



KAPIL RAJ FINANCE LIMITED

CIN : L65929DL1985PLC022788

October 13, 2017

To,

BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Scrip code: 539679	Metropolitan Stock Exchange of India, 4 th 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 2016-17

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 2016-17 approved and adopted by the members as per provisions of the Companies Act, 2013 and SEBI (LODR) Regulations 2015, at the 31st Annual General Meeting of the Company held on Friday, September 22, 2017 at 10.00 A.M. 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 viz. 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

Atul Doshi
Managing Director

Din: 06826992

MANAGING DIRECTOR





KAPILRAJ FINANCE LIMITED

ANNUAL REPORT 2016-17

Corporate Identity Number (CIN): L65929DL1985PLC022788

KAPIL RAJ FINANCE LIMITED

ANNUAL REPORT – 2016-17

Board of Directors

Atul Chimanlal Doshi – Managing Director
Heeralal R Jaiswar - Independent Director
Umesh P. Parekh - Independent Director
Falguni C. Raval – Director

Statutory Auditor

M/s. Vinodchandra R Shah & Co.
Chartered Accountants,
Mumbai

Secretarial Auditor

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

Internal Auditor

M/s. Prakash Patil, FRN: 131784W
(Chartered Accountants), Mumbai
(Appointment from 30.09.2016)

Banker of the Company

HDFC Bank Ltd.

Registered Office

8/33, III Floor, Satbhraava
School Marg,
W.E.A, Karol Bagh, Delhi-
110005
CIN No-
L65929DL1985PLC022788
Email Id:
kapilrajfin@gmail.com
Web:
www.kapilrajfinanceltd.com

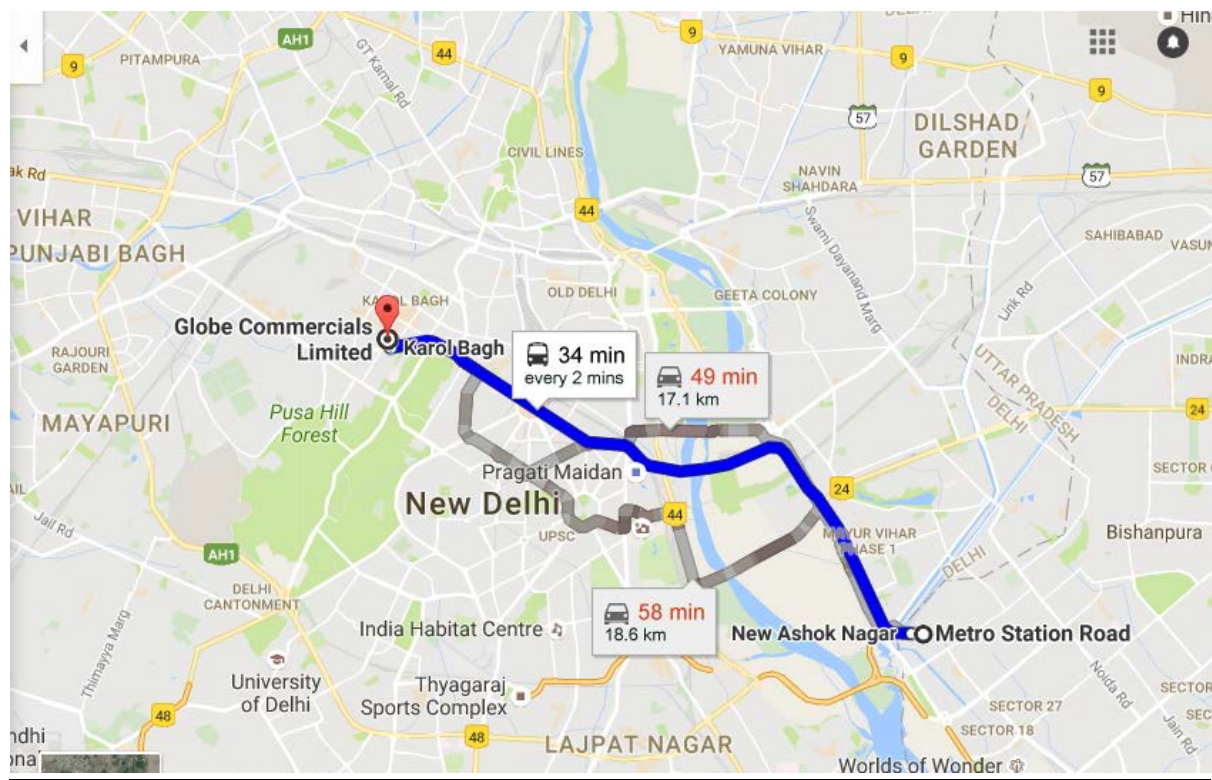
Admin Office

204, Platinum Mall,
Jawahar Road
Ghatkopar (E),
Mumbai - 400077

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

Route Map For The Venue Of Agm



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NOTICE

NOTICE is hereby given that 31st Annual General Meeting of the members of Kapil Raj Finance Ltd. will be held on Friday, September 22nd, 2017 at 10:00 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, 2017, 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, Mrs. Falguni Chintan Raval (DIN: 07197547) who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and Rules framed thereunder, as amended from time to time To appoint Vinodchandra R Shah & Co,(Mumbai) having Firm Membership No.FRN 115394W as Statutory Auditors of the Company to hold office from the conclusion of this AGM until the conclusion of the 35th AGM of the Company and to fix their remuneration to be decided by the Audit Committee of the Board of Directors and reimbursement of travelling and out of pocket expenses incurred by the Auditors for the purpose of audit."

Date: August 24, 2017
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. There being no special business or any special resolution explanatory statement pursuant to provisions of Section 102 of the Companies Act, 2013, is not appended to this notice.
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 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

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on September 19, 2017, 9.00 a.m and ends on September 21, 2017, 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 15, 2017 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.
- (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 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:

For Members holding shares in Demat Form and Physical Form	
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"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR 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"> 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).

- (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 and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
 - The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

Date: August 24, 2017
Place: Delhi
Regd. 8/33, III Floor ,Satbhraa 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 31st Annual Report and the audited financial statement for the financial year ended March 31, 2017.

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	2016-2017 (Rs.)	2015-2016 (Rs.)
Net Revenue from Operations	17,449,970.36	5038,895.47
Other Income	2,931,626	3,956,273
Profit before Exceptional and Extra ordinary items and tax	2,855,882.43	3,401,961.21
Extra Ordinary Items	-	40,238
Profit after Exceptional and Extra ordinary items and tax	2,855,882.43	3,361,723.21
Profit before tax	2,855,882.43	3,361,723.21
Profit after tax	1,593,570.39	2,322,337.89
Amount Transferred to Reserves	3,910,089	2,316,519

REVIEW OF OPERATIONS AND FUTURE PROSPECTS:

The Company has during the financial year under review has generated 17,449,970.36 revenue from operations. And the revenue from other income activity of Rs. 2,931,626 (previous year 3,956,273), resulting in net profit of Rs. 1,593,570.39/- (previous year Rs. 2,322,337.89/-)

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, Mrs. Falguni Raval, Director will retire by rotation at the ensuing Annual General Meeting and being eligible offer herself for re-appointment in accordance with the provisions of the Companies Act, 2013.

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 5,140,000 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, 2017, 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, 2017 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.

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.

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 2016-17 contains qualifications, remarks, the clarification for the same are as follows:

1. with respect to the qualifications raised by the Auditor for the Principal business activities and Business activity transactions, we wish to state that the management of the Company has taken appropriate steps during previous year annual general meeting of the Company for making necessary application with the relevant Authorities.

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 6(Six) 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, 2017, are given below:

Name of director	No. of meetings held	No. of meetings Attended	Last AGM Attended
Mr. Umesh Pravinchandra Parekh	6	6	Yes
Mr. Heeralal Rambaratram Jaiswar	6	6	Yes
Mr. Atul Chimanlal Doshi	6	6	Yes
Ms. Falguni Chintan Raval*	6	6	No

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. Atul Chimanlal Doshi	06826992	Chairman & Managing Director	1	NIL	NIL
Ms. Falguni Chintan Raval	07197547	Executive Director	NIL	NIL	NIL

BOARD MEETINGS AND ATTENDANCE

The dates on which the said meetings were held are 6 times on

30/05/2016	13/08/2016	30/08/2016	03/09/2016	12/11/2016	14/02/2017
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EXTRACT OF THE ANNUAL RETURN

An extract of the Annual Return for the year ended March 31, 2017 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 2016-17 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 2016-17 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.kapilrajfinanceltld.com under investors/policy documents/Vigil Mechanism Policy link.

INTERNAL FINANCIAL CONTROL

The Company believes that internal control 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 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
--------------------------	------------------------------

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.

Date: August 24, 2017
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

ANNEXURE A TO DIRECTORS REPORT

MGT-9

Extract of Annual Return as on the financial year ended on 31st March, 2017 [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, Satbhraava School Marg, W.E.A., Karol Bagh, 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: busicomp@vsnl.com

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	Dividend Income	6499	2%
2	Dealing in Trading, Derivatives, futures and options market	6499	98%
3	Financing to Industrial Company & Commercial Enterprise	6499	NIL
4	Management and Financial Consultancy	6499	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*

A. Category-wise Shareholding									
Category of Shareholders	No. of Shares held at the beginning of the 3/31/2016				No. of Shares held at the end of the year 3/31/2017				% of Change
	Demat	Physical	Total	% of Total TOTSHR	Demat	Physical	Total	% of Total TOTSHR	
A. Promoters									
(1) Indian									
(g) Individuals/ HUF	0	2500	2500	0.05	0	0	0	0.00	-0.05
(h) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(i) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(j) Bodies Corp.	200000	0	200000	3.89	200000	0	200000	3.89	0.00
(k) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(l) Any Other....									
* DIRECTORS	0	0	0	0.00	0	0	0	0.00	0.00
* DIRECTORS RELATIVES	0	0	0	0.00	0	0	0	0.00	0.00
* PERSON ACTING IN CONCERN	0	0	0	0.00	0	0	0	0.00	0.00
Sub Total (A)(1):-	200000	2500	202500	3.94	200000	0	200000	3.89	-0.05
(2) Foreign									
(a) NRI Individuals	0	0	0	0.00	0	0	0	0.00	0.00
(b) Other Individuals									
(c) Bodies Corp.	0	0	0	0.00	0	0	0	0.00	0.00
(d) Banks / FI	0	0	0	0.00	0	0	0	0.00	0.00
(e) Any Other....									
Sub Total (A)(2):-	0	0	0	0.00	0	0	0	0.00	0.00
Total shareholding of Promoter	200000	2500	202500	3.94	200000	0	200000	3.89	-0.05
B. Public Shareholding									
(1) Institutions									
(a) Mutual Funds	0	0	0	0.00	0	0	0	0.00	0.00
(b) Banks FI	0	0	0	0.00	0	0	0	0.00	0.00
(c) Central Govt	0	0	0	0.00	0	0	0	0.00	0.00
(d) State Govt(s)	0	0	0	0.00	0	0	0	0.00	0.00
(e) Venture Capital Funds	0	0	0	0.00	0	0	0	0.00	0.00
(f) Insurance Companies	0	0	0	0.00	0	0	0	0.00	0.00
(g) FIs	0	0	0	0.00	0	0	0	0.00	0.00
(h) Foreign Venture Capital	0	0	0	0.00	0	0	0	0.00	0.00
(i) Others (specify)									
* U.T.I.	0	0	0	0.00	0	0	0	0.00	0.00
* FINANCIAL INSTITUTIONS	0	0	0	0.00	0	0	0	0.00	0.00
* I.D.B.I.	0	0	0	0.00	0	0	0	0.00	0.00
* I.C.I.C.I.	0	0	0	0.00	0	0	0	0.00	0.00
* GOVERNMENT COMPANIES	0	0	0	0.00	0	0	0	0.00	0.00
* STATE FINANCIAL	0	0	0	0.00	0	0	0	0.00	0.00
* QUALIFIED FOREIGN	0	0	0	0.00	0	0	0	0.00	0.00
* ANY OTHER	0	0	0	0.00	0	0	0	0.00	0.00
* OTC DEALERS (BODIES	0	0	0	0.00	0	0	0	0.00	0.00
* PRIVATE SECTOR BANKS	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(1):-	0	0	0	0.00	0	0	0	0.00	0.00
(2) Non-Institutions									
(a) Bodies Corp.									
(i) Indian	300100	0	300100	5.84	304159	0	304159	5.92	0.08
(ii) Overseas	0	0	0	0.00	0	0	0	0.00	0.00
(b) Individuals									
(i) Individual shareholders	51500	34294	85794	1.67	46551	30694	77245	1.50	-0.17
(ii) Individual shareholders holding nominal share capital in	4020000	87606	4107606	79.91	3973186	45906	4019092	78.19	-1.72
(c) Others (specify)									
* N.R.I. (NON-REPAT)	0	0	0	0.00	80000	0	80000	1.56	1.56
* N.R.I. (REPAT)	0	0	0	0.00	0	0	0	0.00	0.00
* FOREIGN CORPORATE BODIES	0	0	0	0.00	0	0	0	0.00	0.00
* TRUST	0	0	0	0.00	0	0	0	0.00	0.00
* HINDU UNDIVIDED FAMILY	426000	18000	444000	8.64	426000	16000	442000	8.60	-0.04
* EMPLOYEE	0	0	0	0.00	0	0	0	0.00	0.00
* MARKET MAKER	0	0	0	0.00	0	0	0	0.00	0.00
* CLEARING MEMBERS	0	0	0	0.00	17504	0	17504	0.34	0.34
* DEPOSITORY RECEIPTS	0	0	0	0.00	0	0	0	0.00	0.00
* OTHER DIRECTORS &	0	0	0	0.00	0	0	0	0.00	0.00
Sub-total (B)(2):-	4797600	139900	4937500	96.06	4847400	92600	4940000	96.11	0.05
Total Public Shareholding (B) =	4797600	139900	4937500	96.06	4847400	92600	4940000	96.11	0.05
C. TOTSHR held by Custodian	0	0	0	0.00	0	0	0	0.00	0.00
GrandTotal(A + B + C)	4997600	142400	5140000	100.00	5047400	92600	5140000	100.00	0.00
Other	0	0	0	0.00	0	0	0	0.00	0.00

(ii) Shareholding of Promoters

SI No.	ShareHolder's Name	ShareHolding at the beginning of the year 3/31/2016			Shareholding at the end of the year 3/31/2017			
		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	% change in share holding during the year
1	BELAZIO REAL ESTATE PRIVATE LIMITED	200000	3.89	0	200000	3.89	0.00	0.00
2	KAVITA JAIN	2500	0.05	0	0	0.00	0.00	-0.05

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

C. Change in Promoter's Shareholding:							
SI No.		ShareHolding at the beginning of the year 3/31/2016		Cumulative Shareholding during the year 3/31/2017			
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	Type	
1	BELAZIO REAL ESTATE PRIVATE LIMITED	200000	3.89				
	31-Mar-17			200000	3.89		
2	KAVITA JAIN	2500	0.05				
	22-Sep-16	-2500	-0.05	0	0	Sell	
	31-Mar-17			0	0		

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

D. Shareholding Pattern of top ten Shareholders:						
Sl No.		ShareHolding at the 3/31/2016		Cumulative Shareholding 3/31/2017		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-17			500000	9.73	
2	Bindu Dinesh Shah	500000	9.73			
	31-Mar-17			500000	9.73	
3	PINKLINE FINANCIAL CONSULTANTS LLP	300000	5.84			
	31-Mar-17			300000	5.84	
4	PANKAJ DHOOT HUF	250000	4.86			
	31-Mar-17			250000	4.86	
5	KAILASH PATEL	250000	4.86			
	17-Mar-17	2500	0.05	252500	4.91	Buy
	24-Mar-17	1500	0.03	254000	4.94	Buy
	31-Mar-17			254000	4.94	
6	ANURADHA DHOOT	250000	4.86			
	31-Mar-17			250000	4.86	
7	KRUNAL JAYESH KUWADIA	250000	4.86			
	24-Jun-16	-27	0.00	249973	4.86	Sell
	30-Jun-16	-792	-0.02	249181	4.85	Sell
	8-Jul-16	-2560	-0.05	246621	4.80	Sell
	15-Jul-16	-1585	-0.03	245036	4.77	Sell
	22-Jul-16	-150	0.00	244886	4.76	Sell
	2-Dec-16	-3000	-0.06	241886	4.71	Sell
	31-Mar-17			241886	4.71	
8	HARI BHACHUBHAI MUJAT	165000	3.21			
	31-Mar-17			165000	3.21	
9	KHIMJI DHARMSHI PATEL	135000	2.63			
	31-Mar-17			135000	2.63	
10	KISHORE BHACHUBHAI MUJAT	110000	2.14			
	31-Mar-17			110000	2.14	

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.		ShareHolding at the 3/31/2016		Cumulative 3/31/2017		
		No. of Shares	% of Total Shares of the company	No. of Shares	% change in share holding during the year	Type

V. INDEBTEDNESS

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

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	0	97133200	0	97133200
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0		00	
Total (i+ii+iii)	0	0	00	0
Change in Indebtedness during the financial year				
• Addition	0	0	0	0
• Reduction	0	44360700	0	44360700
Net Change	0		00	
Indebtedness at the end of the financial year	0	0	00	0
i) Principal Amount	0	52772500	0	52772500
ii) Interest due but not paid	0	0	0	0
iii) Interest accrued but not due	0	0	00	0
Total (i+ii+iii)	0	52772500	00	52772500

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

SI. 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	127000 p.a.
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	127000 p.a.	0	0	127000 p.a.
	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	CS	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	0	0	00
2.	Stock Option	0	0	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
	Total	0	0	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)
COMPANY					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
DIRECTORS					
Penalty	NA	NA	NA	NA	NA
Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA
OTHER OFFICERS IN DEFAULT					
Penalty	NA	NA	NA	NA	NA

Punishment	NA	NA	NA	NA	NA
Compounding	NA	NA	NA	NA	NA

Date: August 24, 2017

Place: Delhi

Regd. 8/33, III Floor ,Satbhrava School Marg,

W.E.A , Karol Bagh,

Delhi – 110005.

For and on behalf of the Board of Directors
By Order of the Board Place
for KAPIL RAJ FINANCE LIMITED

Sd/-

Atul Doshi

(Chairman & Managing Director)

DIN: 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 31st March, 2017 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 31st March, 2017 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;
 - b) 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;
 - c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
 - e) 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)
 - f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993;
 - g) 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)
 - h) 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 1st, 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 is yet to appoint the Company Secretary during the period 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. The Company has filed the application with the RBI for getting registered as NBFC and it is pending with RBI.

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 2nd 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 1st 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 2016-17. 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

SR.NO.	IN THE ACCOUNTS OF	DISCLOSURES OF AMOUNTS AT THE YEAR END AND THE MAXIMUM AMOUNT OF LOANS/ ADVANCES/ INVESTMENTS OUTSTANDING DURING THE YEAR.	REMARKS
1.	Holding Company	<input type="checkbox"/> Loans and advances in the nature of loans to subsidiaries by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to associates by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	N.A.
2.	Subsidiary	Loans and advances in the nature of loans to holding company by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to associates by name and amount. <input type="checkbox"/> Loans and advances in the nature of loans to Firms / companies in which directors are interested by name and amount.	N.A.
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.	N.A.

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. 50.38 Lacs to Rs. 174.49 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:

SR.NO.	PARTICULARS	REMARKS
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: August 24, 2017
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 31st, March 2017, the Statement of Profit and Loss for the year the ended, Cash Flow Statement for the year end on that date and as 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 safe guarding 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 we re-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 there under.

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

An audit involves performing procedures to obtain evidence about the amounts and 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 there on. The extent of liability is not determinable in absence of availability of information in this regards.

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, 2017;
- 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. 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, the company has made application with the Reserve Bank of India to get itself registered, has received some queries in that behalf and further process is awaited.

2. 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
3. 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 purpose so four 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, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 Vinodchandra R Shah & Co.

Chartered Accountants

FRN 115394W

Sd/-

Gaurav J Parekh

Partner

M. No. 140694

Mumbai,

Date:- 30th May, 2017

“ANNEXURE A” 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, 2017. 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 maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
 - b) The fixed assets were physically verified during the year by the Management in accordance with a regular programme of verification which, in our opinion, provides for physical verification of all the fixed assets at reasonable intervals. According to the information and explanation given to us, no material discrepancies were noticed on such 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:**

As explained to us, the inventories were physically verified during the year by the Management at reasonable intervals and no material discrepancies were noticed on physical verification.
- 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 subsection (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. According to the information and explanations given to us the Company has not delayed in depositing undisputed statutory dues including Income Tax and other statutory dues with the appropriate authorities except the following:
 - a) 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.
- VIII. 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, 2013 and rule made there under.
- IX. The Company has not taken any loan from any financial institution or banks. Accordingly, Paragraph 3(ix) of the Order is not applicable.
- X. 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 for the Company.
- XI. 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 either 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.
- XII. 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.
- XIII. 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.
- XIV. 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.
- XV. 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.
- XVI. 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.
- XVII. In our opinion, the company is required to be registered under section 45IA of the Reserve Bank of India Act, 1934 and the company has applied for the same, received queries by RBI, and further process is awaited.

For Vinodchandra R Shah & Co.

Chartered Accountants

FRN 115394W

Sd/-

Gaurav J Parekh

Partner

M. No. 140694

Mumbai

Date: 30th May, 2017

"ANNEXURE B" TO THE AUDITOR'S REPORT

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

We have audited the internal financial controls over the financial reporting of KAPIL RAJ FINANCE LIMITED ("The Company") as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For Vinodchandra R Shah & Co.

Chartered Accountants

FRN 115394W

Sd/-

Gaurav J Parekh

Partner

M. No. 140694

Mumbai, dated 30th May, 2017

KAPIL RAJ FINANCE LIMITED
BALANCE SHEET AS AT MARCH 31, 2017

	NOTES	As at March 31, 2017	As at March 31, 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	51,400,000	51,400,000
Reserves and Surplus	3	3,910,089	2,316,519
		55,310,089	53,716,519
NON-CURRENT LIABILITIES			
Deferred Tax Liabilities		3,646	885
		3,646	885
Current Liabilities			
Short-term Borrowings	4	52,772,500	97,133,200
Trade Payables (other than MSME)		71,776	43,406
Other Current Liabilities	5	6,632,558	97,105
Short-term Provisions: Provision for Income Tax		-	392,873
		59,476,834	97,666,584
TOTAL OF EQUITY AND LIABILITIES		114,790,569	151,383,988
Non-Current Assets			
Fixed Assets			
Tangible Assets	6	51,925	45,379
Non-Current Investment	7	7,263,940	7,263,940
Long Term Loans and Advances	8	26,453,750	16,600,000
		33,769,615	23,909,319
Current Assets			
Trade receivable	9	77,255,871	23,997,952
Stock In Trade	10	10,000	-
Cash and Bank balances	11	374,333	48,141,717
Other Current Assets	12	3,380,749	55,335,000
		81,020,953	127,474,669
TOTAL OF ASSETS		114,790,569	151,383,988
Accounting Policies and Notes to the Accounts	1 to 18		

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 Vinodchandra R Shah & Co.

Chartered Accountants
Firm Reg. No. 115394W
sd/-

Gaurav J Parekh

Partner
M.No.: 140694
Place: Mumbai
Date: 30.05.2017

For and on behalf of the Board of Directors

sd/-

Atul Doshi

Director

DIN: 06826992

Place: Mumbai

Date: 30.05.2017

sd/-

Umesh Parekh

Director

DIN: 06827077

KAPIL RAJ FINANCE LIMITED
STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2017

	NOTES	For the Year ended March 31, 2017	For the Year ended March 31, 2016
REVENUE			
Revenue from Operational Activities	13A	17,449,970	5,038,895
Other Income	13B	2,931,626	3,956,273
TOTAL REVENUE		20,381,596	8,995,168
EXPENSES			
Employee Benefit Expenses	14A	1,796,722	1,003,440
Finance Cost	14B	8,722,119	850,091
Depreciation and Amortization Expenses	6	50,055	15,622
Other Expenses	15	6,956,818	3,724,054
		17,525,714	5,593,207
Profit before Exceptional or Extraordinary items and tax		2,855,882	3,401,961
Extraordinary items			
Prior Period Items		-	40,238
Profit/(Loss) Before Tax		2,855,882	3,361,723
Tax Expenses			
Current Tax		1,259,552	1,038,500
Deferred Tax		2,760	885
		1,262,312	1,039,385
Profit for the Year		1,593,570	2,322,338
Earning per Equity Share			
Basic	16	0.31	0.45
Diluted		0.31	0.45
Accounting Policies and Notes to the Accounts	1 to 18		

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 Vinodchandra R Shah & Co.

Chartered Accountants
Firm Reg. No. 115394W
sd/-

Gaurav J Parekh

Partner
M.No.: 140694

Place: Mumbai
Date: 30.05.2017

For and on behalf of the Board of Directors

sd/-

Atul Doshi

Director
DIN: 06826992

Place: Mumbai
Date: 30.05.2017

sd/-

Umesh Parekh

Director
DIN: 06827077

KAPIL RAJ FINANCE LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2017

	For The Year Ended March 31, 2017	For The Year Ended March 31, 2016
Indirect Method Cash Flow Statement		
<u>Cash Flows From Operating Activities</u>		
Net Profit Before Taxation and Extraordinary Items	2,855,882	3,361,723
Adjustments For Non Cash Item		
Depreciation	50,055	15,622
Prior Period Tax Adjustments	-	(218,739)
Operating Profit/(Loss) Before Working Capital Changes:	2,905,937	3,158,606
<u>Changes in Working Capital:</u>		
<u>Adjustments for (Increase)/ Decrease in Operating Assets</u>		
Trade Receivables	(53,257,919)	(23,967,479)
Inventory	(10,000)	(7,263,940)
Other Current Assets	51,954,251	(56,649,318)
<u>Adjustments for Increase/(Decrease) in Operating Liabilities:</u>		
Other Current Liabilities	6,535,453	40,123
Short Term Provisions	(392,873)	(729,431)
Trade Payable	28,370	-
Cash generated from Operating Activity	4,857,282	(88,570,045)
Income Tax Paid (Net)	1,259,552	922,552
Net Cash Flow From /(used in) Operating Activities (A)	6,503,667	(86,333,991)
<u>Cash Flow From Investing Activities</u>		
Purchase of Investment	-	2,585,000
Increase in Loans and Advances	(9,853,750)	9,158,659
Purchase of Fixed Asset	(56,601)	(61,001)
Increase in Investments in Fixed Deposits	31,044,588	(11,900,000)
Net cash from/(used in) Investing Activities (B)	21,134,237	(217,342)
<u>Cash Flow from Financing Activities:</u>		
Proceeds from borrowings	-	97,133,200
Repayment of borrowings	(44,360,700)	-
Net cash from/(used in) Financing Activities (C)	(44,360,700)	97,133,200
Net (Decrease)/Increase in Cash and Cash Equivalents(A+B+C)	(16,722,796)	10,581,867
Cash and Bank Balances at the beginning of the year	17,097,129	6,515,262
Cash and Bank Balances at the end of the year	374,333	17,097,129
Closing Cash and Bank Balance shown in Balance sheet	374,333	17,097,129
Bank Balance	182,582	16,512,977
Cash Balance	191,751	584,152

This is the Cash Flow Statement referred to in our report of even date

For Vinodchandra R. Shah & Co.

Chartered Accountants

Firm Reg. No. 115394W

sd/-

Gaurav Parekh

Partner

M.No.: 140694

Place: Mumbai

Date: 30.05.2017

For and on behalf of the Board of Directors

sd/-

Atul Doshi

Director

DIN: 06826992

Place: Mumbai

Date: 30.05.2017

sd/-

Umesh Parekh

Director

DIN: 06827077

KAPIL RAJ FINANCE LIMITED

Notes to the Financial Statement for the year ended March 31, 2017 (Contd.)

	As at March 31, 2017	As at March 31, 2016
2: SHARE CAPITAL		
<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 fully paid up for cash at par	51,400,000	51,400,000
Total of Issued Subscribed and Paid-up Share Capital	51,400,000	51,400,000

A. Reconciliation Of Shares Outstanding at Beginning and at the end of reporting period

Equity Shares of Rs. 10 Each fully paid	As at March 31, 2017		As at March 31, 2016	
	No of Share		No of Share	
At the beginning of the Year	5,140,000	51,400,000	5,140,000	51,400,000
Issued during the Year	-	-	-	-
Outstanding at the end of the Year	5,140,000	51,400,000	5,140,000	51,400,000

B. Details of shareholders holding more than 5% equity shares of the Company

Equity Shares Of Rs. 10 Each fully paid	As at March 31, 2017		As at March 31, 2016	
	No of Share	% Holding	No of Share	% Holding
1.Bindu Dinesh	500,000	9.73%	500,000	0
2.Dinesh Manilal	500,000	9.73%	500,000	0
3.Pinkline finance Consultants LLP	300,000	5.84%	300,000	0

C. Terms / Right attached to equity shares

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.

	As at March 31st, 2017	As at March 31st, 2016
3: RESERVES AND SURPLUS		
Surplus in Statement of Profit and Loss		
Opening Balance	2,316,519	212,920
Add: Profit/(Loss) for the year	1,593,570	2,322,338
Less: Prior Period Tax Adjustments	-	(218,739)
Total of Reserves and Surplus	3,910,089	2,316,519

	As at March 31st, 2017	As at March 31st, 2016
4: SHORT TERM BORROWINGS		
Loans repayable on demand from other than Banks - Unsecured	52,772,500	97,133,200
Total of Short Term Borrowings	52,772,500	97,133,200

	As at March 31st, 2017	As at March 31st, 2016
5: OTHER CURRENT LIABILITIES		
Advance from Customers	4,330,808	-
<u>Other Payables:</u>		
Statutory remittances	1,478,516	19,000
Others	823,234	78,105
Total of Other Current Liabilities	6,632,558	97,105

	As at March 31st, 2017	As at March 31st, 2016
7: NON CURRENT INVESTMENT		
Non Trade Investment		
Long Term - Unquoted		
Investment Property at -		
ADM Space	2,711,700	2,711,700
VV Ahmedabad Serene Lifestyle	4,552,240	4,552,240
Total of Non-Current Investments	7,263,940	7,263,940
	As at March 31st, 2017	As at March 31st, 2016
8: LONG TERM LOANS AND ADVANCES AND DEPOSITS		
Unsecured, Considered Good unless stated otherwise		
(Receivable in Cash or Kind or for the value to be received)		
Advance Tax (Net of Provision for Income taxes)	353,750	-
Loans & advances - Others	26,100,000	16,600,000
Total of Long Term Loans and Advances	26,453,750	16,600,000
	As at March 31st, 2017	As at March 31st, 2016
9: Trade Receivable		
(Unsecured & Considered Goods)		
Debts outstanding for a period less than Six		
Months from the date they are due for payment	77,255,871	23,997,952
Total Of Trade Receivable	77,255,871	23,997,952
	As at March 31st, 2017	As at March 31st, 2016
10: Stock in Trade		
Shares (held for trading)	10,000	-
Total of Stock In Trade	10,000	-
	As at March 31st, 2017	As at March 31st, 2016
11: CASH AND BANK BALANCES		
Cash on hand	191,751	584,152
Balance with Bank		
in Current Account	182,582	16,512,977
in Deposits accounts having original maturity of more than one year	-	31,044,588
Total of Cash and Bank Balances	374,333	48,141,717
	As at March 31st, 2017	As at March 31st, 2016
12: OTHER CURRENT ASSETS		
Unsecured, Considered Good unless stated otherwise		
Prepaid Professional Fees	10,000	-
Less: Provision for doubtful debt	(10,000)	-
	-	-
MCX A/c Pinnacle Brocom Pvt. Ltd.	-	10,300,000
NCDEX A/c Pinnacle Brocom Pvt. Ltd.	2,500,000	-
Pinnacle Forex & Securities Pvt.Ltd. - Deposit	-	45,000,000
Interest Accrued on Deposit	845,749	-
Maintenance Deposit	35,000	35,000
Total of other Current Assets	3,380,749	55,335,000

KAPIL RAJ FINANCE LIMITED
Notes to the Financial Statement for the year ended March 31, 2017 (Contd.)

6 : FIXED ASSETS

Particulars	GROSS BLOCK			DEPRECIATION		NET BLOCK		
	As at 1.04.2016	Additions (Deletion)	As at 31.03.2017	As at 1.04.2016	For the Year	As at 31.03.2017	As at 31.03.2017	As at 31.03.2016
Computers	61,001.00	56,601.00	117,602.00	15,622.00	50,054.57	65,676.57	51,925.43	45,379.00
Total	61,001.00	56,601.00	117,602.00	15,622.00	50,054.57	65,676.57	51,925.43	45,379.00
<i>Previous Year</i>	-	61,001.00	61,001.00	-	15,622.00	15,622.00	45,379.00	-

KAPIL RAJ FINANCE LIMITED**Notes to the Financial Statement for the year ended March 31, 2017 (Contd.)**

	For the year ended March 31, 2017 ,	For the year ended March 31, 2016 ,
13A: REVENUE FROM OPERATIONS		
Profit / (Loss) from Derivative Transactions	17,198,364	4,910,871
Dividend Received	251,607	3,024
Financial Consultancy Charges	-	125,000
Total of Revenue from Opreational Activities	17,449,970	5,038,895
	For the year ended March 31, 2017 ,	For the year ended March 31, 2016 ,
13B: OTHER INCOME		
Interest on deposits with banks	2,573,455	3,956,273
Interest on long-term loans & advances	302,171	-
Rental income	56,000	-
Total of Employee Benefit Expenses	2,931,626	3,956,273
14A: EMPLOYEE BENEFIT EXPENSES	For the year For the year 2017 ,	For the year ended March 31, 2016 ,
Salary & Wages	1,622,138	916,000
Staff Welfare Expenses	174,584	87,440
Total of Employee Benefit Expenses	1,796,722	1,003,440
14B: FINANCE COST	For the year For the year 2017 ,	For the year ended March 31, 2016 ,
Interest on short-term borrowings	8,722,119	850,091
Total of Employee Benefit Expenses	8,722,119	850,091
	For the year For the year 2017 ,	For the year ended March 31, 2016 ,
15: Other Expenses		
Professional Fees	4,824,747	147,809
BSE Admission Fees	-	2,290,000
Rent Paid	1,225,760	432,000
Legal & Professional Charges	294,735	-
Listing Fees	257,625	288,417
Travelling Expenses	-	140,450
Payment to Auditors: Statutory Audit	75,000	69,000
CDSL / NSDL Custodian Charges	68,701	52,109
Conveyance	58,023	30,971
Communication Charges	45,875	36,225
Printing and Stationery	35,386	56,017
General Expenses	18,644	92,254
Advertisement Expense	19,345	73,006
Fines/Penalties	16,182	-
Tender Charges	-	12,500
Provision for doubtful advances	10,000	-
Repairs & Maintenance	2,856	-
Profession Tax(company)	2,500	2,500
Bank Charges	1,439	796
Total of Other Expenses	6,956,818	3,724,054

KAPIL RAJ FINANCE LIMITED

Notes to the Financial Statement for the year ended March 31, 2017 (Contd.)

16: EARNINGS PER SHARE			
Details of Earning per Share as per AS-20 are given as under.			
I. BASIC EPS			
Particulars	Unit	As at March 31, 2017	As at March 31, 2016
a. Profit after taxation for the year	`	1,593,570	2,322,338
b. Weighted average number of Equity Shares used in computing Basic EPS	Nos.	5,140,000	5,140,000
c. Basic EPS (per share of ` 10 each)	`	0.31	0.45
II. DILUTED EPS			
Particulars	Unit	As at March 31,	As at March 31,
a. Profit after taxation for the year	`	1,593,570	2,322,338
b. Weighted average number of Equity Shares used in computing Diluted EPS	Nos.	5,140,000	5,140,000
c. Diluted EPS (per share of ` 10 each)	`	0.31	0.45

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. 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 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.

iv. 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.

v. 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.

vi. 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.

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

18.Details of specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 31/12/2016

	SBNs		Other denomination notes		Total	
	In number	In Rs.	In number	In Rs.	In number	In Rs.
Closing cash in hand as on 08.11. 2016	435.00	435,000.00	14.00	638.00	449.00	435,638.00
(+) Permitted receipts			95.00	115,000.00	95.00	115,000.00
(-) Permitted payments			48.00	52,712.00	48.00	52,712.00
(-) Amount deposited in Banks	435.00	435,000.00	-	-	435.00	435,000.00
Closing cash in hand as on 30.12. 2016	-	-	61.00	62,926.00	61.00	62,926.00

For Vinodchandra R Shah & Co.
Chartered Accountants
Firm Reg No. 107356W
sd/-
Gaurav J Parekh
Partner
M.No.: 140694

Place: Mumbai
Date: 31.05.2017

For and on behalf of the Board of Directors

sd/-
Atul Doshi
Director
DIN: 06826992

sd/-
Umesh Parekh
Director
DIN: 06827077

Place: Mumbai
Date: 31.05.2017

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.kapilrajfinancelttd.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 31st Annual General Meeting of the Company, to be held on Friday, September, 22 2017, at 10.00 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)		
Ordinary business		For	Against	Abstain
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, 2017			
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	Ratification for Appointment of Statutory Auditor of Messrs Vinodchandra & co, to hold office from the conclusion of this AGM until the conclusion of the 35 th AGM of the Company			

Signed this _____ day of September _____, 2017

Signature of the member

Signature of the proxy holder(s)

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.

Affix revenue stamp of not less than Rs.1

ATTENDANCE SLIP (To Be Presented At Entrance)

KAPIL RAJ FINANCE LIMITED

CIN: L65929DL1985PLC022788 / email: kapilrajfin@gmail.com / website: www.kapilrajfinancelttd.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 31st Annual General Meeting of the Company 8/33, III Floor, Satbhava School Marg, W.E.A , Karol Bagh, Delhi - 110005, on Friday, September, 22 2017, at 10.00 a.m. .

Name of the member / proxy

Signature of the member / proxy

(in BLOCK letters)

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