



**16th ANNUAL REPORT  
2013-14**

**HARYANA CAPFIN LIMITED**

# HARYANA CAPFIN LIMITED

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## BOARD OF DIRECTORS

Saket Jindal Chairman  
Shruti Raghav Jindal Wholetime Director  
Shyam Lal Bindal  
K. K. Bhartia

## AUDIT COMMITTEE

Shyam Lal Bindal Chairman  
Saket Jindal  
K. K. Bhartia

## COMPANY SECRETARY

Sonia Yadav

## AUDITORS

B.K. Shroff & Co.  
Chartered Accountants  
New Delhi

## BANKERS

ICICI Bank Limited  
HDFC Bank Limited

## REGISTERED OFFICE

Pipe Nagar, Village Sukeli, N.H. 17  
B. K. G. Road, Taluka Roha,  
Distt. Raigad - 402 126 (Maharashthra)

## CORPORATE OFFICE

Plot No. 30, Institutional Sector - 44  
Gurgaon - 122 002  
Haryana

## HEAD OFFICE

B-59, Greater Kailash-I  
New Delhi-110 048

## REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Ltd.  
Alankit House, 2E/21, Jhandewalan Extension,  
New Delhi - 110 055

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# HARYANA CAPFIN LIMITED

Registered Office : Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road,  
Taluka Roha, Distt. Raigad - 402 126, Maharashtra  
Tel: 02194-238511-12 | Fax: 02194-238513  
Email: [investors@haryanacapfin.com](mailto:investors@haryanacapfin.com) | Website: [www.haryanacapfin.com](http://www.haryanacapfin.com)  
CIN : L27209MH1998PLC236139

## NOTICE

Notice is hereby given that the 16th Annual General Meeting of Haryana Capfin Limited will be held on Friday, the 26<sup>th</sup> September, 2014 at 11.00 A.M. at the Registered Office of the Company at Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402 126, Maharashtra to transact the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended 31<sup>st</sup> March, 2014 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Saket Jindal (DIN-00405736), who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s. B. K. Shroff & Co., Chartered Accountants (Firm Regn. No. 302166E) as Auditors of the Company to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS

4. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:  
"RESOLVED THAT Smt. Shruti Raghav Jindal (DIN –02208891), who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and holds office upto the date of this Annual General Meeting and in respect to whom the Company has received notice under Section 160 of the Companies Act, 2013, from a member, proposing her candidature be and is hereby appointed as a Director of the Company."
5. To consider, and if thought fit, to pass with or without modification(s) the following resolution as a special resolution:  
"RESOLVED THAT pursuant to the provisions of Sections 196, 197 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, read with Schedule V to the said Act, the consent of the Members of the Company be and is hereby accorded for appointment of and payment of remuneration to Smt. Shruti Raghav Jindal (DIN 02208891) as Whole time Director of the Company for a period of 3 (Three years) with effect from 1<sup>st</sup> July, 2014 on the terms and conditions set out herein with liberty to the Board of Directors to alter and vary the terms and conditions and/remuneration, subject to the same not exceeding the limits specified in schedule V to the Companies Act, 2013, including any statutory modification or re-enactment thereof for the time being in force or as may hereafter be made by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Smt. Shruti Raghav Jindal.

### SALARY

Rs. 1,75,000/- per month with such increase as may be decided by the Board of Directors, from time to time in the grade of Rs. 1,75,000- Rs. 3,50,000/- per month.

### PERQUISITES

- I. The Whole Time Director shall be entitled to perquisites & benefits like furnished/ non furnished accommodation or house rent allowance in lieu thereof, gas, electricity, water, medical reimbursement, leave travel concession for self & family, club fees, car with driver for business & personal use, facility of telephone installed at her residence, medical and personal accident insurance, education allowance, bonus/ex-gratia etc. as per rules of the Company. The value of perquisites shall be evaluated as per Income Tax Rules wherever applicable.
- II. The Whole Time Director shall be entitled to Company's contribution to Provident Fund, Superannuation Fund, Pension Fund, Gratuity, encashment of earned leave at the end of the tenure, as per the rules of the Company, and these shall not be included in the computation of perquisites.

### MINIMUM REMUNERATION

In the event of loss or inadequacy of profits, the remuneration including the perquisites as mentioned above shall be paid in accordance with Schedule V and other applicable provisions of the Companies Act, 2013 as amended from time to time.

# HARYANA CAPFIN LIMITED

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## OTHER TERMS

- I. The Whole Time Director shall not be paid any sitting fees for attending the meeting(s) of the Board of Directors or Committees thereof.
  - II. The Whole Time Director shall be entitled to reimbursement of entertainment, travelling and all other expenses incurred in the course of the Company's business.
  - III. The appointment may be terminated by the Company or by the Whole Time Director by giving not less than three months' prior notice.
6. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:  
"RESOLVED THAT pursuant to the provisions of section 149,152 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 may be amended from time to time, Shri Kamal Kishore Bhartia (DIN - 00081236), be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years commencing from the date of 16<sup>th</sup> Annual General Meeting of the Company."
7. To consider, and if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:  
"RESOLVED THAT pursuant to the provisions of section 149,152 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 may be amended from time to time, Shri Shyam Lal Bindal (DIN -03373157), be and is hereby appointed as Independent Director of the Company to hold office for a term of five consecutive years commencing from the date of 16<sup>th</sup> Annual General Meeting of the Company."

By order of the Board

Place : Gurgaon  
Dated : 6th August, 2014

**SONIA YADAV**  
Company Secretary

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**  
Form of Proxy is separately annexed. The instrument of Proxy, in order to be effective must be deposited at the registered office of the Company, not less than 48 hours before the commencement of the meeting. Proxies submitted on behalf of companies/bodies corporate must be supported by an appropriate resolution/authority as applicable.  
A person can act as a proxy on behalf of members not exceeding fifty and holding in aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person and shareholder.
2. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business is annexed hereto.
3. Members / Proxies attending the meeting are requested to bring their copy of the Annual Report for reference at the meeting as also the Attendance Slip duly filled in for attending the meeting.
4. Pursuant to Section 108 of the Companies Act, 2013, read with the Companies (Management & Administration) Rules, 2014, the Company has fixed 14<sup>th</sup> August, 2014 as the cut-off date to ascertain the entitlement of the shareholders to cast their votes electronically at the 16<sup>th</sup> Annual General Meeting under the Companies Act, 2013 and rules made thereunder. Consequently the same cut-off date i.e. 14<sup>th</sup> August, 2014 would also be considered for entitlement of the shareholders, who do not cast their vote electronically, to cast their vote at the 16<sup>th</sup> Annual General Meeting on 26<sup>th</sup> September, 2014.
5. The Register of Members and Share Transfer Books of the Company will remain closed from 26<sup>th</sup> August, 2014 to 28<sup>th</sup> August, 2014 (both days inclusive).
6. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at its Corporate Office so as to reach at least 7 days before the date of the meeting so that the required information can be made available at the meeting.

# HARYANA CAPFIN LIMITED

7. Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):

Name	Saket Jindal	Shruti Raghav Jindal	K.K. Bhartia	Shyam Lal Bindal
Age	40	32	60	46
Qualification	BBA	Graduate in International Management from Richmond University, London	Bachelor of Commerce	Post Graduate Diploma in Business and Industrial Management
Expertise in specific functional area	Dynamic Industrialist having wide experience of managing industrial enterprises	Wide experience in managing the Non-Banking Finance companies and in the field of Business promotion and Public relations	Prominent Businessman having wide business experience	Extensive experience in the field of Accounts, Finance & Commercial areas.
Date of appointment as Director of the Company	12.09.2006	01.07.2014	16.03.2011	16.03.2011
Directorship of other	-Maharashtra Seamless Ltd. -Jindal Pipes Ltd. -Jindal Premium Connections Pvt. Ltd. -Odd & Even Trades & Finance Pvt. Ltd. -Maharashtra Seamless Finance Ltd.	Global Jindal Fin-Invest Ltd. Sparlerk Dealcomm Ltd.	-Rasiwasia Pvt. Ltd. -Raigarh Iron Industries Ltd. -Ridhi Steel India Pvt. Ltd. -Ganga Ferroalloys Pvt. Ltd.	
Chairman/Member of Committee of other Companies	Member-Maharashtra Seamless Ltd.-Stakeholders Relationship Committee	Nil	Nil	Nil
No. of Shares Held	1,17,579	Nil	Nil	Nil
Inter-se relationship with other Directors	None	None	None	None

8. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:

Alankit Assignments Ltd.  
Alankit House,  
2E/21, Jhandewalan Extension,  
New Delhi-110055

9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names recorded in the Register of Members will be entitled to vote. Corporate members intending to send their authorised representative are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.
10. All documents referred to in the accompanying notice and the Explanatory Statement are open by the members for inspection at the Registered Office of the Company between 10.00 A.M. to 1.00 P.M. on any working day upto the date of the Annual General Meeting and also at the meeting.

# HARYANA CAPFIN LIMITED

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11. Pursuant to Section 101 of the Companies Act, 2013 and rules made thereunder, the companies are allowed to send communication to shareholders electronically. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
12. In compliance with the provisions of Section 108 of the Companies Act, 2013 and Rules framed thereunder, and the listing agreement, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- A. In case a Member receives an e-mail from NSDL (for Members whose e-mail addresses are registered with the Company/Depositories):
  - i. Open the e-mail and also open PDF file namely "HCL e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password for e-voting. Please note that the password is an initial password.
  - ii. Open the internet browser and type the following URL: <https://www.evoting.nsdl.com>.
  - iii. Click on Shareholder - Login.
  - iv. If you are already registered with NSDL for e-voting then you can use your existing user ID and password.
  - v. If you are logging in for the first time, please enter the user ID and password provided in the PDF file attached with the e-mail as initial password.
  - vi. The Password Change Menu will appear on your screen. Change to a new password of your choice, making sure that it contains a minimum of 8 digits or characters or a combination of both. Please take utmost care to keep your password confidential.
  - vii. Once the e-voting home page opens, click on e-voting> Active Voting Cycles.
  - viii. Select "EVEN" (E-Voting Event Number) of Haryana Capfin Limited. Now you are ready for e-voting as Cast Vote page opens.
  - ix. Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
  - x. Upon confirmation, the message "Vote cast successfully" will be displayed.
  - xi. Once the vote on the resolution is cast, the Member shall not be allowed to change it subsequently.
  - xii. Institutional shareholders (i.e. other than individuals, HUF, NRI, etc.) are required to send scanned copy (PDF/JPG format) of the relevant Board Resolution/Authority letter, etc., together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to [scrutinizer@csmanshipb.in](mailto:scrutinizer@csmanshipb.in), with a copy marked to [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in).
  - xiii. In case of any queries, you may refer the Frequently Asked Questions (FAQs) - Shareholders and e-voting user manual - Shareholders, available at the downloads section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com).
- B. In case a Member receives physical copy of the Notice of AGM (for Members whose email addresses are not registered with the Company/Depositories):
  - i. Initial password is provided in the enclosed ballot form:, EVEN (E-Voting Event Number), User ID and Password.
  - ii. Please follow all steps from Sl. No. (ii) to Sl. No. (xiii) above, to cast vote.
- C. Other Instructions:
  - i. The e-voting period commences on Wednesday, 17<sup>th</sup> September, 2014 (9.00 A.M. IST) and ends on Friday, 19<sup>th</sup> September, 2014 (6.00 P.M. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 14<sup>th</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.
  - ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 14<sup>th</sup> August, 2014.

- iii. Mr. Manish Baldeva, Practicing Company Secretary (Membership No. FCS 6180), has been appointed as the Scrutinizer to scrutinize the e-voting process (including the Ballot Form received from the Members who do not have access to the e-voting process) in a fair and transparent manner.
- iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.
- v. Members who do not have access to e-voting facility may send duly completed Ballot Form (enclosed with the Annual Report) so as to reach the Scrutinizer appointed by the Board of Directors of the Company, Mr Manish Baldeva, Practicing Company Secretary, (Membership No. FCS 6180), at the Registered Office of the Company not later than Friday, 19<sup>th</sup> September, 2014 (5.00 P.M. IST).

Members have the option to request for physical copy of the Ballot Form by sending an e-mail to investors@haryanacapfin.com by mentioning their Folio / DP ID and Client ID No. However, the duly completed Ballot Form should reach the Registered Office of the Company not later than Friday, 19<sup>th</sup> September, 2014 (5.00 P.M. IST).

Ballot Form received after this date will be treated as invalid.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

- vi. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.haryanacapfin.com and on the website of NSDL www.evoting.nsdl.com within two days of the passing of the resolutions at the sixteenth AGM of the Company on September 26 2014 and communicated to the BSE Limited, where the shares of the Company are listed.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

### **Item no. 4**

Smt. Shruti Raghav Jindal was co-opted as an Additional Director of the Company on 1<sup>st</sup> July, 2014. Pursuant to Section 161 of the Companies Act, 2013 (the Act), she holds office upto the date of the ensuing Annual General Meeting.

The Company has received notice, in writing, from a member, along with the deposit of the requisite amount under Section 160 of the Act, proposing the candidature of Smt. Shruti Raghav Jindal as Director of the Company. She is not disqualified from being appointed as Director in terms of Section 164 of the Act and has given her consent to act as Director of the Company.

Except Smt. Shruti Raghav Jindal and her relatives, none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

The Board recommends the resolution as set out in Item nos. 4 of this Notice for your approval.

### **Item No. 5**

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee of the Board of Directors has appointed Smt. Shruti Raghav Jindal as Whole time Director of the Company for a period of three years on the terms and conditions, including remuneration, as contained in the resolution in conformity with in Section II, Part II of Schedule V of the Companies Act, 2013 in view of inadequacy of profit of the Company.

Pursuant to the provisions of Section 203 read with Schedule V of the Companies Act, 2013, the approval of the members is required to be obtained for payment of remuneration to Smt. Shruti Raghav Jindal as Whole time Director.

Except Smt. Shruti Raghav Jindal, and her relatives none of the Directors, Key Managerial Personnel and their relatives are concerned or interested in the resolution.

The Directors recommend the resolution as set out in item no. 5 of the Notice for your approval.

# HARYANA CAPFIN LIMITED

The statement containing information as required under Schedule V of the Companies Act, 2013 is given herein below :

## STATEMENT IN TERMS OF SECTION II OF PART II OF SCHEDULE V OF THE COMPANIES ACT, 2013, RELATING TO REMUNERATION PAYABLE TO WHOLETIME DIRECTOR

### I. GENERAL INFORMATION :

1. Nature of Industry : Non- Banking Finance industry
2. Date or expected date of commencement of commercial production : The Company has already commenced operations in 1999
3. In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus. : Not applicable
4. Financial performance based on given indicators : *(Rs. in Lacs)*

Particulars	2013-14	2012-13
Total Income	<b>208.86</b>	192.69
Profit before Tax	<b>195.17</b>	178.97
Profit after Tax	<b>183.71</b>	177.33

5. Foreign Investments or collaborators, if any : At present the Company has neither made any foreign investments nor has any collaboration.

### II. INFORMATION ABOUT THE APPOINTEES :

#### 1. BACKGROUND DETAILS :

Smt. Shruti Raghav Jindal is a Graduate in International Management from Richmond University London She has wide of experience in managing the Non- Banking Finance companies and other industries. She had served as Chief Executive (Business Promotion and Public Relations) in Maharashtra Seamless Ltd. and is presently Director of Global Jindal Fin-Invest Ltd. and Sparlerk Dealcomm Ltd.

#### 2. PAST REMUNEATION :

Smt. Shruti Raghav Jindal who was working with Maharashtra Seamless Ltd. as Chief Executive (Business Promotion and Public Relations) was being paid a Salary of Rs. 1,75,000/- per month plus other benefits as per rules of the said Company.

#### 3. RECOGNITION OR AWARDS :

None

#### 4. JOB PROFILE AND THEIR SUITABILITY

Smt. Shruti Raghav Jindal has been looking after the overall operations of Company, including various other responsibilities as may be assigned by the Board of Directors from time to time.

#### 5. REMUNERATION PROPOSED :

As per details given in the resolution.

#### 6. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON

Considering the size of the Company, the profile of the Whole time Director, the responsibilities shouldered by her and the industry benchmarks, the aforesaid remuneration is commensurate with the remuneration being drawn by similar position in other companies.



## 7. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY, OR RELATIONSHIP WITH THE MANAGERIAL PERSONNEL, IF ANY

Besides the remuneration proposed, the Whole time Director has no pecuniary relationship except the loan transactions with the related parties in the ordinary course of business.

Smt. Shruti Raghav Jindal is not related (as defined under the Companies Act, 2013) to any Managerial Personal.

## III. OTHER INFORMATION :

### 1. Reasons of loss or inadequate profits

The profitability of the Company has been inadequate due to general economic slowdown in areas, wherein its investee companies are operating.

### 2. Steps taken or proposed to be taken for improvement

The Company would make efforts to diversify and expand its activities to improve the profitability.

### 3. Expected increase in productivity and profits in measurable terms

With the efforts, proposed, as above it is expected that the Company would improve its profitability.

## Item no. 6 and 7

In terms of Section 149 of the Companies Act, 2013, (The Act) read with Companies (Appointment and Qualification of Directors) Rules, 2014, the Company is required to appoint Independent directors, who shall hold office for a period of upto five consecutive years and shall not be liable to retire by rotation. They may be appointed for a maximum of two consecutive terms of upto five years each.

Shri Kamal Kishore Bhartia and Shri Shyam Lal Bindal are Independent Directors of the Company and have been holding the office of directorship for a period three years. As per their existing terms of appointment, they are liable to retire by rotation.

The Company has received notices, in writing, from member(s), along with the deposit of the requisite amount under Section 160 of the Act, proposing the candidature of each of the above mentioned Director for appointment as Independent Directors of the Company. They 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 also received declarations from these Directors that they meet with the criteria of independence as prescribed under Section 149 (6) of the Act and Clause 49 of the listing agreement.

The Board of Directors, considers that their continued association would be of immense benefit to the Company and has proposed their appointment as Independent Directors under Section 149 of the Act to hold office for a term of five consecutive years commencing from the date of 16<sup>th</sup> Annual General Meeting of the Company. In the opinion of the Board all the above mentioned Directors fulfill conditions of appointment as Independent Director as specified in the Act and the listing agreement.

Details of the Independent Directors, whose appointment is proposed at item nos. 6 and 7 of the accompanying Notice have been given in the Notes to the Notice.

A copy of their draft letters of appointment as Independent Directors, setting out the terms and conditions are available for inspection by the Members at the registered office of the Company on all working days between 10.00 A.M. and 1.00 P.M. upto the date of the Annual General Meeting.

None of the Directors, Key Managerial Personnel and their relatives other than Shri Kamal Kishore Bhartia and Shri Shyam Lal Bindal and their relatives are concerned or interested in the respective resolutions for their appointment.

The Board recommend the resolutions as set out in Item nos. 6 and 7 of this Notice for your approval.

Place : Gurgaon  
Dated : 6th August, 2014

By order of the Board

**SONIA YADAV**  
Company Secretary

# HARYANA CAPFIN LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 16<sup>th</sup> Annual Report along with Audited Accounts of the Company for the year ended 31<sup>st</sup> March, 2014.

## FINANCIAL RESULTS

	<b>Year ended 31.03.2014</b>	<b>(Rs. in Lacs)</b> Year ended 31.03.2013
<b>Total Income</b>	<b>208.86</b>	192.69
<b>Profit before Tax</b>	<b>195.17</b>	178.97
Less: Provision for Tax - Current	<b>9.75</b>	4.24
- Earlier year	<b>1.71</b>	-
Add : MAT Credit Entitlement	-	(2.59)
<b>Profit after Tax</b>	<b>183.71</b>	177.33
Balance brought forward from previous year	<b>715.20</b>	583.34
<b>Profit available for appropriation</b>	<b>898.91</b>	760.67
<b>Appropriations</b>		
- Statutory Reserves	<b>36.75</b>	35.47
- Transfer to General Reserve	<b>10.00</b>	10.00
- Surplus carried to Balance Sheet	<b>852.16</b>	715.20
	<b>898.91</b>	760.67

## DIVIDEND

With a view to conserve resources for future business operations of the Company, your Directors do not recommend any dividend for the year under review.

## OPERATIONS

Total income of the Company during the year was Rs. 208.86 lacs as against Rs. 192.69 lacs in the previous year. The profit before tax during the year was Rs.195.17 lacs as against Rs. 178.97 lacs in the previous year. The Profit after tax was Rs. 183.71 lacs as against Rs. 177.33 lacs in the previous year.

## DIRECTORS

Shri Saket Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

Mr. Sudhir Kumar Singhal resigned as Director of the Company wef 30<sup>th</sup> June, 2014.

The Board of Directors of the Company had appointed Smt. Shruti Raghav Jindal as an Additional Director of the Company on 1<sup>st</sup> July, 2014. In terms of section 161 of the Companies Act, 2013 she holds office upto the date of ensuing Annual General Meetings of the Company.

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee of the Board of Directors of the Company has appointed Smt. Shruti Raghav Jindal as Whole time Director of the Company for a period of three years on the terms and conditions, including remuneration, as recommended by the said Committee.

Pursuant to Section 149 of the Companies Act, 2013, your Directors are seeking appointment of Shri Kamal Kishore Bhartia and Shri Shyam Lal Bindal as Independent Directors for a period of five years.

The Company has received notices under Section 160 of the Companies Act, 2013 along with deposit of requisite amount from members proposing the candidature of above Directors of the Company.

Items seeking your approval on the above are included in the Notice convening the Annual General Meeting.

## FIXED DEPOSIT

Your Company has not accepted any Public deposits and as such, no amount of principal or interest on public deposit was outstanding as on the date of the Balance Sheet.

## DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) that in the preparation of the Annual Accounts for financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed;

- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for that period;
- (iii) that 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) that the Annual Accounts for the year ended 31<sup>st</sup> March, 2014 have been prepared on a going concern basis.

## **AUDIT COMMITTEE**

The Audit Committee of the Company consists of Shri Shyam Lal Bindal, Chairman, Shri Saket Jindal and Shri K.K. Bhartia, as its other members. The Board of Directors of your Company has revised its terms of reference to be in conformity with the requirements of Section 177 of the Companies Act, 2013 and revised clause 49 of the Listing Agreement.

## **NOMINATION AND REMUNERATION COMMITTEE**

Your Directors have constituted the Nomination and Remuneration Committee, comprising Shri. K.K. Bhartia as the Chairman and Shri Saket Jindal and Shri Shyam Lal Bindal, as its other members.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for the Directors, key managerial personnel and other employees, formulation of criteria for evaluation of independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

## **STAKEHOLDERS' RELATIONSHIP COMMITTEE**

Your Directors have renamed the 'Shareholders'/Investors Grievance cum Share Transfer Committee' as Stakeholders' Relationship Committee, with revised terms of reference in accordance with provisions of the Companies Act, 2013 and Clause 49 of the listing agreement.

## **CORPORATE GOVERNANCE**

Pursuant to Clause 49 of the Listing Agreement, with the Stock Exchange, a separate Report on Corporate Governance has been annexed as part of the Annual Report. Certificate from the Practicing Company Secretary confirming Compliance of Conditions of Corporate Governance is annexed to this Report.

## **MANAGEMENT DISCUSSION & ANALYSIS**

A report on Management Discussion and Analysis is attached as a part of the Annual Report.

## **AUDITORS**

M/s B. K. Shroff & Co. Chartered Accountants, New Delhi, the retiring Auditors, hold office upto the conclusion of the ensuing Annual General Meeting. The Statutory Auditors have confirmed their eligibility and willingness to accept the office on reappointment.

The observations of Auditors are explained, wherever necessary in the appropriate notes on accounts.

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO**

Provisions of the Section 217(1)(e) of the Companies Act, 1956 read with Companies ( Disclosure of Particulars in the report of Board of Directors) Rules, 1988 regarding information on conservation of energy etc. do not apply to the Company.

There is no foreign exchange earning or outgo during the year under review.

## **PARTICULARS OF EMPLOYEES**

There was no employee in the Company drawing remuneration exceeding the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

## **ACKNOWLEDGEMENT**

The Board expresses its grateful appreciation of the assistance and co-operation received from Central and State Governments, Banks & Financial Institutions and Shareholders.

Your Directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees and associates at all levels.

By order of the Board

Place : Gurgaon  
Dated : 6th August, 2014

**SAKET JINDAL**  
Chairman

# HARYANA CAPFIN LIMITED

## CORPORATE GOVERNANCE REPORT

The Company has been maintaining the highest standards of Corporate Governance principles and best practices. Your Company has been practicing the principles of good Corporate Governance, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the Corporate Governance compliance by the Company as per Clause 49 of the Listing Agreement with Stock Exchanges are as under:

### A MANDATORY REQUIREMENTS:

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, lenders, employees, the government and the society. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In this pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

#### 2. BOARD OF DIRECTORS

##### Composition

The Board, as on 31<sup>st</sup> March, 2014 comprised of 4 Directors consisting of one Non-Executive Chairman who is also a promoter of the Company. One-half of the Board of the Company consists of Independent Directors. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors.

None of the Directors held Chairmanship of more than 5 Committees or Membership in more than 10 committees of the Companies.

During the year under review 4 Board Meetings were held on 24<sup>th</sup> May, 2013, 8<sup>th</sup> August, 2013, 31<sup>st</sup> October, 2013 and 24<sup>th</sup> January, 2013.

The Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31<sup>st</sup> March, 2014 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Shri Saket Jindal	Chairman	1,17,579	4	Yes	3	1	-
Shri Sudhir Kumar Singhal	Whole time Director	-	4	Yes	-	-	-
Shri Shyam Lal Bindal	Independent	-	2	Yes	-	-	-
Shri K. K. Bhartia	Independent	-	4	No.	1	-	-

\$ includes Directorships and Committee Memberships/ Chairmanship (Only Audit and Shareholders'/ Investors' Grievance Cum Share Transfer Committees are considered).

Excludes Directorship in private/foreign companies and alternate directorship.

No Director is related to any other Director on the Board as defined under the Companies Act, 1956.

#### 3. CODE OF CONDUCT

The Board of Directors has adopted the Code of conduct and ethics for Directors and Senior Management personnel. The Code of Conduct has been communicated to the Directors and Senior management of the Company who have confirmed compliance with the said Code.

#### 4. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the revised Listing agreement read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions to the audit functions and monitors the quality of internal and statutory audit.

The responsibilities of the Audit Committee include overseeing the financial reporting process, to ensure fairness, sufficiency and credibility of financial statements, review findings of internal auditors relating to various functions, recommendation of appointment and removal of statutory auditors, internal auditors and fixation of their remuneration; review of the quarterly and annual financial statements before submission to the Board With particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; review of adequacy and compliance of internal control systems and the internal audit function; review of compliance with laws; inspection of records and audit reports and reports of statutory auditors; review of findings of internal investigations; review of statement of significant related party transactions; review of management letters/letter of internal control, weaknesses issued by statutory auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any in the payment to shareholders; review the functioning of the Whistle Blower mechanism etc.

## COMPOSITION

The Audit Committee of the Company is comprised of three Non- Executive Directors, Two are Independent Directors and One Promoter Non-Executive Director. All members of the Committee possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent Non-Executive Director. The Company Secretary acts as Secretary to the Audit Committee.

Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

During the year under review 4 Audit Committee Meetings were held on 24<sup>th</sup> May, 2013, 8<sup>th</sup> August 2013, 31<sup>st</sup> October, 2013 and 24<sup>th</sup> January, 2013. The Composition of the Audit Committee and attendance at its meetings is as follows:

Members	Designation	No. of Meetings attended
Shri Shyam Lal Bindal	Chairman	4
Shri Saket Jindal	Member	4
Shri K. K. Bhartia	Member	4

## INTERNAL AUDIT

The Company has appointed a firm of Chartered Accountants as Internal Auditors to review the internal control systems of the Company and to report thereon. The Audit Committee reviews the reports of the Internal Auditors periodically.

## 5. NOMINATION AND REMUNERATION COMMITTEE

During the current year the Board has constituted the Nomination and Remuneration Committee, comprising of Shri. K. K. Bhartia as the Chairman and Shri Saket Jindal and Shri Shyam Lal Bindal, as its other members.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for the Directors, key managerial personnel and other employees, formulation of criteria for evaluation of independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

### REMUNERATION TO DIRECTORS

Detailed terms of appointment of the Whole time Director are governed by Board and Members resolutions

#### Details of Directors' Remuneration

Details of remuneration paid to the Directors during the financial year ended 31<sup>st</sup> March 2014 are as under:

a) Details of remuneration paid to Whole Time Director : (Amount in Rupees)

Name	Salary	Perquisites & other benefits	Total
Shri Sudhir Kumar Singhal	361,080	279,581	640,661

The tenure of Whole Time Director was for a period of 5 years w.e.f. 31<sup>st</sup> October, 2011, who has since resigned w.e.f. 30<sup>th</sup> June, 2014.

b) The Non Executive Directors were paid by way of sitting fees for attending each meeting of the Board of Directors and Audit Committee.

The details of remuneration paid as sitting fee to Non-Executive Directors:

Directors	Sitting Fees (Rs.)
Shri Saket Jindal	20,000
Shri Shyam Lal Bindal	15,000
Shri K. K. Bhartia	20,000

Apart from receiving Directors' remuneration by way of sitting fee for attending each meeting of Board and Audit Committee, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31<sup>st</sup> March, 2014.

## 6. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has renamed the Shareholders'/Investors' Grievance cum Share Transfer Committee as Stakeholders Relationship Committee to align it with the requirements of the Companies Act, 2013. The Committee meets periodically, to approve inter-alia, transfer/transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Also reviews the status of legal cases involving the investors where the Company has been made a party. Details of shares transfers/transmissions approved by the Committee are placed at the Board Meetings from time to time.

The Company Secretary of the Company acts as Secretary to the Committee.

# HARYANA CAPFIN LIMITED

## COMPOSITION

The constitution of the Stakeholders Relationship Committee is as under:-

Members	Designation
Shri Saket Jindal	Chairman
Shri Shyam Lal Bindal	Member

## COMPLIANCE OFFICER

Ms. Sonia Yadav, Company Secretary acts as "Compliance Officer" of the Company.

## DESIGNATED EMAIL ID FOR INVESTORS

The Company has designated an exclusive email id for redressal of investors grievances i.e. [investors@haryanacapfin.com](mailto:investors@haryanacapfin.com)

## DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED & REPLIED TO THE SATISFACTION OF SHAREHOLDERS

Number of Shareholders, complaints received during the period 01.4.2013 to 31.03.2014	Nil
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## 7. GENERAL BODY MEETINGS

(I) Details of the last three Annual General Meetings:

Financial year	Date	Location of the Meeting	Time
2010-11	20.09.2011	Narsi Banquet, Palam Vihar, Gurgaon-122017 (Haryana)	12.00 Noon
2011-12	28.09.2012	Pipe Nagar, Village Sukeli, N.H. 17 B.K.G. Road, Taluka Roha, Distt. Raigad-402126 (Maharashtra)	3.00 P.M.
2012-13	30.09.2013	Pipe Nagar, Village Sukeli, N.H. 17 B.K.G. Road, Taluka Roha, Distt. Raigad-402126 (Maharashtra)	4.00 P.M.

(II) Special resolutions passed in the previous three Annual General Meetings.

- a) In the AGM held on 20<sup>th</sup> September, 2011. : No Special Resolution was passed.
- b) In the AGM held on 28<sup>th</sup> September, 2012. : No Special Resolution was passed.
- 3) In the AGM held on 30<sup>th</sup> September, 2013. : No Special Resolution was passed.

## 8. DISCLOSURES

### i) Related Party Transactions

There have been related party transactions as reflected in notes to the accounts but they are not in conflict with the interest of the Company.

### ii) Accounting Standards

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountant of India and there has been no deviation during the year.

### iii) Details on Non Compliance

There are no instances of non-compliance by the Company on any matter relating to the Capital Market during the last 3 years.

### iv) Declaration by CEO with regard to Code of Conduct

The Whole-Time Director, Smt. Shruti Raghav Jindal has furnished a declaration affirming compliance of Code of Conduct by the Directors and Senior Management Personnel.

### v) CEO/CFO Certificate

The Whole Time-Director, Smt. Shruti Raghav Jindal has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

## 9. MEANS OF COMMUNICATION

The Company's financial results are communicated forthwith to BSE Ltd, Mumbai, where the company's shares are listed, as soon as they are approved and taken on record by the Board of Directors of the Company. Additionally, in strict compliance of Listing Agreement, the Company has always promptly reported dates of various Board Meetings, Book Closures/ Record Dates to the Stock Exchange. The Financial Results are normally published in The Financial Express & Mumbai Lakshdeep. The financial results and all other relevant information is being uploaded on the website of the Company [www.haryanacapfin.com](http://www.haryanacapfin.com) from time to time.



# HARYANA CAPFIN LIMITED

## 10. GENERAL SHAREHOLDERS INFORMATION

### a) Annual General Meeting:

- Date & Time : 26<sup>th</sup> September at 11.00 A.M.  
 Venue : Pipe Nagar, Village-sukeli, N.H. 17 BKG Road, Taluka-Roha, Distt.-Raigad, Maharashtra  
 b) Financial Year : 1<sup>st</sup> April, 2013 to 31<sup>st</sup> March, 2014  
 c) Book Closure : 26<sup>th</sup> August, 2014 to 28<sup>th</sup> August, 2014 (both days inclusive)  
 d) Dividend : Not Applicable

### Financial Calendar (Tentative):

- Financial reporting for the quarter ended 30th June, 2014 Aug, 2014
- Financial reporting for the quarter ending 30th Sept., 2014 Oct/Nov 2014
- Financial reporting for the quarter ending 31st Dec., 2014 Jan/Feb 2015
- Financial reporting for the quarter/year ending 31st March, 2015 April/May, 2015

### Listing on Stock Exchanges:

The Equity Shares of the Company are listed on BSE Limited having its Office at Floor 25, P. J. Towers, Dalal Street, Mumbai – 400001, and Listing fee for the year 2013-14 has already been paid.

**Scrip ID** : HARYNACAP  
**Stock Code** : BSE 532855  
**NSDL/ CDSL – ISIN** : INE928H01019

### Stock Market Price Data for the year 2013-14

Month	HCL BSE Price (Rs.)		BSE SENSEX	
	High	Low	High	Low
April, 2013	29.00	25.75	19622.68	18144.22
May, 2013	26.65	25.40	20443.62	19451.26
June, 2013	24.50	22.50	19860.19	18467.16
July, 2013	21.50	15.30	20351.06	19126.82
August, 2013	15.00	13.80	19569.20	17448.71
September, 2013	13.90	11.60	20739.69	18166.17
October, 2013	14.11	11.41	21205.44	19264.72
November, 2013	13.19	11.90	21321.53	20137.67
December, 2013	13.75	12.60	21483.74	20568.70
January, 2014	13.72	12.40	21409.66	20343.78
February, 2014	13.65	12.50	21140.51	19963.12
March, 2014	14.70	12.50	22467.21	20920.98

### DISTRIBUTION OF SHAREHOLDING AS ON 31<sup>ST</sup> MARCH 2014

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
Up to 5000	4722	99.16	767391	14.73
5001 to 10000	16	0.34	100536	1.93
10001 to 50000	12	0.25	262690	5.04
50001 to 100000	4	0.08	281231	5.40
100001 to Above	8	0.17	3796833	72.90
<b>GRAND TOTAL</b>	<b>4762</b>	<b>100</b>	<b>5208681</b>	<b>100</b>

### SHAREHOLDING PATTERN AS ON 31<sup>ST</sup> MARCH, 2014

Category	No. of Shares Held	% of Share Holding
Promoters	3696240	70.96
Financial Institutions/ Banks/FII	72546	1.39
Bodies Corporate	561286	10.78
Indian Public	826814	15.88
NRI/OCB	51795	0.99
<b>GRAND TOTAL</b>	<b>5208681</b>	<b>100.00</b>

# HARYANA CAPFIN LIMITED

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## DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are compulsorily traded in dematerialized form. As on 31<sup>st</sup> March, 2014, 98.26% of total equity shares were held in dematerialized form.

## OUTSTANDING GDR / WARRANTS AND CONVERTIBLE BONDS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

There is no outstanding GDR/Warrants and Convertible Bonds etc.

## REGISTRAR AND SHARE TRANSFER AGENTS:

Alankit Assignments Limited,  
Alankit House, 2E/21, Jhandelwalan Extension,  
New Delhi – 110 055  
Phone: 011-23541234-42541234  
Fax: 011-42541201  
E-mail: rta@alankit.com

## SHARE TRANSFER SYSTEM:

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within prescribed time from the date of receipt.

## INVESTOR CORRESPONDENCE ADDRESS:

Shareholders, correspondence should be addressed to the Registrar and Share Transfer Agent at the address given here above or to the Registered Office of the Company.

Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participants.

## COMPLIANCE CERTIFICATE ON CORPORATE GOVERNANCE

Certificate from Vikash Sethi & Associates, Practising Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is forming part of the Annual Report.

## B. NON-MANDATORY REQUIREMENTS

### (1) a) CHAIRMAN OF THE BOARD

The Company has a Non-executive Chairman and expenses incurred in performance of his duties are paid by the Company.

### b) TENURE OF INDEPENDENT DIRECTORS

In terms of the provisions of the Companies Act, 2013, and the revised Clause 49 of the listing agreement, the Independent Directors are proposed to be appointed for a period of five years at the ensuing Annual General Meeting.

### (2) REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee.

### (3) SHAREHOLDERS RIGHTS

As the Company's quarterly results are published in leading English newspapers having circulation all over India and in a regional language newspaper widely circulated in the Region and posted on the website of the Company i.e. www.haryanacapfin.com, the same are not sent to each household of shareholders.

### (4) AUDIT QUALIFICATIONS

There are no Audit Qualifications in the Auditors' Report.

### (5) TRAINING OF BOARD MEMBERS

At present, the Company does not have such a training program for the Board Members. However, the same would be implemented during the current year in compliance with revised Clause 49 of the listing agreement.

### (6) MECHANISM FOR EVALUATING NON-EXECUTIVE BOARD MEMBERS

At present, the Company does not have such a mechanism as contemplated for evaluating the performance of Non-Executive Board Members. However, the same would be implemented during the current year in compliance with revised Clause 49 of the listing agreement.

## DECLARATION UNDER LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

This is to certify that, to the best of my knowledge and belief, for the financial year ended on 31<sup>st</sup> March, 2014, all Board members and senior Management Personnel have affirmed compliance with the code of conduct for Directors and Senior Management Personnel respectively.

Dated: 6<sup>th</sup> August, 2014

Place: Gurgaon

**SHRUTI RAGHAV JINDAL**  
Whole Time Director



# HARYANA CAPFIN LIMITED

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## CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

### **HARYANA CAPFIN LIMITED**

We have examined the compliance of conditions of Corporate Governance of Haryana Capfin Limited for the year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

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 Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we have to state that the Registrar and Share Transfer Agent of the Company has certified that there were no investors'/ shareholders' grievance, complaints pending against the Company as at the year end.

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.

For **Vikash Sethi & Associates**  
Company Secretaries

**Vikash Sethi**  
Proprietor  
C.P. No. : 7863

Place : New Delhi  
Dated : 6<sup>th</sup> August, 2014

# HARYANA CAPFIN LIMITED

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## Management Discussion and Analysis

Forming part of the Directors' Report for the year ended 31<sup>st</sup> March, 2014

### FORWARD LOOKING STATEMENTS

The statement in the Directors' Report and Management Discussion and Analysis Report contains "forward-looking statements" about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expression for future are forward-looking statements.

Forward-looking statements should be viewed in the context of many risk issues, and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussion and Analysis Report, including but not limited to, the impact of changes in oil, Steel prices worldwide and domestic, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realized. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. The Company disclaims any duty to update the information given in the aforesaid reports.

### INDUSTRY STRUCTURE AND DEVELOPMENT

The Indian economy witnessed challenging year with GDP growth slowing down to sub 5.00% for the second year in succession. Containment of the fiscal and current account deficits in the coming period is expected to provide cushion to the Indian economy from further volatility.

Inflation remained high and sticky for most part of the year leading to the RBI hiking the Repo rate by 75 basis points since May' 13. While headline inflation has moderated in recent months, Core CPI inflation remains elevated at around 8% leaving little room for the RBI to ease policy rates to spur growth.

Non Banking Financial Companies (NBFCs), continue to play a key role in the development of the Country, by being present in under banked and unbanked regions and participating in inclusive growth.

The Company was not exposed to the capital market at large during the year under review. It holds only a controlling stake in Maharashtra Seamless Ltd. (a Company with the same Management). Major operations of Maharashtra Seamless are focused on Oil & gas sector, which is currently a very prominent and global sector. Your Company is looking forward for a sustainable growth in the investee company in future, which would enhance the shareholders' value.

### OPPORTUNITIES & THREATS

The Company foresees, new opportunities to come up to expand its operations by way of equity participation in new projects/expansion of existing projects, considering long term growth potential of the Country. The NBFC industry holds immense potential in view of the Government of India's increased focus towards Financial Inclusion.

The economic slowdown, coupled with inflationary pressure has the prospects of curtailing business growth, raise the delinquency rate and enhance credit costs. With multiple players invading the market, the ability to compete effectively will depend, to some extent, on the Company's ability to raise low cost funds in future.

### SEGMENT-WISE PERFORMANCE

The Company is engaged in the business of Finance/Investment activities. There is no other segment. Therefore, there are no separate segments for reporting as per the Accounting Standard AS-17 issued by The Institute of Chartered Accountants of India.

### BUSINESS OUTLOOK

The Company continues to hold investment in Maharashtra Seamless Limited and expect to earn reasonable return on the same. Maharashtra Seamless is focusing on Oil & Gas sector, which is currently a very prominent and global sector. The performance of your Company largely depends on the performance of the entity in which it holds investment. Your Company, therefore, closely monitors the working of the investee Company.

## **RISKS AND CONCERNS**

As an NBFC, your Company is subjected to both external risk and internal risk. External risk due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes the strategic investments in a specific sector. Any downward movement in the prospects of the sector could be a threat to Company Prospects.

At this juncture of rapidly evolving macroeconomics risk, it becomes imperative for business to track the macroeconomics performance on an ongoing basis. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks, so as to arrive at a profitable investment decision.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system, commensurate with its size and nature of operations, covering assurance of recording all the transaction details, regulatory compliance and protecting the Company assets from any kind of loss or misuse. Accounting records are adequate for preparation of financial statements and other financial information. Internal Audit is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

## **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The total Income of the Company during the year was Rs. 208.86 lacs as against Rs. 192.69 lacs in the previous year. Profit after tax and adjustment was Rs. 183.71 lacs as against Rs. 177.33 lacs in the previous year.

## **HUMAN RESOURCES**

Your Company has employed professionals/experienced persons, playing an important role in the operations of the Company. The Company will strengthen its operative staff as and when the need arises.

# HARYANA CAPFIN LIMITED

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## INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF HARYANA CAPFIN LIMITED

### Report on the Financial Statements

We have audited the accompanying financial statements of HARYANA CAPFIN LIMITED ("the Company") which comprise the Balance Sheet as at 31 March 2014, the Statement of Profit and Loss and Cash Flow Statement 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"). 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 entity'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
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

### 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:
  - (i) 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;
  - (ii) 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;
  - (iii) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Act; and
  - (v) On the basis of written representation received from the directors as at 31 March 2014 and taken on record by the Board of Directors, none of the directors is disqualified as at 31 March 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Act.

For **B.K. SHROFF & CO.**  
CHARTERED ACCOUNTANTS  
Firm Registration No.: 302166E

**Kavita Nangia**  
Partner

Membership No.: 90378

Place : New Delhi  
Date : 24<sup>th</sup> May, 2014

## Annexure referred to in paragraph (1) under the heading of “Report on Other Legal and Regulatory requirements” of our report of even date

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
- (b) All the fixed assets have been physically verified by the management according to a regular programme which in our opinion is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (ii) The company does not have any inventory and as such clauses (ii) (a), (b) & (c) of the Order are not applicable to the company.
- (iii) In our opinion and according to the explanations given to us, the company has neither granted nor taken loans, secured or unsecured to/from companies firms or other parties covered in the register maintained under section 301 of the Act and as such clauses (iii) (b), (iii) (c) and (iii) (d) of the Order are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regards to purchase of inventory and fixed assets and for sale of goods and services. Further on the basis of our examination of the books and records of the company, carried out in accordance with the auditing standards generally accepted in India, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (v) In our opinion and according to the information given to us, the company has not entered into any transactions that need to be entered in register in pursuance of Section 301 of the Act and as such clause (v) (b) of the Order is not applicable to the company.
- (vi) In our opinion and according to the information given to us, the company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Act.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.
- (viii) The maintenance of cost records has not been prescribed by the Central Government u/s 209 (1) (d) of the Companies Act, 1956 in respect of the company's products.
- (ix) (a) The company is regular in depositing with the appropriate authorities undisputed statutory dues, if any, including provident fund, employees state insurance investor education and protection fund, income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess and other statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of income tax, sales tax, service tax, wealth tax, customs duty, excise duty and cess were outstanding as at 31.03.2014.
- (x) The company does not have any accumulated losses at the end of the financial year nor has it incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) The company has not borrowed monies from any financial Institutions or bank or debenture holders and as such clause (xi) of the order is not applicable to the company.
- (xii) According to the information and explanations given to us the company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the company is neither a chit fund nor nidhi / mutual benefit fund / society and hence clause (xiii) of the Order is not applicable to the company.
- (xiv) In our opinion and according to the explanations given to us, the company has maintained proper records of its transactions and contracts and has made timely entries therein. The company is holding shares and debentures in its own name.
- (xv) In our opinion the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) The company has not availed any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
- (xviii) The company has not made any preferential allotment of shares, to parties and companies covered in the register maintained under section 301 Companies Act, 1956.
- (xix) The company does not have any debentures outstanding, as on the Balance Sheet date, hence, the clause 4(xix) of the order is not applicable.
- (xx) The company has not raised any money through the public issue during the year. Accordingly, clause 4(xix) of the order is not applicable.
- (xxi) According to the information and explanations given to us no fraud on or by the company has been noticed or reported during the course of our audit.

For **B.K. SHROFF & CO.**

CHARTERED ACCOUNTANTS  
Firm Registration No.: 302166E

**Kavita Nangia**  
Partner

Membership No.: 90378

Place : New Delhi  
Date : 24<sup>th</sup> May, 2014

# HARYANA CAPFIN LIMITED

## BALANCE SHEET

AS AT 31st MARCH, 2014

	Note No.	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	52,086,810	52,086,810
Reserves and Surplus	3	257,754,589	239,383,961
<b>Current Liabilities</b>			
Other current Liabilities	4	131,333	290,578
Short-Term Provisions	5	233,840	176,937
<b>Total Equity &amp; Liabilities</b>		<b>310,206,572</b>	<b>291,938,286</b>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	6	2,934,379	2,934,379
Non-current investments	7	255,725,877	255,725,877
<b>Current assets</b>			
Cash and cash equivalents	8	771,557	2,107,677
Short-term loans and advances	9	50,774,759	31,170,353
<b>Total Assets</b>		<b>310,206,572</b>	<b>291,938,286</b>
Summary of significant accounting policies	1		

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For B.K. SHROFF & CO.**  
Chartered Accountants

**For & on Behalf of the Board**

**KAVITA NANGIA**  
Partner  
Membership No. 90378

**SONIA YADAV**  
Company Secretary

**SUDHIR KUMAR SINGHAL**  
Wholetime Director  
**K.K. BHARTIA**  
Director

Place : New Delhi  
Dated : 24<sup>th</sup> May, 2014

# HARYANA CAPFIN LIMITED

## STATEMENT OF PROFIT & LOSS ACCOUNT

FOR THE YEAR ENDED 31ST MARCH, 2014

	Note No.	YEAR ENDED 31.03.2014 (Rs.)	YEAR ENDED 31.03.2013 (Rs.)
<b>Revenue</b>			
Revenue from operations	10.1	20,882,992	19,266,096
Other Income	10.2	2,955	3,232
<b>Total Revenue</b>		<b>20,885,947</b>	<b>19,269,328</b>
<b>Expenses</b>			
Employee benefit expense	11	919,795	828,744
Other expenses	12	400,158	503,627
Contingent Provision against Standard Assets	13	49,420	39,500
<b>Total Expenses</b>		<b>1,369,373</b>	<b>1,371,871</b>
Profit before exceptional and extraordinary items and tax		<b>19,516,574</b>	17,897,457
Tax expenses :			
Current Year		975,000	424,000
Earlier Year		170,946	-
Add - MAT Credit Entitlement		-	(259,061)
Profit/(Loss) from continuing operations		<b>18,370,628</b>	<b>17,732,518</b>
Earning per equity share:			
Basic		<b>3.53</b>	3.40
Diluted		<b>3.53</b>	3.40

Summary of significant accounting policies 1

The accompanying notes are an integral part of the financial statements.

As per our report of even date attached

**For B.K. SHROFF & CO.**  
Chartered Accountants

**For & on Behalf of the Board**

**KAVITA NANGIA**  
Partner  
Membership No. 90378

**SONIA YADAV**  
Company Secretary

**SUDHIR KUMAR SINGHAL**  
Wholetime Director  
**K.K. BHARTIA**  
Director

Place : New Delhi  
Dated : 24<sup>th</sup> May, 2014

# HARYANA CAPFIN LIMITED

## CASH FLOW STATEMENTS ANNEXED TO THE BALANCE SHEET

FOR THE YEAR ENDED 31ST MARCH, 2014

		YEAR ENDED 31.03.2014 (Rs.)	YEAR ENDED 31.03.2013 (Rs.)
<b>A. <u>Cash Flow from Operating Activities</u></b>			
Net Profit before tax and extraordinary items		19,516,574	17,897,457
<b>Adjusted for:</b>			
Contingent Provision against Standard Assets		49,420	39,500
<b>Operating Profit before Working Capital Changes</b>		<b>19,565,994</b>	<b>17,936,957</b>
<b>Adjusted for:</b>			
Trade & Other Receivables		(19,767,717)	(15,824,417)
Trade Payables & Others		(151,762)	122,954
<b>Cash Generated from operations</b>		<b>(353,485)</b>	<b>2,235,494</b>
Direct taxes Paid		(982,635)	(215,085)
<b>Cash Flow before extraordinary items</b>		<b>(1,336,120)</b>	<b>2,020,409</b>
<b>Net Cash From Operating Activities</b>	A	<b>(1,336,120)</b>	<b>2,020,409</b>
<b>B. <u>Cash Flow from Investing Activities</u></b>			
Purchase of Investments		-	-
Purchase of Fixed Assets		-	-
<b>Net Cash from Investing Activities</b>	B	<b>-</b>	<b>-</b>
<b>C. <u>Cash Flow from Financing Activities</u></b>			
Loan Taken		-	-
<b>Net Cash from Financing Activities</b>	C	<b>-</b>	<b>-</b>
<b>Net increase in Cash &amp; Cash Equivalents (A+B+C)</b>		<b>(1,336,120)</b>	<b>2,020,409</b>
Opening Balances of Cash and Cash Equivalents		2,107,677	87,268
Closing Balances of Cash and Cash Equivalents		771,557	2,107,677
Change in Cash and Cash Equivalents		(1,336,120)	2,020,409

As per our report of even date attached

**For B.K. SHROFF & CO.**  
Chartered Accountants

**For & on Behalf of the Board**

**KAVITA NANGIA**  
Partner  
Membership No. 90378

**SONIA YADAV**  
Company Secretary

**SUDHIR KUMAR SINGHAL**  
Wholetime Director  
**K.K. BHARTIA**  
Director

Place : New Delhi  
Dated : 24<sup>th</sup> May, 2014



## ACCOMPANYING NOTES TO THE FINANCIAL STATEMENTS

### NOTE – 1: SIGNIFICANT ACCOUNTING POLICIES

#### a. Basis of Preparation and Accounting

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 1956 and in compliance with the applicable accounting standards referred to in sub-section (3C) of the section 211 of the said Act. The accounting policies, except otherwise stated, have been consistently applied by the Company.

All assets and liabilities have been classified as current or non-current as per company's normal operating cycle of 12 months and other criteria set-out in Revised Schedule-VI of the Companies Act, 1956.

#### b. Use of Estimates

The presentations of financial statements is in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized.

#### c. Revenue Recognition

Revenue is recognized on accrual basis in accordance with Accounting Standard (AS-9) "Revenue recognition".

Interest Income is accrued on time proportion basis and recognised only if in the opinion of Management realisation is certain. Profit and loss on sale of investment is recognised on contract date. Dividend income is recognised when right to receive dividend is established.

#### d. Fixed Assets & Depreciation

Fixed Assets are stated at cost of acquisition, construction less accumulated depreciation. The cost comprises of purchase price and any other directly attributable cost of bringing the assets to working condition for its intended use. Depreciation on assets have been provided on pro-rata basis, for the period of use, on written down value method at the rates prescribed under schedule XIV to the Companies Act, 1956, as amended till date.

#### e. Investments

Long Term Investments are classified into Non current investments and others are classified as current Investment. Non-current investments are valued at their acquisition cost. Current investments are stated at lower of cost and fair market value. The provision for any diminution in the value of Non current investments is made only if such a decline is other than temporary in the opinion of the management.

#### f. Inventories

Inventories are valued at lower of cost or net realisable value.

#### g. Employees Benefits

All employee benefits like salary, bonus, ex-gratia & others accruing & payable within the reporting accounting period are classified as Short Period and recognised on accrual basis.

Retirement benefits for Leave Encashment & Gratuity to employees are insignificant and un-funded Long-Term Term Liability classified as Non-Current. Gratuity payable to an employee is equal to 15 days salary for every completed year of service calculated as per Payment of Gratuity Act, 1972. Leave encashment liability is calculated for the period fixed by Company policy for which daily salary is arrived by dividing the salary last drawn. The liability for retirement benefits are restated on Balance Sheet date and difference with the opening balance is charged in the Profit & Loss Accounts.

# HARYANA CAPFIN LIMITED

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## h. Taxes on Income

### Current Tax :

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961 & tax advices, wherever considered necessary.

### Deferred Tax :

Deferred Tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference.

Deferred Tax Assets are recognised and carried forward to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## i. Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognised only when there is reliable estimate of present obligation as a result of past events. Contingent Liabilities are disclosed by way of Notes on accounts. Contingent Provision against Standard Assets is accounted as per RBI directive on standard assets. Contingent Assets are neither accounted nor disclosed in the financial statements due to uncertainty of their realisation.

## j. Event occurring after the Balance Sheet Date

Event occurring after the Balance Sheet Date and till the date on which the Financial Statement are approved, which are material in nature and indicate the need for adjustments in the financial statement are considered.

## k. Impairment of Assets

At each Balance Sheet Date, the Company assesses whether there is any indication that an assets has impaired. If any such indication exists, the Company estimates the recoverable amount. If the carrying amount of the assets exceeds its recoverable amount, an impairment loss is recognized in the Profit and Loss Account to the extent the carrying amount exceeds recoverable amount.

## l. Borrowing Costs

Borrowing cost attributable to acquisition of qualifying assets till date of acquisition is capitalised as part of cost of such assets. All other borrowing costs are classified as revenue expense.

## m. Earning Per Share

Basic earning per share is calculated by dividing net profit available for distribution to Equity shareholder by weighted Average Number of equity shares outstanding during the year.

Diluted earning per share is calculated by dividing net profit available for distribution to Equity shareholder by weighted Average Number of Potential equity shares outstanding during the year arrived at giving effect to all dilutive options.

## n. Research and Developments

Revenue Expenditure on Research & Development is charged in the Statement of Profit & Loss of the year in which it is incurred. Capital Expenditure on Research & Development is capitalised with the cost of asset for which it is incurred.

# HARYANA CAPFIN LIMITED

## NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
<b>SHARE CAPITAL</b>		
<b>2 Share Capital</b>		
Equity Share Capital		
<b>Authorised</b>		
6,000,000 (Previous Year 6,000,000) Equity Shares of Rs 10/- each	<b>60,000,000</b>	60,000,000
	<b>60,000,000</b>	60,000,000
<b>Issued, subscribed &amp; fully paid share capital</b>		
5,208,681 (Previous Year 5,208,681) Equity Shares of Rs 10/- each Fully Paid-Up	<b>52,086,810</b>	52,086,810
The above included 43,470 numbers of fully paid up equity shares of Rs10/- each issued as Bonus shares and 5,139,486 equity shares of Rs 10/- each issued for consideration other than cash as per order of Hon'ble High Court of Punjab & Haryana dated 27th July, 2006.		
	<b>52,086,810</b>	52,086,810

a Reconciliation of Shares outstanding at the beginning and close of the year

Equity shares	As at 31.03.2014		As at 31.03.2013	
	Nos.	Rupees	Nos.	Rupees
At the beginning of Year	5,208,681	52,086,810	5,208,681	52,086,810
Addition during the Year	-	-	-	-
Reduction during the Year	-	-	-	-
At the end of the Year	5,208,681	52,086,810	5,208,681	52,086,810

Equity shareholders have right to receive dividend proposed by the Board of Directors, subject to approval by shareholders at the General Meeting.

b Equity shareholders have no right to repayment of capital except, distribution of surplus assets on liquidation.

c List of persons holding more than 5% equity shares of Rs 10/- each of the company:

Equity shares	As at 31.03.2014		As at 31.03.2013	
	Nos.	%	Nos.	%
Stable Trading Co. Limited	878,590	16.87	878,590	16.87
Sudha Apparels Limited	1,014,322	19.47	980,741	18.83
Jindal Global Finance & Investment Ltd.	1,041,466	19.99	1,041,466	19.99

# HARYANA CAPFIN LIMITED

	AS AT 31.03.2014 (Rs.)	AS AT 31.03.2013 (Rs.)
<b>3 RESERVES AND SURPLUS</b>		
<b>3.1 Other Reserves</b>		
<b>a. Statutory Reserve</b>		
As per last Balance Sheet	15,071,503	11,524,503
Add - Transferred from Profit & Loss Account during the year	3,675,000	3,547,000
	<b>18,746,503</b>	15,071,503
<b>b. General Reserve</b>		
As per last Balance Sheet	152,792,594	151,792,594
Add - Transferred from Profit & Loss Account during the year	1,000,000	1,000,000
	<b>153,792,594</b>	152,792,594
<b>3.2 Surplus in Profit &amp; Loss A/c</b>		
As per last Balance sheet	71,519,864	58,334,346
Add - During The Year	18,370,628	17,732,518
Less - Transfer to Statutory Reserve	3,675,000	3,547,000
Less - Transfer to General Reserve	1,000,000	1,000,000
	<b>85,215,492</b>	71,519,864
	<b>257,754,589</b>	239,383,961
<b>4 OTHERS CURRENT LIABILITIES</b>		
Liabilities For Expenses	124,702	283,734
Liabilities for Statutory Dues	6,631	6,844
	<b>131,333</b>	290,578
<b>5 SHORT-TERM PROVISIONS</b>		
Provision for employee Retirement benefits	107,420	99,937
Contingent Provision for Standard Assets	126,420	77,000
	<b>233,840</b>	176,937
<b>6 FIXED ASSETS</b>		
<b>Tangible Assets</b>		(Rs.)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	AS AT 01.04.2013	ADDITIONS	SALES/ ADJUSTMENTS	AS AT 31.03.2014	UPTO 31.03.2013	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO 31.03.2014	AS AT 31.03.2014	AS AT 31.03.2013
Land (Freehold)	2,934,379	-	-	2,934,379	-	-	-	-	2,934,379	2,934,379
<b>Total</b>	2,934,379	-	-	2,934,379	-	-	-	-	2,934,379	2,934,379
Previous Year	2,934,379	-	-	2,934,379	-	-	-	-	2,934,379	

The necessary formalities in respect of change of name / mutation of land of casinvest division of Jindal Drilling & Industries Limited in favour of Haryana Capfin Limited was completed in the Revenue records of Land Authorities on dt.24.02.2014.

# HARYANA CAPFIN LIMITED

	AS AT 31.03.2014		AS AT 30.03.2013	
	Number of Shares/Units	(Rs.)	Number of Shares/Units	(Rs.)
<b>7 NON-CURRENT INVESTMENTS ( Non- Trade )</b>				
(Fully paid up unless otherwise specified)				
<b>EQUITY SHARES</b>				
i) <b>Quoted</b>				
Maharashtra Seamless Limited of Rs 5 each	2,852,540	255,724,872	2,852,540	255,724,872
ii) <b>Un-Quoted</b>				
Global Jindal Fin-invest Limited of Rs 10 each	100	1,005	100	1,005
		<u>255,725,877</u>		<u>255,725,877</u>
Aggregate Value of Unquoted Investments		1,005		1,005
Aggregate Value of Quoted Investments		255,724,872		255,724,872
Market Value of Quoted Investments		555,246,911		627,844,054
			<b>AS AT</b>	<b>AS AT</b>
			<b>31.03.2014</b>	<b>31.03.2013</b>
			<b>(Rs.)</b>	<b>(Rs.)</b>
<b>8 CASH AND CASH EQUIVALENTS</b>				
Balances with banks - In Current Account			765,333	2,100,629
(Including cheque in hand Nil, Previous Year Rs.1,935,771/-)				
Cash on hand			6,224	7,048
			<u>771,557</u>	<u>2,107,677</u>
<b>9 SHORT TERM LOANS AND ADVANCES</b>				
Loans to Body Corporate			50,567,717	30,800,000
( Loans repayable on demand, Unsecured Considered good)				
Advance Income Tax (Net of Provision)			10,850	3,215
MAT Credit Entitelment			188,607	359,553
Others Advances recoverable in Cash or Kind			7,585	7,585
			<u>50,774,759</u>	<u>31,170,353</u>

In the opinion of the management and to the best of their knowledge and belief, the value of current assets, loans and advances, if realised in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.

# HARYANA CAPFIN LIMITED

	YEAR ENDED 31.03.2014 (Rs.)	YEAR ENDED 31.03.2013 (Rs.)	
<b>10.1 REVENUE FROM OPERATIONS</b>			
Interest (TDS Rs.376,775/-, Previous Year Rs.2,15,085/-)	3,767,752	2,150,856	
Dividend on shares	17,115,240	17,115,240	
	<b>20,882,992</b>	<b>19,266,096</b>	
<b>10.2 OTHER INCOME</b>			
Liabilities Writtren Off	2,955	3,232	
	<b>2,955</b>	<b>3,232</b>	
<b>11 EMPLOYEES BENEFITS EXPENSES</b>			
Salaries and wages	919,255	827,652	
Staff welfare expenses	540	1,092	
	<b>919,795</b>	<b>828,744</b>	
<b>12 OTHER EXPENSES</b>			
Postage & Telephone	22,948	23,146	
Printing & Stationary	31,185	30,975	
Rent	13,476	13,476	
Fee & subscription	30,590	31,590	
Travelling & Conveyance	1,350	-	
Legal & Professional Charges	62,460	124,853	
Directors' Fee	55,000	80,000	
Advertisement & Publicity	46,303	72,690	
Share Maintenance Expenses	51,912	52,162	
Auditors' Remuneration :			
- Audit Fee	33,708	33,708	
- Tax Audit Fee	6,742	6,742	
- In other Services	11,236	11,236	
Interest	8,623	-	
Miscellaneous expenses	22,996	21,669	
Bank & DP Charges	1,629	1,380	
	<b>400,158</b>	<b>503,627</b>	
<b>13 PROVISION ON STANDARD ASSETS</b>			
Opening Balance	77,000	37,500	
Add : During the Year	49,420	39,500	
Closing Balance	<b>126,420</b>	<b>77,000</b>	
The Reserve Bank of India has notified vide its Notification No DNBS.222/CGM (US)-2011 dated 17th January, 2011 to make a provision of 0.25% on the standard assets.			
<b>14 DEFERRED TAX ASSETS ( NET)</b>			
	As at 31.03.2013	For the Year	As at 31.03.2014
Expenses disallowed U/s 43 B	30,881	2,312	<b>33,193</b>
Net Deferred Tax assets at the end of the year	30,881	2,312	<b>33,193</b>
In view of uncertainty of its realisation, Deferred Tax assets of Rs 33,193/- as on 31st March, 2014 (Previous year Rs 30,881/-) has not been recognised.			
<b>15 MANAGERIAL REMUNERATION</b>			
Salaries and Allowances	361,080	343,080	
Perquisites	279,581	59,667	
	<b>640,661</b>	<b>402,747</b>	

# HARYANA CAPFIN LIMITED

## 16 RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD - 18

Related Parties with whom Transaction have taken place during the Year

- a. **Associated Companies**  
 Maharashtra Seamless Limited  
 Sudha Apparels Limited  
 Global Jindal Fin-invest Limited  
 Stable Trading Co. Limited
- b. **Key Managerial Personnel**  
 Shri Sudhir Kumar Singhal

Details of Transactions during the year are as follows:

(Rs.)

	Particulars	31.03.2014	31.03.2013
a.	<b>Loans given (Maximum Outstanding)</b> Associate Company	<b>32,400,000</b>	62,058,488
b.	<b>Interest Received from related parties</b> Associate Company	<b>723,260</b>	1,886,314
c.	<b>Dividend Received from related parties</b> Associate Company	<b>17,115,240</b>	17,115,240
d.	<b>Rent Paid to related parties</b> Associate Company	<b>13,476</b>	13,476
e.	<b>Remuneration</b> Key Management Personnel	<b>640,661</b>	402,747
f.	<b>Investment in related parties as on 31st March, 2014</b> Associate Company	<b>255,725,877</b>	255,725,877
g.	<b>Balance as at 31st March, 2014 receivable by the Company</b> Associate Company	-	30,800,000

## 17 EARNING PER SHARE

Particulars	31.03.2014	31.03.2013
Net Profit after tax available for Equity Shareholders (Rs.)	<b>18,370,628</b>	17,732,518
Weighted average number of Equity Shares of Rs. 10/- each	<b>5,208,681</b>	5,208,681
Total number of shares	<b>5,208,681</b>	5,208,681
Basic / Diluted Earning per share (Rs.)	<b>3.53</b>	3.40

## 18 SEGMENT REPORTING

The Company is primarily engaged in Investment in shares and securities and financing which are not separate reportable segment as per Accounting Standard - 17 of The Institute of Chartered Accountants of India. Hence there is no separate segment-wise report to be furnished.

## 19 RESERVE BANK OF INDIA REGISTERED NON BANKING FINANCE COMPANY

The company is registered as Non Banking Finance Company with Reserve Bank of India vide Registration no. N-14.03168 dated 12.11.2008 and has been complying with prudential norms as prescribed by RBI for NBFCs. Schedule to the Balance Sheet of a non-deposit taking non-banking financial company as required in terms of paragraph 13 of Non-Deposit Accepting or Holding Companies Prudential Norms (Reserve bank) Directions, 2007 separately attached as Annexure - I.

20 Previous years figures have been regrouped / rearranged wherever necessary to conform to the reclassification as per Revised -Schedule-VI and make them comparable with current year.

Signatures to Accompanying Notes forming an integral part of the Financial Statements.

As per our report of even date attached

**For B.K. SHROFF & CO.**

Chartered Accountants

**For & on Behalf of the Board**

**KAVITA NANGIA**

Partner

Membership No. 90378

**SONIA YADAV**

Company Secretary

**SUDHIR KUMAR SINGHAL**

Wholetime Director

**K.K. BHARTIA**

Director

Place : New Delhi

Dated : 24<sup>th</sup> May, 2014

# HARYANA CAPFIN LIMITED

Annexure - I

## Schedule to the Balance Sheet of a Non-Deposit taking Non-Banking Financial Company

[as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]

(Rs.)

Particulars			
<b>Liabilities side:</b>			
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Out-standing	Amount Overdue
	(a) Debentures		
	Secured	-	-
	Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(f) Other Loans (specify nature)	-	-
	* Please see note 1 below		
<b>Assets side:</b>			
		Amount Outstanding	
(2)	Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
	(a) Secured		-
	(b) Unsecured		50,567,717
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry Debtors :		
	(a) Financial Lease		-
	(b) Operating Lease		-
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire		-
	(b) Repossessed Assets		-
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been re-possessed		-
	(b) Loans other than (a) above		-
(4)	Break-up of Investments:		
	Current Investments:		
	1. Quoted:		
	Shares: (a) Equity		-
	(b) Preference		-
	Debentures and Bonds		-
	Units of mutual funds		-
	Government Securities		-
	Others (please specify)		-



# HARYANA CAPFIN LIMITED

	2. Unquoted: Shares: (a) Equity (b) Preference Debentures and Bonds Units of mutual funds Government Securities Others (please specify)	- - - - - -																		
	Long Term Investments: 1. Quoted: Shares: (a) Equity (b) Preference Debentures and Bonds Units of mutual funds Government Securities Others (please specify)	255,724,872 - - - -																		
	2. Unquoted: Shares: (a) Equity (b) Preference Debentures and Bonds Units of mutual funds Government Securities Others (please specify)	1,005 - - - -																		
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see note 2 below																			
	Category	Amount of net of provisions																		
	1. Related Parties** Subsidiaries Companies in the same group Other related parties	<table border="1" style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 33%;">Secured</th> <th style="width: 33%;">Unsecured</th> <th style="width: 33%;">Total</th> </tr> </thead> <tbody> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> <td style="text-align: center;">-</td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">50,567,717</td> <td style="text-align: center;">50,567,717</td> </tr> <tr> <td style="text-align: center;">-</td> <td style="text-align: center;">50,567,717</td> <td style="text-align: center;">50,567,717</td> </tr> </tbody> </table>	Secured	Unsecured	Total	-	-	-	-	-	-	-	-	-	-	50,567,717	50,567,717	-	50,567,717	50,567,717
Secured	Unsecured	Total																		
-	-	-																		
-	-	-																		
-	-	-																		
-	50,567,717	50,567,717																		
-	50,567,717	50,567,717																		
	2. Other than related parties	-																		
	Total	-																		
(6)	Investors group-wise classifications of all Investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below																			
	Category	Market Value / Break-up or Fair Value or NAV																		
	1. Related Parties** Subsidiaries Companies in the same group Other related parties	- - 555,260,158																		
	2. Other than related parties	-																		
	Total	555,260,158																		
	Book Value (Net of Provisions)																			
	1. Related Parties** Subsidiaries Companies in the same group Other related parties	- - 255,725,877																		
	2. Other than related parties	-																		
	Total	255,725,877																		
	** As per Accounting Standard of ICAI (Please see Note 3)																			
(7)	Other Information																			
	Particulars	Amount																		
	(i) Gross Non-Performing Assets Related parties Other then related parties	- -																		
	(II) Net Non-Performing Assets Related parties Other then related parties	- -																		
	(iii) Assets acquired in satisfaction of debts	-																		

# HARYANA CAPFIN LIMITED

Registered Office : Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road,  
Taluka Roha, Distt. Raigad - 402 126, Maharashtra  
Tel: 02194-238511-12 | Fax: 02194-238513  
Email: [investors@haryanacapfin.com](mailto:investors@haryanacapfin.com) | Website: [www.haryanacapfin.com](http://www.haryanacapfin.com)  
CIN : L27209MH1998PLC236139

## PROXY FORM

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

Name of the Member(s) : .....

Registered Address : .....

E-mail Id : .....

Folio No./ DP Id and Client Id : .....

I/We, being the member(s) of ..... Shares of Haryana Capfin Limited, hereby appoint:

1. Name : .....E-mail Id.....

Address : .....

Signature : .....or failing him

2. Name : .....E-mail Id.....

Address : .....

Signature : .....or failing him

3. Name : .....E-mail Id.....

Address : .....

Signature : .....or failing him

as my/our proxy to attend and vote (on a Poll) for me/us and on my/our behalf at the 16<sup>th</sup> Annual General Meeting of the Company to be held on Friday, 26<sup>th</sup> September, 2014 at 11:00 A.M. at Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt, Raigad-402126, Maharashtra and at any adjournment thereof in respect of such resolutions as are indicated below:-

\*\* I/we wish my/our above Proxy (ies) to vote in the manner as indicated in the box below :

Item No.	Resolutions	For	Against
1,	Adoption of the Audited Accounts for the year ended 31st March, 2014, the report of Directors and Auditors thereon.		
2	Re-appointment of Mr. Saket Jindal as Director		
3	Appointment of B.K. Shroff & Co. as auditors and to fix their remunerations		
4.	Appointment of Smt. Shruti Raghav Jindal as Director		

Item No.	Resolutions	For	Against
5.	Appointment of Smt. Shruti Raghav Jindal as Whole Time Director		
6.	Apppointment of Mr. K.K. Bhartia as Independent Director		
7.	Apppointment of Mr. Shyam Lal Bindal as Independent Director		

Affix Re. 1/- Revenue Stamp
--------------------------------------

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

Signature of shareholder

.....  
 Signature of first proxy holders

.....  
 Signature of Second proxy holders

.....  
 Signature of thirdproxy holders

Please Put (✓) in the appropriate column against the resolution indicated in the box. If you leave all the columns blank against any or all the resolutions, your proxy will be entitled to vote in the manner as he/she thinks appropriate.

- NOTES :**
1. This form of proxy in order to be effective should be duty completed and deposited at the Registered Office of the Comapny not less than 48 hours before the commencement of the meetings.
  2. A proxy need not be a member of the Company.
  3. A Person can act as a proxy on behalf of memebers not exceeding fifty holding in the aggregate not more than 10% of the total share capital of the Comapny carrying voting rights. A members holding more than 10% of the total share capital of the Company carrying voting right may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholders.
  4. In Case the member appointing proxy is a body corporate, the proxy form should be signed under its seal or be signed by an officer or an attorney duly authorised by it and an authenticated copy of such authorisation should be attached to the proxy form.
  5. Appointing a proxy does not prevnet a member from attending the meeting in person if he so wishes.
  6. In the case of joint holders, the signature of any one holder will be sufficient, but names of all the joint holders should be stated.

# HARYANA CAPFIN LIMITED

Registered Office : Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road,  
Taluka Roha, Distt. Raigad - 402 126, Maharashtra  
Tel: 02194-238511-12 | Fax: 02194-238513  
Email: [investors@haryanacapfin.com](mailto:investors@haryanacapfin.com) | Website: [www.haryanacapfin.com](http://www.haryanacapfin.com)  
CIN : L27209MH1998PLC236139

## BALLOT FORM (in lieu of E-Voting)

(To be returned to the Scutinizer appointmnet by the Company)

Name of the Member(s) : .....

.....

.....

Registered Address : .....

.....

Folio No./ DP Id and Client Id : .....

Number of Equity Shares held : .....

I/we hereby exercise my/our vote in respect of the following resolutions to be passed at the 16th Annual General Meeting of the Company, to be held on Friday, 26th September, 2014 at Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka-Roha, Dist. Raigad-402 126 conveying my/our assent or dissent to the said resoluiton(s) by placing the (✓) mark at the box against the respective matters.

Item No.	Description of the business as set out in the Notice dated 6th August 2014	No. of shares	I/We assent to the Resolution (FOR)	I/We dessent to the Resolution (AGAINST)
1,	Adoption of the Audited Accounts for the year ended 31st March, 2014, the report of Directors and Auditors thereon.			
2	Re-appointment of Mr. Saket Jindal as Director			
3	Appointment of B.K. Shroff & Co. as auditors and to fix their remunerations			
4.	Appointment of Smt. Shruti Raghav Jindal as Director			
5.	Appointment of Smt. Shruti Raghav Jindal as Whole Time Director			
6.	Appointment of Mr. K.K. Bhartia as Independent Director			
7.	Apppointment of Mr. Shyam Lal Bindal as Independent Director			

Place : \_\_\_\_\_

Date : \_\_\_\_\_

Signature \_\_\_\_\_

Note : Please read the instructions given overleaf and in the notice dated 6th August, 2014 carefully, before excercise your vote.

**INSTRUCTIONS :**

1. A member desiring to exercise vote by Ballot Forms may complete this Ballot Form and send it to the Scrutinizer at the registered office of the Company. Envelopes containing Ballot Form(s), if deposited in person or sent by courier or registered / speed post will also be accepted.
2. This Form should be completed and signed by the member (as per the specimen signature registered with the Company/Registrar/Depository Participants). In case of Joint holding, this form should be completed and signed by the first named Member and in his / her absence by the next named Member.
3. In case of shares held by companies, trusts, societies etc. the duly completed Ballot Form should be accompanied by a certified true copy of Board Resolution / Authority letter duly attested by authorized signatory(ies).
4. Duly completed Ballot Form should reach the Scrutinizer on before the close of working hours on Friday, 19<sup>th</sup> September, 2014 at 5.00 P.M. All Ballot Forms received after this date will be strictly treated as if reply from such Members has not been received.
5. The Company will not be responsible if the envelope containing the Ballot Form is lost in transit.
6. There will be only one Ballot Form for every Folio irrespective of the number of joint holder(s).
7. A member need not use all the votes or cast all the votes in the same way. The voting rights of the Members shall be in proportion to their shares in the total paid-up equity share capital of the Company as on 14<sup>th</sup> August, 2014.
8. Incomplete, unsigned or incorrect Ballot Form will be rejected. The Scrutinizer's decision on the validity of a Ballot will be final and binding on the concerned Member and the Company.
9. The Company is providing this facility as an alternate to e-voting facility provided for all its Members to cast their votes electronically instead of using the Ballot Form. The detailed procedure for e-voting has been enumerated in the Notes to the Notice dated 6<sup>th</sup> August, 2014 convening the 16<sup>th</sup> Annual General Meeting of the Company.
10. In the event Members casts his / her 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.

## BOOK POST

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