

Annexure 7

RICH

**20TH ANNUAL REPORT
2009-10**

RICH CAPITAL AND FINANCIAL SERVICES LTD.

**11nd Floor,7/125(C-2), SWAROOP NAGAR, KANPUR – 208002
PHONES: 0512-3258312, 3258204 Fax: 0512-3072718**

RICH CAPITAL & FINANCIAL SERVICES LTD.

7/125 (C-2)2nd FLOOR, SWAROOP NAGAR, KANPUR - 208 002 *PHONES : 0512-3072757, 3258312, 3258204
FAX : 0512-3072718 *E-mail : rctsi@rediffmail.com/richcapital@rediffmail.com

NOTICE

Notice is hereby given that 20th Annual General Meeting of shareholders of the company will be held on Thursday 30.09.2010 at 10:30 AM at the Registered Office of the company at 7/125(C-2),1Ind Floor, Swaroop Nagar, Kanpur .208002 to transact the following business:

Ordinary Business

1. To receive, consider and adopt Profit & Loss A/c of the company for the period ended on 31st March 2010 and Balance Sheet of the company as on that date alongwith reports of Board of Directors and Auditor thereon.
2. To appoint a Director in place of Mr. Sanjay Gupta, who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Rajeev Agarwal, who retires by rotation, and being eligible offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification(s) following resolution as an ordinary resolution.

“Resolved that M/s Rajani Mukesh & Associates, Chartered Accountant, auditors of the company who retires at the ensuing Annual General Meeting be and are hereby reappointed as auditors of the company to hold the office from the conclusion of this A.G.M. till the conclusion of next A.G.M. of the company. And that the Board of Directors of Company be and is and is hereby authorized to fix their remuneration”.

Special Business

5. To consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of sections, 255,256 and 257of the Companies Act,1956 and all other applicable provisions, if any, of the said Act, Mr. Sanjay Tandon, who was appointed as an Additional Director in terms of section 260 of the said Act, be and is hereby appointed as a director whose period of office is liable to determination by retirement of directors by rotation.”
6. To consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution:
“RESOLVED THAT pursuant to the provisions of sections 255,256 and 257 of the Companies Act,1956 and all other applicable provisions, if any, of the said Act, Mr. Anoop Kumar Gupta, who was appointed as an Additional Director in terms of section 260 of the said Act,, be and is hereby appointed as a director whose period of office is liable to determination by retirement of directors by rotation.
7. To consider and if thought fit to pass with or without modification following resolution as Ordinary Resolution:

DELHI OFFICE : 215, DELHI CHAMBER, DELHI GATE, DELHI - 2
PHONE : 011 - 4156395

RICH CAPITAL & FINANCIAL SERVICES LTD.

7/125 (C-2)2nd FLOOR, SWAROOP NAGAR, KANPUR - 208 002 *PHONES : 0512-3072757, 3258312, 3258204
FAX : 0512-3072718 *E-mail : rcfel@rediffmail.com/richcapital@rediffmail.com

"RESOLVED THAT pursuant to the provisions of sections 255,256 and 257 of the Companies Act,1956 and all other applicable provisions, if any, of the said Act, Mr. Manoj Kumar, who was appointed as an Additional Director in terms of section 260 of the said Act, be and is hereby appointed as a director whose period of office is liable to determination by retirement of directors by rotation.

For Rich Capital & Financial Services Ltd.



(SHASHWAT AGARWAL)
C.M.D.

Place: Kanpur
Date: 25.08.2010

NOTES:

1. A member entitled to attend and vote at the meeting may appoint one or more proxy(ies) to attend and vote in his stead and proxy need not be a member of the company.
2. Duly filled in proxy form should be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
3. Register of Members and shares transfer books will remain closed from Monday the 27th September 2010 to Thursday the 30th September 2010 (both the days inclusive)
4. Member holding shares in electronic form are requested to notify change in their address to their depository participant.
5. Explanatory Statement in respect of item no 5, 6 & 7 pursuant to section 173 of the Companies Act 1956, is annexed hereto.

DELHI OFFICE : 215, DELHI CHAMBER, DELHI GATE, DELHI - 2
PHONE : 011 - 4168395

RICH CAPITAL & FINANCIAL SERVICES LTD.

7/125 (C-2)2nd FLOOR, SWAROOP NAGAR, KANPUR - 208 002 *PHONES : 0512-3072757, 3258312, 3258204
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Annexure-I

Explanatory Statement

(Pursuant to section 173 of the Companies Act, 1956)

Item No. 5, 6 & 7

Mr. Sanjay Tandon, Mr. Anoop Kumar Gupta and Mr Manoj Kumar were appointed by the Board of Directors as Additional Directors of the Company w.e.f. 10-12-2009 in accordance with the provisions of section 260 of the Companies Act,1956 and they cease to be directors of the company at the ensuing Annual General Meeting of the Company. Pursuant to the provisions of section 256 of the Companies Act,1956 company has received notices from Mr. Sanjay Tandon, Mr. Anoop Kumar Gupta and Mr Manoj Kumar along with sum of Rs. 1,500/- showing their willingness to be appointed as a director whose period of office is liable to determination by retirement of directors by rotation. Your directors, therefore, recommend the Resolutions under Items No.5,6 & 7 to be passed as Ordinary Resolutions.

None of the Directors of the company is directly or indirectly interested in the resolution except as shareholders generally.

For Rich Capital & Financial Services Ltd.



(SHASHWAT AGARWAL)
C.M.D.

Place: Kanpur
Date: 25.08.2010

RICH CAPITAL AND FINANCIAL SERVICES LTD.

DIRECTORS' REPORT TO THE SHARE HOLDERS
FOR THE YEAR ENDED ON 31ST MARCH 2010

Your Directors have pleasure in presenting the Twentieth Annual Report together with the Audited Statement of Accounts for the year ended on 31st March 2010.

FINANCIAL RESULTS:

S. NO.	PARTICULARS	YEAR ENDED 31 ST MARCH 2010 Amount (Rs.)
1.	Profit before Tax	80795.65
2.	Depreciation	305338.61
3.	Cash Profit for the year	386134.26

DEPOSITS:

The company has not accepted any deposits within the meaning of section 58-A of the Companies Act, 1956 during the year under review.

PARTICULARS OF EMPLOYEES:

There is no employee in the Company whose particulars are required to be given in accordance with provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended upto date.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 Mr. Sanjay Gupta & Rajeev Agarwal will retire by rotation at the ensuing Annual General Meeting and he being eligible have offered themselves for re-appointment.

During the year Mr. Dhruv Shah and Mr. K.K. Agarwal resigned from the directorship of the Company w.e.f. 10-12-2009. Board take on record its appreciation for their association with the company.

During the Year Mr. Manoj Kumar, Mr. Anoop Kumar Gupta and Mr. Sanjay Tandon were appointed as Additional Directors of the Company w.e.f. 10-12-2009

DIRECTORS' RESPONSIBILITY STATEMENT:

Your Director enclose herewith a Directors Responsibility Statement indicating therein:

- a) That in the preparation of the annual accounts, the applicable accounting standards had been followed alongwith proper explanation relating to material departures.
- b) That the Directors had selected such accounting policies and applied them consistently and made judgment & estimates that are reasonable & prudent so as to give a true and fair

RICH CAPITAL AND FINANCIAL SERVICES LTD.

- c) view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for the period.
- d) That the Directors had taken proper and sufficient care for the maintenance adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- e) That the Directors had prepared the annual accounts on a going concern basis.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUT GO :

NIL

AUDITORS, REPORT :

Comments made by Auditors in their Report are self explanatory and need no further elucidation.

APPOINTMENT OF AUDITORS:

Mr. Mukesh Rajani, Chartered Accountant, Kanpur, being eligible has expressed his willingness for re-appointment as Auditors of the Company.


CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement a certificate from M/s. Rajani Mukesh & Associates, Chartered Accountant, Kanpur has been annexed to the Report.

ACKNOWLEDGEMENTS:

Your directors take this opportunity to extend their thanks to the customers, business partners, business associates and bankers of the company for their continued support during the year. Directors also sincerely acknowledge the dedication and commitment of employees of the company at all levels.

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.

 
(RAJEEV AGARWAL) (SHASHWAT AGARWAL)
Director C.M.D.

PLACE: Kanpur
DATE : 25.08.2010

AUDIT REPORT
&
PROFIT & LOSS ACCOUNT
&
BALANCE SHEET AS AT 31.03.2010
OF
RICH CAPITAL & FINANCIAL SERVICES LTD.
*11nd Floor, 7/125(C-2), SWAROOP NAGAR,
KANPUR.*

PHONES:
OFFICE : 3043251
MOBILE: 9839035251
e-mail : rajani.ca@gmail.com

RAJANI MUKESH & ASSOCIATES,
CHARTERED ACCOUNTANTS,
510, PREM RATAN VATIKA,
7/180, SWAROOP NAGAR , KANPUR-2

AUDITOR'S REPORT

To The Members of
Rich Capital & Financial Services Limited,

1. We have audited the attached Balance Sheet of M/s Rich Capital & Financial Services Limited as at 31st March, 2010 and also the Profit and Loss account and the Cash-Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain to reasonable assurance about whether the financial statements are free of material mis statement. An audit includes examining, on at test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 (the order) issued by the Central Government of India in term of sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that:
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examinations of those books.
 - (iii) The Balance sheet, profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of accounts;
 - (iv) In our opinion, the Balance sheet, Profit and Loss account and Cash Flow statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of the written representations from the directors, as on 31st March, 2010 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a director in terms of section 274(1)(g) of the companies Act, 1956;

↓
[Signature]

- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said account read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with accounting principles generally accepted in India;
- (a) in the case of the Balance Sheet, of the statement of affairs of the Company as at 31st March, 2010.
 - (b) In the case of the Profit and Loss account, of the profit for the year ended on that date; and
 - (c) In the case of Cash Flow statement, of the cash flows for the year ended on that date.

For RAJANI MUKESH & ASSOCIATES
CHARTERED ACCOUNTANTS

Mukesh Rajani
(C.A. MUKESH RAJANI)
Proprietor

Place: Kanpur

Date : 25.08.2010

CORPORATE GOVERNANCE

1. A BRIEF STATEMENT ON COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Rich Capital and Financial Services Ltd. is committed to Good Corporate Governance. The fundamental objective of Rich's Corporate Governance is "enhancement of the long-term shareholder value while at the same time protecting the interest of other stakeholders". Rich's Code of Corporate Governance has been drafted in compliance with the code of "Corporate Governance" as promulgated by the Securities and Exchange Board of India (SEBI) on 25.01.2000.

2. BOARD OF DIRECTORS

The Board of Director of Rich Capital & Financial Services Ltd. is comprised of 6 Directors . Three are executive directors; and Three are Independent Directors
During the Financial Year 2009-10, 7 meeting of the Board were held. These meeting were held on 30.04.2009, 30.07.2009, 28.08.2009,14-10-2009,31.10.2009,10-12-2009 ,31-01-2010 .

Details of Directors' attendance and other particulars are given below:

Director	No. of Board Meeting held	No. of Board Meeting attended	Last AGM attendance (Yes/No)	No. of memberships in Boards of other public Co.'s
Shashwat Agarwal	7	7	Yes	61
K.K. Agarwal	7	5	Yes	Nil
Rajeev Agarwal	7	7	Yes	31
Dhrupesh Shah	7	5	Yes	Nil
Sanjay Gupta	7	7	Yes	3
Sanjay Tandon	2	2	NA	Nil
Anoop Kumar Gupta	2	2	NA	Nil
Manoj Kumar	2	2	NA	Nil

Note:

1. Mr. Dhrupesh Shah and Mr. K.K.Agarwal resigned from the directorship of the company w.e.f. 10-12-2009
2. Mr. Sanjay Tandon, Mr. Anoop Kumar Gupta and Mr. Manoj Kumar were appointed as additional director w.e.f. 10-12-209



3. AUDIT COMMITTEE

Terms of Reference

1. Oversee Company's financial reporting process and disclosure of its financial information to ensure the financial statements are correct, sufficient and credible.
2. Recommend appointment and removal of Statutory auditors, fixation of audit fee and also approve payment for other services.
3. Review the adequacy of internal control systems with the Management, Statutory and internal auditors.
4. Review the Company's financial and risk management policies.

Composition

Mr. Anoop Kumar Gupta	-	Chairman
Mr. Dhruv Shah	-	Non-Executive Director
Mr. K. K. Agarwal	-	Independent Director
Mr. Shaswat Agarwal	-	Executive Director

Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Shashwat Agarwal	4	4
Mr. Dhruv Shah	2	2
Mr. K. K. Agarwal	2	2
Mr. Anoop Kumar Gupta	2	2
Mr. Sanjay Tandon	2	2

Note:

1. Mr. Dhruv Shah and Mr. K.K. Agarwal resigned from the directorship of the company w.e.f. 10-12-2009
2. Mr. Sanjay Tandon, Mr. Anoop Kumar Gupta were appointed as additional director w.e.f. 10-12-2009

4. REMUNERATION COMMITTEE

Terms of Reference

The Remuneration Committee reviews the policy on remuneration packages for Executive Directors, their Service Contracts, Stock Option details etc. However, remuneration to Non-Executive Directors will be decided by the Board of Directors.

Composition

Mr. Sanjay Tandon	-	Chairman
Mr. Dhruv Shah	-	Non-Executive Director
Mr. K. K. Agarwal	-	Non-Executive Director
Mr. Manoj Kumar	-	Independent Director
Mr. Shaswat Agarwal	-	Executive Director



Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Shashwat Agarwal	2	2
Mr. Dhruv Shah	1	1
Mr. K. K. Agarwal	1	1
Mr. Sanjay Tandon	1	1
Mr. Manoj Kumar	1	1

Note:

1. Mr. Dhruv Shah and Mr. K.K.Agarwal resigned from the directorship of the company w.e.f. 10-12-2009
2. Mr. Sanjay Tandon, and Mr. Manoj Kumar were appointed as additional director w.e.f. 10-12-2009

Remuneration Policy

The Committee recommends the remuneration payable to Executive Directors, based on their contribution to the growth and development of the Company.

Details of remuneration paid/payable to all the Directors for F.Y. 2009-10

Mr. Shashwat Agarwal	-	Rs.
Mr. Rajeev Agarwal	-	Rs.
Mr. Sanjay Gupta	-	Rs.

5. **INVESTORS' GRIEVANCE COMMITTEE**

Terms of Reference

The Investors' Grievance Committee facilitates prompt and effective redressal of shareholders' complaints and the reporting of the same to the Board periodically.

Composition

Mr. Shashwat Agarwal	-	Chairman
Mr. Dhruv Shah	-	Non-Executive Director
Mr. K. K. Agarwal	-	Non-Executive Director
Mr. Anoop Kumar Gupta	-	Independent Director
Mr. Manoj Kumar	-	Independent Director

Meeting and attendance during the year

Members	Meeting Held	Meeting Attended
Mr. Shashwat Agarwal	5	5
Mr. Dhruv Shah	3	3
Mr. K. K. Agarwal	3	3
Mr. Anoop Kumar Gupta	2	2
Mr. Manoj Kumar	2	2

Note:

1. Mr. Dhruv Shah and Mr. K.K.Agarwal resigned from the directorship of the company w.e.f. 10-12-2009
2. Mr. Sanjay Tandon, Mr. Anoop Kumar Gupta and Mr. Manoj Kumar were appointed as additional director w.e.f. 10-12-2009

Compliance Officer

Board of Directors have been making their best efforts to appoint a Compliance Officer in terms of the Listing Agreement.

6. SHAREHOLDERS' MEETINGS

Details of Last three AGMs held

Year	Date	Venue	Time
2006-07	29-09-2007	7/125,C-2,Swaroop Nagar, Kanpur	10:30 AM
2007-08	30-09-2008	7/125,C-2,Swaroop Nagar, Kanpur	10.00 A.M.
2008-09	30-09-2009	7/125,C-2,Swaroop Nagar, Kanpur	10.00 A.M.

Whether special resolutions were put through postal ballot last year, details of voting pattern, person who conducted the postal ballot exercise, propose to be conducted through postal ballot and procedures for postal ballot.

No

7. DISCLOSURES

Disclosure on materially significant related party transactions i.e., transactions of the Company of material nature, with its founders, the directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of company at large.

Nil

Details of non-compliance by the Company, penalties, strictures imposed on the company Stock Exchange or SEBI or any statutory authority, on any matter related to capital market, during the last three years.

Nil

However trading of shares on Patna and Delhi Stock Exchange have been remaining suspended since long.



8. **MEANS OF COMMUNICATION**

Half-Yearly report sent to each household shareholders.

No

Quarterly results - which newspapers normally published in; any website, where displayed; whether also displays official news releases; and the presentations made to institutional investors or to the analysts.

The quarterly results are generally published in The Pioneer and Daily Aaj or Swatantra Bharat.

Whether the Management Discussion and Analysis section is a part of the Annual Report or not

Yes

9. In line with recent amendments made to Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992, Rich has formulated policy on Prevention of Insider Trading applicable to the Company's Directors and all employees. This policy was adopted by the Board at its Meeting held on 12th April, 2003

10. **GENERAL INFORMATIONS:**

Registered Office:

7/125(C), 11th Floor,
Swaroop Nagar, Kanpur-208002
Phones : 0512-3258312, 3258204
Fax: 0512- 3072718
E-mail: refsl@rediffmail.com

Registrar & Share Transfer Agent:

Skyline Financial Services Private Limited
246, 1st Floor, Sant Nagar, Main ISCON Temple Road,
East of Kailash, New Delhi- 110065
Phones: 011-26292682 Fax: 011-26292681
E-mail: admin@skylinerta.com

10. As per Clause 49 of the Listing Agreement with Stock Exchange, Company is required to obtain a Certificate from the Auditor of the company regarding compliance of conditions of Corporate Governance. Since the Company has implemented the Corporate Governance Code during the FY 2007-08, the Auditors' Certificate in respect of Compliance thereof is enclosed in this Annual Report.

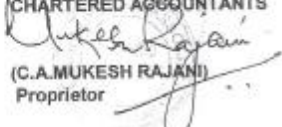




Place: Kanpur
Date: 25-08-2010

RICH CAPITAL & FINANCIAL SERVICES LIMITED,
11nd Floor, 7/125 (C-2),SWAROOP NAGAR, KANPUR.

BALANCE SHEET AS AT 31.03.2010

	SCHEDULE NO.	YEAR ENDED 31.03.2010	YEAR ENDED 31.03.2009
1.SOURCES OF FUNDS:			
(A) SHARE HOLDER'S FUND:			
a) Share capital	01	72,528,000.00	72,528,000.00
b) Reserve & Surplus		2,938,529.89	3,037,877.53
		<u>75,466,529.89</u>	<u>75,565,877.53</u>
2.APPLICATION OF FUNDS:			
(A) FIXED ASSETS:			
a) Op. W.D.V.(+) Additions	02	1,460,847.38	1,838,927.86
(-) Deduction			
b) Less: Depreciation		<u>305,338.60</u>	<u>390,880.48</u>
		1,155,508.78	1,448,047.38
(B) CURRENT ASSETS & LOANS & ADVANCES:			
	03	74,823,955.41	74,800,828.14
		<u>75,979,464.19</u>	<u>76,248,875.52</u>
(C) LESS: CURRENT LIABILITIES & PROVISIONS:			
	04	512,934.30	683,197.99
		<u>75,466,529.89</u>	<u>75,565,677.53</u>

For RAJANI MUKESH & ASSOCIATES
 CHARTERED ACCOUNTANTS

 (C.A. MUKESH RAJANI)
 Proprietor

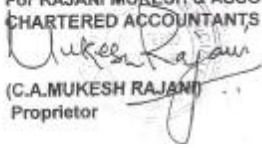
FOR RICH CAPITAL & FINANCIAL SERVICES LTD.
 
 (RAJEEV AGARWAL) (SHASHWAT AGARWAL)
 Director Managing Director


PLACE: KANPUR
 DATE: 25-08-2010


RICH CAPITAL & FINANCIAL SERVICES LIMITED,
11nd Floor, 7/125 (C-2),SWAROOP NAGAR, KANPUR.

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2010

<u>SCHEDULE NO.</u>	<u>YEAR ENDED</u> <u>31.03.2010</u>	<u>YEAR ENDED</u> <u>31.03.2009</u>
<u>REVENUE:</u>		
Income from Operations	3,940,520.00	3,951,890.00
	<u>3,940,520.00</u>	<u>3,951,890.00</u>
<u>EXPENDITURE:</u>		
Expenses	05	3,554,385.74
Profit before depreciation and tax		386,134.26
Less: Depreciation		305,338.61
Profit before tax		80,795.65
Less: Income Tax		17,100.30
Profit after tax		63,695.36
Add: Balance brought forward from previous year		3,037,677.53
		<u>3,101,372.89</u>
Total Profit C/o		<u>3,037,677.53</u>
<u>LESS: APPROPRIATIONS</u>		
Balance B/f		3,101,372.89
Less: Fringe Benefit Tax(FY09-10)		69,950.00
Less: Income Tax (FY 07-08)		92,893.00
		<u>2,938,529.89</u>
Balance carried over to Balance sheet		<u>3,037,677.53</u>
<u>NOTES ON ACCOUNT:</u>		
	06	

For RAJANI MUKESH & ASSOCIATES
 CHARTERED ACCOUNTANTS

 (C.A. MUKESH RAJANI)
 Proprietor

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.

 (RAJEEV AGARWAL)
 Director


 (SHASHWAT AGARWAL)
 Managing Director

PLACE: KANPUR
 DATE: 25-08-2010

RICH CAPITAL & FINANCIAL SERVICES LIMITED,
IIInd Floor, 7/125 (C-2), SWAROOP NAGAR, KANPUR.

SCHEDULE-01

<u>SHARE HOLDER'S FUND:</u>	<u>AS AT 31.03.2010</u>	<u>AS AT 31.03.2009</u>
<u>SHARE CAPITAL:</u>		
<u>AUTHORISED SHARE CAPITAL:</u> (4,00,00,000 Equity Share of Rs.10/-each)	<u>40,00,00,000.00</u>	<u>8,00,00,000.00</u>
<u>ISSUED, SUBSCRIBED AND PAID-UP SHARE CAPITAL:</u> (72,52,800 Equity Share of Rs.10/-each fully paid-up)		
	<u>7,25,28,000.00</u>	<u>7,25,28,000.00</u>
	<u>7,25,28,000.00</u>	<u>7,25,28,000.00</u>

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.

 
(RAJEEV AGARWAL) (SHASHWAT AGARWAL)
Director Managing Director



SCHEDULE - 02

RICH CAPITAL & FINANCIAL SERVICES LIMITED,
 11th Floor, 7/125 (C-2) SWAROOP NAGAR, KANPUR,
 F.Y. 2008-10
 GROSS BLOCK

S.NO.	NAME OF ASSETS	RATE OF DEP.	W.D.V AS ON 01.04.2008	ADDITIONS DURING THE YEAR	SALES DURING THE ADJUSTMENT YEAR	TOTAL 31.03.10	UPTO PREV. YEAR	FOR THE YEAR	ADJUSTMENT	TOTAL UPTO 31.03.10	NET BLOCK	
											W.D.V AS AT 31.03.2010	W.D.V AS AT 31.03.2009
1	AIR CONDITIONERS	13.91%	263,480.92	-	-	263,480.92	400,244.94	39,432.20	-	439,677.94	284,048.72	263,480.92
2	CARS	25.89%	676,893.59	-	-	676,893.59	3,706,322.47	175,283.28	-	3,941,295.75	801,690.31	676,893.59
3	COMPUTERS	40%	42,091.62	12,800.00	-	54,891.62	521,813.88	21,956.65	-	543,770.53	32,534.87	42,091.62
5	COOLER	13.91%	879.22	-	-	879.22	1,780.79	122.30	-	1,902.09	156.82	879.22
6	CYCLE	20%	254.13	-	-	254.13	1,016.89	52.83	-	1,069.32	211.30	254.13
7	FURNITURE & FIXTURES	16.10%	158,755.78	-	-	158,755.78	228,626.08	28,734.80	-	257,860.28	130,020.98	158,755.78
8	GENERATOR	13.91%	18,828.89	-	-	18,828.89	30,552.35	2,650.97	-	33,443.32	16,035.72	18,828.89
9	OFFICE EQUIPMENTS	13.91%	122,365.02	-	-	122,365.02	231,148.28	17,020.87	-	248,169.23	105,344.05	122,365.02
10	REFRIGERATOR	13.91%	60,189.73	-	-	60,189.73	59,408.83	8,372.39	-	67,761.22	51,817.94	60,189.73
11	SCOOTER	25.89%	398.31	-	-	398.31	3,299.04	100.53	-	3,399.57	287.78	398.31
12	TELEVISION	13.91%	43,574.25	-	-	43,574.25	48,293.55	8,061.18	-	54,354.84	37,513.07	43,574.25
13	COUNTING MACHINE	13.91%	29,897.28	-	-	29,897.28	20,103.72	4,158.71	-	24,282.43	25,736.57	29,897.28
14	MOBILE	13.91%	10,580.84	-	-	10,580.84	719.16	1,471.79	-	2,190.95	8,109.05	10,580.84
			1,448,047.35	12,800.00	-	1,460,847.35	5,313,929.57	305,238.61	-	5,819,289.18	1,185,508.77	1,448,047.35



FOR RICH CAPITAL & FINANCIAL SERVICES LTD.
 (RAJEEV AGARWAL) Director
 (SHASHWAT AGARWAL) Managing Director

RICH CAPITAL & FINANCIAL SERVICES LIMITED.
11nd Floor, 7/125 (C-2),SWAROOP NAGAR, KANPUR.

SCHEDULE -03

AS AT 31.03.2010 AS AT 31.03.2009

CURRENT ASSETS & LOANS & ADVANCES:

(A) Investments

FULLY PAID EQUITY SHARES:

500 Equity Shares J.V.L.	10,750.00 ✓	10,750.00
20500 Equity Shares of R.U.N. LTD.	2,050,000.00 ✓	2,050,000.00
8000 Equity Shares Cityon Systems India Ltd.	800,000.00 ✓	
	<hr/>	<hr/>
	2,860,750.00	2,060,750.00

(B) CASH & BANK BALANCES:

4,446,611.70 ✓ 4,231,669.06

(C) LOANS & ADVANCES:

(Unsecured, considered good unless otherwise stated)

i) Loans & Advances:

	64,543,474.51 ✓	65,457,447.51
	<hr/>	<hr/>
	64,543,474.51	65,457,447.51



(D) OTHER CURRENT ASSETS:

Security Deposits (Including UPSE Security Deposit of Rs.2,50,000/-)	265,341.00 ✓	265,341.00
Fringe Benefit Tax A.Y.2008-09	-	46,550.00
Fringe Benefit Tax A.Y.2009-10	-	23,400.00
Income Tax (Under Appeal)	2,694,078.20 ✓	2,615,977.55
Income Tax F.Y.2007-08	-	92,893.00
Staff Advances	13,700.00 ✓	6,800.00
	<hr/>	<hr/>
	2,973,119.20	3,050,961.55

Sub Total (A+B+C+D)

	<hr/>	<hr/>
	74,823,955.41	74,800,828.14

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.



(RAJEEV AGARWAL) **(SHASHWAT AGARWAL)**
 Director Managing Director



RICH CAPITAL & FINANCIAL SERVICES LIMITED,
11nd Floor, 7/125 (C-2), SWAROOP NAGAR, KANPUR.

SCHEDULE 4
CURRENT LIABILITIES &
PROVISIONS:

	<u>AS AT 31.03.2010</u>	<u>AS AT 31.03.2009</u>
<u>CURRENT LIABILITIES:</u>		
Electricity Payable	3,531.00 ✓	4,091.00
Telephone Payable	2,560.00 ✓	3,110.00
Legal Fees Payable	14,250.00 ✓	11,212.00
Salaries Payable	395,000.00 ✓	580,845.00
T.D.S. Payable	57,493.00 ✓	33,288.00
Audit & Income Tax fees Payable	30,000.00 ✓	20,000.00
Provision for Income Tax F.Y.07-08		30,651.99
Provision for Income Tax F.Y.09-10	10,100.30 ✓	
	<u>612,934.30</u>	<u>683,197.99</u>

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.


(RAJEEV AGARWAL)
Director


(SHASHWAT AGARWAL)
Managing Director





RICH CAPITAL & FINANCIAL SERVICES LIMITED,
11nd Floor, 7/125 (C-2),SWAROOP NAGAR, KANPUR.

SCHEDULE -05

	<u>AS AT 31.03.2010</u>		<u>AS AT 31.03.2009</u>	
	Rs.		Rs.	
EXPENSES:				
Advertisement & Publicity.		60,325.00		26,027.00
Auditor's Remuneration:				
Audit Fees.	30,000.00		17,500.00	
Income Tax Fees	NIL	30,000.00	<u>2,500.00</u>	20,000.00
Bank Charges & Interest		15,012.73		26,631.37
Internet Expenses		51,263.00		41,085.00
Computer Expenses.		7,644.00		5,094.00
Share Demat Charges		33,090.00		
Electricity Expenses.		90,212.00		98,547.00
Generator Expenses.		60,259.00		91,496.00
General Expenses		11,069.00		17,748.00
Income Tax Expenses		-		42.00
Interest		3,607.01		
Legal Fees		68,480.00		96,728.00
Stock Exchange Listing Fees		18,920.00		15,000.00
Misc Expenses		5,515.00		
Newspaper & Periodicals.		1,092.00		1,706.00
Office Expenses		46,737.00		31,692.00
Fooding & Lodging		141,684.00		18,793.00
Office Rent.		120,000.00		120,000.00
Printing & Stationery.		30,796.00		27,798.00
Postage & Telegram.		9,967.00		9,148.00
Loss on Sale of Assets		-		14,944.65
Repair & Maintenance.		80,568.00		120,285.00
Salary to Director's.		1,125,000.00		1,200,000.00
Salaries to Others.		1,147,852.00		1,291,345.00
Share Regn. & transfer Exp.		58,039.00		67,368.00
Telephone Expenses.		58,791.00		45,117.00
Travelling Expenses		131,571.00		55,411.00
Vehicle Running & Maint.Exp.		146,892.00		26,999.00
		<u>3,554,385.74</u>		<u>3,469,003.02</u>


FOR RICH CAPITAL & FINANCIAL SERVICES LTD.



(RAJEEV AGARWAL) **(SHASHWAT AGARWAL)**
 Director Managing Director



**Unit Floor, 7/12B (C-2), SWAROOP NAGAR, KANPUR,
Depreciation Schedule as per Income Tax Act, F.Y. 2009-10**

S.NO.	DESCRIPTION OF ASSETS/BLOCK OF ASSETS	RATE OF DEP.	W.D.V AS ON 01.04.09	ADDITION DURING THE YEAR / (DATE OF ADDITION)	SOLD / DISCARDED	TOTAL	DEPRECIATION FOR THE YEAR		TOTAL DEP. FOR THE YEAR	W.D.V. AS ON 31.03.2010
							LESS THAN 180 DAYS	MORE THAN 180 DAYS		
(1)	AIR CONDITIONER	15%	230,512.13	-	-	232,512.13	-	34,876.82	34,876.82	197,635.31
(2)	CAR	15%	1,357,986.40	-	-	1,357,986.82	-	203,693.37	203,693.37	1,154,293.45
(3)	COMPUTERS	60%	6,071.02	12,800.00	-	18,871.02	-	11,290.21	11,290.21	7,580.81
(4)	COOLER	15%	634.59	-	-	634.59	-	95.19	95.19	539.40
(5)	CYCLE	15%	398.03	-	-	398.03	-	59.70	59.70	338.33
(6)	FURNITURE & FIXTURES	10%	553,403.26	-	-	553,403.26	-	55,340.33	55,340.33	498,062.93
(7)	GENERATOR	35%	12,919.66	-	-	12,919.66	-	1,937.95	1,937.95	10,981.71
(8)	OFFICE EQUIPMENT	10%	103,090.88	-	-	103,090.88	-	10,309.09	10,309.09	92,781.79
(10)	REFRIGERATOR	10%	68,336.35	-	-	68,336.35	-	6,833.64	6,833.64	61,502.72
(11)	SCOOTER	15%	807.64	-	-	807.64	-	121.15	121.15	686.49
(12)	TELEVISION	10%	45,908.29	-	-	45,908.29	-	4,590.83	4,590.83	41,317.46
(13)	NOTE COUNTING MACHINE	15%	28,403.86	-	-	28,403.86	-	4,260.58	4,260.58	24,143.28
(14)	MOBILE PHONE	15%	10,452.50	-	-	10,452.50	-	1,567.88	1,567.88	8,884.63
(15)			2,420,840.03	12,800.00	-	2,433,640.03	-	334,976.72	334,976.72	2,098,663.31

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.

 (RAJEEV AGARWAL) Director

 (SHASHWAT AGARWAL) Managing Director

RICH CAPITAL & FINANCIAL SERVICES LIMITED

SCHEDULE -06

NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICTES:

- a) **Basis of Accounting:**
The company follows the Mercantile system of accounting.
- b) **Revenue Recognition:**
Revenue is being recognized as and when there is reasonable certainty of its ultimate realization.
- c) **Fixed Assets:**
Fixed Assets are shown at w.d.v. less depreciation.
- d) **Depreciation:**
Depreciation has been provided on pro-rata basis, with reference to the date of installation and calculated as per the provisions of schedule XIV of Companies Act 1956.
- e) **Valuation of Investments:**
The Investment are valued at cost.
- f) **Preliminary Expenses:**
Preliminary Expenses are amortized over a period of ten year.
- g) **Provision for Income Tax:**
No Provision for Income-tax has been made as the T.D.S. was already deducted to cover the Income-Tax payable on the net profit shown by the company.

2. There was no contingent liability as certified by directors.
3. As certified by the Board of Directors, Current Assets, Loans and Advances have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in Balance Sheet.
4. Outstanding balance in the accounts of parties are subject to confirmation.
5. Other additional information pursuant of paragraph 3, 4C and 4D of part II of Schedule VI of the Companies Act, 1956 is not given, as it is not applicable to the company.
6. Figures of previous year have been regrouped/rearrange if thought fit upon wherever found necessary
7. In compliance with Prudential norms of income recognition, provisioning for Bad and Doubtful Debts etc. issued by Reserve Bank of India vide guidelines dated 13.06.1994, the Company has, not accrued income in respect of Loans and Advances which are non performing assets as defined therein in terms of set guidelines.
8. Schedule 1to 6 form integral part of accounts and have been duly authenticated.

In terms of our attached report of even date

For RAJANI MPKESH & ASSOCIATES
CHARTERED ACCOUNTANTS


(MUKESH RAJANI)
Proprietor

PLACE: KANPUR
DATE: 25.08.2010

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.

 
(RAJEEV AGARWAL) (SHASHWAT AGARWAL)
Director Managing Director

RICH CAPITAL & FINANCIAL SERVICES LIMITED, KANPUR

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(A) REGISTRATION DETAILS	
REGISTRATION NUMBER	: 12089
STATE CODE	: 11
BALANCE SHEET DATE	: MARCH 31,2010
(B) CAPITAL RAISED DURING THE YEAR (Amount in Rs.)	
PUBLIC ISSUE	: NIL
RIGHTS ISSUE	: NIL
BONUS ISSUE	: NIL
PRIVATE PLACEMENT	: NIL
(C) POSITION OF MOBILISATION AND DEVELOPMENT OF FUNDS (Amount in Rs.)	
TOTAL LIABILITIES AND SHARE HOLDERS FUNDS	: 7,54,66,529.89
TOTAL ASSETS	: 7,54,66,529.89
SOURCES OF FUNDS	
PAID-UP CAPITAL	: 7,25,28,000.00
RESERVES AND SURPLUS	: 29,38,529.89
SHARE APPLICATION	: NIL
SECURED LOANS	: NIL
UNSECURED LOANS	: NIL
DEFERRED TAX LIABILITY – NET	: NIL
APPLICATION OF FUNDS	
NET FIXED ASSETS	: 11,55,508.78
CAPITAL ADVANCES	: NIL
INVESTMENTS	: NIL
NET CURRENT ASSETS	: 7,43,11,021.11
MISCELLANEOUS EXPENDITURE	: NIL
ACCUMULATED LOSSES	: NIL
(D) PERFORMANCE OF THE COMPANY (Amount in Rs.)	
TURNOVER	: 39,40,520.00
TOTAL EXPENDITURE	: 38,59,724.35
PROFIT/(LOSS) BEFORE TAX	: 80,795.65
PROFIT/(LOSS) AFTER TAX	: 63,695.36
EARNINGS PER SHARE IN RS.	: 0.009
DIVIDEND RATE %	: NIL
(E) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY	
ITEM CODE NUMBER	: NIL
PRODUCT DESCRIPTION	: FINANCIAL SERVICES



RICH CAPITAL & FINANCIAL SERVICES LIMITED, KANPUR.
 IInd Floor, 7/125 (C-2), SWAROOP NAGAR, KANPUR.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st March, 2010

	For the year Ended 31, March 2010 Amount (Rs.)	For the year Ended 31, March 2009 Amount (Rs.)
Cash flows from operating activities		
Net profit before taxation, and extraordinary item	80,795.65	92,006.50
Adjustments for:		
Depreciation	305,338.61	390,890.48
Operation profit before working capital changes	386,134.26	482,896.98
Change in Current Asset	23,127.27	(1,008,545.63)
Change in Current Liabilities	(170,263.69)	548,765.99
Cash flows from investing activities		
Purchase of Investment	(800,000.00)	NIL
Purchase of fixed Assets	NIL	(11,300.00)
Sale of fixed Assets	NIL	(18,844.65)
Net in cash and cash equivalents	214,942.62	686,617.63
Cash and Cash equivalents beginning of year	4,231,669.08	3,345,061.46
Cash and Cash equivalents at end of year (see Note1)	4,446,611.70	4,231,669.08

Notes:1

Figures in brackets indicate cash outflow

Notes:2

The above Cash flow statement has been prepared under the indirect method, set out in AS-3 issued by the Institute of Chartered Accountants of India.

This is the cash flow statement referred to in our report of even date.

For RAJANI MUKESH & ASSOCIATES
 CHARTERED ACCOUNTANTS

(MUKESH RAJANI)
 Proprietor

FOR RICH CAPITAL & FINANCIAL SERVICES LTD.

(RAJEEV AGARWAL)
 Director

(SHASHWAT AGARWAL)
 Managing Director

PLACE: KANPUR
 DATE: 25-06-2010