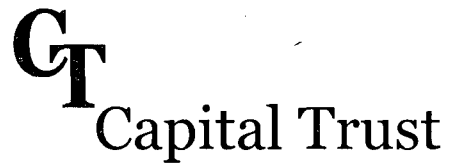


**Capital Trust Limited**



*23rd Annual Report*

**2008-2009**

**Corporate Office :  
Capital Trust House, 47, Community Centre,  
Friends Colony, New Delhi-110 025**

## **BOARD OF DIRECTORS**

K. K. Raj  
Yogen Khosla (Managing Director)  
S. Mahanti  
Cdr. K.L.Khullar(Retd.)

## **COMPANY SECRETARY**

Anuj Kumar

## **AUDITORS**

**M/s V.S.H. & Associates**  
Chartered Accountants  
316, Khaneja Complex, R-22  
Shakarpur, Vikas Marg, Delhi-110092

## **BANKERS**

HDFC BANK  
VIJAYA BANK  
UCO BANK  
ICICI BANK LTD.  
INDIAN BANK  
CORPORATION BANK

## **LISTING ON STOCK EXCHANGE**

Bombay Stock Exchange Limited  
25th Floor, P. J. Towers,  
Dalal Street, Mumbai-400001

## **REGISTRARS & SHARE TRANSFER AGENTS**

Mas Services Ltd.  
T-34, 2nd Floor, Okhla Industrial Area  
Phase I, New Delhi-110020

## **REGISTERED OFFICE**

No. 21, Indira Bhawan, Indra Colony,  
Naya Bazar, Lashkar, Gwalior - 474009

## **CORPORATE OFFICE**

CAPITAL TRUST HOUSE  
47, Community Centre,  
Friends Colony, New Delhi - 110 025  
Phone : 011-41627007

## **MUMBAI OFFICE**

422 Himalaya House,  
79 Paltan Road, Mumbai - 400 001  
Phone : 022-22642458

## **CHENNAI REPRESENTATIVE OFFICE**

Flat No. D-5, Arun Apartments  
No. 18 Lakshmi Ammal Street Ayyavoo Colony  
Aminjikarai, Chennai-600029

## **CONTENTS**

	Pg. No.
Notice	1
Directors' Report	2
Report on Corporate Governance	3-5
Management Discussion Analysis Report	6
Auditors' Report	7
Balance Sheet	8
Profit & Loss Account	9
Accounting Policies & Notes on Account	10-18
Balance Sheet Abstract and Company's General Business Profile	19
Cash Flow Statement	20



## CAPITAL TRUST LIMITED

### NOTICE

NOTICE is hereby given that the Twenty-third Annual General Meeting of the Members of Capital Trust Limited will be held on Friday, the 4th day of September, 2009, at 3.00 p.m. at Hotel Shelters Padav, Gwalior, M.P., to transact the following business:

#### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2009 and Profit & Loss Account for the year ended on that date and Reports of Directors' and Auditors' thereon.
2. To appoint a Director in place of Cdr. K. L. Khullar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

#### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modification(s) the following resolution as Special Resolution

"RESOLVED THAT subject to the provisions of Section 314(1B) and Rules made thereunder, the members hereby accord their consent to the promotion of Mrs. Anju Khosla, a relative of Mr. Yogen Khosla, Managing Director, as Vice President with effect from 1st July, 2009, for a period of five years, and holding and continue to hold an office or place of profit as Vice President under the Company with effect from 1st July, 2009 on the following terms and conditions:

- A. **SALARY** : Rs. 28000/- (Rupees Twenty Eight Thousand only) per month.
- B. **PERQUISITES**
  - House Rent Allowance : 50% of Basic Salary
  - Conveyance : Rs. 3000/- P.M.
  - I. **MEDICAL REIMBURSEMENT** - Will be provided as per company rules
  - II. **PROVIDENT FUND** - Company's contribution toward Provident Fund subject to a ceiling as prescribed under the law applicable in this regard.
  - III. **GRATUITY** - Not exceeding half months salary for each completed year of service, subject to a ceiling as prescribed under the provisions of law applicable in this regard.
  - IV. **ENTERTAINMENT EXPENSES** - Entertainment expenses incurred for promoting the business of the company will be reimbursed on production of bills, subject to a ceiling of Rs. 5,000/- per month.

The appointee will give an undertaking to the Company that she will be in the exclusive employment of the Company and shall not hold any office or place of profit in any other Company/entity.

RESOLVED FURTHER that in no case aggregate of salary and perquisite including reimbursement of medical expenses for self and family shall exceed Rs. 50,000/- per month or Rs.6,00,000/- per annum."

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

"RESOLVED THAT in pursuance to the provisions of Sections 198, 269, 309, 310, 311 and all other applicable provisions of the Companies Act, 1956, read with Schedule XIII thereto and the Articles of Association of the Company and subject to such approvals and sanctions as may be necessary, in supersession of the resolution passed by the shareholders in the 22nd Annual General Meeting of the Company held on 26th September, 2008, remuneration of Mr. Yogen Khosla, Managing Director be and is hereby revised with effect from 1st August, 2009 as detailed below:

- A. **SALARY** : Rs. 90,000/- per month.
- B. **PERQUISITES**
  - I. The actual expenditure incurred by the Managing Director on gas, electricity and water will be reimbursed by the Company.
  - II. **Medical Re-imbursement** - The Managing Director will be provided reimbursement of medical expenditure upto one month's basic salary in a year for self and family.
  - III. **Club Fee** - Fees of clubs subject to a maximum of two clubs will be paid by the Company. However, admission fee will not be provided.
  - IV. **Provident Fund** - Company's contribution towards provident fund subject to a ceiling as prescribed under applicable laws.
  - V. **Superannuation Fund** - Company's contribution towards Superannuation Fund which together with the provident fund shall be subject to the provisions of applicable law in this regard.
  - VI. **Gratuity** - Not exceeding half month's salary for each completed year of service subject to a ceiling as prescribed under applicable law in this regard.
  - VII. **Entertainment Expenses** - Entertainment expenses incurred for promoting the business of the Company will be reimbursed on actual basis.

- VIII. **Car with Driver** - The Company will provide the Managing Director car with driver for the business of the Company.

- IX. **Bonus/Ex-gratia** will be paid as per Company Rules.

- C. Apart from aforesaid salary, perquisites, allowances and benefits the Managing Director will be entitled to re-imbursement of expenses incurred in connection with the business of the Company.

- D. No sitting fees will be paid to the Managing director for attending the meetings of the Board and committees thereof.

RESOLVED FURTHER that in case of inadequacy or absence of profits in any financial year of the Company during the term of office of Mr. Yogen Khosla as Managing Director he shall be paid the aforementioned salary and perquisites as minimum remuneration."

RESOLVED FURTHER that salary and perquisites together do not exceed a sum of Rs.1,25,000/- per month."

By Order of the Board of Directors  
for **CAPITAL TRUST LIMITED**

**ANUJ KUMAR**  
COMPANY SECRETARY

Place: New Delhi  
Date: 24.07.2009

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. Instrument of Proxy, in order to be effective, should be duly stamped, completed, signed and lodged with the Registered Office of the Company not less than 48 hours before the time of the meeting.
3. The Register of Members and Share Transfer Books of the Company shall remain closed from 1st September, 2009 to 4th September, 2009 (both days inclusive).
4. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
5. Brief resume of the Director retiring by rotation and seeking re-appointment and other details stipulated under clause 49(IV)(G) of the Listing Agreement are provided in the Corporate Governance Report annexed to the Directors' Report. The Company has received Form DD-A from the said Director in terms of Companies (Disqualifications of Directors under Section 274(1)(g) of the Companies Act, 1956) Rules 2003 confirming their eligibility for re-appointment.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

##### Item No. 4

Mrs. Anju Khosla is a post graduate (MBE) and has an experience of approximately 15 years in commercial area. She has served the Company for almost ten years and her services have been found to be of great use to the Company. The Company has entered into a new line of business namely Micro Finance wherein the company is lending only to women. Mrs. Khosla's experience in commercial areas will be of great benefit to the Company.

Since Mrs. Khosla is related to Mr. Yogen Khosla, Managing Director, it is necessary that appointment of Mrs. Khosla be placed before the shareholders in general meeting

The Board commend the resolution.

##### Item No. 5

Mr. Yogen Khosla, 46, is a Member of the Institute of Financial Accountants and has 16 years experience in Finance. He is presently working as Managing Director of the Company since 1st April, 2003 and has recently introduced the company to Micro Finance business which has a great future. The new business of Micro Finance is progressing very well under the guidance of the Managing Director and has the distinction of having zero NPAs in its over one year's working.

The Board of Directors in its meeting held on 24th July, 2009, decided to enhance the basic salary of Mr. Khosla from Rs. 55000/- per month to Rs.90,000/- per month in order to make his remuneration comparable to market compensation to some extent.

The Board commends this resolution.

No director other than Mr. Khosla is interested in the resolution.

By Order of the Board of Directors  
for **CAPITAL TRUST LIMITED**

**ANUJ KUMAR**  
COMPANY SECRETARY

Place: New Delhi  
Date: 24.07.2009



## Directors' Report

Your Directors are pleased to present the Twenty-Third Annual Report along with Audited Accounts for the financial year ended March 31, 2009.

### Financial High Lights : (Rs. In Lakhs)

Particulars	F.Y. 2008-09	F.Y. 2007-08
Sales	0.00	684.86
Interest Received on Micro Credit Loan	49.51	0.00
Income from Hire Purchase	0.00	0.80
Interest earned	70.70	140.74
Management Consultancy Fee	24.87	24.75
Other Income	25.15	50.69
Profit on trading of shares	(2.17)	(12.09)
Profit on Sale of Investments	0.00	96.64
Profit before Interest, Depreciation and Taxes.	(102.93)	11.55
Depreciation	(5.09)	(6.43)
Current Tax	0.00	(0.58)
Fringe Benefits Tax	(2.00)	(2.04)
Balance carried to Balance Sheet	(193.24)	2.50

### Dividend

In view loss during the year under report the Directors are not able to recommend any dividend.

### Public Deposits

The Company has not accepted any public deposits during the year under review.

### Appropriation

Due to loss, the Company has not transferred any amount to Reserve Fund under Section 45IC of RBI Act, 1934.

### Performance Review

During the year under review the Company's gross income has declined from Rs. 902.08 Lacs in the previous financial year to Rs. 168.07 Lacs. The Company has incurred a loss of Rs. 125.54 Lacs in the year under report as against a profit of Rs. 11.54 Lacs in the year before that. A loss of Rs. 55.66 Lacs has been contributed by a provision for NPAs, which the Company is required to make in terms of RBI Regulations.

The year under report is a watershed year in the life of the Company in as much as the Company has discontinued with the business of sale and financing of two wheelers. This business was contributing losses in the shape of NPAs. During the year under review, the Company has entered into a new line of business called Microfinance, providing loans to low income people in urban, semi urban and rural areas for primarily meeting their productive needs. Initially the area of operation was inside Delhi and gradually it has been increased to cover more and more cities and towns in the NCRs & other adjoining states. Your Directors are happy to report that in this business the Company has not incurred any NPAs so far. Being a new line of business in the first year of its operations the company worked on a low key basis with caution and now having gained insight in this line, the Company is quite hopeful of achieving even better results in the current financial year.

## Directors' Responsibility Statement:

The Directors state:

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

### Directors:

Cdr. K. L. Khullar is liable to retire by rotation at the forthcoming Annual General Meeting and being eligible offers himself for re-appointment. Brief resume' of the above mentioned Director is given in Corporate Governance Report attached with the Directors' Report.

### Auditors' Report:

The observations of the Auditors are self-explanatory and, therefore, do not call for any further comments.

### Auditors:

M/s. VSH & Associates, Chartered Accountants, the Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a certificate from them as required by Section 224(1B) of the Companies Act, 1956, certifying that their appointment, if made, will be within the limits as specified in this Section.

### Personnel:

The provisions of Section 217(2A) of the Companies Act, 1956, are not applicable to the Company as none of the employees of the Company is drawing remuneration which attracts this provision.

### Conversation of Energy, Technology Absorption Foreign Exchange Earnings and Outgo:

Particulars required to be furnished under Section 217(1)(e) of the Companies Act, 1956, relating to Conversation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo are as under:

Conversation of Energy	-	Not Applicable
Technology Absorption	-	Not Applicable
Foreign Exchange Earnings and Outgo	-	Rs. 20,32,531 & Rs. 4,44,012 respectively

### Corporate Governance Report:

Corporate Governance Report as required by Clause 49 of the Listing Agreement with Bombay Stock Exchange is annexed and forms part of Annual Report.

**A certificate from M/s. B.K. Sethi & Co., Practicing Company Secretaries is attached.**

### Acknowledgements:

Your directors wish to place on record their deep appreciation for the dedicated performance of all the employees of the Company. They wish to acknowledge the support extended by its Bankers, Government Department, customers and business associates.

For and on behalf of the Board of Directors

Place: New Delhi  
Date: 24th July, 2009

S. Mahanti  
Director

Yogen Khosla  
Managing Director

## REPORT ON CORPORATE GOVERNANCE

**Company's Philosophy on Code of Corporate Governance** - The Company's philosophy on Corporate Governance visualizes achievement of highest standards of transparency, accountability and equity towards all its stakeholders including shareholders, employees, lenders and borrowers and the Government.

The Company is committed towards achieving the best standards of corporate good Governance. The Company believes that good corporate governance should be internally motivated and not merely an exercise to comply with statutory requirements. The Company is fully committed to comply with the requirements of clause 49 of the listing agreement.

### 1. Board of Directors:

**(A) Composition of the Board** - The Board of Directors comprises of four members including one executive director, of which three are non-executive and independent. Mr. Yogen Khosla is the Managing Director. There is no permanent Chairman of the Company. The Board elects its Chairman for its each meeting.

**Meeting and attendance record of directors and other directorships** - During the financial year ended on 31st March, 2009, the Board of Directors met 6 times on 30-06-08, 30-07-08, 31-10-08, 19-12-08, 23-01-09 and 20-03-2009. The composition of the Board of Directors and their attendance at the Board meetings during the year and at the last Annual General Meeting together with the number of other directorships are given below:

Name of Director	Category	Shareholding	No. of other directorships		No. of Committee Positions	
			Public	Private	As Chairman	As member
Mr. S. Mahanti	No-executive Independent	Nil	1	Nil	1 (audit)	Nil
Mr. Yogen Khosla	Promoter and Managing Director	488555	2	1	Nil	1 (audit)
Mr. K.K. Raj	Non-executive Independent	Nil	1	Nil	Nil	Nil
Cdr. K.L. Khullar (Retd.)	Non-executive Independent	Nil	1	Nil	Nil	1 (audit)

Number of Directorships and membership of committees held are inclusive of positions held in Capital Trust Limited

Shareholding is inclusive of holding in the name of HUF (as on 31.03.2009).

**(B) Number of Board Meetings and Attendance** - During the year under review six Board Meetings were held as against the minimum requirement of four meetings in a year. The attendance of Directors at the meetings are as follows:

Name of Directors	Number of Board Meetings		Last AGM Attended (Yes/No)
	Held	Attended	
Mr. S. Mahanti	6	6	Yes
Mr. K.K. Raj	6	Nil	No
Cdr. K.L. Khullar (Retd.)	6	6	Yes
Mr. Yogen Khosla	6	6	Yes

Brief resume and nature of expertise in specific functional areas of the Directors (being eligible) offering themselves for re-appointment are as under:

#### Details of Director seeking re-appointment at the ensuing Annual General Meeting

Name of Director	Cdr. K. L. Khullar
Date of Birth	16/11/1939
Date of Appointment	21/09/2007
Qualification	Ex-Naval Officer 15 Yrs exp in Administration
Nature of Expertise in specific functional areas	Administration
Names of directorships in other companies	nil
Name of committees of other companies in which the director is a member	Nil
No. of shares held in the company	0
Relationship with other directors	Nil

#### Board Committees

**Audit Committee** - The Company has set up an independent and qualified Audit Committee comprising of Mr. S. Mahanti, Mr. Yogen Khosla, and Cdr. K.L. Khullar (Retd.). All the members of the Committee have financial background. Two members of the Committee are independent and non-executive directors. The Internal Auditor and the representatives of the Statutory Auditors attend the meetings of the Audit Committee when invited. The Constitution of the Audit Committee meets the requirement of Section 292A of the Companies Act, 1956 and para 9A of Non Banking Financial Companies Prudential Norms (reserve Bank) Directions, 1998.

The Committee is Chaired by Mr. S. Mahanti.

**Terms of Reference:** The terms of reference of the Audit Committee include the matters specified in clause 49 of the Listing Agreement and Section 292A of the Companies' Act, 1956

The Audit Committee met five times during 2008-09 on 30-06-2008, 30-07-2008, 31-10-2008, 23-01-2009 and 20-03-2009. Attendance of its members are detailed below:

Name	Category	Number of Meetings	
		Held	Attended
Mr. S. Mahanti	Independent Non-Executive	5	5
Mr. Yogen Khosla	Promoter-Managing Director	5	5
Cdr. K.L. Khullar (Retd.)	Independent Non-Executive	5	5

**(D) Remuneration Committee** - The Scope and functions of the Remuneration Committee includes making recommendations for the appointments on the Board, grant of remuneration to the Managing/Whole-time Directors and evaluation of their performance as also forming remuneration policy in relation thereto.

**Composition** - The Remuneration Committee of the Board comprises of three independent Directors namely:

Mr. S. Mahanti  
Cdr. K.L. Khullar (Retd.)  
Mr. K.K. Raj

#### Remuneration Policy:

(A) The Managing Director is paid remuneration, as approved by the Board of Directors, which is further approved by the Company in general meeting. The remuneration is decided considering various factors such as qualifications, experience, expertise, and capability of the appointee.

(B) Non-Executive Directors: Sitting Fee is within the limits of Rule 10B of Companies (Central Government's General Rules and Forms) 1956 as approved by the Board of Directors is paid to all the Non-Executive Directors of the Company for attending each meeting of the Board of Directors and Committee Meetings thereof.

The Company paid the Non-Executive Directors Rs. 750/- for attending each meeting of the Board and Committees thereof.

Details of remuneration paid/payable to all the Directors are as follows:

Name of Director	Salary & Perquisites	Sitting Fee	Total
Mr. S. Mahanti	-----	25,500	25,500
Mr. K.K. Raj	-----	-----	-----
Cdr. K.L. Khullar (Retd.)	-----	7,500	7,500
Mr. Yogen Khosla	803,529.00	-----	803,529.00

\*Includes allowances, perquisites and contribution to Provident Fund.

**(E) Investors/Shareholders Grievance Committee** - The Board has constituted a Investors/Shareholders Grievance Committee comprising of Mr. Yogen Khosla & Mr. S. Mahanti. The functions of the Investor Grievances Committee include monitoring the allotment/approvals and rejection of transfer/transmission of shares, issue of duplicate share certificates and overseeing the performance of Registrars and Transfer Agents.

During the financial year 2008-09, twenty four meetings of the Investors/Shareholders Grievance Committee were held. Attendance record of Committee is as under:

Name of Director	Category	Number of Meetings	
		Held	Attended
Mr. S. Mahanti	Independent Non-Executive	24	24
Mr. Yogen Khosla	Promoter-Managing Director	24	24

Complaint received during the financial year ended 31st March, 2009, by the Company and the Registrar and Share Transfer Agents of the Company.

Nature of Complaints	Received	Attended
Non-receipt of Annual Report	Nil	Nil
Complaint regarding transfer of shares.	Nil	Nil
Others	1	1

There is no pending complaints as on 31.03.2009. All shares received for transfer were returned to shareholders after transfer within the time specified in clause 47 of listing agreement.





### 3. General Body Meetings:

Nature of the General Meetings	Date	Venue	If Special Resolution Passed
Annual General Meeting	29.09.2006	Hotel Shelters Padav, Gwalior, M.P.	No
Annual General Meeting	21.09.2007	Hotel Shelters Padav, Gwalior, M.P.	No
Annual General Meeting	26.09.2008	Hotel Shelters Padav, Gwalior, M.P.	No

### 4. Postal Ballot:

During the year under review, no resolution was passed through Postal Ballot.

### 5. Disclosures:

- a) **Disclosure on all materially significant, related party transactions i.e. Company's transactions of material nature with its promoters, Directors or the Management, their subsidiaries or relatives etc, that may have potential conflict with the interest of the Company at large:**

Details of related party transactions are given in the Balance Sheet. None of the transactions with any of the related party was in conflict with the interest of the Company.

- b) **Particulars of Loans/Advances and Investment in its own shares by listed companies, their subsidiaries etc. required to be disclosed in the annual accounts of the Company pursuant to Clause 32 of listing agreement.**

Details of non-compliance by the Company, penalties, and strictures imposed on the Company

### 6. Means of Communication

- i.) Quarterly Results: In compliance with the provisions of clause 41 of the listing agreement, the un-audited quarterly financial results, as approved by the Board were duly published within the stipulated period. In "The Pioneer (English) and Swadesh (Hindi)
- ii.) The Company is in the process of creating a separate section on its website [www.capital-trust.com](http://www.capital-trust.com) where information for shareholders would be available in user friendly downloadable form.
- iii.) Management Discussion and Analysis forms part of the Directors Report and is posted to the Shareholders of the Company.

### 7. General Shareholders Information

Annual General Meeting

Date and Time	4th September, 2009 at 3.00 P.M.
Venue	Hotel Shelters Padav, Gwalior, MP
Financial Year	1st April, 2009 to 31st March, 2010
	a. 1st Quarterly Results
	On or before 31 <sup>st</sup> July, 09
	b. 2nd Quarterly Results
	On or before 31 <sup>st</sup> Oct., 09
	c. 3rd Quarterly Results
	On or before 31 <sup>st</sup> Jan., 10
	d. Annual Audited Results
	On or before 30 <sup>th</sup> June., 10
Date of Book Closures	1st Sept., 09 to 4th Sep., 09 (Both days inclusive)
Dividend	No dividend has been recommended for the financial year 2008-09
Listing on Stock Exchanges	Bombay Stock Exchange Limited Pjroze Jeejeebhoy Towers, Dalal Street, Mumbai 400 001
Annual Listing Fees	Duly paid to Bombay Stock Exchange Limited For the financial year 2009-10

### 8. Market Price Data

The Bombay Stock Exchange Limited				
	Month's High	Month's Low	Month's opening price	Month's Closing Price
April-08	6.69	5.31	5.59	6.50
May-08	6.60	5.81	6.50	6.08
June-08	6.20	5.33	5.99	5.59
July-08	5.87	4.28	5.49	5.58
August-08	6.12	5.29	5.31	6.12
September-08	6.50	5.32	6.41	5.56
October-08	6.70	5.30	5.83	6.01
November-08	7.40	6.31	6.31	7.00
December-08	7.03	6.39	6.70	7.03
January-09	7.30	6.25	6.70	6.50
February-09	6.88	6.25	6.25	6.80
March-09	7.50	6.78	7.14	6.80

### 9. Registrars & Transfer Agents

M/s. Mas Services Limited,  
AB-4, Safdarjung Enclave,  
New Delhi-110029.  
Phone Nos. 011-26104142, 26104292, 26104326  
Fax: 011-26181081  
Email: [mass\\_serv@giasdi01.vsnl.net.in](mailto:mass_serv@giasdi01.vsnl.net.in)

### 10. Share Transfer System

Physical share certificates, lodged for transfer are processed and the share certificates are generally returned within a period of 15 days from the date of receipt if the documents are complete in all respects. The authority for share transfer etc. is Share Transfer Committee, which generally meets in a fortnight to consider and approve the transfer of shares.

### 11. Distribution of Shareholding:

Distribution of Shareholding as on 31.03.2009 is as under

No. of Shares	No. of shares held	%age of total shares	Number of Shareholders	%age of total shareholders
Upto 5000	1099308	14.657	6676	93.188
5001 to 10000	230341	3.071	306	4.271
10001 to 20000	117471	1.566	81	1.131
20001 to 30000	55739	0.743	22	0.307
30001 to 40000	34610	0.461	10	0.140
40001 to 50000	49859	0.665	11	0.154
50001 to 100000	161422	2.152	20	0.279
100000 & above	5751250	76.685	38	0.530

### 12. Shareholding pattern as on 31.03.2008

Category Code	Category of Shareholder	No. of Shareholders	Total Number of Shares	No. of Shares held in Dematerialised form	Total Share-holding as a percentage of total no. of shares		Shares pledged or otherwise encumbered	
					As a percentage of (A+B)1	As a percentage of (A+B+C)	No. of Shares	As a percentage
(i)	(ii)	(iii)	(iv)	(v)	(vi)	(vii)	(viii)	(ix)
(A)	Shareholding of Promoter & Promoter Group							
1	Indian							
(a)	Individuals/ Hindu Undivided Family	14	567855	488555	7.571	7.571		
(b)	Central Government/ State Govt(s)	0	0	0	0.000	0.000		
(c)	Bodies Corporate	12	2341441	90869	31.219	31.219		
(d)	Financial Institutions/ Banks	0	0	0	0.0000	0.000		
(e)	Any Others (Specify)	0	0	0	0.000	0.000		
	<b>Sub Total(A)(1)</b>	<b>26</b>	<b>2909296</b>	<b>579424</b>	<b>38.790</b>	<b>38.790</b>	<b>Nil</b>	<b>Nil</b>
2	Foreign							
a	Individuals (Non-Residents Individuals/ Foreign Individuals)	0	0	0	0.000	0.000		
b	Bodies Corporate	0	0	0	0.000	0.000		
c	Institutions	0	0	0	0.000	0.000		
d	Any Others (Specify)	0	0	0	0.000	0.000		
	<b>Sub Total(A)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>		
	Total Shareholding of promoter & Promoter Group (A)= (A)(1)+(A)(2)	26	2909296	579424	38.790	38.790	Nil	Nil
(B)	Public Shareholding							
1	Institutions							
(a)	Mutual Funds /UTI	1	100	0	0.001	0.001		

(b)	Financial Institutions	1	100	0	0.001	0.001		
(c)	Central Govt/ State Govt.	0	0	0	0.000	0.000		
(d)	Venture Capital Funds	0	0	0	0.000	0.000		
(e)	Insurance Companies	0	0	0	0.000	0.000		
(f)	Foreign Institutional Investors	0	0	0	0.000	0.000		
(g)	Foreign Venture Capital Investors	0	0	0	0.000	0.000		
(h)	Any Other (Specify)	0	0	0	0.000	0.000		
	<b>Sub Total B1</b>	<b>2</b>	<b>200</b>	<b>0</b>	<b>0.002</b>	<b>0.002</b>		
<b>B2</b>	<b>Non Institutions</b>							
(a)	Bodies Corporate	81	324919	1331151	4.332	4.332	Nil	Nil
(b)	Individuals							
I	i. Individual shareholders holding nominal share capital up to Rs 1 lakh	7027	1570609	570048	20.941	20.941		
II	ii. Individual shareholders holding nominal share capital in excess of Rs. 1 lakh.	9	367908	231212	4.905	4.905		
(c)	Any Other (specify) Clearing Members NRIs/OCBs	3 16	1370 2325698	1370 1028507	0.018 31.009	0.018 31.009		
	<b>Sub-Total (B)2</b>	<b>7136</b>	<b>4590504</b>	<b>1964288</b>	<b>61.205</b>	<b>61.205</b>	<b>Nil</b>	<b>Nil</b>
(B)	Total Public Shareholding (B)= (B)(1) +(B)(2)	7138	4590704	1964288	61.207	61.207		
(C)	Shares held by Custodians and against which Depository Receipts have been issued	0	0	0	0	0		
	<b>Grand-Total</b>	<b>7164</b>	<b>7500000</b>	<b>2543712</b>	<b>100.00</b>	<b>100.00</b>	<b>Nil</b>	<b>Nil</b>

### 13. Dematerialization of shares and liquidity

The trading in the Company's equity shares is permitted only in demat form. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for maintaining and facilitating transactions in the Company's shares in electronic mode. The ISIN no. allotted to the Company's Equity shares is INE707C01018. The details of dematerialization of shares are as under:

Shares held	No. of shares	%age of total capital issued
In dematerialized form with CDSL	121534	1.62
In dematerialized form with NSDL	2422178	32.30
In Physical form	4956288	66.08
Total	7500000	100.00

### Listing of Shares

The Shares of the Company are listed on The Stock Exchange, Mumbai that provides sufficient liquidity to the investors.

### Outstanding GDRs

Not Applicable as the Company has no GDRs/ADRs/Warrants or any other Convertible instruments as on 31.03.2009.

### Plant Location

The Company is a Non-Banking Finance Company (NBFC) engaged in the business of micro finance. The Company doesn't have any manufacturing plant.

### Address for correspondence

#### Registered Office:

21, Indra Bhawan, Indra Colony, Naya Bazar, Lashkar, GWALIOR-474009.

#### Corporate Office:

47, Community Centre., Friends Colony, New Delhi-110025.

Te.: 011-41627007, Fax: 011-41626485

Email: info@capital-trust.com, website: www.capital-trust.com

Declaration by Managing Director, pursuant to Clause 49(1)(D) of the listing agreement, stating that all the Board Members and senior management personnel have affirmed their compliance with the Code of Conduct of the Company for the year 2008-09, is annexed to the corporate governance report.

#### Certificate of Compliance:

As stipulated in Clause 49 of Listing Agreement, a certificate from a Company Secretary in whole-time practice regarding compliance with the conditions of corporate governance is annexed

For and on behalf of the Board

Place : New Delhi

Dated : 24-Jun-09

**Yogen Khosla**

Managing Director

**S Mahanti**

Director

**Anuj Kumar**

Comp. Secretary

### CERTIFICATE OF COMPLIANCE FROM COMPANY SECRETARY IN WHOLE TIME PRACTICE UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH BOMBAY STOCK EXCHANGE

#### To The Shareholders Capital Trust Limited

We have examined the compliance of conditions of Corporate Governance by Capital Trust Limited for the financial year ended 31st March, 2009, as stipulated in clause 49 of the Listing Agreement of the said company with Bombay Stock Exchange Limited.

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

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

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 **B.K. Sethi & Co.**  
Company Secretaries

Place: New Delhi

Date: 24th July, 2009

**B.K. Sethi**  
Membership No. F-853

### CEO and CFO Certification

We, Yogen Khosla and Sukumara Pillai Chief Manager, Accounts, responsible for the finance function certify that:

- We have reviewed the financial statements and cash flow statements for the year ended on 31st March, 2009 and to the best of our knowledge and belief:
  - These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - These statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations
- To the best of our knowledge and belief, no transactions entered into by the Company during the year ended 31st March, 2009, are fraudulent, illegal or in violation of the Company's Code of Conduct.
- We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting. Deficiencies in the design or operation of such internal controls, if any, of which we are aware have been disclosed to the auditors and the Audit Committee and steps have been taken to rectify these deficiencies.
- There has not been any significant change in the internal control over financial reporting during the year under reference;
  - There has not been any significant change in the accounting policies during the year requiring disclosure in the notes to the financial statements; and
  - We are not aware of any instance during the year of significant fraud with involvement therein of the management or any employee having significant role in the Company's internal control system over financial report.

Manager-Finance

Managing Director



## CEO Declaration on Code of Conduct

The Board of Directors,  
Capital Trust Limited,  
New Delhi

Dear Sir(s),

I hereby confirm and declare that all the Directors of the Company and all Senior Management personnel as defined in the Code of Conduct of the Company have submitted annual declaration confirming their compliance with the same.

Thanking you,

Yours faithfully,  
For Capital Trust Limited

Yogen Khosla  
CEO and Managing Director.

## Management Discussion and Analysis

**Industry Structure and Development :** The financial services are presently in a phase of high growth accompanied by consolidation. The Micro finance segment is nascent and is growing slowly and steadily. The Company has already made an entry in this segment and hopes to make deep inroad into this segment in near future on a fast track.

The Microfinance Sector has been growing at a very fast pace in India. The World Bank's latest estimate shows that India has 456 million poor people or roughly 85-90 million Indian households that live under or just above the international poverty line of USD 1.25/day. Microfinance is the provision of financial services to those poor individuals, typically women, whose livelihoods largely constitute the rural and informal sectors.

**Opportunities :** The demand for microfinance services in India is estimated to be nearly INR 135,000 crore (USD 30B). Yet a total of approximately USD 5 billion is the current loan outstanding of the microfinance clients through the Self-Help-Group(SHG) movement, promoted by the National Bank for Agriculture and Rural Development (NABARD), and microfinance Institutions (MFIs). As of March 2008, SHGs had an estimated USD 3.5 billion worth of loan outstanding to the poor clients. Microfinance Institutions(MFI) on the other hand, had an outstanding of USD 1.5 billion in microloans on 31st March 2008. It is important to note that increasing amounts of available capital, a greater number of players, and more awareness and interest in the sector, have contributed to MFI portfolio growth and client outreach by more than 100% between 2001 and 2005 and the growth though has come down but still in range of 60%-70%. Moreover, the potential for total MFIs' loan portfolio to reach INR 42,000 crore (USD 10B) by 2012, has made MFIs the preferred route to implement cost-effective ways to extend financial products to the poor.

**Risks :** The business is prone to certain risks. Borrowers' late and non-payment of loan obligations can lead to loss of profitability. In case the company is unable to tie-up back end funds it may affect the growth of the company. Any hike in cost of borrowings can also affect the profitability of the company. The company is also exposed to frauds in case of intentional deception by an employee or client. Any change in government regulation in the sector regarding a cap on interest rates or any other control may also affect the company.

**OUTLOOK :** The Company has commenced micro finance business in which the company is progressing steadily. This line of business is quite promising. At present the Company has 8500 clients which is poised to grow to 34,000 by the end of 2008-09, earning a revenue of the order of Rs. 33.66 million. The Company hopes to break even in this year and would enter into profit zone in the years to come.

**Internal Control System and their adequacy :** The company has a sound system of internal control for facilitating accurate and timely financial reporting ensuring compliance with statutory laws, regulations, commensurate with the size and business of the Company.

The Company is availing of the services of a firm of technical advisors for laying down procedures for its new experience of micro finance and its systems. The Company is happy to report that so far the Company is working on zero NPA basis.

**Financial Review :** During the financial year 2008-09 total revenue was of the order of Rs.17.02 million as against Rs. 90.20 million. The reduction in revenue is due to closure of the two-wheeler division which was rendering negative contribution to the company. During the year the Company has been able to reduce its operating expenses from Rs.22.68 million to Rs.21.52 million.

**Human Resources Development :** Capital Trust's staff strength as on 31.03.09 is 150. The Company plan to strengthen its human resources in the year 2009-10 and impart them intensive training in the business of micro finance.

**Information Technology :** The Company is planning to control its new micro finance business by developing suitable software. Work in this direction is being planned.

For and on behalf of the Board of Directors

PLACE : NEW DELHI  
DATED : 27-Jun-09

S MAHANTI  
DIRECTOR

Yogen Khosla  
Managing Director

## AUDIT REPORT

To the Board of Directors of Capital Trust Ltd.

We have audited the attached Balance sheet of Capital Trust Ltd. as at 31st March 2009 and the Profit & Loss account of the company for the year ended on that date annexed thereto as required by Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1999 and report as follows:

- The company has applied for registration as provided in section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and received the Certificate of Registration bearing No. B-03-00068
- Further to our comments in the annexure referred to in point 1 above, as the company is not accepting public deposits, we report as follows:
  - The Board of Directors has passed a resolution for non- acceptance of any public deposits;
  - The company has not accepted any public deposits during the relevant period ;and
  - The company has complied with prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.

for V S H & ASSOCIATES  
Chartered Accountants

(VIVEK K. GUPTA)

Partner

(Membership No. 091926)

Place: New Delhi

Date: 27th June, 2009

## AUDIT REPORT

To The Members of  
Capital Trust Limited

- We have audited the attached Balance Sheet of CAPITAL TRUST LIMITED, as at 31 March 2009, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- We conducted our audit in accordance with auditing standards generally accepted in India. These Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.
- Subject to the foregoing we further report that:
  - we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - in our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - in our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956;
  - in our opinion and to the best of our information and according to the explanations given to us, the said accounts, together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
    - in the case of the Balance Sheet, of the state of the Company's affairs as at 31 March, 2009; and
    - in the case of the Profit & Loss Account, of the loss of the Company for the year ended on that date; and
    - in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
- On the basis of written representations received from directors, as on 31 March, 2009 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March, 2009 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

for V S H & ASSOCIATES  
Chartered Accountants

(VIVEK K. GUPTA)

Partner

(Membership No. 091926)

Place: New Delhi

Date: 27th June, 2009



**ANNEXURE TO THE AUDITORS' REPORT**  
(Referred to in paragraph 1 of our report of even date)

**1) Fixed Assets**

- a) The Company has maintained proper records showing full particulars including quantitative detail and situation of fixed assets.
- b) As explained to us, All the Fixed Assets of the company have been physically verified by the management as at the end of the year except the leased assets, which have not been physically verified. The company has reportedly noticed no material discrepancies between book records and the physical verification of the fixed assets. However, in absence of physical verification of leased assets discrepancies with book records, if any could not be ascertained.
- c) In our opinion and according to the information and explanations given to us, a substantial part of the fixed assets has not been disposed off by the Company during the period.

**2) Stock**

- a) As explained to us, the stock of trading goods and spare parts held for sale have been physically verified by the Management as at the end of the financial year, or after the year end. In our opinion, the frequency of verification is reasonable in relation to the size of the company and nature of its business.
- b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the company and the nature of its business.
- c) In our opinion and according to the information and explanations given to us, the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and book records were not material having regard to the size of the operations of the company.

**3) Loans taken/ given**

- a) According to the information and explanations given, the Company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Act.
- b) The Company has taken loans from 1 (One) company firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. the maximum amount involved during the year was Rs. 90.00 Lacs and the year-end balance of loans/ Advances taken from these parties/ companies was Rs. 43.00 Lacs.
- c) The Company has given loans to 2 (Two) companies firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. the maximum amount involved during the year was Rs. 77.00 Lacs and the year-end balance of loans/ Advances taken from these parties/ companies was Rs. NIL.
- d) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions on which loans have been taken/ given from / to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act 1956 are not, prima facie, prejudicial to the interest of the Company.
- e) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest and loans given has been repaid along with interest in full.
- f) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventories and fixed assets and with regard to the sale of goods and services.

**5) Transactions u/s 301**

- a) To the best of our knowledge and belief and according to the information and explanation given to us, we are of the opinion that the transactions of contracts or arrangements that need to be entered in to the registered maintained under section 301 of the Companies Act, 1956 have been so entered.
- b) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public covered by the audit report. To the best of our knowledge and according to the information and explanations given to us, no order on the company u/s 58A, 58AA or any other relevant provisions of the Act and the rules framed there under. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other

Tribunal on the company.

- 7) In our opinion, the internal audit system of the Company is adequate commensurate with the size of the Company and nature of its business;
- 8) Statutory Dues
  - a) According to the information and explanation given to us, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education, and protection fund, employee state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues applicable with the appropriate authorities.. According to the information and explanation given to us, no undisputed statutory dues payable in respect of provident fund, investor education, and protection fund, employee state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess were in arrears, as at March 31, 2009 for a period of more than six months from the date they become payable.
  - b) According to the information and explanation given to us, there are no dues of sales tax, income tax, excise duty and service tax which have not been deposited on account of any dispute.
- 9) In our opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the period covered by the audit report. To the best of our knowledge and according to the information and explanations given to us, no order on the company u/s 58a and 58aa has been passed by the Company Law Board.
- 10) The accumulated losses of the Company at the end of the financial year are not more than the fifty percent of its net worth. The Company has incurred cash losses of Rs.69.89 Lacs during the financial year covered by our audit. However the Company had not incurred cash losses in the immediately preceding financial year.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to a bank.
- 12) In our opinion and according to the information and explanations given to us, the Company has maintained adequate records where the Company has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities (xii) In our opinion, the Company is not a chit fund or a nidhi/mutual fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2004 are not applicable to the Company.
- 13) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions
- 14) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions
- 15) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised
- 16) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used (or long-term investment).
- 17) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 18) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our audit Accordingly, the provisions of clause 4 c(xix) of the Companies (Auditors Report) order 2004 are not applicable to the Company.
- 19) During the period covered by our audit report, the Company has not raised any money by public issues.
- 20) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the financial year under the audit.
- 21) Other clauses and paragraph 4 of the manufacturing and other Companies (Auditor's Report) Order, 2003 not commented upon are not applicable to the Company.

for **V S H & ASSOCIATES**  
Chartered Accountants

(VIVEK K. GUPTA)  
Partner

(Membership No. 091926)

Place: New Delhi  
Date: 27th June, 2009

**CAPITAL TRUST LIMITED**

Balance Sheet as at 31st March, 2009

Particulars	Schedule	As at 31/Mar/09 Rs.	As at 31/Mar/08 Rs.
<b>SOURCE OF FUNDS</b>			
<b>SHARE HOLDERS FUNDS</b>			
a) Share Capital	'1'	75,000,000.00	75,010,250.00
(b) Reserve & Surplus	'2'	13,782,721.07	13,772,471.07
<b>LOAN FUNDS</b>			
(a) Secured Loans	'3'	11,337,890.03	3,132,892.26
(b) Unsecured Loans	'4'	4,300,000.00	-
		<u>104,420,611.10</u>	<u>91,915,613.33</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block	'5'	9,920,186.76	9,744,186.76
Less: Accumulated Depreciation		<u>4,827,119.68</u>	<u>5,093,067.08</u>
			4,317,728.68
			5,426,458.08
<b>INVESTMENTS</b>			
	'6'	1.00	1.00
Deferred Tax Asset		-	-
<b>CURRENT ASSETS LOANS AND ADVANCES</b>			
Closing Stock	'7'	5.00	300,005.00
Stock on Hire ( at agreement values)		2,561,481.00	2,717,577.78
Sundry Debtors	'8'	1,023,602.35	39,645,055.43
Cash & Bank Balances	'9'	34,421,942.93	7,211,799.07
Loans & Advances	'10'	<u>61,926,309.79</u>	<u>42,729,503.67</u>
		99,933,341.07	92,603,940.95
Less: Current Liabilities & Provisions	'11'	<u>19,930,267.89</u>	<u>12,170,156.38</u>
NET CURRENT ASSETS		80,003,073.18	80,433,784.57
Miscellaneous Expenditure (to the extent not written off)	'12'	-	-
Profit & Loss Account		19,324,469.84	6,055,369.68
		<u>104,420,611.10</u>	<u>91,915,613.33</u>
Accounting Policies & Notes on Accounts	'16'	0.000	
Balance Sheet Abstract and Company's General Business Profile	'17'		

This is the Balance sheet referred to in our report of even date.

**For V S H & ASSOCIATES**

Chartered Accountants

**(VIVEK GUPTA)**

Partner

M. No.091926

For and on behalf of the Board

**YOGEN KHOSLA**  
MANAGING DIRECTOR**S MAHANTI**  
DIRECTOR**ANUJ KUMAR**  
COMPANY SECRETARYPLACE : NEW DELHI  
DATED : 27-Jun-09**CAPITAL TRUST LIMITED**

**CAPITAL TRUST LIMITED**

Profit &amp; Loss Account for the Period ended 31st March, 2009

Particulars	Schedule	As at 31/Mar/08 Rs.	As at 31/Mar/07 Rs.
<b>INCOME :</b>			
Sale		0.00	67,486,084.11
Interest Received Micro Credit Loan		4,951,345.00	0.00
Income from Hire Purchase		0.00	80,000.00
Interest Received (Tax deducted at source Rs.72,007/- (Previous Year Rs.64675/-))		7,070,265.35	14,073,979.92
Management Consultancy Fee (Tax deducted at source Rs. 45320/- Previous Year NIL)		2,487,393.00	2,475,430.20
Other income (Tax deducted at source Rs47,833/- (Previous Year Rs.1,17,366/-))	'12'	2,515,516.85	5,069,145.70
Profit/(Loss) on trading of shares	'13'	(217,398.41)	(1,208,818.55)
Profit on Sale of Investments		0.00	9,663,700.00
Increase/(Decrease) in Stock			(7,438,708.00)
		<u>16,807,121.79</u>	<u>90,200,813.38</u>
<b>EXPENDITURE :</b>			
Purchases		0.00	56,606,404.22
Operational Expenses	'14'	21,523,332.44	22,680,788.38
Miscellaneous Balances Written off		10,957.00	115,059.99
Loss on sale of Assets		0.00	1,465,015.54
Interest Paid		2,261,065.00	7,274,639.28
Provision for N P A	'15'	<u>5,566,391.51</u>	<u>904,357.00</u>
		<u>29,361,745.95</u>	<u>89,046,264.41</u>
Profit before Depreciation and Tax		(12,554,624.16)	1,154,548.97
Depreciation on Fixed assets		509,391.00	642,573.00
		<u>0.00</u>	<u>0.00</u>
		509,391.00	642,573.00
Profit before Tax		(13,064,015.16)	511,975.97
Current Tax		0.00	58,000.00
Fringe Benefit Tax		200,604.00	203,500.00
Deferred Tax (Asset) Liability		0.00	0.00
Prior Period Income Tax Adjustment		4,481.00	0.00
Profit after Tax		<u>(13,269,100.16)</u>	<u>250,475.97</u>
<b>Appropriations :</b>			
Transferred to Reserve Fund u/s 45 I C of RBI Act, 1934		0.00	0.00
Balance Brought Forward from Previous Year		(6,055,369.68)	(6,305,845.65)
Balance carried to Balance sheet		<u>(19,324,469.84)</u>	<u>(6,055,369.68)</u>
Weighted average number of Equity Shares outstanding during the year		7,500,000	7,500,000
Basic and diluted earnings per share (in Rs.)		(1.77)	0.03
Accounting Policies & Notes on Accounts	'16'		
Balance Sheet Abstract & Company's General Business Profile	'17'		

**For V S H & ASSOCIATES**

Chartered Accountants

**(VIVEK GUPTA)**

Partner

M. No.091926

For and on behalf of the Board

**YOGEN KHOSLA**  
MANAGING DIRECTOR**S MAHANTI**  
DIRECTOR**ANUJ KUMAR**  
COMPANY SECRETARYPLACE : NEW DELHI  
DATED : 27-Jun-09**CAPITAL TRUST LIMITED**



## SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at 31/Mar/09 Rs.	As at 31/Mar/08 Rs.
<b>SCHEDULE '1'</b>		
<b>SHARE CAPITAL</b>		
Authorised :		
1,00,00,000 (Previous year 1,00,00,000) Equity	100,000,000.00	100,000,000.00
Shares of Rs. 10/- each		
Issued		
75,00,000 (Previous year 75,02,000) Equity	7,500,000.00	75,020,000.00
Shares of Rs. 10/- each fully paid-up		
Subscribed and Paid-up		
75,00,000 (Previous year 75,00,000) Equity	75,000,000.00	75,000,000.00
Shares of Rs. 10/- each fully paid-up		
Add: Amount paid on 2000 Equity shares forfeited	0.00	10,250.00
(Previous year 2000) (Amount originally paid-up)	75,000,000.00	75,010,250.00
<b>Schedule '2'</b>		
<b>RESERVES AND SURPLUS</b>		
(i) Capital Reserve	227,400.00	217,150.00
(ii) Security premium	8,614,800.00	8,614,800.00
(iii) Profit and Loss Account :		
Opening Balance	0.00	0.00
Balance transferred from Profit & Loss account	0.00	0.00
(iv) General Reserve :		
Opening Balance	3,456,545.05	3,456,545.05
Add: Transferred from Profit & Loss		
Account	0.00	0.00
(v) Reserve Fund		
u/s 45 - I C of RBI Act, 1934.		
Opening Balance	1,483,976.02	1,483,976.02
Add: Transferred from Profit & Loss Account	0.00	0.00
	13,782,721.07	13,772,471.07
<b>SCHEDULE '3'</b>		
<b>SECURED LOANS</b>		
(a) From Banks :		
Cash credit secured against hypothecation of assets leased from Bank Finance (including H.P. transactions) and assignment of lease/hire instalments due from the lessee/hirer as registration of 1st charge on specific book debts.	7,870,517.03	2,696,640.26
(b) Demand Loan from Indian Bank against assignment of Micro Finance receivables on 1st charge on specific book debts	1,000,000.00	0.00
(b) Citi Bank vehicle Loan (secured against hypothecation of Honda Accord Car)		
(c) I C I C I Bank vehicle Loan (secured against hypothecation of Vehicle)	217,373.00	436,252.00
From Corporate Bodies		
Term Loan from Virakant Investments Pvt Ltd against assignment of Micro Finance receivables on 1st charge on specific book debts	2,250,000.00	0.00
	11,337,890.03	3,132,892.26
<b>SCHEDULE '4'</b>		
<b>UNSECURED LOANS</b>		
from Corporate Bodies	4,300,000.00	0.00
from Directors & Relatives	0.00	0.00
	4,300,000.00	0.00

## SCHEDULES FORMING PART OF THE BALANCE SHEET

### SCHEDULE "5"

#### STATEMENT SHOWING FIXED ASSETS AS AT 31ST MARCH 2009

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	AT COST AS ON 01.04.2008	ADDITIONS DURING THE YEAR	DEDUCTIONS/ TRANSFER DURING THE YEAR	COST AS ON 31.03.2009	AS AT 31.03.2008	FOR THE YEAR	DEDUCTIONS/ TRANSFER	ACCUMULATED DEP. AS AT 31.03.2009	AS AT 31.03.2009	AS AT 31.03.2008
<b>LEASED ASSETS:</b>										
PLANT & MACHINERY	2575001.00	0.00	0.00	2575001.00	1111752.00	0.00	0.00	1111752.00	1463249.00	1463249.00
VEHICLES	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
AIR CONDITIONERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
COMPUTERS	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>TOTAL</b>	<b>2575001.00</b>	<b>0.00</b>	<b>0.00</b>	<b>2575001.00</b>	<b>1111752.00</b>	<b>0.00</b>	<b>0.00</b>	<b>1111752.00</b>	<b>1463249.00</b>	<b>1463249.00</b>
<b>OTHER ASSETS:</b>										
PLANT & MACHINERY	2618150.00	31900.00	0.00	2650050.00	1219358.00	121642.00	0.00	1341000.00	1309050.00	1398792.00
VEHICLES	2286067.50	0.00	0.00	2286067.50	743927.00	217080.00	0.00	961007.00	1325060.50	1542140.50
FURNITURE & FIXTURES	1028258.59	29305.00	0.00	1057563.59	608455.36	64684.00	0.00	673139.36	384424.23	419803.23
COMPUTERS	693478.00	82495.00	0.00	775973.00	419854.00	85188.00	0.00	505042.00	270931.00	273624.00
OFFICE EQUIPMENTS	443231.67	32300.00	0.00	475531.67	210984.32	19165.00	0.00	230149.32	245382.35	232247.35
BUILDING	100000.00	0.00	0.00	100000.00	3398.00	1632.00	0.00	5030.00	94970.00	96602.00
<b>TOTAL</b>	<b>7169185.76</b>	<b>176000.00</b>	<b>0.00</b>	<b>7345185.76</b>	<b>3205976.68</b>	<b>509391.00</b>	<b>0.00</b>	<b>3715367.68</b>	<b>3629818.08</b>	<b>3963209.08</b>
<b>GRAND TOTAL</b>	<b>9744186.76</b>	<b>176000.00</b>	<b>0.00</b>	<b>9,920,186.76</b>	<b>4317728.68</b>	<b>509391.00</b>	<b>0.00</b>	<b>4827119.68</b>	<b>5093067.08</b>	<b>5426458.08</b>
PREVIOUS YEAR	12115972.30	78083.00	2449868.54	9744186.76	4110787.68	642573.00	435632.00	4317728.68	5426458.08	8005184.62

Notes: Please refer note 1 (d) of Schedule 15 forming part of the accounts

Particulars	As at 31/Mar/09 Rs.	As at 31/Mar/08 Rs.
-------------	------------------------	------------------------

### SCHEDULE '6'

#### INVESTMENTS (LONG TERM)

##### Trade Investments

##### Unquoted Shares (at cost)

- i. 10000 Equity Shares (Previous Year 10000) of  
Vasavi Financial services Ltd fully  
paid-up of Rs. 10/- each (Rs. 1/- taken as closing value)

	81,100.00	81,100.00
	<u>81,100.00</u>	<u>81,100.00</u>
Less Provision for Diminution in Investments	81,099.00	81,099.00
	<u>1.00</u>	<u>1.00</u>
	<u>1.00</u>	<u>1.00</u>

## SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at 31/Mar/09 Rs.	As at 31/Mar/08 Rs.
<b>SCHEDULE '7'</b>		
Closing Stock (has been valued at cost or market price whichever is less.)		
<b>Equity Shares</b>		
i. 2400 Equity Shares (Previous Year 2400) of Indo Deutch Proteins Ltd fully paid-up Rs. 10/- each (Market Value N.A.) Rs. 1 taken as closing value)	1.00	1.00
ii. 3600 Equity Shares (Previous Year 3600) of Tina Electronics Ltd fully paid-up of Rs. 10/- each (Market Value N.A.) (Rs. 1/- taken as closing value)	1.00	1.00
iii. 2000 Equity Shares (Previous Year 2000) of Parasrampur Industries Ltd fully paid-up of Rs. 10/- each (Market Value N.A.) (Rs. 1/- taken as closing value)	1.00	1.00
iv. NIL Equity Shares (Previous Year 1000) of Indiabulls Securities Ltd fully paid-up of Rs. 2/- each	0.00	300,000.00
v. 200 Equity Shares (Previous Year 200) of Pascific Industries Ltd fully paid-up of Rs. 10/- each (Market Value N.A.) (Rs. 1/- taken as closing value)	1.00	1.00
vi. 14800 Equity Shares (Previous Year 14800) of Naina Semiconductors Ltd fully paid-up of Rs. 10/- each (Market Value N.A.) (Rs. 1/- taken as closing value)	1.00	1.00
<b>GRAND TOTAL CLOSING STOCK</b>	<u>5.00</u>	<u>300,005.00</u>

### SCHEDULE '8'

#### SUNDRY DEBTORS:

(Unsecured and considered good by the Management) Amount recoverable from Hirers and Lessees against hire purchase and lease agreements consultancy fees receivable and other misc. debtors.

More than Six Months	155,105.00	72,097.58
Less than Six Months	<u>868,497.35</u>	<u>39,572,957.85</u>
	<u>1,023,602.35</u>	<u>39,645,055.43</u>

### SCHEDULE '9'

#### CASH & BANK BALANCES

a. (i) Cash in hand	1,669,310.46	47,609.46
b. Balance with Scheduled Banks		
(i) In Current Account	32,387,543.47	5,196,663.61
(ii) In Short Term Deposits	<u>365,089.00</u>	<u>1,967,526.00</u>
	<u>34,421,942.93</u>	<u>7,211,799.07</u>





## SCHEDULES FORMING PART OF THE BALANCE SHEET

Particulars	As at 31/Mar/09 Rs.	As at 31/Mar/08 Rs.
<b>SCHEDULE '10'</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured considered good unless specified otherwise)		
(i) Loan (Secured Against Hypothecations of Movable assets) (at agreements value)	20,121,143.28	50,065,488.37
Less: Interest not yet accrued	1,455,545.05	3,930,716.11
	18,665,598.23	46,134,772.26
Less: Assignments of receivables by way securitization to		
ING Vysya Bank	1,086,359.00	
UTI Bank Ltd.	1,086,359.00	17,579,239.23
		7,043,991.00
(ii) Other Loans	916,625.00	1,608,100.00
Less: Interest not yet accrued	39,896.24	876,728.76
		107,469.03
(iii) Micro Credit Loan		40,298,687.00
(iv) Advances recoverable in cash or in kind for value to be recieved	1,416,393.00	141,668.00
Less Provision for Doubtful Assets		1,416,393.00
Intercompany Deposits		0.00
(v) Security Deposits		226,218.00
(vi) Income Tax paid		523,630.80
(vii) Fringe Benefit Tax paid		1,005,413.00
		61,926,309.79
		42,729,503.67
<b>SCHEDULE '11'</b>		
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>		
<b>Current Liabilities</b>		
(a) Other Liabilities		2,763,255.00
(b) Sundry Creditors		76,082.00
(c) Unmatured Finance Charges		648,301.38
		567,784.00
		98,437.00
		648,301.38
<b>Provisions:</b>		
(a) Provision for Income Tax Payable		91,700.00
(b) Provision for Fringe Benefit Tax Payable		1,028,104.00
(C) Provision for NPA		15,322,825.51
		19,930,267.89
		271,700.00
		827,500.00
		9,756,434.00
		12,170,156.38
<b>Schedule forming part of the Profit &amp; Loss Account</b>		
	Year ended 31/Mar/09 Rs.	Year ended 31/Mar/08 Rs.
<b>SCHEDULE '12'</b>		
Service Charges Received	0.00	1,024,231.00
Incentive Received	0.00	715,553.00
Commission Received	808.00	188,644.57
Exchange Fluctuation Difference	269,669.00	0.00
Maintenance Charges Received	95,000.40	210,000.00
Miscellaneous Income	2,150,039.45	2,930,717.13
	2,515,516.85	5,069,145.70
<b>SCHEDULE '13'</b>		
<b>Profit/ (Loss) on Trading of Shares</b>		
Opening Stock of shares	300,005.00	1,486,114.50
Add Purchase of shares	0.00	91,405,071.54
Less Closing Stock of shares		
(Valued at lower of cost or market value)	5.00	300,005.00
Cost of Sale of shares	300,000.00	92,591,181.04
Sale of shares	82,601.59	91,382,362.49
Profit/(Loss) on trading of shares	(217,398.41)	(1,208,818.55)



## SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

Particulars	Period ended 31/Mar/09 Rs.	Year ended 31/Mar/08 Rs.
<b>SCHEDULE '14'</b>		
<b>OPERATIONAL EXPENSES</b>		
Salaries (Includes Cont. to PF & other Funds)	9,732,282.00	6,813,606.00
Rs.18,39,475.00 (Previous year Rs.8,22,407.00)		
Staff Welfare	656,694.00	444,650.00
Directors Remuneration	803,529.00	398,328.00
Repairs & Maintenance		
Office Equipment	239,096.00	252,854.00
Others	569,104.40	623,055.00
Insurance	33,413.00	45,091.00
Professional & Consultancy Charges	2,318,845.00	1,928,011.50
Travelling & Conveyance		
Directors'	688,104.38	259,746.10
Others	885,909.00	860,019.10
Repossession Charges	48,000.00	327,615.00
Exchange Fluctuation Difference		66,636.03
Printing & Stationery	380,049.00	437,422.00
Postage & Stamps	162,857.00	500,796.00
Telephone, Telex and Telegram	744,487.60	922,505.34
Advertisement	91,227.00	338,262.00
Directors Sitting Fee	33,000.00	35,500.00
Vehicle Running & Maintenance Expenses	188,772.00	290,040.00
Business Promotion	68,217.33	89,532.32
Penalty & Fines	0.00	26,248.00
Service Tax on Rent	174,276.00	0.00
Commission Paid	94,636.00	636,177.00
Rent Account	2,716,078.00	5,171,424.00
Bank Charges	310,837.46	335,868.15
Payment to auditors		
For audit Fee	49,635.00	50,562.00
Out of Pocket Expenses	0.00	0.00
Listing & Filing Fee	64,169.00	44,373.00
Sales Promotion Expenses	0.00	193,005.00
Festival Celebration Exps	9,030.00	0.00
Micro Submit Participation Fee	22,800.00	0.00
Electricity & Water	245,975.00	543,978.00
General Expenses	192,309.27	1,045,483.84
	<u>21,523,332.44</u>	<u>22,680,788.38</u>

### SCHEDULE '15'

#### PROVISION FOR N P A

PROVISION FOR N P A FOR THE CURRENT PERIOD	5,566,391.51	1,404,357.00
LESS PROVISION WRITTEN BACK DURING CURRENT YEAR	0.00	500,000.00
NET PROVISION FOR N P A	<u>5,566,391.51</u>	<u>904,357.00</u>

## SCHEDULE 16:

### ACCOUNTING POLICIES & NOTES ON ACCOUNTS

#### I. Accounting Policies.

##### (a) Valuation of Inventories:

- (i) Stock of shares is valued at lower of cost or market rate on the balance sheet date. Market rate is calculated as the last quoted rate on the balance sheet date.

- (b) Use of Estimates:- The Preparation of financial statements in conformity with generally accepted accounting principles requires estimates and assumptions to be made that effect the reported amounts of assets and liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Differences between actual results and estimates are recognised in the period in which the results are known/materialised.

##### (c) Depreciation:

- (a) Own assets:  
Depreciation is provided on SLM as per schedule XIV to the Companies Act 1956 on pro-rata basis with reference to the period of use.

##### (b) Leased assets:

- (i) Depreciation on leased assets is charged on pro-rata basis on straight line method, in accordance with Schedule XIV of the Companies Act, 1956.

##### (d) Recognition of Income & Expenditure:-

- (i) Micro Finance Interest income is accounted in accordance with the terms of agreements with the Borrowers on Accrual basis.
- (ii) The financial charges in respect of hire purchase transactions and other items of income and expenditure are accounted for on accrual basis.

- (e) Income on hire purchase transactions and loan transactions are recognised as per RBI's Prudential Norms.

- (f) An amount to Rs.11,23,600/- paid to Intellectual Capital Advisory Services Pvt Ltd as up front Fees, Package Fees has been paid as per Agreement for a period.

- (g) The Company had collected a sum of Rs.13,75,214/- (Net) from its members by way of Welfare Fund reflected in Other Liabilities. The Fund is created exclusively for the utilization of the welfare activities of the members after successful and timely completion of Loan repayments. This Fund would be utilized for adjustment of Loan in case of any eventuality of serious injury or death, insurance premium for death cases, development of the surrounding area of borrowers villages, development by way of construction of Roads, Bridges, community centers in the vicinity of Borrowers living areas, Financial aid for the education of the members children's, and medical assistance to the members.

- (h) Fixed Assets: All Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Subsequent expenditure, which substantially enhances the previously assessed standard of performance of the assets, is added to the carrying value.

##### (i) Foreign Currency Transactions:

- (i) Balances in the form of Current Assets and Current Liabilities in Foreign Currency outstanding at the close of the year are converted in Indian currency at the appropriate rates of exchange prevailing on the date of the Balance Sheet. Resultant gain or loss is accounted during the year.

- (ii) All incomes or expenditure in Foreign Currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

##### (j) Investments:-

- (i) All the investment of the company is long term investments.
- (ii) Long term investments in unquoted shares are valued at cost as per AS-13 issued by Institute of Chartered Accountants of India. However necessary provision for depreciation in value of investments have been made wherever found necessary.

##### (k) Retirement Benefits:

The Company has subscribed the "Group Gratuity Scheme of LIC" for purpose of discharging the gratuity liability under the payment of Gratuity Act. The premium paid/payable for the year is charged to Profit & Loss Account as per Actuarial basis. Contributions to the Provident Fund and Superannuation Fund are charged to the Profit & Loss Account

##### (l) Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset is capitalizes as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

##### (m) Earning Per Share:

The Company reports basic and diluted Earning Per Share in accordance with Accounting Standard 20 on "Earning Per Share". Basic Earning Per Share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted Earning Per Share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

##### (n) Impairment of Assets:-

At the Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there is any indication that those assets suffered an impairment loss and provides, if any.

##### (o) Taxation:

Income taxes are accounted for in accordance with Accounting Standard 22 on "Accounting for taxes on income". Income taxes comprise both current and deferred tax. Current tax is calculated using applicable tax rates and laws. Deferred tax assets and liabilities are recognised for future tax consequences attributable to timing differences. The tax effect of the timing differences that result between taxable income and accounting income and are capable of reversal in one or more subsequent periods are recorded as a deferred tax assets or deferred tax liability.

##### (p) Contingent Liability:

Contingent liabilities as defined in Accounting Standard 29 are disclosed by way of notes to accounts. Provision is made if it becomes probable that an outflow of future economic benefits will be required for an item previously dealt with as a contingent liability.

Contingent assets as defined in Accounting Standard 29 in accordance with the Standard not recognised or disclosed in the financial statements.

## II. NOTES TO ACCOUNTS:

1. Contingent Liabilities (not provided for) in respect of Claims against the Company not acknowledged as debt, which are pending in different courts.

Particulars	Current Year		Previous Year	
	No of Cases	Amount (Rs)	No of Cases	Amount (Rs)
1. State Commission, New Delhi	1	20000	1	32000
2. National Commission, New Delhi	0	0	2	88000
3. Civil Judge, Tis Hazari Court	3	59076	3	59076
4. Consumer Forum	3	60000	9	197016
Total Rs.	7	139076	16	376092

2. In the opinion of the Board of Directors aggregate value of the Current Assets, Loans & Advances on realization in the ordinary course of the business shall not be less than the amount at which they are stated in the Balance Sheet.

3. Other income includes Rs.NIL from trade investments.(Previous year Rs. NIL).

4. The liability for gratuity is covered under the group gratuity scheme with Life Insurance Corporation of India and Contributions made for the current year have been charged to profit and loss account.

5. Aggregate amount of debtors/loans due from directors and companies in which they are directors/members are Rs.NIL (Previous Year Rs.39194378/-)

6. Debt due by directors or other officers of the company is Rs. NIL (previous year NIL) Maximum amount of such debts due at any time during the year was Rs. NIL (Previous year (NIL)

7. Actual receipts of foreign currency is Rs.20,32,531/- (previous Year Rs.24,08,675/-) which is received as consultancy fees and reimbursement of expenses.

8. Foreign currency outflow on travelling and business promotion expenses are 4,44,012/- (previous year 2,13,865/-)

9. Small Scale Industrial Undertaking to whom the Company owes a sum are Rs .NIL

10. Hire purchase installments are secured against hire purchase contracts.

11. Previous year figures have been re-grouped wherever necessary to correspond with current year's presentation.

### 12. Deferred Tax:

In view of no taxable income in the current year and also due to uncertainty in future taxable income, the Company has not recorded net Deferred Tax Assets of Rs.48.22 Lacs as on 31.03.2009 (Previous Year Rs.29.06 Lacs) arising on account of timing difference as stipulated in Accounting Standard-22 on "Accounting for Taxes on Income".

13. The company has been advised that a computation of net profit (for the purpose of calculation of Director's remuneration under section 349 of the Companies Act, 1956) need not be enumerated since no commission is paid to the directors.

Details of remuneration paid to Managing Director are as under:

### Managing Director:

S.No.	Particulars	TOTAL YEAR ENDED 31.03.2009	TOTAL YEAR ENDED 31.03.2008
1	Remuneration	640,000.00	276,000.00
2	Contribution to PF & Superannuation Fund	84,303.00	36,552.00
3	Other Perquisites	79,226.00	85,776.00
	TOTAL	803,529.00	398,328.00

14. Sale of Assets Portfolio by way of Securitisation :  
During the year, the company securitised a part of its two wheeler finance portfolio to U T I Bank and ICICI Bank. The details pertaining to the securitised assets are as follows:

PARTICULARS	(Rs. In lacs)	(Rs. In lacs)
	31.03.2009	31.03.2008
Assets De recognised	NIL	130.99
Bank Deposits given as collateral	2.05	19.66

### 15. Opening Stock, Purchases, Sales and Closing Stock:

PARTICULARS	CURRENT YEAR		PREVIOUS YEAR	
	QTY	VALUE (In Rs.)	QTY	VALUE (In Rs.)
<b>Opening Stock:</b>				
Vehicles	Nos	NIL	Nos	194
Equity Shares	Nos	24000	Nos	29830
Spare Parts	Nos	NIL	Nos	24163
Accessories	Nos	NIL	Nos	702
Oil & Lubricant	(Ltrs)	NIL	(Ltrs)	273
<b>Purchases :</b>				
Vehicles	Nos	NIL	Nos	1621
Equity shares	Nos	NIL	Nos	35225
Spare Parts	Nos	NIL	Nos	22531
Accessories	Nos	NIL	Nos	14801
Oil & Lubricant	(Ltrs)	NIL	(Ltrs)	7680
<b>Sales :</b>				
Vehicles	Nos	NIL	Nos	1621
Equity shares	Nos	1000	Nos	41055
Spare Parts	Nos	NIL	Nos	22531
Accessories	Nos	NIL	Nos	14801
Oil & Lubricant	(Ltrs)	NIL	(Ltrs)	7680
<b>Closing Stock :</b>				
Vehicles	Nos	NIL	Nos	NIL
Equity shares	Nos	23000	Nos	24000
Spare Parts	Nos	NIL	Nos	NIL
Accessories	Nos	NIL	Nos	NIL
Oil & Lubricant	(Ltrs)	NIL	(Ltrs)	NIL

Scrip-wise details of opening and closing stocks of shares have been given in schedule '7' of the balance sheet. Scrip-wise details of purchase of shares and sales of shares is as under:

Name of Scrip	CURRENT YEAR				PREVIOUS YEAR			
	Purchases		Sales		Purchases		Sales	
	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)	No. of Shares	Amount (Rs.)
J J Finance Cop.	0	0	0	0	0	0	0	0
Indiabulls Financial Services	0	0	0	0	1000	1025901	4530	2618487
Ispat Industries	0	0	0	0	10000	839639	10000	520440
Tata Sponge Iron	0	0	0	0	1000	314313	1000	245901
Reliance Petroleum	0	0	0	0	2000	469607	2000	482275
Indoco Remedies	0	0	0	0	1000	349870	1000	265926
M T N L	0	0	0	0	2000	420479	2000	401799
Orchid Chemicals	0	0	0	0	100	31071	100	31006
Power Grid	0	0	0	0	1000	310016	1000	289114
Power Grid (Futsk)	0	0	0	0	1925	280689	1925	234173
Futidxnifty	0	0	0	0	14200	87,363486	14200	86280368
Indiabulls Securities	0	0	1000	82602	1000	0	0	0
Pacific Industries Ltd	0	0	0	0	1800	0	1800	0
Thambbi Moders Spinning	0	0	0	0	0	0	1500	12873
<b>TOTAL</b>	<b>0</b>	<b>0</b>	<b>1000</b>	<b>82602</b>	<b>37025</b>	<b>91405071</b>	<b>41055</b>	<b>91382362</b>

17. Other clauses of paragraph 3,4C & 4D of Part II Schedule VI of the Companies Act, 1956 not commented up to are not applicable.
18. Schedule to the Balance sheet of NBFC (as required in terms of paragraph 9BB of Non Banking Financial Companies prudential norms (Reserve Bank) directions, 1998

	Particulars	Amount in (Rs.)	
	<b>Liabilities Side:</b>		
1	Loans and advances availed by the NBFCs inclusive of interest thereon but not paid:	Amount outstanding	Amount outstanding
	(a) Debentures : Secured	0	0
	: Unsecured (other than falling within the Meaning of public deposits)	0	0
	(b) Deferred Credits	0	0
	(c) Term Loans	3467373	0
	(d) Inter-corporate loans and borrowing	4300000	0
	(e) Commercial Paper	0	0
	(f) Public Deposits	0	0
	(g) Other Loans (Specify nature)		
	Cash Credit Facility	7870517	0
2.	Break-up of (1) (f) above (Outstanding public deposits	0	
	(a) In the form of Unsecured debentures	0	
	(b) In the form of partly secured debentures i.e debentures	0	
	(c) Other Public deposits	0	
	<b>Assets side:</b>		

		Amount Standing		
3	Break-up of Leased Assets and Advances including Bills receivables (other than those included in (4) below: (a) Secured (b) Unsecured		0 0	
4	Break-up of Leased Assets and stock on hire and Hypothecation loans counting towards EL/HP 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 (a) Assets on hire (b) Repossessed Assets (iii) Hypothecation loans counting towards EL/HP activities (a) Loans where assets have been repossessed (b) Loans other than (a) above		0 0 0 2561481 0 0 20121143	
5	Break-up of Investments:			
	Current investments:			
	1. Quoted:			
	(i) Shares:			
	(a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of mutual funds		0	
	(iv) Government Securities		0	
	(v) Others (Please specify)		0	
	(2) Unquoted:			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of mutual funds		0	
	(iv) Government Securities		0	
	(v) Others (Please specify)		0	
	Long Term Investments:			
	1. Quoted:			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of mutual funds		0	
	(iv) Government Securities		0	
	(v) Others (Please specify)		0	
	(2) Unquoted:			
	(i) Shares: (a) Equity		0	
	(b) Preference		0	
	(ii) Debentures and Bonds		0	
	(iii) Units of mutual funds		0	
	(iv) Government Securities		0	
	(v) Others (Please specify)		0	
6	Borrower group-wise classification of all leases assets, Stock-on-hire and loans and advances:			
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
	1. Related Parties**			
	(a) Subsidiaries	0	0	0
	(b) Companies in the same group	0	0	0
	(c) Other related parties	0	0	0
	2. Other than related parties	46579830.5	876728	47456558.49
	<b>Total</b>	<b>46579830.5</b>	<b>876728</b>	<b>47456558.49</b>

7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :		
	Category	Market Value/Break-up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties **		
	(a) Subsidiaries	0	0
	(b) Companies in the same group	0	0
	(c) Other related parties	0	0
	(d) Other than related parties	1	1
	Total	1	1
8	Other information		
	Particulars	Amount	Amount
(i)	Gross Non-Performing Assets	23125210	6042331.49
	(a) Related parties	0	0
	(b) Other than related parties	23125210	6042331.49
(ii)	Net Non-performing Assets	23125210	6042331.49
	(a) Related parties	0	0
	(b) Other than related parties	23125210	6042331.49
(iii)	Assets acquired in satisfaction of debt	0	0

#### 19. Related Party Information:

##### 1. Relationship

##### (a) Key Management Personnel

- 1 Mr. Yogen Khosla (Managing Director)
- 2 Mr. K.K.Raj (Director)
- 3 Mr. Surendra Mahanti (Director)
- 4 Cdr. K. L. Khullar (Retd.) (Director)

##### (b) Relatives of Key Management Personnel

- 1 Mrs. Anju Khosla
- 2 Yogen Khosla & Sons HUF

##### (c) Other Related Parties where control exists:

- 1 M/S First Capital Trust Stock Brokers P Ltd.
- 2 Italindian Trade & Financial Services P. Ltd.
- 3 M/S I C Construction & Services Ltd
- 4 M/S Indo Crediop Pvt Ltd

#### Note:

- 1 Related party relationship on the basis of requirements of Accounting Standard 18 (AS-18) is identified by the Company and relied upon by the Auditors.
- 2 Transaction carried out with related parties referred in 1 above, in ordinary course of business:

(Rs. in Lacs.)

Nature of Transactions		Related Parties		
		Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Finance	Loans & Advances Unsecured Loans (Deposits Recd.) (Deposits Repaid)			222.80
				179.80
Expenses	Interest Paid			0.59
	Directors Remuneration	8.04		
	Directors Sitting Fee	0.33	3.10	
	Salary			22.49
	Rent			3.91
	Electricity			0.02
	Water Charges	6.82	1.87	
	Travelling	0.94	0.10	
Outstandings	Finance			
	Loans & Advances Unsecured Loans			43.00

#### 20. SEGMENT INFORMATION:

##### A. BUSINESS SEGMENT:

Particulars	Leasing Hire Purchase / Loan Div. & others	Automobile Sales & Service Div	(Rs. in lacs). Total
1. SEGMENT REVENUE			
External Revenue	168.07	-	168.07
Inter segment Revenue	-	-	-
<b>Total Revenue</b>	<b>168.07</b>	<b>-</b>	<b>168.07</b>
Segment results before interest and tax:	(108.03)	-	(108.03)
Add: Unallocated income (Net of expenses)	-	-	-
Less: Finance charges & Exchange variation	22.61	-	22.61
Less: exceptional items	-	-	-
Less: Deferred Tax Asset Provision written	-	-	-
Less: Provision for taxes/Prior period tax	2.05	-	2.05
<b>Net Profit/Loss</b>	<b>(132.69)</b>	<b>-</b>	<b>(132.69)</b>
<b>Other information:</b>			
Segment Assets	1,243.60	-	1,243.60
Unallocated assets	-	-	-
<b>Total assets</b>	<b>1,243.60</b>	<b>-</b>	<b>1,243.60</b>
Segment Liabilities	199.39	-	199.39
Unallocated Liabilities	-	-	-
<b>Total Liabilities</b>	<b>199.39</b>	<b>-</b>	<b>199.39</b>
<b>CAPITAL EXPENDITURE:</b>			
Segment Capital Expenditure	-	-	-
Unallocated Capital Expenditure	-	-	-
<b>Total Capital Expenditure</b>	<b>-</b>	<b>-</b>	<b>-</b>
Depreciation and Amortisation			
Segment Depreciation and Amortisation	5.09	-	5.09
Unallocated depreciation and amortisation	-	-	-
<b>Total depreciation and Amortisation</b>	<b>5.09</b>	<b>-</b>	<b>5.09</b>
Significant non-cash expenditure			
Segment significant non-cash expenses	55.66	-	55.66
Un allocated non cash expenses	-	-	-
<b>Total Significant non-cash expenses</b>	<b>55.66</b>	<b>-</b>	<b>55.66</b>

#### Other Disclosures

- 1 Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17) taking into account the organization structure as well as the differential risks and returns of these segments.
- 2 The Company has disclosed Business segment as the primary segment
- 3 Types of products and services in each business segment:
  1. Leasing HP & Loan & others
- 4 Inter Segment revenues are NIL
- 5 The Segment Revenues, Results, Assets and Liabilities include the respective amounts identifiable to each of the segment and amounts allocated on a reasonable basis.

For VSH & ASSOCIATES

Chartered Accountants

(VIVEK GUPTA)

Partner, M. No.091926

Dated : 27 June 2009 **YOGEN KHOSLA** **S MAHANTI** **ANUJ KUMAR**  
Place: New Delhi Managing Director Director Company Secretary



Schedule - '17'

**CAPITAL TRUST LIMITED**  
**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE.**

I.	Registration Details		
	Registration No.	10923	State Code 10
	Balance Sheet Date	31 03 2009	
II.	Capital Raised during the year (Amount in Rs. Thousands)		
	Date Public Issue	Rights Issue	
	NIL	NIL	
	Bonus Issue	Private Placement	
	NIL	NIL	
III.	Position Of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)		
	Total Liabilities	Total Assets	
	104421	104421	
	Source of Funds		
	Paid-up Capital	Reserve & Surplus	
	75000	13783	
	Secured Loans	Unsecured Loans	
	11338	4300	
	Application of Funds		
	Net Fixed Assets	Investments	
	5093	0	
	Net Current Assets	Misc. Expenditure	
	80003	NIL	
	Accumulated Losses	Deferred Tax Asset	
	19325	NIL	
IV.	Performance of Company (Amount in Rs. Thousands)		
	Turnover	Total Expenditure	
	16807	29871	
+	Profit/(Loss) Before Tax	+ - Profit/(Loss) After Tax	
	(13,064)	(13,269)	
	Earning Per Share in Rs.	Dividend rate %	
	(1.77)	NIL	
V.	Generic Names of Three Principal Products/Services of the Company	Leasing Hire Purchase /Loan Consultants to Foreign Banks and Real Estate Development,	
1.	Item Code No. (ITC Code)	NOT AVAILABLE	
	Product Description	HIRE PRUCHASE/LOAN/MICRO FINANCE	
2.	Item Code No. (ITC Code)	NIL	
	Product Description	CONSULTANTS	
		FOREIGN BANKS	
3.	Item Code No. (ITC Code)	NIL	
	Product Description	NIL	

For **V S H & ASSOCIATES**  
Chartered Accountants  
**(VIVEK GUPTA)**  
Partner  
M. No.091926  
PLACE : NEW DELHI  
DATED : 27-Jun-09

**YOGEN KHOSLA**  
MANAGING DIRECTOR

For and on behalf of the Board

**S MAHANTI**  
DIRECTOR

**ANUJ KUMAR**  
COMPANY SECRETARY



**CAPITAL TRUST LIMITED**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2009**  
**PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT**

	As at 31/Mar/08	As at 31/Mar/07
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax & Extraordinary items	(13,064,015.16)	511,975.97
Adjustments for:		
Depreciation	509,391.00	642,573.00
(Profit)/Loss on Sale of Assets	0.00	1,465,015.54
(Profit)/Loss on Sale of Investments	0.00	(9,663,700.00)
Provision for NPA/ Doubtful Advances	5,566,391.51	904,357.00
Provision for Diminution in Value of Investments	0.00	0.00
	(6,988,232.65)	(6,139,778.49)
Adjustments for:		
Dividend Received	0.00	0.00
Prior period Income Tax	(184,481.00)	0.00
Operating Profit before Working Capital Changes	(7,172,713.65)	(6,139,778.49)
Adjustments for:		
(Increase)/Decrease in Current Assets	19,880,743.74	2,715,591.08
Increase/(Decrease) in Current Liabilities & Trade Payable	2,173,116.00	(10,538,260.30)
(Increase)/Decrease in Net Current Assets	22,053,859.74	(7,822,669.22)
Cash generated from Operations	14,881,146.09	(13,962,447.71)
Net Cash Flow from Operating activities	14,881,146.09	(13,962,447.71)
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	(176,000.00)	(78,083.00)
Sale of Fixed Assets	0.00	549,221.00
Purchase of Investments	0.00	0.00
Sale of Investments	0.00	39,194,378.00
Dividend Received	0.00	0.00
Net Cash used in investing activities	(176,000.00)	39,665,516.00
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Borrowings	12,504,997.77	(29,574,365.34)
Dividend Paid	0.00	0.00
Net Cash from Financing Activities	12,504,997.77	(29,574,365.34)
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)	27,210,143.86	(3,871,297.05)
Cash and cash equivalents at the beginning of the year	7,211,799.07	11,083,096.12
Cash and cash equivalents at the close of the year	34,421,942.93	7,211,799.07

**AUDITORS REPORT**

We have verified the above cash flow statement of CAPITAL TRUST LIMITED derived from the audited financial statements for the year ended March 31st, 2009 and found the same to be drawn in accordance therewith and also with the requirements of Clause 32 of the listing agreements with Stock Exchange.

For **V S H & ASSOCIATES**  
Chartered Accountants

**(VIVEK GUPTA)**  
Partner  
M. No.091926

For and on behalf of the Board

**YOGEN KHOSLA**  
MANAGING DIRECTOR

**S MAHANTI**  
DIRECTOR

**ANUJ KUMAR,**  
COMPANY SECRETARY

PLACE : NEW DELHI  
DATED : 27-Jun-09



# Capital Trust Limited

Registered Office :  
No. 21, Indra Bhawan, Indra Colony, Naya Bazar, Lashkar  
Gwalior-474009 (Madhya Pradesh)

## PROXY FORM

Client ID\*..... DP ID No\*.....  
L.F. No.(s)..... No. of Shares hold .....

I/We ..... of ..... being member / members of  
Capital Trust Limited hereby appoint..... of.....  
of failing him / her ..... of .....  
as my / our proxy to attend and vote for me / us and on my / our behalf at the 23rd Annual General Meeting of  
the Company to be held on Friday, the 04th September, 2009 at 3:00 P.M. at Hotel Shelters Padav, Gwalior.  
Signed this ..... day of ..... 2009

Signed by said .....  Affix One Rupee Revenue Stamp

NOTE : A member may sign this from and send it to the Registered Office of the Company so as to reach atleast 48 hours before the time for holding the meeting.



## ATTENDANCE SLIP

# Capital Trust Limited

Registered Office :  
No. 21, Indra Bhawan, Indra Colony, Naya Bazar, Lashkar  
Gwalior-474009 (Madhya Pradesh)

Client ID\*..... DP ID No\*.....  
L.F. No.(s)..... No. of Shares hold .....

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING  
HALL. Joint Shareholders may obtain additional Attendance Slips on request.  
Name & Address of Shareholders/Proxy .....

I hereby record my presence at the 23rd Annual General Meeting of the Company to be held on Friday, the 04th September, 2009 at 3:00 P.M. at Hotel Shelters Padav Gwalior

## SIGNATURE OF THE SHAREHOLDER OR PROXY\*

\* Applicable for members holding shares in electronic form  
\*\*Strike out whichever is not applicable

**CAPITAL TRUST LIMITED**

# BOOK POST

*If undelivered please return to :*

**Capital Trust Limited**

Capital Trust House,  
47, Community Centre,  
Friends Colony, New Delhi-110025