



FORM A

Format of the covering letter for audited annual report to be filed with stock exchange

1 Name of the Company	PRO FIN CAPITAL SERVICES LIMITED
2 Annual financial statement for the year ended	31 st March 2014
3 Type of audit observation	Un-qualified
4 Frequency of observation	Not applicable
To be signed by the Managing Director	<i>[Signature]</i> for PRO FIN CAPITAL SERVICES LTD.

MANAGING DIRECTOR

**23rd
ANNUAL REPORT
2013-2014**



PRO FIN CAPITAL SERVICES LTD.

Board of Directors

ANUPAM NARAIN GUPTA

ABHAY NARAIN GUPTA

SANDESH MADHUKAR SAWANT (UP To 15/10/2013)

NEERAJ KUMAR ARORA

ANANT HARIDAS PALAN (From 15/10/2013)

AUDITORS

Mahesh Tejwani,
Chartered Accountant

Bankers

HDFC BANK
PUNJAB NATIONAL BANK

Registered Office

503, WESTERN EDGE II, WESTERN EXPRESS
HIGH WAY, BORVALI (EAST),
MUMBAI-400066.

Registrar and Transfer Agents:

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

Email Id :

profin.capital1@gmail.com

Web site :

www.profincapital.com

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NOTICE

PRO FIN CAPITAL SERVICES LIMITED

NOTICE is hereby given that the 23rd Annual General meeting of the Company will be held on Tuesday, 30th September 2014 at 503, Western Edge II, Western Express Highway, Borivali East, Mumbai 400066 at 2.00 pm to transact the following business:

1 To receive, consider and adopt the audited balance sheet as at 31st March 2014 and the profit and loss account for the year ended on that date and the report of the Directors and Auditors thereon.

2 To appoint a director in place of Shri Anupam Narain Gupta (DIN 02294687) who retires by rotation and is eligible for re appointment.

3 To appoint auditors and fix their remuneration.

4 RESOLVED THAT Shri Anant Haridas Palan, (DIN 02183592) who was appointed as Director in the casual vacancy caused by the resignation of Shri Sandesh Madhukar Sawant, who would have retired at this meeting had he continued, and in respect of whom the Company has received notice from a member proposing his candidature with requisite deposit, be and is hereby appointed as director and independent director to hold office upto March 31, 2019 with effect from 1st April 2014.

5 To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

RESOLVED THAT Shri Neeraj Kumar Aurora (DIN 00177569) be and is hereby appointed as an independent director of the Company to hold office upto March 31, 2019 with effect from 1st April 2014.

6 To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

RESOLVED THAT, pursuant to section 196 and other applicable provisions, if any, of the Companies Act 2013("the Act") and pursuant to Schedule V of the Act, consent be and is hereby given for payment of remuneration of Rs. 40,000 per month (including all perquisites and benefits) to Shri Anupam Narain Gupta, Managing Director, effective from 1st April 2014.

RESOLVED FURTHER THAT consent is hereby given to the Board of Directors to revise the remuneration of the Managing Director from time to time on recommendation of the Nomination and Remuneration Committee subject to the relevant provisions of the Act read with Schedule V of the Act.

7 To consider and if thought fit, to pass with or without modification the following resolution as an ordinary resolution:

RESOLVED THAT, pursuant to section 196 and other applicable provisions, if any, of the Companies Act 2013 (the Act") and pursuant to Schedule V of the Act, consent be and is hereby given for payment of remuneration of Rs. 40,000 per month (including all perquisites and benefits) to Shri Abhay Narain Gupta, Joint Managing Director, effective from 1st April 2014.

RESOLVED FURTHER THAT consent is hereby given to the Board of Directors to revise the remuneration of the Joint Managing Director from time to time on recommendation of the Nomination and Remuneration Committee subject to the relevant provisions of the Act read with Schedule V of the Act.

8 To consider and if thought fit, to pass with or without modification the following resolution as a special resolution:

RESOLVED THAT pursuant to section 186 and other applicable provisions, if any, of the of the Companies Act 2013("the Act") and the relevant rules made under the said Act consent be and is hereby given to the Board of Directors to give any loan to any person or body corporate, to provide any guarantee or any security in connection with a loan to any body corporate or any person, to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate (collectively referred to as "the investments") notwithstanding such investments may exceed the limits prescribed in section 186 (2) of the Act provided however that the aggregate of such investments at any time shall not exceed rupees two hundred crores.

Mumbai
30th May 2014

By order of the Board
Managing Director

Registered office:
503, Western Edge
Western Express High Way
Borivali East
Mumbai 400066

**Notes:****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**

- 1 The information required to be provided under the listing agreement entered into with the stock exchanges regarding the directors proposed to be appointed /re appointed and the relative explanatory statement pursuant to section 102 of the Companies Act 2013("the Act") in respect of businesses at items 4 to 8, set out above, are annexed hereto.
- 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. Members' attention is drawn to the provisions in section 105 of the Act and the relevant rules regarding appointment of proxies.
- 3 Members/proxies should bring duly filled attendance slip and the printed annual accounts sent herewith.
- 4 For the purpose of the annual general meeting the register of members and the share transfer books of the Company will be closed from Tuesday, 16th September 2014 to Tuesday, 30th September 2014 both days inclusive.

Complaints redressal

The Company has an exclusive email id , namely, harshilshah@profincapital.co.in for lodging complaints, if any, by members

E voting**The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on Tuesday, 23rd September 2014 at 10.00 am and ends on Friday 26th September 2014 at 10.00 am. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date , Monday, 15th September 2014 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none">● Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.● In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).



- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

The Scrutinizer shall within a period not exceeding three working days from the conclusion of e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make his report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

The Scrutinizer will submit his report to the Chairman after completion of the scrutiny. The result of the voting on the resolutions at the meeting will be announced by the Chairman or any person authorized by him within two days of the meeting.

The results declared along with the Scrutinizer's report will be posted on the Company website and communicated to the stock exchanges.

Explanatory statement

As required under section 102 of the Companies Act 2013, the following explanatory statement sets out material facts relating to the business at items 4 to 8 in the accompanying notice dated 30th May 2014.

Item No 4:

The Board at the meeting held on 15th October 2013 appointed Shri Anant Haridas Palan as director in the casual vacancy caused by the resignation of Shri Sandesh Madhukar Sawant. Had Shri Sawant continued, he would have retired at this annual general meeting.

Shri Palan is non-Executive independent director. As per provisions of the Companies Act 2013 and listing agreement,



Shri Palan is proposed to be appointed as an independent director for a period of 5 years from 1st April 2014 to 31st March 2019. The provisions of the Companies Act 2013 relating to retirement of directors do not apply to an independent director.

In the opinion of the Board, Shri Palan satisfies the conditions specified in the Companies Act 2013 and the rules made thereunder for his appointment as an independent director. Copy of draft letter of appointment of Shri Palan as an independent director with the terms and conditions is available for inspection of the members at the registered office of the Company on Mondays through Fridays(excluding public holidays) between 12.30 pm and 2.30 pm.

Shri Palan is B.com. and has about 25 years experience in dealing in securities markets. The Directors consider that the experience of Shri Palan would be of much value to the Company. The other personal details of Shri Palan are separately given in the annexure. The Company has received notice from a member with requisite deposit proposing the name of Shri Anant Haridas Palan as candidate for the office of director.

The Directors recommend the resolution for the approval of members.

Except Shri Anant Haridas Palan, none of the directors is concerned or interested in the resolution.

Item No.5

Shri Neeraj Kumar Arora was appointed a director on 30th May 2013. He is non-executive independent director. As per provisions of the Companies Act 2013 and listing agreement, Shri Arora is proposed to be appointed as an independent director for a period of 5 years from 1st April 2014 to 31st March 2019. The provisions of the Companies Act 2013 relating to retirement of directors do not apply to an independent director.

In the opinion of the Board, Shri Arora satisfies the conditions specified in the Companies Act 2013 and the rules made thereunder for his appointment as an independent director. Copy of draft letter of appointment of Shri Arora as an independent director with the terms and conditions is available for inspection of the members at the registered office of the Company on Mondays through Fridays(excluding public holidays) between 12.30 pm and 2.30 pm. Shri Arora as independent director is not liable to retirement by rotation under the Companies Act 2013. He is required to be appointed as independent director by the members at the annual general meeting. This is not case of appointment of new director and therefore special notice with deposit is not required.

Shri Arora is B.com. and has more than 15 years experience in dealing in securities markets. The Directors consider that the experience of Shri Arora would be of much value to the Company. The other personal details of Shri Arora are separately given in the annexure.

The Directors recommend the resolution for the approval of members.

Except Shri Neeraj Kumar Arora, none of the directors is concerned or interested in the resolution.

Item No 6 and 7:

Shri Anupam Narain Gupta and Shri Abhay Narain Gupta were respectively appointed as the Managing Director and Joint Managing Director from 19th February 2011 after taking over the Company under the present management. Both of them declined to draw any remuneration from the Company. No remuneration was paid to them from the date of their respective appointments till 31st March 2014.

The Nomination and Remuneration Committee (NRC) at its meeting held on 21st April 2014 recommended to the Board payment of suitable remuneration to both the Managing Director and Joint Managing Director as per Schedule V of the Companies Act 2013. Based on the recommendation of the NRC, the Board of directors, at the meeting held on 30th May 2014, fixed a very modest remuneration of Rs. 40,000 (including all perquisites and benefits) per month to the Managing Director and the Joint Managing Director payable from 1st April 2014. After much persuasion, both the Managing Director and Joint Managing Director agreed to accept the modest remuneration. The other terms of appointment are under:

Period of appointment : from 19th February 2011 to 19th February 2016

Duties: Both the Managing Director and the Joint Managing Director he shall have substantial power of management of the Company subject to superintendence, direction and control of the Board of Directors.

Termination: By giving 3 months notice in writing by either side

Revision of remuneration: The Board of Directors shall review and increase the remuneration from time to time subject to the provisions Companies Act 2013 read with Schedule V of the said Act and as recommended by the Nomination and Remuneration Committee.

Both Shri Anupam Gupta and Shri Abhay Gupta are relatives. They are therefore, deemed to be concerned or interested in the other's resolution. None of the other directors are concerned or interested.



The above terms which are in the memorandum are available for inspection of the members during week days between 12.30 pm to 2.30 pm at the registered office.

The directors recommend the resolution for the approval of the members.

Item No.8

Consent of members is sought for enabling the board of directors of the Company for investment in other bodies corporate beyond the limits prescribed in section 186 of the Companies Act 2013. This is purely an enabling resolution and the board may in their discretion invest in other companies as and when good opportunities arise.

None of the directors is concerned or interested in the resolution.

By order of the Board
Managing Director

Mumbai
30th May 2014

Registered office:
503, Western Edge
Western Express High Way
Borivali East
Mumbai 400066

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

Details	Anupam Narain Gupta	Anant Haridas Palan
Date of birth	30/08/1981	1 st May 1957
Nationality	Indian	Indian
Date of appointment	16/02/2011	15/10/2013
Qualification	B. Com	B Com
Experience	15 years in financial and securities markets.	25 years in securities markets
Number of shares held in the Company	4,00,152	Nil
Other Directorships	Ambe Securities Pvt. Ltd., Triyamb Securities Pvt. Ltd Pro Fin Commodities Pvt. Ltd Asian Fintrade Services Private Ltd Asian Commtrade Pvt. Ltd	Nil
DIN	02294699	02183592

Details	Neeraj Kumar Arora
Date of birth	26 th January 1969
Nationality	Indian
Date of appointment	30 th May 2013
Qualification	B. Com
Experience	15 years in financial and securities markets.
Number of shares held in the Company	Nil
Other Directorships	Nil
DIN	00177569



Director's Report

To

The Members of Pro Fin Capital Services Limited

Your directors present the 23rd Annual report with audited accounts for the year ended 31st March 2014.

Business operations

The Company has approval from RBI to conduct the business of non-banking financial company. The Directors are considering various business activities as NBFC within the scope of RBI directions as applicable to the Company.

Financial Results

(Rupees in lacs)

Details	Financial year ended 31st March 2014	Financial year ended 31st March 2013
Gross Income	42.37	22.96
Profit/(loss) for the year	2.52	(0.16)
Profit/(loss)brought forward from previous year	(289.99)	(289.15)
Profit/(loss) carried forward	(287.47)	(289.99)

Dividend

In view of accumulated losses, the Directors do not recommend any dividend for the financial year ended 31st March 2014.

Increase in authorized capital and issue of warrants

The members of the Company at the extra ordinary general meeting held on 7th April 2014 approved the increase in authorized capital of the Company from Rs. 6,00,00,000 to Rs. 8,50,00,000 comprising of 85,00,000 equity shares of Rs. 10 each. The members also approved the consolidation of the face value of Rs.1 per share into Rs. 10 per share.

Pursuant to the special resolution passed at the egm held on 7th April 2014, the directors issued 20,00,000 warrants to a few individuals who are non promoters. These warrants are convertible into equity shares as per SEBI regulations. The warrant holders have paid upfront amount of 25% of the price of shares as per SEBI regulations. These transactions will be given effect to in the financial statement for the year ending 31st March 2015. The moneys raised by issue of warrants and shares would be utilized for Company's business.

Directors

Shri Sandesh Madhukar Sawant has resigned as director. The directors on place on record its appreciation of the services rendered by Shri Sawant. The Board has appointed Shri Anant Haridas Palan in the casual vacancy. Had Shri Sawant continued, he would have retired by rotation at the ensuing annual general meeting. As per provisions of the Companies Act 2013, Shri Anant Haridas Palan retires by rotation. The Company has received a notice proposing the candidature of Shri Palan with requisite deposit.

Shri Abhay Narain Gupta retires by rotation at the ensuing annual general meeting and being eligible offers himself for re appointment.

Auditors

Members are requested to appoint auditors and fix their remuneration. The present auditors M/s. Mahesh



Tejwani, Chartered Accountants are eligible for re appointment. They have furnished the certificate of eligibility under section 224 (1B) of the Companies Act 1956.

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.

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 as 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 2014 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.

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 2014-15.

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.

Mumbai
30th May 2014

By order of the Board

Managing Director



MANAGEMENT DISCUSSION AND ANALYSIS

Over view of the economy

The Indian economy grew by about 4.7% in FY 2014 and this was much below expectation. There was decline all around in core sectors- manufacturing, mining, power generation, petroleum and natural gas and agriculture. On the one hand, the country was faced with slower economic growth and on the other, higher inflation specially in food articles. The rupee was under tremendous pressure resulting in high volatility. The developed economies, such as US and EU also did not do well. The global economy had sluggish growth due to budgetary cuts, austerity measures, leading to high level of unemployment in EU countries.

This has also impacted domestic economy due to slow growth in exports. The growth was affected by increasing inflationary tendencies leading to tight monetary policies. Although, RBI reviewed the monetary policy periodically, concerned with high level of inflation, it pursued a very tight monetary policy resulting in higher interest rates.

At macro level, the economy has to face fiscal deficit, high fuel costs in import of petroleum products, inflation, high interest rates, high volatility in rupee vis a vis US Dollar. Such adverse factors have also impacted the sensex and other indices leading to high level of volatility.

Company's performance

The Company is an NBFC registered with Reserve Bank of India. Its main operations consist giving loans to well rated corporate clients. Its main income consists of interest income. The Company has earned an income of Rs. 42,37,077 during the financial year ended 31st March 2014 as against Rs. 22,96,126 in the previous financial year an increase of about 85%. The net profit after tax amounted to Rs. 2,52,910 during the financial year ended 31st March 2014 compared to Rs. 15,938 last year. Consequent to positive results - increase in interest income and profit after tax- the carried forward loss has been reduced.

Opportunities and Threats

The management of the Company has been evaluating various business strategies to improve the top and bottom line of the operations. The Directors are evaluating various business activities which the Company can profitably undertake.

Whatever the strategy adopted by the Company in the current financial year, the Company's lending activities depend on the over all economic growth of India which is impacted by various macro economic factors like, inflation, firmness in interest rates, growth in global economy, value of rupee, etc.

Segment wise or product wise performance

The company is presently operating in the financial markets segment only.

Outlook

The Indian economy structurally has strong fundamentals despite various adverse factors listed above. With the new government at the Centre, it is hoped that economic growth will get a real push by adopting favourable policies in infrastructure, manufacture, power sector, exports and agriculture. The growth in agriculture depends on timely monsoon. This would lead to positive sentiments in the investors.

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 kind of business which the Company proposes to undertake. Your company proposes to address 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.

For and on behalf of the Board of Directors

Place: Mumbai
Date: 30th May 2014

Anupam Narain Gupta
Managing Director



REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2013 2014

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

The Company has established a Code of Conduct, which will ensure a standard of professionalism and transparency into the Company

Board of Directors

Composition

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

Category of Directors

S. No.	Name of Directors	Designation	Category of Directorship	Committee Membership	Committee chairmanship
1.	Anupam Narain Gupta	Managing Director	Promoter - Executive	Remuneration Committee	Nil
2.	Abhay Narain Gupta	Joint Managing Director	-do-	1 Audit Committee 2 Share transfer and Shareholders/Investor Grievance Committee	Nil
3.	Sandesh Madhukar Sawant (Up to 15/10/13)	Director	Non Executive Director (Independent Director)	1 Audit Committee 2 Remuneration Committee 3 Share Transfer and Shareholders/Investor Grievance Committee	Chairman Chairman Chairman
4.	Neeraj Kumar Arora	Director	-do-	1 Audit Committee 2 Remuneration Committee 3 Share Transfer and Shareholders/Investor Grievance Committee	Nil Nil Nil
5.	Anant Haridas Palan \$ (From 15/10/13)	Director	-do-	1 Audit Committee 2 Remuneration Committee 3 Share Transfer and Shareholders/Investor Grievance Committee	Chairman Chairman Chairman

@ Ceased to be director with effect from 15th October 2013

\$ Appointed as director with effect from 15th October 2013

During the financial year 2013-14, eight board meetings were held on the following dates:

6th April 2013, 8th April 2013, 30th April 2013, 30th May 2013, 7th August 2013, 30th October 2013, 31st January 2014 and 24th February, 2014.

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) in other public companies		
	Board Meeting	Last AGM on 15 th July 2012	Other Directorship in Public Company	Committee Membership (2)	Committee Chairmanship (2)
Anupam Narain Gupta	8	Present	--	--	--
Abhay Narain Gupta	8	Present	-	-	-
Sandesh Madhukar Sawant (Upti 15/10/2013)	5	Present	-	-	-
Neeraj Kumar Arora	8	Present	-	-	-
Anant Haridas Palan from 15/10/2013)	3	---	--	--	--

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 and senior management personnel. The Board members have affirmed the compliance with the Code of Conduct. A declaration to this effect signed by the Managing Director forms part of this report.

Details of directors seeking appointment

Details of directors seeking re appointment/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

The Audit Committee comprises the following members:

1. Mr. Sandesh Madhukar Sawant (Upto 15/10/2013) Chairman Non executive, Independent
2. Mr. Anant Haridas Palan (from 15th October 2013) Chairman, Non executive Independent
3. Mr. Neeraj Kumar Arora Member, Non Executive, Independent
4. Mr. Abhay Narain Gupta Member, Executive, Non independent

The Managing Director attends all audit committee meetings.

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 ended 31st March 2014, the Audit Committee met four times on 30th May 2013, 7th August 2013, 30th October 2013 and 31st January 2014.

Name of Director	No. of Audit Committee Meetings attended
Abhay Narain Gupta	four
Sandesh Madhukar Sawant (upto 15/10/2013)	two
Neeraj Kumar Arora	four
Anant Haridas Palan (from 15/10/2013)	two

Remuneration Committee

The Committee comprises the following members:

Sandesh Madhukar Sawant Non Executive Independent
(Upto 15th October 2013)

Anant Haridas Palan Non executive Independent
(From 15th October 2013)

Anupam Narain Gupta Executive - Promoter

Neeraj Kumar Arora Non Executive Independent

During financial year ended 31st March 2014, no director was paid any remuneration either by way of salary or commission or sitting fees. Hence no meeting was held.

Shareholders'/ Investors' Grievance Committee

The Board has authorized the Managing Director to approve share transfers in physical form and issue of duplicate share certificates. The details of share transfers and duplicate issues are furnished to the Company once a fortnight by the Registrar and Share Transfer Agents. The share certificates after approval are delivered within a period of 15 days.

The Shareholders/Investors Grievance Committee at its meeting takes note of the transfers approved by the Managing Director. The Committee also monitors the complaints received from the shareholders and the redressal of such complaints.

During the financial year 2013-14, four meetings were held on 30th May 2013, 7th August 2013, 30th October 2013 and 31st January 2014. The details of attendance are given below:

Name of the Member	Number of meetings attended
Sandesh Madhukar Sawant, Chairman (upto 15/10/2013)	two
Anant Haridas Palan, Chairman (from 15/10/2013)	two
Neeraj Kumar Arora	four
Abhay Narain Gupta	four

Terms of reference

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

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.



Financial Year ended on	Location	Date & Time
31 st March 2014	503, Western Edge II, Western Express Highway, Borivali East, Mumbai 400066	30 th September 2014, 2.00 pm
31 st March 2013	-Do-	15 th July 2013 at 10.00 am
31 st March 2012	S-4, JVTS Garden Chattarpur Extention, New Delhi 11074	26 th September 2012 at 10.00 am

There was no Extra Ordinary General Body Meeting held during the year ended 31/3/2014.

Postal Ballot

During the financial year ended 31st March 2014, no resolution was passed through postal ballot.

Disclosures

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, CDSL and RTA.

As of 31st March 2014, 58.40% of the total shares remain dematerialized.

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 2014. There is no CFO as on 31st March 2014. The certification has been annexed and forms part of this report..

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

23rd Annual General Meeting

Date and Time	:	Tuesday, 30th September 2014. At 2.00 pm
Venue	:	503, Western Edge II, Western Highway, Borivali East, Mumbai 400066
Tentative financial calendar	:	01.04.2014 to 31.03.2015
First quarter results	:	in the last week of July 2014
Second quarter results	:	in the last week of October 2014
Third quarter results	:	in the last week of January 2015
Year end financial results	:	in the last week of May 2015
Annual general meeting	:	in the last week of September 2015
Date of Book Closure	:	From first week of September to the date of AGM.
Dividend Payment Date	:	Not applicable
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,
Dalal Street, Mumbai 400001
The Calcutta Stock Exchange
7, Lyons Range, Calcutta-700 001

Stock Code in BSE : 511557
INE732K01019

3 Market Price Data : High/Low in each month in financial year 2013-14

Month	Share Price High Rs.	Low Rs.	BSE Sensex Close	Number of shares traded	Total Turnover Rs.
April 2013	87.50	85.40	19504.18	20653	18,37,669
May	99.00	84.00	19760.30	186711	1,75,41,303
June	97.05	78.10	19395.81	99849	91,52,875
July	84.90	54.00	19345.70	418369	2,58,18,615
August	61.00	55.15	18619.72	3 49588	2,04,38,147
September	69.30	61.00	19379.77	207797	1,33,34,814
October	83.50	66.40	21164.62	215272	1,53,15,407
November	90.90	72.35	20791.93	76066	61,78,634
December	93.00	71.60	21170.68	46696	38,28,082
January 2014	98.55	75.00	20513.85	87016	68,28,038
February	116.55	80.40	21120.12	136128	1,44,39,150
March	165.75	110.00	22386.27	357706	5,05,48,720

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.

5 Distribution of Shareholding as on 31st March, 2014

No. of equity shares held	Shareholders		Share Amount	
	Numbers	% of total	Rs.	% age
Up to 5000	3433	82.54	80,63,680	14.75
5001 to 10000	439	10.56	34,76,760	6.35
10001 to 20000	162	3.90	23,61,780	4.32
20001 to 30000	34	0.82	8,46,690	1.55
30001 to 40000	17	0.41	5,89,000	1.07
40001 to 50000	12	0.29	5,71,130	1.04
50001 to 100000	23	0.55	16,29,290	2.98
100001 and above	39	0.94	371,30,670	64.55
TOTAL	4159	100.00	5,46,69,000	100.00



6. Shareholding pattern as on 31st March, 2014

Category	No. of Shares Held	% of Holding
1. Promoters Shareholders		
a. Indian Promoter - Corporate	10,45,554	19.13
b. Indian Promoter - Individual	4,00,152	7.32
Foreign Promoters	Nil	Nil
Sub - Total	14,45,706	26.44
2 NON - PROMOTERS HOLDING:		
Institutional Investors		
a. Mutual funds & UTI	NIL	NIL
b. Banks, Financial Institutions Insurance Companies (Central/ State Govt. Insts. Non-Govt. Institutions	NIL	NIL
c. FIs	NIL	NIL
Sub-Total	NIL	NIL
3 Others		
a. Corporate Bodies	7,47,445	13.68
b. Indian Public - Individuals	32, 62,649	59.68
c. NRI	11,100	0.20
Sub - Total	40,21,194	73.56
TOTAL	54,66,900	100.00

Address of Correspondence : 503. Western Edge II, Western Express Highway,
Borivali East, Mumbai 400066
Telephone: 022-28700270
Fax 022-28702072
Email : profin.capital1@gmail.com



DECLARATION

This is to confirm that Pro Fin Capital Services Limited ('the Company') has adopted a Code of Conduct for its Directors and its senior management personnel

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all directors and senior management personnel of the Company have confirmed compliance with their respective Codes for the financial year ended 31st March, 2014.

Place : New Delhi

Date : 30th May 2014

Anupam Narain Gupta
Managing Director
Pro Fin Capital Services Limited

CEO CERTIFICATION

As required under sub clause V of Clause 49 of the listing agreement with the stock exchanges, we have certified to the Board that for the financial year ended 31st March 2014, the Company has complied with the requirements of the said sub clause.

Anupam Gupta
Managing Director
30th May 2014

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 2014 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 2014



INDEPENDENT AUDITOR'S REPORT

To
The Members of
PRO FIN CAPITAL SERVICES LTD

Report on the Financial Statements

We have audited the accompanying financial statements of PRO FIN CAPITAL SERVICES LTD, ("the company") which comprise the Balance Sheet as at 31/03/2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of financial position, financial performance of the company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act 1956 ("the Act") The responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of financial statements that give a true and fair view and are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

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

Audit involves performing procedure to obtain audit evidence about the amounts and disclosure in the financial statements. The procedure selected depends upon auditor's judgment, including the assessment of the risk of material misstatements of the financial statements, whether due to fraud or error. In making those risk assessment, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedure that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of financial statements.

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

Opinion

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

- (a) in case of the Balance Sheet, of the state of affairs of the Company as at 31/03/2014;
- (b) in case Statement of Profit and Loss Account, of the Profit for the year ended on that date; and
- (c) in case of the Cash Flow Statement , of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. This report doesn't include a statement on the matters specified in paragraph 4 of the Companies (Audi-tor's Report) Order, 2003, issued by the department of company affairs, in terms of section 227 (4A) of the companies Act, 1956 since in Our opinion and according to the information and explanation given to us, the said order is not applicable to the company
2. As required by section 227(3) of the Act, we report that:

- a. We have obtained all 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 examinations of those books;
- c. the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- d. In our opinion , the Balance Sheet, Statement of Profit and Loss, and the Cash Flow Statement comply with the Accounting Standards notified under the act read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013



e. On the basis of written representations received from the directors as on 31/03/2014 and taken on record by the Board of Directors, none of the director is disqualified as on 31/03/2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Mahesh Tejwani

Chartered Accountants

Mahesh Tejwani Proprietor

M.No. 037194

Place-Mumbai

Date: -30-05-2013

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 during the year and the going concern status of the Company is not affected.

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. The Company has obtained Unsecured Loans from Companies, Firms and other parties listed in register maintained under section 301 of the Companies Act 1956, or from Companies under the same management as defined under sub section (1B) of section 370 of the Companies Act 1956. The terms & conditions are not prima facie prejudicial to the interest of the Company. The number of parties are 3(three and amount is Rs 64488500/-

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'2014 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'2014 on account of any matters pending before appropriate authorities.
10. Accumulated losses of the Company as at 31st March 2014 are not more than fifty percent of its net worth. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
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. The Company has maintained proper records of transactions and contracts in respects 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 2014, 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. The company has made preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Act. In our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
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 monies 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 Mahesh Tejwani
Chartered Accountants
(Mahesh Tejwani)
Proprietor

Place : Mumbai
Dated : May 30, 2014



BALANCE SHEET AS AT 31 MARCH, 2014

Particulars	Note	As at 31 March, 2014	As at 31 March, 2013
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	2	54,669,000	50,669,000
(b) Reserves and surplus	3	(12,230,982)	(19,698,891)
(c) Money received against share warrants		-	9,075,500
2 Current liabilities			
(a) Short Term Borrowings	4	64,488,500	
(b) Trade Payables	5	766325	705909
(c) Other current liabilities	6	72,845	32,975
TOTAL		<u>107,765,689</u>	<u>40,784,493</u>
B ASSETS			
1 Non-current assets			
(a) Fixed assets	7		
(i) Tangible assets		99,728	120,436
(ii) Intangible assets		-	231,630
(b) Long term Loans & Advances	8	4,068,797	3,792,628
2 Current assets			
(a) Non Current investments	9	-	7,209,398
(b) Inventories	10	8,136,398	927,000
(c) Trade receivables	11	1,063,424	1,063,424
(d) Cash and cash equivalents	12	1,042,294	459,727
(e) Short-term loans and advances	13	93,355,048	26,980,250
TOTAL		<u>107,765,689</u>	<u>40,784,493</u>
Accompanying notes forming part of the financial statements	1		

In terms of our report attached.
For MAHESH TEJWANI
Chartered Accountants

For and on behalf of the Board of Directors

MAHESH TEJWANI
PROPRIETOR
MNO :-37194
Place : Mumbai
Date : 30-05-2014

Managing Director

Jt Managing Director



STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2014

Particulars	Note	For the year ended 31 March, 2014 Rs.	For the year ended 31 March, 2013 Rs.
1 Revenue from operations		0	0
2 Other income		4237077	2296126
3 Total revenue (1+2)		4237077	2296126
4 Expenses			
(d) Employee benefits expense	14	1659000	1280000
(f) Depreciation and amortisation expense		20708	26756
(g) Other expenses	15	2243460	973432
Total expenses		3923168	2280188
5 Profit / (Loss) before tax (3 - 4)		313,910	15,938
6 Tax expense:		61,000	-
7 Profit / (Loss) for the year (5 - 6)		252,910	15,938
8 Earnings per share (of ` 10/- each):			
(a) Basic & diluted		0.046	0.003
Accompanying notes forming part of the financial statements	1		

In terms of our report attached.

For MAHESH TEJWANI
Chartered Accountants

For and on behalf of the Board of Directors

MAHESH TEJWANI
PROPRIETOR
MNO :-37194
Place : Mumbai
Date : 30-05-2014

Managing Director

Jt Managing Director

**CASH FLOW STATEMENT AS ON 31ST MARCH, 2014**

PARTICULARS	AS AT	AS AT
	31.03-2014	31.03-2013
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	252,910.00	15,938.00
Add: Depreciation	20,708.00	26,756.00
Add: Loss/(profit) on sale of Investment(net)	0.00	0.00
Dimunation 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	<u>273,618.00</u>	<u>42,694.00</u>
Decrease/ (Increase) in Trade and Other receivables	0.00	0.00
Decrease/ (Increase) in Long Term Loans & Advances	(276,169.00)	190,340.00
Decrease/ (Increase) in Short Term Loans & Advances	(66,374,798.00)	(16,502,130.00)
Decrease(Increase) in Inventory	0.00	0.00
Increase/ (Decrease) in Other Current Liabilities	39,870.00	32,766.00
Increase/ (Decrease) in Trade Payables	60,416.00	389,078.00
Cash Generate from operations	<u>(66,277,063.00)</u>	<u>(15,847,252.00)</u>
Direct Tax/FBT Paid (net of refund)	0.00	0.00
B) Cash flow from Investing Activities etc	<u>(66,277,063.00)</u>	<u>(15,847,252.00)</u>
(Increase)/ Decrease in Fixed Assets	231,630.00	
(Increase)/ Decrease of Investments		
Net cash used in investing activities	<u>231,630.00</u>	<u>0.00</u>
C) Cash Flow from Financing Activities		
Proceeds from issue of share warrants		
Increase in Share Premium	4,972,000.00	8,701,001.00
Increase in Reserves (shares warrant deferred)	2,243,000.00	
Decrease in Share Warrants	(9,075,500.00)	
Increase in Short Term Borrowings	64,488,500.00	
Increase in Share capital(Net of share warrants conversion)	4,000,000.00	6,764,437.00
Net Cash outflow from Financing Activities	<u>66,628,000.00</u>	<u>15,465,438.00</u>
Net Increase in cash and cash equilents	582,567	(381,814)
Cash & Cash Equivalent		
- Opening	459,727	841,541
Cash & Cash Equivalent		
- Closing	1,042,294	459,727

In terms of our report attached.
For MAHESH TEJWANI
Chartered Accountants

For and on behalf of the Board of Directors

MAHESH TEJWANI
PROPRIETOR
MNO :-37194
Place : Mumbai
Date : 30-05-2014

Managing Director

Jt Managing Director



NOTES FORMING PART OF FINANCIAL STATEMENT AS ON 31 MARCH, 2014

The Previous Year Figures Have been regrouped / reclassified wherever necessary to confirm to the current year presentation

	As at 31.3. 2014 Rs.	As at 31.3.2013 Rs.
Note 2		
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
60,00,000 Equity Shares of Rs.10/- each	<u>60,000,000</u>	<u>60,000,000</u>
ISSUED		
54,66,900 Equity Shares of Rs. 10/- each fully paid	<u>54,669,000</u>	<u>50,669,000</u>
SUBSCRIBED & PAID UP		
54,66,900 Equity Shares of Rs. 10/- each fully paid	54,669,000	50,669,000
TOTAL	<u>54,669,000</u>	<u>50,669,000</u>

		As at 31.3. 2014 Rs.		As at 31.3.2013 Rs.
EQUITY SHARE WARRANTS	Number	Amount	Number	Amount
Share warrants exercisable on or before 09th April 2013 for one equity share of Rs 10/- each fully paid -up @ Rs 22.43/- per share	0.00	0	8,00,000	9,075,500

Note 2 (a) Reconciliation of number of shares

Particulars	As at 31st March 2014		As at 31st March 2013	
	No. of Shares Held	Rs	No. of Shares Held	Rs
Equity Shares:				
Shares At the Beginning of the year	5,066,900	50,669,000	4,366,900	43,669,000
Add: Shares Issued during the year	400,000	4,000,000	700,000	7,000,000
Shares At the End of the year	5,466,900	54,669,000.00	5,066,900	50,669,000.00

Note 3 (b)

Details of shares held by shareholders holding more than 5% of the aggregate shares in the company

Name of the shareholder	As at 31st March 2014		As at 31st March 2013	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	400,152	7.32	549,952	10.85
TRIYAMB SECURITIES PVT LTD	1,045,554	19.13	1,218,800	24.05
ASAIN FINTRADE PVT LTD	285,988.00	5.23		

1.1 1,00,000 Equity Shares out of the issued, subscribed & paid up share capital were allotted as fully paid bonus shares by Capitalisation of General Reserve in earlier years

1.2 2,00,000 Equity shares were issued on 06-04-2013 & 08-04-2013 on conversion of share warrants issued on 10th Oct 2011 on Preferential Allotment basis

**Note 3**

RESERVE AND SURPLUS	AS AT		AS AT
	31-03-2014		31-03-2013
General Reserves - As per last Balance Sheet	500,000		500,000
Share Premium			
Opening Balance	8,701,001		-
Add: Additions During the year	4,972,000		8,701,001
Closing Balance	<u>13,673,001</u>		<u>8,701,001</u>
Profit & Loss Account			
Opening balance	(28,899,892)	(28,915,830)	
Add: Preferential Share			
Warrants Deffered	2,243,000		
Add: Profit / (Loss) for the year	252,910	(26,403,983) 15,938	(28,899,892)
TOTAL	<u>(12,230,982)</u>		<u>(19,698,891)</u>

Note 3a**Preferential Allotment application**

A sum of 22,43,000 is the amount received on share warrants issued on preferential allotment basis on 10th October 2011 have been forfeited as balance 75% was not received by the company

Note 4**SHORT TERM BORROWINGS
UNSECURED LOANS****From Related Parties**

Abhay Gupta	518000		
Anupam Gupta	12465500		
Asain Fin Trade Services Pvt Ltd	1300000	14283500	

From Others

50205000

TOTAL644885000**Note 5****TRADE PAYABLES**

Acceptances			
Other than Related Parties	497825		292159

Related Parties

Neha Gupta	198000	343250	
Anupam Gupta	70500	268500 70500	413750

TOTAL766325705909**Note 6****OTHER CURRENT LIABILITIES**

Income Tax Provision Asyr 2014-15	61000		
Statutory Liabilities	11845		32975

TOTAL7284532975



Note 7

Fixed Assets

i) Tangible assets

Particulars.	RATE OF DEPRECIATION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS ON	ADDITION	SALE	TOTAL	UPTO	Provided	SALE/	Total upto	AS ON	AS ON
		01-04-2013	DURING	DURING	AS ON	01-04-2013	During the	ADJUST	31-03-2014	31-03-2014	31-03-2013
		THE YEAR	THE YEAR	31-03-2014		year	MENTS				
Furniture & Fixture	18.10%	641,937	0	0	641,937	624,917	3,080	0	627,997	13,940	17,020
Office Equipments	13.91%	563,010	0	0	563,010	472,069	12,648	0	484,717	78,293	90,941
Computers	40.00%	1,035,320	0	0	1,035,320	1,022,906	4,968	0	1,027,874	7,446	12,414
Cycle	20.00%	3,524	0	0	3,524	3,463	12	0	3,475	49	61
Total (Rs.)		2,243,791	0	0	2,243,791	2,123,355	20,708	0	2,144,063	99,728	120,436
Previous Year Figures		2,243,791	0	0	2,243,791	2,096,599	26,756	0	2,123,355	147,192	120,436
j) Intangible assets											
NSE Membership Card Processing fees		231,630	0	231,630	0	0	0	0	0	0	0
Previous year figures		231,630	0	0	231,630	0	0	0	0	231,630	231,630

Note 8

LONG TERM LOANS & ADVANCES	AS AT	AS AT
	31-3-2014	31-3-2013
a) Security Deposit (unsecured considered Good)	2003000	2103000
Other Than Related Parties		
Related Parties		
Rashi Gupta	1356750	1200000
b) TDS & income tax	644353	409934
c) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances (unsecured considered Good)	22200	37200
TOTAL	4068797	3792628

Note 9

NON CURRENT INVESTMENTS	AS AT	AS AT
	31-03-2014	31-03-2013
TRADE		
- Quoted	—	6,309,397
- Unquoted	—	900,001
TOTAL	—	7,209,398



Market Value of Quoted Investments	4,026,831	4,931,873
Note10		
INVENTORIES	AS AT	AS AT
	31-03-2014	31-03-2013
INVENTORIES (At lower of cost or Market value, taken, valued and certified by the Management)	81,36,398	927,000
TOTAL	<u>81,36,398</u>	<u>927,000</u>
Note11		
TRADE RECEIVABLES	AS AT	AS AT
	31-03-2014	31-03-2013
Debtors exceeding Six Month (unsecured considered Good)	1,063,424	1063424
TOTAL	<u>1,063,424</u>	<u>1,063,424</u>
Note12		
CASH & CASH EQUIVALENTS	AS AT	AS AT
	31-03-2014	31-03-2013
CASH IN HAND	52,324	357,824
BALANCE WITH BANKS	989,970	101,903
TOTAL	<u>1,042,294</u>	<u>459,727</u>
Note13		
SHORT TERM LOANS & ADVANCES	AS AT	AS AT
	31-03-2014	31-03-2013
(Unsecured, Considered Good)	93355048	26980250
TOTAL	<u>93355048</u>	<u>26980250</u>
Note14		
EMPLOYEE BENEFIT EXPENSE	AS AT	AS AT
	31-3-2014	31-3-2013
Salaries & Establishment Other Than Related Party	1,263,000	12,80,000
Related Party	396,000.00	
TOTAL	<u>1,659,000.00</u>	<u>12,80,000</u>

**Note15****OTHER EXPENSES**

Other than Related Party	AS AT 31-03-2014	AS AT 31-03-2013
Membership & Subscription	63,483	40,910
Electricity & Water Charges	170,053	78,730
Professional charges	419,788	129,447
Telephone & Communiacion Expenses	84,718	34,453
Travelling & Conveyance		
Bank Charges/ Interest	637	306
Listing Fees	5,899	-
Filing Fees	5,500	3,000
Accounting Charg.	15,000	30,000
Cable charges	4,950	23,370
Advertisement Exp.	111,464	209,446
Processing Fees	231,630	
Postage & Courier Charges	11,086	26,687
Stationery & Computer exp.	83,424	45,102
Business Promotion	-	-
Demat Charges	26,000	-
Registrar Expenses	-	-
Audit Fee	28,090	28,090
Mis Expenses	21,738	-
AGM Expenses	-	18,500
Website Exp.	-	5,391
Loss on Sale of Long Term Investment	-	-
Dimunication in the value of inventory	-	-
Loss on dealiing of F&O contracts	-	-
Loss in Dealing in securities (net)		
Related Party		
Rent - Rashi Gupta	960000	300000
TOTAL	2,243,460	973,432



**Pro Fin Capital Services Ltd.
for the Year ended 31st March 2014.**

Note 14

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.

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) In respect of a penalty claim of Rs.1.75 Lacs from SEBI u/s 15A of SEBI ACT.(Prev Year Rs 1.75 Lacs)
 - b) Claim against the Company not acknowledged as Debts 6.35 Lacs (Prev. Year- 6.35 Lacs)

2) Disclosure in terms of Accounting Standards (AS) issued by the institute of Chartered Accountants of India

- a. Related Party Disclosures (AS-18)

As per Accounting Standard 18, the disclosures of transactions with the related parties are given below:-

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

● 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	Nil	Nil	Nil	Nil
Expenditure - Salary	Nil	1,98,000/-	1,98,000/-	3,96,000/-	Nil
Rent	Nil	Nil	9,60,000/-	9,60,000/-	3,00,000

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 2014.

d. 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.)	
	31.03.2014	31.03.2013
Profit attributable to the Shareholders	2,52,909	15,939
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	5,466,900	5,066,900
Nominal value of Equity Shares 10	10	
Basic / Diluted Earning Per Share (Rs.)	(0.04)	(0.0003)
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	31.03.2014		31.03.2013	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	NIL	NIL	NIL	NIL
Purchases	NIL	NIL	NIL	NIL
Sales	NIL	NIL	NIL	NIL
Closing Stock	NIL	NIL	NIL	NIL



iii) Details of Purchase and sale of investments during the year ended March 31, 2014

iii) Details of Investment in Hand

SCRIPS	NO. OF SHARES	AS AT 31.03.2014	NO. OF SHARES	AS AT 31.03.2013
Agritech Hatcheries Ltd.	3000	1.00	3000	1.00
ICICI Bank Ltd.(DEPOSIT IN LSE)	1056	140448.00	1056	140448.00
Innovative Techpack Ltd.	500	21250.00	500	21250.00
Kinzle 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
Organic Chem Oil Ltd.	3300	1.00	3300	1.00
Paam Pharmaceuticals Ltd.	3500	1.00	3500	1.00
P M M L	103400	1034000.00	103400	1034000.00
Shree Adhikari Brothers Ltd.	0	0.00	0	0.00
UTI Masteshare	816	9710.37	816	9710.37
CHROMATIC INDIA	38000	5061794.16	38000	5061794.16
Total	228222	6309396.53	228222	6309396.53
UNQUOTED :				
Asian Diet Products Ltd.	90000	900000.00	90000	900000.00
Apex Multitech Ltd.	40000	1.00	40000	1.00
Total(b)	130000	900001	130000	900001
TOTAL INVESTMENT				
QUOTED INVESTMENT		6309396.53		6309396.53
UNQUOTED INVESTMENT		900001.00		900001.00
Grand Total		7209397.53		7209397.53
Market Value of Quoted Investment		4026831.00		2252696.00

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	2012-2014 (Rs.)	2011-2013 (Rs.)
Salaries	1,98,000	NIL

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.

- Expenditure in Foreign Currency Rs. NIL (Prev Year NIL)
 - Earning in Foreign Currency Rs. Nil (Prev Year NIL)
 - Remittance in Foreign Currency Rs. Nil (Prev Year NIL)
4. The income Tax Assessment of the company have been completed up to the Assessment Year 2009-10.
5. Auditors Remuneration includes:



Particulars	2012-2014 (Rs.)	2011-2013 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	28090	28090
b) Out of Pocket Expenses	84420	Nil

6. 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.
7. 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.
8. 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.
9. 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 contested and has not been provided for in the accounts.
10. 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.
11. Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.

Disclosure required in terms of Clause 13.5A of Chapter XIII on Guidelines for preferential issues, SEBI (Disclosure and Investor Protection) Guidelines, 2000

Particulars	Amounts Received	
	31-03-2014	31-03-2013
Total amount received from issue of warrants	2139500	15465438
Purpose for which the money received has been utilized :		
a. Capital expenditure	Nil	
b. Working capital	2139500	15465438

12. Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2014	01
Pending as on March 31, 2014	Nil

13. Previous year's figures have been rearranged / regrouped wherever necessary.

Notes 1 to 13 forms an integral part of Balance Sheet and Profit & Loss Account

For **Mahesh Tejwani**
Chartered Accountants

For and behalf of the Board
Pro Fin Capital Services Ltd.

Mahesh Tejwani
Proprietor
Membership No. 37194
Place : Mumbai
Dated : 30-05-2014

Mg. Director

Jt Mg. Director