

**27TH
ANNUAL REPORT
2017-2018
FOR THE FINANCIAL YEAR ENDED 31ST MARCH 2018**



PRO FIN CAPITAL SERVICES LTD.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

Shri Anupam Narain Gupta Managing Director	02294687
Shri Neeraj Kr. Arora Independent Director	00177569
Shri Abhay Narain Gupta Jt. Managing Director	02294699
Shri Anant Haridas Palan Independent Director	02294699
Smt. Neha Anupam Gupta Women Director	07145514

Contents	Page No.
Notice	1-9
Directors' Report	10-13
Secretarial Audit Report	14-16
Annexures to Directors' Report	17-18
Management Discussion and Analysis	19-20
Independent Auditors' Report (Standalone)	21-25
Annual Financial statements (Standalone)	26-41
Statement of Subsidiary (AOC-1)	42
Independent Auditors' Report (Consolidated)	42-47
Annual Financial statements (Consolidated)	48-65
Proxy Form	66-68
Attendance Slip	69
Updation Form	70

Auditors

M/s. Harjani And Associates
Parishram Co-Op Hsg. Soc.,
Bldg. No. 4, Flat No. A/ 604,
Agripada, Vakola Highway,
Santacruz (E), Mumbai - 400 055

Bankers

HDFC Bank Limited
Punjab National Bank
ICICI Bank Limited

Registered Office

B/503, Western Edge II,
Western Express Highway,
Borivali (East),
Mumbai- 400 066
Tel: 022-28702070
Fax: 022-28702072

CIN: L51909MH1991PLC250695

Registrar and Transfer Agents:

Beetal Financial & Computer Services (P) Ltd.
Beetal House, 3rd Floor,
99 Madangir,
Behind Local Shopping Centre,
Nr. Dada Harsukhdas Mandir,
New-Delhi-110062
Tel: 011-29961281/83
Fax: 011-29961284

Email :

profincapital1@gmail.com

Website :

www.profincapital.com

27th Annual General Meeting on Friday 28th September, 2018 at 11.00 AM at the Registered Office of the Company at 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai-400 066.



NOTICE

NOTICE is hereby given that the 27th Annual General Meeting of the Members of Pro Fin Capital Services Limited will be held on Friday, 28th September 2018 at the registered office of the Company at 503, Western Edge II, Western Express Highway, Borivali East, Mumbai 400066 at 11.00 am to transact the following business:

Ordinary business

1. To receive, consider and adopt the Standalone & Consolidated audited financial statements of the Company for the financial year ended 31st March 2018, the reports of the Directors and the Auditors thereon.
2. To appoint a director in place of Ms. Neha Anupam Gupta (DIN 07145514) who retires by rotation and being eligible offers herself for re appointment.

SPECIAL BUSINESS

3. Issue of Securities by way of Qualified Institutional Placement (QIP)

To consider and if thought fit to pass with or without modification the following resolution as a Special Resolution: RESOLVED THAT pursuant to section 62(1)(c) and other applicable provisions, if any, of the Companies Act 2013 and the relevant rules made thereunder (including any amendment thereto or statutory modification(s) or re-enactment(s) thereof for the time being in force), the provisions of Chapter VIII of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations 2009, as amended from time to time (SEBI ICDR Regulations), the provisions of such other statutes, notifications, clarifications, circulars, rules and regulations as may be applicable and relevant, as amended from time to time and issued by the Government of India, the Reserve Bank of India, SEBI, the stock exchanges where the Company's shares are listed and in accordance with the relevant provisions of the Memorandum of Association and Articles of Association of the Company, and subject to such approvals, consents, permissions and sanctions of the appropriate authorities, as may be necessary, and subject to such conditions as may be prescribed while granting such approvals, consents, permissions and sanctions, the approval of the shareholders is hereby accorded to permit the Board of Directors (the Board) in its absolute discretion, to create, offer, issue and allot from time to time, in one or more tranches by way of Qualified Institutional Placement (QIP) to Qualified Institutional Buyers (QIBs) as defined under the SEBI ICDR Regulations, equity shares or non-convertible debt instruments along with warrants (hereinafter referred to as the ("Securities")) with a right exercisable by the warrant holders to convert or subscribe to the equity shares in such a manner that the total amount to be raised by the issue of the said Securities shall not exceed Rs. 100 crores, at such price or prices, in one or more tranches, at market price or at a permissible discount or premium to market price(s) in terms of applicable regulations to be determined by the Board at the time of issue, at its absolute discretion without requiring any further approval or consent from the shareholders of the Company and subject to applicable guidelines/regulations in force.

RESOLVED FURTHER THAT the relevant date for determining the price of the Securities to be allotted, if any, shall mean, in case of allotment of equity shares, the date of the meeting in which the Board decides to open the proposed issue and in case of allotment of convertible securities, either the date of the meeting in which the Board decides to open the issue of such convertible securities or the date on which the holders of the convertible securities become entitled to apply for the equity shares, as provided under applicable law or such other time as may be prescribed by applicable law from time to time.

RESOLVED FURTHER that in terms of Regulation 86(1)(a) of the SEBI ICDR Regulations a minimum of 10% of the securities shall be allotted to Mutual Funds and if the Mutual Funds do not subscribe to the said minimum percentage or part thereof, such minimum portion or part thereof may be allotted to other QIBs and that no allotment shall be made directly or indirectly to any QIB who is a promoter or a person related to the promoters of the Company.

RESOLVED FURTHER that in terms of provisions of SEBI ICDR Regulations, the Board may at its absolute discretion issue equity shares (including upon conversion of the Securities) at a discount of not more than five percent or such other discount as may be permitted under applicable regulations to the "Floor Price" as



determined in terms of SEBI ICDR Regulations.

RESOLVED FURTHER that the Board be and is hereby authorized to create, issue, offer and allot such number of equity shares as may be required to be issued and allotted, including issues and allotment of equity shares upon conversion in accordance with the terms of the offer and all such equity shares shall be issued in accordance with the terms of the Memorandum of Association and Articles of Association of the Company.

RESOLVED FURTHER that the issue of Securities shall be subject to the following terms and conditions:

(i) The equity shares that may be issued and allotted directly or on conversion of convertible securities issued shall rank pari passu with the existing equity shares of the Company in all respects including dividend, if any.

(ii) The allotment of securities shall be completed within twelve months of the date of passing this resolution.

(iii) In case of securities other than equity shares, such securities shall be converted into equity shares within sixty months from the date of allotment.

(iv) No subsequent QIP shall be made until the expiry of six months from the date of prior QIP approved by way of this special resolution.

(v) Such of the securities as are not subscribed may be disposed of by the Board in its absolute discretion in such manner as the Board may deem fit and as permissible by law.

RESOLVED FURTHER that the Board is hereby authorized to do such acts, deeds and matters as may be necessary to give effect to this resolution.

4. Re-appointment of Mr. Anupam Gupta (Din- 02294687) as the Managing Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Anupam Gupta (Din- 02294687) as Managing Director of the Company for a period of five years with effect from April 01, 2018 on the terms and conditions as set out in the Explanatory Statement annexed to this Notice.

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution.

5. Re-appointment of Mr. Abhay Gupta (Din- 02294699) as the Jt. Managing Director

To consider and, if thought fit, to pass the following resolution as an Ordinary Resolution:-

"RESOLVED THAT pursuant to provisions of Section 196, 197, 203 and other applicable provisions of the Companies Act, 2013 read with Schedule V thereof, the recommendations of Nomination & Remuneration Committee and the Board of Directors, the consent of Members of the Company be and is hereby accorded to the re-appointment of Mr. Abhay Gupta (Din- 02294699) as Jt. Managing Director of the Company for a period of five years with effect from April 01, 2018 on the terms and conditions as set out in the Explanatory Statement annexed to this Notice.

"RESOLVED FURTHER THAT for the purpose of giving effect to the aforesaid resolution, the Board of Directors of the Company be and is hereby authorized to do all such acts, deeds and things as may be necessary to give effect to this resolution."

**By Order of the Board of Directors
(Anupam Narain Gupta)
Managing Director**

Date: - 30/05/2018

Place: - Mumbai



IMPORTANT NOTES:

1. The relative Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 (the Act), in regard to the business as set out in Item Nos. 3 to 5 above and the relevant details of the Directors seeking re-appointment/ appointment under Item Nos. 2, 4, 5 are annexed hereto.
2. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxies in order to be valid must be received by the company not less than 48 hours before the meeting. A person can act as proxy for only 50 members and holding in aggregate not more than 10 percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other member.
3. SEBI has made it compulsory for the members who hold shares in the company to inform the company their PAN and Bank details, such as Name of Bank IFSC code etc in the following format. Members are requested to furnish the same immediately. Members holding the shares may furnish the details to the Company's RTAM/s. Beetal Financial & Computer Services (P) Ltd New Delhi. Members holding the shares in demat may furnish the details to their Depository Participant.

Format for furnishing the details:

Name of the member:

Name of Joint member:

Folio/DP Id:

No of shares held:

PAN of the first holder:

PAN of the second holder:

Aadhar no. of First holder:

Aadhar no. of Second holder:

Bank A/C No:

Name of Bank:

Address of the Bank:

IFSC code:

E-mail Id of the share holder:

Signature of first holder

Signature of second holder

4. Corporate Members intending to send their authorized representatives to attend the AGM are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the AGM.
5. In case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. Members/ Proxies/ Authorized Representatives should bring the enclosed Attendance Slip, duly filled in for attending the Meeting. Copies of the Annual Reports or Attendance Slips will not be distributed at the Meeting.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, 22nd September, 2018 to Friday, 28th September, 2018 (both days inclusive) for the purpose of Annual General Meeting.
8. SEBI and the Ministry of Corporate Affairs encourage paperless communication as a contribution to greener environment. Members holding shares in physical mode are requested to register their e-mail ID's with Beetal Financial & Computer Services (P) Ltd., the Registrar & Share Transfer Agents of the Company and members holding shares in demat mode are requested to register their e-mail ID's with their respective Depository Participants (DPs) in case the same is still not registered. If there is any change in the e-mail ID already registered with the Company, members are requested to immediately notify such change to the Registrar & Share Transfer Agents of the Company in respect of shares held in physical form and to DPs in respect of shares held in electronic form.
9. In terms of Section 101 and 136 of the Companies Act, 2013 read together with Rules made thereunder, the copy of the Annual Report including Financial Statements, Board's Report, etc. and this notice is being sent by electronic mode, to those members who have registered their e-mail IDs with their respective Depository Participants or with the Registrar & Share Transfer Agents of the Company, unless any member has requested for a physical copy of the same. In case



you wish to get a physical copy of the Annual Report, you may send your request to profin.capital1@gmail.com mentioning your Folio/DP ID & Client ID. Members are requested to bring copies of the Annual Report to the Annual General Meeting. For members who have not registered their email address, physical copies of aforesaid documents are being sent by the permitted mode.

10. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed form SH-13 with the Company's Registrar & Share Transfer Agents. In respect of shares in electronic/ demat form, the members may please contact their respective Depository Participant.

11. Members are requested to send all communications relating to shares, change of address, etc., to the Registrar & Share Transfer Agents at the following address:

Beetal Financial & Computer Services (P) Ltd.

Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre,

Nr. Dada Harsukhdas Mandir, New-Delhi-110062

Tel: 011-29961281/83 Fax: 011-29961284

If the shares are held in electronic form, then change of address and change in Bank Accounts etc, should be furnished to the respective Depository Participants (DPs).

12. Voting options : Voting through electronic means

A. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management & Administration) Rules, 2014 as amended by the Companies (Management & Administration) Rules, 2015 and Regulation 44 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the ensuing Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting votes by members using a electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by Central Depository Securities Limited (CDSL).

B. The facility for voting through polling paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through polling paper.

C. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.

D. The remote e-voting period commences on Tuesday, 25th September, 2018 (9.00 am) and ends on Thursday, 27th September, 2018 (5.00 pm). During this period the members of the Company holding shares either in physical form or dematerialized form, as on cut-off date of 21st September, 2018 may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on resolution is cast by the member, the member shall not be allowed to change it subsequently.

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

(i) The voting period begins on Tuesday 25th September 2018 and ends on Thursday 27th September 2018. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date i.e. 21st September 2018 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.
Dividend	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat
Bank Details	account or in the company records in order to login.
OR Date of Birth (DOB)	<ul style="list-style-type: none">● If both 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 a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login 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) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) 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 linked in the login 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.
- (xx) 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.
- F.** You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- G.** The voting rights shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 21st September, 2018
- H.** Members registered with CDSL for remote e-voting can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password using "Forgot User Details / Password" option available on www.evotingindia.com or contact CDSL at the following toll free no.: 1800-200-5533.
- I.** A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall be not allowed to vote again at the AGM
- J.** A person whose name is recorded in the register of members or in the register of the beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through polling paper.
- K.** Mr. L. Krishnamoorthy Practising Company Secretary, FCS2358 COP No: 6885 has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- L.** The Chairman shall, at the AGM, at the end of discussions on the resolutions on which voting is to be held, allow voting with the assistance of the Scrutinizer, by use of "Polling Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- M.** The Scrutinizer shall after the conclusion of the voting at the AGM, will first count the votes cast at the meeting by polling papers and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than (48 hours) of the conclusion of the AGM, a consolidated Scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- N.** The result declared along with the result of the Scrutinizer shall be placed on the website of the Company viz. www.profincapital.com and on the website of the CDSL immediately after the declaration of the result by the Chairman or a person authorized by him in writing. The results shall be immediately forwarded to the BSE Limited, Mumbai.

By Order of the Board of Directors

(Anupam Narain Gupta)
Managing Director

Date: - 30/05/2018

Place: - Mumbai

Explanatory Statement (Pursuant to Section 102 of the Companies Act, 2013)

Item No. 3

The Company's operations have increased substantially with the increased demand for credit. Various options for raising long term resources for the operations of the Company were considered by the Board. It is proposed to offer the securities, (equity shares or convertible securities) by way of Qualified Institutional Placement (QIP) to Qualified Institutional Buyers (QIBs) in accordance Chapter VIII of SEBI ICDR Regulations



2009. The terms and conditions of the issue are mentioned in the resolution which are in accordance with Chapter VIII of SEBI ICDR Regulations. The price will be determined as per the said Regulations.

None of the Directors or KMPs or their relatives are interested or concerned in the special resolution.

The Directors commend to the members approval of the resolution.

Item No. 4 : The Board of Directors at its meeting held on May 30, 2018 on the basis of recommendation of Nomination and remuneration Committee. re-appointed Mr. Anupam Gupta (Din- 02294687) as Managing Directors of the Company with effect from April 01, 2018 for a period of Five years subject to approval of shareholders in ensuing Annual General Meeting. The main terms and conditions of his re-appointment as Managing Director are as follows:

- a. The of appointment: Five years with effect from April 01, 2018
- b. Salary: 75,000/- (Rupees Seventy Five Thousand) per month inclusive of all benefits and perquisites.
- c. The Managing Director shall exercise substantial powers of management subject to supervision, direction & control of the Board of directors.
- d. The employment can be terminated by either party by giving 3 months notice in writing.

The Board therefore recommends the resolution for your approval

Except Mr. Abhay Gupta and Mrs. Neha Gupta (being relative of the appointee) and their relatives, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested in this Resolution.

Item No. 5 : The Board of Directors at its meeting held on May 30, 2018 on the basis of recommendation of Nomination and remuneration Committee. re-appointed Mr. Abhay Gupta (Din- 02294699) as Jt. Managing Directors of the Company with effect from April 01, 2018 for a period of Five years subject to approval of shareholders in ensuing Annual General Meeting. The main terms and conditions of his re-appointment as Jt. Managing Director are as follows:

- a. The of appointment: Five years with effect from April 01, 2018
- b. Salary: 75,000/- (Rupees Seventy Five Thousand) per month inclusive of all benefits and perquisites.
- c. The Jt. Managing Director shall perform such functions as may be assigned to him by the Board.
- d. The employment can be furnished by either party by giving 3 months notice in writing.

The Board therefore recommends the resolution for your approval

Except Mr. Anupam Gupta and Mrs. Neha Gupta (being relative of the appointee) and their relatives, none of the other Directors or key managerial personnel of the Company or their relatives are concerned or interested in this Resolution.

**BRIEF PROFILE OF DIRECTOR BEING APPOINTED / RE-APPOINTED:**

Name	Ms. Neha Anupam Gupta
DIN	07145514
Age	36
Date of Appointment	31/03/2015
Qualification	Graduation
Other Directorships	1. Iris Mediaworks Limited 2. Pro Fin Capital Services Limited
Chairman / Member of Committee of the Board of the Companies on which he/she is a Director.	NIL
Shareholding in the Company	2,300
Relationship with any Director(s) of the Company	She is related to Mr. Anupam Narain Gupta, Director of the Company.
Name	Mr. Anupam Gupta
DIN	02294687
Age	42
Date of Appointment	16/02/2011
Qualification	B.Com
Other Directorships	1. Tera Natural Resources And Pellets Private Limited 2. Asian Commtrade Private Limited 3. Ambe Securities Private Limited 4. Triyamb Securities Private Limited 5. Asian Fintrade Services Private Limited
Chairman / Member of Committee of the Board of the Companies on which he/she is a Director	NIL
Shareholding in the Company	6,22,014
Relationship with any Director(s) of the Company	He is related to Mr. Abhay Gupta & Mrs. Neha Gupta Directors of the Company.
Name	Mr. Abhay Gupta
DIN	02294699
Age	37



Date of Appointment	16/02/2011
Qualification	B.Com
Other Directorships	1. Tera Natural Resources And Pellets Private Limited 2. Apindia Biotech Limited 3. Asian Commtrade Private Limited 4. Ambe Securities Private Limited 5. Triyamb Securities Private Limited 6. Asian Fintrade Services Private Limited
Chairman / Member of Committee of the Board of the Companies on which he/she is a Director	NIL
Shareholding in the Company	11,063
Relationship with any Director(s) of the Company	He is related to Mr. Anupam Gupta, Director of the Company

Date: - 30/05/2018
Place: - Mumbai

By Order of the Board of Directors
(Anupam Narain Gupta)
Managing Director



DIRECTORS REPORT

To:

The Members of Pro Fin Capital Services Limited

Your Directors have pleasure in presenting their 27th Annual Report and the audited financial statements for the financial year ended 31st March 2018

1 Financial Results

The summarized financial results for the financial year ended 31st March 2018 are presented below:

Rs. In Lakhs

Details	Financial year ended 31 st March 2018 (stand alone)	Financial year ended 31 st March 2017 (stand alone)
Income	3129.76	2649.23
Profit before interest, depreciation	287.28	125.25
Finance cost	45.24	15.64
Depreciation	19.26	20.73
Profit before tax	222.78	88.88
Taxation	61.35	22.83
Profit after tax	161.44	66.05
Minority Interest	----	----
Transfer to statutory reserve & provision for standard assets	61.15	42.08
Profit for the year	100.28	23.97
Balance brought forward previous year (loss)	(99.23)	(123.20)
Balance carried to balance sheet (loss)	1.05	(99.23)

● Performance Highlights

The Income during the financial year ended 31st March 2018 is Rs. 3129.76 compared to Rs. 2649.23 in the previous year showing an increase of about 18.14 %. The profit after tax for the financial year ended 31st March 2018 is Rs. 161.44 lakhs compared to Rs. 66.05 lakhs in the previous year showing a substantial increase of about 144%.

The Board proposes to transfer Rs. 61.15 lakhs which include transfer to statutory reserves and standard asset reserve, as per RBI directions compare to Rs. 42.08 Lakhs last year.

With substantial improvement in profit, the carried forward loss of Rs. 99.23 Lakhs has been completely wiped off leaving a small surplus of Rs. 1.05 Lakhs which is carried to balance sheet.

● Dividend and Reserves

The Board of Directors does not recommend any dividend for the financial year ended 31st March 2018.

● Share Capital

During the year under review, there was no change in the share Capital structure and the paid up capital of the Company remains at Rs. 70,669,000. During the year the company had not issued any securities carrying convertible in to Equity Shares or carrying differential voting rights.

2. Finance & Accounts

The Company prepares its financial statements in accordance with the requirements of the Companies Act



2013 and the Generally Accepted Accounting Principles (GAPP) as applicable in India. The financial statements have been prepared on historical cost basis. The estimates and judgments relating to the financial statements are made on a prudent basis so as to reflect in a true and fair manner, the form and substance of transactions and reasonably present the company's state of affairs, profits and cash flows for the financial year ended 31st March 2018.

3. NBFC registration with RBI

During the year under report, the Company continues to be registered with RBI as an NBFC.

4. Subsidiaries

The company has a subsidiary Tera Natural Resources and Pellets Private Limited. Necessary details in form AOC-1 are annexed to this report. The annual accounts of the subsidiary and the related detailed information shall be made available to the shareholders of the Company, seeking such information at any point of time. The annual accounts of the subsidiary company shall also be kept open for inspection by any shareholder at the Registered Office at B/ 503, Western Edge II, Western Express Highway, Borivali (E), Mumbai- 400 066.

The income from the operation of the subsidiary company during the year is Rs. 88.06 Lakhs . Net profit after tax amounted Rs. 0.74 Lakhs. The subsidiary company commenced trading operations in textiles during the year.

5. Board Evaluation

Pursuant to the provisions of the Companies Act, 2013 and provisions of Regulations of the SEBI (Listing Obligation & Disclosure Requirements) Regulation, 2015, the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Stakeholder Relationship and Nomination & Remuneration Committees. A separate exercise was carried out to evaluate the performance of individual Directors who were evaluated on parameters such as level of engagement and contribution, independence of judgment, safeguarding the interest of the Company and its minority shareholders etc. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of Non-Independent Directors was carried out by Independent Directors. The Directors expressed their satisfaction with the evaluation process

6. Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. Remuneration Policy is available on company's website : www.profincapital.co.in

7. Board of Directors

The Board of Directors of the Company is duly constituted. The Nomination and remuneration Committee has recommended reappointment of Mr. Anupam Gupta as Managing Director and Mr. Abhay Gupta as Jt. Managing Director for the period of 5 years from April 01, 2018. Resolutions for their appointment are included in the Notice of the Annual General Meeting.

8. Meetings of Board of Directors

The Meetings of the Board of Directors are scheduled well in advance and held at the Registered Office of the Company at Borivali. The notice confirming the meeting and the detailed agenda is sent well in advance to all the Directors.

During the year under report, the Board met 6 (Six) times on 30th May 2017, 14th August 2017, 8th November 2017, 14th November, 2017, 8th January 2018 and 14th February 2018.

9. Audit Committee

The Audit Committee consists of two independent directors and the CFO, namely:

- 1) Mr. Neeraj Arora
- 2) Mr. Anant Palan
- 3) Mr. Abhay Gupta - CFO

During the year, the Audit Committee met 4 times on 30th May 2017, 14th August 2017, 8th November 2017, 14th February 2018.

**10. Listing of shares on BSE**

During the financial year under report, the equity shares issued by the company continue to be listed on BSE. The Listed Capital of the Company is 70,66,900 at the face value of Rs. 10/- each.

11. Extract of Annual Return

The extract of Annual Return in Form MGT 9, as required in section 92 of the Companies Act, 2013, as at 31st March 2018, can be accessed by clicking at the following link www.profincapital.co.in/downloads.php

12. Vigil Mechanism / Whistle Blower Policy

The Company is committed to the high standards of Corporate Governance and stakeholder responsibility. The Company has established a vigil mechanism to be known as the 'Whistle Blower Policy' for its Directors and employees to report instances of unethical behavior, actual or suspected fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of whistle blower who avails of the mechanism and also provide direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases. Accordingly, 'Whistle Blower Policy' has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach Chairman of the Audit Committee of the Company. The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise concerns about serious irregularities within the Company.

13. Prevention of Insider Trading

The Company has adopted a Code of Conduct for prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company's shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the Trading Window is closed. The Board is responsible for implementation of the Code. All Board Directors and the designated employees have confirmed compliance with the Code. The Companies Code of Conduct is available on companies Website.

14. Particulars of loans, guarantees or investments by the Company

The Company has not given any Loans or provided Guarantee and Security within the meaning of section 186 of Companies Act, 2013.

15. Significant and material orders passed by the Regulators or Courts

There are no significant and material orders passed by the regulators or courts against the Company during the year.

16. Directors responsibility statement

To the best of knowledge and belief and according to the information and explanation obtained by them, your directors make the following statement in terms of section 134 (3) (c) read with section 134(5) of the Companies Act, 2013 in preparation of the Annual Accounts for the year ended on March 31, 2018 and state that:

- (i) That in preparation of annual accounts for the year ended 31st March 2018 the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (ii) 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 at 31st March 2018 and of the profit of the Company for the year ended on that date;
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the annual accounts have been prepared on a going concern basis
- (v) That the directors have devised proper systems to ensure compliance with the provisions of all applicable law and that such systems were adequate and operating effectively.

**17. Statutory auditors**

M/s. Mukesh Harjani, Chartered Accountants who are statutory auditors of the Company are appointed until the conclusion of 31st Annual General Meeting. As per the amended Companies Act no ratification of appointment of Auditors by members is required.

18. Cost Audit

The provisions of the Companies (Cost Records and Audit) Rules 2014 are not applicable to the company's operations.

19. Secretarial Audit Report

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and Rules made there under, the Company has appointed Mr. L. Krishnamoorthy, Practicing Company Secretary, to undertake the Secretarial Audit of the Company for the financial year 2017-2018. The Secretarial Audit Report for the financial year 2017-18 has been annexed to this Report.

20. Internal control system and their adequacy

The Company has an internal control system commensurate with its size and scale of its operations. The Audit Committee reviews the adequacy and effectiveness of the internal control systems and suggests improvements, wherever required.

21. Environment and safety

The Company's operations do not pose any environmental hazards.

22. Statutory Information

- (A) Conservation of energy: Not applicable
- (B) Technology Absorption: Not applicable
- (C) Foreign exchange earnings and expenses: Not applicable

23. Corporate Social Responsibility

The provisions of Section 135 are not applicable to the Company.

24. Related party transactions

All transactions entered with related parties for the financial year ended 31st March 2018 were on arm's length basis and in the ordinary course of business. Hence provisions of Section 188 of the Companies Act, 2013 are not attracted and disclosure in Form AOC 2 is not required. All related party transactions are placed before the Audit Committee and the Board of Directors for approval. The related party transactions during the year are disclosed in the Notes to the Accounts at appropriate place.

25. Disclosure under the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:

The Company has in place a Policy with respect to Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013 and has framed a Committee for implementation and periodical review of such policy.

26. The required disclosures under the Companies (Appointment & Remuneration of Managerial Personnel) Rules 2014 are given in annexure 1 which forms part of Report.

27. Acknowledgement

Your Directors would like to place on record their sincere appreciation to Shareholders, Bankers, Institutions and Employees for their co-operation and support.

By Order of the Board of Directors

(Anupam Narain Gupta)
Managing Director

Date: - 30/05/2018
Place: - Mumbai



SECRETARIAL AUDIT REPORT

For the Financial year ended 31st March 2018
Pursuant to section 204(1) of the Companies Act 2013 and rule 9 of the Companies
(Appointment and Remuneration of Managerial Personnel) Rules 2014

To

The Members of **Pro Fin Capital Services Limited**

1 I have conducted secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRO FIN CAPITAL SERVICES LIMITED** (CIN: L51909MH1991PLC250695) (hereinafter called "the Company"). Secretarial audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

2 Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018 complied with the statutory provisions listed hereunder and also that the Company has proper Board processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter.

3 I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Pro Fin Capital Services Limited** for the financial year ended 31st March 2018 according to the provisions of:

- i) The Companies Act 2013(the Act) and the rules made thereunder.
- ii) The Securities Contracts(Regulation) Act 1956 (SCRA) and the rules made there under
- iii) The Depositories Act 1996 and the Regulations and Bye-laws framed there under
- iv) The following Regulations and Guidelines prescribed under the Securities And Exchange Board of India Act 1992(SEBI Act)
 - a) The Securities And Exchange Board of India(Substantial Acquisition of Shares and Takeover) Regulations 2011
 - b) The Securities & Exchange Board of India(Prohibition of Insider Trading) Regulations 2015.
 - c) The Securities and Exchange Board of India (Issue of capital and Disclosure Requirements) Regulations 2009
 - d) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations 2015 to the extent applicable to the Company
 - e) The Securities and Exchange Board of India(Registrars to an Issue and Share Transfer Agents) Regulations 1993
 - f) * Securities And Exchange Board of India(Share Based Employee Benefits)Regulations 2014
 - g) *The Securities And Exchange Board of India (Issue and Listing of Debt Securities)Regulations 2008,
 - h) *The Securities And Exchange Board of India(Delisting of Equity Shares)Regulations 2009
 - i) *The Securities And Exchange Board of India (buyback of Securities) Regulations 1998The SEBI Regulations marked with (*) were not applicable as there were no activities during the audit period requiring compliance with these guidelines and regulations.
- (v) Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act 2013.
- (vi) The Reserve Bank of India Act 1934 and the Directions issued by RBI applicable to Non-Banking Finance Companies.



- 4 As per Regulation 15(2) of SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015, (SEBI LODR) Regulations 17 to 27 and clauses (b) to (i) of sub regulation(2) of Regulation 46 and paras C, D and E of Schedule V are not applicable to the Company. The Company has complied with the other applicable regulations under SEBI LODR.
- 5 I further report that based on the examination of the books of the Company, the Company has not carried out any activities which would invite compliance with the provisions of Foreign Exchange Management Act 1999 and the rules made thereunder.
- 6 The Secretarial Standards issued by the Institute of Company Secretaries of India are generally followed with regard to board meetings and general meetings.
- 7 During the period under review, the Company has complied with the provisions of Shops And Establishment Act as applicable in the City of Mumbai and other parts of Maharashtra State.
- 8 During the period under review, the Company has complied with the provisions of the Companies Act 2013 and the rules made thereunder.

I further report that:

- 9 The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors. Adequate notice is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting for meaningful participation at the meeting.
- 10 Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.
- 11 There are adequate systems and processes in the Company commensurate with its size and operations to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

Place: Mumbai

Date: 30th May 2018

L. Krishnamoorthy

FCS 2358: CPNo. 6885

Note: This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.



Annexure A to the Secretarial Audit Report

To:

The members **Pro Fin Capital Services Limited**

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

- 1 The compliance of provisions of all laws, rules, regulations, standards applicable to Pro Fin Capital Services Limited (the Company) is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of Secretarial Audit Report.
- 2 Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report based on the audit of the relevant records maintained and furnished to me by the Company along with explanations where so required.
- 3 I have followed audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on check test basis to ensure that correct facts as reflected in secretarial and other records were produced to me. I believe that the processes and practices I followed provide a reasonable basis for my opinion for the purpose of issue of Secretarial Audit Report.
- 4 I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
- 5 Wherever required, I have obtained the management representation about the compliance of laws, rules, and regulations and major events during the audit period.
- 6 The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Mumbai

Date: 30th May 2018

L. Krishnamoorthy

FCS 2358: CPNo. 6885

**ANNEXURE-1****PRO FIN CAPITAL SERVICES LIMITED**

(A) The ratio of the remuneration of each director to the median employee's remuneration and other details in terms of 197(12) of the Companies Act 2013 and Rule 5(1) of the Companies (Appointment and Remuneration of Managerial personnel) Rules 2014 .

Sr No	Requirements	Disclosure
1	The ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year ended 31st March 2018	Anupam Gupta, M.D. 219.78% Abhay Gupta, Jt. M. D 219.78%
2	Percentage increase in remuneration of each director and CEO in the financial year ended 31st March 2018	Anupam Gupta Nil Abhay Gupta Nil
3	The percentage increase of in the median remuneration of employees in the financial year. all employees for the financial year.	Nil Increase in total remuneration of year ended 31st March 2018 over the previous year: 16.9%
4	The number of permanent employees on the roll of the Company	13
5	The explanation on the relationship between average increase in remuneration and the Company performance	The average increase in remuneration was in line with the increase in the profitability of the Company
6	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration.	Having regard to the factors such as size of the operations of the Company, its profitability and the managerial remuneration paid by similar companies in the same group of industry, the Nomination & Remuneration Committee recommended the increase in remuneration of the managerial personnel which was approved by the Board of Directors of the Company at Rs. 75,000 per managerial personnel per month. However, the two managerial personnel continue to draw the remuneration of Rs. 50,000 per month each.



7	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company.	For the financial year ended 31 st March 2018 <table border="1"> <thead> <tr> <th>KMP</th> <th>against PBT</th> <th>Against operations</th> </tr> </thead> <tbody> <tr> <td>MD</td> <td>5.98%</td> <td>0.19%</td> </tr> <tr> <td>Jt MD & CFO</td> <td>5.98%</td> <td>0.19%</td> </tr> <tr> <td>CS</td> <td>3.24%</td> <td>0.10%</td> </tr> </tbody> </table>	KMP	against PBT	Against operations	MD	5.98%	0.19%	Jt MD & CFO	5.98%	0.19%	CS	3.24%	0.10%
KMP	against PBT	Against operations												
MD	5.98%	0.19%												
Jt MD & CFO	5.98%	0.19%												
CS	3.24%	0.10%												
8	The key parameters for any variable component of remuneration availed by the directors	There are no variable components in the remuneration of directors												
9	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	0.72												
10	Variations in the market capitalization of the Company, price earning ratio as the closing date of the current financial year and previous financial year and percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies, and in case of unlisted companies, the variations in the net worth of the company as at the close of the current financial year and previous financial year.	Capitalisation: (Rupees in lakhs) <table border="1"> <thead> <tr> <th>31/3/1018</th> <th>31/03/2017</th> </tr> </thead> <tbody> <tr> <td>15896.99</td> <td>10304.24</td> </tr> </tbody> </table> Price earning ratio: <table border="1"> <thead> <tr> <th>31/03/2018</th> <th>31/03/2017</th> </tr> </thead> <tbody> <tr> <td>1.42</td> <td>0.34</td> </tr> </tbody> </table>	31/3/1018	31/03/2017	15896.99	10304.24	31/03/2018	31/03/2017	1.42	0.34				
31/3/1018	31/03/2017													
15896.99	10304.24													
31/03/2018	31/03/2017													
1.42	0.34													
11	Affirmation that the remuneration is as per the remuneration policy of the Company	Yes. The remuneration paid is as per the remuneration policy of the Company												

(B) There were no employees who were In receipt of the remuneration which in the aggregate was not less than Rs. 1,02,00,000 per annum or in part of year who were in receipt of remuneration which in aggregate was not less than Rs. 8,50,000 p.m. Hence no details are shown as required under section 197(12) of the Act and the relevant rules made thereunder.



MANAGEMENT DISCUSSION AND ANALYSIS

GLOBAL ECONOMIC OVERVIEW

During the year under review, the global economy gained traction with synchronized expansion across both, developed and emerging markets. Global financial markets were mostly buoyant with few bouts of volatility triggered by specific events. Key global macroeconomic events that characterized FY18 included firming up of commodity prices, particularly oil prices, US continuing on its path towards monetary policy normalization and rising concern on trade barriers, increased tariffs and protectionist policies.

INDIAN ECONOMIC OVERVIEW

India is expected to grow at 7.2% in financial year 2017-18, as per the latest estimates from CSO. The World Bank, however, has projected India's growth at 7.3% in financial year 2018-19 and 7.5% in financial year 2019-20 (Source: World Bank India report, March 2018). The Government's continuing reforms agenda is expected to infuse dynamism into the national economy, contributing to its growth momentum.

OVERVIEW OF THE FINANCIAL SERVICES INDUSTRY

The financial sector in India predominantly comprises of the banking sector, with commercial banks accounting for more than 64% of the total assets held by the financial system. However, the role of the NBFC sector has been growing. The balance sheet of the NBFC sector expanded by 14.5% during the financial year 2016-17. Despite the growth, NBFCs managed their asset quality better than the banks. Gross bad loans of the NBFC industry stood at 4.4% in March 2017, down from 4.9% in September 2016, when banks in general witnessed a rise. Net NPAs as a percentage of total advances also declined from 2.7% to 2.3%.

BUSINESS & OPERATIONAL OVERVIEW

Your Company follows a customer-centric business philosophy, with its growth strategy centered on transparency in terms of offerings, suitability of products and variety of choices to meet a range of needs of its customers.

A key strength of your Company is the variety of its funding sources, which helps it optimize funding costs, protect interest margins, and retain its diversified funding portfolio. At the same time, this also enables the Company to achieve funding stability and liquidity, facilitating reduction in average borrowing costs.

OPPORTUNITIES AND THREATS

The demand for credit picks up with the growth in economic activities. The economic policies and various economic reforms pursued by the government will spur the economic growth of the country in the years to come. This will naturally lead to credit demand. However, at macro level the trade policies followed by U.S.A may impact the growth in international trade. Although India is one of the largest growing emerging markets, it is very difficult to foresee how such policies will impact the country's economic growth.

SEGMENT-WISE PERFORMANCE

The Company is engaged in financial services during the year under review, hence the requirement of segment-wise reporting is considered irrelevant.

OUTLOOK

Financial year 2017-18 was yet another year in the building block of your Company as it deepened its presence in the lending sector and continued to strengthen its roots in SME lending, as well. Leveraging its key strengths, including its diverse sources of funding, its technological solutions and most importantly, its holistic approach towards lending has enabled your Company to maintain high quality assets portfolio, while its customer base increased.



Going ahead, your Company looks forward to furthering its mission of inclusion, with proactive and far-sighted initiatives across its business functions. While empowering large segments of the population, through a diversified portfolio, it will continue to facilitate stronger, higher, more sustainable growth for itself; and at the same time participate in the Nation building in a positive way.

HUMAN RESOURCES

Your Company remains focused on attracting the best talent in the industry, nurturing them through robust learning and development mechanisms, and retaining them through progressive employee centric policies and practices. This is successfully done through effective amalgamation of the organizational objectives with individual aspirations.

INTERNAL CONTROL SYSTEMS

Your Company has an adequate system of internal controls for business processes, operations, financial reporting, fraud control, and compliance with applicable laws and regulations, among others. Your Company's Management Assurance and Audit function is headed by a senior management personnel with reporting lines to the Audit Committee of the Board and a dotted line reporting to the Managing Director.

COMPLIANCE

The Compliance function of the Company is responsible for independently ensuring that operating and business units comply with regulatory and internal guidelines. The Compliance department of the Company is continued to play a pivotal role in ensuring implementation of compliance functions in accordance with the directives issued by regulators, the Company's Board of Directors and the Company's Compliance Policy. The Audit Committee of the Board reviews the performance of the Compliance Department and the status of compliance with regulatory / internal guidelines on a periodic basis.

New instructions/ guidelines issued by the regulatory authorities were disseminated across the Company to ensure that the business and the functional units operate within the boundaries set by regulators and that compliance risks are suitably monitored and mitigated in their course of their activities and processes. New products and process launched during the year were subjected to scrutiny from compliance standpoint and proposals of financial services were screened from risk control prospective.

The Company has complied with all requirements of regulatory authorities. No penalties / strictures were imposed on the Company by the stock exchanges or SEBI or any statutory authority on any matter related to capital market during the year.

CAUTIONARY STATEMENT

Certain statements under "Management Discussion & Analysis" describing the Company's objectives, projects, estimates, expectations and predictions may forward looking statement within the meaning of applicable securities laws and regulations. Although the expectations are based on reasonable assumptions, the actual results could materially differ from those expressed or implied, since the Company's operations are influenced by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors

Mumbai
Date: 30th May, 2018

(Anupam N. Gupta)
Managing Director



INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF PRO FIN CAPITAL SERVICES LTD

Report on the Financial Statements

We have audited the accompanying standalone financial statements of **PRO FIN CAPITAL SERVICES LTD** ("the Company"), which comprise the Balance Sheet as at **31/03/2018**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

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



Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone 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, of the state of affairs of the Company as at 31/03/2018, and its Profit and its cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit 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 aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31/03/2018 taken on record by the Board of Directors, none of the directors is disqualified as 31/03/2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 30/05/2018
Place : Mumbai

FOR HARJANI & ASSOCIATES
(Chartered Accountants)
Reg No. : 041899

MUKESH HARJANI
Proprietor
M.No. : 041899



**"Annexure B" to the Independent Auditor's Report of even date on the Standalone Financial Statements of PRO FIN CAPITAL SERVICES LTD Company limited
Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of PRO FIN CAPITAL SERVICES LTD Company Limited ("The Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.



Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

Date : 30/05/2018

Place : Mumbai

FOR HARJANI & ASSOCIATES

(Chartered Accountants)

Reg No. :041899

MUKESH HARJANI

Proprietor

M.No. : 041899

Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016) for the year ended on 31st March 2018

To,

The Members of PRO FIN CAPITAL SERVICES LTD

(i) In Respect of Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) No Immovable properties are held in the name of Company

(ii) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(iii) Compliance under section 189 of The Companies Act, 2013

The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

- (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (b) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (c) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

(iv) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.



(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed there under while accepting Deposits

The company has not accepted any Deposits.

(vi) Maintenance of cost records

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

(vii) Deposit of Statutory Dues

(a) According to the records of the Company, there are no dues of Income tax, sales tax, customs duty, wealth tax, service tax, excise duty, sales tax and cess that have been not been deposited on amount of any dispute.

(b) There is no dispute with the revenue authorities regarding any duty or tax payable.

(viii) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The Company has not applied term loans for the purposes other than for which those are raised

(x) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(xi) Managerial Remuneration

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(xiii) Related party compliance with Section 177 and 188 of companies Act - 2013

Yes, All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and registration has been obtained by the company

Date : 30/05/2018

Place : Mumbai

FOR HARJANI & ASSOCIATES

(Chartered Accountants)

Reg No. :041899

MUKESH HARJANI

Proprietor

M.No. : 041899



Pro Fin Capital Services Ltd.
Standalone Balance Sheet as at 31 March, 2018

ASSETS	Note	As at 31 st March, 2018 Rupees	As at 31 st March, 2018 Rupees
Non-current assets			
(a) Property, Plant and Equipment	2	4,241,256	6,150,038
(b) Financial Assets			
i) Investments	3	44,026,959	41,495,931
ii) Other financial assets	4	15,630,261	15,408,561
(c) Deferred tax assets (Net)		455,808	231,425
(d) Advance tax assets (net)			
(e) Other non-current assets		-	
Total Non-Current Assets		64,354,284	63,285,955
Current assets			
(a) Inventories	5	4,494,464	4,494,464
(b) Financial Assets			
i) Trade receivables	6	317,349	-
ii) Cash and cash equivalents	7	15,434,751	9,395,843
iii) Loans			
iv) Other financial assets			
(c) Other current assets	8	1,360,348,525	824,930,771
Total Current Assets		1,380,595,089	838,821,078
TOTAL ASSETS		1,444,949,373	902,107,033

**Accompanying notes forming part of the
financial statements**

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director

Independent Director

Company Secretary



Pro Fin Capital Services Ltd.
Standalone Balance Sheet as at 31 March, 2018

EQUITY AND LIABILITY	Note	As at 31 st March, 2018 Rupees	As at 31 st March, 2018 Rupees
Equity			
(a) Equity Share capital	9	70,669,000	70,669,000
(b) Other Equity	10	185,402,470	172,145,521
Total Equity		256,071,470	242,814,521
Liability			
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	11	136,490,234	115,920,316
(b) Long term provisions			
(c) Deferred Tax Liabilities (Net)			
(d) Other Non-Current liabilities	-		
Total Non-Current Liabilities		136,490,234	115,920,316
Current liabilities			
(a) Financial liabilities			
i) Borrowings			
ii) Trade payables	12	1,043,468,856	537,813,023
iii) Other financial liabilities			
(b) Provisions	1	8,918,813	5,559,173
(c) Other current liabilities			
(d) Current Tax Liabilities (Net)			
Total Current Liabilities		1,052,387,669	543,372,196
TOTAL EQUITY AND LIABILITIES		1,444,949,373	902,107,033
Notes forming part of financial statements In terms of our report attached	.1-22		

**Accompanying notes forming part of the
financial statements**

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director

Independent Director

Company Secretary



Pro Fin Capital Services Ltd.
Standalone Statement of Profit and Loss for the year ended 31 March, 2018

	ASSETS	Note	For the year ended 31 st March, 2018	For the year ended 31 st March, 2018
1	Revenue from operations	14	312975920	264922873
2	Other income	15	138548	599
3	Total revenue (1+2)		313114468	264923472
4	Expenses			
	(a) Purchase of Stock In Trade (Shares)	16	267152658	241308243
	(b) Change In Inventories of finished Goods, Stock in Trade and Work in Progress	17	0	9441
	(c) Employee benefits expense	18	4775500	3987500
	(d) Finance Expense	19	4524985	1564293
	(d) Depreciation and amortisation expense	20	1926682	2073426
	(e) Other expenses	21	12456037	7092304
	Total expenses		290835862	256035207
5	Profit / (Loss) before tax (3 - 4)		22278606	8888265
6	Tax expense: Current Tax		6359110	2426201
	Deferred Tax		-224383	-143387
	Provision For Standard Assets		2886930	2,886,930
	Statutory reserve		3228776	1,321,090
7	Profit / (Loss) for the year (5 -6)		10028173	2397431
8	Earnings per share (of ` 10/- each): (a) Basic & diluted		1.42	0.34
	Accompanying notes forming part of the financial statements	1-22		

Accompanying notes forming part of the financial statements

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director **Jt Managing Director**

Independent Director **Company Secretary**



PRO FIN CAPITAL SERVICES LIMITED
STANDALONE CASH FLOW STATEMENT AS ON 31ST MARCH, 2018

PARTICULARS	AS AT	AS AT
	31.03-2018	31.03-2017
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	22,278,606.00	8,888,265.00
Add: Depreciation	1,926,682.00	2,073,426.00
Less:- Interest income	(138,548.00)	
Add:- Interest Exps	4,524,985.00	1,564,293.00
Operating profit/(Loss) before working capital Change	28,591,725.00	12,525,984.00
Decrease/ (Increase) in Trade and Other receivables	(317,349.00)	
Decrease/ (Increase) in Long Term Loans & Advances	2,009,485.00	(1,504,427.00)
Decrease/ (Increase) in Short Term Loans & Advances	(535,668,100.00)	(385,716,610.00)
Decrease(Increase) in Inventory	0.00	9,441.00
Increase/ (Decrease) in Other Current Liabilities	496,676.00	(209,925.00)
Increase/ (Decrease) in Trade Payables	505,655,833.00	368,167,981.00
Cash Generate from operations	768,270.00	(6,727,556.00)
Direct Tax/FBT Paid (net of refund)	(8,589,687.00)	(8,203,037.00)
B) Cash flow from Investing Activities etc	(7,821,417.00)	(14,930,593.00)
Purchase in Fixed Assets	(17,900.00)	(6,389,743.00)
(Increase)/ Decrease of Investments	(2,531,028.00)	
Net cash used in investing activities	(2,548,928.00)	(6,389,743.00)
C) Cash Flow from Financing Activities		
Repayments of Long Term Secured Loans	(1,162,837)	(940,789)
Interest Received	138,548	
Proceeds Received in Long Term Borrowings	21,948,491	33,011,486
Interest Paid	(4,524,985.00)	(1,564,293.00)
Increase in Share capital(Net of share warrants conversion)		
Net Cash outflow from Financing Activities	16,399,217.00	30,506,404.00
Net Increase in cash and cash equivalents	6,028,872	9,186,068
Cash & Cash Equivalents		
- Opening	9,395,843	209,775
Cash & Cash Equivalents		
- Closing	15,424,715	9,395,843

Accompanying notes forming part of the financial statements

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :-041899
Place: Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director

Independent Director

Company Secretary



Notes Forming part of the financial statements The Previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

Note 9

	As at 31.3. 2018	As at 31.3.2017
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
85,00,000 Equity Shares of Rs.10/- each	<u>85,000,000</u>	<u>85,000,000</u>
ISSUED		
70,66,900 Equity Shares of Rs. 10/- each fully paid	<u>70,669,000</u>	<u>70,669,000</u>
SUBSCRIBED & PAID UP		
70,66,900 Equity Shares of Rs. 10/- each fully paid	<u>70,669,000</u>	<u>70,669,000</u>
TOTAL	<u>70,669,000</u>	<u>70,669,000</u>

Note 9 (a) Reconciliation of number of shares

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of Shares Held	Rs	No. of Shares Held	Rs
Equity Shares:				
Shares At the Beginning of the year	7,066,900	70,669,000	7,066,900	70,669,000
Add: Shares Issued during the year				
Shares At the End of the year	7,066,900	70,669,000	7,066,900	70,669,000

Note 9 (b) Reconciliation of number of shares

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 2018		As at 31st March 2017	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	622,014	8.80	598,392	8.47
SANDESH SAWANT	1,280,000	18.11	1,280,000.00	18.11
TRIYAMB SECURITIES PRIVATE LIMITED	9,47,034	13.40	0.00	0.00

**Note 10****RESERVE AND SURPLUS**

	<u>As at</u> <u>31.3. 2018</u>		<u>As at</u> <u>31.3.2017</u>
General Reserves - As per last Balance Sheet	500,000		500,000
Share Premium			
Opening Balance	178,953,001		178,953,001
Add: Additions During the year			
Closing Balance	<u>178,953,001</u>		<u>178,953,001</u>
Statutory Reserve			
Opening Balance	2,616,012		1,294,922
Add: Additions During the year	3,228,776		1,321,090
Closing Balance	<u>5,844,788</u>		<u>2,616,012</u>
Profit & Loss Account			
Opening balance	(9,923,492)	(12,320,923)	
Add: Preferential Share Warrants Deferred			
Add: Profit / (Loss) for the year	10,028,173	104,681	2,397,431
			(9,923,492)
TOTAL	<u>185,402,470</u>		<u>172,145,521</u>



Note 11		
LONG TERM BORROWINGS		
	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Share Premiun		
Secured Loans		
Term Loans		
From Banks		
LOAN FROM HDFC BANK (Repayble in 60 installments) (Secured against Vehicle)	582113	886686
LOAN FROM ICICI BANK (Repayble in 60 installments) (Secured against Vehicle)	3305693	4163957
ICICI OVERDRAFT SECURED AGAINST FIXED DEPOSIT OF RS 2500000	2255444	0
UNSECURED LOANS		
From Subsidiaries		
Tera Natural Resource & Pellets Pvt LTD	105479648	92926102
From Related Parties		
Abhay Gupta	2051018	576018
Anupam Gupta	2446298	1869998
	4497316	2446016
	<u>20585756</u>	<u>15497555</u>
TOTAL	<u>136,705,970</u>	<u>115,920,316</u>
Note 12		
TRADE PAYABLES		
	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Acceptances		
Other than Related Parties		
	1043468856	537813023
TOTAL	<u>1043468856</u>	<u>537813023</u>
Note 13		
OTHER CURRENT LIABILITIES		
Other Payble	711239	343802
Statutory Liabilities	198636	69397
Provision for Standard Asset (as per RBI Guidelines)	8032904	5145974
TOTAL	<u>8942779</u>	<u>5559173</u>



Note 3		
NON CURRENT INVESTMENTS		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
Unquoted		
Trade Investments		
Shares in Subsidiary		
Tera Natural Resource & Pellets Pvt Ltd	41495931	41495931
128150 Equity Shares of Rs 10/- per share for Rs 323/- each		
Fixed Deposit	2,500,000	
Acc int	31,028	
	<u>44026959</u>	<u>41495931</u>
Note 4		
LONG TERM LOANS & ADVANCES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
a) Security Deposit	3000	2003000
(unsecured considered Good)		
Other Than Related Parties		
Related Parties		
Rashi Gupta	2200000	2200000
b) TDS & income tax	11867625	9636440
(Net of Provisions)		
c) Balances with Government authorities		
i) Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances		
(unsecured considered Good)	1517142	1526627
	<u>15630261</u>	<u>15408561</u>
Note 5		
INVENTORIES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
INVENTORIES -SHARES		
(At lower of cost or Market value, taken, valued and certified by the Management)	4494464	4494464
TOTAL	<u>4494464</u>	<u>4494464</u>



Note 6		
TRADE RECEIVABLES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
TRADE RECEIVABLES	317349	0
TOTAL	<u>317349</u>	<u>0</u>
Note 7		
CASH & CASH EQUIVALENTS		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
CASH IN HAND	85,074	558,007
BALANCE WITH BANKS	15,339,641	8,837,836
TOTAL	<u>15,424,715</u>	<u>9,395,843</u>
Note 8		
SHORT TERM LOANS & ADVANCES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
CAdvances(Unsecured, Considered Good)	1360527719	824859621
Loans & Advance to Related Party Rashi Gupta	71150	71150
TOTAL	<u>1360598869</u>	<u>824930771</u>
Note 14		
REVENUE FROM OPERATIONS		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
Sale (Trading of Shares)	195856107	182400991
Sale of services	2862513	
Sales of Exempt items	3705000	
Interest Received	110552300	82521882
TOTAL	<u>312975920</u>	<u>264922873</u>
Note 15		
INDIRECT INCOME		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
Dividend	0	599
Int on It refund	138548	0
TOTAL	<u>138548</u>	<u>599</u>

**Note 16****PURCHASE OF STOCK IN TRADE**

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Purchase of Shares	264907158	241308243
Purchase of exempt items	2245500	
TOTAL	<u>267152658</u>	<u>241308243</u>

Note 17**CHANGES IN INVENTORIES OF FINISHED GOODS
STOCK IN TRADE**

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Opening Stock of Shares	4494464	4503905
Closing Stock of Shares	4494464	4494464
TOTAL	<u>0</u>	<u>9441</u>

Note 18**EMPLOYEE BENEFIT EXPENSE**

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Salaries & Establishment Other Than Related Party Related Party	3,478,000	2717500
Mangerial Remuneration	1,200,000	1200000
Director Sitting Fee	97,500	70000
TOTAL	<u>4,775,500</u>	<u>3987500</u>

Note 19**Finance Expense**

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Interest on Car Loan	445,456	458353
Interest on Private Parties	4,051,692	1105885
Bank Interest and chgs	25,809	55
Other Interest	2028	
TOTAL	<u>4,524,985</u>	<u>1564293</u>

Note 20**DEPRICATION & AMORTISATION EXPENSE**

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Deprication	1,926,682	2073426
TOTAL	<u>1,926,682</u>	<u>2073426</u>



Note 21		
OTHER EXPENSES	As at	As at
Other than Related Party	31.3. 2018	31.3.2017
Membership & Subscription	87,435	71,113
Electricity & Water Charges	253,810	124,920
Professional charges	1,052,271	1,656,248
Telephone & Communiacion Expenses	56,835	204,534
Business Promotion	5,348,729	1,078,656
Bank Charges		3,530
AGM Expense		30,250
Roc Filing Fees	2,300	2,400
Accounting Charges	30,000	25,000
Cable charges	66,348	44,260
Advertisment Exp.	49,067	46,528
Postage & Courier Charges	8,617	10,610
Printing & stationery expense	6,665	122,460
Demat Charges	2,000	5,800
Audit Fee	118,000	28,090
Insurance	-	1,304
Travelling Expenses	998,010	707063
Repair & Maintence	58,776	64,263
Staff Welfare	114,442	174096
Office Expense	98,431	94850
Donation	273,000	-
Conveyance		102050
Car Expense	306,537.00	450747
Commission	2,370,555.00	1000000
Mis Expense	64,005.00	83,532.00
Taxes & Brokerage	490,204.00	
Related Party		
Rent - Rashi Gupta	600,000.00	960000
	<u>12,456,037</u>	<u>7,092,304</u>
Note 22		
OTHER EXPENSES		
	As at	As at
	31.3. 2018	31.3.2017
Net Profit after Tax used as numerator	10,063,126	2,397,431
Waited Average number of Equity Shares used as denominator	7,069,900	7,069,900
Earning per Share (Rs.)		
(Basic & Diluted)	1.42	0.34
Face Value per Share (Rs.)	10	10
Note 23		
DEFERRED TAX ASSET		
	As at	As at
	31.3. 2018	31.3.2017
Deferred Tax Asset	455808	231425
	<u>455808</u>	<u>231425</u>



NOTE -1

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.

3. Depreciation.

Depreciation on fixed assets is provided on Written down Method in accordance with the provisions of Section 123(2) of The companies Act 2013 which was made effective from 01-04-2014.

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	Asian Fintrade Services Pvt Ltd	Associate Companies
7	Ambe Securities Pvt Ltd	Associate Companies
8	Profin Commodities Pvt Ltd	Associate Companies
9	Mrs Neha Gupta.	Key Managerial Personnel
10	Tera Natural Resources And Pellets Private Limited	Subsidiary Company



- 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	12,00,000/-	Nil	12,00,000/-	10,90,000/-
Rent	Nil	Nil	6,00,000/-	6,00,000/-	9,60,000/-
Purchase of inventories (Shares)	264907158.00	-	-	264907158.00	241308242.70
Sale of inventories (Shares)	195856107.00	-	-	195856107.00	182400990.89

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)

Income Tax Expense comprises current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for current accounting period in accordance with the applicable rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred Tax reflects the impact of timing difference between according income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation and items relating to capital losses which is recognized based on virtual certainty, supported by continuing evidence that there will be sufficient future taxable income available to realize the assets.

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.)	
	31.03.2018	31.03.2017
Profit attributable to the Shareholders	1,00,28,173	23,97,431
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	70,66,900	70,66,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(1.42)	(0.34)
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	31.03.2018		31.03.2017	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	332700	4494464	333300	4503905
Purchases	1085000	264907158	329500	241308242
Sales	1085000	195856107	330100	241317683
Closing Stock	332700	4494464	332700	4494464

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

4) Managerial Remuneration

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

Particulars	2017-2018 (Rs.)	2016-2017 (Rs.)
Salaries	12,00,000	10,90,000

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)



A) Auditors Remuneration includes:

Particulars	2017-2018 (Rs.)	2016-2017 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	118000	28090
b) For other Services	-	

B) 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.

C) 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.

D) 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.

E) 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.

F) 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.

G) Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.

H) Status of the Investor Complaint

Complaints received and disposed off during the year ended March 31, 2018	Nil
Pending as on March 31, 2018	Nil

I) Cash Flow Statement :

The Cash Flow Statement is prepared by the "Indirect Method " set out un Accounting Standard on " Cash Flow Statement " and presents the Cash Flow by operating , investing and financing Activities.

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

Notes 1 to 12 forms an integral part of Balance Sheet and Profit & Loss Account

For **Harjani & Associates**
Chartered Accountants

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

Mukesh Harjani
Proprietor
Membership No. 41899
Place : Mumbai
Dated : 30-05-2018

Mg. Director

Jt Mg. Director

Independent Director

Company Secretary



Form AOC 1

(Pursuant to first proviso to sub-section (3) of section 129 of the Companies Act, 2013 read with rule 5 of Companies (Accounts) Rules, 2014)

Part "A" Subsidiaries

1. Serial No.	01
2. Name of Subsidiary	Tera Natural Resources & Pellets Pvt. Ltd.
3. Reporting period for the subsidiary	1 st April 2017 to 31 st March 2018
4. Reporting currency	Indian Rupees
5. Share Capital	27,31,120
6. Reserves & Surplus	104,842,250.54
7. Total Assets	17,47,200,057
8. Total Liabilities	6,94,26,686
9. Investments	22,80,000
10. Turnover	9,154,776
11. Profit / Loss	74,495.54
12. Proposed dividend	Not Applicable
13. Percentage of shareholding	46.92

INDEPENDENT AUDITORS' REPORT

TO,

THE MEMBERS OF PRO FIN CAPITAL SERVICES LTD

Report on the Financial Statements

We have audited the accompanying consolidated financial statements of **PRO FIN CAPITAL SERVICES LTD** ("the Company"), which comprise the Balance Sheet as at **31/03/2018**, the Statement of Profit and Loss, **the cash flow statement** for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Consolidated financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We



have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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, of the state of affairs of the Company as at **31/03/2018**, and its **Profit and it's cash flows** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub section (11) of section 143 of the Companies Act, 2013. We give in the Annexure A statements on the matters specified in paragraphs 3 and 4 of the order, to the extent applicable.

As required by Section 143 (3) of the Act, we report that:

- (h) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (i) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (j) The Balance Sheet, the Statement of Profit and Loss, and the **cash flow statement** dealt with by this Report are in agreement with the books of account.
- (k) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (l) On the basis of the written representations received from the directors as on **31/03/2018** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2018** from being appointed as a director in terms of Section 164 (2) of the Act.
- (m) With respect to the adequacy of the internal financial controls over financial reporting of the Company



and the operating effectiveness of such controls, refer to our separate report in "**Annexure B**".

- (n) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- iv. The Company has disclosed the impact of pending litigations on its financial position in its consolidated financial statements.
- v. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
- vi. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 30/05/2018

Place : Mumbai

FOR HARJANI & ASSOCIATES

(Chartered Accountants)

Reg No. :041899

MUKESH HARJANI

Proprietor

M.No. : 041899

"Annexure B" to the Independent Auditor's Report of even date on the Consolidated Financial

Statements of PRO FIN CAPITAL SERVICES LTD Company limited

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

We have audited the internal financial controls over financial reporting of PRO FIN CAPITAL SERVICES LTD Company Limited ("The Company") as of March 31, 2018 in conjunction with our audit of the consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls



operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence amount the adequacy of the internal financial control system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and operating effectiveness of internal control based on the assessed risk. The procedures selected depend upon on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issues by the Institute of Chartered Accountants of India.

Date : 30/05/2018

Place : Mumbai

FOR HARJANI & ASSOCIATES

(Chartered Accountants)

Reg No. :041899

MUKESH HARJANI

Proprietor

M.No. : 041899



**Reports under The Companies (Auditor's Report) Order, 2016 (CARO 2016)
for the year ended on 31st March 2018**

To,

The Members of PRO FIN CAPITAL SERVICES LTD

(i) In Respect of Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
- (c) No Immovable properties are held in the name of Company

(ii) In Respect of Inventories

Physical verification of inventory has been conducted at reasonable intervals by the management.

(iii) Compliance under section 189 of The Companies Act, 2013

The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

- (a) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (b) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.
- (c) The company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained u/s 189 of the companies Act-2013.

(iv) Compliance under section 185 and 186 of The Companies Act , 2013

While doing transaction for loans, investments, guarantees, and security provisions of section 185 and 186 of the Companies Act, 2013 have been complied with.

(v) Compliance under section 73 to 76 of The Companies Act, 2013 and Rules framed thereunder while accepting Deposits

The company has not accepted any Deposits.

(vi) Maintenance of cost records

The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under sub-section (1) of section 148 of the Companies Act, 2013.

(vii) Deposit of Statutory Dues

- (a) According to the records of the Company, there are no dues of Income tax, sales tax, customs duty, wealth tax, service tax, excise duty, sales tax and cess that have been not been deposited on amount of any dispute.



(b) There is no dispute with the revenue authorities regarding any duty or tax payable.

(viii) Repayment of Loans and Borrowings

The company has not defaulted in repayment of dues to financial institution, bank or debenture holders.

(ix) Utilization of Money Raised by Public Offers and Term Loan For which they Raised

The Company has not applied term loans for the purposes other than for which those are raised

(x) Reporting of Fraud During the Year

Based on our audit procedures and the information and explanation made available to us no such fraud noticed or reported during the year.

(xi) Managerial Remuneration

Managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act.

(xii) Compliance by Nidhi Company Regarding Net Owned Fund to Deposits Ratio

As per information and records available with us The company is not Nidhi Company.

(xiii) Related party compliance with Section 177 and 188 of companies Act - 2013

Yes , All transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.

(xiv) Compliance under section 42 of Companies Act - 2013 regarding Private placement of Shares or Debentures

The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) Compliance under section 192 of Companies Act - 2013

The company has not entered into any non-cash transactions with directors or persons connected with him.

(xvi) Requirement of Registration under 45-IA of Reserve Bank of India Act, 1934

The company is required to be registered under section 45-IA of the Reserve Bank of India Act, 1934 and registration has been obtained by the company

Date : 30/05/2018

Place : Mumbai

FOR HARJANI & ASSOCIATES

(Chartered Accountants)

Reg No. :041899

MUKESH HARJANI

Proprietor

M.No. : 041899



Pro Fin Capital Services Ltd.
Consolidated Balance Sheet as at 31 March, 2018

ASSETS	Note	As at 31st March, 2018 Rupees	As at 31st March, 2018 Rupees
Non-current assets			
(a) Property, Plant and Equipment	2	4,257,889	6,172,005
(b) Financial Assets			
i) Investments	3	4,811,028	2,280,000
ii) Other financial assets	4	16,094,297	15,870,446
(c) Deferred tax assets (Net)		460,537	225,386
(d) Advance tax assets (net)			
(e) Other non-current assets	-		
Total Non-Current Assets		25,623,751	24,547,837
Current assets			
(a) Inventories	5	4,494,464	4,494,464
(b) Financial Assets			
i) Trade receivables	6	317,349	-
ii) Cash and cash equivalents	7	15,501,062	9,471,565
iii) Loans			
iv) Other financial assets			
(c) Other current assets	8	1,429,031,919	893,300,267
Total Current Assets		1,449,344,794	907,266,296
TOTAL ASSETS		1,474,968,545	931,814,133

**Accompanying notes forming part of the
financial statements**

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director

Independent Director

Company Secretary



Pro Fin Capital Services Ltd.
Consolidated Balance Sheet as at 31 March, 2018

EQUITY AND LIABILITY	Note	As at 31 st March, 2018 Rupees	As at 31 st March, 2018 Rupees
Equity			
(a) Equity Share capital	9	70,669,000	70,669,000
(b) Other Equity	10	194,430,188	181,138,286
Total Equity		265,099,188	251,807,286
Minority Interest		57,049,721	57,010,179
Liability			
Non-current liabilities			
(a) Financial liabilities			
i) Borrowings	11	70,749,351	57,517,243
(b) Long term provisions			
(c) Deferred Tax Liabilities (Net)			
(d) Other Non-Current liabilities	-		
Total Non-Current Liabilities		127,799,072	114,527,422
Current liabilities			
(a) Financial liabilities			
i) Borrowings			
ii) Trade payables	12	1,072,963,152	559,780,898
iii) Other financial liabilities			
(b) Provisions	13	9,107,133	5,698,527
(c) Other current liabilities			
(d) Current Tax Liabilities (Net)			
Total Current Liabilities		1,082,070,285	565,479,425
TOTAL EQUITY AND LIABILITIES		1,474,968,545	931,814,133
Notes forming part of financial statements. In terms of our report attached	1-22		

Accompanying notes forming part of the financial statements

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director **Jt Managing Director**

Independent Director **Company Secretary**



Pro Fin Capital Services Ltd.

Consolidated Statement of Profit and Loss for the year ended 31 March, 2018

ASSETS		Note	For the year ended 31 st March, 2018	For the year ended 31 st March, 2018
1	Revenue from operations	14	322130696	266048822
2	Other income	15	138548	599
3	Total revenue (1+2)		322269244	266049421
4	Expenses			
	(a) Purchase of Stock In Trade (Shares)	16	274919358	241308243
	(b) Change In Inventories of finished Goods, Stock in Trade and Work in Progress	17	0	9441
	(c) Employee benefits expense	18	5446927	4334236
	(d) Finance Expense	19	4557043	1564293
	(d) Depreciation and amortisation expense	20	1932016	2080471
	(e) Other expenses	21	13029382	7769204
	Total expenses		299884726	257065888
5	Profit / (Loss) before tax (3 - 4)		22384518	8983533
6	Tax expense: Current Tax		6391837	2455639
	Deferred Tax		-225693	-143194
	Provision For Standard Assets		2886930	2,886,930
	Statutory reserve		3228776	1,321,090
7	Minority Interest		39,542	34,840
8	Profit / (Loss) for the year (5 -6)		10063126	2428228
9	Earnings per share (of ` 10/- each):			
	(a) Basic & diluted		1.42	0.34
	Accompanying notes forming part of the financial statements	1-22		

**Accompanying notes forming part of the
financial statements**

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director **Jt Managing Director**

Independent Director **Company Secretary**



PRO FIN CAPITAL SERVICES LIMITED
CONSOLIDATED CASH FLOW STATEMENT AS ON 31ST MARCH, 2018

PARTICULARS	AS AT 31.03-2018	AS AT 31.03-2017
A) Cash flow from operating Activities		
Net Profit/(Loss) before tax and extra ordinary items	22,384,518.00	8,948,693.00
Add: Depreciation	1,932,016.00	2,080,471.00
Less:- Interest income	(138,548.00)	0.00
Operating profit/(Loss) before working capital Change	24,177,986.00	11,029,164.00
Decrease/ (Increase) in Trade and Other receivables	(317,349.00)	0.00
Decrease/ (Increase) in Long Term Loans & Advances	(223,851.00)	(1,504,427.00)
Decrease/ (Increase) in Short Term Loans & Advances	(535,731,652.00)	(358,212,029.00)
Decrease(Increase) in Inventory	0.00	9,441.00
Increase/ (Decrease) in Other Current Liabilities	3,408,606.00	(162,370.00)
Increase/ (Decrease) in Trade Payables	512,478,852.00	363,667,981.00
Cash Generate from operations	3,792,592.00	14,827,760.00
Direct Tax/FBT Paid (net of refund)	(8,624,365.00)	(8,315,632.00)
B) Cash flow from Investing Activities etc	(4,831,773.00)	6,512,128.00
Purchase in Fixed Assets	(17,900.00)	(6,389,743.00)
(Increase)/ Decrease of Investments	(2,531,028)	
Net cash used in investing activities	<u>(2,548,928.00)</u>	<u>(6,389,743.00)</u>
C) Cash Flow from Financing Activities		
Interest Received	138,548	-
Proceeds Received in Long Term Borrowings	13,232,108.00	9,045,324.00
Increase in Share Premium	-	-
REDUCTION IN CAPITAL RESERVE	-	-
Increase in Reserves (shares warrant deferred)		
Increase in Minority Interest	39,542.00	34,840.00
Increase in Share capital	0.00	0.00
Net Cash outflow from Financing Activities	13,410,198.00	9,080,164.00
Net Increase in cash and cash equilents	6,029,497	9,202,549
Cash & Cash Equivalents		
- Opening	9,471,565	269,016
Cash & Cash Equivalents		
- Closing	<u>15,501,062</u>	<u>9,471,565</u>

Accompanying notes forming part of the financial statements

For **HARJANI & ASSOCIATES**
Chartered Accountants
MUKESH HARJANI
PROPRIETOR
MNO :- 041899
Place : Mumbai
Date : 30-05-2018

For and on behalf of the Board of Directors

Managing Director

Jt Managing Director

Independent Director

Company Secretary



Notes Forming part of the financial statements The Previous year figures have been regrouped / reclassified, wherever necessary to confirm to the current year presentation

Note 9

	As at 31.3. 2018	As at 31.3.2017
SHARE CAPITAL		
AUTHORISED SHARE CAPITAL		
85,00,000 Equity Shares of Rs. 10/- each	<u>85,000,000</u>	<u>85,000,000</u>
ISSUED		
70,66,900 Equity Shares of Rs. 10/- each fully paid	<u>70,669,000</u>	<u>70,669,000</u>
SUBSCRIBED & PAID UP		
70,66,900 Equity Shares of Rs. 10/- each fully paid	<u>70,669,000</u>	<u>70,669,000</u>
TOTAL	<u>70,669,000</u>	<u>70,669,000</u>

Note 9 (a) Reconciliation of number of shares

Particulars	As at 31st March 2018		As at 31st March 2017	
	No. of Shares Held	Rs	No. of Shares Held	Rs
Equity Shares:				
Shares At the Beginning of the year	7,066,900	70,669,000	7,066,900	70,669,000
Add: Shares Issued during the year				
Shares At the End of the year	7,066,900	70,669,000	7,066,900	70,669,000

Note 9 (b) Reconciliation of number of shares

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 2018		As at 31st March 2017	
	No. of Shares Held	% of holding	No. of Shares Held	% of holding
ANUPAM NARAIN GUPTA	622,014	8.80	598,392	8.47
SANDESH SAWANT	1,280,000	18.11	1,280,000.00	18.11
TRIYAMB SECURITIES PRIVATE LIMITED	9,47,034	13.40	0.00	0.00

**Note 10****RESERVE AND SURPLUS**

	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
General Reserves - As per last Balance Sheet	500,000	500,000
Share Premium		
Opening Balance	178,953,001	178,953,001
Add: Additions During the year		
Closing Balance	<u>178,953,001</u>	<u>178,953,001</u>
Statutory Reserve		
Opening Balance	2,616,012	1,294,922
Add: Additions During the year	3,228,776	1,321,090
Closing Balance	<u>5,844,788</u>	<u>2,616,012</u>
Capital Reserve		
Opening Balance	8,955,1132 0	8,955,1132
	<u>8,955,1132</u>	<u>8,955,1132</u>
Profit & Loss Account		
Opening balance	(9,885,859)	(12,314,087)
Add: Preferential Share Warrants Deffered		
Add: Profit / (Loss) for the year	10,063,126	177,267 2,428,228 (9,885,859)
TOTAL	<u>194,430,188</u>	<u>181,138,286</u>



Note 11

LONG TERM BORROWINGS

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Share Premium		
Secured Loans		
Term Loans		
From Banks		
LOAN FROM HDFC BANK (Repayble in 60 installments) (Secured against Vehicle)	582113	886686
LOAN FROM ICICI BANK (Repayble in 60 installments) (Secured against Vehicle)	3305693	4163957
ICICI OVERDRAFT SECURED AGAINST FIXED DEPOSIT OF RS 2500000	2255444	0
From Related Parties		
Abhay Gupta	2051018	576018
Anupam Gupta	2446298	1869998
Sumit Sharma	61000	61000
Ambe Securites Pvt Ltd	500000	-
	5058316	2507016
From Others	59547785	49959584
TOTAL	<u>70,749,351</u>	<u>57,517,243</u>

Note 12

TRADE PAYABLES

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Acceptances		
Other than Related Parties	1072963152	559780898
TOTAL	<u>072963152</u>	<u>559780898</u>

Note 13

OTHER CURRENT LIABILITIES

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Other Payble	875593	483156
Statutory Liabilities	198636	69397
Provision for Standard Asset (as per RBI Guidelines)	8032904	5145974
TOTAL	<u>9107133</u>	<u>5698527</u>



Note 3		
NON CURRENT INVESTMENTS		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
Unquoted Trade Investments		
Equity Investments in Private Limited Company	2280000	2280000
Fixed Deposit	2,500,000	
Acc int	31,028	
	<u>4811028</u>	<u>2280000</u>
Note 4		
LONG TERM LOANS & ADVANCES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
a) Security Deposit (unsecured considered Good)	3000	2003000
b) Sales Tax Deposit	25000	25000
Other Than Related Parties		
Related Parties		
Rashi Gupta	2200000	2200000
b) TDS & income tax (Net of Provisions)	12306661	10073325
c) Balances with Government authorities		
i)Service Tax Credit Receivable	42494	42494
d) Other Loans & Advances (unsecured considered Good)	1517142	1526627
	<u>16094297</u>	<u>15870446</u>
Note 5		
INVENTORIES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
INVENTORIES -SHARES (At lower of cost or Market value, taken, valued and certified by the Management)	4494464	4494464
TOTAL	<u>4494464</u>	<u>4494464</u>



Note 6		
TRADE RECEIVABLES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
TRADE RECEIVABLES	317349	0
TOTAL	<u>317349</u>	<u>0</u>
Note 7		
CASH & CASH EQUIVALENTS		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
CASH IN HAND	26,554	608,860
BALANCE WITH BANKS	15,374,508	8,862,705
TOTAL	<u>15,501,062</u>	<u>9,471,565</u>
Note 8		
SHORT TERM LOANS & ADVANCES		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
CAdvances(Unsecured,Considered Good)	1428960769	893229117
Loans & Advance to Related Party Rashi Gupta	71150	71150
TOTAL	<u>1429031919</u>	<u>893300267</u>
Note 14		
REVENUE FROM OPERATIONS		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
Sale (Trading of Shares)	195856107	182400991
Sale of services	2862513	
Sales of Exempt items	12511000	
Interest Received	110901076	83647831
TOTAL	<u>322130696</u>	<u>266048822</u>
Note 15		
INDIRECT INCOME		
	<u>As at</u> <u>31.3. 2018</u>	<u>As at</u> <u>31.3.2017</u>
Dividend	0	599
Int on It refund	138548	0
TOTAL	<u>138548</u>	<u>599</u>



Note 16		
PURCHASE OF STOCK IN TRADE		
	As at 31.3. 2018	As at 31.3.2017
Purchase of Shares	264907158	241308243
Purchase of exempt items	10012200	
TOTAL	274919358	241308243
Note 17		
CHANGES IN INVENTORIES OF FINISHED GOODS STOCK IN TRADE		
	As at 31.3. 2018	As at 31.3.2017
Opening Stock of Shares	4494464	4503905
Closing Stock of Shares	4494464	4494464
TOTAL	0	9441
Note 18		
EMPLOYEE BENEFIT EXPENSE		
	As at 31.3. 2018	As at 31.3.2017
Salaries & Establishment Other Than Related Party	3,998,000	2,871,500.00
Related Party		-
Mangerial Remuneration	1,200,000	1200000
Director Sitting Fee	97,500	70000
Staff Welfare	151,427	192736
TOTAL	5,446,927	4334236
Note 19		
Finance Expense		
	As at 31.3. 2018	As at 31.3.2017
Interest on Car Loan	445,456	458353
Interest on Private Parties	4,051,692	1105885
Bank Interest and chgs	57,867	55
Other Interest	2028	
TOTAL	4,557,043	1564293
Note 20		
DEPRICATION & AMORTISATION EXPENSE		
	As at 31.3. 2018	As at 31.3.2017
Deprication	1,932,016	2,080,471
TOTAL	1,932,016	2080471



Note 21

OTHER EXPENSES

Other than Related Party

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Membership & Subscription	87,435	71,113
Electricity & Water Charges	253,810	124,920
Professional charges	1,102,271	1,665,748
Telephone & Communiacion Expenses	95,562	206,848
Business Promotion	,535,229	1,078,656
Bank Charges		4,162
AGM Expense		30,250
Roc Filing Fees	2,300	4,400
Accounting Charges	54,000	25,000
Cable charges	66,348	44,260
Advertisment Exp.	49,067	46,528
Postage & Courier Charges	8,617	10,610
Printing & stationery expense	37,225	137,760
Commission		1,000,000
Demat Charges	2,000	5,800
Audit Fee	143,000	53,090
Mis expense		83,532
Insurance		1,304
Sundry Bal woff		750,000
Travelling Expenses	998,010	707,063
Repair & Maintence	131,336	64263
Office Expense	152,301	131100
Donation	273,000	0
Conveyance	48,700	102050
Car Expense	306,537.00	450747
Commission	2,370,555.00	0
Mis Expense	94,105.00	0
Taxes & Brokerage	490,204.00	-
Gst tax	920.00	-
Service tax	10,000.00	-
Delivery chgs	126,850.00	-
Related Party	-	-
Rent - Rashi Gupta	600,000.00	960,000.00
	<u>13,029,382</u>	<u>7,769,204</u>

Note 22

EARNING PER SHARE

	<u>As at 31.3. 2018</u>	<u>As at 31.3.2017</u>
Net Profit after Tax used as numerator	10,063,126	2,428,228
Waited Average number of Equity Shares used as denominator	7,069,900	7,069,900
Earning per Share (Rs.)		
(Basic & Diluted)	1.42	0.34
Face Value per Share (Rs.)	10	10

Note 2
Fixed Assets
i) Tangible assets

Particulars.	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS ON 01-04-2017	ADDITION DURING THE YEAR	SALE DURING THE YEAR	TOTAL AS ON 01-03-2018	UPTO 01-04-2017	Provided During the year	SALE/ ADJUST MENTS	Total upto 31-03-2018	AS ON 31-03-2018	AS ON 31-03-2017
Motar car	9,461,523			9,461,523	3,311,485	1,922,549	0	5,234,034	4,227,489	6,150,038
Mobile		17,900.00		17,900	-	4,133.00	-	4,133.00	13,767.00	-
Computer	77,000			77,000	55,033.00	5,334.00	-	60,367.00	16,633.00	21,967.00
TOTAL	9,538,523	17,900	0	9,556,423	3,366,518	1,932,016	0	5,238,167	4,257,889	6,172,005
PREVIOUS YR	3,148,780	6,389,743		9,538,523	1,286,047	2,080,471	0	3,366,518	6,172,005	1,862,733

Notes Forming part of the financial statements The Previous year figures have been regrouped /reclassified, wherever necessary to confirm to the current year presentation





NOTE -1

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 in accordance with the provisions of Section 123(2) of The companies Act 2013 which was made effective from 01-04-2014.

5. Investment (Long Term)

- c) **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.
- d) **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

- d) Transactions in respect of Investment / Dealing in Securities are recognised on trade dates
- e) Dividend/interest on debenture, income is accounted for on cash basis.
- f) 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.

- iii) **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.
- iv) **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

e. 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	Asian Fintrade Services Pvt Ltd	Associate Companies
7	Ambe Securities Pvt Ltd	Associate Companies
8	Profin Commodities Pvt Ltd	Associate Companies
9	Mrs Neha Gupta.	Key Managerial Personnel
10	Tera Natural Resources And Pellets Private Limited	Subsidiary Company

● 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	12,00,000/-	Nil	12,00,000/-	10,90,000/-
Rent	Nil	Nil	6,00,000/-	6,00,000/-	9,60,000/-
Purchase of inventories (Shares)	264907158.00	-	-	264907158.00	241308242.70
Sale of inventories (Shares)	195856107.00	-	-	195856107.00	182400990.89

f. 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.



g. Tax on Income (AS-22)

Income Tax Expense comprises current tax and deferred tax charge or credit.

Current Tax is measured on the basis of estimated taxable income for current accounting period in accordance with the applicable rates and the provisions of the Income Tax Act, 1961 and other applicable tax laws.

Deferred Tax reflects the impact of timing difference between according income and taxable income during the current year and reversal of timing differences for the earlier years. Deferred tax charge or credit and corresponding deferred tax liabilities or assets are measured using the tax rates and laws enacted or substantively enacted as on the Balance Sheet date. Deferred tax assets are recognized and carried forward only to the extent that there is reasonable certainty, except for carried forward losses and unabsorbed depreciation and items relating to capital losses which is recognized based on virtual certainty, supported by continuing evidence that there will be sufficient future taxable income available to realize the assets.

h. 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.)	
	31.03.2018	31.03.2017
Profit attributable to the Shareholders	1,00,28,173	23,97,431
Basic / Weighted Avg. No. of Equity shares outstanding during the year. (used as denominator)	70,66,900	70,66,900
Nominal value of Equity Shares	10	10
Basic / Diluted Earning Per Share (Rs.)	(1.42)	(0.34)
Nominal Value of the shares (Rs.)	10	10

4). 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	31.03.2018		31.03.2017	
	Qty	Value (Rs.)	Qty	Value (Rs.)
Opening Stock	332700	4494464	333300	4503905
Purchases	1085000	264907158	329500	241308242
Sales	1085000	195856107	330100	241317683
Closing Stock	332700	4494464	332700	4494464



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	2017-2018 (Rs.)	2016-2017 (Rs.)
Salaries	12,00,000	10,90,000

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. Auditors Remuneration includes:

Particulars	2017-2018 (Rs.)	2016-2017 (Rs.)
Paid to the Statutory Auditors		
a) As Audit Fees	118000	28090
b) For other Services	-	

- 5. 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.
- 6. 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.
- 7. **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.
- 8. 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.
- 9. 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.
- 10. Efforts have been made to employ full time Company Secretary. However, suitable person could not be found.
- 11. Status of the Investor Complaint



Complaints received and disposed off during the year ended March 31, 2018	Nil
Pending as on March 31, 2018	Nil

12. Cash Flow Statement :

The Cash Flow Statement is prepared by the "Indirect Method " set out un Accounting Standard on "Cash Flow Statement " and presents the Cash Flow by operating , investing and financing Activities.

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

Notes 1 to 12 forms an integral part of Balance Sheet and Profit & Loss Account

For **Harjani & Associates**
Chartered Accountants

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

Mukesh Harjani

Proprietor

Membership No. 41899

Place : Mumbai

Dated : 30-05-2018

Mg. Director

Independent Director

Jt Mg. Director

Company Secretary



PRO FIN CAPITAL SERVICES LIMITED

CIN: L51909MH1991PLC250695

Registered Office: 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai-400 066

Tel No. 022-28702070, Website: www.profincapital.com Email: profin.capital1@gmail.com

PROXY FORM

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

27th Annual General Meeting on Friday, 28th September, 2018

CIN:	L51909MH1991PLC250695		
Name of the Company:	Pro Fin Capital Services Limited		
Registered Office:	503, Western Edge II, Western Express Highway, Borivali (E), Mumbai-400066		
Name of the Member(s):			
Registered Address:			
E-mail Id:			
Folio No./ Client Id		DP ID:	

I/We, being the Member(s) of..... shares of the above named Company,
hereby appoint

1. Name			
Address			
E-mail Id		Signature	
or failing him			
2. Name			
Address			
E-mail Id		Signature	
or failing him			
3. Name			
Address			
E-mail Id		Signature	

as my/our proxy to attend or vote for me/us and on my/our behalf at the **Twenty- Seventh Annual General Meeting** of the Company, to be held on Friday, September 28, 2018 at 11.00 am at the Registered Office of the Company at B/ 503, Western Edge II, Western Express Highway, Borivali (East), Mumbai-400066 and at any adjournment thereof in respect of such resolutions as are indicated below:



Resolution No.	Resolution	Vote (Optional) (See Note No. 4)	
		For	Against
Ordinary Business			
1.	Adoption of -		
	a. The Standalone Financial Statement of the Company for the year ended 31st March, 2018 and the report of Directors and Auditors thereon.		
	b. The Consolidated Financial Statement of the Company for the year ended March 31, 2018, and the report of the Auditors thereon.		
2.	appoint a director in place of Ms. Neha Anupam Gupta (DIN 07145514) who retires by rotation and being eligible offers herself for re appointment.		
3.	Issue of Securities by way of Qualified Institutional Placement (QIP)		
4.	Re-appointment of Mr. Anupam Gupta (Din- 02294687) as the Managing Director		
5.	Re-appointment of Mr. Abhay Gupta (Din- 02294699) as the Jt. Managing Director		

Signed this..... day of2018.

Signature of the Shareholder: _____

Signature of 1st Proxy holder: _____

Signature of 2nd Proxy holder: _____

Signature of 3rd Proxy holder: _____

Affix Revenue Stamp

Note:

1. This form of Proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. If appointed for more than fifty Members, the Proxy shall choose any of the fifty members and confirm the same to the Company before the commencement of specified period for inspection. In case the Proxy fails to do so, the Company shall consider only the first fifty proxies received as valid
3. Any alteration or correction made to this Proxy form must be initialed by the signatory / signatories.
4. If you wish to vote for a Resolution, place a tick in the corresponding box under the column marked "For".



If you wish to vote against a Resolution, place a tick in the corresponding box under the column marked "**Against**". If no direction is given, your Proxy may vote or abstain as he / she thinks fit.

INSTRUCTIONS

1. Unsigned, incomplete or incorrectly ticked forms are liable to be rejected and the decision of the scrutinizer on the validity of the forms will be final.
2. A shareholder can opt for only one mode of voting i.e. either through e-voting or by Ballot. If a shareholder casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.
3. The right of voting by ballot form shall not be exercised by a proxy.
4. To avoid fraudulent transactions, the identity/signature of the shareholders holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of shareholders holding shares in physical form is verified as per the records of the share transfer agent of the Company i.e. Beetal Financial & Computer Services (P) Ltd.). Shareholders are requested to keep the same updated.
5. There will be only one ballot form for every Folio/DP ID/Client ID irrespective of the number of joint holders.
6. In case of joint holders, the ballot form should be signed by the first named shareholder and in his/her absence by the next named shareholder. Ballot form signed by a joint holder shall be treated valid if signed as per records available with the Company and the Company shall not entertain any objection on such ballot form from other joint holders.
7. Where the ballot form has been signed by an authorized representative of the body corporate/trust/society, etc a certified copy of the relevant authorization/board resolution to vote should accompany the ballot form.



PRO FIN CAPITAL SERVICES LIMITED

CIN: L51909MH1991PLC250695

Registered Office: B/ 503, Western Edge II,
Western Express Highway, Borivali (East), Mumbai-400 066
Tel No.: 022-28702070, Fax: 022-28702072
Website: www.profincapital.com Email: profin.capital1@gmail.com

ATTENDANCE SLIP

(To be handed over at the Registration Counter)

Regd. Folio No. / DP ID* / Client ID*:	SI. No.
Name :	
Address :	
Joint Holder :	

Note:

- Members are requested to tender their attendance slips at the registration counters at the venue of the AGM and seek registration before entering the meeting hall.

ELECTRONIC VOTING PARTICULARS

EVEN (Electronic Voting Event Number)	USER ID	PASSWORD

The Remote e-voting facility will be available during the following period:

Commencement of Remote e-voting	End of Remote e-voting
From Tue. 25/09/2018 9.00 a.m. (IST)	Up to Thu. 27/09/2018 5.00 p.m. (IST)

The cut-off date for the purpose of remote e-voting & voting at the AGM is 21st September 2018



Updating of Shareholder information

To:
Pro Fin Capital Services Limited
B/ 503, Western Edge II
Western Express Highway
Borivali East, Mumbai 400 066

I/We request you to record the following information in respect of equity shares held by me/us in your Company, as per details given below:

General Information

Folio Number
Name of the first shareholder
PAN
CIN/Registration No. (Applicable to Corporate Shareholders)
Telephone with STD
Mobile No.
Email ID

Bank Details

Name of the Bank
Bank Branch Address
Bank Account No.*
IFSC (11 digit)
MICR (9 digit)

- A blank cancelled cheque is enclosed for verification of bank details

I/We hereby declare that the particulars given above are correct and complete. If the transaction is delayed due to incomplete or incorrect information, I/ We would not hold the Company responsible. I/We undertake to inform any subsequent changes in the above particulars as and when the changes take place. I/We understand that the above details shall be maintained by you till I/We hold the shares under the above folio number.

Date:

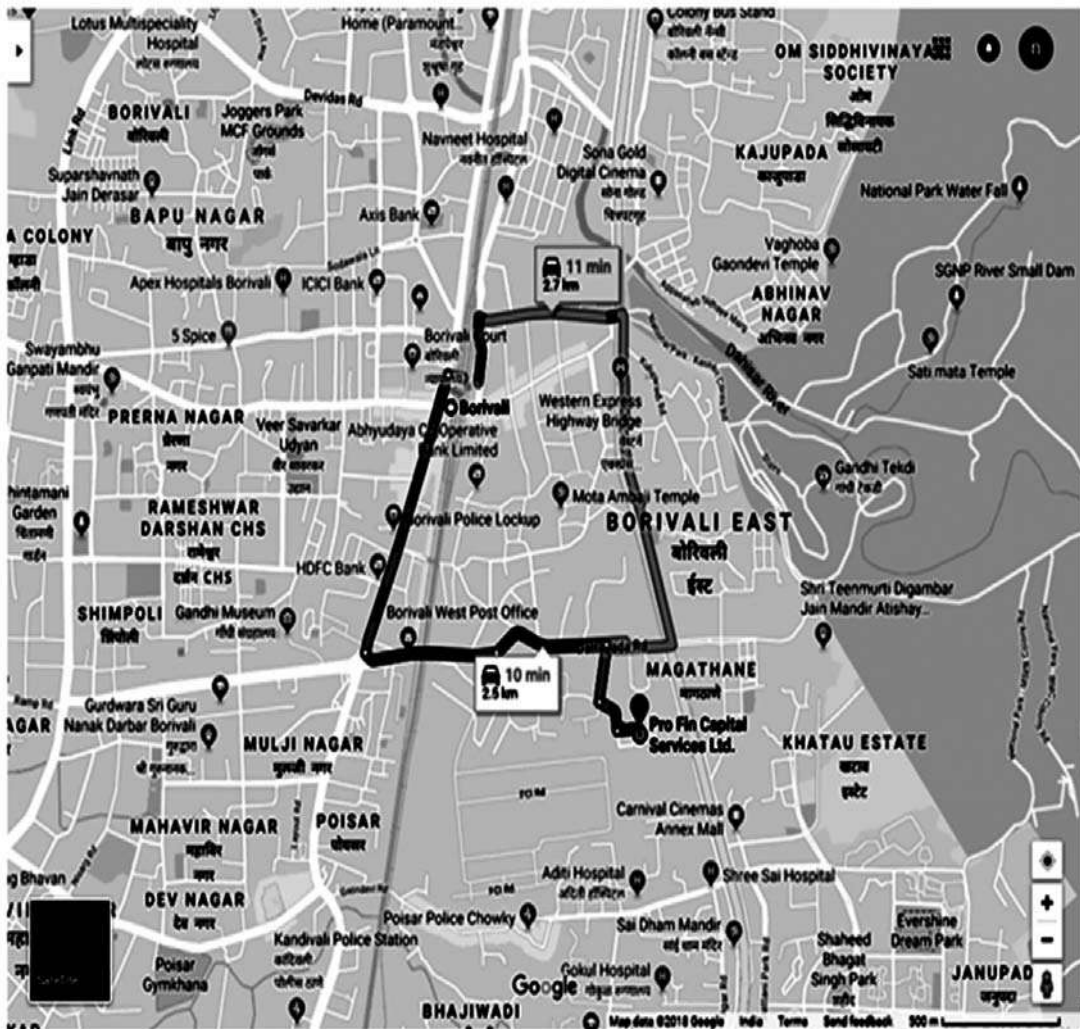
Place: Mumbai

Signature of the sole/first holder



ROAD MAP TO THE VENUE OF THE 27TH ANNUAL GENERAL MEETING

**PRO FIN CAPITAL SERVICES LIMITED
B/ 503, WESTERN EDGE II,
WESTERN EXPRESS HIGHWAY,
BORIVALI (EAST), MUMBAI - 400 066.**





Note

A series of horizontal dotted lines for writing notes.



Regd. Book Post / Courier

If undelivered return to

Pro Fin Capital Services Ltd

503, Western Edge II,
Western Express Highway,
Borivai (East),
Mumbai - 400 066