

October 21, 2016

To,

BSE Limited Phiroze Jeejeebhoy Towers Dalal Street, Mumbai- 400 001 Scrip code: 539679	Metropolitan Stock Exchange of India, (Formerly known as MCX Stock Exchange Limited) 4 <sup>th</sup> Floor, Vibgyor Tower, Bandra Kurla Complex, Bandra (E), Mumbai – 400 098 Symbol: KAPILRAJ
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Dear Sir/Madam,

**Sub: Annual Report for the Financial Year 2015-16**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we are submitting herewith the Annual Report of the Company for the Financial Year 2015-16 approved and adopted by the members as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, at the 30th Annual General Meeting of the Company held on Thursday, September 29, 2016 at 9.30 a.m. at Registered Office situated at 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh, Delhi- 110005.

The above is also uploaded on the Company's website [www.kapilrajfinanceltd.com](http://www.kapilrajfinanceltd.com) and the portal of the stock exchange, where the securities of the Company are listed.

Thanking You,

Yours Faithfully,

For Kapil Raj Finance Limited

**KAPIL RAJ FINANCE LIMITED**

  
**Atul C. Doshi**  
DIN: 06826992 **MANAGING DIRECTOR**  
Chairman & Managing Director



# **KAPILRAJ FINANCE LIMITED**

ANNUAL REPORT 2015-16

**Corporate Identity Number (CIN): L65929DL1985PLC022788**

## KAPIL RAJ FINANCE LIMITED

### Board of Directors

Atul Chimanlal Doshi – Managing Director

Sanjay Kumar Naithani – Director

*(Resigned on 01.09.2015)*

Sapna Naithani– Independent Director

*(Resigned on 30.08.2016)*

Santosh G Mohite– Independent Director

*(Resigned on 29.02.2016)*

Heeralal R Jaiswar - Independent Director

Umesh P. Parekh - Independent Director

Falguni C. Raval – Director

*(Appointed w.e.f. 01.06.2015)*

### Statutory Auditor

M/s. Pankaj P. Sanghavi & Co., Chartered Accountants,  
Mumbai

### Company Secretary & Compliance Officer

Ms. Ruchi Bandhari

*(Resigned w.e.f. 29.02.2016)*

### Secretarial Auditor

Mr. Amit R. Dadheech & Associates,  
Practising Company Secretary, Mumbai

## ANNUAL REPORT – 2015-16

### Internal Auditor

M/s. ASDT & Co., FRN: 130450W

(Chartered Accountants), Mumbai

(Appointment from 30.09.2015)

### Banker of the Company

HDFC Bank Ltd.

### Registered Office

8/33, III Floor, Satbhava School Marg,

W.E.A, Karol Bagh, Delhi-110005

CIN No-L65929DL1985PLC022788

Email Id: [kapilrajfin@gmail.com](mailto:kapilrajfin@gmail.com)

Web: [www.kapilrajfinanceltd.com](http://www.kapilrajfinanceltd.com)

### Registrar & Share Transfer Agent

M/s Purva Share Registry (India) Pvt. Ltd.,

Unit No. 9, Shiv Shakti Industrial Estate,

J .R. Boricha Marg, Opp. Kasturba Hospital

Lane

Lower Parel (E). Mumbai 400 011

Website: [www.purvashare.com](http://www.purvashare.com)

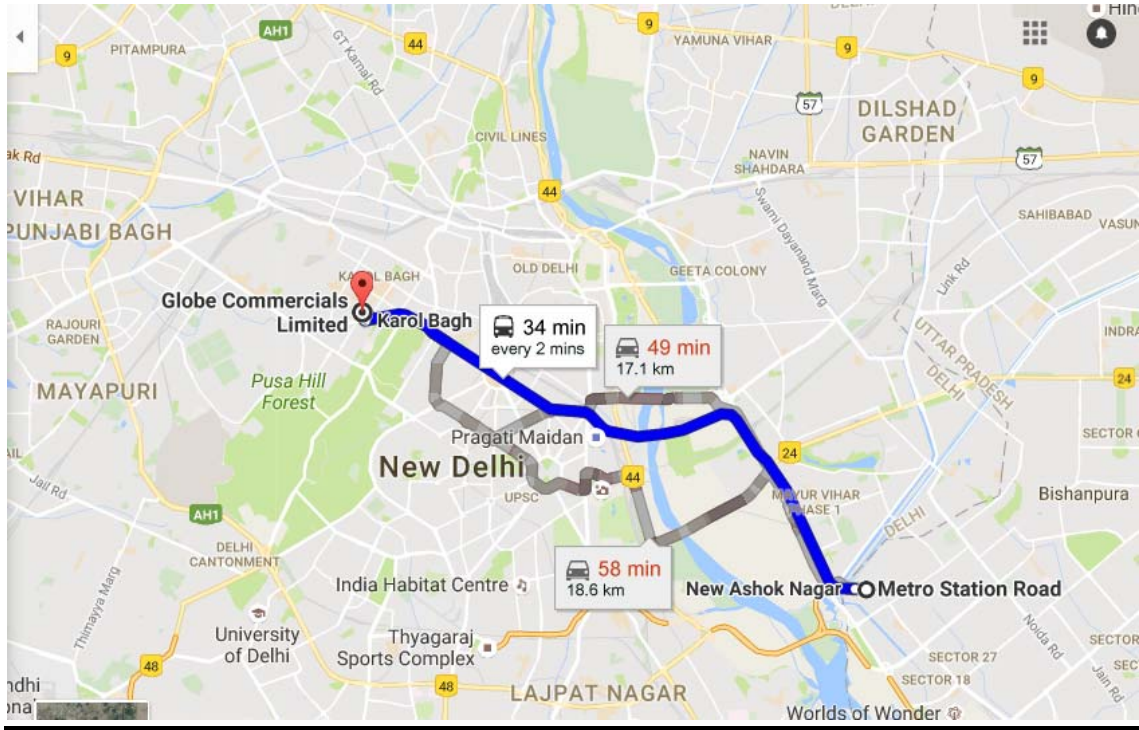
Email: [busicomp@vsnl.com](mailto:busicomp@vsnl.com)

### Admin Office

204, Platinum Mall, Jawahar Road,

Ghatkopar (E), Mumbai - 400077

# Route Map For The Venue Of Agm



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## NOTICE

**NOTICE** is hereby given that 30<sup>th</sup> Annual General Meeting of the members of Kapil Raj Finance Ltd. will be held on Thursday, September 29<sup>th</sup>, 2016 at 9:30 AM at 8/33, III Floor ,Satbhava School Marg, W.E.A , Karol Bagh, Delhi- 110005 to transact the following business :

### **ORDINARY BUSINESS**

1. To consider and adopt the Audited Financial Statement of the Company, including the Audited Balance Sheet as at 31st March, 2016, the Statement of Profit and Loss account for the year ended on that date, together with the report of the Board of Director's and Auditor's report thereon.

2. To re-appoint a Director, Mr. Atul C. Doshi (DIN: 06826992) who retires by rotation and being eligible, offers himself for re-appointment.

3. To appoint the Statutory Auditors and to determine their remuneration. For this purpose, to consider and if deemed fit, to pass, with or without modification, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 139, 141,142 and 143 of the Companies Act 2013 and rules pursuant to it, Mr. CA Gaurav Parekh, Membership No. 140694 Chartered Accountant & Partner of M/s. Vinodchandra R Shah & Co,(Mumbai) having Firm Membership No.FRN 115394W as issued by the Institute of The Chartered Accountant of India be and are appointed as Statutory Auditor of the Company for the period of five (5) years i.e. until the conclusion of 35<sup>th</sup> Annual General Meeting of the Company, to be held in financial year 2020-2021 subject to the ratification by shareholders at every Annual General Meeting of the Company, in place of resigning Statutory Auditor M/s. Pankaj P. Sanghavi & Co. (Chartered Accountants) as he has shown his unwillingness to continue, at a remuneration to be decided by the Audit Committee of the Board of Directors in addition of reimbursement of travelling and out of pocket expenses incurred by the Auditors for the purpose of audit."

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to Section 186 and other applicable provisions, if any, of the Companies Act, 2013, read with Companies (Meeting of Board and its Powers) Rules, 2014 (including any statutory modification(s) or re-enactments(s) thereof for the time being in force), and in addition to the amount already invested/loans made or guarantees/security provided by the Company, the consent of the Company be and is hereby accorded to the Board of Director of the Company (hereinafter referred to as "the Board" which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the power conferred on the Board by this Resolution) to:

- i. give any loans to any person or other body corporate, or
- ii. give any guarantee or to provide security in connection with a loan to any other body corporate or person or;
- iii. to make investments and acquire by way of subscription, purchase or otherwise, the securities, derivatives, trading in Commodity market of any other body corporate exceeding sixty per cent of its free reserves and securities premium account whichever is more as the Board of Directors may think fit, provided that the total loans or investment made, guarantees given, and securities provided shall not exceed Rs.5,000,000,000/- (Rupees Five Hundred Crores Only) as the board may deem fit in the best interest of the Company and above the paid-up share capital of the company, free reserves and securities premium account.

**"RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and deeds as may be required to give effect to the above resolution from time to time."

5. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution**

**"RESOLVED THAT** in supersession of the earlier Resolution(s) in respect of the Borrowing powers of the Board of Directors of the Company and in pursuance of Sec. 180(1)(c) and other applicable provision and relevant of the Rules applicable, if any, under the Companies Act, 2013, the Board of Director of the Company be and is hereby authorized to borrow money by way of Rupee Term Loan / Cash Credit / Mortgage Loan / Foreign Currency Loan / Bonds or other instruments / Loans / Credits facilities, from time to time up to a limit not exceeding in the aggregate Rs.5,000,000,000/- (Rupees Five Hundred Crore Only), Including working capital loans, notwithstanding that money to be borrowed, together with the money already borrowed by the company (apart from temporary loans obtained from the company's bankers in the ordinary course of business), will exceed the aggregate of paid up capital and free reserves of the company, that is to say, reserves not set apart for any specific purpose.

**“RESOLVED FURTHER THAT** any of the Directors of the Company be and is hereby authorized to do perform all such acts, deeds and things as may be necessary, desirable or expedient to give effect to this Resolution”.

**“RESOLVED FURTHER THAT** the Board of Directors of the company be and are hereby authorized to take such steps as may be necessary to give effect to this resolution.”

6. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution**

**RESOLVED THAT** the Board of Directors be and are hereby authorized to indemnify the erstwhile Statutory Auditor of the Company M/s. Vimal Bhabhra & Co, Chartered Accountants , whose term of office was valid for 5 years effective FY 2013-14., and the Board of Directors proposed to appoint a new Statutory Auditor M/s. Shah Gandhi & Co. towards casual vacancy caused due to resignation of Statutory Auditor , without obtaining written consent from M/s. Vimal Bhabhra & Co. in the Notice Convening 29<sup>th</sup> Annual General Meeting held on 29<sup>th</sup> September, 2015.

**FURTHER RESOLVED THAT** due to the Technical reason M/s. Shah Gandhi & Co, Chartered Accountants, tendered their resignation from the Office of the Statutory Auditor and the Company appointed M/s. Pankaj P Sanghavi & Co., Chartered Accountants by passing a special resolution through Postal Ballot.

**FURTHER RESOLVED THAT** that the Company takes full responsibility for any loss is caused to M/s. Vimal Bhabhra & Co, Chartered Accountants as a result of this non disclosure and are willing to indemnify any loss being caused as a result of action taken by any regulatory / statutory authority.

7. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution**

**“RESOLVED THAT** pursuant to provisions of Section 62(3) and 42 of the Companies Act 2013 or such other provisions as may be applicable and rules made thereunder, consent of the members of the Company be and is hereby granted to the Board of Directors of the Company for Raising of Unsecured Loans from the Directors of the Company upto a sum of Rs. 500,000,000 (Rupees Fifty Crores) by entering into a agreement / memorandum of Understanding or any other means, between the Company and Board of Directors of the Company to be converted into Equity Shares of Rs.10/- each, as per the terms of the arrangement as agreed by the Board of Directors of the Company and the Company, at a price to be determined in accordance with the SEBI (ICDR), 2009 and Companies Act, 2013 or any other applicable provisions of the law for the time being in force

**RESOLVED FURTHER THAT** the Equity shares of the Company to be allotted at later date, upon conversion of the Loans in accordance with the terms above, shall be subject to the provisions of the Memorandum and Articles of the Association of the Company and shall rank pari passu in all respects with the existing fully paid up equity Shares of Rs.10/- each of the Company.

**RESOLVED FURTHER THAT** the consent of the members of the Company will be obtained at the time of Conversion of such Loans into Equity Shares of the Company.

**RESOLVED FURTHER THAT** the Directors of the company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

8. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution**

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 198 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactments thereof for the time being in force), read with Schedule V to the Companies Act, 2013, the consent of the members be and is hereby granted to revise the terms of appointment as mentioned in the appointment letter issued by the Company and Mr. Atul C. Doshi as mutually agreed and as set over in the explanatory statement annexed to this notice.

**RESOLVED FURTHER THAT** the Directors of the company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution.”

9. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution**

**“RESOLVED THAT** pursuant to the provisions of Sections 13 and any other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or reenactment(s) thereof), and subject to the necessary registrations, approvals, consents, permissions and sanctions required, if any, from the jurisdictional



Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, and pursuant to the approval of the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to make the amendment in ancillary object in the existing set the Memorandum of Association of the Company as under.

**RESOLVED FURTHER THAT** the following Clause shall be added after point No.17 of the Memorandum of Association of the Company viz.,

**17. To Trade in the securities, Futures, Options, Derivatives, Commodity Market as per discretion of the Board of Directors and applicable provision for the time being in the force".**

**RESOLVED FURTHER THAT** the Directors of the company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution."

10. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Special Resolution**

**"RESOLVED THAT** pursuant to the provisions of Sections 179 and any other applicable provisions, if any, of the Companies Act, 2013, (including any statutory modification(s) or re-enactment(s) thereof), and subject to the necessary registrations, approvals, consents, permissions and sanctions required from the Registrar of Companies, and any other appropriate authority and subject to such terms, conditions, amendments or modifications as may be required or suggested by any such appropriate authorities, and pursuant to the approval of the Board of Directors of the Company, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company to allocate funds upto Rs. 50 Lakhs towards Brand Building, conducting seminars / exhibitions, roads shows, organizing familiarization programmes, hosting parties towards brand promotion or organizing events to spread awareness about the Company and its business activities.

**RESOLVED FURTHER THAT** the Directors of the company be and are hereby severally authorized to do all such acts, deeds and things as may be necessary for giving effect to the above resolution."

11. To consider and if thought fit, to pass, with or without modification(s) as may be deemed fit, the following resolution as a **Ordinary Resolution:**

**"RESOLVED THAT** pursuant to Section 128 of Companies Act 2013 and all other applicable rules and regulation hereunder the approval of Board of directors be and is hereby accorded for change in place of keeping the books of accounts of the Company from the registered office situated at 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh,, Delhi - 110005 to the corporate office of the Company situated at 204B, Platinum Mall, Jawahar Road, Ghatkopar (East), Mumbai – 400 077.

**"RESOLVED FURTHER THAT** any of the directors of the Company be and is hereby authorized to sign and file the necessary e-Forms with the Registrar of Companies, and to do all the needful thereto."

Date: September 3, 2016  
Place: Delhi  
Regd. 8/33, III Floor, Satbhava School Marg,  
W.E.A, Karol Bagh,  
Delhi - 110005

for KAPIL RAJ FINANCE LIMITED  
SD/-  
Atul Doshi  
(Chairman & Managing Director)  
DIN: 06826992

## NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** Under the Companies Act, 2013, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs.500000. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxies submitted on behalf of the companies, societies etc., must be supported by an appropriate resolution/authority letter, as applicable.
3. An Explanatory Statement pursuant to provisions of Section 102 of the Companies Act, 2013, which sets out details relating to Special Business to be transacted at the meeting, in respect of Item No. 4 is annexed hereto
4. Members who attend the Meeting are requested to complete the enclosed attendance slip and deliver the same at the entrance of the Meeting hall.
5. Members are requested to bring their copy of the Notice at the time of attending the Annual General Meeting.
6. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their Demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participant and holdings should be verified.
7. Members who are holding shares in identical order of names in more than one folio are requested to send to the Company's Registrar and Transfer Agent, M/s. Purva Share Registry (India) Private Limited, details of such folio together with the share certificates for consolidating their holding in one folio. The share certificates will be returned to the Member/s. after making requisite changes thereon
8. Non-resident Indian Shareholders are requested to inform the Company immediately:
  - a. Change in residential status on return to India for permanent settlement.
  - b. Particulars of bank account maintained in India with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
  - c. Copy of Reserve Bank of India permission.
9.
  - a. Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their folio number(s) to the Registrar & Share Transfer Agent of the Company.
  - b. Members holding shares in the electronic form are requested to advise immediately change in their address, if any, quoting their Client ID number, to their respective Depository Participants.
10. Members may avail dematerialization facility by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialized. The ISIN No. of the Company is INE332Q01015.
11. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office at least 7 days before the date of the meeting, so that the required information can be made available at the meeting.
12. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar & Share Transfer Agent i.e. Purva Share Registry (India) Private Limited
14. Members may also note that the Notice of the Extra-Ordinary General Meeting will also be available on the Company's website [www.kapilrajfinanceltd.com](http://www.kapilrajfinanceltd.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [kapilrajfin@gmail.com](mailto:kapilrajfin@gmail.com)

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

- (i) The voting period begins on September 26, 2016, 9.00 a.m and ends on September 28, 2016, 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of September 23, 2016 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.



- (ii) Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- (iii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iv) Click on Shareholders.
- (v) 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.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>For demat shareholders: Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department.</p> <p>For physical shareholders, please use the first two letters of your name and the 8 digits of the sequence number in the PAN field.</p> <ul style="list-style-type: none"> <li>• 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.</li> </ul>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• 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 (v).</li> </ul>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) 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.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- (xiii) 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.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xv) 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.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.
- (xviii) 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.
- (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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

**Item No. 4**

As per the provisions of section 186 of the Companies Act, 2013, No company shall directly

(a) give any loan to any person of other body corporate;(b) give any guarantee or provide security in connection with a loan to any other body corporate or person' and (c) acquire by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty percent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more.

Where such giving of any loan or guarantee or providing any security of the acquisition exceeds the limits specified under Section 186 of the Companies Act, 2013, prior approval by means of a special resolution passed at a general meeting is necessary.

The Company may have to invest the funds or give guarantee or provide security to attain greater financial flexibility and to enable optional financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give power to the Board of Directors or any duly constituted Committee there of or any person(s) duly authorized by the Board, for making further investment, providing loans or give guarantee or provide security in connection with loans to any person or any other body corporate for an amount not exceeding Rs.5,000,000,000 (Rupee Five Hundred Crore Only).

The Investment(s), loan(s), guarantee(s), and security (ies), as the case may be, will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under.

As per the provisions of Rules 22(16)(i) of the Companies (Management and Administration) Rules, 2014, the resolution for giving loan or extending guarantee or providing security in excess of the limit as specified under Section 186(2) of the Act can be passed only through approval of members in General Meeting.

The Board recommends the Resolution set out at Item No.4 in this Notice for approval of the Members as Special Resolution.

None of the Directors of Key Management Personnel of the Company or their relatives is concerned or interested in the proposed Resolution.

**Item No. 5**

Sec. 180(1)(c) of the Companies Act,2013, requires that the Board of Directors shall not borrow money in excess of aggregate of Company's paid up Share Capital and Free Reserves, apart from temporary loans obtained from the Company's bankers in the ordinary course of business and Sec.180(1)(a) of the Companies Act, 2013 requires that the Board of Directors shall not sell, lease or otherwise dispose off the whole or substantially the whole of the undertaking of the Company, except with the consent of the members accorded by way of Special Resolution.

Since the Company is envisaging to grow its financial market during the current year borrowing limit is proposed to be enhance to the Rs. 5,000,000,000 (Rupees Five Hundred Crore Only) in excess of aggregate of paid up capital and free reserves.

The Board recommends the Resolution set out at Item No.5 in this Notice for approval of the Members as Special Resolution.

None of the Directors or Key managerial Personnel of the Company or their relatives is concerned or interested in the proposed Resolutions.

**Item No. 6**

The Board of Directors stated in the Directors Report for the Financial Year 2014-15 to the Members that the present Statutory Auditor M/s. V.R. Bhabhra & Co had vide their letter dated 28<sup>th</sup> August, 2015 have expressed their unwillingness to continue as Statutory Auditor of the Company due to their pre occupation in other assignments without having received any such letter by the Board of Directors.

The Board have agreed with the erstwhile Auditor that if any loss is caused to the Statutory Auditor as a result of this non disclosure and are willing to compensate the Auditor for any loss being caused as a result of action taken by any one of the following authorities a. SEBI b. Stock Exchange c. Registrar of Companies or d. Institute of Chartered Accountants of India and any other regulatory / statutory authority.

Hence, the Board would like to take concurrence of the members in the General Meeting.

None of the Directors or Key managerial Personnel of the Company or their relatives is concerned or interested in the proposed Resolutions.

**Item No. 7**

The Company is planning for expansion of its business operations and also has significant growth plans for its future. These growth plans of the Company require significant outlay of funds. These projects will necessitate external infusion of funds at different point of time in the future.

Moreover the Company will avail the loans from the Directors of the Company which will increase the indebtedness of the Company, resulting in regular outflow of funds in the form of the repayment/interest thereon.

The Board of Directors of the Company have planned and received various business operations where requirement of funds will be needed. The Directors of the Company have made a proposal to the Management of the Company requesting to consider their proposal for converting their debts into securities of the Company.

The Board recommends the Resolution set out at Item No.7 in this Notice for approval of the Members as Special Resolution.

None of the Directors or Key managerial Personnel of the Company or their relatives is concerned or interested in the proposed Resolutions.

**Item No. 8**

The Company has appointed Mr. Atul C. Doshi as Chairman & managing Director of the Company as on March 1, 2014. The terms of his appointment are as per appointment letter and as per Section 196, 197, Schedule V and rules relevant thereto, of the Companies Act 2013. The Appointment letter of Mr. Atul C. Doshi is in the view that Mr. Atul C. Doshi, (DIN: 06826992) to be appointed as the Managing Director. The material provisions of the agreement to be entered into with Mr. Atul C. Doshi, (DIN: 06826992) are as under:-

For the purpose of calculating the above ceiling, perquisites shall be evaluated in accordance with the Income Tax Rules, wherever applicable in the absence of any such Rules, perquisites shall be evaluated at actual cost. This appointment of Mr. Atul C. Doshi, (DIN: 06826992) will be subject to retirement by rotation as per provisions of Sections 152 of the Companies Act, 2013 and Articles of Association of the Company.

Your Directors recommends passing this resolution as Special Resolution.

None of the Director/s and Key Managerial Personnel except Mr. Atul C. Doshi (Chairman & Managing Director) of the Company including their relatives are concerned or interested in this resolution except to the extent of their shareholdings.

**Item No. 9**

At present the Company is doing the business of financing, management & consultancy and real estate business, the management of the Company wishes to utilize the excess funds available with the Company and to invest the same in the securities business to earn better profitability to its stakeholders. As the securities market is having better avenues for investors and traders to participate; the Company wishes to diversify their portfolios beyond shares, bonds and real estate, commodities is the best option. So the Company has decided to align its excess funds advantageously with the existing business of the company.

Any amendment in the object clause of the MOA of the Company requires approval from the shareholders of the Company.

Your Directors recommends this amendment in the ancillary object clause of the company.

In order to enable the company to do so, it is required to alter the Memorandum of association of the company so as to include the said business.

None of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested or concerned in the resolution except to the extent of their shareholding in the company.

**Item No. 10**

The Company is planning for expansion of its business operations and also has significant growth plans for its future.

The management is planning for brand building as Brand building is a big part of making any business successful online in the long term and since there are so many different ways company can go about building your brand, the fact is that the process of increasing awareness of your business is quite simple and, at some times, even easy.

- Branding develops an image of a company's products in the minds of investors
- Brand widely known in the market has brand recognition and builds up positive sentiment which further strengthens the company position.

Thus the Company and management is in need of funds Rs. 50 Lakhs annually for brand building, awareness, hosting Party or celebration/events to spread awareness of the Company.

None of the Directors, Key Managerial Personnel and the relatives of the aforesaid persons of the Company are interested or concerned in the resolution except to the extent of their shareholding in the company.

**Item No. 11**

The management of the Company intends to change the place of keeping the books of accounts of the Company from the registered office situated at 8/33, III Floor, Satbhava School Marg, W.E.A, Karol Bagh,, Delhi - 110005 to the corporate office of the Company situated to the Corporate office of the Company situated at 204B, Platinum Mall, Jawahar Road, Ghatkopar (East), Mumbai – 400 077.of the Company and is proposing to adopt new place which would be appropriate from its present business activity.

None of the Director/s and Key Managerial Personnel of the Company including their relatives are concerned or interested in this resolution except to the extent of their shareholdings.

Date: September 3, 2016  
Place: Delhi  
Regd. 8/33, III Floor ,Satbhava School Marg,  
W.E.A , Karol Bagh,  
Delhi – 110005.

By Order of the Board Place  
for KAPIL RAJ FINANCE LIMITED

**Sd/-**  
Atul Doshi  
(Chairman & Managing Director)  
DIN: 06826992

## DIRECTORS' REPORT

To,  
The Members  
Kapil Raj Finance Limited

Your Directors have pleasure in presenting their 30<sup>th</sup> Annual Report and the audited financial statement for the financial year ended March 31, 2016.

### **OPERATION AND FINANCIAL RESULTS:**

The summary of operation and financial results of the company for the year with comparative figures for last year is as under:

Particulars	2015-2016 (Rs.)	2014-2015 (Rs.)
Net Revenue from Operations	-	-
Other Income	8,995,168.47	3,066,624.68
Profit before Exceptional and Extra ordinary items and tax	3,401,961.21	233,618.85
Extra Ordinary Items	40,238	-
Profit after Exceptional and Extra ordinary items and tax	3,361,723.21	233,618.85
Profit before tax	3,361,723.21	233,618.85
Profit after tax	2,322,337.89	13,768.85
Amount Transferred to Reserves	2,316,518.74	212,919.85

### **REVIEW OF OPERATIONS AND FUTURE PROSPECTS:**

The Company has during the financial year under review has not generated revenue from operations. However the revenue from other income activity of Rs. 8,995,168.47 (previous year 3066624.68), resulting in net profit of Rs. 2,322,337.89/- (previous year Rs.13, 768.85/-)

### **TRANSFER TO RESERVES:**

The credit balance of Profit and Loss account is transferred to reserves in Balance sheet.

### **DIVIDEND:**

Your Directors decided to plough back the profit and therefore it was decided, dividend is not declared.

### **DIRECTORS:**

Pursuant to Sections 149, 152 and other applicable provisions of the Companies Act, 2013 one-third of such of the Directors as are liable to retire by rotation shall retire every year and if eligible offer themselves for re-appointment at every Annual General Meeting. Consecutively, Mr. Atul C. Doshi, Chairman and Managing Director will retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment in accordance with the provisions of the Companies Act, 2013.

The following Board of Directors of the Company resigned during the year under review on and as per following details:

NAME OF DIRECTOR	DIN	DATE OF RESIGNATION
Santosh C. Mohite	02953365	29.02.2016
Sapna Naithani	01693883	30.08.2016

### **DECLARATION BY INDEPENDENT DIRECTOR: (SECTION 134 (3)(D))**

Declaration by an Independent Director(s) that she meets the criteria of independence as provided in sub-section (6) of Section 149 of the Companies Act, 2013 is enclosed.

An independent director shall hold office for a term up to five consecutive years on the Board of a Company and shall not be eligible for reappointment for next five years on passing of a special resolution by the Company.

### **PARTICULARS OF REMUNERATION OF DIRECTORS/KMP/EMPLOYEES**

The remuneration policy is directed towards rewarding performance, based on review of achievements. It is aimed at attracting and retaining high caliber talent. The remuneration policy is in consonance with the existing practice in the Industry

### **PERFORMANCE EVALUATION**

Pursuant to the provisions of the Companies Act, 2013 and as per SEBI (LODR), 2015, during the year under review, the Board carried out the annual evaluation of its own performance. A structured questionnaire covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligation and governance was distributed to each member of the Board and inputs were received. The performance evaluation of the Independent Directors who will be appointed at the ensuing Annual General Meeting was carried out by the entire Board. The performance evaluation of Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process

### **SHARE CAPITAL:**

During the year under review, the Company is having Authorized Share Capital as 10,000,000 Equity Shares of Rs. 10/- each amounting to Rs. 100,000,000/- Subscribed, Issued and Paid up Capital as 514,000 Equity Shares of Rs.10/- amounting to Rs. 51,400,000/-. There is no change in the share capital of the Company during the year under review.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

A separate report on the Management Discussion and Analysis is attached as a separate part of this Annual Report.

### **CORPORATE GOVERNANCE**

In accordance with SEBI (LODR) Regulations, 2015 as entered with the Stock Exchange and some of the best practices followed internationally on Corporate Governance, the report containing the details of corporate governance systems and processes is as follows: At Kapil Raj Finance Limited, Corporate Governance is all about maintaining a valuable relationship and trust with all stakeholders. We consider stakeholders are playing very important role in our success, and we remain committed to maximizing stakeholder value, be it shareholders, employees, suppliers, customers, investors, communities or policy makers. This approach to value creation emanates from our belief that sound governance system, based on relationship and trust, is integral to creating enduring value for all. We have a defined policy framework for ethical conduct of businesses. We believe that any business conduct can be ethical only when it rests on the nine core values of Honesty, Integrity, Respect, Fairness, Purposefulness, Trust, Responsibility, Citizenship and Courage. The corporate governance is an important tool for the protection of shareholder and maximization of their long term values. The objective of Corporate Governance is to achieve excellence in business thereby increasing stakeholders' worth in the long term which can be achieved keeping the interest of stakeholders' and comply with all rules, regulations and laws. The principal characteristics of Corporate Governance are Transparency, Independence, Accountability, Responsibility, Fairness, and Social Responsibility along with efficient performance and respecting interests of the stakeholders and the society as a whole.

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on corporate governance is been founded on the fundamental ideologies of the group viz., Trust, Value and Service. Obeying the law, both in letter and in spirit, is the foundation on which the Company's ethical standards are built. On adopting corporate governance, the Company shall make a constant endeavor to achieve excellence in Corporate Governance on continuing basis by following the principles of transparency, accountability and integrity in functioning, so as to constantly striving to enhance value for all stakeholders and the society in general. As a good corporate citizen, the Company will maintain sound corporate practices based on conscience, openness, fairness, professionalism and accountability in building confidence of its various stakeholders in it thereby paving the way for its long term success. We are making continuous efforts to adopt the best practices in corporate governance and we believe that the practices we are putting into place for the company shall go beyond adherence to regulatory framework. The Company's corporate governance philosophy has been further strengthened by adopting a Code of Fair Practice in accordance with the guidelines issued by Reserve Bank of India from time to time.

### **APPLICABILITY**

As per the amendment made in the provisions of the Regulation 27 of SEBI (Listing Obligation And Disclosure Requirement) Regulation, 2015 with equity share capital of less than Rs 10 crores, (ii) companies having net worth not exceeding of Rs 25 crores, and (iii) companies listed on SME and SME-ITP platforms of the stock exchanges has to comply with the provision of SEBI (LODR) Regulation, 2015. Since the Paid Share Capital of the Company is below the Limit specified under the SEBI (LODR) Regulations , 2015, the provision / requirements of Corporate Governance as laid down under the SEBI (LODR) Regulations , 2015 is not applicable to the Company. However, the Company itself follow the standards of Corporate Governance, but the disclosures required to be done under Regulation 27 (2) of SEBI (LODR) Regulations, 2015 is not applicable to the Company.

### **DIRECTORS' RESPONSIBILITY STATEMENT**

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement:



- (i) That in the presentation of the annual accounts for the year ended March 31, 2016, applicable accounting standards have been followed and that there are no material departures;
- (ii) That they have, in the selection of the accounting policies, consulted the statutory auditors and have 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 for the year ended March 31, 2016 and of the profit of the Company for the year ended on that date;
- (iii) That they have taken proper and sufficient care, to the best of their knowledge and ability, for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 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 internal financial controls followed by the Company are adequate and were operating effectively
- (vi) That the systems to ensure compliance with the provisions of all applicable laws were adequate and operating effectively.

**HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES**

The Company does not have any Holding/ Subsidiary/ Associate Company during the period under review.

**SUBSIDIARIES COMPANIES:**

The Company did not have any Holding/ Subsidiary/ Associate Company during the period under review.

**CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, RESEARCH & DEVELOPMENT AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

- (a) Energy conservation measures taken : Nil
- (b) Additional investments and proposals if any, being implemented for reduction of consumption of energy : Nil
- (c) Impact of the measures at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods : Nil
- (d) Total energy consumption and energy consumption per unit of production : Nil

**FORM-A: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY**

- A. Power and fuel consumption : Nil
- B. Consumption per unit of production : Nil

**TECHNOLOGY ABSORPTION**

**FORM-B: FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION ETC..**

- I Research and Development : Nil
- II Technology Absorption, Adaptation and Innovation : Nil

**FOREIGN EXCHANGE EARNINGS AND OUTGO**

- I. Earnings in Foreign Exchange during the year : Nil
- II. Foreign Exchange outgo during the year : Nil

**PARTICULARS OF EMPLOYEES**

Particulars of employees as required to be disclosed in terms of Section 134 of the Companies Act, 2013 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are made available at the registered office of the Company. The members desirous of obtaining the same may write to the Company Secretary at the registered office of the Company.

**CHANGES IN APPOINTMENT OF THE STATUTORY AUDITORS DURING THE YEAR:**

As per the provisions of Section 139, 141, 142 and 143 of the Companies Act 2013 and rules pursuant to it, M/s. Vinodchandra R Shah & Co, (Mumbai) are appointed as Statutory Auditor of the Company for the period of five years, subject to the ratification by shareholders at every Annual General Meeting of the Company, in place of resigning Statutory Auditor M/s. Pankaj P. Sanghavi & Co. (Chartered Accountants) as he has shown his unwillingness to continue.

**CLARIFICATION FOR OBSERVATIONS AS REPORTED BY STATUTORY AUDITOR IN THEIR AUDIT REPORT**

Pursuant to Section 139 of the Act, the Auditor's report for the financial year 2015-16 contains qualifications, remarks, the clarification for the same are as follows:

1. The Company regrets the delay in submitting the Board meeting / general meeting minutes, Statutory registers and other relevant papers to the Auditor for their verification and comments
2. Further, with respect to the qualifications raised by the Auditor for the business activities, financial activities and other reporting, we wish to state that the management of the Company is taking appropriate steps for making necessary application with the relevant Authorities.

3. All the other qualifications, observations mentioned by the Auditor in their report are self explanatory and hence does not call for any comment by the Board of Directors.

### **DEPOSITS**

During the period under review, your Company has not accepted or invited any deposits from public.

### **SIGNIFICANT / MATERIAL ORDERS PASSED IMPACTING ON GOING CONCERN STATUS AND COMPANY'S OPERATIONS**

There have been no significant and material orders passed by any regulators or courts or tribunals impacting the going concern status and company's operations in future.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

The Company has made transactions which are within the limit of Loans, Guarantees or Investments under Section 186 of the Companies Act, 2013

### **BOARD MEETINGS**

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre-scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions through circulation, as permitted by law, which are confirmed in the subsequent Board meeting.

The Board met 14(Fourteen) times during the financial year. The intervening gap between any two meetings was within the period prescribed by the Companies Act, 2013. The maximum interval between any two meetings did not exceed 120 days as prescribed under the Companies Act, 2013. None of the directors is a member in more than ten committees or acts as a Chairman in more than five committees across all companies in which he is a director.

The Composition of the Board and the number of directorships, memberships and chairmanship of committees as on March 31, 2016, are given below:

Name of director	No. of meetings held	No. of meetings Attended	Last AGM Attended
Mr. Umesh Pravinchandra Parekh	10	10	Yes
Mr. Heeralal Rambaratram Jaiswar	10	10	Yes
Mr. Santosh Gangaram Mohite***	10	10	No
Mr. Sanjay Kumar Naithani**	10	4	No
Mr. Sapna Naithani****	10	10	No
Mr. Atul Chimanlal Doshi	10	10	Yes
Ms. Falguni Chintan Raval*	10	7	No

\*Appointed on 01/06/2015

\*\*Resigned from 01/09/2015

\*\*\*Resigned from 29/02/2016

\*\*\*\*Resigned from 30/08/2016

Name of the Directors	DIN	Designation / category	*No. of Directorship in Boards of other Co.	Committee Membership in all Companies	Chairmanship in committees where they are members
Mr. Umesh Pravinchandra Parekh	06827077	Non-Executive Director	1	NIL	NIL
Mr. Heeralal Rambaratram Jaiswar	06827029	Non-Executive Director	0	NIL	NIL
Mr. Santosh Gangaram Mohite***	02953365	Non-Executive Director	4	NIL	NIL
Mr. Sanjay	01660394	Non-Executive	11	NIL	NIL

Kumar Naithani**		Director			
Mrs. Sapna Naithani****	01693883	Non-Executive Director	4	NIL	NIL
Mr. Atul Chimanlal Doshi	06826992	Chairman & Managing Director	1	NIL	NIL
Ms. Falguni Chintan Raval*	07197547	Executive Director	NIL	NIL	NIL

\*Appointed on 01/06/2015

\*\*Resigned from 01/09/2015

\*\*\*Resigned from 29/02/2016

\*\*\*\*Resigned from 30/08/2016

#### **BOARD MEETINGS AND ATTENDANCE**

The dates on which the said meetings were held are 10 times on

11/05/2015	30/05/2015	10/08/2015	01/09/2015	30/09/2015	14/11/2015	13/02/2016	20/02/2016
24/02/2016	29/02/2016						

#### **EXTRACT OF THE ANNUAL RETURN**

An extract of the Annual Return for the year ended March 31, 2016 as provided under sub-section (3) of Section 92 and prescribed under Rule 12 of Companies (Management & Administration) Rules, 2014 in the prescribed form MGT-9 is attached as **Annexure 'A'** and forms part of this report.

#### **SECRETARIAL AUDITORS AND THEIR REPORT**

Mr. Amit R. Dadheech, Company Secretaries, was appointed as Secretarial Auditors of the Company for the financial year 2015-16 Pursuant to Section 204 of the Companies Act, 2013. The Secretarial Audit Report submitted by them in the prescribed form MR- 3 is attached as '**Annexure B**' and forms part of this report.

There are qualifications, observations and other remarks of the Secretarial Auditors in the Report issued by them for the financial year 2015-16 which are self explanatory in nature and does not call for any explanation from the Board of Directors.

#### **RELATED PARTIES TRANSACTIONS**

During the year, the transactions with related parties did not occur in the ordinary course of business and on arm's length basis.

#### **BOARD COMMITTEES**

The Company has the following Committees of the Board:

- > Audit Committee
- > Stakeholders Relationship Committee
- > Nomination & Remuneration Committee

#### **VIGIL MECHANISM / WHISTLE BLOWER POLICY**

In pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013, a Vigil Mechanism for directors and employees to report genuine concerns has been established. The Vigil Mechanism Policy has been uploaded on the website of the Company at [www.kapilrajfinanceitd.com](http://www.kapilrajfinanceitd.com) under investors/policy documents/Vigil Mechanism Policy link.

#### **INTERNAL FINANCIAL CONTROL**

The Company believes that internal control is a necessarily follows the principle of prudent business governance that freedom of management should be exercised within a framework of appropriate checks and balances. The Company remains committed to ensuring an effective internal control environment that inter alia provides assurance on orderly and efficient conduct of operations, security of assets, prevention and detection of frauds/errors, accuracy and completeness of accounting records and the timely preparation of reliable financial information.

The Company's independent and Internal Audit processes, both at the Business and Corporate levels, provide assurance on the adequacy and effectiveness of internal controls, compliance with operating systems, internal policies and regulatory requirements.

The Financial Statements of the Company are prepared on the basis of the Significant Accounting Policies that are carefully selected by management and approved by the Board. These, in turn are supported by a set of divisional Delegation Manual & Standard Operating Procedures (SOPs) that have been established for individual units/ areas of operations.

The Company has in place adequate internal financial controls with reference to the Financial Statements. Such controls have been tested during the year and no reportable material weakness in the design or operation was observed. Nonetheless the Company recognizes that any internal financial control framework, no matter how well designed, has inherent limitations and accordingly, regular audit and review processes ensure that such systems are reinforced on an ongoing basis.

#### **RISK & MITIGATION**

The Company has identified various risks faced by the Company from different areas. As per the provision of the Companies Act, 2013 and listing agreements, the, the Board had adopted a risks management policy whereby a proper framework is set up. Appropriate structures are present so that risks are inherently monitored and controlled. A combination of policies and procedures attempts to counter risks as and when they evolve.

#### **COST AUDITORS**

As the Company is operating in the service industry, cost audit is not applicable to the Company and hence no reporting is required.

#### **DISCLOSURE AS REQUIRED UNDER SECTION 22 OF SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company is committed to provide a protective environment at workplace for all its women employees. To ensure that every woman employee is treated with dignity and respect and as mandated under "The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013" the Company has in place a formal policy for prevention of sexual harassment of its women employees.

The following is the summary of sexual harassment complaints received and disposed off during the current financial year.

Number of Complaints received : NIL  
Number of Complaints disposed off : NIL

#### **INDUSTRIAL RELATIONS:**

The company maintained healthy, cordial and harmonious industrial relations at all levels, the enthusiasm and unstinting efforts of employees have enabled the company to remain at the leadership position in the industry it has taken various steps to improve productivity across organization.

#### **KEY MANAGERIAL PERSONNEL**

The Key Managerial Personnel (KMP) in the Company as per Section 2(51) and 203 of the Companies Act, 2013 are as follows:

Mr. Atul Chimanlal Doshi	Chairman & Managing Director
Ruchi Bandhari*	Company Secretary, Compliance Officer

(Resigned as on 29.02.2016)

#### **ACKNOWLEDGEMENT**

Your Directors wish to acknowledge all their stakeholders and are grateful for the excellent support received from the shareholders, Bankers, Financial Institutions, Government authorities, esteemed corporate clients, customers and other business associates. Your Directors recognize and appreciate the hard work and efforts put in by all the employees of the Company and their contribution to the growth of the Company in a very challenging environment.

Dated: 3 September, 2016  
Place: Delhi

By Order and on behalf of the board  
Sd/-  
Atul Chimanlal Doshi  
Chairman & Managing Director  
DIN 06826992

Registered Office:  
8/33, III Floor, Satbhava School Marg  
W.E.A, Karol Bagh  
Delhi - 110005

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## ANNEXURE A TO DIRECTORS REPORT

### MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2016 [Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

#### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	: L65929DL1985PLC022788
ii)	Registration Date	: 13.12.1985
iii)	Name of the Company	: Kapil Raj Finance Limited
iv)	Category / Sub-Category of the Company	: Public Listed Company
v)	Address of the Registered office and contact details	: 8/33, III Floor, Satbhava School Marg, W.E.A., Karol Bag, Delhi - 110005
vi)	Whether listed company	: Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	: Purva Share Registry Private Limited Add: Unit No. 9, Shiv Shakti Industrial Estate, J .R. Boricha Marg Opp. Kasturba Hospital Lane Lower Parel (E) Mumbai 400 011 Email: <a href="mailto:busicomp@vsnl.com">busicomp@vsnl.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company has stated below,

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financing to Industrial Company & Commercial Enterprise	65999	NIL
2	Management and Financial Consultancy	65999	NIL
3	Financing all their respective branches	65999	NIL
4	Real Estate business	70109	NIL

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
N.A	N.A	N.A	N.A	N.A	N.A

#### IV. SHARE HOLDING PATTERN

(Equity Share Capital Breakup as percentage of total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year 3/31/2015				No. of Shares held at the end of the year 3/31/2016				% of Change
	Demat	Physical	Total	% of Total TOTSHR	Demat	Physical	Total	% of Total TOTSHR	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
(g) Individuals/ HUF	0	2500	2500	0.05	0	2500	2500	0.05	0
(h) Central Govt	0	0	0	0	0	0	0	0	0
(i) State Govt(s)	0	0	0	0	0	0	0	0	0
(j) Bodies Corp.	200000	0	200000	3.89	200000	0	200000	3.89	0
(k) Banks / FI	0	0	0	0	0	0	0	0	0
(l) Any Other....									
* DIRECTORS	0	0	0	0	0	0	0	0	0
* DIRECTORS RELATIVES	0	0	0	0	0	0	0	0	0
* PERSON ACTING IN CONCERN	0	0	0	0	0	0	0	0	0
<b>Sub Total (A)(1):-</b>	<b>200000</b>	<b>2500</b>	<b>202500</b>	<b>3.94</b>	<b>200000</b>	<b>2500</b>	<b>202500</b>	<b>3.94</b>	<b>0</b>
<b>(2) Foreign</b>									
(a) NRI Individuals	0	0	0	0	0	0	0	0	0
(b) Other Individuals									
(c) Bodies Corp.	0	0	0	0	0	0	0	0	0
(d) Banks / FI	0	0	0	0	0	0	0	0	0
(e) Any Other....									
<b>Sub Total (A)(2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) =</b>	<b>200000</b>	<b>2500</b>	<b>202500</b>	<b>3.94</b>	<b>200000</b>	<b>2500</b>	<b>202500</b>	<b>3.94</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
(a) Mutual Funds	0	0	0	0	0	0	0	0	0
(b) Banks FI	0	0	0	0	0	0	0	0	0
(c) Central Govt	0	0	0	0	0	0	0	0	0
(d) State Govt(s)	0	0	0	0	0	0	0	0	0
(e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
(f) Insurance Companies	0	0	0	0	0	0	0	0	0
(g) FIs	0	0	0	0	0	0	0	0	0
(h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
(i) Others (specify)									
* U.T.I.	0	0	0	0	0	0	0	0	0
* FINANCIAL INSTITUTIONS	0	0	0	0	0	0	0	0	0
* I.D.B.I.	0	0	0	0	0	0	0	0	0
* I.C.I.C.I.	0	0	0	0	0	0	0	0	0
* GOVERNMENT COMPANIES	0	0	0	0	0	0	0	0	0
* STATE FINANCIAL CORPORATION	0	0	0	0	0	0	0	0	0
* QUALIFIED FOREIGN INVESTOR	0	0	0	0	0	0	0	0	0
* ANY OTHER	0	0	0	0	0	0	0	0	0
* OTC DEALERS (BODIES CORPORATE)	0	0	0	0	0	0	0	0	0
* PRIVATE SECTOR BANKS	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non-Institutions</b>									
(a) Bodies Corp.									
(i) Indian	300000	0	300000	5.84	300100	0	300100	5.84	0
(ii) Overseas	0	0	0	0	0	0	0	0	0
(b) Individuals									
(i) Individual shareholders holding	37600	50294	87894	1.71	51500	34294	85794	1.67	-0.04
(ii) Individual shareholders holding									
nominal share capital in excess of Rs 1	4020000	87606	4107606	79.91	4020000	87606	4107606	79.91	0
(c) Others (specify)									
* N.R.I. (NON-REPAT)	0	0	0	0	0	0	0	0	0
* N.R.I. (REPAT)	0	0	0	0	0	0	0	0	0
* FOREIGN CORPORATE BODIES	0	0	0	0	0	0	0	0	0
* TRUST	0	0	0	0	0	0	0	0	0
* HINDU UNDIVIDED FAMILY	424000	18000	442000	8.6	426000	18000	444000	8.64	0.04
* EMPLOYEE	0	0	0	0	0	0	0	0	0
* CLEARING MEMBERS	0	0	0	0	0	0	0	0	0
* DEPOSITORY RECEIPTS	0	0	0	0	0	0	0	0	0
* OTHER DIRECTORS & RELATIVES	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	<b>4781600</b>	<b>155900</b>	<b>4937500</b>	<b>96.06</b>	<b>4797600</b>	<b>139900</b>	<b>4937500</b>	<b>96.06</b>	<b>0</b>
<b>Total Public Shareholding (B) =</b>	<b>4781600</b>	<b>155900</b>	<b>4937500</b>	<b>96.06</b>	<b>4797600</b>	<b>139900</b>	<b>4937500</b>	<b>96.06</b>	<b>0</b>
<b>C. TOTSHR held by Custodian for</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>GrandTotal(A + B + C)</b>	<b>4981600</b>	<b>158400</b>	<b>5140000</b>	<b>100</b>	<b>4997600</b>	<b>142400</b>	<b>5140000</b>	<b>100</b>	<b>0</b>
Other	0	0	0	0	0	0	0	0	0

**(ii) Shareholding of Promoters**



SI No.	ShareHolder's Name	ShareHolding at the beginning of the 31-Mar-15			Shareholding at the end of the year 31-Mar-16			% change in share holding during the year
		No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	No. of Shares	% of Total Shares of the company	% of Shares Pledged / Encumbered to total shares	
1	BELAZIO REAL ESTATE	200000	3.89	0	200000	3.89	0	0
2	KAVITA JAIN	2500	0.05	0	2500	0.05	0	0

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

SI No.		ShareHolding at the 31-Mar-15		Cumulative 31-Mar-16		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
1	BELAZIO REAL ESTATE	200000	3.89			
	31-Mar-16			200000	3.89	
2	KAVITA JAIN	2500	0.05			
	31-Mar-16			2500	0.05	

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

SI No.		ShareHolding at the 31-Mar-15		Cumulative 31-Mar-16		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	
1	Dinesh Manilal Shah	500000	9.73			
	31-Mar-16			500000	9.73	
2	Bindu Dinesh Shah	500000	9.73			
	31-Mar-16			500000	9.73	
3	PINKLINE FINANCIAL	300000	5.84			
	31-Mar-16			300000	5.84	
4	PANKAJ DHOOT HUF	250000	4.86			
	31-Mar-16			250000	4.86	
5	KAILASH PATEL	250000	4.86			
	31-Mar-16			250000	4.86	
6	ANURADHA DHOOT	250000	4.86			
	31-Mar-16			250000	4.86	
7	KRUNAL JAYESH	250000	4.86			
	31-Mar-16			250000	4.86	
8	HARI BHACHUBHAI	165000	3.21			
	31-Mar-16			165000	3.21	
9	DINESH KARMAN PATEL	135000	2.63			
	12-Feb-16	-90000	-1.75	45000	0.88	Sell
	31-Mar-16			45000	0.88	
10	KISHORE BHACHUBHAI	110000	2.14			
	31-Mar-16			110000	2.14	

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.		ShareHolding at the 31-Mar-15		Cumulative 31-Mar-16		Type
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	

#### V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	0	0	0	0
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	00	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>0</b>	<b>00</b>	<b>0</b>
<b>Change in Indebtedness during the financial year</b>				
• Addition	0	93644468.08	0	93644468.08
• Reduction	0	00	0	0
<b>Net Change</b>	<b>0</b>	<b>93644468.08</b>	<b>00</b>	<b>93644468.08</b>
<b>Indebtedness at the end of the financial year</b>	<b>0</b>	<b>0</b>	<b>00</b>	<b>0</b>
i) Principal Amount	0	93644468.08	0	93644468.08
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	00	0
<b>Total (i+ii+iii)</b>	<b>0</b>	<b>93644468.08</b>	<b>00</b>	<b>93644468.08</b>

#### VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager				Total Amount
		Atul Doshi	Falguni Raval	---	----	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income- tax Act, 1961	0	127000 p.a.	0	0	0
2.	Stock Option	NA	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA	NA
4.	Commission - as % of profit - others, specify...	0	0	0	0	0
5.	Others, please specify	0	0	0	0	0
	Total (A)	0	0	0	0	0
	Ceiling as per the Act	The salary paid to the Directors is within the prescribed limits of the Companies Act, 2013 read with relevant rules made therein under				

B. Remuneration to other directors:

Sl. No.	Particulars of Remuneration	Name of Directors			Total Amount
		Heeralal Jaiswar	----	----	

	Independent Directors	0	0	0	0
	Fee for attending board/ committee meetings	140000 p.a.	00	0	0
	Commission	0	0	00	0
	Others, please specify	0	0	00	0
	Total (1)	0	0	00	0
	Other Non-Executive Directors				
	Fee for attending board committee meetings	0	0	00	0
	Commission	0	0	0	0
	Others, please specify	0	00	0	0
	Total (2)	0	00	00	0
	Total (B)=(1+2)	0	0	00	0
	Total Managerial Remuneration	0	00	0	0
	Overall Ceiling as per the Act	0	00	0	0

*C. Remuneration to Key Managerial Personnel other than MD/Manager/WTD*

Sl. No.	Particulars of Remuneration	Key Managerial Personnel			
		CEO	Ruchi Bandhari (Company Secretary)	CFO	Total
1.	Gross salary (a) Salary as per provisions contained in Section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under Section 17(3) Income-tax Act, 1961	0	122500p.a.	0	00
2.	Stock Option	0	00	0	0
3.	Sweat Equity	0	0	00	0
4.	Commission - as % of profit - others, specify...	0	0	00	0
5.	Others, please specify	0	0	00	0
	<b>Total</b>	0	122500	0	0

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give details)
<b>COMPANY</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>DIRECTORS</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
<b>OTHER OFFICERS IN DEFAULT</b>					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

For and on behalf of the Board of Directors

Date: September 3, 2016  
Place: Delhi

**Sd/-**  
Atul C. Doshi  
Chairman & Managing Director  
DIN NO.: 06826992

**ANNEXURE B TO DIRECTORS REPORT  
Form No. MR-3**

**Secretarial Audit Report [Pursuant to section 204(1) of the Companies Act, 2013 and rule no.9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014] Secretarial Audit Report For the Financial Year Ended 31st March, 2016**

To,  
The Members,  
Kapil Raj Finance Limited  
8/33, Iii Floor, Satbhava School Marg  
W.E.A, Karol Bagh  
Delhi-110005.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Kapil Raj Finance Limited (CIN: L65929DL1985PLC022788) (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of Kapil Raj Finance Limited'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 the Secretarial Audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2016 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by Kapil Raj Finance Limited for the financial year ended on 31<sup>st</sup> March, 2016 according to the provisions of:

1. The Companies Act, 2013 (the Act) and the rules made thereunder;
2. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
3. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
4. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; - (During the period under review, the Company has not entered into any transaction requiring compliances with the Foreign Exchange Management Act, 1999 and rules made thereunder)
5. 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 (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b) The Securities and 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 (Issue and Listing of Debt Securities) Regulations, 2008; (During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008)
  - e) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
  - f) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009)
  - g) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (During the period under review, the Company has not entered into any transaction requiring compliances with the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998)

**OTHER APPLICABLE LAWS:**

With respect to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, the Company has complied with the following laws applicable to the Company

**1. Income Tax Act, 1961 and Indirect Tax Laws**

We have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchange upto November 30, 2015 as per the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (with effect from December 1<sup>st</sup>, 2015)

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

We further report that:

We further report that the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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 and for meaningful participation at the meeting.

Majority decision is carried unanimously however the dissenting members' views, if any, are captured and recorded as part of the minutes.

We further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

We further report that during the audit period:

1. The Company is yet to appoint the Chief Financial Officer (CFO) during the period under review.
2. The Company Secretary of the Company has resigned with effect from February 29, 2016 during the year under review.
3. The overall revenue earned by the Company during the financial year was from financial activities. As per the provision of Section 45I of Reserve Bank of India Act, 1934 and Reserve Bank of India Press Release 1998-99/1269 dated April 08, 1999, a company would be identified as a Non – Banking Financial Company if its financial assets are more than 50 percent of its total assets (netted off by intangible assets) and income from financial assets are more than 50 percent of the gross income.
4. The Company has not passed Special Resolution to borrow moneys exceeding the limits specified under section 180 (1) (c) of the Companies Act, 2013 which is aggregate of its paid up Share Capital and Free Reserves of the company.
5. The Company has carried on the Business Activities during the year being Principal Business Activity, viz. dealing in Real Estate. The same forms part of the other objects of the company, but the same have not been adopted as the main objects of the company as required by the section 13 of the Companies Act, 2013.

This Report is to be read with our letter of even date which is annexed as Annexure A and forms an integral part of this Report.

**For Amit R. Dadheech & Associates**

**SD/-**

**Amit R. Dadheech**

**M. No.: 22889; C.P. No.: 8952**

**September 1, 2016**

**Place: Mumbai**

## **Annexure A**

To,  
The Members,  
Kapil Raj Finance Limited  
8/33, Iii Floor, Satbhava School Marg  
W.E.A, Karol Bagh  
Delhi- 110005.

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

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the Secretarial records. The verification was done on test check basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis of our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test check basis.
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.

**For Amit R. Dadheech & Associates**

**SD/-**  
**Amit R. Dadheech**  
**M. No.: 22889; C.P. No.: 8952**

**September 1, 2016**  
**Place: Mumbai**



## **CORPORATE GOVERNANCE**

SEBI vide its notification No. SEBI/LAD-NRO/GN/2015-16/013 dated 2<sup>nd</sup> September, 2015 notified the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred as 'SEBI Listing Regulations, 2015'), which were made applicable with effect from 1<sup>st</sup> December, 2015 and repealed the erstwhile Listing Regulations with the stock exchanges.

This Report, therefore, states compliance as per the requirements of the Companies Act, 2013, SEBI Listing Regulations, 2015 as applicable to the Company.

Given below are the Company's corporate governance policies and practices for financial year 2015-16. As will be seen, the Company's corporate governance practices and disclosures have gone well beyond complying with the statutory and regulatory requirements stipulated in the applicable laws, including SEBI Listing Regulations, 2015.

### **COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company believes that good corporate governance is fundamental to the enhancement of the value of the Company and its long term growth. Based on the core principles of fairness, transparency and accountability, the Company strives to maintain a high standard of corporate governance through the establishment of a comprehensive and efficient framework of policies, procedures and systems and the promotion of a responsible corporate culture.

### **AS PER SEBI (LODR) REGULATIONS, 2015, OF SCHEDULE V: ANNUAL REPORT, FOLLOWING ADDITIONAL DISCLOSURE (PARA A AND F) OF SCHEDULE V IS AS FOLLOWS:**

#### **PARA A: DISCLOSURE AS PER SEBI (LODR), REGULATIONS, 2015 IN RESPECT TO RELATED PARTY TRANSACTIONS**

<b>SR.NO.</b>	<b>IN THE ACCOUNTS OF</b>	<b>DISCLOSURES OF AMOUNTS AT THE YEAR END AND THE MAXIMUM AMOUNT OF LOANS/ ADVANCES/ INVESTMENTS OUTSTANDING DURING THE YEAR.</b>	<b>REMARKS</b>
1.	Holding Company	Loans and advances in the nature of loans to subsidiaries by name and amount. Loans and advances in the nature of loans to associates by name and amount. Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	<b>N.A.</b>
2.	Subsidiary	Loans and advances in the nature of loans to holding company by name and amount. Loans and advances in the nature of loans to associates by name and amount. Loans and advances in the nature of loans to Firms / companies in which directors are interested by name and amount.	<b>N.A.</b>
3.	Holding Company	Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	<b>N.A.</b>

### **B.MANAGEMENT DISCUSSION AND ANALYSIS (Annexure to Director Report)**

### **Forward – Looking Statements:**

This Report contains forward – Looking Statements. Any, statement that address expectations or projections about the future, including but not limited to statements about the Company's strategy and growth, product development, market position, expenditures and financial results, are forward looking statements. Forward looking statements are based on certain assumptions and expectations of future growth. The Company cannot guarantee that these assumptions are accurate and will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward-looking statements, on basis of any subsequent developments, information or events.

### **Overview:**

During the financial year under review the revenue from operations has increased from Rs. 30.66 Lacs to Rs. 89.95 Lacs

### **Outlook:**

The Company is mainly engaged in the business of financing and investment in bodies corporate in order to yield greater revenue for its stakeholders. The Company is planning to expand and diversify the operational activities in the coming years ahead in order to tap higher revenues.

### **Risk and Concerns:**

Due to stiff competitions in the finance field where the company's activities are centered in, the overall margins are always under pressure, but maintainable with the constant effort and good services rendered by the company.

### **Internal Control Systems and their Adequacy:**

An Audit Committee of the Board of Directors of the Company has been constituted as per provisions of the Companies Act, 2013 and SEBI (LODR), 2015.

The Internal Audit Function is looked after internally by the finance and accounts department, and reviewed by the audit committee and the management at the regular intervals.

The Internal Auditors Reports dealing with Internal Control Systems are considered by the Audit Committee and appropriate actions are taken, whichever necessary.

### **Analysis of Financial Conditions and Results of Operations:**

The Financial Statements have been prepared in accordance with the requirements of the Act, Indian Generally Accepted Principles (Indian GAAP) and the Accounting Standards as prescribed by the Institute of Chartered Accountants of India.

The Management believes that it has been objective and prudent in making estimates and judgments relating to the Financial Statements and confirms that these Financial Statements are a true and fair representation of the Company's Operations for the period under review.

### **Development on Human Resource Front:**

Our human resources are critical to our success and carrying forward our mission. With their sustained, determined and able work efforts we were able to cruise smoothly through the hard time of the economic volatility and rapidly changing market conditions.

The requirement of the markets given the economic scenario has made this even more challenging. Attracting newer talent with the drive, training and upgrading existing skill sets and getting all to move in an unified direction will definitely be task in the company.

Plans to execute the mandate on this count are already underway and we should see it impacting the results from the third quarter of the next financial year.

By creating conducive environment for career growth, company is trying to achieve the maximum utilization of employee's skills in the most possible way.

There is need and the company is focused on retaining and bringing in talent keeping in mind the ambitious plans despite the market and industry scenario.

The company also believes in recognizing and rewarding employees to boost their morale and enable to achieve their maximum potential. The need to have a change in the management style of the company is one of the key focus areas this year.

**Industrial Relations:**

Industrial Relations throughout the year continued to remain very cordial and satisfactory.

**F. DISCLOSURE AS PER SEBI (LODR), REGULATIONS, 2015 IN RESPECT DEMAT SUSPENSE ACCOUNT/UNCLAIMED SUSPENSE ACCOUNT**

The listed entity need to disclose the following details and as long as there are shares in the demat suspense account or unclaimed suspense account:

<b>SR.NO.</b>	<b>PARTICULARS</b>	<b>REMARKS</b>
1.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the beginning of the year	NIL
2.	Number of shareholders who approached listed entity for transfer of shares from suspense account during the year	NIL
3.	Number of shareholders to whom shares were transferred from suspense account during the year	NIL
4.	Aggregate number of shareholders and the outstanding shares in the suspense account lying at the end of the year	NIL
5.	That the voting rights on these shares shall remain frozen till the rightful owner of such shares claims the shares	NIL

Date: September 3, 2016  
Place: Delhi

For and on behalf of the Board of Directors

**Sd/-**  
Atul C. Doshi  
Chairman & Managing Director  
DIN NO.: 06826992

## INDEPENDENT AUDITORS' REPORT

To,  
THE MEMBERS OF  
**KAPIL RAJ FINANCE LIMITED,**

### REPORT ON FINANCIAL STATEMENTS

We have audited the accompanying financial statements of **KAPIL RAJ FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss for the year then ended, Cash Flow Statement for the year ended on that date and a summary of significant accounting policies and other explanatory information.

### MANAGEMENTS 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 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.

### AUDITORS' RESPONSIBILITY

Our responsibility is to express an opinion on these 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 financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the 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 financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. 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 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 financial statements.

### BASIS FOR QUALIFIED OPINION

The company has not registered and enrolled itself as per the provisions of the Maharashtra State Tax on Profession, Trades, Calling and Employment Act, 1975 which attracts Tax Liability under the Act, along with interest and penalty under the provisions due thereon. The extent of liability is not determinable in absence of availability of information in this regards. To this extent the Profit and Loss Account balance is over stated and the Current Liabilities are under stated

### QUALIFIED OPINION

In our opinion and to the best of our information and according to the explanations given to us, except for the effects of the matter described in the Basis of Qualified Opinion paragraph above, and subject matter described under "Emphasis of Matter" the financial statements give the information required by the Act, in the manner so required and give a true and fair view in conformity with the accounting principles accepted in India.

- a. In the case of the Balance Sheet, of the state of affairs of the company as at March 31, 2016;
- b. In the case of Statement of Profit and Loss, of the Profit for the year ended on that date; and,
- c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

## **EMPHASIS OF MATTER**

Attention is invited to the following:

1. Minutes of the meeting of the Board of Directors and General Meeting of the members were not produced before us for our verification.
2. The Internal Audit Report for the year ended March 31, 2016 has not been produced before us for our verification.
3. The accounting records have not been properly kept. The registers required by the Companies Act to be kept by the company have not been properly kept in accordance with the Act.
4. The company carries on Finance Activities and hence by the guidelines issued by the Reserve Bank of India, the company complies to be a Non-Banking Financial Company (NBFC). This requires the company to get itself registered with the Reserve Bank of India as a NBFC, but the company has not made any formal application with the Reserve Bank of India to get itself registered.
5. The company is carrying exceptionally large Cash Balances in the Books. This is prejudicial to the interest of the company.
6. The company has not passed Special Resolution to borrow moneys exceeding the limits specified under section 180 (1) (c) of the Companies Act, 2013 which is aggregate of its paid up Share Capital and Free Reserves of the company.
7. The company has carried on the Business Activities during the year being Principal Business Activity, viz. dealing in Real Estate. The same forms part of the other objects of the company, but the same have not been adopted as the main objects of the company as required by the section 13 of the Companies Act, 2013.
8. The company has carried on Business Activities during the year being Principal Business Activity, viz. dealing in Futures and Options Market (Derivatives Market) engaged in Speculation Business in Equity, Commodity and Foreign Exchange Markets. These activities are not part of the object clause of the company
9. The Business Activity transactions dealing in Trading, Derivatives and Speculation Transactions related to Equities, Future and Options segment, Foreign Exchange and Commodities are not accounted as per the generally accepted principles.

## **REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS**

1. As required by The Companies (Auditor's Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we enclose in the Annexure a statement on the matter specified in the paragraphs 3 and 4 of the said Order.
2. 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, except for the matter referred in the "Emphasis of Matter" at point no. 3, so far as appears from our examination of those books.
  - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow, dealt with by this Report are in agreement with the books of account.
  - d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014, except for the matter referred in the "Emphasis of Matter" at point no. 9.
  - e) On the basis of the written representations received from the directors as on March 31, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
  - f) 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 does not have any pending litigations which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For PANKAJ P. SANGHAVI & CO.**

Chartered Accountants  
Firm Reg. No. 107356W

Sd/-

(Ankit P. Sanghavi)

M. No. 131353

MUMBAI: 31.05.2016

### **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

The Annexure referred to in Our Report of even date to the members of **KAPIL RAJ FINANCE LIMITED** on the accounts of the company for the year ended March 31, 2016. On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

- I. **In respect of its Fixed Assets:**
  - a) The Company has not produced before us the Fixed Asset Register for our verification.
  - b) The fixed assets were physically verified during the year by the management at regular interval during the year. However, the physical verification report was not produced before us for our verification.
  - c) No disposal of a substantial part of fixed assets of the Company has taken place during the year.
- II. **In respect of its Inventory:**
  - a) The company has not produced before us the physical verification report of the Inventory carried on by the management.
- III. The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under section 189 of the Act.
- IV. In our opinion, and according to the information and explanations given to us, during the course of audit, there is an adequate internal control system commensurate with the size of the company and the nature of its business with regards to purchase of fixed assets. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control system.
- V. The company has not accepted any deposits from the public in accordance with the provisions of section 73 to 76 of the Act and the Rules framed there under.
- VI. The Central Government has not prescribed the maintenance of cost records under sub section (1) of Section 148 of the Act for the business carried out by the Company. Accordingly, paragraph 3 (vi) of the order is not applicable.
- VII.
  - a. According to the information and explanations given to us the Company has delayed in depositing undisputed statutory dues including Income Tax and other statutory dues with the appropriate authorities.  
The company has not registered and enrolled itself as per the provisions of the Maharashtra State Tax on Profession, Trades, Calling and Employment Act, 1975 which attracts Tax Liability under the Act. The extent of liability is not determinable in absence of availability of information in this regards.
  - b. According to the information and explanations given to us, there are no statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund in accordance with the relevant provisions of the Companies Act, 1956 (1 of 1956) and rule made there under.
- VIII. The Company has not taken any loan from any financial institution or banks. Accordingly, Paragraph 3 (ix) of the Order is not applicable
- IX. Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments and term Loans. Accordingly, the provisions of clause 3 (ix) of the Order are not applicable to the Company
- X. During the course of our examination of books and records of the Company, carried out in accordance with generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.
- XI. The Managerial Remuneration has been provided in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of the Companies Act, 2013.
- XII. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions of clause 3 (xii) of the Order are not applicable to the Company
- XIII. In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Accounting Standards.
- XIV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review. Accordingly, the provisions of clause 3 (xiv) of the Order are not applicable to the Company.
- XV. Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company and hence not commented upon.
- XVI. In our opinion, the company is required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and the company has not applied for the same.

For PANKAJ P. SANGHAVI & CO.  
Chartered Accountants  
Firm Reg. No. 107356W  
Sd/-  
(Ankit P. Sanghavi)  
Partner  
M.No.131353

Mumbai:31.05.2016

<b>KAPIL RAJ FINANCE LIMITED</b>			
<b>BALANCE SHEET AS AT MARCH 31, 2016</b>			
	<b>NOTES</b>	<b>As at</b>	<b>As at</b>
		<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' Funds</b>			
Share Capital	2	51,400,000.00	51,400,000.00
Reserves and Surplus	3	2,316,518.74	212,919.85
		<b>53,716,518.74</b>	<b>51,612,919.85</b>
<b>NON-CURRENT LIABILITIES</b>			
Deferred Tax Liabilities		885.32	-
		<b>885.32</b>	<b>-</b>
<b>Current Liabilities</b>			
Short-term Borrowings	4	97,133,200.00	-
Other Current Liabilities	5	140,511.00	100,388.00
Short-term Provisions: Income Tax		392,873.00	83,804.00
		<b>97,666,584.00</b>	<b>184,192.00</b>
<b>TOTAL OF EQUITY AND LIABILITIES</b>		<b>151,383,988.06</b>	<b>51,797,111.85</b>
<b>Non-Current Assets</b>			
Fixed Assets			
Tangible Assets	6	45,379.00	-
Non-Current Investment	7	-	2,585,000.00
Long Term Loans and Advances	8	16,600,000.00	25,793,659.00
		<b>16,645,379.00</b>	<b>28,378,659.00</b>
<b>Current Investments: Fixed Deposit</b>		<b>28,000,000.00</b>	<b>16,100,000.00</b>
<b>Current Assets</b>			
Trade receivable	9	23,997,952.00	30,472.60
Stock In Trade	10	7,263,940.00	-
Cash and Cash Equivalent	11	17,097,129.06	6,515,262.25
Deposits: Maintenance Deposit		35,000.00	-
Other Current Assets	12	58,344,588.00	772,718.00
		<b>106,738,609.06</b>	<b>7,318,452.85</b>
<b>TOTAL OF ASSETS</b>		<b>151,383,988.06</b>	<b>51,797,111.85</b>
<b>Accounting Policies and Notes to the</b>	1 to 17		
<b>Accounts</b>			
The Notes referred to above are from an integral part of these financial statements.			
This is the Balances Sheet referred to in our report of even date.			
For Pankaj P. Sanghavi & Co.		For and on behalf of the Board of Directors	
Chartered Accountants			
Firm Reg. No. 107356W			
Sd/-		Sd/-	Sd/-
Ankit P. Sanghavi		Atul Doshi	Umesh Parekh
Partner		Director	Director
M.No.: 131353		DIN: 06826992	DIN: 06827077
Place: Mumbai		Place: Mumbai	
Date: 31.05.2016		Date: 31.05.2016	

<b>KAPIL RAJ FINANCE LIMITED</b>				
<b>STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2016</b>				
		<b>NOTES</b>	<b>For the Year ended March 31, 2016</b>	<b>For the Year ended March 31, 2015</b>
	<b>REVENUE</b>	13		
	Revenue from Operational Activities		5,038,895.47	-
	Other Income		3,956,273.00	3,066,624.68
	<b>TOTAL REVENUE</b>		<b>8,995,168.47</b>	<b>3,066,624.68</b>
	<b>EXPENSES</b>			
	Employee Benefit Expenses	14	1,003,440.00	500,480.00
	Depreciation and Amortization Expenses	6	15,622.00	-
	Finance Cost: Interest Expenses		850,091.00	-
	Other Expenses	15	3,724,054.26	2,332,525.83
			<b>5,593,207.26</b>	<b>2,833,005.83</b>
	<b>Profit before Exceptional or Extraordinary items and tax</b>		3,401,961.21	233,618.85
	<b>Extraordinary items</b>			
	Prior Period Items		40,238.00	-
	<b>Profit/(Loss) Before Tax</b>		<b>3,361,723.21</b>	<b>233,618.85</b>
	<b>Tax Expenses</b>			
	Current Tax		1,038,500.00	219,850.00
	Deferred Tax		885.32	-
			<b>1,039,385.32</b>	<b>219,850.00</b>
	<b>Profit for the Year</b>		<b>2,322,337.89</b>	<b>13,768.85</b>
	<b>Earning per Equity Share</b>			
	Basic	16	0.45	0.01
	Diluted		0.45	0.01
	<b>Accounting Policies and Notes to the Accounts</b>	1 to 17		
	The Notes referred to above are from an integral part of these financial statements.			
	This is the Statement of Profit and Loss referred to in our report of even date.			
	For Pankaj P. Sanghavi & Co.		For and on behalf of the Board of Directors	
	Chartered Accountants			
	Firm Reg. No. 107356W			
	Sd/-		Sd/-	Sd/-
	Ankit P. Sanghavi		Atul Doshi	Umesh Parekh
	Partner		Director	Director
	M.No.: 131353		DIN: 06826992	DIN: 06827077
	Place: Mumbai		Place: Mumbai	
	Date: 31.05.2016		Date: 31.05.2016	



<b>KAPIL RAJ FINANCE LIMITED</b>		
<b>CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2016</b>		
	<b>For The</b>	<b>For The</b>
	<b>Year Ended</b>	<b>Year Ended</b>
<b>Indirect Method Cash Flow Statement</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
<b><u>Cash Flows From Operating Activities</u></b>		
Net Profit Before Taxation and Extraordinary Items		233,618.85
	3,361,723.21	
<b>Adjustments For Non Cash Item</b>		
Depreciation	15,622.00	-
Prior Period Tax Adjustments	(218739.00)	
<b>Operating Profit/(Loss) Before Working Capital Changes:</b>		233,618.85
	3,158,606.21	
<b>Changes in Working Capital:</b>		
Adjustments for (Increase)/ Decrease in Operating Assets		
Trade Receivables		(30,473.60)
	(23,967,479.40)	
Inventory		-
	(7,263,940.00)	
Other Current Assets		(772,717.00)
	(56,649,318.00)	
Adjustments for Increase/( Decrease) in Operating Liabilities:		
Other Current Liabilities	40,123.00	(35,000.00)
Short Term Provisions		117,388.00
	(729,431.00)	
Cash generated from Operating Activity		(720,802.60)
	(88,570,045.40)	
Income Tax Paid (Net)	922,552.00	303,527.00
<b>Net Cash Flow From / (used in) Operating Activities (A)</b>	<b>(86,333,991.19)</b>	<b>(790,710.75)</b>
<b><u>Cash Flow From Investing Activities</u></b>		
Purchase of Investment		(2,585,000.00)
	2,585,000.00	
Increase in Loans and Advances		(39,744,267.00)
	9,158,659.00	
Purchase of Fixed Asset	(61,001.00)	-
Increase in Investments in Fixed Deposits		-
	(11,900,000.00)	
<b>Net cash from/(used in) Investing Activities (B)</b>	<b>(217,342.00)</b>	<b>(42,329,267.00)</b>
<b><u>Cash Flow from Financing Activities:</u></b>		
Repayment from Long term borrowings		-
	97,133,200.00	
Proceeds from Issue of Shares		49,400,000.00
<b>Net cash from/(used in) Financing Activities (C)</b>	<b>97,133,200.00</b>	<b>49,400,000.00</b>
Net (Decrease)/Increase in Cash and Cash Equivalents(A+B+C)		
	10,581,866.81	6,280,022.25
Opening Cash and Bank Balances		235,240.00
	6,515,262.25	
<b>Cash and Cash Equivalents at end of Period</b>	<b>17,097,129.06</b>	<b>6,515,262.25</b>
<b>Closing Cash and Bank Balance shown in Balance sheet</b>	<b>17,097,129.06</b>	<b>6,515,262.25</b>
Bank Balance		6,424,650.25
	16,512,977.06	

Cash Balance	584,152.00	90,612.00
This is the Cash Flow Statement referred to in our report of even date		
For Pankaj P. Sanghavi & Co.	For and on behalf of the Board of Directors	
Chartered Accountants		
Firm Reg. No. 107356W		
Sd/-		
Ankit P. Sanghavi	Atul Doshi	Umesh Parekh
Partner	Director	Director
M.No.: 131353	DIN: 06826992	DIN: 06827077
Place: Mumbai	Place: Mumbai	
Date: 31.05.2016	Date: 31.05.2016	

<b>Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)</b>				
			As at	As at
			March 31, 2016	March 31, 2015
			-	
<b>2: SHARE CAPITAL</b>				
<u>Authorised Capital</u>				
1,00,00,000 (1,00,00,000) Equity shares of Rs.10 each			100,000,000	100,000,000
<u>Issued Subscribed and Paid up Capital</u>				
51,40,000 (51,40,000) Equity shares of Rs.10 each			51,400,000	51,400,000
fully paid up for cash at par				
<b>Total of Issued Subscribed and Paid-up Share Capital</b>			<b>51,400,000.00</b>	<b>51,400,000.00</b>
<b>A. Reconciliation Of Shares Outstanding at Beginning and at the end of reporting period</b>				
			<b>As at March 31, 2016</b>	<b>As at March 31, 2015</b>
<b>Equity Shares of Rs. 10 Each fully paid</b>	<b>No of Share</b>		<b>No of Share</b>	
At the beginning of the Year	5,140,000	51,400,000	200,000	2,000,000
Issued during the Year	Nil	Nil	4,940,000	49,400,000
Outstanding at the end of the Year	<b>5,140,000</b>	<b>51,400,000</b>	<b>5,140,000</b>	<b>51,400,000</b>
<b>B. Details of shareholders holding more than 5% equity shares of the Company</b>				

	As at March 31, 2016		As at March 31, 2015	
	No of Share	% Holding	No of Share	% Holding
<b>Equity Shares Of Rs. 10 Each fully paid</b>				
1.Bindu Dinesh	500,000	9.73%	500,000	9.73%
2.Dinesh Manilal	500,000	9.73%	500,000	9.73%
3.Pinkline finance Consultants LLP	300,000	5.84%	300,000	5.84%
<b>C. Terms / Right attached to equity shares</b>				
The company has only one class of shares having a par value of ` 10 per share. Each holder of				
equity shares is entitled to one vote per share. In the event of liquidation of the Company, the holders				
of equity shares will be entitled to receive remaining assets of the Company, after distribution of all				
the preferential amounts. The distribution will be in proportion to the number of equity shares held				
by the shareholders.				
<b>Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)</b>				
			<b>As at</b>	<b>As at</b>
			<b>March 31st,</b>	<b>March 31st,</b>
			<b>2016</b>	<b>2015</b>
			-	-
			-	-
<b>3: RESERVES AND SURPLUS</b>				
<b>Surplus in Statement of Profit and Loss</b>				
Opening Balance			212,919.85	199,151.00
Add: Profit/(Loss) for the year			2,322,337.89	13,768.85
Less: Prior Period Tax Adjustments			(218,739.00)	-
<b>Total of Reserves and Surplus</b>			<b>2,316,518.74</b>	<b>212,919.85</b>
			<b>As at</b>	<b>As at</b>
			<b>March 31st,</b>	<b>March 31st,</b>
			<b>2016</b>	<b>2015</b>
			-	-
<b>4: SHORT TERM BORROWINGS</b>				
-				
Brahma Alloys Limited			5,000,000.00	-
Diamension Steel and Alloys Pvt. Ltd.			20,000,000.00	-
Dual Core Consultancy Pvt. Ltd.			9,333,200.00	-
KH Forges India Pvt. Ltd.			2,500,000.00	-
Silver Land Developers Pvt. Ltd.				-

			50,000,000.00	
Vijaya Residency Pvt. Ltd.			3,800,000.00	-
Zeus Shelters Pvt. Ltd.			6,500,000.00	-
<b>Total of Short Term Borrowings</b>			<b>97,133,200.00</b>	<b>-</b>
			<b>As at</b>	<b>As at</b>
			<b>March 31st,</b>	<b>March 31st,</b>
			<b>2016</b>	<b>2015</b>
<b>5: OTHER CURRENT LIABILITIES</b>				
-				
Profession Tax Payable			19,000.00	-
TDS on Professional Fees			15,105.00	-
Audit fees payable			63,000.00	89,888.00
Expenses Payable			-	10,500.00
Purva Share Registry (I) Pvt. Ltd.			14,556.00	-
V.R. Bhabhra and Co.			28,850.00	-
<b>Total of Other Current Liabilities</b>			<b>140,511.00</b>	<b>100,388.00</b>
<b>Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)</b>				
			<b>As at</b>	<b>As at</b>
			<b>March 31st,</b>	<b>March 31st,</b>
			<b>2016</b>	<b>2015</b>
<b>7: NON CURRENT INVESTMENT</b>				
<b>Non Trade Investment</b>				
<b>Long Term</b>				
Investment in Properties: ADM Space			-	2,585,000.00
<b>Total of Non-Current Investments</b>			<b>-</b>	<b>2,585,000.00</b>
			<b>As at</b>	<b>As at</b>
			<b>March 31st,</b>	<b>March</b>
			<b>2016</b>	<b>31st,2015</b>
<b>8: LONG TERM LOANS AND ADVANCES AND DEPOSITS</b>				
<b>Unsecured, Considered Good unless stated otherwise</b>				
<b>(Receivable in Cash or Kind or for the value to be received)</b>				

Loans & advances			16,600,000.00	25,793,659.00
<b>Total of Long Term Loans and Advances</b>			<b>16,600,000.00</b>	<b>25,793,659.00</b>
			As at	As at
			March 31st, 2016	March 31st, 2015
<b>9: Trade Receivable</b>				
<b>(Unsecured &amp; Considered Goods)</b>				
<b>Debts outstanding for a period less than Six Months from the date they are due for payment</b>				
Pinnacle Forex and Securities Pvt. Ltd.			-	30,472.60
Vinit Enterprises			23,997,952.00	-
<b>Total Of Trade Receivable</b>			<b>23,997,952.00</b>	<b>30,472.60</b>
			As at	As at
			March 31st, 2016	March 31st, 2015
<b>10: Stock in Trade</b>				
Property at ADM Space			2,711,700.00	-
Property at VV Ahmedabad Serene Lifestyle			4,552,240.00	-
<b>Total of Stock In Trade</b>			<b>7,263,940.00</b>	<b>-</b>
			As at	As at
			March 31st, 2016	March 31st, 2015
<b>11: CASH AND CASH EQUIVALENTS</b>				
Cash on hand			584,152.00	90,612.00
<b>Balance with Scheduled Bank-In Current Account</b>				
Balance With Bank				
HDFC Bank 74143			16,413,145.60	5,424,818.79
HDFC Bank 74256			99,831.46	999,831.46
<b>Total of Cash and Cash Equivalents</b>			<b>17,097,129.06</b>	<b>6,515,262.25</b>

			As at	As at
			March 31st, 2016	March 31st, 2015
<b>12: OTHER CURRENT ASSETS</b>				
<b>Unsecured, Considered Good unless stated otherwise</b>				
Advance Received			-	20,750.00
Interest Receivable			3,044,588.00	751,968.00
Pinnacle Brocom Pvt.Ltd - Deposit			10,300,000.00	-
Pinnacle Forex & Securities Pvt.Ltd. - Deposit			45,000,000.00	-
<b>Total of other Current Assets</b>			<b>58,344,588.00</b>	<b>772,718.00</b>

6 : FIXED ASSETS (As Per Companies Act 2013)	GROSS BLOCK			DEPRECIATION			NET BLOCK	
	As at	Additions	As at	As at	For the	As at	As at	As at
Particulars	1.04.2015	(Deletion)	31.03.2016	1.04.2015	Year	31.03.2016	31.03.2016	31.03.2015
Computers	-	61,001.00	61,001.00	-	15,622.00	15,622.00	45,379.00	-
Total	-	61,001.00	61,001.00	-	15,622.00	15,622.00	45,379.00	-
Previous Year	-	-	-	-	-	-	-	-

<b>Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)</b>			
		For the year	For the year
		ended March 31, 2016	ended March 31, 2015
<b>13: REVENUE</b>		-	-
		-	-
Income from Operations		5,038,895.47	31,356.68
Interest Income		-	3,035,268.00

Interest On FD	3,956,273.00	-
<b>Total of Revenue from Opreational Activities</b>	<b>8,995,168.47</b>	<b>3,066,624.68</b>

<b>14: EMPLOYEE BENEFIT EXPENSES</b>		
Salary	899,500.00	500,480.00
Staff Profession Tax	16,500.00	-
Staff Welfare Expenses	87,440.00	-
<b>Total of Employee Benefit Expenses</b>	<b>1,003,440.00</b>	<b>500,480.00</b>

	For the year ended March 31, 2016	For the year ended March 31, 2015
<b>15: Other Expenses</b>		
Advertisement Expense	73,006.00	2,376.00
CDSL / NSDL Custodian Charges	52,109.00	21,349.00
Annual Listing Fees	288,417.00	31,811.00
BSE Admission Fees	2,290,000.00	561,800.00
Bank Charges	796.26	8,160.75
General Expenses	92,254.00	90,030.00
Interest on TDS	-	1,868.00
Local Conveyance and Staff Welfare Expenses	30,971.00	67,163.00
MCX Processing Fees	-	224,720.00
Printing and Stationery	56,017.00	55,644.00
Professional Fees	147,809.00	20,000.00
Rent Paid	432,000.00	162,000.00
ROC Charges	-	980,000.00
Stock Exchange Charges		884.08
Telephone Expenses	36,225.00	20,450.00
Profession Tax(company)	2,500.00	-
Travelling Expenses	140,450.00	-
Tender Charges	12,500.00	-
Auditors Remuneration	69,000.00	84,270.00
<b>Total of Other Expenses</b>	<b>3,724,054.26</b>	<b>2,332,525.83</b>

<b>16: EARNINGS PER SHARE</b>				
Details of Earning per Share as per AS-20 are given as under.				
<b>I. BASIC EPS</b>				
<b>Particulars</b>			<b>As at</b>	<b>As at</b>
		<b>Unit</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
a. Profit after taxation for the year			2,322,337.89	13,768.85
b. Weighted average number of Equity Shares		Nos.	5,140,000	2,570,000
used in computing Basic EPS				
c. Basic EPS (per share of ₹ 10 each)			<b>0.45</b>	<b>0.01</b>
<b>II. DILUTED EPS</b>				
<b>Particulars</b>			<b>As at</b>	<b>As at</b>
		<b>Unit</b>	<b>March 31, 2016</b>	<b>March 31, 2015</b>
a. Profit after taxation for the year			2,322,337.89	13,768.85
b. Weighted average number of Equity Shares		Nos.	5,140,000	2,570,000
used in computing Diluted EPS				
c. Diluted EPS (per share of ₹ 10 each)			<b>0.45</b>	<b>0.01</b>



**17 : OTHER NOTES**

- i. The company has not recorded transactions dealing in Trading, Derivatives and Speculation Transactions, related to Equities, Future and Option Segment, Foreign Exchange and Commodities, as per the generally accepted accounting principles.

The company has not recorded transactions in the nature of Speculation separately and the same has been included with transaction from Derivative segment

- ii. Compliances of the provisions of the Companies Act, 2013:

a. Power to Borrow:

As per the provisions of section 180 (1) (c) of the Companies Act, 2013, the Board of Directors of the company shall exercise the power to borrow money only with the consent of the Company by a special resolution.

The Company has borrowed money from various corporate bodies during the year. As at March 31, 2016 outstanding balance of all such borrowings is Rs. 9,71,33,200. This is in excess of the paid up capital and reserves of the company. The special resolution should have been passed to authorise the Board of Directors to borrow money in excess of paid up capital and reserves. The company has not followed the prescribed procedure in this regards

b. Adoption of Other Object as Main Object of the Company:

As per the provision of the Section 13 of the Companies Act, 2013, the Board of Directors of the Company shall exercise the power to adopt other object as its principal activity only with the consent of Company by a special resolution.

The Company has carried on business activity in the nature of dealing in Real Estate. The said object forms part of the other objects of the company and the company has not adopted the same as the main object as required under section 13 of the Companies Act, 2013.

- c. The Company has carried on business activity in the nature of dealing in Futures and Options market (Derivatives market), engaged in Speculation Business in Equity, Commodity and Foreign Exchange Market. These Business Activities are not part of the Objects to be carried out by the company in the Memorandum of Association of the Company.

- iii. The company has converted the Current Investments in Properties, ADM Space of Rs. 25,85,000 of previous year into Stock in Trade during the year.

- iv. The Trade Deposit payable to Pinnacle Brocom Pvt. Ltd. and Pinnacle Forex and Securities Pvt. Ltd. are paid through Fixed Deposit with HDFC Bank Ltd. The said deposits are in the name of the respective brokers but the benefit arise to the company. The Income earned on the same belong to the company and the same is accounted accordingly.

- v. Confirmation of balances from certain sundry debtors and sundry creditors are awaited. Adjustment for differences, if any, arising out of confirmation and reconciliation thereof would be made in the current year. The Management is of the opinion that the effect of adjustments, if any, is not likely to be significant.

- vi. Segregation between current and non current liabilities /assets as at end of current and previous reporting periods have been done on an estimated basis in certain cases due to non availability of precise data.

- vii. The information as required to be disclosed under the Micro, Small and Medium Enterprise Development Act, 2006 are not disclosed, as the information is not available with the company to identify such transaction with such parties, and hence could not be determined.

- viii. Previous year figures have been regrouped/ reclassified wherever necessary to correspond with the current year classification/ disclosure.

For Pankaj P. Sanghavi & Co.  
Chartered Accountants  
Firm Reg No. 107356W

For and on behalf of the Board of Directors

Ankit P. Sanghavi  
Partner  
M.No.: 131353  
Place: Mumbai  
Date: 31.05.2016

Atul Doshi  
Director  
DIN: 06826992  
Place: Mumbai  
Date: 31.05.2016

Umesh Parekh  
Director  
DIN: 06827077

## KAPIL RAJ FINANCE LIMITED

### Notes to the Financial Statement for the year ended March 31, 2016

#### 1: SIGNIFICANT ACCOUNTING POLICIES:

##### A. BASIS OF PREPARATION OF FINANCIAL STATEMENTS:

- i. The financial statements have been prepared in compliance with all material aspects with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- ii. Financial Statements are based on historical cost and are prepared on accrual basis except for certain financial instruments which are measured at fair value.
- iii. The preparation of financial statements in conformity with the generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent liabilities at the date of financial statements and the results of operations during the reporting period end. Although the estimates are based upon management's best knowledge of current event and actions, actual result could differ from their estimates.
- iv. Accounting Policies have been consistently applied by the company and are consistent with those used in the previous year and except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

##### B. PRESENTATION OF FINANCIAL STATEMENTS:

- i. The Balance Sheet and the Statement of Profit and Loss are prepared and presented in the schedule III to the Companies Act, 2013 ("the Act"). The disclosure requirements with respect to items in Balance Sheet and Statement of Profit and Loss, as prescribed in Schedule III to the Act, are presented by way of notes forming parts accounts along with the other notes required to be disclosed under the Accounting Standards
- ii. Amounts in financial statements are presented in Indian Rupees rounded off to two decimal places in line with the requirements of Schedule III. Per share data are presented in Indian Rupees to two decimals places.

##### C. FIXED ASSETS:

Fixed assets are stated at cost of acquisition or construction (net of MODVAT/ CENVAT credit availed), net of accumulated depreciation, amortization and impairment losses if any.

##### D. DEPRECIATION:

- i. Depreciation is provided on Written Down Value ("W.D.V") method, on basis of useful lives prescribed in Schedule II to the Companies Act, 2013.
- ii. Depreciation on additions to fixed assets is provided on a pro-rata basis from the date of acquisition or installation and in the case of new project, from the date of commencement of commercial production. Depreciation on assets sold, discarded, demolished or scrapped is provided up to the date on which the said asset is sold, discarded, demolished or scrapped.

#### Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)

- iii. In respect of an asset for which impairment loss is recognised, depreciation is provided on the revised carrying amount of the assets over its remaining useful life.
- iv. Where depreciable assets are revalued, depreciation is provided on the revalued amount and the additional depreciation on accretion to assets on revaluation is transferred from revaluation reserve to the Statement of Profit and Loss.

**E. INVESTMENTS:**

- i. Investments that are readily realizable and intended to be held but not more than a year are classified as current investments. All other investments are classified as non-current investments.
- ii. Non-Current Investments are carried at cost. Provision for diminution is made to recognize a decline other than temporary in value of long term investments and is determined separately for each individual investment.
- iii. Current investments are carried at lower of cost and fair value, computed separately in respect of each category of investment.

**F. CASH AND CASH EQUIVALENTS:**

Cash and Bank Balances in the Balance Sheet comprise Cash at Bank including, Cheques in Hand and Cash in Hand and Fixed Deposits having maturity period up to three months.

**G. REVENUE RECOGNITION:**

- i. Profit and Loss on the Trading, Derivatives and Speculation Transactions from dealing in Equities, Future and Options segment, Foreign Exchange and Commodities are recorded at the end of each quarter as per the Global Report received from the respective Broker.
- ii. Dividend Income is recognized on the receipt basis
- iii. Interest Income is recognized on the time proportion basis.

**H. ACCOUNTING OF CLAIMS:**

- i. Claims receivable are accounted at the time when such income has been earned by the company depending on the certainty of receipts. Claims payable are accounted at the time of acceptance.
- ii. Claims raised by Government Authorities regarding taxes and duties which are disputed by the company are accounted on the merits of each claim.

**Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)**

**I. EMPLOYEE BENEFITS:**

- i. Short Term Employee Benefits:

All employee benefits payable wholly within twelve months rendering the services are classified as short term employee benefits. Benefits such as salaries, wages and short term compensated absences, etc. and the expected cost of ex-gratia is recognized in the period in which employee renders the related services.

- ii. Post Employee Benefits:

Gratuity shall be provided on the basis of payment and no provision has been made for the same on accrual basis.

**J. TAXATION:**

**Income Tax:**

The Current charge for income taxes is calculated in accordance with the relevant tax regulations. Tax liability for taxes has been computed after considering Minimum Alternative Tax (MAT). The excess tax paid under MAT provisions being over and above regular tax liability can be carried forward and set off against future tax liabilities computed under regular tax provisions. Accordingly, MAT credit has been recognized, wherever applicable on the date of balance sheet which can be carried forward for the period of ten year from the year of recognition.

**Deferred Tax:**

Deferred tax assets and liabilities are recognized for the future tax consequences attributed to timing differences that result between profit offered for income taxes and the profit as per the financial statements.

Deferred tax assets and liabilities are measured using the tax rate and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of changes in tax rates is recognized in the period that includes the enactment / substantive enactment date.

Deferred tax assets on timing differences are recognized only if there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. However, deferred tax assets on the timing difference when unabsorbed depreciation and losses carried forward exist, are recognized only to the extent that there is virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred tax assets are reassessed for the appropriateness of their respective carrying amounts at each balance sheet date.

**Notes to the Financial Statement for the year ended March 31, 2016 (Contd.)**

The Company offsets, on a year on year basis, it's current and non current tax assets and liabilities, where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis.

**K. PROVISIONS, CONTINGENT LIABILITIES & CONTINGENT ASSETS:**

- i. A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.
- ii. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability.
- iii. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.
- iv. Contingent Assets are neither recognized, nor disclosed.
- v. Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

**L. BASIC EARNINGS PER SHARE/DILUTED EARNINGS PER SHARE:**

- i. Basic earnings per share is computed by dividing the net profit after tax by the weighted average number of equity shares outstanding during the period.
- ii. Diluted earnings per share is computed by dividing the profit after tax by the weighted average number of equity shares considered for deriving basic earnings per share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares.
- iii. Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period present.

**M. CASH FLOW STATEMENT:**

Cash Flow are reported using the indirect method, whereby net profits before tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of part or future cash receipts or payments. The cash flows from regular revenue generating investing and financing activities of the company are segregated.

Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration Rules, 2014- MGT-11]

**KAPIL RAJ FINANCE LIMITED**

CIN: L65929DL1985PLC022788 / email: kapilrajfin@gmail.com / website: [www.kapilrajfinanceltd.com](http://www.kapilrajfinanceltd.com)

Registered Office: 8/33, III Floor, Satbhava School Marg, W.E.A , Karol Bagh, Delhi - 110005

**Proxy Form**

Name of the Member(s) :
Registered address :
E-mail Id :
Folio No./Client ID No:
DP ID :

I/We, being the member(s) of \_\_\_\_\_ Shares of Kapil Raj Finance Limited, hereby appoint

1. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

2. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

3. Name: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

Address: \_\_\_\_\_

Signature: \_\_\_\_\_ or failing him \_\_\_\_\_

**Only Member/Proxyholder can attend the Meeting.**

**Member/Proxyholder should bring his/her copy of the Annual Report for reference at the Meeting.**

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company, to be held on thursday, September, 29 2016, at 9.30 a.m. at the 8/33, III Floor ,Satbhava School Marg W.E.A , Karol Bagh Delhi Central Delhi DL 110005, and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No.	Resolution	Vote (Optional see Note 2) (Please mention no. of shares)		
		For	Against	Abstain
<b>Ordinary business</b>				
1	Adoption of Balance Sheet, Statement of Profit and Loss, Report of the Board of Directors and Auditors for the financial year ended March 31, 2016			
2	To re-appoint a Director, Mr. Atul C. Doshi (DIN: 01693883) who retires by rotation and being eligible, offers himself for re-appointment			
3	Appointment of Messrs Vinodchandra & co..as statutory auditors of the Company in place of resigning auditor of the company.			
<b>Special business</b>				
4	To Increase In The Limit To Make Loans Or Investments, Give Guarantee Or Provide Security, U/s 186 of the Companies Act, 2013.			
5	To Increase Borrowing Power Of The Board, U/s 180(1) (c) of the Companies Act, 2013.			
6	Ratification in resignation of previous statutory auditor of the company			
7	Approval for conversion of unsecured loans to equity shares at later date			
8	Variation in terms of appointment of Mr. Atul Doshi , chairman & managing director of the company			
9	Amendment in object clause of memorandum of association of the company			
10	Approval of spending of Rs. 50,00,000 annually for brand building of the company			
11	Approval of changing the place of keeping books of account from registered office of the company to corporate office of the company			

Signed this \_\_\_\_\_ day of September \_\_\_\_\_, 2016

Signature of the member

Signature of the proxy holder(s)

Affix revenue stamp of not less than Rs.1

Notes :

1. This form, in order to be effective, should be duly stamped, completed, signed and deposited at the registered office of the Company, not less than 48 hours before the Annual General Meeting.

2. It is optional to indicate your preference. If you leave the 'for', 'against' or 'abstain' column blank against any or all of the resolutions, your proxy will be entitled to vote in the manner as he/she may deem appropriate.

**ATTENDANCE SLIP (To Be Presented At Entrance)**

**KAPIL RAJ FINANCE LIMITED**

CIN: L65929DL1985PLC022788 / email: kapilrajfin@gmail.com / website: [www.kapilrajfinanceltd.com](http://www.kapilrajfinanceltd.com)

Registered Office: 8/33, III Floor, Satbhava School Marg, W.E.A , Karol Bagh, Delhi - 110005

**Proxy Form**

Registered Folio No. : \_\_\_\_\_ DPIDNo. \_\_\_\_\_ ClientID

No. \_\_\_\_\_ No. of shares held: \_\_\_\_\_

I certify that I am a member / proxy / authorized representative for the member of the Company.

I hereby record my presence at the 30th Annual General Meeting of the Company 8/33, III Floor ,Satbhava School Marg,W.E.A , Karol Bagh, Delhi - 110005, on Thursday, September 29<sup>th</sup>, 2016, at 9.30p.m.

Name of the member / proxy  
(in BLOCK letters)

Signature of the member / proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of the Annual Report to the AGM.

To,

*If undelivered please return to:*  
Kapil Raj Finance Limited  
8/33, III Floor ,Satbhava School Marg,  
W.E.A , Karol Bagh,  
Delhi - 110005