

**20th
ANNUAL REPORT
2010 - 2011**



PRO FIN CAPITAL SERVICES LTD.



Board of Directors

Rajan Sehgal (upto 18th February 2011)

Anita Sehgal (upto 18th February 2011)

Manju Dhaliwal (up to 28th March 2011)

R K Aggarwal (up to 28th March 2011)

Anupam Narain Gupta

(from 16th February 2011) - Managing Director

Abhay Narain Gupta

(from 16th February 2011) - Joint Managing Director

Sandesh Madhukar Sawant

(from 16th February 2011)

Ashish Nandkishore Taparia

(from 16th February 2011)

Auditors :

G S A & Associates

Chartered Accountants

Bankers :

HDFC Bank Limited

Punjab National Bank

Registered Office :

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

Contents

Page No.

Notice	1
Directors' Report	4
Management Discussion & Analysis Report	6
Report on Corporate Governance	7
Auditor's Report	15
Balance Sheet	18
Profit & Loss Account	19
Schedules	20
Cash Flow Statement	31
Balance Sheet Abstract	32

Registrar and Transfer Agents :

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

NOTICE

NOTICE is hereby given that the 20th Annual General meeting of the Company will be held on Tuesday, 27th September 2011 at S-4, JVTs Garden, Chhatarpur Extension, New Delhi 110074 at 10.00 am to transact the following business:

ORDINARY BUSINESS

- 1 To receive, consider and adopt the audited balance sheet as at 31st March 2011 and the profit and loss account for the year ended on that date and the report of the Directors and Auditors thereon.
- 2 To consider and if through fit to pass with or without amendment the following resolution as an ordinary resolution
RESOLVED THAT M/s. Mahesh Tejwani, Chartered Accountant (Membership No. 37194) be and is hereby appointed as the auditor of the Company in the casual vacancy caused by the resignation of the present auditor, GSA Associates, from the conclusion of this annual general meeting till the conclusion of the next annual general meeting on such remuneration as may be fixed by the Board of Directors.

SPECIAL BUSINESS

- 3 To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
RESOLVED THAT Shri Anupam Narain Gupta, who was appointed as an additional director and who holds the office of director upto the date of this annual general meeting and in respect of whom a notice has been received from a member proposing his candidature be and is hereby appointed as a director liable to retire by rotation.
- 4 To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
RESOLVED THAT Shri Abhay Narain Gupta, who was appointed as an additional director and who holds the office of director upto the date of this annual general meeting and in respect of whom a notice has been received from a member proposing his candidature be and is hereby appointed as a director liable to retire by rotation.
- 5 To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
RESOLVED THAT Shri Sandesh Maduhkar Sawant who was appointed as an additional director and who holds the office of director upto the date of this annual general meeting and in respect of whom a notice has been received from a member proposing his candidature be and is hereby appointed as a director liable to retire by rotation.
- 6 To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
RESOLVED THAT Shri Ashish Nadkishore Taparia who was appointed as an additional director and who holds the office of director upto the date of this annual general meeting and in respect of whom a notice has been received from a member proposing his candidature be and is hereby appointed as a director liable to retire by rotation.
7. To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
RESOLVED THAT pursuant to the provisions of Section 269 of the Companies Act 1956 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, Shri Anupam Narain Gupta be and is hereby appointed as the Managing Director of the Company for a period of 5 years from 19th February 2011.
RESOLVED FURTHER THAT the intention of Shri Anupam Narain Gupta not to draw any remuneration as the Managing Director from 19th February 2011 till the Board decides otherwise be and is hereby noted and that the Board of Directors be is hereby authorized to fix his remuneration as per provisions of Schedule XIII to the Companies Act 1956.
- 8 To consider and if thought fit to pass with or without modification the following resolution as an ordinary resolution:
RESOLVED THAT pursuant to the provisions of Section 269 of the Companies Act 1956 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, Shri Abhay Narain Gupta be and is hereby appointed as the Joint Managing Director of the Company for a period of 5 years from 19th February 2011.
RESOLVED FURTHER THAT the intention of Shri Anupam Narain Gupta not to draw any remuneration as the Joint Managing Director from 19th February 2011 till the Board decides otherwise be and is hereby noted and that the Board of Directors be is hereby authorized to fix his remuneration as per provisions of Schedule XIII to the Companies Act 1956.

By order of the Board

Managing Director

**Mumbai
30th May 2011**

Registered office:

S-4, JVTs Garden, Chhatarpur Extension, New Delhi 110074

**NOTES**

- 1 A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY
- 2 The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
- 3 The explanatory statement in respect of items No. 2 to 8 in the notice is annexed hereto.
- 4 Members/proxies should bring duly filled attendance slip and the printed annual accounts sent herewith.
- 5 For the purpose of the annual general meeting the register of members and the share transfer books of the Company will be closed from Saturday 17th September 2011 to Tuesday 27th September 2011, both days inclusive.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT 1956**Item No. 2**

The present auditors, M/s GSA Associates have expressed the desire not to seek reelection at this general meeting. The Company has received a special notice from a member proposing the candidature of M/s Mahesh Tejwani, Chartered Accountant as the Auditor of the Company from the conclusion of this annual general meeting till the conclusion of the next annual general meeting. The Company has received the notice of eligibility from M/s Mahesh Tejwani pursuant to section 224 (1) (B) of the Companies Act 1956

The special notice received from a member is available for inspection at the registered office of the Company between 11.00 am to 1.00 pm during weekdays.

None of the directors is concerned or interested in the resolution. The Board recommends the resolution for the approval of the members.

Item Nos. 3, 4, 5 and 6

As the members may be aware the control and management of the Company has been taken over by Shri Anupam Narain Gupta and Shri Abhay Narain Gupta and their associates (Gupta Group). Gupta Group has complied with the provision of SEBI SAST regulations. The take over became effective from 16th February 2011. The four directors, namely Shri Anupam Narain Gupta, Shri Abhay Narain Gupta, Shri Sandesh Madhukar Sawant and Shri Ashish Nandkishore Taparia have been appointed as additional Directors. The other directors, namely, Shri Rajan Sehgal, Smt Anita Sehgal, Smt. Manju Dhaliwal, and Shri RK Agarwal had resigned.

As Shri Anupam Narain Gupta, Shri Abhay Narain Gupta, Shri Sandesh Madhukar Sawant and Shri Ashish Nandkishore Taparia have been appointed as additional Directors, they hold office till the date of the ensuing annual general meeting.

The Company has received separate notices from members proposing their candidature together with deposit of Rs. 500 for each of the above directors under provisions of section 257 of the Companies Act 1956.

Shri Anupam Narain Gupta and Shri Abhay Narain Gupta who is the former's relative may be deemed to be interested in the resolution in item No.3.

Similarly, Shri Abhay Narain Gupta and Shri Anupam Narain Gupta who is the former's relative may be deemed to be interested in the resolution in item No.4.

As regards resolutions at item No. 4 and 5, except the concerned director, none of the other directors is concerned or interested in the resolution. The Board recommends the resolutions at items No3,4, 5 and 6 for the approval of the members.

Item No. 7

The reconstituted Board at the meeting held on 19th February 2011 has appointed Shri Anupam Narain Gupta as the Managing Director for a period of 5 years from 19th February 2011. At the request of Shri Anupam Narain, the Board has decided not to pay any remuneration to him till the Company streamline its operations. Hence as a Managing Director, Shri Anupam Narain Gupta does not draw any remuneration presently.

Shri Anupam Narain Gupta and Shri Abhay Narain Gupta, who is the relative of the former may be deemed to be interested in the resolution. None of the other directors is concerned or interested. The Directors recommend the resolution for the approval of the members.

Item No. 8

The reconstituted Board at the meeting held on 19th February 2011 has appointed Shri Abhay Narain Gupta as the Joint Managing Director for a period of 5 years from 19th February 2011. At the request of Shri Abhay Narain Gupta, the Board has decided not to pay any remuneration to him till the Company streamline its operations. Hence as the Joint Managing Director, Shri Abhay Narain Gupta does not draw any remuneration presently.

Shri Abhay Narain Gupta and Shri Anupam Narain Gupta, who is the relative of the former, may be deemed to be interested in the resolution. None of the other directors is concerned or interested. The Directors recommend the resolution for the approval of the members.

By order of the Board

Managing Director

Mumbai
30th May 2011

Registered office:

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

Annexure to items 3, 4, 5 and 6 of the notice

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

Name of Director	Mr. Anupam N Gupta	Mr. Abhay N Gupta	Mr. S M Sawant	Mr. A N Taparia
Date of Birth	27th May 1976	30th August 1981	15th August 1968	23/11/1982
Nationality	Indian	Indian	Indian	Indian
Date of Appointment	16/2/2011	16/02/2011	16/02/2011	16/02/2011
Qualification	B. Com	B.Com	B A Diploma in Automobile Engineering	B. Com
Experience	12 years experience In equity analysis Dealing in Capital market	7 years experience in equity analysis, dealing in capital market	11 years experience, In equity research, retail marketing, stock exchange	7 years experience in hospitality Business
Number of Shares held in the Company	50000	Nil	Nil	Nil
Other Director Ships	Ambe Securities Pvt. Ltd Triyamb Securities Pvt. Ltd Pro Fin Commodities Pvt. Ltd	Ambe Securities Pvt. Ltd Triyamb Securities Pvt. Ltd Pro Fin Commodities Pvt. Ltd	Nil	Rajadhani Thali Palace Pvt. Ltd Maheshwari Foods and Hospitality Pvt. Ltd.

DIRECTORS REPORT

To
The Members of Pro Fin Capital Services Limited

Your directors present the 20th Annual report with audited accounts for the year ended 31st March 2011.

Change in Management

The management and control of the Company has been changed. The Board of Directors has been duly reconstituted from 16th February 2011. In effecting the change, SEBI SAST regulations have been fully complied with. As the change took place towards the lag end of the financial year, the results may not reflect the business strategy of the new management.

FINANCIAL RESULTS :

(Rupees in lacs)

Details	Financial year ended 31st March 2011	Financial year ended 31st March 2010
Gross Income	9.19	31.53
Profit/(loss) for the year	(54.91)	(12.38)
Profit/(loss)brought forward from previous year	(225.57)	(213.19)
Profit/(loss) carried forward	(280.48)	(225.57)

The new management is considering various business strategies to increase the top line and bottom line during the current financial year.

DIVIDEND

In view of accumulated losses, the Directors do not recommend any dividend for the financial year ended 31st March 2011.

DIRECTORS

Due to Change in control and management of the Company, Shri Rajan Sehgal, Smt. Anita Sehgal, Smt. Manju Dhaliwal and Shri R K Agarwal have ceased to be directors of the Company.

Shri Anupam Narain Gupta, Shri Abhay Narain Gupta, Shri Sandesh Madhukar Sawant and Shri Ashish Nandkishore Taparia have been appointed as Directors. As additional directors they hold the office till the date of the ensuing AGM and seek re appointment.

Shri Anupam Narain Gupta has been appointed as the Managing Director of the Company from 19th February 2011. As the Managing Director he does not intend to draw any remuneration till the Company's business is streamlined.

Shri Abhay Narain Gupta has been appointed as the Joint Managing Director of the Company from 19th February 2011. As the Joint Managing Director he does not intend to draw any remuneration till the Company's business is streamlined.

ISSUE OF WARRANTS ON PREFERENTIAL BASIS

The reconstituted Board has been considering various business strategies and avenues to improve the turnover and profitability of the Company in the years to come. With a view to achieve this goal, the Board has examined various options to raise resources for funding new business activities. The Board has proposed to issue, subject to SEBI regulations, warrants which are convertible into equity shares, on preferential basis to identified non promoter entities. Accordingly, a special resolution under section 81 (1A) of the Companies Act 19546 has been proposed to be passed in accordance with the regulations of The Companies (Passing of the Resolutions by Postal Ballot) Rules 2001. This would be completed before the holding of the 20th Annual General Meeting.

AUDITORS

The present Auditors, M/s.GSA Associates have written to the Company of their intention not to seek reappointment at the ensuing annual general meeting. The Company has received a special notice proposing M/s Mahesh Tejwani, Chartered Accountants as the Auditors of the Company in place of GSA Associates. Members are requested to appoint the auditors and fix the remuneration.

PUBLIC DEPOSITS

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

PARTICULARS OF EMPLOYEES

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

COMPLIANCE CERTIFICATE

Pursuant to section 383A of the Companies Act 1956, Secretarial Compliance Certificate obtained from Shri L Krishnamoorthy, Practising Company Secretary, is annexed to the Directors Report.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- 1 In preparation of the balance sheet and the profit and loss account of the Company, the applicable accounting standards have been followed along with proper explanation relating to material departure
- 2 The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for that period
- 3 The Directors have taken proper and sufficient care for the maintenance of accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- 4 The Directors prepared the accounts for the year ended 31st March 2011 on a going concern basis.

REPORT ON CORPORATE GOVERNANCE

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

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

AUDITORS OBSERVATION

With reference to Auditors observation in para 3(a) of the Audit report, Not No. 10 in Schedule 10 is self explanatory.

LISTING

The Company's shares continue to be listed in the Bombay, Delhi and Calcutta stock exchanges. The Company has paid the listing fees for the financial year ended 2011 -12.

CONSERVATION OF ENERGY

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

FOREIGN EXCHANGE EARNING AND OUTGO

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

ACKNOWLEDGEMENTS

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

By order of the Board

Managing Director

Place : Mumbai

Date : 30th May 2011

MANAGEMENT DISCUSSION AND ANALYSIS

Industry Structure and Trends

The Indian economy did well during the fiscal 2010-11 due to good monsoon, pick up in industrial and agricultural sector. This has resulted a GDP growth rate of about 8.5%. Reflecting the buoyant growth of the economy, the capital market also did well.

The Indian economy is more or less globalised This has advantage at macro level in fine tuning the policy frame work for achieving greater growth. However any adverse global development like natural calamity as has happened in Japan and political upheavels in the Middle East has impacted the growth of India economy. The RBI is faced with the dilemma of increasing inflation resulting in the firming of interest rates. The increasing inflationary tendencies pose a real threat to the fiscal and monetary policy framework.

The Indian capital market witnessed marked volatility during the major part of the fiscal ended 31st March 2011. This has been caused by slow growth of economies in the West, Greek crisis and record level of oil prices due to turbulence in oil producing countries in North Africa and Middle East.

In the context of these development, the Company's business operations which mainly consist of dealing in securities were affected during the year ended 31st March 2011 leading to lower turn over and loss.

Opportunities and Threats

The new management of the Company has been evaluating various business strategies to improve the top and bottom line of the operations.

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

Segment wise or product wise performance

The company is now exploring new businesses opportunities. The Company is presently operating in the financial markets segment only.

Outlook

The Indian economy has strong fundamentals as witnessed by robust growth in income and profitability of corporates as may be seen from the various corporate results declared for the fiscal 2011.

The general outlook of the Capital Market remains conducive for investments.

Risks & Concerns

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

Internal Control System

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

Financial Performance

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

For and on behalf of the Board of Directors

Place : Mumbai
Date : 30th May 2011

Anupam Narain Gupta
Managing Director

REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010 - 2011

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

Philosophy and code of governance

The Company firmly believes in good Corporate Governance. The Company has been following the regulatory compliances with strong emphasis on Corporate Governance to protect investors interests in letter and spirit.

PCSL's main objective is to follow practices of good corporate governance in order to safeguard the interest of the Company and its stakeholders.

Board of Directors

Composition

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

Category of Directors

S. No.	Name of Directors	Designation	Category of Directorship	Committee Membership	Committee Chairmanship
1.	Rajan Sehgal @	Managing Director	Managing Director (Promoter - Executive)	1. Audit Committee 2. Shareholder Transfer and Shareholders'/ Investors Grievance Committee till 03.10.2009	
2.	Anita Sehgal #	Joint Managing Director	Joint Managing Director (Promoter - Executive)	1. Shareholder Transfer and Shareholders'/Investors Grievance Committee 2. Remuneration Committee	Shareholder transfer/investor Grievance Committee till
3.	Manju Dhaliwal \$	Director	Non Executive Director (Independent Director)	1. Shareholder Transfer and Shareholders'/ Investors Grievance from 03.10.2009 2. Remuneration Committee 3. Audit Committee	Remuneration Committee
4.	R. K. Aggarwal &	Director	Non Executive Director (Independent Director)	1. Audit Committee 2. Remuneration Committee 3. Shareholder Transfer and Shareholders'/ Investors Grievance Committee	Audit Committee Shareholder transfer/investor Grievance Committee from 03.10.2009
5.	Anupam Narain Gupta +	Managing Director	Promoter Group	Remuneration Committee	

S. No.	Name of Directors	Designation	Category of Directorship	Committee Membership	Committee Chairmanship
6.	Abhay Narain Gupta +	Joint Managing Director	Promoter Group	1. Audit Committee 2. Share transfer and Shareholders/Investors Grievance Committee	
7.	Sandesh Madhukar Sawant +	Director	Independent	1. Audit Committee 2. Remuneration Committee 3. Shareholders Committee	Chairman Chairman Chairman
8.	Asish Nandkishore Taparia +	Director	Independent	1. Remuneration Committee 2. Share Transfer and Shareholders/Investor Grievance Committee	

@ resigned from 18th February 2011

resigned from 18th February 2011

\$ resigned from 28th March 2011

& resigned from 28th March 2011

+ appointed from 16th February 2011

During the financial year 2010 -11 10 Board Meetings were held on the following dates:

10th April 2010, 29th May 2010, 24th Jul 2010, 29th August 2010, 30th October 2010, 29th January 2011, 16th February 2011, 17th February 2011, 19th February 2011 and 28th March 2011.

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

Name of Directors	Attendance Particulars		No. of Directorship and Committee Membership/Chairmanship(1)(2)		
	Board Meeting	Last AGM on 30/09/2010	Other Directorship (1)	Committee Membership (2)	Committee Chairmanship (2)
Rajan Sehgal @	7	Present	1	2	--
Anita Sehgal #	8	Present	2	2	1
Manju Dhaliwal \$	8	Present	2	2	1
R.K. Aggarwal &	8	Present	3	3	2
Anupam Narain Gupta +	4	--	-	-	-
Abhay Narain Gupta +	4	-	-	-	-
Sandesh Madhukar Swawant +	4	-	-	-	-
Ashish Nandkishore Talparia +	4	-	-	-	-

@ resigned from 18th February 2011

resigned from 18th February 2011

\$ resigned from 28th March 2011

& resigned from 28th March 2011

+ appointed from 16th February 2011



Board Procedure

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

Code of Conduct

The Board has approved Code of Conduct for all the directors. The Board members have affirmed the compliance with the Code of Conduct. There are no senior management personnel other than the Managing Director and Joint Managing Director. A declaration to this effect signed by the Managing Director forms part of this report.

Details of directors seeking re appointment

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

Details of shareholding by non-executive directors

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

Audit Committee

Composition

Upto 16th February 2011, the Audit Committee comprised of :

Mr. R K Agarwal	Chairman Independent
Ms. Manju Dhaliwal	Independent
Mr. Rajan Sehgal	Independent

Consequent to the change in the control and management of the Company, the Audit Committee has been reconstituted from 17th February 2011. The Committee comprises the following members:

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

Terms of Reference

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

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



Audit Committee Meetings and Attendance

During the financial year 2010 -11 the Audit Committee met six times on 10th April 2010, 29th May 2010, 24th July 2010, 28th October 2010, 20th January 2011 and 16th February 2011.

Name of Director	No. of Audit Committee Meetings attended
Sh. R. K. Aggarwal, Chairman @	Six
Sh. Rajan Sehgal, Member \$	Six
Mrs Manju Dhaliwal Member \$	Six

@ resigned from 18th February 2011

\$ resigned from 28th March 2011

Remuneration Committee

During financial year 2010-11, no director was paid any remuneration either by way of salary or commission or sitting fees. Hence no meeting was held.

Consequent to the change in the control and management of the Company, the Remuneration Committee has been reconstituted from 17th February 2011. The Committee comprises the following members:

1. Mr. Sandesh Madhukar Sawant Non Executive Independent
2. Mr. Anupam Narain Gupta Executive - Promoter
3. Mr. Ashish Nandkishore Taparaia Non Executive Independent

Shareholders'/ Investors' Grievance Committee

During the financial year 2010 -11, 20 meetings were held on 20th April 2010, 30th July 2010, 10th August 2010, 20th August 2010, 28th August 2010, 15th September 2010, 24th September 2010, 11th October 2010, 20th October 2010, 30th October 2010, 10th November 2010, 20th November 2010, 30th November 2010, 10th December 2010, 20th December 2010, 10th January 2011, 20th January 2011, 31st January 2011, 15th February 2011, 16th February 2011 and 28th February 2011. The details of members of the Committee and the number of meetings attended upto 16th February 2011 are given under:

Name of the Member	Number of meetings attended
Mr. R K Agarwal, Chairman @	20
Ms. Manju Dhaliwal Member \$	20
Ms. Anita Sehgal Member \$	20

@ resigned from 18th February 2011

\$ resigned from 28th March 2011

Consequent to the change in the control and management of the Company, the Shareholders / Investors Grievance Committee has been reconstituted from 17th February 2011. The Committee comprises the following members:

Name of the Member	Number of meetings attended
Mr. Sandesh M Sawant Chairman	one
Mr. Ashish N Taparia Member	one
Mr. Abhay Narain Gupta Member	one

Terms of reference

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

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

8. General Body Meeting

Details of last three Annual General Meetings.

Year	Location	Date & Time
2007-2008	JVTS Gardens, Chattarpur, 'C' Block, Tehsil Mehrauli, New Delhi	29th September, 2008 At 10.00 a.m.
2008-2009	JVTS Gardens, Chattarpur, 'C' Block, Tehsil Mehrauli, New Delhi	29th September, 2009 At 10.00 a.m.
2009-2010	JVTS Gardens, Chattarpur, 'C' Block, Tehsil Mehrauli, New Delhi	30th September 2010 At 10.00 am

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

Postal Ballot

For the financial year ended 31st March 2011 there has been no resolution passed by the Company's shareholders through postal ballot.

Disclosure

Disclosures on materially significant related party transaction

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

Statutory compliances, penalties and strictures

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

Dematerialisation of Shares and Liquidity

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

CEO/CFO Certification

The Managing Director (CEO) has certified to the Board in accordance with clause 49(V) of the listing agreement pertaining to CEO/CFO certification for the financial year ended 31st March 2011. The Company has not appointed CFO.

Means of Communication

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

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

General Shareholders' Information

1. 20th Annual General Meeting

Date and Time	: Tuesday 27th September 2011
Venue	: JVTG Gardens, Chattarpur, 'C' Block, Tehsil Mehrauli, New Delhi- 110074
Financial Calendar	: 01.04.2010 to 31.03.2011
Date of Book Closure	: Saturday 17th February 2011 to Tuesday, 27th September 2011
Dividend Payment Date	: NIL

2. Listing on Stock Exchange

: The Delhi Stock Exchange Association Ltd.
DSE House, 3/1 Asaf Ali Road, New Delhi-110002

The Bombay Stock Exchange Mumbai
Phiroze Jeejeebhoy Towers,
Dalai Street, Mumbai 400001

The Calcutta Stock Exchange
7, Lyons Range, Calcutta-700 001

Stock Code : 511557

3. Market Price Data : High/Low in each month in last financial year

Month	Share Price High Rs	Low Rs.	BSE Sensex Close	Number of shares traded	Total turnover Rs.
April 10	30.00	4.06	17558.71	4	4,239
June 10	5.41	4.47	17700.90	10	13,946
July 10	7.58	5.68	17868.29	7	4,613
August 10	12.88	7.95	17971.12	66	94,86,205
September 10	18.09	13.52	20269.12	137	6,01,660
October 10	19.30	14.75	20032.34	94	4,68,180
Nov 10	18.55	17.85	19521.25	79	4,07,770
Dec 10	18.75	15.90	20509.09	75	3,62,730
January 11	17.90	16.75	18327.76	69	3,02,405
Feb 11	17.85	14.30	17823.40	44	31,26,450
Mar 11	19.85	15.60	19445.22	146	23,54,550

4. Registrar and Transfer Agent

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

4. Distribution of Shareholding as on 31st March, 2011

No. of equity shares held	Shareholders		Share Amount	
	Numbers	% of total	Rs.	% age
Up to 5000	3692	81.90	89,57,000	20.51
5001 to 10000	508	11.27	40,31,000	9.23
10001 to 20000	188	4.17	27,04,000	6.19
20001 to 3000	39	0.87	9,68,000	2.22
30001 to 40000	13	0.29	4,58,000	1.05
40001 to 50000	15	0.33	7,23,000	1.66
50001 to 100000	25	0.55	18,83,000	4.31
100001 and above	28	0.62	239,45,000	54.83
TOTAL	4508	100.00	436,69,000	100.00

6. Shareholding pattern as on 31st March, 2011

S. No.	Category	No. of Shares	% of Held Holding
1.	Promoters Shareholders		
	a. Indian Promoter - Corporate	1218800	27.91
	b. Indian Promoter - Individual	12500	2.86
	Foreign Promoters	Nil	Nil
	Sub - Total	13,43,800	30.77
3.	NON - PROMOTERS HOLDING:		
	Institutional Investors		
	a. Mutual funds & UTI	NIL	NIL
	b. Banks, Financial Institutions		
	Insurance Companies	NIL	NIL
	(Central / State Govt. Insts.		
	Non-Govt. Institutions		
	c. FILs	NIL	NIL
	Sub-Total	NIL	NIL
4.	Others		
	a. Corporate Bodies	688100	15.76
	b. Indian Public - Individuals	2287400	52.39
	c. Others	47600	1.08
	Sub - Total	3023100	69.23
	TOTAL	4366900	100.00

8. Address of Correspondence:

B/306, Everest Chambers, Andheri Kurla Road, -
Marol Naka, Andheri East, Mumbai 400059



DECLARATION

This is to confirm that the Company has adopted a Code of Conduct for its Directors There are no senior employees in the Company.

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all the directors of the Company have confirmed compliance with their respective Codes for the financial year ended 31st March, 2011

For Profin Capital Services Limited

Place : Mumbai

Date : 30th May 2011

Anupam Narain Gupta
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To The Members of
PRO FIN CAPITAL SERVICES LTD.

We have examined the compliance of conditions of Corporate Governance by PRO FIN CAPITAL SERVICES LTD. for the year ended on 31st March 2011 as stipulated in Clause 49 of the listing Agreement of the Company with the Stock Exchanges.

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

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

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

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

L Krishnamoorthy
Practising Company Secretary
C P No 6885

Mumbai
30th May 2011

AUDITORS' REPORT

To the Members of
PROFIN CAPITAL SERVICES LTD.

We have audited the attached Balance Sheet of PROFIN CAPITAL SERVICES LTD. as at 31st March 2011, the Profit and Loss Account and Cash Flow Statements for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibilities is to express an opinion on these financial statements based on our audit.

1. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain rea-sonable assurance about whether the financial statements are free of material misstatements. An Audit includes examining, on a test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
2. As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in term of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in pa-paragraphs 4 and 5 of the said Order, to the extent applicable to the Company.
3. Attention is drawn to
 - a) Note No. 10 of Schedule 10 of Notes on Accounts regarding Deposit of Rs. 20 Lakh given to OTCEI and
4. Further to our comments in the Annexure referred to in paragraph 2 and 3 above, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books.
 - c) The Balance Sheet, Profit Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956
 - e) On the basis of written representations received from the directors, as on 31st March 2011 and taken on record by the Board of directors, we report that none of the directors is disqualified as on 31st March 2011 from being ap-pointed as a director in the terms of clause (g) of sub-section (1) of section 274 of the Companies Act 1956.
 - f) In our opinion and to the best of our information and according to the explana-tions given to us, the said accounts read together with the Significant Account-ing Policies and other notes thereon, give the information required by the Companies Act, 1956, in the manner so required, and present a true and fair view, in conformity with the accounting principles generally accepted in India:
 - (i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March 2011.
 - (ii) In the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date; and
 - (iii) In the case of Cash Flow Statement, of the cash flows for the year ended on that date.

For GSA & Associates
Chartered Accountants

(Sunil Aggarwal)

Partner

M.No. 083899

Place : Mumbai
Date : 30.05.2011

Annexure to Auditors' Report

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

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

- b. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at 31st March 2011 for a period of more than six months from the date of becoming payable.
 - c. According to the information and explanations given to us, the Company has no pending disputed statutory dues as at 31st March 2011 on account of any matters pending before appropriate authorities.
10. Accumulated losses of the Company as at 31st March 2011 are more than fifty per-cent of its net worth. In current year as well as previous year, company has incurred losses.
11. According to the information and explanation given to us, no financial assistance from any financial institutions or Banks or Debenture holders have been taken by the Company. Hence, the provision of clause 4(xi) of the Companies (Auditor's Report) Order 2003, with regard to default in payment of repayment of dues to any financial institution, is not applicable.
12. In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of shares, debenture and other securities.
13. In our opinion and according to the information and explanations given to us, the Company is not a chit fund or a nidhi/ mutual benefit fund/ society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
14. Based on our examination of the records and evaluation of related internal controls, the Company has maintained proper records of transactions and contracts in re-spects of its dealing in shares, securities, debentures and other investments and timely entries have been made therein. The aforesaid securities, in general, have been held by the Company in its own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks or financial institutions.
16. According to the information and explanations given to us, the Company has not obtained any term loans. Hence, provision of clause 4(xvi) of the Companies (Auditor's Report) order, 2003, in respect of proper utilization of funds, is not applicable to the Company.
17. According to the information and explanations given to us and as at 31st March 2011, on an overall examination of the Balance Sheet of the Company, no funds on short-term basis were obtained. Hence, provision of clause 4(xvii) of the Companies (Auditor's Report) order, 2003, in respect of utilization of funds, is not applicable to the Company.
18. 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.
19. The company has issued no debentures and hence clause 4(xix) of the Companies (Auditor's Report) order, 2003, in respect of creation of charge, is not applicable to the Company.
20. The Company has not raised any money by way of public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the financial year.

For GSA & Associates
Chartered Accountants

(Sunil Aggarwal)
Partner
M.No. 083899

Place : Mumbai
Date : 30.05.2011

BALANCE SHEET AS AT 31.03.2011

PARTICULARS	Schedule No.	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
Share Capital	1	43,669,000.00	43669000
Reserve & Surplus	2	500,000.00	500000
		44,169,000.00	44169000
APPLICATION OF FUNDS			
FIXED ASSETS	3		
Gross Block		2,243,791.02	2608173.41
Less : Depreciation		2,061,122.31	2377052.75
Net Block		182,668.71	231120.66
INVESTMENTS	4	9,340,757.44	8542471.06
CURRENT ASSETS, LOANS & ADVANCES	5		
Inventories		1,052,593.11	4152578.56
Sundry Debtors		1,126,297.55	1126297.55
Cash & Bank Balances		2,037,445.12	2386933.87
Loans & Advances		2,691,209.18	5356053.33
(a)		6,907,544.96	13021863.31
LESS : CURRENT LIABILITIES AND PROVISIONS	6		
Current Liabilities & Provisions		310,346.00	183368
(b)		310,346.00	183368
NET CURRENT ASSETS	(a-b)	6,597,198.96	12838495.31
PROFIT & LOSS ACCOUNT		(28,048,374.89)	(22,556,912.97)
		44,169,000.00	44169000
NOTES TO THE ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES	10		

Schedules 1 to 6 and 10 referred to above form an integral part of the Balance Sheet

As per our report of even date
For **G S A & Associates**
Chartered Accountants

For and on behalf of the Board

PRO FIN CAPITAL SERVICES LTD.

(SUNIL AGGARWAL)
Partner
Membership no. 83899

(Abhay Narain Gupta) **(Sandesh M Sawant)**
Jt. Mg. Director Director

Place : Mumbai
Date : 30.05.2011



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

PARTICULARS	Schedule No.	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
INCOME			
Income from Operations			
Profit on Dealing in Securities (Net)	7	705,712.15	1210650.37
Other Income	8	214,082.76	1942363.99
		919,794.91	3153014.36
EXPENDITURE			
Personnel Expenses	9	450,098.00	652390
Administrative & General Exp.	9	949,616.63	1467329.58
Depreciation		48,452.02	53833.57
Loss in Dealing in securities (net)		0.00	0
Diminution in the value of inventory		2,840.02	59485.85
Diminution in the value of investments		0.00	190954.72
Loss on Sale of Long Term Investment		3,230,883.56	0
Loss on dealing of F&O contracts		1,729,366.59	1967117.28
		6,411,256.82	4,391,111.00
Profit / (Loss) Before Tax		(5,491,461.91)	(1,238,096.64)
Income Tax Paid		0.00	0.00
Provision for Fringe Benefit Tax		0.00	0.00
Profit / (Loss) After tax		(5,491,461.91)	(1,238,096.64)
Loss brought forward from Previous year		(22,556,912.98)	(21,318,816.34)
Balance of Loss carried to Balance Sheet		(28,048,374.89)	(22,556,912.98)
Earning Per Equity Share (Face value of Rs. 10 each)			
- Basic & Diluted		(1.26)	(0.28)

NOTES TO THE ACCOUNTS AND SIGNIFICANT ACCOUNTING POLICIES

10

Schedules 7 to 10 referred to above form an integral part of the Profit & Loss Account

As per our report of even date
For **G S A & Associates**
Chartered Accountants

For and on behalf of the Board

(SUNIL AGGARWAL)
Partner
Membership no. 83899

PRO FIN CAPITAL SERVICES LTD.

(Abhay Narain Gupta) **(Sandesh M Sawant)**
Jt. Mg. Director Director

Place : Mumbai
Date : 30.05.2011



SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31.03.2011

PARTICULARS	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
--------------------	---------------------------------------	---------------------------------------

Schedule 1**SHARE CAPITAL****AUTHORISED SHARE CAPITAL**

60,00,000 Equity Shares of Rs.10/- each

60,00,000.0060000000**ISSUED, SUBSCRIBED & PAID UP**

43,66,900 Equity Shares of Rs. 10/- each (*)

43,669,000.00

43669000

(Prev Year 43,66,900 Equity Shares of Rs. 10/- each)

43,669,000.0043669000

* Of above 1,00,000 Equity Shares were allotted as fully paid bonus shares by Capitalisation of General Reserve in earlier years.

Schedule 2**RESERVE AND SURPLUS**

General Reserves - As per last Balance Sheet

500,000.00500000500,000.00500000**Schedule 3****FIXED ASSETS**

PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As on 01.04.2010	Addition during the year	Sale during the year	Total As on 31.03.2011	Up to 01.04.2010	Provided during the period	Sale/ Adjust- ment	Total upto 31.03.2011	As on 31.03.2011	As on 31.03.2010
Furniture & Fixture	641,937.00	0.00	0.00	641,937.00	610951.19	5,608.43	0.00	616,559.62	25,377.38	30985.81
Office Equipments	563,010.00	0.00	0.00	563,010.01	420478.62	19,826.12	0.00	440,304.74	122,705.27	142531.39
Computers	1,035,320.01	0.00	0.00	1,035,320.01	977836.02	22,993.57	0.00	1,000,829.59	34,490.42	57483.92
Cycle	3,524.00	0.00	0.00	3,524.00	3404.46	23.91	0.00	3,428.37	95.63	119.54
Total (Rs.)	2,243,791.01	0.00	0.00	2,243,791.02	2,012,670.29	48,452.02	0.00	2,061,122.31	182,668.71	231,120.66
Previous Year Figures	2,559,173.39	49,000.01	0.00	2,608,173.41	2,323,219.18	53,833.57	0.00	2,377,052.75	231,120.66	235,954.21

Schedule 4**INVESTMENTS**

- Quoted

8,440,756.44

7642470.06

- Unquoted

900,001.00

900001.00

9,340,757.448542471.06

Market Value of Quoted Investments

7,937,594.56

SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31.03.2011 Contd....

PARTICULARS	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
SCHEDULE 5		
A. CURRENT ASSETS		
INVENTORIES		
(At lower of cost or Market value, taken, valued and certified by the Management)	1,052,593.11	4152578.56
	<u>1,052,593.11</u>	<u>4152578.56</u>
SUNDRY DEBTORS		
(Unsecured, Considered good, unless otherwise stated)		
Debts outstanding for a period exceeding six Months	1,126,297.55	1126297.55
	<u>1,126,297.55</u>	<u>1126297.55</u>
CASH & BANK BALANCES		
Cash in hand/Stamp/Imprest	173,809.90	75500.90
Balance with banks in Current Account	1,863,635.22	2311432.97
Balance with banks in FDR Account	0.00	0
	<u>2,037,445.12</u>	<u>2386933.87</u>
Total (A)	<u>4216335.78</u>	<u>7665809.98</u>
B) LOANS AND ADVANCES		
(Unsecured, Considered good, unless otherwise stated)		
Recoverable in cash or in kind or for the value to be received	691,209.18	3350129.00
Security Deposit		
- With NSE	0.00	5924.33
- With OTCEI	2,000,000.00	2000000
Total (B)	<u>2,691,209.18</u>	<u>5356053.33</u>
Grand Total	<u>6,907,544.96</u>	<u>13021863.31</u>
SCHEDULE 6		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors/ Other Liabilities	232,551.00	23551.00
Expenses Payable	77,795.00	159817.00
	<u>310,346.00</u>	<u>183,368.00</u>
PROVISIONS		
Provision for Income Tax for current year	Nil	Nil
TOTAL	<u>310,346.00</u>	<u>183368.00</u>

SCHEDULE FORMING PART OF PROFIT & LOSS ACCOUNT FOR 31.03.2011 Contd....

PARTICULARS	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
SCHEDULE 7		
Opening Stock	4,152,578.56	2106212.16
Purchases	35,310,620.60	4679312.25
	<u>39,463,199.16</u>	<u>6785524.41</u>
Less:- Sold	39,113,592.22	3784110.36
	<u>349,606.94</u>	<u>3001414.05</u>
Less:- Net of Closing Stock	1,052,593.11	4152578.56
	<u>702,986.17</u>	<u>1151164.51</u>

(* including Diminution in value of Inventory of Rs.2840.02
(Previous Year Figure Rs.105,673.92)

SCHEDULE 8**OTHER INCOME**

Dividend on Shares	124,082.76	58644.89
Miscellaneous Income	90,000.00	1766650.00
Interest Income	0.00	117069.10
	<u>214,082.76</u>	<u>1942363.99</u>

SCHEDULE 9**ADMINISTRATIVE AND GENERAL EXPENSES****Personnel Expenses**

Salaries & Establishment	98.00	112,390.00
Directors remuneration	450,000.00	540,000.00
	<u>450,098.00</u>	<u>652390.00</u>

Administrative Expenses

Membership & Subscription	18,863.00	24,459.00
Electricity & Water Charges	38,519.00	52,175.00
Professional charges	214,335.00	28,773.00
Telephone & Communication Expenses	88,329.00	98,325.46
Travelling & Conveyance	119,927.00	84,219.00
Bank Charges/ Interest	4,477.57	1,169.27
Listing Fees	25,120.00	425,883.00
Filing Fees	2,000.00	0.00
SERVICE TAX	0.00	12,000.00
Miscellaneous Exp.	19,547.33	10,120.12

SCHEDULE FORMING PART OF BALANCE SHEET AS ON 31.03.2011 *Contd....*

PARTICULARS		As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
Newspaper, books & periodicals	0.00	3,715.00	
Office upkeep & Maintenance	22,000.00	27,650.00	
Postage & Courier Charges	30,650.00	27,186.00	
Stationery & Computer exp.	113,235.99	149,607.00	
Vehicle Maintenance	0.00	35,149.50	
Business Promotion	35,685.76	45,380.50	
Demat Charges	68,116.15	26,911.15	
Registrar Expenses	29,828.00	16,753.00	
Rent	50,000.00	60,000.00	
Security Transaction Tax	0.00	185,780.00	
Audit Fee	30,432.00	27,575.00	
BROKERAGE+other charges	28,050.83	77,998.58	
Legal fees	0.00	46,500.00	
AGM Expenses	10,500.00	0.00	
		949,616.63	1,467,329.58
		1,399,714.63	2119719.58

SCHEDULE -10**A. SIGNIFICANT ACCOUNTING POLICIES****1. Basis of Accounting and preparation of Financial Statements**

The Financial Statements have been prepared under the historical cost convention, in accordance with the Indian Generally Accepted Accounting Principles (GAAP) and the provisions of the Companies Act, 1956. All Income and Expenditure, having a material bearing on the Financial Statements, are recognized on accrual basis.

2. Use of Estimates

The presentation of financial statements requires estimates and assumption to be made that affect the reported amount of assets and liabilities on the date of financial statements and the reported amount of revenue and expenses during the reporting period. Difference between the actual results and estimates are recognized in which the results are known / materialized.

3. Fixed Assets

Fixed Assets of the Company are valued at cost which includes allocation / apportionment of direct and indirect expenses incurred in relation to such Fixed Assets.

4. Depreciation

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

5. Investment (Long Term)

- a) **Quoted Investment:** Long term investments are valued scrip wise at cost (including expenses & STT incurred there on) unless there is a permanent diminution in the value of securities, in which event, the same has been valued at nominal value of Rs.1/- per company.
- b) **Unquoted investment** has been valued at lower of cost or breakup value. Where the break value is negative or where the annual accounts are not available, the same has been valued at a nominal value of Re. 1/- per company.

6. Stock in Trade (Inventories)**Shares:**

Quoted shares are valued scrip wise at lower of carrying cost or market value (includes the expenses & STT incurred there on).

7. Revenue Recognition

- a) Transactions in respect of Investment / Dealing in Securities are recognised on trade dates
- b) Dividend/interest on debenture, income is accounted for on cash basis.
- c) Profit / Loss on sale of securities are accounted for on weighted average method and is recognized on settlement date. Profit on sale of securities is netted with the loss on sale of securities, if any.

8. Expenditure

Expenses are in general accounted on accrual basis except for ex-gratia, leave encashment. Adequate provisions have been made in the accounts for all known losses and liabilities.

9. Retirement benefit of Employees

- i) **Gratuity** - In accordance with the Indian laws, the Company provides for gratuity, a defined benefit plan covering all employees, who have completed more than 5 years.
- ii) **Leave Encashment** - Encashment of un-availed leaves credit is being done at the year-end.

10. Provision, Contingent Liabilities and Contingent Assets

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

11. Tax on Income

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

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

12. Earning Per Share

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

13. Impairment of Assets

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

14. Miscellaneous Expenditure

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

B. Notes on account**1) a) Contingent liabilities not provided for, in respect of**

- i) Income Tax matter disputed by the Company - NIL (Prev. Year- NIL)
- ii) Guarantees given by the Company on behalf of others - NIL (Prev. Year- NIL)
- iii) In respect of a penalty claim of Rs.1,75,000/- from SEBI u/s 15A of SEBI ACT.
- b) Claim against the Company not acknowledged as Debts Nil (Prev. Year-Nil)
- c) Estimated amount of contracts remaining to be executed i.e. capital commitment (net of advances) not provided for - NIL (Prev. Year- Rs.NIL)

2) Disclosure in terms of Accounting Standards (AS) issued by the institute of Chartered Accountants of India**a. Related Party Disclosures (AS-18)**

- Consequent upon the change in the management control of the Company pursuant to an open offer by the new promoters/Directors, the related parties have undergone changes :

Srl.	Name of the Related Party	Relationship
1	Mr. Anupam Narain Gupta	Key Managerial Personnel & Relative
2	Mr. Narain Kumar Gupta	Key Managerial Personnel & Relative
3	Mrs. Rashi Anand Kedia	Key Managerial Personnel & Relative
4	Mr. Abhay Narain Gupta	Key Managerial Personnel & Relative
5	Triyamb Securities Private Ltd.	Associate Companies



- List of related parties up to 18.02.11

Srl.	Name of the Related Party	Relationship
1	R. Seghal & Co.	Associate Companies
2	Profin Lease & Investments Ltd.	
3	Profin Money Markets Ltd.	
4	Mr. Rajan Sehgal	Key Managerial Personnel
5	Mrs. Anita Sehgal	

- Transaction during the year with related parties:

Nature of Transactions (Excluding reimbursements)	Associate Companies	Key Managerial Personnel (Rs.)	Others	Current Year Total (Rs.)	Previous Year Total (Rs.)
Others	Nil	70500/-	Nil	70500/-	Nil
Expenditure - Salary	Nil	450000	Nil	450000	540000
Rent	Nil	50000	Nil	50000	60000

b. Segment reporting (AS-17)

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

c. Tax on Income (AS-22)

The Company has substantial unabsorbed depreciation and carried forward losses under Tax laws. However, in view of the uncertainty future taxable income and prudent method, the tax effect of timing difference as per AS 22 of ICAI has not been assessed and accordingly deferred tax assets (net of the deferred tax liabilities) has not been recognized in the books as on 31st March 2011.

d. Earnings Per Share (AS - 20)

Basic earnings per share are calculated by dividing the profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. The Company has not issued any potential equity shares, and accordingly, the basic earnings per share and diluted earnings per share are the same.

The disclosure in respect of the earning per share as per AS-20 is as under:-

Class of shares	Basic & Diluted Earnings Per Share (Rs.)	
	31.03.2011	31.03.2010
Profit attributable to the Shareholders	(5,491,461.91)	(1,238,096.63)
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	4,366,900	4,366,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(1.26)	(0.28)
Nominal Value of the shares (Rs.)	10	10

3). Additional information required by Part II of Schedule VI of the Companies Act 1956

a) Quantitative details of principle items

i) Purchase and Sale of Equity Shares held as Stock in Trade

Particulars	31.03.2011		31.03.2010	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	231069	4152578.56	226504	2106212.16
Purchases	247933	35310620.60	39509	4679312.25
Sales	302150	39113592.22	34944	3784110.36
Closing Stock	177152	1052593.11	231069	4152578.56

ii) Details of Purchase and sale of investments during the year ended March 31, 2011

Name of the investment	Purchased during the year		Sold during the Year	
	Quantity	Amount (Rs.)	Quantity	Amount (Rs.)
CHROMATIC INDIA	54000	7193154.07		
RELINFRA			522	424313.30
WWIL			1500	13395.00
JAICORP			200	34468.00
UCO BANK			750	78652.50
TATA MOTORS			192	234311.04
SUZLON			50	2386.50
SRI ADHIKARI BROTHER			1000	53870.00
MAHINDRA SATYAM LTD.			500	31330.00
ROLTA			1100	158488.00
PRAJ IND			750	52830.00
POWERGRID			250	24537.50
PEARL ENGINEERING			1280	4492.80
PARSVNATH DEVELOPERS			7012	206573.52
NUCHEM			9800	52082.00
MOSERBAER			3210	133824.90
JAYSHREETEA			1000	153920.00
INNOVATIVE TECH PACK			3400	168402.00
IDBI			4150	565322.32
GTLINFRA			1250	47404.80
GINIFILA			2500	34325.00
CHAMBELFERT			500	37970.00
FINATECH			100	83275.00
CALS REFN LTD			35000	11200.00
BILT			6750	200639.95
BATAINDIA			750	245895.00
APLAB			3500	110075.00

iii) Details of Investment in Hand

Long Term Investment (Quoted)

SCRIPS	No. of	AS AT 31.03.2011	No of	AS AT 31.03.2010
	Shares	(Rs.)	Shares	(Rs.)
Agritech Hatcheries Ltd.	3000	1.00	3000	1.00
Aplab Ltd.	0	0.00	3500	49000.00
ICICI Bank Ltd.(DEPOSIT IN LSE)	1056	140448.00	1056	140448.00
Innovative Techpack Ltd.	500	21250.00	39000	165750.00
Klnzle India Samal Ltd.	60000	1.00	60000	1.00
Laurel Organics	7000	1.00	7000	1.00
Mukerian Papers Ltd.	3750	42188.00	3750	42188.00
Nova Magnetics Ltd.	3900	1.00	3900	1.00
Nuchem Ltd.	0	0	9800	41650.00
Organic Chem Oil Ltd.	3300	1.00	3300	1.00
Paam Pharmaceuticals Ltd.	3500	1.00	3500	1.00
Pearl Engineering Polymers Ltd.*	0	0.00	1280	40800.00
P M M L	103400	1034000.00	103400	1034000.00
Shree Adhikari Brothers Ltd.	0	0.00	1000	110890.00
UTI Masteshare	816	9710.37	816	9710.37
PARASNATH	0	0.00	3506	1774048.40
TATA MOTORS	0	0.00	192	158158.08
IDBI BANK LTD	0	0.00	4150	509427.02
BATA INDIA	0	0.00	750	208825.00
BILT	0	0.00	6750	240700.00
CHAMBEL FEERT	0	0.00	500	41600.00
FINANCIAL TECH	0	0.00	100	254500.00
GINNI FILA	0	0.00	2500	34125.00
GTL INFRA	0	0.00	1250	99000.00
JAI CORP	0	0.00	200	286480.00
PRAJ IND	0	0.00	750	188062.50
POWR GRID	0	0.00	250	38587.50
ROLTA	0	0.00	1100	391700.00
REL	0	0.00	522	870127.80
SUZLON	0	0.00	50	17375.00
UCO BANK	0	0.00	750	58601.89
WWIL	0	0.00	1500	142500.00
CALS REFN LTD	0	0.00	35000	26950.00
MOSERBAER LTD	0	0	3210	438782.20
MAHINDRA SATYAM LTD.	0	0	500	55910.00
JAYSHREE TEA & IND LTD.	0	0.00	500	172567.30
CHROMATIC INDIA	54000	7193154.07	0	0
Total	244222	8440756.44	308332	7642470.06

SCRIPS	No. of	AS AT 31.03.2011	No of	AS AT 31.03.2010
	Shares	(Rs.)	Shares	(Rs.)
Un Quoted Investment				
Asian Diet Products Ltd.	90,000	900,000.00	90,000	900,000.00
Apex Multitech Ltd.	40,000	1.00	40,000	1.00
Total	130,000	900,001.00	130,000	900,001.00

Total Investment				
Quoted Investment		8440756.44		7642470.06
Un Quoted Investment		900,001.00		900,001.00
Total		9,340,757.44		8,542,471.06
Market Value of Quoted Investment		7937594.56		7724792.10

- b) Sundry debtors include Rs. Nil (Previous Year Rs. Nil) due from companies in which directors are interested as directors.

b) Managerial Remuneration

Managerial Remuneration under Section 198 of the Companies Act, 1956 (included under Personnel Expenditure in Schedule 9)

Particulars	2010-2011 (Rs.)	2009-10 (Rs.)
Salaries	450000	540000

As no commission is payable to Directors, the computation of net profits in accordance with section 309(5) read with section 349 of the companies Act, 1956, has not been given.

- a) Expenditure in Foreign Currency Rs. NIL (Prev Year NIL)
- b) Earning in Foreign Currency Rs. Nil (Prev Year NIL)
- c) Remittance in Foreign Currency Rs. Nil (Prev Year NIL)
4. During the Year, the company has surrendered the ticket of NSE. Now the company is dealing in purchase and sale of shares through approved panel brokers of SEBI.
5. The income Tax Assessment of the company have been completed up to the Assessment Year 2008-09
6. Auditors Remuneration includes:

Particulars	2010-2011 (Rs.)	2009-10 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	27575	27575
b) Out of Pocket Expenses	Nil	Nil

7. Disclosure as required under section 22 of The Micro, Small and Medium Enterprises Development Act, 2006 is nil in respect of all the items specified therein.
8. In the opinion of the management, fall in the market value of Investment is temporary in nature .Therefore no provision for diminution in value of Securities has been considered by the company.
9. **Gratuity** In accordance with the Indian laws, the Company provides for gratuity, a defined benefit plan covering all employees, who have completed more than 5 years. There is no employee in the company who has completed 5 years of services. In view thereof, no provision has been created.

Leave Encashment - Encashment of un-availed leaves credit, if any, is being done at the year-end. Accordingly, no provision is created at the year-end.



10. The company has made a petition with SEBI for the refund of deposit lying with OTCEI which is under process. However, the exchange has demanded due of Rs. 6,85 lakh which has been contended and has not been provided for in the accounts.
11. Debtors are subject to confirmation and reconciliation. In certain cases, the company has filed the civil cases against defaulted parties for recovery of old dues. Which have been decided in the favour of the company? However, in the opinion of the Management, all the debts and advances, including suit filed cases and deposit with OTCEI, are considered good for recovery. Further, balances of Sundry parties, debit or credit, are subject to confirmation / reconciliation. In the opinion of the Management, the Current Assets, Loans and Advances have a value of realization in the ordinary course of the business at least equal to the amount at which they were stated in the Balance Sheet.
12. Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.

13. Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2011	ONE
Pending as on March 31, 2011	NIL

14. Previous year's figures have been rearranged / regrouped wherever necessary.
Schedule 1 to 10 forms an integral part of Balance Sheet and Profit & Loss Account

As per our report of even date
For **G S A & Associates**
Chartered Accountants

For and on behalf of the Board

(SUNIL AGGARWAL)

Partner
Membership no. 83899

PRO FIN CAPITAL SERVICES LTD.

(Abhay Narain Gupta) **(Sandesh M Sawant)**
Jt. Mg. Director Director

Place : Mumbai
Date : 30.05.2011

CASH FLOW STATEMENT AS ON 31ST MARCH, 2011

PARTICULARS	As At 31.03.2011 (Rs.)	As At 31.03.2010 (Rs.)
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	(5,491,461.91)	(1,238,096.63)
Add: Depreciation	48,452.02	53,833.57
Add: Loss/(profit) on sale of Investment(net)	0.00	0.00
Diminution in value of Investment	0.00	0.00
Add: Profit/(Loss) on sale of Fixed Asset	0.00	0.00
Operating profit/(Loss) before working capital Change	(5,443,009.89)	(1,184,263.06)
Decrease/ (Increase) in Trade and Other receivables	2,664,844.15	(16,075.64)
Decrease(Increase) in Inventory	3,099,985.45	(2,046,366.40)
Increase/ (Decrease) in Trade Payables	126,978.00	(56,092.00)
Cash Generated from operations	448,797.71	(3,302,797.10)
Direct Tax/ FBT Paid (net of refund)	0.00	0.00
B) Cash flow from Investing Activities etc	448,797.71	(3,302,797.10)
(Increase)/ Decrease in Fixed Assets	0.00	(49,000.01)
(Increase)/ Decrease of Investments	(798,286.38)	1,113,345.16
Net cash used in investing activities	(798,286.38)	1,064,345.15
C) Cash Flow from Financing Activities		
Proceeds from issue of shares capital	0.00	0.00
Call in arrear received	0.00	0.00
Net Cash outflow from Financing Activities	0.00	0.00
Net Increase in cash and cash equivalents	(349,488.67)	(2,238,451.95)
Cash & Cash Equivalents		
- Opening	2,386,933.88	4,625,385.83
Cash & Cash Equivalents		
- Closing	2,037,445.12	2,386,933.88

As per our report of even date
For **G S A & Associates**
Chartered Accountants

For and on behalf of the Board

(SUNIL AGGARWAL)

Partner
Membership no. 83899

Place : Mumbai
Date : 30.05.2011

PRO FIN CAPITAL SERVICES LTD.

(Abhay Narain Gupta) (Sandesh M Sawant)
Jt. Mg. Director Director



**ABSTRACT OF BALANCE SHEET, COMPANY'S GENERAL BUSINESS PROFILE FOR THE YEAR ENDED 31ST MARCH 2011
AND ADDITIONAL INFORMATION PURSUANT TO PART IV OF SCHEDULE VI TO THE COMPANIES ACT, 1956**

I Registration Details

Registration No.	45045	4504
State Code	55	55
Balance Sheet Date	March 31, 2011	March 31, 2010

II Capital Raised during the Year (Amount, in Rs.Thousand)

Public Issue	Nil	Nil
Right Issue	Nil	Nil
Bonus Issue	Nil	Nil
Private Placement	Nil	Nil

III Position of Mobilisation and Deployment of Funds (Amt. In Rs. Thousand)

Total Assets	44169	44169
Sources of Funds	44169	44169
Paid up Capital	43669	3669
Reserve & Surplus	500	500
Secured Loan	0	0
Unsecured Loan	0	0
Application of Funds		
Net Fixed Assets	183	231
Investment	9340	8542
Net Current Assets	6597	12838
Misc Expenditure	0	0
Accumulated Losses	28048	22557

IV Performance of the Company

Turnover	920	3153
Total Expenditure	6411	4391
Profit / (Loss) before Tax	(5491)	(1238)
Profit / (Loss) after Tax	(5491)	(1238)
Earning per share	(1.26)	(0.28)
Dividend Rate %	Nil	Nil

V Generic Names of Three Principal Products / Services of Company

As per monetary terms)

a) Item Code No. (ITC Code)	Not allotted	Not allotted
b) Product Description	Dealing In Securities	

As per our report of even date

For and on behalf of the Board

For **G S A & Associates**

Chartered Accountants

PRO FIN CAPITAL SERVICES LTD.**(SUNIL AGGARWAL)**

Partner

Membership no. 83899

(Abhay Narain Gupta) (Sandesh M Sawant)

Jt. Mg. Director

Director

Place : Mumbai

Date : 30.05.2011

NO GIFTS, TEA OR SNACKS WOULD BE SERVED

PRO FIN CAPITAL SERVICES LTD.

Regd office: S-4, JVTS Garden, Chattarpur Extension, New Delhi - 110 074.

20th ANNUAL GENERAL MEETING

ATTENDANCE SLIP

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

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

Member's Registered Folio No.....

Name of Proxy (In Block Letters)(To be filled in if proxy attends meeting)

Number of shares held.....

I hereby record my presence at the 20th Annual General Meeting held on 27th September 2011 at 10.00 am at S-4, JVTS Garden, Chattarpur Extension, New Delhi 110074

Please bring your copy of the Annual Report for the Meeting.
Copies of the report will not be distributed at the Meeting.

.....
Signature of Member / Proxy

PRO FIN CAPITAL SERVICES LTD.

Regd office: S-4, JVTS Garden, Chattarpur Extension, New Delhi - 110 074.

Folio No.

(To be filled in by the shareholders)

PROXY FORM

I / We

of

being a member/members of Pro Fin Capital Services Limited hereby appoint Mr/Miss/Ms.....

of in district ofor failing him / her,

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

behalf at the 20th Annual General Meeting to be held on 27th September 2011 and at any adjournment thereof.

(Affix here one rupee revenue stamp)

Signature of member / members.....

Note : The proxy form duly filled in and signed and properly stamped should be deposited at the registered office of the Company 48 hours before the time for the 20th annual general meeting

PRO FIN CAPITAL SERVICES LTD.

B - 306, Everest Chambers,
Andheri Kurla Road, Marol Naka,
Andheri (East), Mumbai - 400 059.