

**Kapil Raj Finance Limited**

8/33, III Floor, Satbhava School Marg,

W.E.A, Karol Bagh, Delhi-110005

Email Id: kapilrajfinanceltd@gmail.com

Tel: 022-25013710

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

28<sup>th</sup>  
Annual  
Report

2014



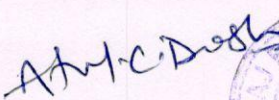
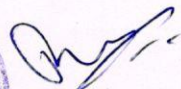
## Form A

(Pursuant to Clause 31(a) of the Listing Agreement)

1.	Name of the Company	KAPIL RAJ FINANCE LIMITED
2.	Annual Financial statements for the year ended	March 31, 2014
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable

For Kapil Raj Finance Limited

For Kapil Raj Finance Limited

For M/s. V. R. Bhabhra & Co.  
Chartered AccountantAtul Doshi  
Executive Director  
Din: 06826992Umesh Parekh  
Director  
Din: 6827077For M/s. V. R. Bhabhra & Co  
Membership No. 46043

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## Kapil Raj Finance Limited

### Board of Directors

Sanjay Kumar Naithani-Director  
Sapna Naithani-Director  
Santosh Gangaram Mohite- Independent Director  
Atul Chimanlal Doshi - Executive Director  
Heeralal Rambaratram Jaiswar - Independent Director  
Umesh Pravinchandra Parekh - Independent Director

### Company Secretary

### Statutory Auditor

M/s. V. R. Bhabhra & Co., Chartered Accountants,  
Mumbai

### Banker of the Company

Rameshwar Bank .

### Registered Office

8/33, III Floor, Satbhava School Marg,  
W.E.A, Karol Bagh, Delhi-110005  
Email Id: [kapilrajfinanceltd@gmail.com](mailto:kapilrajfinanceltd@gmail.com)

### Registrar & Share Transfer Agent

M/s Purva Share Registry (India) Private Limited,  
Unit No. 9, Shiv Shakti Industrial Estate,  
J .R. Boricha Marg, Opp. Kasturba Hospital Lane  
Lower Parel (E). Mumbai 400 011  
Website: [www.purvashare.com](http://www.purvashare.com)  
Email: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

### ADMIN OFFICE:

B706, Damji Shamji Corporate Square, Next to Kanara Business  
Center, Melville Estate, Off Ghatkopar Andheri Link Road, Pant  
Nagar, Ghatkopar East, Mumbai-400 075



### Notice of Annual General Meeting

Notice is hereby given that the Annual General Meeting (AGM) of the Members of Kapil Raj Finance Limited will be held on Monday, September 29, 2014 at 12.30 p.m. at the registered Office of the Company situated at 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh, Delhi-110005 to transact the following business:-

#### ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Statement of Profit & Loss Account and Cash Flow Statement for the year ended March 31, 2014, and Report of Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. Sanjay Kumar Nathani, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. V. R. Bhabra & Co., (Firm Registration No. 46043), Chartered Accountants, pursuant to the provisions of Section 139 of the Companies Act, 2013, as Auditors of the Company for four year, being the balance tenure of the first term, to hold office from conclusion of this Annual General meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors.

#### SPECIAL BUSINESS:

4. To consider if thought fit, to pass with or without modification(s) if any, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Santosh Gangaram Mohite (DIN 02953365), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) consecutive years upto March 31, 2019."

5. To consider if thought fit, to pass with or without modification(s) if any, the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Heeralal Rambaratram Jaiswar (DIN 06827029), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who is eligible for appointment and in respect of whom the Company has



received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) consecutive years upto March 31, 2019."

6. To consider if thought fit, to pass with or without modification(s) if any, the following resolution as an **Ordinary Resolution**:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150, 152 and other applicable provisions, if any, of the Companies Act, 2013 (the Act) and the Rules framed thereunder, read with Schedule IV to the Act, as amended from time to time, Mr. Umesh Pravinchandra Parekh (DIN 06827077), a Non-Executive Director of the Company, who has submitted a declaration that he meets the criteria for independence as provided in Section 149(6) of the Act, who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company for a period of 5 (five) consecutive years upto March 31, 2019."

7. To consider if thought fit, to pass with or without modification(s) if any, the following resolution as an **Special Resolution**:

"**RESOLVED THAT** in provision of Section 196, 197 and 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to the requisite approvals, if any required, approval of the Company be and is hereby accorded to appoint Mr. Atul Doshi (DIN: 06826992) as Managing Director of the Company for a period of 5 (five) years w.e.f. September 3, 2014 on the terms and conditions including terms of remuneration as set out in the explanatory statement attached hereto and forming part of this notice with a liberty to the Board of Directors (hereinafter referred to as "the Board" which term shall be deemed to include the Nomination and Remuneration Committee of the Board) to alter and vary the terms and conditions of the said appointment and/or remuneration so as the total remuneration payable to him shall not exceed the limits specified in Schedule V of the Companies Act, 2013 including any Statutory modification or re-enactment thereof, for the time being in force and as agreed by and between the Board and Mr. Atul Doshi.

"**RESOLVED FURTHER THAT** notwithstanding anything contained to the contrary in the Companies Act, 2013, wherein any financial year the Company has no profits or inadequate profit, Mr. Atul Doshi (DIN: 06826992) will be paid minimum remuneration within the ceiling limit prescribed under Schedule V of the Companies Act, 2013 or any modification or re-enactment thereof."

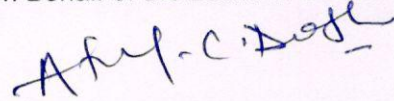
"**RESOLVED FURTHER THAT** in the event of any statutory amendment or modification by the Central Government to Schedule V of the Companies Act, 2013, the Board be and is hereby authorized to vary and alter the terms of appointment including salary, perks and other benefits payable to Mr. Atul Doshi within such prescribed limit or ceiling as agreed by and between the Board and Mr. Atul Doshi without any further reference to the Company in General Meeting."



**“RESOLVED FURTHER THAT** the Board of Directors or its Committee thereof be and is hereby authorized to take all such steps as may be deemed necessary, proper or expedient to give effect to this resolution.”

Delhi  
May 29, 2014

For and on Behalf of the Board of Directors



Atul Doshi  
Executive Director  
(DIN No- 06826992)

**Registered Office:**

8/33, III Floor,  
Satbhava School Marg,  
W.E.A, Karol Bagh,  
Delhi-110005



## NOTES

- (1) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent of the total share capital of the Company.  
The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority letter, as applicable.
- (2) An Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, is annexed hereto.
- (3) The Register of Members and Share Transfer Books of the Company will remain closed from September 23, 2014 to September 29, 2014 (both days inclusive) for the purpose of this Annual General Meeting.
- (4) Members who attend the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting Hall.
- (5) Members are requested to bring their copy of the Annual Report at the time of attending the Annual General Meeting.
- (6) To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
- (7) Members who are holding shares in identical order of names in more than one folio are requested to send to the Company's Registrar and Transfer Agent, M/s. Purva Share Registry (India) Private Limited details of such folio together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Member/s. after making requisite changes thereon.
- (8) Non-resident Indian Shareholders are requested to inform the Company immediately:
- Change in residential status on return to India for permanent settlement.
  - Particulars of bank account maintained in India with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
  - Copy of Reserve Bank of India permission.
- (9)
- Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
  - Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID number, to their respective Depository Participants.
- (10) Members may avail dematerialization facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialized. The ISIN No. of the Company is INE332Q01015
- (11) Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office at least 7 days before the date of the meeting, so that the required information can be made available at the meeting.
- (12) Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.



- (13) The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent i.e. M/s. Purva Share Registry (India) Private Limited
- (14) Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2014 will also be available on the Company's website [www.kapilrajfinance.com](http://www.kapilrajfinance.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in Mumbai for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [kapilrajfinanceltd@gmail.com](mailto:kapilrajfinanceltd@gmail.com)
- (15) **Voting through electronic means**
- I. In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by Central Depository Services Limited (CDSL):

**The instructions for members for voting electronically are as under:-**

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (iv) Next enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are a first time user follow the steps given below:  
For Members holding shares in Demat Form and Physical Form

**PAN\*** Enter your 10 digit alpha-numeric \*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)

- Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field.
- In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.

**DOB** Enter the Date of Birth as recorded in your demat account or in the company records



- for the said demat account or folio in dd/mm/yyyy format.
- Dividend Bank Details** Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.
- Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares held by you as on the cut off date in the Dividend Bank details field.
- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xi) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.



- The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

- (A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
- (B) The voting period begins on 24<sup>th</sup> September 2014 from 9:00 A.M and ends on 24<sup>th</sup> September 2014 on 6:00 P.M. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 29<sup>th</sup> August 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**For members who wish to vote using ballot form:**

Pursuant to Clause 35B of the listing agreement, Members may fill in the ballot form enclosed with the Notice (a copy of the same is also part of the soft copy of the Notice) and submit the same in a sealed envelope to the Scrutiniser, Mr. Amit R. Dadheech 401A, Shriji Chambers, Janambhoomi Marg, Fort. Mumbai- 400001 so as to reach by 6.00 p.m. on September 27, 2014. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the Scrutiniser on the validity of the forms will be final.

In the event, a member casts his votes through both the processes i.e. e-voting and ballot form, the votes in the electronic system would be considered and the ballot form would be ignored



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**EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

The following explanatory statement sets out all material facts relating to the Special Business mentioned in the accompanying notice:

For Item No. 4 to 6

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Santosh Gangaram Mohite, Mr. Heeralal Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh, as Independent Directors of the Company at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation. Pursuant to clause 49 of the Listing Agreement as entered with the Stock Exchanges (to come into force w.e.f. October 1, 2014), an Independent Director cannot hold office for more than two consecutive terms of five years each and any tenure of an Independent Director on the commencement of the Companies Act, 2013 shall not be counted as a term.

Mr. Santosh Gangaram Mohite, Mr. Heeralal Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh, Independent Directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these Directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director.

Mr. Santosh Gangaram Mohite, Mr. Heeralal Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from member alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Mr. Santosh Gangaram Mohite, Mr. Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh for the office of Directors of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day.

Brief resume and other details of the Independent Directors whose appointment is proposed are provided in the Annexure to the Notice.



Mr. Santosh Gangaram Mohite, Mr. Heeralal Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh are deemed to be interested in the resolutions set out at Item no. 4 & 5 of the Notice with regard to their respective appointment.

The Board of Directors recommends the said resolution for your approval.

Save and except above, none of the other Directors or key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

Mr. Santosh Gangaram Mohite, Mr. Heeralal Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh are deemed to be interested in the resolutions set out at Item no. 4 to 6 of the Notice with regard to their respective appointment.

The Board of Directors recommends the said resolution for your approval.

Save and except above, none of the other Directors or key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above resolutions.

#### For Item No. 7

The Board of Director of the Company at their meeting held on September 3, 2014 appointed Mr. Atul Doshi as a Managing Director of the Company in order to comply with Section 203 of the Companies Act, 2013 by placing his resignation from the post of Executive Director.

Mr. Atul Doshi whose period of office is liable to determination by retirement of directors by rotation and designated as Whole-time Director for a period of five years commencing from March 1, 2014. A notice has been received from a member proposing Mr. Atul Doshi as a candidate for the office of Director of the Company

The Board of Directors of the Company, at their meeting held on September 3, 2014, appointed Mr. Atul Doshi as Managing Director of the Company for a period of five years commencing with effect from September 3, 2014. At present the Company has decided to pay nil remuneration to Mr. Atul Doshi, for her tenure of five years commencing with effect from September 3, 2014. Further, if in future the Company decides to pay remuneration to Mr. Atul Doshi, as Managing Director, it shall obtain a fresh approval from the shareholders of the Company. Further, Mr. Atul Doshi shall not be paid any sitting fees to attend Board Meetings / Committee Meetings of the Directors.

The Board of Directors of the Company recommends passing of the Special Resolution as Item no. 7 of the Notice.

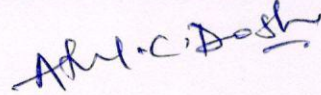
A copy of the resolution passed by the Board of Directors of the Company at their respective meetings held on September 3, 2014 is available for inspection by members at the Registered Office of the Company during the office hours on any working days, except Saturdays between 11.00 A.M. and 1.00 P.M. upto September 29, 2014. Mr. Atul Doshi, including her relatives, may be deemed to be interested in the Resolution at Item No. 7 of the Notice.



Except Mr. Atul Doshi, none of the Directors and Key Managerial Personnel, of the Company, including their relatives, is, in any way, concerned or interested in the said resolution.

Delhi  
May 29, 2014

For and on Behalf of the Board of Directors



Atul Doshi  
Executive Director  
(DIN No- 06826992)



## ANNEXURE TO NOTICE

DETAILS OF DIRECTORS TO BE APPOINTED /SEEKING RE-APPOINTMENT AT THE  
FORTHCOMING ANNUAL GERERAL MEETING

Name of the Director	Santosh Gangaram Mohite	Heeralal Rambaratram Jaiswar	Umesh Pravinchandra Parekh
Director Identification Number	02953365	06827029	06827077
Date of Birth	21/07/1976	01/04/1979	23/08/1962
Nationality	Indian	Indian	Indian
Date of appointment on the Board	25/11/2013	01/03/2014	01/03/2014
Relationship with other director	None	None	None
Qualifications	Bachelor in the field of Commerce	Bachelor in the field of Commerce	Bachelor in the field of Commerce
Number of shares held in the Company	Nil	Nil	Nil
List of Directorships held in other companies	2	None	None
Chairman/Member of the Committees of the Boards of other companies in which he is Director as on 31.03.2014	None	None	None

\$ Directorship does not include the Directorship in section 25 and Private Companies



**DIRECTORS' REPORT**

Dear Shareholders,

Your Directors are pleased to present the Annual Report of your Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March, 2014.

**FINANCIAL RESULTS:-**

PARTICULARS	Year ended	
	2014	2013
Total Income	512,792	337,000
Total Expenditure (Excluding Depreciation)	323,842	78,114
Gross Profit/(Loss) before Depreciation & Tax	188,950	258,886
Add/Less: Depreciation (Net)		-
Profit/(Loss) before Taxation	188,950	258,886
Less: Provision for Taxation		
Net Provision for Income Tax	65,392	80,025
Deferred Tax Reversal	0	0
Net Profit/(Loss) after Taxation	123,558	178,861
Transfer from General Reserve	Nil	Nil
Balance Brought forward from previous year	75,039	(103,822)
Balance carried forward to Balance Sheet	198,597	75,039

**DIVIDEND:**

Directors do not recommended Dividend for the period ended 31st March 2014 to strengthening the financial strength of the Company.

**DIRECTORS:**

- The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. Santosh Gangaram Mohite, Mr. Heeralal Rambaratram Jaiswar & Mr. Umesh Pravinchandra Parekh as Independent Directors of the Company. As per Section 149(4) of the Companies Act, 2013, which came into effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors.

In accordance with the provisions of Section 149 of the Companies Act, 2013, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming Annual General Meeting of the Company.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.



Brief details of Directors proposed to be appointed/re-appointed as required under Clause 49 of the Listing Agreement are provided in the Notice of Annual General Meeting forming part of this Annual Report.

- Mr. Kunjan Deliwai, Director of the Company has resigned from the Board w.e.f May 28, 2014
- Mr. Santosh Paste, Director of the Company has resigned from the Board w.e.f May 28, 2014

#### **LISTING OF SECURITIES AND ALLOTMENT OF EQUITY SHARES**

The Company has on May 28, 2014 allotted 49,40,000 Equity shares of Rs. 10/- each at par to promoter and non-promoter on preferential basis which were issued by the Company pursuant to the special resolution passed by the shareholders on March 31, 2014. The status of Equity shares of the Company visa-vis listing on Delhi Stock Exchange is as follows:

Equity Shares	Listed on
51,40,000	Delhi Stock Exchange

#### **CORPORATE GOVERNANCE**

The Company has vigorously striven to follow the best corporate governance practices aimed at building trust among the key stakeholders, shareholders, employees, customers, suppliers and other stakeholders on four key elements of corporate governance - transparency, fairness, disclosure and accountability and the Certificate from Practicing Company Secretary forms a part of this Report.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report on the operations of the Company is provided in a separate section and forms part of this Report.

#### **PARTICULARS OF EMPLOYEES**

No employee is covered under the Provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

#### **DEPOSITS**

The Company has not invited/accepted any deposits from the public during the financial year ended March 31, 2014. There were no unclaimed or unpaid deposits as on March 31, 2014.

#### **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:**

The information required under the provisions of section 217(1)(e) read with companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 are not given, as the company is not covered in the list of industries which should furnish information in Form "A" relating to Conservation of Energy. Similarly, information in Form "B" relating to Absorption of Research and Development and absorption of Technology are either Nil or Not applicable. Foreign Exchange earnings and outgo are Nil



**INFORMATION UNDER SECTION 217 (1) (e) OF THE COMPANIES ACT, 1956**

The particulars relating to conservation of energy and technology absorption required to be furnished pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 pertaining to conservation of energy and technology absorption, are not applicable to the Company.

**Foreign Exchange Earnings and Outgo**

- (a) Activities relating to exports; initiatives taken to increase exports; development of new export markets for products and services and export plans : N.A.
- (b) Foreign Exchange Earned : Rs.Nil (Previous Year : Rs.Nil)
- (c) Foreign Exchange Used : Rs.Nil (Previous Year : Rs.Nil)

**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 217(2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Directors confirm that –

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed with proper explanations relating to material departures, if any.
- (ii) appropriate accounting policies have been selected and applied consistently and the Directors have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2014 and of the Profits for the financial year from 1st April, 2013 to 31st March, 2014.
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) the annual accounts have been prepared on a going concern basis.



**AUDITORS AND AUDITORS' REPORT**

M/s. V. R. Bhabhra & Co., Chartered Accountants, existing Auditors will retire at the conclusion of the ensuing Annual General Meeting. Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Companies (Audit and Auditors) Rules, 2014,

M/s. V. R. Bhabhra & Co., are proposed to be re-appointed as Auditors, to hold office up-to the conclusion of the Annual General Meeting.

Pursuant to the provisions of Companies (Audit and Auditors) Rules, 2014, M/s. V. R. Bhabhra & Co., has certified that the following:

- a. They are eligible for appointment and are not disqualified for appointment under the Companies Act, 2013, the Chartered Accountants Act, 1949 and rules/regulations made thereunder;
- b. The proposed appointment is as per the term provided under the Companies Act, 2013;
- c. The proposed appointment is within the limits laid down by or under the authority of the Companies Act, 2013;
- d. There are no proceedings against the audit firm or any partner of the audit firm pending with respect to professional matters of conduct.

The Board of Directors recommends to the shareholders the appointment of M/s. V. R. Bhabhra & Co, as Auditors of the Company.

The observations and comments given in the report of the Auditors read together with notes to accounts are self explanatory and hence do not call for any further information and explanation under Section 217(3) of the Companies Act, 1956.

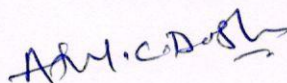
**APPOINTMENT OF COMPANY SECRETARY**

The Company is required to appoint a Company Secretary in Whole-time employment of the Company under section 383A (1) of the Companies Act, 1956 (corresponding relevant section 203 of the Companies Act, 2013). The Company is finalizing the suitable candidate holding a membership of the Institute of the Company Secretaries of India.

**ACKNOWLEDGEMENTS**

Your Board takes this opportunity to place on record its appreciation for the dedication and commitment of employees shown at all levels which have contributed to the success of your Company. Your Directors also express their gratitude for the valuable support and co-operation extended by various Governmental authorities, including Ministry of Information and Broadcasting, Department of Telecommunication, Ministry of Corporate Affairs, Stock Exchanges, Depositories and other stakeholders including banks, financial Institutions, viewers, vendors and service providers.

By Order of the Board of Directors



Mr. Atul Doshi  
Executive Director  
(DIN No- 06826992)



Mr. Umesh Parekh  
Director  
(DIN No- 6827077)

Delhi,  
May 29, 2014



**KAPIL RAJ FINANCE LIMITED****Registered Office:** 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh, Delhi-110005

CIN No-L65929DL1985PLC022788, Web: kapilrajfinance.com,

email id: [kapilrajfinanceltd@gmail.com](mailto:kapilrajfinanceltd@gmail.com)**PROXY FORM****[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Management and Administration) Rules, 2014]**

CIN	: L65929DL1985PLC022788
Name of the Company	: Kapil Raj Finance Limited
Registered Office	: 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh, Delhi-110005
Name of the member(s)	: .....
Registered Address	: .....
Email ID	: .....
Folio No./Client ID/DP ID	: .....

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

1) Name : ..... Address :

Email ID: ..... Signature :  
..... or failing him

2) Name : ..... Address: .....

Email ID: ..... Signature:  
..... or failing him

3) Name: ..... Address:

Email ID: ..... Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Annual General Meeting of the Company, to be held on **Monday, September 29, 2014 at 10.00 a.m.** at 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh, Delhi-110005 and at any adjournment thereof in respect of such resolutions as are indicated below:**Ordinary business**

1. Adoption of financial statements for the financial year ended March 31, 2014 and Reports of Directors' and Auditors' thereon.
2. Appointment of auditors and fixing their remuneration.
3. Appointment of Director in place of Mr. Sanjay Kumar Nathani, who retires by rotation and does not offer himself for re-appointment.



**Special Business**

- (1) Appointment of Mr. Santosh Gangaram Mohite (DIN 02953365), as an Independent Director.
- (2) Appointment of Mr. Heeralal Rambaratram Jaiswar (DIN 06827029), as an Independent Director
- (3) Appointment of Mr. Umesh Pravinchandra Parekh (DIN 06827077), as an Independent Director

Signed this ..... day of ..... 2014.

Affix  
Re.1  
Revenue  
Stamp

.....  
Signature of shareholder

Signature of Proxy holder(s)

**Notes:**

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the commence of the meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

-----cut from here -----

**KAPIL RAJ FINANCE LIMITED**

Registered Office: \_\_\_\_\_

**ATTENDANCE SLIP**

FOLIO NO. (Shares in physical mode)	
DP ID	
CLIENT ID	
NO. OF SHARES HELD	

I certify that I am a registered shareholder / proxy for the registered shareholder of the Company. I hereby record my presence at the 28<sup>th</sup> Annual General meeting of the Company to be held on Monday, September 29, 2014 at 10.00 a.m at 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh, Delhi-110005 and at any adjournment thereof.

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

(THIS ATTENDANCE SLIP DULY FILLED TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING HALL)

Date:



## PART I - Form of BALANCE SHEET

KAPIL RAJ FINANCE LIMITED  
Balance Sheet as at 31st March 2014

		(in Rupees)	
Particulars	Note No.	31st March 2014	31st March 2013
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' funds</b>			
(a) Share capital	1	20,00,000	20,00,000
(b) Reserves and surplus	2	1,99,151	75,039
(c) Money received against share warrants			
<b>2 Share application money pending allotment</b>		-	-
<b>3 Non-current liabilities</b>			
(a) Long-term borrowings		-	-
(b) Deferred tax liabilities (Net)		-	-
(c) Other Long term liabilities		-	-
(d) Long-term provisions		-	-
<b>4 Current liabilities</b>			
(a) Short-term borrowings		-	-
(b) Trade payables		35,000	35,000
(c) Other current liabilities		-	-
(d) Short-term provisions	3	1,50,481	91,261
<b>TOTAL</b>		<b>23,84,632</b>	<b>22,01,300</b>
<b>II. ASSETS</b>			
<b>Non-current assets</b>			
<b>1 (a) Fixed assets</b>			
(i) Tangible assets		-	-
(ii) Intangible assets		-	-
(iii) Capital work-in-progress		-	-
(iv) Intangible assets under development		-	-
(b) Non-current investments		-	-
(c) Deferred tax assets (net)		-	-
(d) Long-term loans and advances	4	21,49,392	19,19,100
(e) Other non-current assets		-	-
<b>2 Current assets</b>			
(a) Current investments		-	-
(b) Inventories		-	-
(c) Trade receivables		-	-
(d) Cash and cash equivalents	5	2,35,240	2,82,200
(e) Short-term loans and advances		-	-
(f) Other current assets		-	-
<b>TOTAL</b>		<b>23,84,632</b>	<b>22,01,300</b>

Notes Forming Integral Part Of Financial Statements

1-8

AS PER OUR REPORT OF EVEN DATE

FOR V. R. BHABHRA & CO.  
CHARTERED ACCOUNTANTSVIMAL R. BHABHRA  
(PROPRIETOR)  
Membership No. : 04643PLACE: MUMBAI  
DATE: 29th May, 2014

FOR KAPIL RAJ FINANCE LIMITED

ATUL DOSHI  
(DIRECTOR)UMESH PAREKH  
(DIRECTOR)

**PART II - Form of STATEMENT OF PROFIT AND LOSS**  
**KAPIL RAJ FINANCE LIMITED**  
Profit and loss statement for the year ended 31.03.2014

( in Rupees)

Particulars	Refer Note No.	31st March 2014	31st March 2013
I. Revenue from operations		-	-
II. Other income	6	5,12,792	3,37,000
III. Total Revenue (I + II)		5,12,792	3,37,000
IV. Expenses:			
Employee benefits expense	7	1,32,000	69,000
Finance costs		-	-
Depreciation and amortization expense	8	1,91,842	9,114
Other expenses			
Total expenses		3,23,842	78,114
Profit before exceptional and extraordinary items V. and tax (III-IV)		1,88,950	2,58,886
VI. Exceptional items			
VII. Profit before extraordinary items and tax (V - VI)		1,88,950	2,58,886
VIII. Extraordinary Items			
IX. Profit before tax (VII- VIII)		1,88,950	2,58,886
X Tax Expense:			
(1) Current tax		64,838	80,025
(2) Deferred Tax Assets Reversal		-	-
(3) Income Tax of Previous Years		-	-
Profit (Loss) for the period from continuing XI operations (VII-VIII)		1,24,112	1,78,861
XII Profit/(loss) from discontinuing operations			
XIII Tax expense of discontinuing operations			
Profit/(loss) from Discontinuing operations (after XIV tax) (XII-XIII)		-	-
XV Profit (Loss) for the period (XI + XIV)		1,24,112	1,78,861
XVI Earnings per equity share:			
(1) Basic		0.03	0.05
(2) Diluted		0.03	0.05

Notes Froming Integral Part Of Financial Staements 1-8

AS PER OUR REPORT OF EVEN DATE

FOR V. R. BHABHRA & CO.  
CHARTERED ACCOUNTANTS

VIMAL R. BHABHRA  
(PROPRIETOR)  
Membership No. : 046043

PLACE: MUMBAI  
DATE: 29th May, 2014



FOR KAPIL RAJ FINANCE LIMITED

ATUL DOSHI  
(DIRECTOR)

UMESH PAREKH  
(DIRECTOR)

*Atul Doshi*

*Umesh Parekh*



# KAPIL RAJ FINANCE LIMITED

## NOTE 1

### Share Capital

Particulars	31st March 2014	31st March 2013
<b>Authorised</b>		
200000 Equity Shares of `10 each	20,00,000	20,00,000
<b>Issued, Subscribed &amp; Paid up</b>		
2,00,000 Equity Shares of `10 each	20,00,000	20,00,000
<b>Total</b>	<b>20,00,000</b>	<b>20,00,000</b>

### A) Reconciliation of shares outstanding

Particulars	Equity Shares	
	Number	Amount
Shares outstanding at the beginning of the year	2,00,000	20,00,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	2,00,000	20,00,000

### B) Rights, preferences and restrictions attached to Equity shares

The Company has one class of equity shares having a par value of ` 10 each. Each shareholder is eligible for one vote per share held. The dividend proposed by the Board of Directors, if any, is subject to the approval of the shareholders in the ensuing Annual General Meeting, except in case of interim dividend. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

### C) Details of shareholders holding more than 5% shares in the company

SR NO	Name of Shareholder	31st March 2014		31st March 2013	
		No. of Shares held	% of Holding	No. of Shares held	% of Holding
1	Organza Inv & Trading Pvt Ltd	17,875	8.94	17,875	8.94
2	Mr. Vijay Dureja	20,875	10.44	20,875	10.44
	<b>TOTAL</b>	<b>38,750</b>	<b>1.94</b>	<b>38,750</b>	<b>1.94</b>

## NOTE 2

### Reserves & Surplus

Particulars	31st March 2014	31st March 2013
<b>A. Surplus</b>		
Opening balance	75,039	-1,03,822
(+) Net Profit/(Net Loss) For the current year	1,24,112	1,78,861
Closing Balance	1,99,151	75,039
<b>Total</b>	<b>1,99,151</b>	<b>75,039</b>

# KAPIL RAJ FINANCE LIMITED

## NOTE 3

### Short Term Provision

<u>Particulars</u>	31st March 2014	31st March 2013
(a) Other Provision		
1 Income Tax (Net of TDS)	1,44,863	80,025
2 Audit Fess Payable	5,618	11,236
	1,50,481	91,261

## NOTE 4

### Long Term Loans and Advances

<u>Particulars</u>	31st March 2014	31st March 2013
a. <u>Security Deposits</u>		
Unsecured, considered good	-	
	-	-
b. <u>Loans and advances</u>		
Unsecured, considered good	21,49,392	19,19,100
	21,49,392	19,19,100
<b>Total</b>	21,49,392	19,19,100

## NOTE 5

### Cash and cash equivalents

<u>Particulars</u>	31st March 2014	31st March 2013
a. Balances with banks		
1 Balance with Banks	2,676	2,82,200
b. Cash in hand	2,32,564	-
<b>Total</b>	2,35,240	2,82,200

# KAPIL RAJ FINANCE LIMITED

## NOTE 6

### Other Income

Particulars	31st March 2014	31st March 2013
Consultancy Income	2,80,000	3,37,000
Interest Income	2,30,292	
Commission Income	2,500	
<b>Total</b>	<b>5,12,792</b>	<b>3,37,000</b>

## NOTE 7

### Employee Costs

Particulars	31st March 2014	31st March 2013
Salaries & Other Employees Benefits	1,32,000	69,000
	1,32,000	69,000

## NOTE 8

### Other Expenses

SR No	Particulars	31st March 2014	31st March 2013
1	Filing Fees	6,742	900
2	Legal & Professional charges		2,500
3	Interest on delayed pmt of Income Tax		96
4	Conveyance	26,400	
5	Telephone Expenses	25,200	
6	Rent	1,20,000	
7	Miscellaneous Expenses	7,300	
8	Bank Charges	582	
9	Auditors Remuneration	5,618	5,618
	<b>Total</b>	<b>1,91,842</b>	<b>9,114</b>

## Notes to the Financial Statements

### Note 9 SIGNIFICANT ACCOUNTING POLICIES :

**A) BASIS OF PREPARATION OF FINANCIAL STATMENTS :**

The financial statements have been prepared in accordance with Generally Accepted Accounting Principles ("GAAP") in India; the Accounting Standards prescribed under the Companies (Accounting Standards) Rules, 2006 and the relevant provisions of the Companies Act, 1956 and are based on the historical cost convention on an accrual basis.

**B) PRESENTATION AND DISCLOSURE OF FINANCIAL STATEMENTS:**

The financial statement for the year ended march 31,2014 had been prepared as per the than applicable pre revised Schedule VI of the Companies Act, 1956, The financial statements for the year.

**E) REVENUE RECOGNITION :**

All Income / Expenditure are recognised on an accrual basis except dividend income which has been accounted on receipt basis.

**F) EARNING PER SHARES :**

The earning per shares is calculated by dividing net profit after tax (DENOMINATOR) and number of shares(NUMERATOR).

	2014	2013
Profit/loss after tax (Rupees)	1,24,112	1,78,861
No. of shares	2,00,000	2,00,000
Basic and Diluted EPS(Rupees)	0.62	0.89

**10** In the opinion of the Board the current Assets, Loans and Advances are approximately of the value if realised in the ordinary course of the business.

**11** Balances of Sundry Creditor's , Advaces given and Loans taken are subject to confirmation and reconciliation if any and the same are taken as correct as per the Books of Accounts.

**12** Remuneration to Auditors includes payments in respect of

	31/3/2014	31/3/2013
Audit Fees	5618.00	5618.00
	5,618.00	5,618.00

**13** In the opinion of the Board the company does not have any contingent liability.

**14** The Company has not given any remuneration and commission to directors so the computation u/s349 and 350 of the companies Act, 1956 is not required.

**15** Previous years figure have been regrouped and rearranged wherever necessary and have been rounded off to the nearest rupees.

**16** In terms of Accounting Standard 22 (AS-22) issued by the Institute of Chartered Accountants of India, the company had provided for the net deferred tax asset (Net) for and up to 31.03.2014. The company has also created deferred tax assets for the year in respect of unabsorbed depreciation. Deferred tax assets and liabilities are created at the effective tax rates applicable to the company.

**17** Provisions are made for current income tax based on tax liability computed in accordance with relevant tax rates and tax laws.

As per our report of even date,

**For V R Bhabhra & Co**

Chartered Accountants

Firm Reg. No.:- 112861W

**(VIMAL R BHABHRA)**

Proprietor

Membership No. 046043

Place : Mumbai

DATE: 29th May, 2014

For and on behalf of the board ,

**For KAPIL RAJ FINANCE LIMITED**

**ATUL DOSHI**  
(DIRECTOR)

**UMESH PAREKH**  
(DIRECTOR)



# KAPIL RAJ FINANCE LIMITED

## CASH FLOW STATEMENT ANNEXED TO THE BALANCE SHEET AS AT 31ST MARCH 2014

(Amount in Rs.)

PARTICULARS	2013-14	2012-13
<b><u>CASH FLOW FROM OPERATING ACTIVITIES</u></b>		
Net Profit /(Loss) Before tax paid and extra ordinary items	1,88,950	2,58,886
Less : Extra-ordinary items	-	-
	1,88,950	2,58,886
<b><u>Adjusted for :</u></b>		
Depreciation	-	-
Operating Profit/(Loss) before Working Capital Changes	1,88,950	2,58,886
<b><u>Adjusted for :</u></b>		
Other Current Liabilities		84,027
Short Term Provision	-5,618	
Other Current Assets	-	-
LESS:- INCOME TAX PAID		80,025
NET CASH FROM OPERATING ACTIVITIES (A)	1,83,332	2,62,888
<b><u>CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Other Assets - Increase in Advances	-2,30,292	-
NET CASH FROM INVESTING ACTIVITIES (B)	-2,30,292	-
<b><u>CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Proceeds from Short term borrowings	-	-
NET CASH FROM FINANCING ACTIVITIES (C)	-	-
Net increase in cash & cash equivalent (A+B+C)	-46,960	2,62,888
Opening balance of cash & cash equivalent	2,82,200	19,312
Closing balance of cash & cash equivalent	2,35,240	2,82,200

As per our report of even date,  
**For V R Bhabhra & Co**  
Chartered Accountants  
Firm Reg. No.:- 112861W

**(VIMAL R BHABHRA)**  
Proprietor  
Membership No. 046043  
Place : Mumbai  
DATE: 29th May, 2014



For and on behalf of the board ,  
**For KAPIL RAJ FINANCE LIMITED**

**ATUL DOSHI**  
(DIRECTOR)

**UMESH PAREKH**  
(DIRECTOR)





**V. R. BHABHRA & CO.**

**Chartered Accountants**

303, Sagar Shopping Centre, 76, J. P. Road. Opp. Bombay Bazar, Andheri (West), Mumbai - 400 058.  
Tel.: +91 22 2678 1737 • E-mail : vimalbhabhra@yahoo.co.in / cavimalbhabhra123@gmail.com

## INDEPENDENT AUDITORS' REPORT

To  
The Members of  
**KAPIL RAJ FINANCE LIMITED**

### Report on the Financial Statements

We have audited the accompanying financial statements of **KAPIL RAJ FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at 31<sup>st</sup> March 2014 and the statement of Profit & Loss for the year then ended, and a summary of significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13 September 2013 of the Ministry of Corporate Affairs in respect of section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at 31 March 2014;
- b) In the case of the statement of Profit and Loss, of the profit for the year ended on that date; and

### Report on Other Legal and Regulatory Requirements

1 As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.


2. As required by section 227(3) of the Act, 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, Statement of Profit and Loss dealt with by this Report are in agreement with the books of account;
- d) In our opinion, the Balance Sheet & Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act,
- e) On the basis of written representations received from the directors as on 31 March 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

Mumbai  
May 29, 2014



For V R BHABHRA & CO  
Chartered Accountants  
FRN: 112861W

  
Vimal R Bhabhra  
Proprietor  
Membership No. 046043

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

The annexure referred to in Paragraph I of the Auditors' Report to the members of **KAPIL RAJ FINANCE LIMITED** (the Company) for the year ended 31<sup>st</sup> March 2014. We report that:

- i. The Company has not owned any fixed assets during the year Hence, this provision is not applicable.
- ii. The Company has no inventory during the year. Hence this provision is not applicable.
- iii. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The Company has not taken any loans, secured or unsecured, from the 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, internal control system commensurate with the size of the company and the nature of its business with regard to purchase of the fixed assets, inventory and sale of goods and services.
- v. According to the information and explanations given to us, we are of the opinion that there are no transactions that need to be entered into the register maintain under section 301 of the companies Act, 1956.
- vi. According to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of provisions of sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules made there under.
- vii. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- viii. In our opinion the central government has not prescribed maintenance of cost records under section 209(i) (d) of the companies act, 1956.
- ix.
  - a) According to the information and explanation given to us, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employee's state insurance income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.

- b) According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, wealth tax, custom duty, excise duty and cess were in arrears, as at 31<sup>st</sup> march, 2014 for a period of more than six month from the date they become payable.
- x. The Company does not have accumulated losses at the end of the financial year. The Company has not incurred any cash losses during the financial year covered by our audit and in the immediately preceding financial year.
- xi. Based on our audit procedures and according to the information and explanations provided to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institution, bank and debenture holders.
- xii. In our opinion and according to the explanations given to us and based on the information available, 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 / nidhi / mutual benefit fund / society.
- xiv. In our opinion, the company is not dealing in or trading in Shares, Securities, Debentures and other investments.
- xv. In our opinion and according to the information and explanations provided to us, the Company has not given any guarantee for loan taken by others from banks or financial institutions.
- xvi. According to the records of the Company has not raised any term loan during the year.
- xvii. On the basis of review of utilization of funds, which is based on an overall examination of the Balance Sheet of the Company and related information as made available to us and as represented to us by the management, funds raised on short-term basis have not been used for long-term purposes.
- xviii. 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 during the period covered by this report.

XX. During the year, the Company has not raised money through public issue.


XXi. Based upon the audit procedures performed and as per the information and explanation given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For **V R BHABHRA & CO.**

Chartered Accountants

Registration No: 112861W



  
Vimal Bhabhra  
**Proprietor**

Membership No: 046043

Place: Mumbai

Date: May 29, 2014