

KAPIL RAJ FINANCE LIMITED

Regd. Office: P- 7B (Basement), Green Park Extension, New Delhi- 110016

NOTICE

NOTICE IS HEREBY GIVEN THAT 26TH ANNUAL GENERAL MEETING OF THE SHAREHOLDERS OF M/S KAPIL RAJ FINANCE LIMITED WILL BE HELD AT ITS REGISTERED OFFICE, P- 7B (BASEMENT), GREEN PARK EXTENSION, NEW DELHI- 110 016 ON SATURDAY, 29TH SEPTEMBER, 2012 AT 11:00 A.M. TO TRANSACT THE FOLLOWING BUSINESS

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2012 and Profit and Loss Account for the year ended on that date and reports of the Directors and Auditors thereon;
2. To appoint a Director in place of Mrs. Sapna Naithani who retires by rotation being eligible, offer herself for re-appointment.
3. To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary resolution:

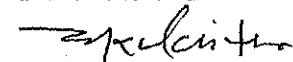
"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s A M A A & ASSOCIATES., Chartered Accountants, New Delhi, be and are hereby re-appointed as the Statutory Auditors of the Company to hold office from the conclusion of the forthcoming Annual General Meeting until the conclusion of next Annual General Meeting, at the remuneration to be decided by the Board of Directors"

AS SPECIAL BUSINESS

4. To appoint Mr. Deepak Arora as Director of the company in the ensuing Annual General Meeting and to pass with or without modification (s), the following resolution as an **ORDINARY RESOLUTION**

"RESOLVED THAT pursuant to the relevant provisions of the Companies Act, 1956, Mr. Deepak Arora, whose term of office as an Additional Director of the Company expires at the Annual General Meeting, be and is hereby appointed as a Director."

BY ORDER OF THE BOARD
FOR: KAPIL RAJ FINANCE LIMITED



(SANJAY KUMAR NAITHANI)
DIRECTOR

DATE: 04.09.2012
PLACE: NEW DELHI

NOTE:

- ❖ A MEMBERS ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE THE MEMBER OF THE COMPANY, PROXY IN ORDER TO BE VALID, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING. A PROXY FORM IS ENCLOSED.
- ❖ Members are requested to bring there copies of Annual Report for the Annual General Meeting.
- ❖ Members are requested to notify change in there address to the company immediately.

BY ORDER OF THE BOARD
FOR: KAPIL RAJ FINANCE LIMITED.


(SANJAY KUMAR NAITHANI)
DIRECTOR

DATE: 04.09.2012
PLACE: NEW DELHI

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT, 1956 IN RESPECT OF THE SPECIAL BUSINESS

Item No. 4

Mr. Deepak Arora is a Non-executive, Independent director inducted on the Board of the company on 02nd April 2012. He has a rich and vast experience in the fields of finance, production and marketing. The Board is of view that the presence of Mr. Deepak Arora on the Board of the company would prove to be beneficial for the future progress of the company. Hence the Board of Directors recommend his appointment as Director of the company

None of the directors is interested in the said resolution.

BY ORDER OF THE BOARD
FOR: KAPIL RAJ FINANCE LIMITED.


(SANJAY KUMAR NAITHANI)
DIRECTOR

DATE: 04.09.2012
PLACE: NEW DELHI

KAPIL RAJ FINANCE LIMITED

Regd. Office: P- 7B (Basement), Green Park Extension, New Delhi- 110016

DIRECTOR'S REPORT

To
The Shareholders,
Your Directors have pleasure in presenting their Annual Report together with audited Balance Sheet of the Company as on 31st March 2012 and Profit and Loss Account for that year annexed thereon.

FINANCIAL RESULTS

| PARTICULARS | For the year | For the year |
|--|------------------------|------------------------|
| | Ended as on 31.03.2012 | Ended as on 31.03.2011 |
| | (Amount in Rs.) | (Amount in Rs.) |
| Consultancy Income | 19,500 | 37,500 |
| Net Profit/(Loss) before Tax | 5,135 | 4,840 |
| Provision for Tax | (1,616) | (1,508) |
| New Profit/ (Loss) after Tax | 3,519 | 3,332 |
| Less: (Loss) brought forward from previous year | (1,07,341) | (1,10,673) |
| (Loss) Carried Forward to Balance Sheet | (1,03,822) | (1,07,341) |

DIVIDEND

No Dividend is recommended for the year under review.

DIRECTORS

During the period covered under Mrs.Kavita Jain and Mr. Raj Kumar resigned from the post of director on 02.04.2012 after rendering valuable services to the upliftment of the company for a long period. We hereby acknowledge the valuable contribution made by Mrs.Kavita Jain and Mr. Raj Kumar during their tenure on the Board.

Mr. Mr.Deepak Arora was appointed as an additional director w.e.f 02nd April'2012. As per the provisions of Section 260 of the Companies Act, his term of office expires at the ensuing AGM. The company has received a notice under Section 257 of the Companies Act, 1956 proposing the candidature of Mr.Deepak Arora for the post of director of the company. The relevant item for the appointment of Mr.Deepak Arora as a director of the company is made part of the notice of the ensuing Annual General Meeting of the company.

AUDIT COMMITTEE

The Company has duly constituted an Audit Committee as per the requirement of Clause 49 of the Listing Agreement, comprising of Mrs. Sapna Naithani (Director) & Mr. Sanjay Kr. Naithani (Director) & Mr. Deepak Arora (Director). The Company has ensured the Compliance of Internal Control System.

AUDITORS

M/s A M A A & ASSOCIATES, Chartered Accountants, New Delhi, auditors of the Company retire at the forthcoming Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The company has obtained a certificate as per section 224 (1B) of the Companies Act, 1956 to the effect that their reappointment, if made, would be within the limits prescribed therein.

AUDITOR'S REPORT

The Auditors Report to the Shareholders does not contain any other qualification. Observations made by the auditors along with notes on the accounts are self-explanatory.

COMPLIANCE CERTIFICATE

The Company has obtained a Compliance Certificate from S. Parida & Associates, Company Secretary, New Delhi under Section 383A of the Companies Act, 1956 regarding compliance of the provision of the Companies Act, 1956.

LISTING FEE

The Equity Shares of the Company are listed in Delhi Stock Exchange Association Limited, 3/1, DSE Building, Asaf Ali Road, New Delhi- 110002. Due to insufficiency of funds, the company has not paid the Listing Fees.

CORPORATE GOVERNANCE

The Company has made conscious efforts to institutionalize Corporate Governance practice and we believe that it shall go beyond adherence to the regulatory framework. Our Corporate structure, business & disclosure practices have been aligned to our Corporate Governance Philosophy. Your Company always look forward to follow the best Corporate Governance Policies that ensures the enhancement of shareholders value, association of the customers, support from the suppliers and adherence to all the regulatory requirements.

DEPOSITS

During the Year under review, your company has not accepted any deposits from the public within the meaning of Section 58a of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

EARNING OUTGO

The said information is not furnished, as your company has not carried out any manufacturing activity during the year. Also there was neither any inflow nor outflow of foreign exchange.

PARTICULARS OF EMPLOYEES

There is no employee covered under section 217(2A) of the Companies Act, 1956.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956, the Board of Directors hereby states that


(i) That in the preparation of the annual accounts for the financial year ended 31st March 2012; the applicable accounting standards have been followed along with proper explanation relating to material departure;

(ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at end of the financial year and of the profit/ losses of Company for the year under review;

(iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.

(iv) That the Directors have prepared the annual accounts for the financial year ended 31st March 2012 on a going concern basis.

BY ORDER OF THE BOARD
FOR: KAPIL RAJ FINANCE LIMITED


(SANJAY KR. NAITHANI)
DIRECTOR


(DEEPAK ARORA)
DIRECTOR

DATE: 04.09.2012
PLACE: NEW DELHI

AUDITOR'S REPORT

To,
The Members of
KAPIL RAJ FINANCE LIMITED

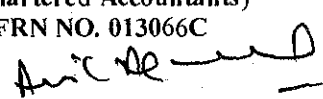
1. We have audited the attached Balance Sheet of **KAPIL RAJ FINANCE LIMITED** as at 31st March 2012 and also the Profit & Loss Account & cash flow statement for the year ended 31st March 2012 annexed thereto. These financial statements are the sole responsibility of management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

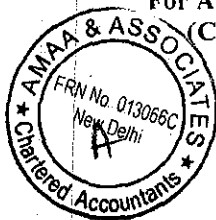
We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

2. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us, We give in the Annexure a statement on the matter specified in paragraph 4 and 5 of said order.
3. Further to our comments referred to in paragraph 2 above, we report and invite attention as under:
- i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - ii) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of the said books.
 - iii) The Balance sheet and Profit & Loss Account dealt with this report are in agreement with the books of account.
 - iv) In our opinion, Balance Sheet and Profit & Loss Account comply with accounting standards as referred to in section 211(3C) of the Companies Act, 1956.
 - v) *We had requested directors to give written representations regarding their eligibility for appointment as Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 but no such representation was received by us and therefore we are unable to express our opinion on the subject.*
 - vi) In our opinion and to the best of our information and according to the explanations given to us, the accounts read together with the notes and accounting policies given in the annexure namely **Significant accounting policies and notes to accounts** give the information required by the Companies Act, 1956 in the manner so required and gives a true and fair view:
 - a) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2012;
 - b) In the case of Profit & Loss Account of the Profit for the year ended on 31st March 2012.
 - c) In the case of Cash flow statement for the year ended on 31st March 2012.

Place: New Delhi
Date: 04/09/2012

For AMAA & ASSOCIATES
(Chartered Accountants)
FRN NO. 013066C

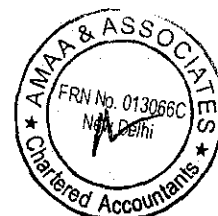

(AMIT AGRAWAL)
PARTNER
M NO. 404969



ANNEXURE TO THE AUDITOR'S REPORT
(Annexure referred to in paragraph 2 of our Report of even date)

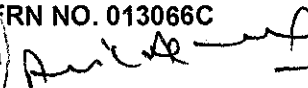
- (1) In respect of its fixed assets:
The provisions of the aforementioned clause are not applicable to the Company as the Company owned no fixed assets during the financial year 2011-12..
- (2) In respect of its inventories:
The provisions of the aforementioned clause are not applicable to the Company as the Company did not carry out any activities of any nature whatsoever.
- (3) The company has neither granted nor taken any secured or unsecured loan to companies, firms or other parties covered in the register maintained u/s 301 of the Companies Act, 1956. So the provisions of the aforementioned clauses are not applicable to the company.
- (4) According to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for the purchase of inventory and fixed assets, sales of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (5) (a) According to the information and explanations given to us and on the basis of such checks as considered appropriate we are of the opinion that the Company has entered all the transactions required to be entered in the register maintained u/s 301 of the Companies Act, 1956.

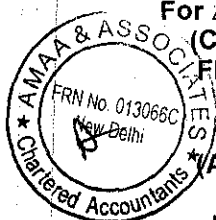
(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements required to be entered in the register maintained under section 301 of the Companies Act, 1956 has been made at a price which is reasonable having regard to the prevailing market prices at that time.
- (6) The Company has not accepted any deposits from the public and hence directives issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and rules framed there under are not applicable for the year under audit.
- (7) In our opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- (8) The Central Government has not prescribed maintenance of Cost Records under section 209 (1) (d) of the Companies Act, 1956.
- (9) According to the records of the Company, the Company has been regular in depositing undisputed statutory dues including Income-Tax, Sales-tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other statutory dues as are applicable to the company. According to the information and explanations given to us and according to the records of the Company, there is no undisputed amounts payable in respect of any statutory dues outstanding as at 31st March 2012 for a period of more than six months from the date of becoming payable.
- (10) According to the information and explanations given to us, the accumulated losses at the end of the financial year as on 31st March 2012 are Rs. 103822/- against its Share Capital of Rs. 20.00 lakh. Since accumulated losses did not exceed the net worth of the company hence the provisions of the aforementioned clause are not applicable to the company. No cash loss was incurred by the Company in the current financial year as well as in the immediately preceding financial year.
- (11) As per the information & explanations given to us, and as per balance sheet of the Company as on 31st March 2012, the Company has not obtained any term loan or other loan of any nature from any Scheduled bank or FI's. Hence the provisions of the aforementioned clause are not applicable to the company.
- (12) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.



- (13) In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund / society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) (Amendment) Order, 2004 is not applicable to the Company.
- (14) This clause is not applicable to the company.
- (15) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- (16) According to the information and explanations given to us, the Company has not obtained any term loan during the period covered under audit.
- (17) On the basis of review of utilization of fund, which is based on overall examination of the Balance Sheet of the Company as at 31st March 2012, related information as made available to us and as represented to us, we are of the opinion that this clause is not applicable to the company due to no business activity took place during the period covered under audit.
- (18) During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Companies Act, 1956.
- (19) No debentures were issued by the company for the financial year ended 31st March 2012.
- (20) During the period covered by our report, the Company has not raised any money by way of public issue during the year.
- (21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

Place: New Delhi
Date: 04.09.2012

For AMAA & ASSOCIATES
(Chartered Accountants)
FRN NO. 013066C

(AMIT AGRAWAL)
PARTNER
MNO. 404969



NOTE-10 SIGNIFICANT ACCOUNTING POLICIES & NOTES TO THE ACCOUNTS

1. ACCOUNTING POLICY

(A) Accounting Conventions

The accounts have been prepared using historical cost convention and on the basis of a going concern with revenues recognized and expenses accounted for on accrual basis. Certain items, viz. Interest from/to shareholders and insurance claims where there is no reasonable certainty regarding the amount or its realisability are accounted for upon finalization.

(B) Use of Estimates

The preparation of financial statements requires management to make certain estimates and assumptions that affect the amounts reported in the financial statements and notes thereto. Differences between actual results and estimates are recognized in the period in which they materialize.

(C) Fixed Assets

Fixed assets are taken at acquisition and installation cost including other direct/indirect attributable costs.

(D) Depreciation

Depreciation on fixed assets is provided as per the rates prescribed under Schedule XIV to the Companies Act, 1956 on WDV Basis.

(E) Current Assets

Debtors, loans and advances are valued on net realization basis.

(F) Profit and Loss A/c

Preliminary expenses have been written off over a period of 10 Years.

(G) Investments are valued at cost (inclusive of expenditure incurred exclusively in connection with such acquisition) and necessary provision for fluctuation in their market value (in case of permanent diminution) has been made in accordance with AS-13. "Accounting for Investments" issued by the ICAI.

(H) Employee Benefits

Employees are encashing their leaves during the year as and when it dues.

(I) Borrowing Costs

Borrowing cost attributable to acquisition, construction or production of qualifying assets is capitalized as part of the cost of that asset till the asset is ready for use. Other borrowing costs are recognized as an expense in the period in which these are incurred.

(J) Provision, Contingent Liabilities and contingent assets

A provision is recognized when:

- the company has a present obligation as a result of a past event.
- it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation: and
- a reliable estimate can be made of the amount of obligation

A disclosure for a contingent liability is made when there is a possible Obligation or present obligations that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation that the likelihood of outflow of resources is remote, no provision or disclosure is made.

(K) Repossessed Stock

Repossessed stock is valued at lower of agreement value net of Installments received and un-matured finance charges and the estimated realisable value of the asset concerned.

(L) Revenue recognition

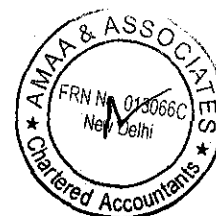
Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Sale of Goods

Revenue is recognized when the significant risks and rewards of ownership of the goods have been passed to the buyer.

Interest

Revenue is recognized on a time proportion basis taking into account the amount outstanding and the rate applicable.



Dividends

Revenue is recognized when the shareholders' right to receive payment is established by the balance sheet date.

Job work charges are accounted for on accrual basis on the completion of respective job works.

(M) Income taxes

Tax expense comprises both current and deferred taxes. Current income- tax is measured at the amount expected to be paid to the tax authorities in accordance with the Indian Income Tax Act. Deferred income taxes reflect the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years.

Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. Deferred tax assets are recognized on carry forward of unabsorbed depreciation and tax losses only if there is virtual certainty that such deferred tax assets can be realized against future taxable profits. Unrecognized deferred tax assets of earlier years are re-assessed and recognized to the extent that it has become reasonably certain that future taxable income will be available against which such deferred tax assets can be realized.

(N) Impairment of Assets

The carrying amounts of assets are reviewed at each balance sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of assets exceeds its realisable value. The realisable value is greater of the assets net selling price and value in use.

2. NOTES TO THE ACCOUNTS

- a. Confirmations of advances recoverable in cash or in kind from parties have not been received.
- b. No provision for advances doubtful of recovery has been made of Rs. 19.191 lakhs since efforts are being made to recover the same as per information and explanations given to us by the management.
- c. **Deferred Taxation:** On a prudent and conservative basis, deferred tax assets due to timing differneces, arising from unabsorbed depreciation, business loss and provision for Non Performing Assets have not been recognised in the absence of any certianty that the sufficient future business taxable income will be avaiailable in the foreseeable future against which the net deferreed tax assets can be realized.
- d. Provision for Income Tax has been made in the annexed accounts as per the current tax rates in force as per Indian statutes.
- e. **Remuneration paid to Auditor:**

| PARTICULARS | Current Year 31.03.2012 | Previous Year 31.03.2011 |
|----------------|----------------------------|-----------------------------|
| Auditor's Fees | | |
| (i) Audit Fees | 5618.00 | 5000.00 |

- f. **Contingent Liabilities not provided for in respect of:**
There is no contingent liability against the Compnay.
- g. Current assets, loans and advances have a value on realization which in the Ordinary course of the business would not be less than the amount at which they are stated in the balance sheet and the provisions for all known and determined liabilities are adequate and not in excess of the amount reasonable required.
- h. **Disclosure under Micro, Small and Medium Enterprises Development Act, 2006**
There are no Micro and Small Scale Business Enterprises, to whom the company owes dues for more that 45 days as on 31.03.2012. This information is required to be given under the Micro, Small and Medium Enterprises Development Act, 2006



has been determined to the extent such parties have been identified on the basis of information available with the company. (Previous Year NIL)

i. **Additional information pursuant to provision of Paragraph 4D of Part II Schedule VI to the Companies Act, 1956:**

CIF Value of Import-NIL

Expenditure in Foreign Currency-NIL

Earnings in Foreign Currency-NIL

j. Estimated amount of contracts remaining to be executed on capital accounts and not provided for Rs. NIL (Previous year NIL)

k. None of the employee was in receipt of remuneration exceeding Rs. 24,00,000/- p.a. if employed throughout the year and Rs. 2,00,000/- p.m. or more if employed for a part of the year.

l. **Earning per Share**-The eps has not been given as the company has incurred loss both in current financial year as well as in the immediately preceding financial year.

m. The financial statements for the year ended 31st March 2011 had been prepared as per then applicable, pre-revised Schedule VI of the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have also been reclassified to conform to this year's classification.

IN TERMS OF OUR SEPARATE REPORT OF EVEN DATE ATTACHED

For AMAA & ASSOCIATES

(Chartered Accountants)

FRN NO. 013066C

(AMIT AGRAWAL)

PARTNER

M.no: 404969



FOR AND ON BEHALF OF THE BOARD

(SANJAY K NAITHANI)

DIRECTOR

(DEEPAK ARORA)

DIRECTOR

Place: New Delhi

Date: 04.09.2012

KAPIL RAJ FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

| PARTICULARS | NOTES | CURRENT YEAR | PREVIOUS YEAR |
|--|-------|------------------|------------------|
| | NO. | 31.03.2012 | 31.03.2011 |
| I. EQUITY AND LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 1 | 2,000,000 | 2,000,000 |
| (b) Reserves and Surplus | 2 | -103,822 | -107,341 |
| (c) Money received against share warrants | | - | - |
| (2) Share application money pending allotment | | - | - |
| (3) Non-Current Liabilities | | | |
| (a) Long Term Borrowings | 3 | - | 28,500 |
| (b) Deferred Tax Liabilities (Net) | | - | - |
| (c) Other Long Term Liabilities | | - | - |
| (d) Long Term Provisions | | - | - |
| (4) Current Liabilities | | | |
| (a) Short Term Borrowings | | - | - |
| (b) Trade Payables | | - | - |
| (c) Other Current Liabilities | 4 | 35,000 | 10,000 |
| (d) Short Term Provisions | 5 | 7,234 | 6,508 |
| Total | | 1,938,412 | 1,937,667 |
| II.Assets | | | |
| (1) Non-current assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible Assets | | - | - |
| (ii) Intangible Assets | | - | - |
| (iii) Capital work-in-progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current Investments | | - | - |
| (c) Deferred Tax Assets (net) | | - | - |
| (d) Long Term Loans and Advances | 6 | 1,919,100 | 1,919,100 |
| (e) Other Non-current Assets | | - | - |
| (2) Current Assets | | | |
| (a) Current Investments | | - | - |
| (b) Inventories | | - | - |
| (c) Trade Receivables | | - | - |
| (d) Cash and Cash Equivalents | 7 | 19,312 | 18,567 |
| (e) Short-term Loans and Advances | | - | - |
| (f) Other Current Assets | | - | - |
| Total | | 1,938,412 | 1,937,667 |

Notes 1 to 10 form an integral part of the Balance Sheet and Statement of Profit & Loss Account

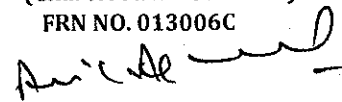
FOR AND ON BEHALF OF THE BOARD

AS PER OUR REPORT OF EVEN DATE ATTACHED

For AMAA & ASSOCIATES
(Chartered Accountants)
FRN NO. 013006C


(DEEPAK ARORA)
DIRECTOR


(SANJAY K NAITHANI)
DIRECTOR


(Amit Agrawal)
PARTNER
Mno.404969

PLACE : NEW DELHI

DATE :04.09.2012

KAPIL RAJ FINANCE LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2012

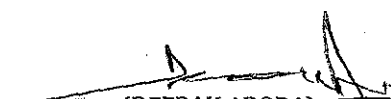
| PARTICULARS | NOTES NO. | CURRENT YEAR 31.03.2012 | PREVIOUS YEAR 31.03.2011 |
|---|-----------|----------------------------|-----------------------------|
| Revenue from operations | | - | - |
| Less: Excise Duty \ Cess Duty | | - | - |
| Other Income | 8 | 19,000 | 37,500 |
| Total Revenue | | 19,000 | 37,500 |
| <u>Expenses:</u> | | | |
| Other expenses | 9 | 13,865 | 32,660 |
| Total Expenses | | 13,865 | 32,660 |
| Profit before exceptional and extraordinary items and tax | | 5,135 | 4,840 |
| Exceptional Items | | - | - |
| Profit before extraordinary items and tax | | 5,135 | 4,840 |
| Extraordinary Items | | - | - |
| Profit before tax | | 5,135 | 4,840 |
| Tax Expenses | | | |
| (1) Current tax | | 1,616 | 1,508 |
| (2) Deferred tax | | - | - |
| Profit/(Loss) from the period from continuing operations | | 3,519 | 3,332 |
| Profit/(Loss) from discontinuing operations | | - | - |
| Tax expense of discounting operations | | - | - |
| Profit/(Loss) from Discontinuing operations | | - | - |
| Profit/(Loss) for the period | | 3,519 | 3,332 |
| Earning per equity share (Basic & Diluted) | | 0.02 | 0.02 |


Notes 1 to 10 form an integral part of the Balance Sheet and Statement of Profit & Loss Account

FOR AND ON BEHALF OF THE BOARD

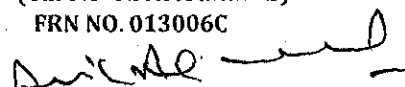
AS PER OUR REPORT OF EVEN DATE ATTACHED

For AMAA & ASSOCIATES
(Chartered Accountants)
FRN NO. 013006C


(DEEPAK ARORA)
DIRECTOR


(SANJAY K NAITHANI)
DIRECTOR




(Amit Agrawal)
PARTNER
Mno.404969

PLACE : NEW DELHI

DATE : 04.09.2012

**NOTES ANNEXED TO AND FORMING PART OF BALANCE SHEET AS AT 31ST MARCH 2012
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED ON THAT DATE**

| NOTES NO. | Particulars | Current Year 31.03.2012 | Previous Year 31.03.2011 |
|-----------|--|----------------------------|-----------------------------|
| 1 | SHARE CAPITAL | | |
| | Authorised Share Capital | | |
| | 2,00,000 Equity Shares of Rs. 10/- each. | 2,000,000 | 2,000,000 |
| | | <u>2,000,000</u> | <u>2,000,000</u> |
| | Issued, Subscribed & Paid Up Share Capital | | |
| | 2,00,000 Equity Shares(Previous Year 2,00,000) of Rs. 10/- each, Fully Paid up | 2,000,000 | 2,000,000 |
| | Total (Rs.) | <u>2,000,000</u> | <u>2,000,000</u> |

The company has only one class of equity shares having a par value of Rs.10.00 per share. Each shareholder is eligible for one vote per share. In the event of liquidation of the company, the holders of shares shall be entitled to receive any of the remaining assets of the company, after distribution of all preferential amounts. The amount distributed will be in proportion to the number of equity shares held by the shareholders.

RECONCILIATION OF SHARE CAPITAL

| Particulars | Equity Shares | |
|---|---------------|------------------|
| | Number | Amount (Rs.) |
| Shares Outstanding at the beginning of the year | 200000 | 2,000,000 |
| Shares issued during the year | 0 | - |
| Shares bought back during the year | 0 | - |
| Shares Outstanding at the end of the year | <u>200000</u> | <u>2,000,000</u> |

NAME OF SHARE HOLDERS HOLDING SHARES MORE THAN 5%

| Name of Shareholders | Current Year 31.03.2012 | | Previous Year 31.03.2011 | |
|-------------------------------|----------------------------|--------------|-----------------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| Organza Inv & Trading Pvt Ltd | 17,875 | 8.94% | 17,875 | 8.94% |
| Mr.Vijay Dureja | 20,875 | 10.44% | 20,875 | 10.44% |
| | <u>107,060</u> | | <u>107,060</u> | |

| 2 | RESERVE & SURPLUS | Current Year 31.03.2012 | Previous Year 31.03.2011 |
|---|--|----------------------------|-----------------------------|
| | Surplus (Profit & Loss Account) | | |
| | Opening Balance | -107,341 | -110,673 |
| | Add : Addition during the F.Y. 11-12 | 3,519 | 3,332 |
| | Total (Rs.) | <u>-103,822</u> | <u>-107,341</u> |



3 LONG TERM BORROWINGS

Secured Borrowings

Total (Rs.)

Unsecured Borrowings

From Directors , Shareholders & Their Relatives

28,500.00

Total (Rs.)

28,500.00



| | | | |
|---|--|------------------|------------------|
| 4 | <u>OTHER CURRENT LIABILITIES</u> | | |
| | Sundry creditors for expenses | 35,000 | 10,000 |
| | Total (Rs.) | <u>35,000</u> | <u>10,000</u> |
| 5 | <u>SHORT TERM PROVISIONS</u> | | |
| | <u>Others</u> | | |
| | Audit Fess Payable | 5,618 | 5,000 |
| | Provision for Taxation For Current Year | 1,616 | 1,508 |
| | Total (Rs.) | <u>7,234</u> | <u>6,508</u> |
| 6 | <u>LONG TERM LOANS & ADVANCES</u> | | |
| | <u>Unsecured but Considered Good</u> | | |
| | Advances recoverable in cash or in kind | 1,919,100 | 1,919,100 |
| | Total (Rs.) | <u>1,919,100</u> | <u>1,919,100</u> |
| | Total (Rs.) | <u>-</u> | <u>-</u> |



| | | | |
|---|---|---------------|---------------|
| 7 | <u>CASH & CASH EQUIVALENTS</u> | | |
| | Cash-in-Hand | 19,312 | 8,060 |
| | <u>Balance with Banks</u> | | |
| | In Current Accounts | - | 10,507 |
| | Total (Rs.) | 19,312 | 18,567 |
| 8 | <u>OTHER INCOME</u> | | |
| | Consultancy Income | 19,000 | 37,500 |
| | Total (Rs.) | 19,000 | 37,500 |
| 9 | <u>OTHER EXPENSES</u> | | |
| | <u>Administrative Expenses</u> | | |
| | Auditors Remuneration | 5,618 | 5,000 |
| | Bank Charges | 7,257 | 39 |
| | Filing Fees | 900 | 28,125 |
| | Minor Bal w/off | - | -546 |
| | Interest on delayed pmt of Income Tax | 90 | 42 |
| | | 13,865 | 32,660 |
| | Total (Rs.) | 13,865 | 32,660 |

