

21st
ANNUAL REPORT
2011-2012



PRO FIN CAPITAL SERVICES LTD.

Board of Directors

Anupam Narain Gupta
Managing Director

Abhay Narain Gupta
Joint Managing Director

Sandesh Madhusudan Sawant

Ashish Nandkishore Taparia

Auditors

Mahesh Tejwani,
Chartered Accountant

Bankers

HDFC Bank Limited

Registered Office

S-4, JVTS Garden, Chattarpur Extension,
New Delhi 110074

Registrar and Transfer Agents:

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

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NOTICE

NOTICE is hereby given that the 21st Annual General meeting of the Company will be held on Wednesday, 26th September 2012 at S-4, JVTS Garden, Chhatarpur Extension, New Delhi 110074 at 10.00 am to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the audited balance sheet as at 31st March 2012 and the profit and loss account for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint Shri Anupam Narain Gupta, who retires by rotation, as a Director of the Company
3. To appoint auditors and fix their remuneration.

By order of the Board

Managing Director

New Delhi
31st May 2012

Registered office:
S-4, JVTS Garden,
Chattarpur Extension
New Delhi 110074

Notes :

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL METING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY**
2. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. Members/proxies should bring duly filled attendance slip and the printed annual accounts sent herewith.
4. For the purpose of the annual general meeting the register of members and the share transfer books of the Company will be closed from Wednesday, 19th September 2012 to Wednesday 26th September 2012 both days inclusive.

Registered office :
S-4, JVTS Garden,
Chattarpur Extension
New Delhi - 110074
31st May 2012

**Details of Director seeking appointment at the forthcoming Annual General Meeting
(In pursuance of Clause 49 of the listing agreement)**

Name of Director	Mr. Anupam Narain Gupta
Date of Birth	27 th May 1976
Nationality	Indian
Date of Appointment	16/2/2011
Qualification	B. Com.
Experience	12 years experience In equity analysis
Number of	50000
Shares held In the Company	
Other Director Ships	Ambe Securities Private Limited;, Triyamb Securities Private Limited, Pro Fin Commodities Private Limited.



DIRECTOR'S REPORT

To

The Members of Pro Fin Capital Services Limited

Your directors present the 21st Annual report with audited accounts for the year ended 31st March 2012.

Business operations

In the last years report, members were informed of the change in the management of the Company.

The new management has been considering various business opportunities which the Company can profitably undertake. With this end in view, the Company applied to Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) Mumbai for becoming a trading member in the capital market segment. The Company has obtained certificate of registration from SEBI for the capital market segment through NSE. The certificate is Awaited from BSE. The Company has also obtained certificate of registration from SEBI as a Stock Broker. Barring unforeseen circumstances, the Company hopes to commence its operations in the capital market segment both in the BSE and NSE during the current financial year.

Change of registered office from New Delhi to Mumbai

As both BSE and NSE are situated in the city of Mumbai, it will be more convenient and economical to conduct its operations from Mumbai. Further Mumbai being the financial capital of the country has vast number of potential clients which the Company intends to tap for its operations. Hence the Board of Directors has decided to shift the registered office from New Delhi to Mumbai. The Company has initiated the process of obtaining the approval of the members by special resolution through postal ballot for shifting its registered office from New Delhi to Mumbai. After the approval of the special resolution by members, the Company would file a petition before the Company Law Board for its approval

Financial Results

(Rupees in lacs)

Details	Financial year ended 31 st March 2012	Financial year ended 31 st March 2011
Gross Income	5.24	9.19
Profit/(loss) for the year	(8.67)	(54.91)
Profit/(loss)brought forward from previous year	(280.48)	(225.57)
Profit/(loss) carried forward	(289.15)	280.48)

Dividend

In view of accumulated losses, the Directors do not recommend any dividend for the financial year ended 31st March 2012.

Directors

Shri Anupam Gupta retires by rotation at the ensuing annual general meeting and being eligible offers himself for re appointment.

Issue of warrants on preferential basis

During the year under report, the Company issued 1,500,000 warrants to non-promoter group which are convertible into equity shares at a price of Rs.22.43 per share pursuant to special resolution passed by the members through postal ballot under section 81 (1A) of the Companies Act 1956 and SEBI (Issue of Capital and Disclosure Requirement) Regulations 2009. The Company also received 25% of the price of the shares as upfront payment.



Auditors

Auditor's observation

With reference to the observation in para of the auditors reports, it is clarified that Note No. 14(9) provides adequate explanation and clarification. It is therefore, not dealt with in the Report.

Members are requested to appoint auditors and fix their remuneration. The present auditors M/s. Mahesh Tejwani, Chartered Accountants are eligible for re appointment. They have furnished the certificate of eligibility under section 224 (1B) of the Companies Act 1956.

Public Deposits

The Company has neither invited nor accepted any deposits from the public within the meaning of sections 58A, 58AA of the Companies Act 1956 read with the Companies (Acceptance of Deposit) Rules 1975 during the year under review.

Particulars of Employees

During the year under review, as no employee was in receipt of remuneration in excess of the limits stipulated under section 217(2A) of the Companies Act 1956 and the relevant rules, the required details are not given.

Compliance Certificate

Pursuant to section 383A of the Companies Act 1936, Secretarial Compliance Certificate obtained from Shri L Krishnamoorthy, Practising Company Secretary, is annexed to the Directors Report.

Directors' Responsibility statement

Pursuant to section 217 (2AA) of the Companies Act 1956, the directors hereby confirm that:

1. In preparation of the balance sheet and the profit and loss account of the Company, the applicable accounting standards have been followed along with proper explanation relating to material departure
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as the end of the financial year and of the loss of the Company for that period
3. The Directors have taken proper and sufficient care for the maintenance of accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors prepared the accounts for the year ended 31st March 2012 on a going concern basis.

Report on Corporate Governance

Pursuant to clause 49 of the listing agreement with the stock exchanges, a separate section under Corporate Governance has been included in this report along with required certificate of compliance.

Management Discussion and Analysis Report forms part of the Corporate Governance Report.

Listing

The Company's shares continue to be listed in the Bombay, Delhi and Calcutta stock exchanges. The Company has paid the listing fees for the financial year ended 2012-13.

Conservation of energy

Considering the nature of business undertaken by the Company, the particulars under section 217 (1)(e) of the Companies Act 1956 in respect of energy conservation and technology absorption are not given.

Foreign exchange earning and outgo

There was no foreign exchange earning and outgo during the financial year under review

Acknowledgements

Your directors wish to express their appreciation for the assistance and cooperation received from the shareholders, banks and customers during the year under review.

By order of the Board

New Delhi

31st May 2012

Managing Director

**MANAGEMENT DISCUSSION AND ANALYSIS****Industry Structure and Trends:**

The Indian economy did not do well during the fiscal 2011- 12 due to various adverse factors domestic and foreign. In spite of good monsoon, the growth of agriculture remained stagnant. At macro level, the economy has to face fiscal deficit, high fuel costs in import of petroleum products, inflation, high interest rates, high volatility in rupee vis a vis US Dollar. These adverse factors have impacted the GDP growth, which recorded a low of 6% in the fiscal, much less than what was envisaged at the beginning. Such scenario has also impacted the sensex and other indices leading to high level of volatility.

The adverse external factors include financial instability in the European Union especially in Greece, Spain, Portugal and Italy and slow pick up in US economic growth. The economic turmoil in Euro nations such as Greece, Spain, Portugal, Italy, and Ireland still continues. The global economic situation remains still unpredictable.

In the context of these developments, the Company's business operations which mainly consist of dealing in securities remained at low key during the year ended 31st March 2012.

Opportunities and Threats

The new management of the Company has been evaluating various business strategies to improve the top and bottom line of the operations. The new management has been considering various business opportunities which the Company can profitably undertake. With this end in view, the Company applied to Bombay Stock Exchange (BSE) and National Stock Exchange (NSE) Mumbai for becoming a trading member in the capital market segment. The Company has obtained certificate of registration from SEBI for the capital market segment through NSE. The certificate is awaited from BSE. The Company has also obtained certificate of registration from SEBI as a Stock Broker.

Whatever the strategy adopted by the Company in the current financial year, the volatility of the capital market would impact the operations of the Company. Such volatility is caused at macro level by various factors which are beyond the control of the Company.

Segment wise or product wise performance

During the year under review, the Company has not carried out any business activity. The company is now exploring new businesses opportunities. The company is presently operating in the financial markets segment only.

Outlook

The Indian economy has strong fundamentals and despite various adverse factors listed above, the GDP recorded a growth of 6% during the fiscal 2011-12. Thus India provides opportunities for appreciation in the investments.

Risks & Concerns

The risks of volatility in stock market, global economic situation, prices of oil at unprecedented high levels, RBI measures to increase the interest rates to check the inflation are high in this kind of business which the Company proposes to undertake. Your company proposes to address these risks by adopting effective risk management practices.

Internal Control System

There is an effective system of monitoring internal control in the company and these Policies and Procedures are reviewed from time to time. The Audit Committee of the Board of Directors reviews the governance of the Internal controls.

Financial Performance

The Financial Performance of the Company has been covered in the Director's Report.

For and on behalf of the Board of Directors

Place: New Delhi
Date: 31st May 2012.

Anupam Narain Gupta
Managing Director


REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2011 -2012

(As required under Clause 49 of the listing agreement entered into with the Stock Exchanges)

Philosophy and code of governance

The company firmly believes in good Corporate Governance. The Company has been following the regulatory compliances with strong emphasis on Corporate Governance to protect investors interests in letter and spirit. The Company's objective is to follow practices of good corporate governance in order to safeguard the interest of the Company and its stakeholders.

The Company has established a Code of Conduct, which will ensure a standard of professionalism and transparency into the Company

Board of Directors
Composition

The Board comprises of Managing Director, Joint Managing Director and two Non Executive Directors.

Category of Directors

S. No.	Name of Directors	Designation Directorship	Category of Membership	Committee	Committee chairmanship
1.	Anupam Narain Gupta	Managing Director	Promoter - Executive	Nil	Remuneration Committee
2.	Abhay Narain Gupta	Joint Managing Director	-do-		1 Audit Committee 2 Share transfer and Shareholders/Investor Grievance Committee
3.	Sandesh Madhukar Sawant	Director	Non Executive Director (Independent Director)	Chairman Chairman	1 Audit Committee 2 Remuneration Committee 3 Share Transfer and Shareholders/Investor Grievance Committee
4.	Ashish Nandkishore Taparia	Director	-do-		1 Remuneration Committee 2 Share Transfer and Shareholders/Investors Grievance Committee

During the financial year 2011-12 five Board Meetings were held on the following dates:

30th May 2011, 1st August 2011, 3rd October 2011, 15th November 2011 and 31st January 2012.

Attendance of each Director at the Board Meetings, Last Annual General Meeting and Number of other Directorship and Membership/Chairmanship of the Committee of each Director in public companies is given below:



Name of Directors	Attendance Particulars		No. of Directorship and Committee Membership/Chairmanship(1)(2) in other public companies		
	Board Meeting	Last AGM on 27h September 2011	Other Director - ship(1)	Committee Membership (2)	Committee Chairmanship (2)
Anupam Narain Gupta	4	Present	--	--	--
Abhay Narain Gupta	5	Present	-	-	-
Sandesh Madhukar Sawant	5	Present	-	-	-
Ashish Nandkishore Taparia	5	Present	-	-	-

Board Procedure

The agenda is circulated well in advance to the Board members. The Board is also kept informed of the major events/items.

Code of Conduct

The Board has approved Code of Conduct for all the directors and senior management personnel. The Board members have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director forms part of this report.

Details of directors seeking re appointment

Details of directors seeking appointment are given in the notice convening the annual general meeting.

Details of shareholding by non-executive directors

Non executive directors do not hold any shares in the Company.

Audit Committee

Composition

The Audit Committee comprises the following members:

- | | |
|-----------------------------------|-------------------------------------|
| 1. Mr. Sandesh Madhukar Sawant | Chairman, Non executive Independent |
| 2. Mr. Ashish Nandkishore Taparia | Member, Non Executive, Independent |
| 3. Mr. Abhay Narain Gupta | Member, Executive, Non independent |

Terms of Reference

The terms of reference stipulated by the Board to the Audit committee are, as contained under Clause 49 of the Listing Agreement, as follows:

- Oversight of the company's financial reporting process and the disclosure of its financial information.
- Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
- Reviewing with management the annual financial statements before submission to the Board, focusing primarily on (i) any changes in accounting policies and practices (ii) major accounting entries based on exercise of judgment by management, (iii) qualifications in draft audit report, (iv) significant adjustments arising out of audit, (v) the going concern assumption, (vi) compliance with accounting standards, (vii) any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc, that may have potential conflict with the interest of Company at large.
- Discussion with external auditors before the audit commences, nature and scope of audit as well as has post audit discussion to ascertain any area of concern.



Audit Committee Meetings and Attendance

During the financial year ended 31st March 2012 the Audit Committee met four times on 30th May 2011, 1st August 2011, 15th November 2011 and 31st January 2012.

Name of Director	No. of Audit Committee Meetings attended
Abhay Narain Gupta	four
Sandesh Madhukar Sawant	four
Ashish Nandkishore Taparia	four

Remuneration Committee

The Committee comprises the following members:

Sandesh Madhukar Sawant	Non Executive Independent
Anupam Narain Gupta	Executive - Promoter
Ashish Nandkishore Taparia	Non Executive Independent

During financial year ended 31st March 2012, no director was paid any remuneration either by way of salary or commission or sitting fees. Hence no meeting was held.

Shareholders'/ Investors' Grievance Committee

The Board has authorized the Managing Director to approve share transfers in physical form. The details of such share transfers are furnished to the Company once a fortnight. The share certificates after approval are delivered within a period of 30 days.

The Shareholders/Investors Grievance Committee at its meeting takes note of the transfers approved by the Managing Director. The Committee also monitors the complaints received from the shareholders and the redressal of such complaints.

During the financial year 2011-12, three meetings were held on 1st August, 2011, 15th November 2011 and 31st January 2012. The details of attendance are given below:

Name of the Member	Number of meetings attended
Sandesh Madhukar Sawant, Chairman	three
Ashish Nandkishore Taparia	three
Abhay Narain Gupta	three

Terms of reference

To look into redressal of investors' complaints and requests such as transfer of shares, non receipt of annual reports, etc.

There was no complaint received from the shareholders which was not addressed promptly. There was no complaint pending as on date of the report.

8. General Body Meeting

Details of last three Annual General Meetings.

Financial Year ended on	Location	Date & Time
31st March 2012	S-4, JVTS Garden Chattarpur Extension, New Delhi 11074	26th September 2012 at 10.00 am
31st March 2011	-do-	27th September 2011 at 10.00 am
31st March 2010	-do-	30th September 2010 at 10.00 am

There was no Extra Ordinary General Body Meeting held in the last year



Postal Ballot

During the financial year ended 31st March 2012, a postal ballot was taken for obtaining the approval of the members through special resolution under section 81 (IA) of the Companies Act 1956 for issue of warrants on preferential basis. The resolution was passed with requisite majority.

Disclosures

Disclosures on materially significant related party transaction

None of the transactions with any of the related parties were in conflict with the interest of the company.

Statutory compliances, penalties and strictures

The Company has complied with the requirements of the listing agreements with the Stock Exchanges, SEBI and statutory authority on all matters related to capital markets during the last three financial years. No penalties or strictures have been imposed on the Company by these authorities.

Dematerialisation of Shares and Liquidity

The Company has appointed M/s Beetal Financial & Computer Services Pvt. Ltd. as its Registrar and Share Transfer Agent. The Company has entered the tripartite agreement with NSDL and RTA and the Company's application with CDSL is under progress.

CEO/CFO Certification:

The Managing Director (CEO) and the CFO has certified to the Board in accordance with clause 49(V) of the listing agreement pertaining to CEO/CFO certification for the financial year ended 31st March 2012. The certification has been annexed and forms part of this report..

Means of Communication

The Company has been disclosing corporate financial performance i.e. the quarterly, half yearly and annual audited financial results well within the stipulated period to the Stock Exchanges where the shares of the company are listed by means of facsimile transmission and also by sending the copy of results by courier/post immediately after the Board has taken them on record.

The results are published in the newspapers in accordance with the listing Agreement entered into by the company with the stock exchanges where the shares of the Company are listed.

General Shareholders' Information

21st Annual General Meeting

Date and Time : Wednesday, 26th September 2012
 Venue : JVTS Gardens, Chattarpur,
 'C' Block, Tehsil Mehrauli,
 New Delhi- 110074

Tentative financial calendar : 01.04.2012 to 31.03.2013
 First quarter results : in the last week of July 2012
 Second quarter results : in the last week of October 2012
 Third quarter results : in the last week of January 2013
 Year end financial results : in the last week of May 2013
 Annual general meeting : in the last week of September 2013.

Date of Book Closure : From the middle of September 2013 till the date of AGM

Dividend Payment Date : NIL

2. Listing on Stock Exchange

The Delhi Stock Exchange Association Ltd.
 DSE House, 3/1 Asaf Ali Road,
 New Delhi-110002
 The Bombay Stock Exchange Mumbai
 Phiroze Jeejeebhoy Towers,
 Dalal Street, Mumbai 400001
 The Calcutta Stock Exchange
 7, Lyons Range, Calcutta-700 001

Stock Code in BSE : 511557


3. Market Price Data : High/Low in each month in financial year 2011-12

Month	Share Price High Rs.	Low Rs	BSE Sensex Close	Number of shares traded	Total Turnover Rs.
April 11	20.00	17.50	19135.96	105	18,95,005
May	20.90	16.25	18503.28	91	34,21,920
June	23.10	18.50	18845.87	57	3,10,135
July	21.40	18.05	18197.20	43	2,19,860
August	22.45	19.00	16676.75	51	2,56,360
September	22.05	19.10	16453.76	47	8,94,090
October	20.25	17.30	17705.01	27	6,12,400
November	22.05	18.40	16123.46	19	94,500
December	26.60	20.00	15454.92	100	4,54,100
January 2012	24.90	21.95	17193.52	20	1,24,465
February	26.95	21.70	17752.68	75	9,71,280
March	28.00	21.75	17,404.20	63	28,07,785

4. Registrar and Transfer Agent

The Share transfer work has been handled by M/s Beetal Financial & Computer Services Pvt. Limited having its office at BEETAL House, 3rd Floor, 99 Madangir, BH-Local Shopping Complex, Near Dada Harsukhdas Mandir, New Delhi - 110 062.

4. Distribution of Shareholding as on 31st March, 2012

No. of equity shares held	Shareholders		Share Amount	
	Numbers	% of total	Rs.	% age
Up to 5000	3595	82.10	86,55,000	19.82
5001 to 10000	485	11.00	38,41,000	8.79
10001 to 20000	177	4.04	25,24,000	5.78
20001 to 30000	33	0.80	8,72,000	1.99
30001 to 40000	18	0.41	6,29,000	1.44
40001 to 50000	10	0.23	4,76,000	1.10
50001 to 100000	17	0.39	12,65,000	2.90
100001 and above	42	0.96	254,07,000	58.18
TOTAL	4508	100.00	436,69,000	100.00



6. Shareholding pattern as on 31 st March, 2011		
Category	No. of Shares Held	% of Holding
1. Promoters Shareholders		
a. Indian Promoter - Corporate	12,18,800	27.91
b. Indian Promoter - Individual	6,28,200	14.39
Foreign Promoters	Nil	Nil
Sub-Total	18,47,000	42.30
3. NON - PROMOTERS HOLDING:		
Institutional Investors		
a. Mutual funds & UTI	NIL	NIL
b. Banks, Financial Institutions Insurance Companies (Central/ State Govt. Insts. Non-Govt. Institutions	NIL	NIL
c. FIs	NIL	NIL
Sub-Total	NIL	NIL
4. Others		
a. Corporate Bodies	3,90,800	8.95
b. Indian Public - Individuals	21,18,000	48.50
c. NRI	11,100	0.25
Sub-Total	25,19,900	57.70
TOTAL	43,66,900	100.00
Address of Correspondence : B/306, Everest Chambers, Andheri Kurla Road, Marol Naka, Andheri East, Mumbai 400059		
DECLARATION		
This is to confirm that Pro Fin Capital Services Limited ('the Company') has adopted a Code of Conduct for its Directors and its senior management personnel.		
As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all directors and senior management personnel of the Company have confirmed compliance with their respective Codes for the financial year ended 31 st March, 2012		
Place : New Delhi Date : 31 st May 2012		
Anupam Narain Gupta Managing Director Pro Fin Capital Services Limited		



CEO/CFO CERTIFICATION

As required under sub clause V of Clause 49 of the listing agreement with the stock exchanges, we have certified to the Board that for the financial year ended 31st March 2012, the Company has complied with the requirements of the said sub clause.

For Pro Fin Capital Services Limited
Anupam Gupta
Managing Director

For Pro Fin Capital Services Limited
Mahesh Agarwal
Chief Financial Officer

CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
PRO FIN CAPITAL SERVICES LTD.

We have examined the compliance of conditions of Corporate Governance by PRO FIN CAPITAL SERVICES LTD. for the year ended on 31st March 2012 as stipulated in Clause 49 of the listing Agreement of the Company with the Stock Exchanges.

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 explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Agreements.

On the basis of our review and according to the information and explanations given to us, we state that no Investor Grievances are pending against the Company as per the records maintained by the Company.

We further state that 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.

L Krishnamoorthy
Practising Company Secretary
C P No 6885

Mumbai
31st May 2012

**Auditors' Report**

To the Members of
PROFIN CAPITAL SERVICES LTD.

We have audited the attached Balance Sheet of **PROFIN CAPITAL SERVICES LTD.** as at 31st March 2012, the Profit and Loss Account and Cash Flow Statements for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibilities is to express an opinion on these financial statements based on our audit.

1. 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 misstatements. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in term of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
3. Attention is drawn to
 - a) Point No. 9 of Note 14 of Notes on Accounts regarding Deposit of Rs. 20 Lakh given to OTCEI and
4. Further to our comments in the Annexure referred to in paragraph 2 and 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 purpose 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 those books.
 - c) The Balance Sheet, Profit 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 mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956
 - e) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31st March 2012 from being ap-pointed as a director in the 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 read together with the Significant Accounting Policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2012.
 - (ii) In the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For Mahesh Tejwani

Chartered Accountants

Mahesh Tejwani

Proprietor

M.No. 037194

Place-Mumbai

Date: - 31-05-2012.

Annexure to Auditors' Report

(Referred to in Paragraph 2 of our report of even date)

1. In respect of its fixed assets:
 - 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, all the fixed assets have been physically verified by the management 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) During the year, the Company has not disposed of a substantial part of its fixed assets.
2. In respect of its inventories of shares and securities:
 - a) The inventories have been physically verified at the year end by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventory. As explained to us, there was no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. As explained to us, the Company has neither taken nor given any loan secured or unsecured from/to parties listed under section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. a) The particulars of contracts or arrangements or arrangements referred to Section 301 of the Companies Act 1956, that needed to be entered into the register, maintained under said section have been so entered.
 - b. In our opinion and according to the information and explanations given to us, there are no transactions in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act'1956 aggregating during the year to Rs.5 Lacs or more in respect of any party. Therefore, the provision of clause v (b) is not applicable.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public. Therefore, the provisions of Clause (vi) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
7. As explained to us, the Company has its own in the house internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of Cost Records under section 209(1) (d) of the Companies Act 1956 for the company.
9. According to the information and explanations given to us in respect of statutory and other dues: -
 - a. The undisputed statutory dues including Provident Fund, Employees' State Insurance and other statutory dues have been generally deposited in time with the appropriate authorities.
 - b. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2012 for a period of more than six months from the date of becoming payable.



- c. According to the information and explanations given to us, the Company has no pending disputed statutory dues as at 31st March 2012 on account of any matters pending before appropriate authorities.
10. Accumulated losses of the Company as at 31st March 2012 are more than fifty per-cent of its net worth. In current year as well as previous year, company has incurred losses.
11. According to the information and explanation given to us, no financial assistance from any financial institutions or Banks or Debenture holders have been taken by the Company. Hence, the provision of clause 4(xi) of the Companies (Auditor's Report) Order 2003, with regard to default in payment of repayment of dues to any financial institution, is not applicable.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debenture and other securities.
13. In our opinion and according to the information and explanations given to us, 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.
14. Based on our examination of the records and evaluation of related internal controls, the Company has maintained proper records of transactions and contracts in respect of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities, in general, have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has not obtained any term loans. Hence, provision of clause 4(xvi) of the Companies (Auditor's Report) order, 2003, in respect of proper utilization of funds, is not applicable to the Company.
17. According to the information and explanations given to us and as at 31st March 2012, on an overall examination of the Balance Sheet of the Company, no funds on short-term basis were obtained. Hence, provision of clause 4(xvii) of the Companies (Auditor's Report) order, 2003, in respect of utilization of funds, is not applicable to the Company.
18. The company has made preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
19. The company has issued no debentures and hence clause 4(xix) of the Companies (Auditor's Report) order, 2003, in respect of creation of charge, is not applicable to the Company.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the financial year.

For Mahesh Tejwani
Chartered Accountants

(Mahesh Tejwani)
Proprietor

Place : Mumbai

Dated : May 31, 2012



BALANCE SHEET AS AT 31 MARCH, 2012

Particulars	Note	As at 31 March, 2012 Rs.	As 'at 31 March, 2011 Rs.
A. EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	43,669,000	43,669,000
(b) Reserves and surplus	2	(28,415,830)	(27,548,375)
(c) Money received against share warrants		9,311,063	-
2 Current liabilities			
(a) Trade Payables	3	316831	310346
(b) Other current liabilities	4	209	-
TOTAL		24,881,273	16,430,971
B ASSETS			
1 Non-current assets			
(a) Fixed assets	5		
(i) Tangible assets		147,192	182,669
(ii) Intangible assets		231,630	-
(b) Long term Loans & Advances	6	3,982,968	2,337,759
2 Current assets			
(a) Non Current investments	7	7,209,398	9,340,757
(b) Inventories	8	927,000	1,052,593
(c) Trade receivables	9	1,063,424	1,126,298
(d) Cash and cash equivalents	10	841,541	2,037,444
(e) Short-term loans and advances	11	10,478,120	353,451
TOTAL		24,881,273	16,430,971

In terms of our report attached.

For MAHESH TEJWANI
Chartered Accountants

For and on behalf of the Board of Directors
Managing Director Jt Managing Director

MAHESH TEJWANI
PROPRIETOR
MNO : 37194
Place : Mumbai
Date : 31-05-2012

Chief Financial Officer


STATEMENT OF PROFIT AND-LOSS FOR THE YEAR ENDED 31 MARCH, 2012

Particulars	Note	As at 31 March, 2012 Rs.	As at 31 March, 2011 Rs.
Revenue from operations		0	705712
2 Other income		523579	214083
3 Total revenue (1+2)		523579	919795
4 Expenses			
(d) Employee benefits expense	12	290000	450098
(f) Depreciation and amortisation expense		35476	48452
(g) Other expenses	13	1065557	5912707
Total expenses		1391034	6411257
5 Profit/(Loss) before tax (3-4)		(867,455)	(5,491,462)
6 Tax expense :		-	-
7 Profit/(Loss) for the year (5-6)		(867,455)	(5,491,462)
8 Earnings per share (of Rs. 10/- each) :			
(a) Basic & diluted		(0.20)	(1.26)
Accompanying notes forming part of the financial statements	14		

In terms of our report attached.

For MAHESH TEJWANI
Chartered Accountants

For and on behalf of the Board of Directors
Managing Director Jt Managing Director

MAHESH TEJWANI
PROPRIETOR

Chief Financial Officer

MNO : 37194
Place : Mumbai
Date : 31-05-2012



CASH FLOW STATEMENT AS ON 31ST MARCH, 2012

PARTICULARS	AS AT 31.03-2012	AS AT 31.03-2011
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	(867,455.00)	(5,491,461.91)
Add: Depreciation	35,476.00	48,452.02
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	(831,979.00)	(5,443,009.89)
Decrease/ (Increase) in Trade and Other receivables	62,874.00	2,664,844.00
Decrease/ (Increase) in Long Term Loans & Advances	(1,645,209.00)	
Decrease/ (Increase) in Short Term Loans & Advances	(10,124,669.00)	
Decrease(Increase) in Inventory	125,593.00	3,099,985.00
Increase/ (Decrease) in Trade Payables	6,694.00	126,978.00
Cash Generate from operations	(12,406,696.00)	448,797.11
Direct Tax/FBT Paid (net of refund)	0.00	0.00
B) Cash flow from Investing Activities etc	(12,406,696.00)	448,797.11
(Increase)/ Decrease in Fixed Assets	(231,630.00)	0.00
(Increase)/ Decrease of Investments	2,131,360.00	(798,286.38)
Net cash used in investing activities	1,899,730.00	(798,286.38)
C) Cash Flow from Financing Activities		
Proceeds from issue of share warrants	9,311,063	0.00
Call in arrear received	0.00	0.00
Net Cash outflow from Financing Activities	9,311,062.50	0.00
Net Increase in cash and cash equilents	(1,195,903.50)	(349,489.27)
Cash & Cash Equivalents		
- Opening	2,037,445.12	2,386,933.88
Cash & Cash Equivalents		
- Closing	841,540.90	2,037,445.12

In terms of our report attached.

For MAHESHTEJWANI

Chartered Accountants

MAHESHTEJWANI

PROPRIETOR

MNO :-37194

Place : Mumbai

Date : 31-05-2012

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director

Chief Financial Officer


SCHEDULE FORMATING PART OF BALANCE SHEET AS ON 31 MARCH, 2012

Particulars	As at	
	31 March, 2012	31 March, 2011
	Rs.	Rs.
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
60,00,000 Equity Shares of Rs.10/- each	<u>60,000,000</u>	<u>60,000,000</u>
ISSUED, SUBSCRIBED & PAID UP		
43,66,900 Equity Shares of Rs. 10/- each fully paid	<u>43,669,000</u>	<u>43,669,000</u>
TOTAL	<u>43,669,000</u>	<u>43,669,000</u>

1,00,000 Equity Shares out of the issued, subscribed & paid up share capital were allotted as fully paid bonus shares by Capitalisation of General Reserve in earlier years.

Note 2

RESERVE AND SURPLUS

General Reserves - As per last Balance Sheet	500,000	500,000
Profit & Loss Account		
Opening balance	(28,048,375)	(22,556,913)
Add: Profit / (Loss) for the year	(867,455)	(5,491,462)
TOTAL	<u>(28,415,830)</u>	<u>(27,548,375)</u>

Note 3

TRADE PAYABLES

Acceptances	316831	310346
TOTAL	<u>316831</u>	<u>310346</u>

Note 4

OTHER CURRENT LIABILITIES

Statutory Liabilities	209	0
TOTAL	<u>209</u>	<u>0</u>



Note 5

Fixed Assets

i) Tangible assets

Particulars.	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	AS ON	ADDITION	SALE	TOTAL	UPTO	Provided	SALE/	Total upto	AS ON	AS ON
	01.04.2011	DURING	DURING	AS ON	01.04.2011	During the	ACQUISITION	31.03.2012	31.03.2012	31.03.2011
		THE QTR	THE QTR	31.03.2012		year	S			
Furniture & Fixture	641,937	0	0	641,937	616,560	4,593	0	621,153	20,784	25,377
Office Equipments	563,010	0	0	563,010	440,305	17,068	0	467,373	105,637	122,705
Computers 40.00%	1,035,320	0	0	1,035,320	1,000,830	13,796	0	1,014,626	20,894	34,490
Cycle 20.00%	3,524	0	0	3,524	3,426	19	0	3,447	77	86
Total (Rs.)	2,243,791	0	0	2,243,791	2,061,122	35,476	0	2,096,598	147,193	182,669
Previous Year Figures	2,243,791	0	0	2,243,791	2,012,670	48,452	0	2,061,122	182,669	231,121
j) Intangible assets										
NSE Membership Card Processing fees	0	231,830	0	231,830					231,830	0
Previous year figures	0	0	0	0	0	0	0	0	0	0

No Depreciation has been charged on intangible assets as the asset is not put to use

Note 6

LONG TERM LOANS & ADVANCES

	AS AT	AS AT
	31-3-2012	31-3-2011
a) Security Deposit (unsecured considered Good)	3603000	2003000
b) TDS & income tax	315274	270065
c) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances (unsecured considered Good)	22200	22200
	3982968	2337759

Note 7

NON CURRENT INVESTMENTS

	AS AT	AS AT
	31-03-2012	31-03-2011
TRADE		
- Quoted	6,309,397	8,440,756
- Unquoted	900,001	900,001
TOTAL	7,209,398	9,340,757
Market Value of Quoted Investments	4,931,873	7,937,595



Quoted Trade	No of Equity shares	AS AT	
		31.03.2012	31.03.2011
Agritech Hatcheries Ltd.	3000	1	1
ICICI Bank Ltd.(Deposit in LSE)	1056	140,448	140,448
Innovative Techpack Ltd.	500	21,250	21,250
Kinzle India Samal Ltd.	60000	1	1
Laurel Organics	7000	1	1
Mukerian Papers Ltd.	3750	42,188	42,188
Nova Magnetics Ltd.	3900	1	1
Organic Chem Oil Ltd.	3300	1	1
PaamPharmaceuticalsLtd.	3500	1	1
P M M L	103400	1034000	1034000
ShreeAdhikariBrothersLtd.	0	0	0
UTI Masteshare	816	9710.37	9710.37
CHROMATIC INDIA	38000	5061794	7193154.07
		<u>6,309,397</u>	<u>8,440,756</u>
Unquoted Trade			
Asian Diet Porducts Ltd.	90000	900,000	900,000
Apex Multitech Ltd.	40000	1	1
		<u>900,001</u>	<u>900,001</u>
Note8			
INVENTORIES		AS AT	AS AT
		31-03-2012	31-03-2011
INVENTORIES (At lower of cost or Market value, taken, valued and certified by the Management)		927,000	1,052,593
TOTAL		<u>927,000</u>	<u>1,052,593</u>
Note9			
TRADE RECEIVABLES		AS AT	AS AT
		31-03-2012	31-03-2011
Debtors exceeding Six Month (unsecured considered Good)		1,063,424	1126298
TOTAL		<u>1,063,424</u>	<u>1,126,298</u>



Note10		
CASH & CASH EQUIVALENTS	AS AT	AS AT
	31-03-2012	31-03-2011
CASH IN HAND	204,309	173,809
BALANCE WITH BANKS	637,232	1,863,635
TOTAL	841,541	2,037,444
Note11		
SHORT TERM LOANS & ADVANCES	AS AT	AS AT
	31-03-2012	31-03-2011
(Unsecured, Considered Good)	10478120	353451
TOTAL	10478120	353451
Note12		
EMPLOYEE BENEFIT EXPENSE	AS AT	AS AT
	31-3-2012	31-3-2011
Salaries & Establishment	290,000	98
Directors remuneration		450000
TOTAL	290000	450098
Note13		
OTHER EXPENSES	AS AT	AS AT
	31-03-2012	31-03-2011
Membership & Subscription	15,736	18,863
Electricity & Water Charges	-	38,519
Professional charges	152,027	214,335
Telephone & Communication Expenses	-	88,329
Travelling & Conveyance	-	119,927
Bank Charges/ Interest	2,190	4,478
Listing Fees	31,170	25,120
Filing Fees	9,560	2,000
Accounting Charg.	30,000	-
Miscellaneous Exp.	-	19,547
Advertisement Exp.	199,348	-
Office upkeep & Maintenance	-	22,000
Postage & Courier Charges	20,197	30,650

Pro Fin Capital Services Limited



Stationery & Computer exp.	55,283	113,236
Business Promotion	-	35,686
Demat Charges	6,000	68,116
Registrar Expenses	3,135	29,828
Rent	-	50,000
Audit Fee	28,090	30,432
BROKERAGE+other charges	5,011	28,051
AGM Expenses	15,000	10,500
Website Exp.	19,010	
Loss on Sale of Long Term Investment	467,717	3,230,884
Dimunication in the value of inventory		2,840
Loss on dealing of F&O contracts		1,729,367
Loss in Dealing in securities (net)	6,084	
TOTAL	<u>1,065,557</u>	<u>5,912,707</u>



**Notes forming part of financial statement
for the Year ended 31st March 2012.**

Note 14

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 at the rates and in the manner prescribed in Schedule XIV to the Companies' Act 1956. Fixed assets whose cost individually is Rs. 5,000/- or less are depreciated at 100% in the year of purchase. Depreciation on addition / deletion is worked out on pro rata basis.

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 unavailed leaves credit is being done at the year-end.

10. Provision, Contingent Liabilities and Contingent Assets



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

11. Tax on income

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

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

12. Earning Per Share

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

13. Impairment of Assets

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

14. Miscellaneous Expenditure

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

15. Money received against share warrants

The Board of Directors of the Company at their meeting held on 10th October, 2011 and as approved through postal ballot on 26th September 2011 have resolved to create, offer, issue and allot 15 Lacs warrants, convertible into 15 Lacs equity shares of 10/- each on a preferential allotment basis, pursuant to Section 81(1A) of the Companies Act, 1956, at a conversion price of 22.43/- per equity share of the Company, arrived at in accordance with the SEBI Regulations in this regard. These warrants were allotted on 10th October, 2011 to non promoters and 25% of share price amounting to Rs. 93,11,062/- was received from them. The warrants may be converted into equivalent number of shares on payment of the balance amount at any time on or before 9th April 2013. In the event the warrants are not converted into shares within the said period, the Company is eligible to forfeit the amounts received towards the warrants

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 & Relative
2	Mr. Narain Kumar Gupta	Relative of Key Managerial Personnel
3	Mrs. Rashmi Anand Kedia	Relative of Key Managerial Personnel
4	Mr. Abhay Narain Gupta	Key Managerial Personnel & Relative
5	Triyamb Securities Private Ltd.	Associate Companies



● 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	70500/-
Expenditure - Salary	Nil	Nil	Nil	Nil	450000/-
Rent	Nil	Nil	Nil	Nil	50000/-

b. Segment reporting (AS-17)

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

c. Tax on Income (AS-22)

The Company has substantial unabsorbed depreciation and carried forward losses under Tax laws. However, in view of the uncertainty of future taxable income and prudent method, the tax effect of timing difference as per AS 22 of ICAI has not been assessed and accordingly deferred tax assets (net of the deferred tax liabilities) has not been recognized in the books as on 31st March 2012.

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.)	
	31.03.2012	31.03.2011
Profit attributable to the Shareholders	(867455)	(5491462)
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	4,366,900	4,366,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(0.20)	(1.26)
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	31.03.2012		31.03.2011	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	177152	1052593.00	231069	4152579.00
Purchases	21100	979983.00	247933	35310621.00
Sales	94888	1099493.00	302150	39113592.00
Closing Stock	103000	927000.00	177152	1052593.00



ii) Details of Purchase and sale of investments during the year ended March 31, 2012

Name of the investment	Purchased during the year		Sold during the Year	
	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
CHROMATIC INDIA			16000	1663643.00

iii) Details of Investment in Hand

SCRIPS	NO. OF	AS AT	NO. OF	AS AT
	SHARES	31.03.2012	SHARES	31.03.2011
Agritech Hatcheries Ltd.	3000	1.00	3000	1.00
ICICI Bank Ltd.(DEPOSIT IN LSE)	1056	140448.00	1056	140448.00
Innovative Techpack Ltd.	500	21250.00	500	21250.00
Kinzle India Samal Ltd.	60000	1.00	60000	1.00
Laurel Organics	7000	1.00	7000	1.00
Mukerian Papers Ltd.	3750	42188.00	3750	42188.00
Nova Magnetics Ltd.	3900	1.00	3900	1.00
Organic Chem Oil Ltd.	3300	1.00	3300	1.00
Paam Pharmaceuticals Ltd.	3500	1.00	3500	1.00
P M M L	103400	1034000.00	103400	1034000.00
Shree Adhikari Brothers Ltd.	0	0.00	0	0.00
UTI Masteshare	816	9710.37	816	9710.37
CHROMATIC INDIA	38000	5061794.16	54000	7193154.07
Total	228222	6309396.53	244222.00	8440756.44
UNQUOTED :				
Asian Diet Products Ltd.	90000	900000.00	90000	900000.00
Apex Multitech Ltd.	40000	1.00	40000	1.00
Total (b)	130000	900001	130000	900001

TOTAL INVESTMENT

QUOTED INVESTMENT	6309396.53	244222.00	8440756.44
UNQUOTED INVESTMENT	900001.00	130000.00	900001
Grand Total	7209397.53	374222.00	9340757.44
Market Value of Quoted Investment	4931873.40		7937594.56

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	2011-2012 (Rs.)	2010-2011 (Rs.)
Salaries	NIL	450000

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. The income Tax Assessment of the company have been completed up to the Assessment Year 2009-10.



5. Auditors Remuneration includes:

Particulars	2011-2012 (Rs.)	2010-2011 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	28090	Nil
b) Out of Pocket Expenses	27575	Nil

6. 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.
7. 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.
8. 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.
9. 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.
10. 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.
11. Efforts have been made to employ full time Company Secretary. However, suitable person could not be found. Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000

Particulars	During the year ended 31 March, 2012	
	Total amount received from issue of warrants	9311062
Purpose for which the money received has been utilized :		
a. Capital expenditure	Nil	
b. Working capital	9311062	9311062

12. Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2012	05
Pending as on March 31, 2012	Nil

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

Notes 1 to 13 forms an integral part of Balance Sheet and Profit & Loss Account

For **Mahesh Tejwani**
Chartered Accountants

Mahesh Tejwani
Proprietor
Membership No. 37194
Place : Mumbai
Dated : 31-05-2012

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

Mg. Director

Jt Mg. Director

Chief Financial Officer



ABSTRACT OF BALANCE SHEET, COMPANY'S GENERAL BUSINESS PROFILE FOR THE YEAR ENDED 31ST MARCH 2012 AND ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956

I Registration Details		
Registration No.	45045	45045
State Code	55	55
Balance Sheet Date	March 31, 2012	March 31, 2011
II Capital Raised during the Year (Amount, in Rs.Thousand)		
Public Issue	Nil	Nil
Right Issue	Nil	Nil
Bonus Issue	Nil	Nil
Private Placement	Nil	Nil
III Position of Mobilisation and Deployment of Funds (Amt. In Rs. Thousand)		
Total Liabilities	53480	44169
Total Assets	53480	44169
Sources of Funds		
Paid up Capital	43669	43669
Money Received against Warrants	9311	
Reserve & Surplus	500	500
Secured Loan	0	0
Unsecured Loan	0	0
Application of Funds		
Net Fixed Assets	379	183
Investment	7209	9340
Net Current Assets	16976	6597
Misc Expenditure	0	0
Accumulated Losses	28916	28048
IV Performance of the Company		
Turnover	523	920
Total Expenditure	1391	6411
Profit / (Loss) before Tax	(868)	(5491)
Profit / (Loss) after Tax	(868)	(5491)
Earning per share	(0.20)	(1.26)
Dividend Rate %	Nil	Nil
V Generic Names of Three Principal Products / Services of Company		
(As per monetary terms)		
a) Item Code No.(ITC Code)	Not alloted	Not alloted
b) Product Description	Dealing In Securities	
In terms of our report attached.	For and on behalf of the Board of Directors	
For MAHESH TEJWANI		
Chartered Accountants	Managing Director	Jt Managing Director
MAHESH TEJWANI		
PROPRIETOR		
MNO :-37194	Chief Financial Officer	
Place : Mumbai		
Date : 31-05-2012		



NO GIFTS, TEA OR SNACKS WOULD BE SERVED

PROFIN CAPITAL SERVICES LIMITED

Regd office: S-4, JVTS Garden, Chattarpur Extension, New Delhi 110074

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting)

Name of the attending member (in block letters).....

Register folio No.....

Name of proxy.....(to be filled in if proxy attends meeting)

Number of shares held.....

I hereby record my presence at the 21st Annual General Meeting held on 26th September 2012 at 10.00 am at S-4, JVTS Garden, Chattarpur Extension, New Delhi 110074

.....
Signature of member/proxy

Please bring your copy of the annual report for the meeting. Copies of the report will not be distributed at the meeting.

.....
PROFIN CAPITAL SERVICES LIMITED

Regd office: S-4, JVTS Garden, Chattarpur Extension, New Delhi 110074

PROXY FORM

Folio No.....

I/we.....of.....

.....being a member/members of Pro Fin Capital Services Limited

hereby appoint Mr/Miss/Ms.....of.....

In district of.....or failing him/her,

Mr/Ms.....as my/our proxy to attend and vote on my/our behalf at

the 21st Annual General Meeting to be held on 26th September 2012 and at any adjournment thereof.

(Affix here one rupee revenue stamp)

.....
Signature of member/members.....

The proxy form duly filled in and signed and properly stamped should be deposited at the registered office of the Company 48 hours before the time for the 21st annual general meeting

Book Post

If undelivered, please return to :
Pro Fin Capital Services Limited
503, Western Edge II
Western Express Highway,
Borivali East
Mumbai 400066