



**ANNUAL REPORT
2018-19**

HARYANA CAPFIN LIMITED

HARYANA CAPFIN LIMITED

BOARD OF DIRECTORS

Shruti Raghav Jindal Whole-time Director
Saket Jindal
Krishna Kumar Khandelwal
Kamal Kishore Bhartia

AUDIT COMMITTEE

Kamal Kishore Bhartia Chairman
Shruti Raghav Jindal
Krishna Kumar Khandelwal

COMPANY SECRETARY

Sandhya Tiwari

AUDITORS

A M A A & Associates
Chartered Accountants
New Delhi

BANKERS

ICICI Bank
HDFC Bank

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
Gurugram - 122 003
Haryana

HEAD OFFICE

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

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Ltd.
Alankit Heights,
1E/13, Jhandewalan Extension,
New Delhi - 110055

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HARYANA CAPFIN LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 21st Annual Report along with Audited Financial Statements of the Company for the year ended 31st March 2019.

FINANCIAL RESULTS

The highlights of the financial results are as under:

| | Year Ended 31.03.2019 | Year Ended 31.03.2018 |
|--|--------------------------|--------------------------|
| Total Income | 262.27 | 212.29 |
| Profit before Tax | 208.37 | 164.20 |
| Less: Provision for Tax | | |
| - Current | 9.50 | 6.00 |
| - Earlier years | - | 0.88 |
| Profit after Tax | 198.87 | 157.32 |
| Balance brought forward from previous year | 1274.30 | 1158.45 |
| Profit available for appropriation | 1473.17 | 1315.77 |
| Appropriations | | |
| - Statutory Reserves | 39.77 | 31.47 |
| - Transfer to General Reserve | 10.00 | 10.00 |
| - Surplus carried to Balance sheet | 1423.40 | 1274.30 |
| | 1473.17 | 1315.77 |

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.

RESULTS OF OPERATIONS

Total income of the Company during the year was Rs. 262.27 lakhs as against Rs. 212.29 lakhs in the previous year. The profit before tax during the year was Rs. 208.37 lakhs as against Rs. 164.20 lakhs in the previous year. The Profit after tax was Rs. 198.87 lakhs as against Rs. 157.32 lakhs in the previous year.

SUBSIDIARY COMPANY

The Company has no subsidiary as on 31st March, 2019.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Smt. Shruti Raghav Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers herself for reappointment.

The Board appointed Shri Saket Jindal as an Additional Director of the Company on 20th March, 2019. Shri Sanjiv Gupta resigned as Director of the Company on 1st June, 2019.

Pursuant to Section 149 of the Companies Act, 2013, the Board recommends re-appointment of Shri Kamal Kishore Bhartia as Independent Director for a further period of five years. The Nomination and Remuneration Committee of the Board of Directors has recommended his appointment for a further period of five years.

Item seeking your approval for their appointment are included in the Notice convening the Annual General Meeting.

Brief resume of Directors, who are proposed to be appointed/re-appointed is furnished in the Explanatory Statement and attachment to the notice of the Annual General Meeting.

HARYANA CAPFIN LIMITED

All Independent Directors of the Company have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Smt. Shruti Raghav Jindal, Whole-Time Director, Shri Rajender Singh, CFO and Smt. Sandhya Tiwari, Company Secretary.

BOARD MEETINGS

During the year, 5 (Five) Board meetings were held. The details whereof are given in the Corporate Governance Report, which forms part of this report.

BOARD EVALUATION

The Board of Directors has carried out the Annual performance evaluation of its own, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board, after seeking inputs from all Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as composition of Committees, effectiveness of Committee meetings etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of criteria such as contribution of the Individual Director to the Board and Committee meetings.

Also in a separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board as a whole was evaluated.

POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report.

RISK MANAGEMENT

Adequate measures have been adopted by the Company to anticipate, plan and mitigate the spectrum of risks it faces. The Company's business operations are exposed to financial risks including Liquidity risk etc.

The Board of the Company has approved the Risk management Policy of the Company and authorized the Audit Committee to implement and monitor the risk management plan for the Company and also identify and mitigate the various element of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Controls with reference to Financial Statements. Audit Committee periodically reviews the adequacy of Internal Financial Controls.

During the year, such controls were tested and no reportable material weakness were observed.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 134(5) of the Companies Act, 2013, your Directors state:

- (i) that in the preparation of the Annual Accounts for the year ended 31st March, 2019, the applicable accounting standards had been followed and there are no material departures;
- (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, 2013 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 31st March, 2019 have been prepared on a going concern basis;
- (v) that the internal financial controls laid down by the Board and being followed by the Company are adequate and were operating effectively; and
- (vi) that the proper systems, devised by Directors to ensure compliance with the provisions of all applicable laws, were adequate and operating effectively.

EXTRACT OF ANNUAL RETURN

As Required under Section 92(3) of the Companies Act, 2013, the extract of the Annual Return in prescribed Form MGT -9 is annexed with this Report.

AUDIT COMMITTEE

The Audit Committee of the Company consists of Shri K. K. Bhartia, Chairman, Smt. Shruti Raghav Jindal and Shri Krishna Kumar Khandelwal, as its other members. The terms of reference are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

VIGIL MECHANISM

The Company has adopted a Whistle blower policy and has established the necessary Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. The said policy has been disclosed on the Company's website under the web link <http://www.haryanacapfin.com/VIGILMECHANISM.pdf>

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Pursuant to Section 186(11) (b) of the Companies Act, 2013, provisions of Section 186 are not applicable to any acquisition made by a non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities (i.e. investment and lending activities). The Company has not given any guarantee or provided any security.

CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES

During the year, the Company had not entered into any contract/ arrangement/transactions with the related parties as defined under provisions of Section 188 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Thus disclosure in form AOC-2 is not required.

CORPORATE GOVERNANCE REPORT

Pursuant to Regulation 27 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report along with Certificate regarding compliance of conditions of Corporate Governance has been annexed as part of this Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has constituted an Internal Compliants Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

AUDITORS

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder, M/s A.M.A.A & Associates, Chartered Accountants, were appointed as Statutory Auditors of the Company from the conclusion of 17th Annual General Meeting of the Company till the conclusion of 22nd Annual General Meeting.

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The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualification, reservation or adverse remark.

COST RECORDS

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

SECRETARIAL STANDARDS

The Directors state that applicable Secretarial Standard i.e SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

SECRETARIAL AUDIT

The Board has appointed M/s Hemant Singh & Associates, Company Secretaries to conduct Secretarial Audit for the financial year ended 31st March, 2019. The Secretarial Audit Report for the year ended 31st March, 2019 is annexed herewith as an annexure to this Report. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.

A Certificate under Clause (i) of point (10) of para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by M/s Hemant Singh and Associates, Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is attached as **Annexure A**.

FIXED DEPOSITS

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

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

In view of the business activities of the Company, the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

PARTICULARS OF EMPLOYEES

Particulars of employees, as required under Section 197(12) of the Companies Act, 2013 (Act) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, forms part of this report. However in pursuance of Section 136(1) of the Act, this report is being sent to the shareholders of the Company excluding the said information. The said information is available for inspection to the shareholders of the Company at the registered office of the Company during working hours till the ensuing Annual General Meeting and any shareholder interested in obtaining such information may write to the Company Secretary at the Corporate Office of the Company.

MATERIAL CHANGES & COMMITMENTS

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year ended 31st March, 2019 and till the date of this report.

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 & associates at all levels.

For and on behalf of the Board

Place : Gurugram
Dated : 7th August, 2019

Shruti Raghav Jindal
Whole Time Director

Kamal Kishore Bhartia
Director

HARYANA CAPFIN LIMITED

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2019

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Members,
HARYANA CAPFIN LIMITED
Pipe Nagar, Village - Sukeli,
N.H-17, B.K.G. Road, Taluka Roha,
Distt. - Raigad, Maharashtra-402126

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HARYANA CAPFIN LIMITED (hereinafter called the "Company")**. Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives, during the conduct of Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March 2019** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by **HARYANA CAPFIN LIMITED** ("the Company") for the financial year ended on **31st March, 2019** according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
 - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
 - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not applicable to the Company during the Audit Period)**;
 - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not applicable to the Company during the Audit Period)**;
 - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client with respect to issue of securities;

HARYANA CAPFIN LIMITED

- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the Audit Period);**
 - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period); and**
 - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
- a. Non-Banking Financial Company - Non Systematically Important Non Deposit Taking Company (Reserve Bank) Directions 2016 and other relevant guidelines and circulars issued by Reserve Bank of India from time to time and periodic reportings done by the Company.

We have also examined compliance with the applicable clauses of the following :

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, as per our audit of records of the Company and as per the explanations and clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above.

We further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board meetings. Agenda and detailed notes on agenda were sent in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions of the Board were carried out through unanimous votes, no dissenting views of any Director was recorded in the minutes maintained by the Company.

We further report that there are adequate systems and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period there has not been any such activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

For Hemant Singh & Associates
Company Secretaries

(Hemant Kumar Singh)
(Partner)
FCS 6033
C.P. No. 6370

Date: 7th August, 2019

Place: New Delhi

This Report is to be read with Annexure A, which forms an integral part of this report.

HARYANA CAPFIN LIMITED

Annexure A

To,
The Members,
HARYANA CAPFIN LIMITED
Pipe Nagar, Village - Sukeli,
N.H-17, B.K.G. Road, Taluka Roha,
Distt. - Raigad, Maharashtra-402126

Our report of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For Hemant Singh & Associates
Company Secretaries

(Hemant Kumar Singh)
(Partner)
FCS 6033
C.P. No. 6370

Date: 7th August, 2019
Place: New Delhi

HARYANA CAPFIN LIMITED

CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause (i) of Point (10) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,
The Members
Haryana Capfin Limited
Pipe Nagar, Village -Sukeli,
N.H. 17, B.K.G. Road, Taluka Roha,
Distt. - Raigad, Maharastra-402126

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Haryana Capfin Limited bearing CIN L27209MH1998PLC236139 and Registered Office at 'Pipe Nagar, Village - Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. - Raigad Maharastra-402126 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with clause (i) of Point (10) of Para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2019 have been debarred or disqualified from being appointed or continuing as Directors of Company by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

| S. No. | Name of Director | Director Identification Number (DIN) |
|--------|------------------------------|--------------------------------------|
| 1. | Mr. KAMAL KISHORE BHARTIA | 00081236 |
| 2. | Mr. SAKET JINDAL | 00405736 |
| 3. | Mr. KRISHNA KUMAR KHANDELWAL | 00455369 |
| 4. | Ms. SHRUTI RAGHAV JINDAL | 02208891 |
| 5 | Mr. SANJIV GUPTA | 06711209 |

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Hemant Singh & Associates
Company Secretaries

(Hemant Kumar Singh)
(Partner)
FCS 6033
C.P. No. 6370

Date: 7th August, 2019
Place: New Delhi

HARYANA CAPFIN LIMITED

FORM NO. MGT-9

Extract of Annual Return

As on the financial year ended on 31st March, 2019

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS:

| | | |
|------|---|---|
| i) | CIN | L27209MH1998PLC236139 |
| ii) | Registration Date | 9th September, 1998 |
| iii) | Name of the Company | Haryana Capfin Limited |
| iv) | Category / Sub-Category of the Company | Public Company/ Limited by Shares |
| v) | Address of the Registered office and contact details | Pipe Nagar, Village Sukeli, N.H.-17 B.K.G. Road, Taluka-Roha, Distt.-Raigad, Maharashtra- 402126 Tel: - 02194-238511 Fax: 02194-238513 Email: investors@haryanacapfin.com Website: www.haryanacapfin.com |
| vi) | Whether listed Company | Yes |
| vii) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Alankit Assignments Limited, Alankit Heights, 1E/13, Jhandelwalan Extension, New Delhi - 110 055 Phone: 011-23541234, 42541234 Fax: 011-42541967 e-mail: rta@alankit.com |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

| S.No. | Name and Description of main Products/ services | NIC code of the product/ service | % to total turnover of the Company |
|-------|---|----------------------------------|------------------------------------|
| 1. | Loan and Investment | 64990 | 100% |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES.

| S.No. | Name and Address of the Company | CIN/GLN | Holding/ Subsidiary/ Associate | % of shares held | Applicable Section |
|-------|--|---------|--------------------------------|------------------|--------------------|
| | The Company has no Holding, Subsidiary or Associate Company as defined under the Companies Act, 2013 | | | | |

HARYANA CAPFIN LIMITED

IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

i) Category wise Shareholding

| Category of Shareholders | No. of Shares held at the beginning of the year (As on 1st April, 2018) | | | | No. of Shares held at the end of the year (As on 31st March, 2019) | | | | % Change during the year |
|---|---|--------------|----------------|-------------------|--|--------------|----------------|-------------------|--------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/HUF | 509693 | - | 509693 | 9.78 | 509693 | - | 509693 | 9.78 | 0.00 |
| b) Central Government | - | - | - | - | - | - | - | - | - |
| c) State Government(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corporate | 3177047 | - | 3177047 | 61.00 | 3177047 | - | 3177047 | 61.00 | 0.00 |
| e) Banks/FI | - | - | - | - | - | - | - | - | - |
| f) Any Other | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(1):- | 3686740 | - | 3686740 | 70.78 | 3686740 | - | 3686740 | 70.78 | 0.00 |
| (2) Foreign | | | | | | | | | |
| a) NRI-Individuals | - | - | - | - | - | - | - | - | - |
| b) Other-Individuals | - | - | - | - | - | - | - | - | - |
| c) Bodies Corporate | - | - | - | - | - | - | - | - | - |
| d) Banks/FI | - | - | - | - | - | - | - | - | - |
| e) Any other | - | - | - | - | - | - | - | - | - |
| Sub-Total (A)(2): | - | - | - | - | - | - | - | - | - |
| Total Shareholding of Promoters (A)=(A)(1)+(A)(2) | 3686740 | - | 3686740 | 70.78 | 3686740 | - | 3686740 | 70.78 | 0.00 |
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks/FIs | 114 | 264 | 378 | 0.01 | 114 | 264 | 378 | 0.01 | 0.00 |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| f) Insurance Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | 72168 | - | 72168 | 1.38 | 54254 | - | 54254 | 1.04 | -0.34 |
| h) Foreign Venture Capital Funds | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1): | 72282 | 264 | 72546 | 1.39 | 54368 | 264 | 54632 | 1.05 | -0.34 |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corporate | | | | | | | | | |
| i) Indian | 558076 | 9943 | 568019 | 10.91 | 541725 | 9940 | 551665 | 10.59 | -0.32 |
| ii) Overseas | - | - | - | - | - | - | - | - | - |
| b) Individuals | | | | | | | | | |
| i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh | 653136 | 72417 | 725553 | 13.93 | 604553 | 67042 | 671595 | 12.89 | -1.04 |
| ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh | 87251 | - | 87251 | 1.68 | 154407 | - | 154407 | 2.96 | 1.28 |
| c) others (Specify) | | | | | | | | | |
| i) NRI | 62503 | - | 62503 | 1.20 | 61268 | - | 61268 | 1.17 | -0.03 |
| ii) Corporate Body (Foreign) | 0 | 1 | 1 | 0.00 | 0 | 1 | 1 | 0.00 | 0.00 |
| iii) Clearing Members | 254 | - | 254 | 0.00 | 140 | - | 140 | 0.00 | 0.00 |
| iv) Trust | 5814 | - | 5814 | 0.11 | 5700 | - | 5700 | 0.11 | 0.00 |
| v) HUF | - | - | - | - | 22533 | - | 22533 | 0.43 | 0.43 |
| Sub-Total (B)(2): | 1367034 | 82361 | 1449395 | 27.83 | 13990326 | 76983 | 1467309 | 28.15 | 0.32 |
| Total Public Shareholding (B)=(B)(1)+(B)(2) | 1439316 | 82625 | 1521941 | 29.22 | 1444694 | 77247 | 1521941 | 29.22 | 0.00 |
| C. Shares held by Custodian for GDRs & ADRs | | | | | | | | | |
| | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 5126056 | 82625 | 5208681 | 100.00 | 5131434 | 77247 | 5208681 | 100.00 | 0.00 |

HARYANA CAPFIN LIMITED

(ii) Shareholding of Promoters

| S.No. | Shareholder's Name | Shareholding at the beginning of the year (As on 1st April, 2018) | | | Shareholding at the end of the year (As on 31st March, 2019) | | | % Change in shareholding during the year |
|-------|---|---|----------------------------------|--|--|----------------------------------|--|--|
| | | No. of shares | % of total shares of the Company | % of shares Pledged/encumbered to total shares | No. of shares | % of total shares of the Company | % of shares Pledged/encumbered to total shares | |
| 1. | Dharam Pal Jindal | 27,364 | 0.53 | - | 27,364 | 0.53 | - | - |
| 2. | D P Jindal & Sons | 141,664 | 2.72 | - | 141,664 | 2.72 | - | - |
| 3. | Saket Jindal | 117,579 | 2.26 | - | 117,579 | 2.26 | - | - |
| 4. | Savita Jindal | 157,924 | 3.03 | - | 157,924 | 3.03 | - | - |
| 5. | Raghav Jindal | 7,395 | 0.14 | - | 7,395 | 0.14 | - | - |
| 6. | Rachna Jindal | 57,767 | 1.11 | - | 57,767 | 1.11 | - | - |
| 7. | Brahmadev Holding & Trading Ltd. | 250,375 | 4.81 | - | 250,375 | 4.81 | - | - |
| 8. | Jindal Global Finance & Investment Ltd. | 791,466 | 15.19 | - | 791,466 | 15.19 | - | - |
| 9. | Odd & Even Trades and Finance Ltd. | 250,000 | 4.80 | - | 250,000 | 4.80 | - | - |
| 10. | Stable Trading Co. Ltd. | 869,090 | 16.69 | - | 869,090 | 16.69 | - | - |
| 11. | Sudha Apparels Ltd. | 1,014,322 | 19.47 | - | 1,014,322 | 19.47 | - | - |
| 12. | Crishpark Vincom Ltd. | 1,737 | 0.03 | - | 1,737 | 0.03 | - | - |
| 13. | Global Jindal Fin Invest Ltd. | 57 | 0.00 | - | 57 | 0.00 | - | - |
| | Total | 3,686,740 | 70.78 | - | 3,686,740 | 70.78 | - | - |

(iii) Change in Promoters Shareholding

| S.No. | Name | Shareholding | | Date | Increase/Decrease in Shareholding | Reason | Cumulative Shareholding during the year | |
|---------------------------|------|--|----------------------------------|------|-----------------------------------|--------|---|----------------------------------|
| | | No. of shares at the beginning of the year/end of the year | % of total shares of the company | | | | No. of Shares | % of total shares the of company |
| NO CHANGE DURING THE YEAR | | | | | | | | |

HARYANA CAPFIN LIMITED

(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

| S.No. | Name of shareholders | Shareholding | | Date of transaction | Increase/ decrease in shareholding during the year | Reason | Cumulative Shareholding | |
|-------|---------------------------------------|---|--------------------------------------|--------------------------|--|--|---|--|
| | | No. of shares at the beginning of the year/at the end of the year | % of the total shares of the Company | | | | No. of shares | % of the Total Shares of the Company |
| 1. | Daniel Vyapaar Private Limited | 246521 | 4.73 | 01.04.2018 | No Change | | | |
| | | 246521 | 4.73 | 31.03.2019 | | | | |
| 2. | Concord Trexim Private Limited | 141656 | 2.72 | 01.04.2018 | No Change | | | |
| | | 141656 | 2.72 | 31.03.2019 | | | | |
| 3. | Deutsche Securities Mauritius Limited | 72168 | 1.39 | 01.04.2018 | -72168 | Transfer | 0 | 0 |
| | | 0 | 0 | 28.09.2018 31.03.2019 | | | | |
| 4. | Anmol Sekhri Consultants Pvt. Ltd. | 55247 | 1.06 | 01.04.2018 | 975 600 | Transfer Transfer | 56222 56822 | 1.08 1.09 |
| | | | | 14.12.2018 21.12.2018 | | | | |
| | | 56822 | 1.09 | 31.03.2019 | | | | |
| 5. | DB International (Asia) Ltd. | 0 | 0 | 01.04.2018 | 72168 -8164 -9750 | Transfer Transfer Transfer | 72168 64004 54254 | 1.39 1.23 1.04 |
| | | | | 28.09.2018 31.12.2018 | | | | |
| | | | | 04.01.2019 31.03.2019 | | | | |
| | | 542540 | 1.04 | | | | | |
| 6. | Zia Ul Rab Siddiqui | 40052 | 0.77 | 01.04.2018 | No Change | | | |
| | | 40052 | 0.77 | 31.03.2019 | | | | |
| 7. | Anil Kumar Goel | 26000 | 0.50 | 01.04.2018 | No Change | | | |
| | | 26000 | 0.50 | 31.03.2019 | | | | |
| 8. | GVN Fuels Ltd. | 15903 | 0.31 | 01.04.2018 | No Change | | | |
| | | 15903 | 0.31 | 31.03.2019 | | | | |
| 9. | Anmol Gobindram Sekhri | 18250 | 0.35 | 01.04.2018 | | | | |
| | | | | 26.05.2018 | | | | |
| | | | | 22.06.2018 | | | | |
| | | | | 06.07.2018 | | | | |
| | | | | 20.07.2018 | | | | |
| | | | | 10.08.2018 | | | | |
| | | | | 17.08.2018 | | | | |
| | | | | 24.08.2018 | | | | |
| | | | | 31.08.2018 | | | | |
| | | | | 07.09.2018 | | | | |
| | | | | 14.09.2018 | | | | |
| | | | | 28.09.2018 | | | | |
| | | | | 21.12.2018 | | | | |
| | | | | 28.12.2018 | | | | |
| | | | | 04.01.2019 | | | | |
| | | | | 11.01.2019 | | | | |
| | | | | 18.01.2019 | | | | |
| | | | | 25.01.2019 | | | | |
| | | | | 08.02.2019 | | | | |
| | | | | 15.02.2019 | | | | |
| | | 22.02.2019 | | | | | | |
| | | 15.03.2019 | | | | | | |
| | | 22.03.2019 | | | | | | |
| | | 30.03.2019 | | | | | | |
| | | 31.03.2019 | | | | | | |
| | | 64603 | 0.32 | | | | | |
| 10. | Laxmi M Mistry | 16628 | 0.32 | 01.04.2018 | 130 | Transfer | 16758 | 0.32 |
| | | | | 27.04.2018 | | | | |
| | | 16758 | 0.32 | 31.03.2019 | | | | |
| 11. | Kalpana Gupta | 7454 | 0.14 | 01.04.2018 | 700 1103 1600 224 643 776 646 300 1654 400 400 | Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer | 8154 9257 10857 11081 11724 12500 13146 13446 15100 15500 15900 | 0.32 0.32 0.32 0.32 0.32 0.32 0.32 0.32 0.32 0.32 0.32 0.32 |
| | | | | 29.06.2018 | | | | |
| | | | | 06.07.2018 | | | | |
| | | | | 27.07.2018 | | | | |
| | | | | 03.08.2018 | | | | |
| | | | | 02.11.2018 | | | | |
| | | | | 09.11.2018 | | | | |
| | | | | 23.11.2018 | | | | |
| | | | | 30.11.2018 | | | | |
| | | | | 04.01.2019 | | | | |
| | | | | 15.02.2019 | | | | |
| | | | | 22.02.2019 | | | | |
| | | | | 31.03.2019 | | | | |
| | | | | 15900 | | | | |

HARYANA CAPFIN LIMITED

(iv) Shareholding Pattern of top Ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): (Continue...)

| S.No. | Name of shareholders | Shareholding | | | | | Cumulative Shareholding | |
|-------|----------------------------------|---|--------------------------------------|---------------------|---|----------|-------------------------|--------------------------------------|
| | | No. of shares at the beginning of the year/at the end of the year | % of the total shares of the Company | Date of transaction | Increase/decrease in shareholding during the year | Reason | No. of shares | % of the Total Shares of the Company |
| 12. | Shri Parasram Holdings Pvt. Ltd. | 18038 | 0.35 | 01.04.2018 | | | | |
| | | | | 13.04.2018 | -149 | Transfer | 17889 | 0.34 |
| | | | | 20.04.2018 | -397 | Transfer | 17492 | 0.34 |
| | | | | 27.04.2018 | -5208 | Transfer | 12284 | 0.24 |
| | | | | 04.05.2018 | -50 | Transfer | 12234 | 0.23 |
| | | | | 15.06.2018 | 1000 | Transfer | 13234 | 0.25 |
| | | | | 20.07.2018 | -200 | Transfer | 13034 | 0.25 |
| | | | | 03.08.2018 | -165 | Transfer | 12869 | 0.25 |
| | | | | 31.08.2018 | -200 | Transfer | 12669 | 0.24 |
| | | | | 07.09.2018 | -673 | Transfer | 11996 | 0.23 |
| | | | | 14.09.2018 | -295 | Transfer | 11701 | 0.22 |
| | | | | 28.09.2018 | 50 | Transfer | 11751 | 0.23 |
| | | | | 29.09.2018 | -100 | Transfer | 11651 | 0.22 |
| | | | | 05.10.2018 | 3 | Transfer | 11654 | 0.22 |
| | | | | 12.10.2018 | -300 | Transfer | 11354 | 0.22 |
| | | | | 19.10.2018 | 100 | Transfer | 11454 | 0.22 |
| | | | | 02.11.2018 | 1 | Transfer | 11455 | 0.22 |
| | | | | 09.11.2018 | 200 | Transfer | 11655 | 0.22 |
| | | | | 16.11.2018 | -200 | Transfer | 11455 | 0.22 |
| | | | | 23.11.2018 | -49 | Transfer | 11406 | 0.22 |
| | | | | 07.12.2018 | 48 | Transfer | 11454 | 0.22 |
| | | | | 14.12.2018 | -109 | Transfer | 11345 | 0.22 |
| | | | | 21.12.2018 | -132 | Transfer | 11213 | 0.22 |
| | | | | 28.12.2018 | -373 | Transfer | 10840 | 0.21 |
| | | | | 31.12.2018 | -500 | Transfer | 10340 | 0.20 |
| | | | | 04.01.2019 | -99 | Transfer | 10241 | 0.20 |
| | | | | 11.01.2019 | -200 | Transfer | 10041 | 0.19 |
| | | 18.01.2019 | -98 | Transfer | 9943 | 0.19 | | |
| | | 08.02.2019 | -109 | Transfer | 9834 | 0.19 | | |
| | | 15.02.2019 | -489 | Transfer | 9345 | 0.18 | | |
| | | 22.02.2019 | -218 | Transfer | 9127 | 0.18 | | |
| | | 01.03.2019 | -1 | Transfer | 9126 | 0.18 | | |
| | | 15.03.2019 | -512 | Transfer | 8614 | 0.17 | | |
| | | 30.03.2019 | 100 | Transfer | 8714 | 0.17 | | |
| | | 31.03.2019 | | | | | | |
| | | 8714 | 0.17 | | | | | |

(v) Shareholding of Directors and Key Managerial Personnel:

| S.No. | Name of Director/ KMPs | Shareholding at the beginning of the year (01.04.2018) | | Increase/Decrease during the year | | Cumulative Shareholding at the end of the year (31.03.2019) | |
|-------|--|--|----------------------------------|-----------------------------------|--------|---|----------------------------------|
| | | No. of shares | % of total shares of the Company | No. of shares | Reason | No. of Shares | % of total shares of the Company |
| 1. | Smt. Shruti Raghav Jindal Whole-Time Director | 0 | 0.00 | 0 | Nil | 0 | 0.00 |
| 2. | Shri K.K. Bhartia, Director | 0 | 0.00 | 0 | Nil | 0 | 0.00 |
| 3. | Shri Sanjiv Gupta, Director | 0 | 0.00 | 0 | Nil | 0 | 0.00 |
| 4. | Shri K K Khandelwal, Director | 0 | 0.00 | 0 | Nil | 0 | 0.00 |
| 5. | Shri Saket Jindal* | 0 | 0.00 | 0 | Nil | 117579 | 2.26 |
| 6. | Shri Rajender Singh, CFO | 0 | 0.00 | 0 | Nil | 0 | 0.00 |
| 7. | Smt Sandhya Tiwari, CS | 0 | 0.00 | 0 | Nil | 0 | 0.00 |

* Shri Saket Jindal was appointed as Director of the Company on 20th March, 2019

HARYANA CAPFIN LIMITED

V. INDEBTEDNESS

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

| | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtness |
|--|----------------------------------|-----------------|----------|------------------|
| Indebtedness at the beginning of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |
| Change in Indebtness at the end of the financial year | | | | |
| • Addition | | | | |
| • Reduction | | | | |
| Net Change | | | | |
| Indebtedness at the end of the financial year | | | | |
| i) Principal Amount | | | | |
| ii) Interest due but not paid | | | | |
| iii) Interest accrued but not due | | | | |
| Total (i+ii+iii) | | | | |

NIL

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration of Managing Director, Whole-Time Director and/or Manager

| S.No. | Particulars of Remuneration | Name of MD/ WTD/ Manager | Total Amount |
|-----------|---|---------------------------|------------------|
| | | Shruti Raghav Jindal, WTD | (₹) |
| 1. | Gross Salary | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961 | 2,109,360 | 2,109,360 |
| | (b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961 | - | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | - | - |
| 2. | Stock Option | - | - |
| 3. | Sweat Equity | - | - |
| 4. | Commission - as % of profit - others, specify | - | - |
| 5. | Others, please specify | - | - |
| | Total (A) | 2,109,360 | 2,109,360 |

B. Remuneration to other Directors:

| S. No. | Particulars of Remuneration | Name of Directors | | Total Amount |
|----------|--|-------------------|---------------|-------------------|
| | | K.K. Khandelwal | K.K. Bhartia | (₹) |
| 1 | Independent Directors | | | |
| | • Fee for attending Board/Committee meetings | 47,500 | 47,500 | 95,000 |
| | • Commission | - | - | - |
| | • Others, please specify | - | - | - |
| | Total (1) | 47,500 | 47,500 | 95,000 |
| 2 | Other Non-Executive Directors | | | |
| | • Fee for attending Board/Committee meetings | - | - | - |
| | • Commission | - | - | - |
| | • Others, please specify | - | - | - |
| 3 | Total (2) | - | - | - |
| 4 | Total (B)=(1+2) | 47,500 | 47,500 | 95,000 |
| 5 | Total Managerial Remuneration | | | 2,204,360* |

*Total remuneration to Whole Time Director and other Directors (being total of A and B)
Mr. Sanjiv Gupta has waived his entitlement of sitting fees.

HARYANA CAPFIN LIMITED

C. Remuneration to Key Managerial Personnel other than MD/Manager/ WTD

| S. No. | Particulars of Remuneration | Key Managerial Personnel | | Total |
|--------|--|--------------------------|------------------------|-----------------|
| | | Sandhya Tiwari, CS | Rajender Singh, CFO | |
| 1. | Gross Salary | | | |
| | (a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961. | 3,88,214 | 4,37,639 | 8,25,853 |
| | (b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961 | - | - | - |
| | (c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961 | - | - | - |
| 2. | Stock Options | - | - | - |
| 3. | Sweat Equity | - | - | - |
| 4. | Commission - as % of profit -others specify | - - | - - | - - |
| 5. | Others (Ex gratia) | - | - | - |
| | Total | 3,88,214 | 4,37,639 | 8,25,853 |

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

(₹.)

| Type | Section of the Companies Act | Brief description | Details of penalty/ Punishment/Compounding fees imposed | Authority [RD/NCLT/Court] | Appeal made, if any (give details) |
|-------------------------------------|------------------------------|-------------------|---|---------------------------|------------------------------------|
| A. COMPANY | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| B. DIRECTORS | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |
| C. OTHER OFFICERS IN DEFAULT | | | | | |
| Penalty | | | | | |
| Punishment | | | | | |
| Compounding | | | | | |

HARYANA CAPFIN LIMITED

CORPORATE GOVERNANCE REPORT

Sound Corporate Governance is essential to enhance the shareholders' trust and value. Your Company conducts its affairs with the highest level of integrity, with proper authorizations, accountability, disclosure and transparency. The Company strongly believes in maintaining a simple and transparent corporate structure driven solely by business needs. Shareholders interests are on utmost priority while protecting the interest of other stakeholders, customers, suppliers and its employees and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The Company is in compliance with the requirements as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

1. BOARD OF DIRECTORS

Composition

The Company's policy is to have appropriate mix of Executive and Non-Executive/ Independent Directors including one women Director on the Board. The Company has one Executive Director who is also a promoter of the Company. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors. None of the Directors on the Board is a member of more than 10 Committees and Chairman of more than 5 Committees, as specified in Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. The Directors have made necessary disclosures regarding their Committee positions. The size and composition of the Board conforms to the requirements of Regulation 17 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Board Functioning & Procedure

During the year ended 31st March, 2019, the Board of Directors met five times on 24th May, 2018, 13th August, 2018, 1st November, 2018, 11th February, 2019 and 20th March, 2019. The Board periodically reviews the compliance report of all laws applicable to the Company. The names and categories of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting, as also the number of Directorships held by them in other companies as on 31st March, 2019 are given below:

| Directors | Category | Shares held | Attendance | | No. of other Directorships and Committee Memberships/ Chairmanships held | | | | |
|-------------------------------|---------------------|-------------|---------------|----------|--|--------------------------------------|--------------------------|-----------------------|-------------------------|
| | | | Board Meeting | Last AGM | Directorship | Name of Listed Entities | Category of Directorship | Committee Memberships | Committee Chairmanships |
| Smt. Shruti Raghav Jindal | Whole-Time Director | - | 4 | No | 2 | - | - | - | - |
| Shri Krishna Kumar Khandelwal | Independent | - | 5 | No | 4 | 1. Jindal Drilling & Industries Ltd. | Independent Director | 2 | 2 |
| Shri Sanjiv Gupta | Director | - | 5 | No | 3 | - | - | 1 | - |
| Shri K.K. Bhartia | Independent | - | 5 | Yes | 3 | - | - | - | - |
| Shri Saket Jindal * | Director | 117,579 | 1 | No | 6 | 1. Maharashtra Seamless Ltd. | Managing Director | 1 | - |

* Shri Saket Jindal was appointed as Director on 20th March, 2019

Note: 1. Only Audit and Stakeholders' Relationship Committees are considered.

2. Excludes directorship in Foreign Companies.

SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel, inter alia, to discuss:

- the performance of Non Independent Directors and Board of Directors as a whole.
- the performance of the Chairman of the Company, taking into account the views of the Executive and Non Executive Directors.
- the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively perform its duties.

During the year under review, the Independent Directors met on 11th February, 2019. All Independent Directors were present at the meeting.

Familiarisation Programme

The Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company.

The detail of familiarization programmes for Independent Directors are posted on the Company's website www.haryanacapfin.com and can be accessed at <http://www.haryanacapfin.com/Familiarization.pdf>.

CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct for Directors (incorporating duties of Independent Directors as laid down in the Companies Act, 2013) and Senior Management personnel. The Code has also been posted on the Company's website www.haryanacapfin.com

The Code has been circulated to all members of the Board and senior management personnel and the compliance with the Code of Conduct is affirmed by them annually.

A declaration signed by the Whole Time Director of the Company is given below:

This is to certify that, all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the financial year ended 31st March 2019.

Date: 7th August, 2019

Shruti Raghav Jindal
Whole Time Director

2. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the in the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions towards 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; 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.

HARYANA CAPFIN LIMITED

COMPOSITION

The Audit Committee of the Company comprises of 3 Directors, out of which two are Independent Directors and one is 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 24th May, 2018, 13th August, 2018, 1st November, 2018 and 11th February, 2019. The Composition of the Audit Committee as on 31st March, 2019 and attendance at its meetings is as follows:

| Members | Designation | No. of meetings attended |
|-------------------------------|-------------|--------------------------|
| Shri Kamal Kishore Bhartia | Chairman | 4 |
| Smt. Shruti Raghav Jindal | Member | 4 |
| Shri Krishan Kumar Khandelwal | Member | 4 |

INTERNAL AUDITORS

The Company has appointed 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.

3. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted a Nomination and Remuneration Committee (NRC) and the terms of reference of the Nomination and Remuneration Committee are as per guidelines set out in the Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

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.

The Nomination and Remuneration Committee of the Company is comprised of three Directors out of which two are Independent Directors and one is Non- Executive Director. The Chairman of the Committee is an Independent Non-executive Director. During the year under review meetings of the Nominaion and Remuneration Committee were held on 11th February, 2019 and 20th March, 2019. The Nomination and Remuneration Committee of the Company, as on 31st March, 2019 comprised of the following:

| Members | Designation | No. of meetings attended |
|-------------------------------|-------------|--------------------------|
| Shri Kamal Kishore Bhartia | Chairman | 1 |
| Shri Krishna Kumar Khandelwal | Member | 1 |
| Shri Sanjiv Gupta | Member | 1 |

Nomination and Remuneration Policy

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages. The policy reflects the Company's objectives for good corporate governance as well as sustained long- term value creation for shareholders. This Remuneration Policy applies to Directors, Senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

HARYANA CAPFIN LIMITED

Remuneration of Whole Time Director reflects the overall remuneration philosophy and guiding principles of the Company. When considering the appointment and remuneration of Whole Time Directors, due consideration is given to pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policy of motivation/ reward/ severance payments is applicable to this category of personnel as in the case of those in the management cadre.

The Nomination and Remuneration Policy of the company has been uploaded and can be accessed on the Company's website at <https://www.haryanacapfin.com/Nomination%20and%20Remuneration%20Policy.pdf>

Details of Directors' Remuneration

Details of remuneration paid to the Directors during the financial year ended 31st March 2019 are as under:

a) Details of remuneration paid to Whole- Time Director:

(Amount in ₹)

| Name | Salary | Perquisites & other benefits | Total |
|---------------------------|-----------|------------------------------|-----------|
| Smt. Shruti Raghav Jindal | 2,109,360 | Nil | 2,109,360 |

b) The Non-Executive Directors are paid by way of sitting fees for each meeting of the Board of Directors and Audit Committee attended by them. Details of remuneration paid as sitting fee to Non-Executive Directors during the year ended 31st March, 2019: -

| Directors | Sitting Fees (₹) |
|-------------------------------|------------------|
| Shri Krishna Kumar Khandelwal | 47,500 |
| Shri Kamal Kishore Bhartia | 47,500 |

Shri Sanjiv Gupta, has waived his entitlement for sitting fee.

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 31st March, 2019.

4. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders' Relationship Committee under the Chairmanship of Non Executive Director. 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. Details of shares transfers/transmissions approved by the Committee are placed at the Board meetings from time to time.

Stakeholders' Relationship Committee of the Board of Directors was reconstituted on 20th March, 2019. The constitution of the Stakeholders Relationship Committee is as under:-

| Members | Designation |
|----------------------------|-------------|
| Shri Kamal Kishore Bhartia | Chairman |
| Smt. Shruti Raghav Jindal | Member |
| Shri Sanjiv Gupta* | Member |

* Mr. Sanjiv Gupta was appointed as a member of the Committee w.e.f 20.03.2019

HARYANA CAPFIN LIMITED

COMPLIANCE OFFICER

The Board has designated Mrs. Sandhya Tiwari, Company Secretary as Compliance Officer of the Company.

DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED AND REPLIED TO THE SATISFACTION OF SHAREHOLDERS

| | |
|---|-----|
| Number of Shareholders complaints received during the period 01.04.2018 to 31.03.2019 | Nil |
| Number of complaints solved to the satisfaction of shareholders | NA |
| Number of pending complaints as on 31.03.2019 | Nil |

DESIGNATED EMAIL ID FOR INVESTORS

The Company has designated an exclusive email id for redressal of investors grievances i.e. investors@haryanacapfin.com

5. GENERAL BODY MEETINGS

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

| Financial year | Date | Location of the Meeting | Time |
|----------------|------------|--|-----------|
| 2015-16 | 27.09.2016 | Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad- 402126 (Maharashtra) | 4.30 P.M. |
| 2016-17 | 26.09.2017 | Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad- 402126 (Maharashtra) | 4.30 P.M. |
| 2017-18 | 25.09.2018 | Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad- 402126 (Maharashtra) | 4.30 P.M. |

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

- a) In the AGM held on 27th September, 2016 : No Special resolution was passed.
- b) In the AGM held on 26th September, 2017 : Appointment of Smt. Shruti Raghav Jindal as Whole-Time Director
- c) In the AGM held on 25th September, 2018 :
 - i) Continuation of Shri K.K Khandelwal as Director.
 - ii) Amendment of Objects Clause of the Memorandum of Association.
 - iii) Amendment of the liability Clause of the Memorandum of Association.
 - iv) Amendment of Articles of Association.

6. 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. All transactions have been approved by the Audit Committee.

The Board has approved a policy on materiality of Related Party Transactions which has been uploaded on the website of the Company at the following link <http://www.haryanacapfin.com/RPTPOLICY.pdf>

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) CEO/CFO Certificate

Smt. Shruti Raghav Jindal, Whole Time-Director and Shri Rajender Singh, CFO have furnished the required certificate to the Board of Directors pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

v) Whistle Blower Policy

The Company has adopted a Whistle blower policy and has established the necessary vigil mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link <http://www.haryanacapfin.com/VIGILMECHANISM.pdf>

vi) Adoption of Mandatory and Non- mandatory requirements of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all mandatory requirements of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has also complied with following non-mandatory requirements of Regulation 27 (1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Audit Qualifications

The Financial Statements of the Company are unqualified.

Reporting of Internal Auditor

The Internal Auditors of the Company make presentations to the Audit Committee on their reports.

Risk Management

The Company has detailed Risk Management Policy and the Board periodically reviews the procedures for its effective management.

DISCLOSURE ON NON COMPLIANCE

There was no such non compliance made by the Company on Corporate Governance as required under sub para (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. 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. Thereafter the results are normally published in the Financial Express, Business Standard & Mumbai Lakshdeep, Aapla Mahanagar/Navshakti. The financial results and all other relevant information is being uploaded on the company's website www.haryanacapfin.com.

8. CERTIFICATE ON CORPORATE GOVERNANCE REPORT

As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Certificate on Corporate Governance has been annexed to the Board's Report.

9. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, KMPs and designated employees.

10. CORE SKILLS/EXPERTISE/COMPETENCIES FOR THE BOARD OF DIRECTORS

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance, the Board has identified the following core skills/expertise/competencies for the Board of

HARYANA CAPFIN LIMITED

Directors in the context of business of the Company to function effectively and those actually available with the Board as follows:

- (i) Industry specific knowledge/ experience;
- (ii) Financial literacy/expertise including appreciation of legal/ regulatory issues;
- (iii) General administrative expertise including HR matter; and
- (iv) Knowledge of contemporary socio economic issues.

11. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

Date & Time : 24th September, 2019 at 4.30 P.M.
Venue : Jindal Mount Litera Zee School Auditorium , Pipe Nagar, Village-Sukeli, N.H. 17 BKG Road, Taluka-Roha, Distt.-Raigad, Maharashtra

b) Financial Year : 1st April, 2018 to 31st March, 2019

c) Book Closure : Not applicable

d) Dividend : Not Applicable

Financial Calendar (Tentative):

Financial reporting for the quarter ended 30th June, 2019 : Aug, 2019
Financial reporting for the quarter ending 30th Sept. 2019 : Oct/Nov 2019
Financial reporting for the quarter ending 31st Dec. 2019 : Jan/Feb 2020
Financial reporting for the quarter/year ending 31st March, 2020 : April/May,2020

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 2019-20 has already been paid.

Scrip ID : HARYNACAP

Stock Code : BSE 532855

NSDL/ CDSL - ISIN : INE928H01019

STOCK MARKET PRICE DATA FOR THE YEAR 2018-19

| Month | HCL BSE Price (₹) | | BSE SENSEX | |
|-----------------|-------------------|-------|------------|----------|
| | High | Low | High | Low |
| April, 2018 | 52.60 | 40.55 | 35,213.30 | 32972.56 |
| May, 2018 | 49.95 | 38.90 | 35,993.53 | 34302.89 |
| June, 2018 | 45.00 | 36.65 | 35,877.41 | 34784.68 |
| July, 2018 | 39.90 | 31.95 | 37,644.59 | 35106.57 |
| August, 2018 | 44.10 | 35.50 | 38,989.65 | 37128.99 |
| September, 2018 | 45.30 | 37.05 | 38,934.35 | 35985.63 |
| October, 2018 | 37.95 | 31.65 | 36,616.64 | 33291.58 |
| November, 2018 | 39.30 | 35.40 | 36,389.22 | 34303.38 |
| December, 2018 | 49.10 | 37.00 | 36,554.99 | 34426.29 |
| January, 2019 | 47.50 | 40.15 | 36,701.03 | 35375.51 |
| February, 2019 | 43.50 | 35.30 | 37,172.18 | 35287.16 |
| March, 2019 | 47.30 | 38.85 | 36,830.25 | 35926.94 |

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DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2019

| No. of equity shares held | No. of shareholders | % of shareholders | No. of shares held | % of shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| Up to 5000 | 3945 | 98.85 | 675361 | 12.97 |
| 5001 to 10000 | 19 | 0.47 | 135317 | 2.59 |
| 10001 to 50000 | 13 | 0.33 | 290532 | 5.58 |
| 50001 to 100000 | 5 | 0.12 | 320138 | 6.15 |
| 100001 to Above | 9 | 0.23 | 3787333 | 72.71 |
| GRAND TOTAL | 3991 | 100 | 5208681 | 100 |

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2019:

| Category | No. of Share held | % of Shareholding |
|-------------------------------|-------------------|-------------------|
| Promoters | 3686740 | 70.78 |
| Financial Institutions/ Banks | 378 | 0.01 |
| Foreign Portfolio Investors | 54254 | 1.04 |
| Bodies Corporate | 551665 | 10.59 |
| Indian Public | 848535 | 16.29 |
| NRI/OCB | 61269 | 1.18 |
| Trust | 5700 | 0.11 |
| Clearing Members | 140 | 0.00 |
| GRAND TOTAL | 5208681 | 100.00 |

Dematerialization of Shares

98.41% of total paid-up equity shares of the Company were in dematerialized form as on 31st March, 2019.

Outstanding ADR/GDR/ Warrants and Convertible Bonds, Conversion date and likely impact on equity:

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

Commodity price risk or foreign exchange risk and hedging activities

Company's nature of business is of investment and financing, hence there is no commodity price risk or foreign exchange risk.

Registrar and Share Transfer Agents:

Alankit Assignments Limited,
Alankit Heights, 1E/13, Jhandelwala 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 generally 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 above or to the Corporate Office of the Company.

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

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CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

HARYANA CAPFIN LIMITED

Pipe Nagar, Village - Sukeli,
N.H-17, B.K.G. Road, Taluka Roha,
Distt. - Raigad, Maharashtra-402126

We have examined the compliance of conditions of Corporate Governance by **HARYANA CAPFIN LIMITED** ('the Company'), for the year ended 31st March, 2019, as stipulated in Regulations 17 to 27 and Clause (b) to (i) of sub regulation (2) of regulation 46 and para C and D of Schedule V of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations').

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 Regulations.

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 Hemant Singh & Associates
Company Secretaries

Hemant Kumar Singh
Partner

FCS-6033
C.P. No. : 6370

Place: New Delhi
Dated: 7th August, 2019

MANAGEMENT DISCUSSION & ANALYSIS

FORWARD LOOKING STATEMENT

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 risk arising from impact of changes in interest rate fluctuation, 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 may further influence the Company's operations or performance. The Company disclaims any duty to update the information given in the aforesaid reports.

ECONOMIC ENVIRONMENT OVERVIEW

India's GDP grown by 6.8% in FY19 compared to 7.2% in FY18. This was due to lower growth in agriculture and mining sectors, lower government spending on public administration and weaknesses in domestic and external demand conditions. However, on the structural reforms front, the Goods and Services Tax (GST) and the Insolvency and Bankruptcy Code (IBC) continued evolving during the year. Also, in the World Bank's Ease of Doing Business rankings, India continued its ascent for the second consecutive year and reached the 77th rank.

The Indian economy faced a slew of challenges around mid-FY19 from the external front. This was triggered by a sharp increase in the global Brent price, leading to a sharp depreciation in the Rupee along with other emerging market currencies. Around the same time, the debt defaults by IL&FS group triggered a crisis of confidence in the NBFC sector, a critical source of finance for the real estate Sector. The liquidity tightness faced by NBFCs post the IL&FS crisis impacted leveraged consumer demand for auto varieties, consumer durables, housing etc., and credit flows to small and micro borrowers during Q3FY19. However, pragmatic and regulatory interventions helped easing the situation in Q4FY19.

BUSINESS OUTLOOK

Several global forecasters, including the international Monetary Fund, have lowered their projections for the global economic growth in CY 2019 from a year earlier because of ongoing trade frictions, tightening of financial conditions and Brexit-related uncertainties.

Global slowdown and tight financial conditions are likely to impact India's GDP growth during FY20 which may remain flattish over its last year's level. Going by past trends, India's growth mix remains skewed towards consumption and away from investment during the general election year. Due to impact of general elections, financial markets and capital inflows witnessed volatility in Q1 FY20. Also, as the new political regime set to follow fiscal prudence in H2FY20 may impact public investments and growth in the latter part of the year.

On the positive side, a strong political mandate ensures political stability and policy continuity. Retail (CPI) inflation is projected by the Reserve Bank of India (RBI) to remain below 4% up to December 2019. This should enable the Monetary Policy Committee of RBI to implement easy monetary policy during a major part of FY20.

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 sector holds immense potential in view of the Government of India's increased focus towards Financial Inclusion.

HARYANA CAPFIN LIMITED

The economic recovery, coupled with contained inflation has brightened the prospects of business growth. 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.

RISKS AND CONCERNS

As an NBFC, your Company is subjected to both external and internal risks. External risks 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 the Company's prospects.

At this juncture of rapidly evolving macroeconomic risks, it becomes imperative for business to track the macroeconomic 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

Total income of the Company during the year was Rs 262.27 lakhs as against Rs. 212.29 lakhs in the previous year. The profit before tax during the year was Rs. 208.37 lakhs as against Rs. 164.20 lakhs in the previous year. The Profit after tax was Rs. 198.87 lakhs as against Rs. 157.32 lakhs 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.

INDEPENDENT AUDITORS' REPORT

TO,
THE MEMBERS OF HARYANA CAPFIN LIMITED

Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Haryana Capfin Limited ('the Company')**, which comprises the Balance Sheet as at 31st March 2019, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2019, and Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Information other than the Financial Statements and Auditors' Report thereon

The Company's management and Board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,

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implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

Auditors' Responsibility for the audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated

in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance Sheet, the Statement of Profit & Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of written representations received from the directors as on 31st March 2019 taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2019 from being appointed as a director in terms of section 164(2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure-B" and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
 - i. As informed to us the Company does not have any pending litigations, which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

For A M A A & Associates
Chartered Accountants
Firm Registration no. 013066C

Place: New Delhi
Date : 29th May 2019

CA Mukesh Sharma
Partner
Membership No. 505453

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Annexure - "A" to the Independent Auditors' Report

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
(b) Fixed assets have been physically verified by the management at regular intervals. It has been informed to us that no material discrepancies were noticed on such verification.
(c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties included in the fixed assets are held in the name of the Company.
- 2) The Company has no inventories as on 31st March 2019, hence clause (a), (b) and (c) of paragraph 2 of the order are not applicable.
- 3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Thus, the provisions of clause (a), (b) and (c) of paragraph 3 of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- 5) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- 6) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.
- 7) (a) According to the information and explanations given to us and based on the records of the Company examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Goods and Services tax, custom duty, Cess and other material statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, Sales Tax, Service Tax, Wealth Tax, Custom duty, Cess and other material statutory dues were in arrears, as at 31st March 2019 for a period of more than six months from the date they became payable.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.
- 9) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 9 of the Order is not applicable to the Company.
- 10) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
- 11) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- 13) Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of the paragraph 14 of the Order are not applicable to the Company.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of the paragraph 15 of the Order are not applicable to the Company.
- 16) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For A M A A & Associates
Chartered Accountants
Firm Registration no. 013066C

CA Mukesh Sharma
Partner
Membership No. 505453

Place: New Delhi
Date : 29th May, 2019

Annexure - "B" to the Independent Auditors' Report

(Refer to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' sections of our report of even date)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls with reference to the financial statements of **Haryana Capfin Limited** ("the Company") as of 31st March 2019 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to financial statements was established and maintained and if such controls operated effectively in all material respects. Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system with reference to financial statements and their operating effectiveness. Our audit of internal financial controls with reference to financial statements included obtaining an understanding of internal financial controls with reference to financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system with reference to financial statements.

Meaning of Internal Financial Controls with reference to Financial Statements

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that -

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

HARYANA CAPFIN LIMITED

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls with reference to Financial Statements

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March 2019, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

For A M A A & Associates
Chartered Accountants
Firm Registration no. 013066C

Place: New Delhi
Date : 29th May, 2019

Mukesh Sharma
Partner
Membership No. 505453

HARYANA CAPFIN LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2019

| | Note No. | As At 31.03.2019 (₹) | As At 31.03.2018 (₹) |
|---------------------------------------|-------------|----------------------------|----------------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' Funds | | | |
| Share Capital | 2 | 52,086,810 | 52,086,810 |
| Reserves and Surplus | 3 | 335,412,471 | 315,525,425 |
| Current Liabilities | | | |
| Other current Liabilities | 4 | 556,223 | 560,712 |
| Short-Term Provisions | 5 | 866,075 | 672,742 |
| Total Equity & Liabilities | | 388,921,579 | 368,845,689 |
| ASSETS | | | |
| Non-current assets | | | |
| Fixed assets | | | |
| Tangible assets | 6 | 3,043,030 | 3,061,080 |
| Non-current investments | 7 | 272,148,915 | 273,839,968 |
| Long Term advances | 8 | 4,000 | 4,000 |
| Current assets | | | |
| Cash and cash equivalents | 9 | 330,637 | 263,095 |
| Short-term loans and advances | 10 | 113,394,997 | 91,677,546 |
| Total Assets | | 388,921,579 | 368,845,689 |

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 AMAA & Associates

Chartered Accountants
Firm Reg. No. 013066C

Mukesh Sharma
Partner
Membership No. 505453

Place : Gurugram
Dated : 29th May, 2019

Rajender Singh
CFO
PAN - APIPS0673Q

Sandhya Tiwari
Company Secretary
ACS 35964

For & on Behalf of the Board

Shruti Raghav Jindal
Whole-time Director
DIN : 02208891

Kamal Kishore Bhartia
Director
DIN : 00081236

HARYANA CAPFIN LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2019

| | Note No. | Year Ended 31.03.2019 (₹) | Year Ended 31.03.2018 (₹) |
|---|----------|---------------------------------|---------------------------------|
| Revenue | | | |
| Revenue from operations | 11.1 | 26,212,391 | 21,228,389 |
| Other Income | 11.2 | 15,000 | 1,409 |
| Total Revenue | | 26,227,391 | 21,229,798 |
| Expenses | | | |
| Employee benefit expense | 12 | 4,081,234 | 3,780,507 |
| Other expenses | 13 | 1,237,123 | 1,000,771 |
| Depreciation / Amortization | 6 | 18,050 | 18,050 |
| Contingent Provision against Standard Assets | 14 | 53,938 | 10,386 |
| Total Expenses | | 5,390,345 | 4,809,714 |
| Profit before exceptional and extraordinary items and tax | | 20,837,046 | 16,420,084 |
| Profit before tax | | 20,837,046 | 16,420,084 |
| Tax expenses | | | |
| - Current Year | | 950,000 | 600,000 |
| - Earlier Years | | - | 87,793 |
| Total Tax Expenses | | 950,000 | 687,793 |
| Profit/(Loss) from continuing operations | | 19,887,046 | 15,732,291 |
| Earning per equity share: | | | |
| Basic | | 3.82 | 3.02 |
| Diluted | | 3.82 | 3.02 |

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 AMAA & Associates

Chartered Accountants
Firm Reg. No. 013066C

Mukesh Sharma
Partner
Membership No. 505453

Place : Gurugram
Dated : 29th May, 2019

Rajender Singh
CFO
PAN - APIPS0673Q

Sandhya Tiwari
Company Secretary
ACS 35964

For & on Behalf of the Board

Shruti Raghav Jindal
Whole-time Director
DIN : 02208891

Kamal Kishore Bhartia
Director
DIN : 00081236

HARYANA CAPFIN LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

| | Year Ended 31.03.2019 (₹) | Year Ended 31.03.2018 (₹) |
|--|---------------------------------|---------------------------------|
| A. Cash Flow from Operating Activities | | |
| Net Profit before tax and extraordinary items | 20,837,046 | 16,420,084 |
| Adjusted for: | | |
| Contingent Provision against Standard Assets | 53,938 | 10,386 |
| Operating Profit before Working Capital Changes | 20,890,984 | 16,430,470 |
| Adjusted for: | | |
| Trade & Other Receivables | (21,788,630) | (5,080,517) |
| Trade Payables & Others | 134,906 | 313,746 |
| Cash Generated from operations | (762,740) | 11,663,699 |
| Direct taxes Paid | (878,821) | 189,324 |
| Cash Flow before extraordinary items | (1,641,561) | 11,853,023 |
| Net Cash From Operating Activities | (1,641,561) | 11,853,023 |
| B. Cash Flow from Investing Activities | | |
| Purchase of Investments | 1,691,053 | (12,108,930) |
| Purchase of Fixed Assets | 18,050 | 18,050 |
| Net Cash from Investing Activities | 1,709,103 | (12,090,880) |
| Net increase in Cash & Cash Equivalents (A+B) | 67,542 | (237,857) |
| Opening Balances of Cash and Cash Equivalents | 263,095 | 500,952 |
| Closing Balances of Cash and Cash Equivalents | 330,637 | 263,095 |
| Change in Cash and Cash Equivalents | 67,542 | (237,857) |

As per our report of even date attached

For AMAA & Associates
Chartered Accountants
Firm Reg. No. 013066C

Mukesh Sharma
Partner
Membership No. 505453

Place : Gurugram
Dated : 29th May, 2019

Rajender Singh
CFO
PAN - APIPS0673Q

Sandhya Tiwari
Company Secretary
ACS 35964

For & on Behalf of the Board

Shruti Raghav Jindal
Whole-time Director
DIN : 02208891

Kamal Kishore Bhartia
Director
DIN : 00081236

HARYANA CAPFIN LIMITED

NOTES ON ACCOUNTS FORMING PART OF THE AUDITED FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2019

1. SUMMARY OF ACCOUNTING POLICIES FOLLOWED BY THE COMPANY

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, 2013 and in compliance with the applicable accounting standards. 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 Schedule-III of the Companies Act, 2013.

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 up to 31.03.2014, Depreciation is calculated at the rates prescribed under schedule XIV to the Companies Act, 1956. From 1.04.2014 depreciation is calculated by allocating the depreciable amount of each assets of its estimated useful life. Depreciation amount of asset is the cost of assets / W.D.V.as on 1.04.2014 less its residual value. Useful life on an asset is taking as prescribed under Schedule II of the Companies Act, 2013.

e. Investments

Long Term Investments are classified into Non current investments and others are classified as current Investment current. Long-term 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 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.

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 FORMING PART OF FINANCIAL STATEMENTS

| | As At 31.03.2019 (₹) | As At 31.03.2018 (₹) |
|---|----------------------------|----------------------------|
| 2 SHARE CAPITAL | | |
| Equity Share Capital | | |
| Authorised | | |
| 6,000,000 (Previous Year 6,000,000) Equity Shares of ₹10/- each | 60,000,000 | 60,000,000 |
| | 60,000,000 | 60,000,000 |
| Issued, subscribed & fully paid share capital | | |
| 5,208,681 (Previous Year 5,208,681) Equity Shares of ₹10/- each Fully Paid-Up | 52,086,810 | 52,086,810 |
| | 52,086,810 | 52,086,810 |

The above included 43,470 numbers of fully paid up equity shares of ₹ 10/- each issued as Bonus shares and 5,139,486 equity shares of ₹ 10/- each issued for consideration other than cash as per order of Hon'ble High Court of Punjab & Haryana dated 27th July, 2006.

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

| Equity Shares | As at 31.03.2019 | | As at 31.03.2018 | |
|---------------------------|------------------|------------|------------------|------------|
| | Nos. | ₹ | Nos. | ₹ |
| 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 shares holders have right to receive dividend, if 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 ₹10/- each of the company:

| Equity Shares | As at 31.03.2019 | | As at 31.03.2018 | |
|--|------------------|-------|------------------|-------|
| | Nos. | % | Nos. | % |
| Stable Trading Co. Limited | 869,090 | 16.69 | 869,090 | 16.69 |
| Sudha Apparels Limited | 1,014,322 | 19.47 | 1,014,322 | 19.47 |
| Jindal Global Finance & Investment Limited | 791,466 | 15.19 | 791,466 | 15.19 |

HARYANA CAPFIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

| | As At 31.03.2019 (₹) | As At 31.03.2018 (₹) |
|--|----------------------------|----------------------------|
| 3 RESERVE AND SURPLUS | | |
| 3.1 Other Reserves | | |
| a. Statutory Reserve | | |
| As per last Balance Sheet | 30,302,079 | 27,155,138 |
| Add - Transferred from Profit & Loss Account during the year | 3,977,500 | 3,146,941 |
| | 34,279,579 | 30,302,079 |
| b. General Reserve | | |
| As per last Balance Sheet | 157,792,594 | 156,792,594 |
| Add - Transferred from Profit & Loss Account during the year | 1,000,000 | 1,000,000 |
| | 158,792,594 | 157,792,594 |
| 3.2 Surplus in Profit & Loss A/c | | |
| As per last Balance sheet | 127,430,752 | 115,845,402 |
| Add - During The Year | 19,887,046 | 15,732,291 |
| Less - Transfer to Statutory Reserve | 3,977,500 | 3,146,941 |
| Less - Transfer to General Reserve | 1,000,000 | 1,000,000 |
| | 142,340,298 | 127,430,752 |
| | 335,412,471 | 315,525,425 |
| 4 OTHERS CURRENT LIABILITIES | | |
| Liabilities For Expenses | 402,081 | 526,170 |
| Liabilities for Statutory Dues | 154,142 | 34,542 |
| | 556,223 | 560,712 |
| 5 SHORT TERM PROVISIONS | | |
| 5.1 Provision for Employees Retirement Benefits | 585,740 | 446,345 |
| 5.2 Contingent Provision for Standard Assets | | |
| Opening Balance | 226,397 | 216,011 |
| Add / (Less) during the year | 53,938 | 10,386 |
| | 280,335 | 226,397 |
| | 866,075 | 672,742 |

6 FIXED ASSETS

Tangible Assets

| DESCRIPTION | GROSS BLOCK (AT COST) | | | | DEPRECIATION | | | | NET BLOCK | |
|-------------------------|-----------------------|-----------|----------------------------|--------------------|--------------------|-----------------|----------------------------|--------------------|--------------------|--------------------|
| | ASAT 01.04.2018 | ADDITIONS | SALES/ ADJUST- MENTS | ASAT 31.03.2019 | UPTO 31.03.2018 | FOR THE YEAR | SALES/ ADJUST- MENTS | UPTO 31.03.2019 | ASAT 31.03.2019 | ASAT 31.03.2018 |
| Land (Freehold) | 2,934,379 | - | - | 2,934,379 | - | - | - | - | 2,934,379 | 2,934,379 |
| Electrical Installation | 190,000 | - | - | 190,000 | 63,299 | 18,050 | - | 81,349 | 108,651 | 126,701 |
| Total | 3,124,379 | - | - | 3,124,379 | 63,299 | 18,050 | - | 81,349 | 3,043,030 | 3,061,080 |
| Previous Year | 3,124,379 | - | - | 3,124,379 | 27,199 | 18,050 | - | 45,249 | 3,079,130 | |

HARYANA CAPFIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

| | AS AT 31.03.2019 | | AS AT 31.03.2018 | |
|---|-------------------------|--------------------|-------------------------|--------------------|
| | Numbers of Shares/Units | (₹) | Numbers of Shares/Units | (₹) |
| 7 NON-CURRENT INVESTMENTS (Non- Trade) (Fully paid up unless otherwise specified) | | | | |
| a. EQUITY SHARES | | | | |
| i) Quoted | | | | |
| Maharashtra Seamless Limited of ₹ 5 each | 2,852,540 | 255,724,872 | 2,852,540 | 255,724,872 |
| ii) Un-Quoted | | | | |
| Global Jindal Fin-Invest Limited of ₹ 10 each | 100 | 1,005 | 100 | 1,005 |
| GVN Fuels Limited of ₹ 10 each | 47,000 | 472,355 | 47,000 | 472,355 |
| b. CURRENT | | | | |
| ABSL Banking & PSU Debt Fund - Growth | 4,901.600 | 993,795 | 18,010.121 | 3,641,736 |
| Aditya Birla Sunlife Money Manager Fund - Growth | 20,995.674 | 4,696,027 | 62,593 | 14,000,000 |
| Kotak Equity Arbitrage Fund - Monthly Dividend | 955,810.111 | 10,260,861 | - | - |
| | | 272,148,915 | | 273,839,968 |
| Aggregate Value of Unquoted Investments | | 473,360 | | 473,360 |
| Aggregate Value of Quoted Investments | | 255,724,872 | | 255,724,872 |
| Market Value of Quoted Investments | | 1,417,712,380 | | 1,213,327,889 |
| | | As At | As At | |
| | | 31.03.2019 | 31.03.2018 | |
| | | (₹) | (₹) | |
| 8 NON - CURRENT ASSETS | | | | |
| Long Term Loans & Advances | | | | |
| Security Deposit | | 4,000 | | 4,000 |
| | | 4,000 | | 4,000 |
| CURRENT ASSETS | | | | |
| 9 CASH AND CASH EQUIVALENTS | | | | |
| Balances with banks - In Current Account (Including cheque in hand Nil, Previous Year Nil) | | 326,367 | | 259,964 |
| Cash on hand | | 4,270 | | 3,131 |
| | | 330,637 | | 263,095 |
| 10 SHORT TERM LOANS AND ADVANCES | | | | |
| Loans to Body Corporate (Loans Repayable on demand, Unsecured Considered good) | | 112,134,037 | | 90,558,398 |
| Advance Income Tax (Net of Provision) | | 45,297 | | 116,476 |
| Others Advances recoverable in Cash or Kind | | 1,215,663 | | 1,002,672 |
| | | 113,394,997 | | 91,677,546 |
| Total Current Assets | | 113,725,634 | | 91,940,641 |

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

NOTES FORMING PART OF FINANCIAL STATEMENTS

| | Year Ended 31.03.2019 (₹) | Year Ended 31.03.2018 (₹) |
|---|---------------------------------|---------------------------------|
| 11.1 REVENUE FROM OPERATIONS | | |
| Interest Income (TDS Rs. 778,820/-, Previous Year Rs.685,676/-) | 7,788,204 | 6,856,760 |
| Dividend | 17,376,101 | 14,262,700 |
| Profit on Mutual Fund | 1,048,086 | 108,929 |
| | 26,212,391 | 21,228,389 |
| 11.2 OTHER INCOME | | |
| Miscellaneous Income | 15,000 | - |
| Liabilities Written Off | - | 1,409 |
| | 15,000 | 1,409 |
| 12 EMPLOYEE BENEFITS EXPENSE | | |
| Salaries and wages | 4,027,048 | 3,746,926 |
| Staff welfare expenses | 54,186 | 33,581 |
| | 4,081,234 | 3,780,507 |
| 13 OTHER EXPENSES | | |
| Postage & Telephone | 110,180 | 35,696 |
| Printing & Stationary | 79,662 | 72,018 |
| Rent | 14,160 | 14,070 |
| Fee & Subscription | 301,000 | 299,500 |
| Travelling & Conveyance | 8,575 | 5,805 |
| Electricity Expenses | 31,352 | 50,394 |
| Legal & Professional Charges | 148,319 | 182,266 |
| Directors' Fee | 95,000 | 80,000 |
| Advertisement & Publicity | 83,736 | 82,634 |
| Membership Fee | 109,740 | - |
| Share Maintenance Expenses | 56,146 | 53,394 |
| Auditors' Remuneration : | | |
| - Audit Fee | 35,400 | 35,400 |
| - Tax Audit Fee | 7,080 | 7,080 |
| - In other Services | 11,800 | 17,700 |
| Miscellaneous expenses | 141,787 | 48,859 |
| Agricultural Expenses | - | 12,850 |
| Bank & DP Charges | 3,186 | 3,105 |
| | 1,237,123 | 1,000,771 |
| 14 CONTINGENT PROVISION AGAINST STANDARD ASSETS | | |
| Opening Balance | 226,397 | 216,011 |
| Add During the Year | 53,938 | 10,386 |
| Closing Balance | 280,335 | 226,397 |

The Reserve Bank of India has notified vide its Notification No DNBS.222/CGM(US)-2011 dated 17th January, 2011 to make a provisio on 0.25% on the standard assets.

HARYANA CAPFIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

15 DEFERRED TAX ASSETS (NET)

| Particulars | As At 31.03.2018 | For The Year | As At 31.03.2019 |
|--|------------------|--------------|------------------|
| Expenses disallowed U/s 43 B | 114,934 | 35,894 | 150,828 |
| Net Deferred Tax assets at the end of the year | 114,934 | 35,894 | 150,828 |

In view of uncertainty of its realisation, Deferred Tax assets of Rs. 150,828/- as on 31st March, 2019 (Previous year Rs. 1,14,934/-) has not been recognised.

| | Year Ended 31.03.2019 (₹) | Year Ended 31.03.2018 (₹) |
|-----------------------------------|---------------------------------|---------------------------------|
| 16 MANAGERIAL REMUNERATION | | |
| Salaries and Allowances | <u>2,210,772</u> | <u>2,489,653</u> |

17 RELATED PARTY DISCLOSURE AS PER ACCOUNTING STANDARD - 18

Related Parties

Nil

Key Managerial Personnel

Mrs. Shruti Raghav Jindal, Wholetime Director

Mr. Rajender Singh, CFO

Mrs. Sandhya Tiwari, C.S.

Related Parties with whom Transaction have taken place during the Year

(₹)

| Particulars | 31.03.2019 | 31.03.2018 |
|--------------------------|------------------|------------|
| Remuneration | | |
| Key Management Personnel | 3,061,683 | 3,274,293 |

18 EARNING PER SHARE

| Particulars | 31.03.2019 | 31.03.2018 |
|--|-------------------|------------|
| Net Profit after tax available for Equity Shareholders (Rs.) | 19,887,046 | 15,732,291 |
| Weighted average number of Equity Shares of Rs. 10/- each | 5,208,681 | 5,208,681 |
| Total number of shares | 5,208,681 | 5,208,681 |
| Basic / Diluted Earning per share (Rs.) | 3.82 | 3.02 |

19 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.

HARYANA CAPFIN LIMITED

NOTES FORMING PART OF FINANCIAL STATEMENTS

20 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-13.02048 dated 15.07.2013 and has been complying with prudential norms as prescribed by RBI for NBFC.

Additional particulars as required under ' Non- Systematically Important Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2015 are attached , under Separate Annexure - I.

21 Previous years figures have been regrouped / rearranged wherever necessary to conform to the reclassification as per Revised - Schedule-III 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 AMAA & Associates

Chartered Accountants
Firm Reg. No. 013066C

Mukesh Sharma

Partner
Membership No. 505453

Place : New Delhi
Dated : 29th May, 2019

Rajender Singh

CFO
PAN - AIPIS0673Q

Sandhya Tiwari
Company Secretary
ACS 35964

For & on Behalf of the Board

Shruti Raghav Jindal

Whole-time Director
DIN : 02208891

Kamal Kishore Bhartia

Director
DIN : 00081236

HARYANA CAPFIN LIMITED

Annexure - I

Schedule to the Balance Sheet of a NBFC

[as required in terms of paragraph 18 of Non Systematically Important Non Deposit Taking Company (Reserve Bank) Directions 2016.

(₹)

| Particulars | | | |
|--------------------------|--|---------------------|----------------|
| Liabilities side: | | | |
| (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 | - | - |
| | (h) Other Loans (specify nature) | - | - |
| | * Please see note 1 below | | |
| Assets side: | | | |
| | | Amount Outstanding | |
| (2) | Break-up of Loans and Advances including bill receivable (other-than those included in (4) below): | | |
| | (a) Secured | - | |
| | (b) Unsecured | 112,134,037 | |
| (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) | - | |
| | 2. Unquoted: | | |
| | Shares: (a) Equity | - | |
| | (b) Preference | - | |
| | Debentures and Bonds | - | |
| | Units of mutual funds | - | |
| | Government Securities | - | |
| | Others (please specify) | - | |

HARYANA CAPFIN LIMITED

| | | | |
|-----|--|---|-----------------------------------|
| | Long Term Investments: | | |
| | 1. Quoted: | | |
| | Shares: (a) Equity | | 255,724,872 |
| | (b) Preference | | - |
| | Debentures and Bonds | | - |
| | Units of mutual funds | | 15,950,683 |
| | Government Securities | | - |
| | Others (please specify) | | - |
| | 2. Unquoted: | | |
| | Shares: (a) Equity | | 473,360 |
| | (b) Preference | | - |
| | Debentures and Bonds | | - |
| | Units of mutual funds | | - |
| | Government Securities | | - |
| | Others (please specify) | | - |
| (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** | Secured | Unsecured |
| | Subsidiaries | - | - |
| | Companies in the same group | - | - |
| | Other related parties | - | - |
| | 2. Other than related parties | - | 112,134,037 |
| | Total | - | 112,134,037 |
| (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 | Book Value (Net of Provisions) |
| | 1. Related Parties** | | |
| | (a) Subsidiaries | - | - |
| | (b) Companies in the same group | - | - |
| | (c) Other related parties | 1,417,732,089 | 255,724,872 |
| | 2. Other than related parties | 35,016,880 | 473,360 |
| | Total | 1,452,748,969 | 256,198,232 |

** 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 | Website: www.haryanacapfin.com
CIN: L27209MH1998PLC236139

NOTICE

Notice is hereby given that the 21st Annual General Meeting of Haryana Capfin Limited will be held on Tuesday, the 24th September, 2019 at 4.30 P.M. at Jindal Mount Litera Zee School Auditorium at Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad - 402126, Maharashtra to transact the following business:

ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon and in this regard to pass the following resolution as an ordinary resolution:

"RESOLVED that the Audited Financial Statements of the Company for the financial year ended 31st March, 2019 together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted"

2. To appoint a Director in place of Smt. Shruti Raghav Jindal, who retires by rotation and being eligible, offers herself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:

"RESOLVED that Smt. Shruti Raghav Jindal, (DIN-02208891) who retires by rotation be and is hereby re-appointed as Director of the Company and such appointment would not have any effect on the continuity of her tenure as Whole Time Director of the Company."

SPECIAL BUSINESS

3. To appoint Shri Saket Jindal as Director and in this regard to pass the following resolution as an ordinary resolution:

"RESOLVED that Shri Saket Jindal (DIN:00405736) who was appointed as an Additional Director of the Company pursuant to Section 161 of the Companies Act, 2013 and holds office up to date of this Annual General Meeting of the Company, being eligible for appointment, and in respect of whom the Company has received a notice in writing from a member under the provisions of Section 160 of the Companies Act, 2013 proposing his candidature be and is hereby appointed as Director of the Company."

4. To re-appoint Shri Kamal Kishore Bhartia as an Independent Director and in this regard to pass the following resolutions as a special resolution:

"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act and Regulation 17 and other applicable regulations of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") as amended from time to time Mr. Kamal Kishore Bhartia (DIN-00081236), who was appointed as an Independent Director at the 16th Annual General Meeting of the Company and who holds office upto 25th September, 2019 and being eligible for reappointment and who meets the criteria for independence as provided in Section 149(6) of the Act, along with Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations and who has submitted a declaration to that effect and in respect of whom the Company has received a notice in writing under Section 160 of the Act proposing his candidature for the

HARYANA CAPFIN LIMITED

office of Director, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation based on the recommendation of the Nomination and Remuneration Committee, to hold office for a second term of five years commencing from 26th September, 2019."

By order of the Board

Place : Gurugram
Dated : 7th August, 2019

SANDHYA TIWARI
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. Members desirous of getting any information in respect of Financial Statements of the Company are requested to send their queries in writing to the Company at its registered 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.
5. As per Regulation 40 of SEBI Listing Regulations, 2015, as amended, securities of listed companies can be transferred only in dematerialised form with effect from 1st April, 2019, except in the case of transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for each of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialised form. Members can contact the Company or Company's Registrar and Transfer Agent, Alankit Assignments Ltd., for assistance in this regard.
6. Details under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, in respect of the Directors seeking appointment/ re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished the requisite declarations for their appointment.
7. Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
8. 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.

HARYANA CAPFIN LIMITED

9. Relevant documents referred to in the accompanying notice and the Explanatory Statement are open for inspection 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.
10. 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.
11. **Voting through electronic means**

Pursuant to Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management And Administration) Rules, 2014 as amended by Companies (Management And Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide 'remote e-voting' facility through National Securities Depository Limited (NSDL) as an alternative, for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 21st Annual General Meeting (AGM) of the Company.

The facility for voting, through ballot / polling paper shall also be made available at the venue of the AGM. The members attending the meeting, who have not already cast their vote through remote e-voting shall be able to exercise their voting rights at the meeting. The members, who have already cast their vote through remote e-voting may attend the meeting, but shall not be entitled to cast their vote again at the AGM.

The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on cut-off date i.e. 17th September, 2019.

Mr. Manish Baldeva (FCS 6180), Practicing Company Secretary, has been appointed as Scrutinizer for providing facility to the Members of the Company to scrutinize the voting process in a fair and transparent manner.

The Scrutinizer shall submit his report, to the Chairman of the meeting, within 48 hours from the conclusion of Annual General Meeting. The results declared along with the Scrutinizer's Report shall be placed on the website of the Company www.haryanacapfin.com and shall simultaneously be communicated to the Stock Exchanges.

How do I vote electronically using NSDL e-Voting system?

The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:

Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>

Step 2 : Cast your vote electronically on NSDL e-Voting system.

Details on Step 1 is mentioned below:

How to Log-in to NSDL e-Voting website?

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen.

Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically. You can use the Mobile App of NSDL.

4. Your User ID details are given below :

| Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical | Your User ID is: |
|---|--|
| a) For Members who hold shares in demat account with NSDL. | 8 Character DP ID followed by 8 Digit Client ID For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****. |
| b) For Members who hold shares in demat account with CDSL. | 16 Digit Beneficiary ID For example if your Beneficiary ID is 12***** then your user ID is 12*****. |
| c) For Members holding shares in Physical Form. | EVEN Number followed by Folio Number registered with the company For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***. |

5. Your password details are given below:

- If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
- If you are using NSDL e-Voting system for the first time, request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address or you may call at our helpdesk at 1800-222-990.

6. If you are unable to retrieve or have forgotten your password

- Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
- Physical User Reset Password?**" (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
- If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
- Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.

7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.

8. Now, you will have to click on "Login" button.

9. After you click on the "Login" button, Home page of e-Voting will open.

Details on Step 2 is given below:

How to cast your vote electronically on NSDL e-Voting system?

- After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
- After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
- Select "EVEN" of company for which you wish to cast your vote.
- Now you are ready for e-Voting as the Voting page opens.
- Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.

HARYANA CAPFIN LIMITED

6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

General Guidelines for shareholders

1. 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. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to manish@csmanishb.in with a copy marked to evoting@nsdl.co.in.
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request at evoting@nsdl.co.in

HARYANA CAPFIN LIMITED

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

Item No. 3

Shri Saket Jindal was co-opted as an Additional Director of the Company on 20th March, 2019. Pursuant to Section 161 (1) of the Companies Act, 2013, he holds office upto the date of the ensuing Annual General Meeting.

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

Except Shri Saket Jindal and his relatives, none of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution as set out in the item nos. 3 of this notice for your approval.

Item No. : 4

The Members of the Company had appointed Mr. Kamal Kishore Bhartia as an Independent Director of the Company for a term of five years with effect from 26th September, 2014. Mr. Kamal Kishore Bhartia will complete his present term on 25th September, 2019.

The Company has received declaration from Mr. Kamal Kishore Bhartia to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 (the "Act") read with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations, 2015. Mr. Kamal Kishore Bhartia is not debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory body.

In the opinion of the Board, Mr. Kamal Kishore Bhartia fulfils the conditions specified in the Act, the Rules, thereunder and SEBI Listing Regulations for his reappointment as an Independent Director. Copy of the draft letter of reappointment of Mr. Kamal Kishore Bhartia as Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company.

The Company has received a notice in writing under Section 160(1) of the Act proposing his candidature as an Independent Director of the Company.

The Board, based on the performance evaluation and as per the recommendation of Nomination and Remuneration Committee, considers that, his vast knowledge, experience and contribution made by him during his tenure, the continued association of Mr. Kamal Kishore Bhartia would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Mr. Kamal Kishore Bhartia as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five years on the Board of the Company commencing from 26th September, 2019.

Mr. Kamal Kishore Bhartia and his relatives may be deemed to be interested in the resolution to the extent of their shareholding interest, if any. None of the other Directors/ Key Managerial Personnel and their relatives may be deemed to be interested financially or otherwise in the resolution.

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

The Board commends the resolution for your approval

By order of the Board

Place : Gurugram
Dated : 7th August, 2019

SANDHYA TIWARI
Company Secretary

HARYANA CAPFIN LIMITED

Details of Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirement) Regulations 2015]

| Name | Shri Saket Jindal | Smt. Shruti Raghav Jindal | Shri Kamal Kishore Bhartia |
|--|---|--|--|
| Age | 45 | 36 | 65 |
| Qualification | BBA | Graduate in International Management from Richmond University, London | Bachelor of Commerce |
| Brief Profile 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 |
| Terms and Conditions of appointment | In terms of Section 152 (6) of the Companies Act, 2013 Shri Saket Jindal is liable to retire by rotation. | Please refer the Corporate Government Report | As per resolution at item no. 4 of the notice read with Explanatory Statement thereto Shri Kamal Kishore Bhartia is proposed to be appointed as an Independent Director. |
| Remuneration last drawn (including sitting fees, if any) | The Company pays only sitting fees to Non-Executive Directors (Please refer the Corporate Government Report) | Please refer the Corporate Government Report | The Company pays only sitting fees to Non-Executive Directors (Please refer the Corporate Government Report) |
| Date of first appointment on the Board | 20.03.2019 | 01.07.2014 | 16.03.2011 |
| No. of Shares Held | 1,17,579 | Nil | Nil |
| Inter-se relationship with other Directors | None | None | None |
| Number of meetings of the Board attended during the financial year (2018-19) | Please refer the Corporate Government Report | Please refer the Corporate Government Report | Please refer the Corporate Government Report |
| Directorship of other companies as on 31st March, 2019 | 1. Maharashtra Seamless Ltd. 2. Jindal Pipes Ltd. 3. Maharashtra Seamless Finance Ltd. 4. Odd & Even trades & Finance Ltd. 5. Global Jindal Fin-Invest Ltd. 6. Brahma Dev Holding And Trading Ltd. | 1. Global Jindal Fin-Invest Ltd. 2. Sparlerk Dealcomm Ltd. | 1. Ganga Ferroalloys Private Limited 2. Raigarh Iron Industries Limited 3. Rasiwasia Pvt Ltd |
| Chairman/Member of Committee of other Companies. | Member – Maharashtra Seamless Ltd.-Stakeholders Relationship Committee | Nil | Nil |

HARYANA CAPFIN LIMITED

Registered Office: Pipe Nagar, Village- Sukeli, N.H. -17, B.K.G. Road,
Taluka Roha, Distt. Raigad-402126, Maharashtra
Tel: 02194-238511-12 | Fax: 02194-238513
Email: investors@haryanacapfin.com | Website: 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) ofshares of Haryana Capfin Limited, hereby appoint

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

Address :

Signature :or failing him/her

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

Address :

Signature :or failing him/her

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

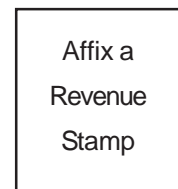
Address :

Signature :

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 21st Annual General Meeting of the Company, to be held on Tuesday, 24th September, 2019 at 4.30 P.M. at Jindal Mount Litera Zee School Auditorium 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:

| Item No. | Resolutions | For | Against |
|----------|---|-----|---------|
| 1. | Adoption of the Audited Financial Statements for the year ended 31st March, 2019 and the Reports of Directors and Auditors thereon. | | |
| 2. | Re-appointment of Smt. Shruti Raghav Jindal as Director who retires by rotation | | |
| 3. | Appointment of Shri Saket Jindal as Director | | |
| 4. | Re-appointment of Shri K.K. Bhartia as Independent Director | | |

*Applicable for investors holding shares in electronic form.



Signed this day of 2019

Signature of shareholder

.....
Signature of first proxy holder

.....
Signature of second proxy holder

.....
Signature of third proxy holder

*Please put a (✓) in the appropriate column against the resolution indicator in the box. Alternatively, you may mention the no. of shares in the appropriate column in respect of which you would like your proxy to vote. 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 duly completed and deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.**
- (2) A Proxy need not be a member of the Company.
- (3) A person can act as a proxy on behalf of members not exceeding fifty holding in the aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.
- (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 authorization should be attached to the proxy form.
- (5) Appointing a proxy does not prevent 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-402126, Maharashtra

Tel: 02194-238511-12 | Fax: 02194-238513

Email: investors@haryanacapfin.com | Website: www.haryanacapfin.com

CIN - L27209MH1998PLC236139

ATTENDANCE SLIP FOR THE 21ST ANNUAL GENERAL MEETING

(to be hand over at the registration counter)

I/We hereby record my/our presence at the 21st Annual General Meeting of the Company on Tuesday 24th September, 2019 at 4:30 P.M at Jindal Mount Litera Zee School Auditorium Pipe Nagar, Village Sukeli, NH 17, BKG Road, Taluka Roha Distt. Raigad - 402126, Maharashtra

NAME (S) AND ADDRESS OF THE MEMBER(S) _____

Folio No. /DP ID*No. and Client ID* No. _____

Number of Shares _____

Please (✓) in the Box

Member

Proxy

First/sole Holder/Proxy

Second holder /Proxy

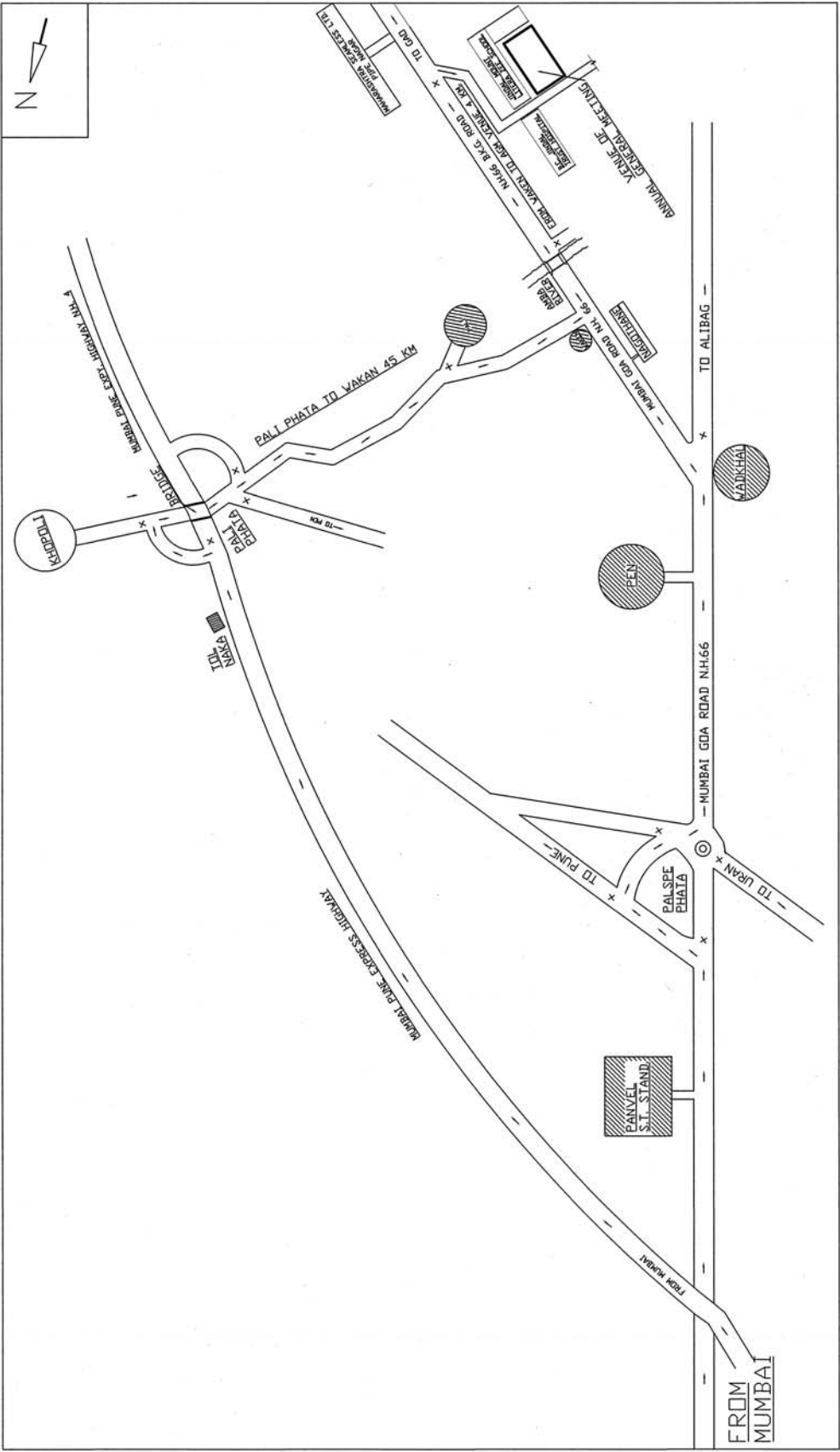
Third holder /Proxy

NOTES:

- i. Member/ Proxy attending the Annual General Meeting (AGM) must bring his/her Attendance Slip which should be signed and deposited before entry at the Meeting Hall.
- ii. Duplicate Attendance Slip will not be issued at the venue.

* Applicable only in case of investors holding shares in Electronic Form.

Route Map for Annual General Meeting Venue



HARYANA CAPFIN LIMITED
Plot No. 30, Institutional Sector-44
Gurugram - 122003
Haryana