Lane, Karol Bagh, New Delhi – 110005

**ATTENDANCE SLIP**

TO BE HANDED AT THE ENTRANCE OF THE MEETING VENUE

Name and Address of Member	Folio No.
	No. of Shares Held

I hereby record my presence at the 22nd Annual General Meeting held at Gupta Farms, Alipur Road, Village Hollambi, Delhi – 110036 on Tuesday 29th September 2009.

Signature of the Member/Proxy

**MOONGIPA CAPITAL FINANCE LIMITED**  
Regd. Office: 18/14, W.E.A. Pusa Lane, Karol Bagh  
New Delhi - 110 005