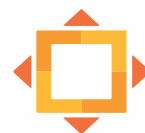
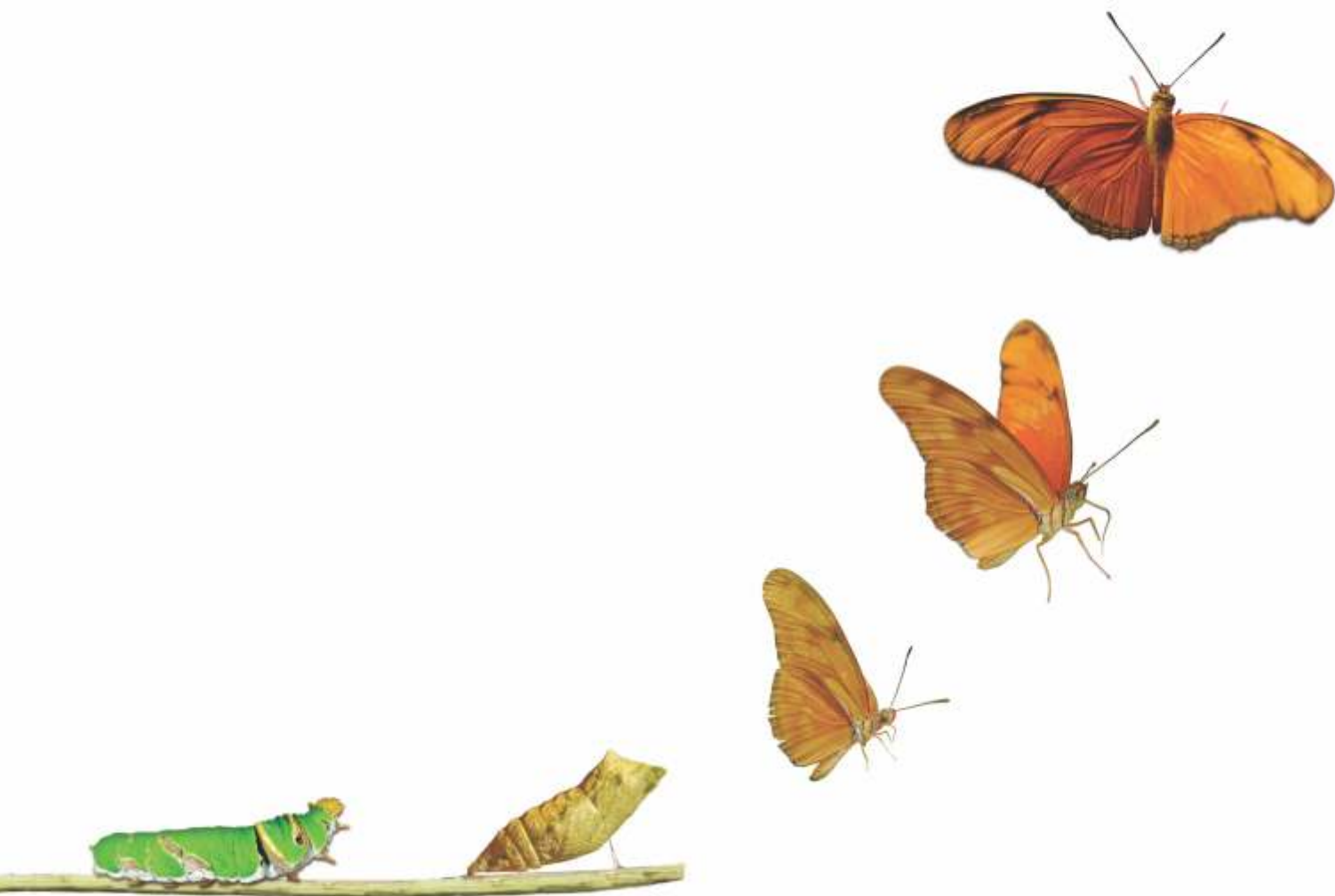


Performing Today.
Transforming Tomorrow.



Capri Global Capital Limited

ANNUAL REPORT | 2013-14

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BOARD OF DIRECTORS

Chairman

Mr. Quintin E Primo III

Executive Director

Mr. Sunil Kapoor

Directors

Mr. Beni Prasad Rauka	- Independent
Ms. Bhagyam Ramani	- Independent
Mr. Bhagwati Prasad	- Independent
Mr. Mukesh Kacker	- Independent
Mr. T. R. Bajalia	- Independent
Mr. Rajesh Sharma	- Promoter

VICE PRESIDENT & COMPANY SECRETARY

Mr. Harish Agrawal

AUDITORS

M/s. Karnavat & Co.,

Chartered Accountants

2A, Kitab Mahal,

192, D. N. Road,

Mumbai - 400 001

BANKERS

Axis Bank Limited

Bank of Maharashtra

HDFC Bank Limited

ICICI Bank Limited

IDBI Bank Limited

Indian Overseas Bank

Kotak Mahindra Bank Limited

Union Bank of India

CORPORATE IDENTIFICATION NUMBER (CIN)

L65921MH1994PLC173469

REGISTERED OFFICE

1-B, Court Chambers,

35, Sir Vithaldas Thackersey Marg,

New Marine Lines, Mumbai - 400020

Tel. No. (022) 43548200

Fax No. (022) 22019051

Website: www.cgcl.co.in

Email ID: investor.relation@cgcl.co.in

CORPORATE OFFICE

4th Floor, Merchants Chambers,

41, Sir Vithaldas Thackersey Marg,

New Marine Lines, Mumbai - 400020

Tel. No. (022) 40888100

Fax No. (022) 40888170

REGISTRAR AND SHARE TRANSFER AGENTS

M/s. MCS Limited

Shri Kashiram Jamnadas Building,

Ground Floor, Office No. 21/22,

5 P. D'Mello Road, Near Ghadiyal Godi,

Masjid Bunder (East),

Mumbai - 400009



“ Our achievements today are stepping stones to a future of transformation... in the lives and fortunes of those whom we benefit. In the sectors and communities that we serve. In the economic growth to which we contribute. And, of course, in the scope, scale and success of our own business operations. ”



Performing Today. Transforming Tomorrow.

Every business organization, when defining its own mission, chooses between two competing purposes.

On the one hand, there are companies that think in terms of financial indices and bottom-line victories achieved in the short term. Their vision rarely extends beyond the present year, sometimes even just the present quarter.

On the other hand, there are business houses like Capri Global, who view today not as an end in itself, but as a stepping-stone to tomorrow.

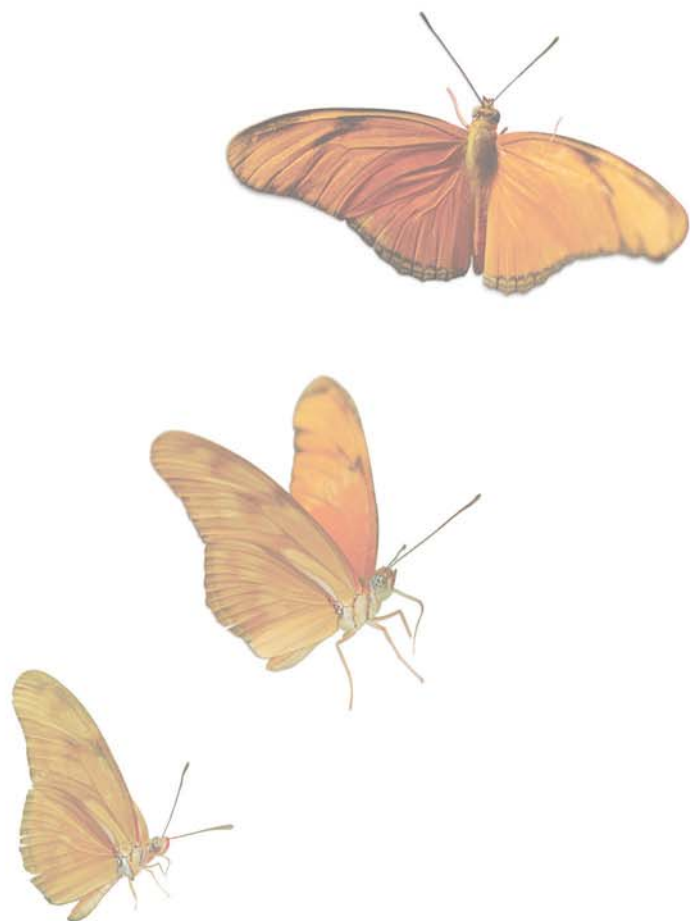
Such companies have more distant horizons. They share a sense that today's successes matter because of the possibilities and opportunities that they open up for the future.

They also know that the measure of that success lies not just in any Balance Sheet, but in the positive transformations brought about in human lives. In the benefits conferred on society and its communities, and contributions to the well-being of the market, the economy... and the nation as a whole.

That's why we at Capri Global see ourselves not just as producers of profit, but as a vital social and financial resource. Our mission is to enable and facilitate the smooth flow of funding into economically vital sectors like real estate, as well as fast-growing yet financially struggling segments like Micro, Small and Medium Enterprises (MSME). By supporting realty, we help foster the growth of scores of other segments, from hospitality to healthcare, residential to retail. And by nourishing MSME, we help tap into the drive, innovation and energy of tens of thousands of would-be entrepreneurs across the country – and sow the seeds for their growth in years to come.

Of course, the future we're transforming includes our own. Every performance plus-point today, every bottom-line triumph, helps create a solid foundation on which Capri Global can grow. Not just in turnover and profitability, but in its effectiveness as an agent of change. An influencer in industry. An exemplar of best practices. A breeding ground for talent. And, of course, a source of advice and aid for the customer.

While there's much to celebrate in this year's business performance, it's just a glimpse of a greater future that awaits us.





"Our Company registered credible growth across all parameters, this is a direct reflection of Company's high quality of leadership, senior management and it's excellent business model."

Quintin E Primo III
Non-executive Chairman

Dear Shareholders

This has been my first full year as Non-executive Chairman of Capri Global Capital Limited and it has been one of the most enjoyable periods of my career. It has been a professionally rewarding experience to interact with the high caliber professionals that constitute the Board. I cherish the honour and responsibility to serve and will continue to provide my best support and guidance to the organization.

During the financial year 2013-14, the Company registered credible growth across all parameters. The overall business grew by 22%, and net profit rose by 10%. I believe this is a direct reflection of the Company's high quality of leadership and senior management along with an excellent business model. Such factors are producing consistent and attractive returns - with low loan write-off and default experience - and allowing the Company, especially in our SME lending activity, to target fast growing segments of the Indian population.

During the past year, I have worked closely with the Board in areas that have included: ensuring corporate governance and compliance practices are consistently maintained; broadening corporate and transactional funding sources; exploring opportunities in which Capri Capital Partners, LLC (United States) and the Company can better strategically align; and examining ways for the Company to increasingly make its contribution towards raising the quality of life for India's people.

Importantly, my colleagues and I remain very optimistic on the economic outlook for India. The economic environment has undergone a sudden change after the recent elections, with a renewed sense of confidence, optimism and hope. Given a stable government strongly committed to expansion going forward, we believe that robust GDP growth will follow and the country will see significant public and private investment across all sectors.

The real estate sector - and the affordable housing sector in particular - appears to be one of the key areas of focus for the new government. This could present compelling opportunities for collaboration with Capri Capital Partners, LLC, as multifamily residential investment (in the United States) is an area the real estate investment management firm has a great deal of experience. Please trust I continue to seek opportunities where the two separate and independent organizations can collaborate, leveraging the many strengths of each.

In conclusion, I firmly believe the future of the Company along with the Indian economy remain bright. I am extremely proud to be affiliated with Capri Global Capital Limited and will do my utmost best to help guide the Company towards a new era of accelerated growth and reach what I believe to be its true potential.

Best wishes

Quintin E Primo III
Non-executive Chairman



"We would continue to drive our business with renewed energy and continue to build on the platform created over the last two years. We are optimistic that we shall grow at an accelerated pace in the years ahead."

Sunil Kapoor
Executive Director

Dear Shareholders

I am pleased to share that we at Capri Global Capital Limited, have delivered on our promise and successfully transitioned ourselves to a "Lending Organisation" demonstrating one of our best performance. The financial year 2013-2014 has been one of our excellent performances with significant achievements. Our transition into a lending organization has been extremely smooth and in addition to Wholesale Lending, we have shown tremendous focus and success on SME & RA Lending, one of the most rapidly growing sectors in the country.

The SME sector is vital to the Indian economy and contributes around 11% to the national GDP. The pragmatic policies of the government are expected to give this sector a major boost and it would be a huge driver for the growth of the financial services.

We would continue to drive this business with renewed energy and continue to build on the platform created over the last two years. We believe that there exists a huge potential in lending to SMEs due to the shortage of funding

to the entrepreneurs and accordingly we are further strengthening our capabilities to service them.

Last year, we have successfully established our footprint in seven important locations across the country. We are committed to spread further and are targeting to expand our network to 20 locations over the next two years.

Our disbursements to the SME sector in FY14 totalled to ₹ 224 crores, an increase of 564% over the previous year. As we pursue the opportunities in this sector with renewed vigour, we expect greater growth in the years ahead.

We continued our good work in the Wholesale Lending business, where our thrust is on lending to the sector, specifically engaged in residential real estate projects. The disbursements in our wholesale lending business aggregated ₹379 crores in FY14 and showed a healthy growth of 29% over the previous year.



With established Processes, Policies and System in place we are well placed in funding to the SME & RA and Wholesale Lending verticals. In continuation of our growth aspirations, we are marching ahead and look forward to add new products to our portfolio – and affordable housing finance is one such segment that we are exploring.

We established a relationship with Capri Capital Partners, LLC, the Chicago based real estate investment management firm, last year. This bond has strengthened and proved its worth in performance and excellence. We are looking forward to leverage the expertise of the two companies to take our business to newer heights in the years ahead.

Capri Global Capital Limited has grown to become an extremely robust company with strong fundamentals and a Net Worth of ₹ 955 crores. We have been doing the lending business till now with our own funds but with rapid growth and increased disbursements, it is imperative that we look at augmenting our resources through borrowings. Our financial strength places us in a prime position to raise funds by leveraging our proven performance. This will enable us to sustain our forward momentum with a greater vigour.

I am pleased to inform you that we have already been able to tie-up credit lines aggregating to ₹100 crores for our organization with two public sector banks and efforts are on to set up more such arrangements.

During the year, we have been successful in attracting extremely good talent from the best in the financial services industry, which speaks volumes about the stature we have created for ourselves in the market.

You are aware that most of the provisions of the Companies Act, 2013 are now notified and now it is mandatory for companies to spend a part of their profits for CSR activities. We believe that this offers a great opportunity to do meaningful work for the needy and underprivileged and give back something to the society. Accordingly, we have formed a CSR committee which will look at various options for our CSR initiatives and as an organization, we would make a generous contribution of both money as well as time, in order to make a difference.

We do believe that with a stable government at the centre after the recent elections, we can look forward to positive steps to accelerate the country's GDP growth. Clearly, this will call for substantial investments in infrastructure, a sector which generates significant employment. This Government's thrust in the infrastructure sector is bound to throw up a multitude of opportunities for financial services organizations like us to grow their businesses. We are optimistic that we shall grow at an accelerated pace in the years ahead.

With best wishes

Sunil Kapoor
Executive Director

SME PARADIGM

Potential Unlimited

The Indian Small & Medium Enterprises (SMEs) sector plays a vital role in the economy, contributing 45% of the country's industrial output and 40% of its total exports, employing 60 million people, creating 1.3 million jobs every year and manufacturing over 8,000 quality products for the Indian and international markets. There are approximately 30 million SMEs in India and with the sector growing at 8% per year, around 12 million people are expected to join the workforce in the next 3 years. The performance of SMEs in India, though impressive, takes second place to China, where this sector provides employment to 94 million people with a network of 37 million units.

Indian SMEs continue to march ahead with their growth stories. Given their huge potential, the Government of India is taking various measures to increase their competitiveness in international market, but still a lot has to be done to give a much-needed thrust to SMEs. By tapping this potential India's GDP could surpass that of developed nations.

Several factors have contributed towards the growth of Indian SMEs; these include funding of SMEs by local and foreign investors, new technology which assists SMEs and adds considerable value to their business, various trade directories and trade portals that help to facilitate trade between buyer and supplier, and a reduction in trade barriers.

SMEs in India face a number of problems including absence of adequate and timely banking finance, non-availability of suitable technology, ineffective marketing due to limited resources and non-availability of skilled manpower.

As part of the SME Business Division, we finance the Self-Employed segment in the acquisition of income-generating assets and for income-generating activities. The product range covers loans for working capital, loans for purchase of equipment and machinery, loans for business or capacity expansion, and term loans against property.

We have a presence in 7 locations with branches in Delhi covering NCR (National Capital Region), Mumbai covering MMR (Mumbai Metropolitan Region), Ahmedabad, Ludhiana, Pune, Surat and Rajkot. Business operations have commenced, processes have been streamlined, and with an experienced team in place, this Division is now poised for strong growth. In the last 14 months we have financed over 330 SMEs with over ₹280 crores, and are geared up to expand further into another 8 to 10 tier-2 and tier-3 locations in the Northern and Western parts of the country over the next 12 to 18 months.



Our Wholesale Lending Division has a focus on the real estate sector, and caters to the needs of this segment through comprehensive and focused financial solutions for diverse project financing needs over the entire real estate transaction cycle. The Division's clear objective is to meet the funding requirements of established tier-1 developers, as well as upcoming ones in mature markets, for residential projects under development with a blemish-free credit history, and with proven capability in executing and marketing projects. With deep industry relationships and excellent in-house risk assessment expertise, this vertical is able to manage risks and optimize returns even in an adverse economic and real estate environment.

This vertical provides a bouquet of credit solutions to clients, including structured credit for initial funding requirements of projects, mezzanine financing, acquisition financing, project financing, bridge financing, promoter funding, short-term and long-term working capital requirements, funding for general corporate functions, amongst others.

The credit basket is spread across term loans, project/construction finance, receivable discounting and structured debt, with a focus towards the residential real estate space spanning the key geographical markets of Mumbai, NCR, Bengaluru, Pune and Chennai.

The Company has invested in building a robust team of senior management professionals who have extensive experience in banking, real estate transaction advisory and private equity, to help source, evaluate and underwrite the best possible funding opportunities

The team works with renowned law firms, technical advisors and reputed valuation agencies to evaluate and mitigate project specific risks. The Company has also established an extensive network with intermediaries across all markets of interest in the country, resulting in a robust deal pipeline for the organization.

Each funding transaction is put through a stringent appraisal and execution framework which involves: detailed evaluation of technical, commercial, financial, marketing and management factors coupled with the sponsor's financial strength and industry experience. Further, due diligence processes are also undertaken, in tandem with a thorough evaluation of project risks, mitigating factors and residual risks associated with the project.

All transactions are generally secured with >2x asset cover and with assigned cash flows of >3x, thus facilitating timely liquidation of debt. In addition, other safety cushions in client agreements include: post-dated cheques (PDCs), corporate guarantees, personal guarantees and escrow mechanism for routing all the charged cash flows.

As a result of the ability to nurture and grow relationships and structure transactions in a manner that meets customer objectives, with a focus on delivery and a differentiated customer service experience, the company have been able to build goodwill and grow the book size as per management expectations. The pragmatic and diligent approach of this Vertical has allowed it to service the financial requirements of its clients while maintaining a secured and quality wholesale lending portfolio.

CAPABILITY PROFILE

Structured Solutions for High Performance Delivery

PERFORMANCE REVIEW

Staying Sharp amidst Subdued Environment

Resonating with the scenario witnessed in the previous fiscal year, the real estate sector in 2013-14 continued to grapple with challenges pertaining to inadequate funding, unpredictable approval environment in some markets, a slowdown in sales for the residential segment, and a weak economic and political environment. While large developers could manage limited lines of credit, tier II and III developers had to rely primarily on informal sources of credit available at higher costs. Lending institutions adopted a hawkish approach, with asset quality assuming paramount importance, owing to subdued developer sales in conjunction with downward price pressures due to significant inventory overhang across all leading markets in the country.

During the review period, the division continued to meet management expectations. Stress on the portfolio was minimized by strictly adhering to the organization's policies relating to margin requirements and recoveries as well as diligent client follow-up, amongst others. Simultaneously, adequate thrust was provided on identification of new opportunities aligned with the Company's risk philosophy, which could provide incremental returns.

For new transaction closures, the critical factors in decision-making continue to be borrower credentials, asset quality and internal rate of return margins.

Focus remained on lending to developers against tangible collateral and liquid security and to projects with satisfactory sales velocity; as a result even though most developers remained under stress during the review period, the company could secure timely collection of payments and adequate margins for almost all accounts.

During 2013-14, the wholesale lending division disbursed loans amounting to ₹38,010.00 Lacs, with overall income from the division's lending book increasing by approximately 28% to ₹10,344.23 Lacs as compared to ₹8,103.31 Lacs earned in the previous year. Meanwhile, the division's outstanding disbursement stood at ₹50,510.71 Lacs as on March 31, 2014, growing from ₹39,116.65 Lacs during FY 2012-13.



C GCL's Wholesale Lending Division envisages strong growth to transform itself into a leading funding solution provider for real estate developers while nurturing a stable, secure and sustainable business model focused on maximizing growth opportunities within the financial services industry. The credit policy framework of this vertical will continue to ensure that the loan portfolio at any given point of time represents an astute mix of yield, maturity and risk profile, thus generating the desired returns on capital for the organization.

The basic principles forming the backbone for CGCL's aforementioned lending framework include:

- Striving for maximum exploitation of market opportunities, amidst the backdrop of the organization's well defined risk policy.
- Going beyond the conventional credit analysis, with a view to encompassing broader risks (pertaining to market, liquidity, operations, legal, reputation, amongst others).
- Focusing predominantly on projects in advanced construction stage, consequently mitigating risks associated with greenfield projects.
- Comprehensively scrutinizing the critical parameters such as creditworthiness, past servicing of loans, project viability, sales velocity, extent of developer stake in the project, amongst others.
- Adhere to a detailed project appraisal process utilizing cutting-edge monetary and analytical tools for an accurate forecast of possible stress on existing accounts on the organization's books.

- Maintaining adequate security and cash flows (sufficient for debt servicing), at the time of disbursement and over the entire course of the loan.
- Concentrating on low-risk secured lending opportunities including mortgage-backed loans. This practice, in conjunction with emphasis on practices such as directing project revenues through Escrow accounts, helps maintain a high-quality loan portfolio while minimizing negligence or default on the client's part.
- Giving preference to entities showcasing sound management, strong cash flows and robust operating policies and processes backed by tangible security and charge on cash flows.
- Sustaining a judicious mix of short-term, medium-term and long-term capital deployment.
- Ensuring credit disbursement in strict compliance with RBI and other regulatory norms.

GOING FORWARD

Principles for Robust and Strong Growth

BOARD OF DIRECTORS



Mr. Quintin E Primo III
Non-executive Chairman

Quintin E Primo III is the Chairman and Chief Executive Officer of Capri Capital Partners, LLC, headquartered at Chicago, Illinois, USA, a real estate investment management firm advising pension fund and other institutional investors. He is active in the real estate industry for over 35 years and has challenged conventional wisdom in developing new markets for investment. Co-founded Capri in 1992 during the depths of the US credit crisis and he successfully capitalized on the financing void left by retreating banks, insurance companies and thrift institutions. Under his leadership in 1998, Capri launched one of the industry's first real estate mezzanine investment funds, and in the following decade became an early investor in America's underserved urban markets.

In addition to public company board experience, he has written or co-authored numerous articles and industry white papers and is often recognized for his professional, civic and philanthropic contributions.

Quintin E Primo III is an MBA from the Harvard Business School, a BSc (Honours) in Finance with high distinction from Indiana University.



Mr. Sunil Kapoor
Executive Director

Sunil Kapoor has over 2 decades of experience across leading global organizations. He has built expertise across various functions of business as Operations, Credit (Underwriting), Collections, Sales, Distribution, and Risk & Finance during his career.

Across his professional career, he was associated with the leading global organizations such as AIG, Bharati AXA Life Insurance, General Electric (GE), Citigroup, American Express (AMEX) and Godfrey Phillips. He successfully led the entry of AIG Consumer Finance business in India through acquisitions and smooth amalgamation of two entities engaged in consumer finance and housing finance businesses. He developed the Business Strategy, Built Team, Implemented New Operating System, Risk & Underwriting Policies, Setup end to end processes for Credit Appraisal and Disbursal.

He is a qualified Chartered Accountant and Cost Accountant and a commerce graduate from Shri Ram College of Commerce, Delhi University.



Mr. Beni Prasad Rauka
Independent Director

Beni Prasad Rauka is a qualified Chartered Accountant and Company Secretary with more than 27 years of experience of working with Merchant Bankers, Finance and Manufacturing companies. He has successfully helped many a corporates raise huge short & long term funds both in debt and equity markets.

Presently Mr. Rauka is associated with SEB Group of companies as its group CFO and leads the finance and accounts function since last more than 14 years. Apart from his professional and business acumen.

Beni Prasad Rauka is known for his contribution to the community, through his involvement with many social welfare and cultural organisation.



Ms. Bhagyam Ramani
Independent Director

Bhagyam Ramani is an Ex-Director and GM of General Insurance Corporation of India (GIC-Re). She started her stint at GIC-Re as a Direct Recruit Officer in 1976 and rose to become the General Manager in 2005, and thereafter Director on the Board of GIC-Re in 2009. She retired in January 2012.

During her term of service, she has served on various committees like being a Trustee on the PF committee of the Tariff Advisory Board, Member on Education Board of Insurance Institute of India, working group on Investment Committee of IRDA, Investment Committee of Agricultural Insurance Company Ltd., and GIC-Re and Audit Committee of L&T, NSE, IDBI Trusteeship Ltd., and Agricultural Insurance Company Ltd. She represented GIC-Re on the boards of Larsen & Toubro Ltd., National Stock Exchange of India, IDBI Trusteeship Ltd., Milestone Capital Advisors Ltd. and Agricultural Insurance Company Ltd.

Bhagyam Ramani, is a Post Graduate in Economics (Hon.) from Bombay University with specialization in Industrial and Monetary Economics; and a visiting faculty at the National Insurance Academy, Pune.



Mr. Bhagwati Prasad
Independent Director

Bhagwati Prasad has practiced law for nearly 24 years before being appointed as Judge of Rajasthan High Court in 1996. While in practice as an Advocate, he held the position of Secretary of Rajasthan High Court Advocates Association. He also held the position of President of the association in 1986. He has been a member of the Bar Council of India for the period 1991-93 and the Bar Council of Rajasthan for the period 1981-96. He was the Managing Trustee of Bar Council of India Trust for the period 1992-93.

As the Judge of the Rajasthan High Court, he initiated many reforms so as to improve the performance of the subordinate courts in Rajasthan. He took oath as a judge of High Court of Gujarat at Ahmadabad in February, 2008 and was appointed as Chief Justice of Jharkhand High Court in August 2010. He retired as Chief Justice of Jharkhand High Court in May 2011. He was designated as a Senior Advocate by the Hon'ble Supreme Court of India in September 2011.

Bhagwati Prasad is a Post Graduate in Law (LLM) from Jodhpur University and a Law Graduate from Doongar College, Bikaner.



Mr. Mukesh Kacker
Independent Director

Mukesh Kacker served as an IAS officer with the Government of India for 3 decades and has held significant senior positions, both in policy formulation roles and executing capacities.

Being a Member of NHAI, he has been at the forefront of India's highways revolution and was instrumental in planning and executing a major portion of the Golden Quadrilateral. As Joint Secretary (Petrochemicals), he drafted the National Policy on Petrochemicals and conceptualized the policy on Investment Regions anchored by big petrochemical units. He has worked in various positions in the Ministry of Human Resource Development, Government of India.

The Government of India inducted him as Member, Task Force on Infrastructure Development and Mega Projects. He also serves as Independent Director on the Board of Arshiya International Ltd. and Entertainment World Developers Ltd and also as the Non-Executive Chairman of Indus Concession Private Ltd.

Mukesh Kacker holds a Master's Degree in Economics from Harvard University; he also holds a Bachelor in Science and M.A. in Political Science degrees from Allahabad University.



Mr. T. R. Bajalia
Independent Director

T. R. Bajalia has more than 39 years of experience in the banking industry and has successfully handled various portfolios including Corporate Banking, Project Appraisal, NPA Management and Resolution, MSME Funding, Human Resource Management/Development, Training, Legal, Management of Facilities and Infrastructure.

T. R. Bajalia retired as the Deputy Managing Director of the SIDBI on 31st December, 2013. He played a significant role in the formation of the Micro Small and Medium Enterprises (MSME) vertical in IDBI in 2008. He had been an IDBI nominee on the SIDBI Board since 2009, before being appointed its Deputy Managing Director in October 2012. He has also served as a Nominee Director of IDBI on board of various State level institutions, large public listed companies including JSW Energy Limited.

He served as a Member of the Committee constituted by Reserve Bank of India for restructuring of SME and other concerns. He was also a member of CDR empowered group, committees relating to MSME sector constituted by chambers of commerce including Maharashtra Chamber of Commerce, FICCI and CII. He is a well-known authority on MSME funding in India and has addressed many a MSME forums.

T. R. Bajalia is a graduate in Economics, Cost Accountant and Chartered Associate of Indian Institute of Bankers.



Mr. Rajesh Sharma
Director

Rajesh Sharma is founder entrepreneurs. He has over two decades of experience in Capital Market and Financial Advisory Services. He has been instrumental in making CGCL, as one of the leading financial services players in India.

He brings along rich experience in corporate finance, investment banking, merchant banking and asset financing. He is an expert in innovating financial products, designing investment strategies for clients and financial risk management.

He is a qualified Chartered Accountant.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twentieth Annual Report and the audited statement of accounts of your Company for the year ended 31st March, 2014.

FINANCIAL RESULTS

	(₹ in Lacs)			
	Standalone		Consolidated	
Particulars	2013-14	2012-13	2013-14	2012-13
Profit before Depreciation, Tax & Exceptional Items	12512.79	10,892.96	12,893.92	11,020.45
Less: Depreciation	253.42	91.13	271.37	113.99
Profit Before Tax & Exceptional Items	12,259.37	10,801.83	12,622.55	10,906.46
Less: Exceptional Items	-	-	304.83	-
Less: Provisions for taxation	4,083.34	3,375.25	4,094.83	3,248.17
Profit After Tax	8,176.03	7,426.57	8,222.89	7,658.29
Add: Balance brought forward from previous year	28,840.77	23,912.64	30,714.58	25,554.73
Balance available for appropriations	37,016.80	31,339.21	38,937.46	33,213.02
Appropriations				
General Reserve	850.00	385.00	850.00	385.00
Statutory Reserve	1,650.00	1,500.00	1,650.00	1,500.00
Dividend on Equity Shares of ₹10/- each	525.08	524.33	525.08	524.33
Tax on Dividend	89.24	89.11	89.24	89.11
Balance Carried to Balance Sheet	34,516.80	28,840.77	36,437.46	30,714.58

REVIEW OF OPERATIONS

The operations during the year were focused on lending to both - the Corporate and Micro Small & Medium Enterprises sectors (MSME). MSME Lending business which made a modest beginning during the last financial year, achieved a book size of ₹ 23,105 Lacs, while the wholesale lending book achieved a size of ₹ 50,511 Lacs, as the end of financial year.

The Profit before Depreciation & Taxes (PBDT) amounted to ₹ 12,512.79 Lacs as against ₹ 10,892.96 Lacs in the previous year, registering an increase of more than 15% during the year. The increase in PBDT is due to larger deployment of funds as compared to last year and recovery of dues. Amount disbursed as loans during the year were ₹ 60,275 Lacs compared to ₹ 28,832 Lacs in the previous year.

ASSET GROWTH

Total Assets of the company stood at ₹ 97,021 Lacs as compared to ₹ 89,189 Lacs during the last year, showing an increase of 8 %.

LOAN BOOK

Loan Book of the Company stood at ₹ 73,616 Lacs as at March 31, 2014 as compared to ₹ 42,599 Lacs as at 31st March, 2013, showing a growth of 73% during the year.

CAPITAL ADEQUACY RATIO

Your Company's total Capital Adequacy Ratio (CAR), as of 31st March, 2014, stood at 93.95 % of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%.



STANDARD ASSETS' PROVISIONING

Pursuant to the Notification No.DNBS.222/CGM (US)–2011 dated 17th January, 2011 issued by the RBI for making a general provision at 0.25 per cent on the outstanding standard assets of NBFCs, your Company has made provision at 0.50% exceeding the statutory requirements.

Further the company has decided to make a Floating Provision on Standard Assets @ 0.25% which will be available for adjustment against Provision on Sub-standard Assets.

DIVIDEND

The Directors of the Company have recommended a dividend of ₹ 1.50/- per Equity Share of face value of ₹ 10/- each fully paid-up of the Company for the current financial year .The dividend on Equity Shares, if approved by the shareholders at the 20th Annual General Meeting, would amount to ₹ 614.32 lacs (including dividend tax of ₹ 89.24 lacs) and will be paid to those members whose names appear on the Register of Members of the Company as on 26th July, 2014.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of financial condition, including the results of operations of the Company for the year under review as required under clause 49 of the Listing Agreement with the Stock Exchanges, is provided as a separate statement in this Annual Report.

5TH & LAST WARRANT EXERCISE PERIOD & ALLOTMENT OF SHARES

5th Warrants exercise period commenced on 27th December, 2013 and ended on 26th March, 2014 as per the revised schedule approved by the warrants holders in their meeting held on 16th December, 2009. The Warrant conversion price for the 5th exercise period was fixed at ₹ 109.62 per warrant (inclusive of premium of ₹ 99.62 per share).

Warrant holders holding 27,408 warrants have tendered their application for conversion and were allotted 27,408 Equity Shares of ₹ 10/- each fully paid-up on 2nd April, 2014.

INCREASE IN SHARE CAPITAL

During the year your Company has allotted 42,994 Equity shares of 10/- each fully paid-up on conversion of Warrants by the warrant holders of the Company during the 4th Warrant exercise period and has allotted 22,500 Equity Shares of ₹ 10/- each fully paid-up on exercise of Stock Options.

DIRECTORS

The Board inducted Mr.Sunil Kapoor as Additional Director and also appointed him as Executive Director of the Company.It is proposed to confirm his appointment at the ensuing Annual General Meeting and the Board recommends approval of his appointment as Executive Director of the Company.

Mr. P H Ravikumar resigned as Managing Director of the Company and he was relieved w.e.f 24th January, 2014. The Board of Directors places on record their deep sense of appreciation for the services rendered by Mr. P H Ravikumar during his tenure as Managing Director of the Company.

Mr. Sanjay Kaul resigned as Director of the Company w.e.f 22nd January, 2014. The Board of Directors places on record their deep sense of appreciation for the services rendered by Mr. Sanjay Kaul during his tenure as Director of the Company.

In accordance with the provisions of section 152 of the Companies Act, 2013 and Article 115 of the Articles of Association of the Company Mr. Quintin E Primo III, retires by rotation at the ensuing Annual General Meeting. Mr. Quintin E Primo III, seeks re-appointment.

Pursuant to notification of section 149 and other applicable provisions of Companies Act, 2013, Independent Directors are required to be appointed for a term of five consecutive years and shall not be liable to retire by rotation . Accordingly resolutions proposing appointment of Independent Directors forms part of Notice of the Annual General Meeting .

RESERVE BANK OF INDIA DIRECTIONS

Your company is categorized as a non deposit taking systematically important (ND-SI) non-banking finance company (NBFC). Accordingly during the year your Company has not accepted any deposits from the public and there were no deposits which become due for repayment or renewal. Your Company has complied with the directives issued by the Reserve Bank of India under the Non Banking Financial Companies (Reserve Bank of India) Directions, 2007, as amended from time to time.

SUBSIDIARY COMPANIES

As on 31st March, 2014, the Company has the following six subsidiaries:

1. Capri Global Securities Private Limited.
2. Capri Global Investment Advisors Private Limited.
3. Capri Global Distribution Company Private Limited.
4. Capri Global Finance Private Limited.
5. Capri Global Research Private Limited; and
6. Capri Global Resources Private Limited.

In terms of general exemption granted to companies vide General Circular No.2 and 3 dated 8th February, 2011 and 21st February 2011 respectively issued by the Ministry of Corporate Affairs for not attaching the Balance sheets of the Subsidiary Companies and approval received from Board of Directors vide resolution passed at Board Meeting held on 9th May, 2014 under Section 212(8) of the Companies Act, 1956, the Balance Sheet, Statement of Profit and Loss, Reports of the Board of Directors and Auditors of the subsidiaries have not been annexed with the Balance Sheet of the Company. However, the financial data of the subsidiaries have been furnished under 'Details of Subsidiaries' forming part of the Annual Report. Further, pursuant to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India, Consolidated Financial Statements of the Company and its subsidiaries for the year ended 31st March, 2014, together with reports of Auditors thereon and the statement pursuant to section 212 of the Companies Act, 1956, are annexed.

The financial statements of subsidiaries will be available on a request made by any member of the Company and will also be available for inspection by any member at the registered office of the Company on any working day except Saturday between 3.00 p.m. up to 5.00 p.m. up to the date of the ensuing Annual General Meeting. The financial statements of your Company as well as its aforesaid subsidiaries are also available on the website of your Company i.e. www.cgcl.co.in.

AUDITORS

M/s. Karnavat & Co, Chartered Accountants, retires as Auditors of the Company at the ensuing Annual General Meeting and have given their consent for re-appointment.

In terms of the provisions of Section 139 of the Companies Act, 2013, the appointment of Auditors of the Company requires approval of the shareholders by way of an ordinary resolution. An appropriate resolution has been included in the Notice of the ensuing Annual General Meeting for approval of the shareholders.

Your Company has received the eligibility certificate under section 141 of the Companies Act, 2013 from M/s. Karnavat & Co., Chartered Accountants, Mumbai and that they hold valid peer review certificate as prescribed under clause 41(1) of Listing Agreement. Members may consider their re-appointment.

AUDITORS' REPORT

M/s. Karnavat & Co., the Statutory Auditors of your Company, submitted their report on the accounts of the Company for the year ended 31st March, 2014 which is self-explanatory and requires no comments or explanation under section 217(3) of the Companies Act, 1956.

CORPORATE GOVERNANCE

As per clause 49 of the listing agreement with stock exchanges, a separate section on Corporate Governance forms part of the Annual Report.

A certificate from the Auditors of your Company regarding compliance of conditions of Corporate Governance, as stipulated under clause 49 of the Listing Agreement and a declaration by the Executive Director with regard to Code of Conduct is attached to the Report on Corporate Governance.

Further, as required under clause 49 of the Listing Agreement with Stock Exchanges, a certificate from the Executive Director and Associate Director – Head of Finance & Accounts on the financial statements of your Company for the year ended on 31st March, 2014, was placed before the Board at its meeting held on 9th May, 2014.



EMPLOYEES STOCK OPTION PLAN

In line with its policy to give incentives to its employees from time to time, your Company has adopted the Employees Stock Option Plan (ESOP) in accordance with the provisions of Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 ('the SEBI Guidelines') with effect from 27th October, 2009.

During the year under review no fresh Options were granted and 22,500 Stock Options granted earlier were vested and exercised during the year by the employees.

Disclosures, as prescribed under the SEBI Guidelines, are set out in Annexure to this Report.

DIRECTORS' RESPONSIBILITY STATEMENT

In pursuance of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that, to the best of their knowledge and belief they have:

- i) in the preparation of annual accounts, all applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii) they have, in the selection of the accounting policies, consulted the Statutory Auditors and these have been applied consistently and reasonable and prudent judgments and estimates have been made so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2014, and of the profit of the Company for the accounting year ended on that date;
- iii) proper and sufficient care has been taken 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) the annual accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

Since your Company does not own manufacturing facility, the particulars relating to conservation of energy and technology absorption stipulated as per Section 217(1)(e) of the Companies Act, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, are not applicable.

There were no foreign exchange earnings during the year. There was foreign exchange outgo of ₹ 621.25 Lacs.

PARTICULARS OF EMPLOYEES

Particulars of employees in terms of the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time, forms part of the Directors' Report. However, having regard to the provisions of Section 219(1)(b)(iv) of the Companies Act, 1956, the Annual Report, excluding the aforesaid information, is being sent to all the members of the Company and others entitled thereto. Any member interested in obtaining such particulars may write to the Company Secretary at the registered office of the Company.

ACKNOWLEDGEMENTS

The Board of Directors wish to place on record their appreciation for the support extended by the bankers, business associates, clients, consultants, advisors, shareholders, investors and the employees of the Company and subsidiaries for their continued co-operation and support.

We would also like to place on record our sincere appreciation for the co-operation received from the Reserve Bank of India, SEBI, NSE & BSE and all other statutory and/or regulatory bodies.

For and on behalf of the Board

Place: Mumbai
Date : 9th May, 2014

Sunil Kapoor
Executive Director

Rajesh Sharma
Director

ANNEXURE TO THE DIRECTORS' REPORT

(i) Disclosures as required under SEBI (Employee Stock Option Scheme & Employee Stock Purchase Scheme) Guidelines, 1999:

The details of employee stock option scheme of the Company and the details of options granted upto 31st March, 2014 are as under:

Sr.No.	Particulars	Date of Grant 27/10/2009
1	Options Granted	825000
2	The Pricing Formula	₹ 10/- Per Option
3	Options Vested (till 31 st March, 2014)	58100
4	Options Exercised (till 31 st March, 2014)	58100
5	The total number of Shares arising as a result of exercise of Options	58100 equity shares of ₹ 10/- each
6	Options Lapsed (till 31 st March, 2014)	745300
7	Variation of terms of Options	NA
8	Money realised by exercise of Options (till 31 st March, 2014)	₹ 5.81 Lacs
9	Total Number of Options in force (as at 31 st March, 2014)	21600
10	Employee-wise details of options granted to	
	a Senior Managerial Personnel	None
	b any other employee who receives a grant in any one year of options amounting to 5% or more of options granted during that year	None
	c identified employees who were granted option, during any one year, equal to or exceeding 1% of the issued capital (excluding outstanding warrants and conversions) of the Company at the time of grant	None
11	Diluted EPS pursuant to issue of shares on exercise of option calculated in accordance with Accounting Standard 20	₹ 23.58
12	Impact of Difference on profits and EPS due to difference in Intrinsic Value and Fair Value (for the year ended 31 st March, 2014)	
	i Method of calculation of employee compensation cost	Intrinsic Value Method
	ii Difference between the employee compensation cost so computed at i) above and the employee compensation cost that shall have been recognised if it had used the fair value of the Options	Employee Compensation Cost As per Intrinsic Value Method (₹ 23.89 Lacs) As per Fair Value Method using Black Scholes Model (₹ 24.00 Lacs) Difference in Cost ₹ 0.11 Lacs



Sr.No.	Particulars	Date of Grant 27/10/2009
iii	The impact of this difference on Profits and on EPS of the Company	Impact on Profits and EPS Amortisation for the FY 2013-14 As per Intrinsic Value Method (₹ 23.89 Lacs) As per Fair Value Method using Black Scholes Model (₹ 24.00 Lacs) Difference in Cost (₹ 0.11 Lacs) Impact on Diluted EPS ₹ 0.00
a	risk free interest rate	8.47%
b	expected life	1 Years
c	expected volatility	64.86%
d	expected dividends	₹ 1.50
e	the price of the underlying share in market at the time of option grant	127.05
13	Weighted average exercise price	₹ 10/-
14	Weighted average fair value	₹ 116.11

MANAGEMENT DISCUSSION AND ANALYSIS

ECONOMIC OVERVIEW

The macroeconomic environment for the Indian economy continued to remain challenging in Fiscal 2014 with moderate economic growth, continuing inflation, high interest rates and volatility in both international and domestic financial markets. Growth in both industrial and service sectors remained slow on account of weakness in both consumption as well as investment demand. At the same time, the economy continued to witness high inflation levels driven by higher food prices. Even though the economy was going through a weak growth momentum, RBI maintained a stringent monetary policy stance on account of the sustained inflationary pressures.

The country's GDP growth was dragged down by reduction in industrial output, stalled infrastructure projects and declining corporate investment. In the last quarter of FY14, there were signs of improvement in the economic scenario with the inflation under much greater control. The domestic GDP growth showed marginal improvement from 4.5% in FY13 to 4.7% in FY14.

The Indian market witnessed a rapidly depreciating and volatile rupee; and between May 2013 and August 2013, the rupee depreciated by over 16% triggered by the portfolio capital outflow of US\$ 13 billion from India's domestic equity and bond markets. However, with the introduction of series of emergency measures by RBI, the exchange rate started showing signs of stability in the second half of FY14.

The current account deficit (CAD) which had touched a record 4.8% of GDP in FY13, further increased to 1.9% in the first quarter of FY14 driven by a surge in imports of gold. However, timely policy intervention as well as encouraging internal economic environment brought about a sharp decline in CAD to 1.2% in Q2 FY13 and 0.9% in Q3 FY14 and the CAD figure for FY14 is expected to decline marginally to 4.6% of GDP.

ROLE OF NBFC IN FUNDING

Traditionally and historically, it has always been the banks' role to serve as intermediaries between the savers and the investors, i.e. the sources and the seekers of funds. In the last few years, the financial intermediation space has undergone significant transformation and complexification. NBFCs today account for 11% of the assets in the entire financial system; they have thus emerged as an important financial intermediary, especially for sectors like Micro Small & Medium Enterprise (MSME), retail & realty, which are unable to seek support of traditional banks due to their typical operating parameters.

BUSINESS OVERVIEW

Capri Global Capital Limited (CGCL) is a NBFC-ND-SI with net worth of ₹955 Crores. The transformation of the Company from a fee income based organisation to a lending NBFC was completed during the year under review. CGCL is currently one of the leading financial services companies in India with a strong presence in MSME and residential real estate funding. Company was able to successfully build the MSME vertical while maintaining performance of the Wholesale Lending (WL) vertical focussed on residential realty space.

The Company continued to drive the businesses with renewed energy and build on the platform created over the last two years. Company has identified industry clusters with high business potential and has opened branches at Delhi, Mumbai, Ludhiana, Ahmadabad, Pune, Surat & Rajkot to tap customers in the MSME segment. Disbursements to the MSME sector in FY14 totalled to ₹224 crores, an increase of 564% over the previous year, while the disbursements to wholesale lending business aggregated ₹379 crores in FY14, showing a healthy growth of 29% over the previous year.

Going forward it is planned that the MSME vertical would far exceed the disbursements of the Wholesale lending vertical. Management also has plans to leverage balance sheet during the next fiscal and has received encouraging response from public sector banks.

FINANCIAL PERFORMANCE

FY2013-14 was an extremely uncertain year for the financial sector, which affected the margins and profitability of most of companies in the financial space. Company could garner improved results despite uncertain and difficult business environment, with increased disbursements and negligible delinquencies.

The Profit before Depreciation & Taxes (PBDT) amounted to ₹12,512.79 Lacs as against ₹10,892.96 Lacs in the previous year, registering an increase of more than 15% during the year. The increase in PBDT is due to larger deployment of funds as compared to last year and recovery of dues.



OUTLOOK

The Company has made a strategic shift in its focus from lending only to the real estate sector to MSME sector in its portfolio of lending activities. Management believes that expanding branch network from current seven locations to twenty locations over the next two years coupled with robust lines of credit would result in multifold growth of the Company. Most of the new branches are proposed to be located in Tier-II and Tier –III cities.

The Company as to fulfil its growth aspirations is looking forward to add new products to its portfolio. Affordable housing finance is a segment which the management believes holds great promise and can be developed along with the existing product mix in a cost efficient manner.

The Company is confident of bright prospects in the forthcoming year, and is looking forward to garner a larger share in the credit requirements, source funds from banks & institutions, expand to Tier-II and Tier-III locations and add more product offerings as to earn increasingly stable returns for its stakeholders.

RISKS AND CONCERNS

Being in the financial services business has its own typical risks wherein 'Asset quality' and 'Profitability' are inversely related. In order to ensure that the impact of risks is minimal, the Company lays utmost importance on scanning the external macroeconomic environment, market conditions, and governmental policies regularly. The Company has adequate risk identification, risk management and mitigation processes in place. The Company has built robust systems and processes for both its verticals i.e MSME and Wholesale lending, to take care of risks associated with them. Both verticals have some common and few specific risks associated with them. Risks and the associated mitigation strategy in relation thereto are discussed below:

Intrinsic Risks

The obligor risk is a prime risk in any lending business. Selection of the right borrower is the most important aspect of risk underwriting process. A thorough Due Diligence is conducted through market enquiries and other *de dupes* before agreeing "in-principle" to take up the deal. Separate dedicated teams for both the verticals, viz. MSME and WL, conduct field investigation, collect and verify KYC and other documents, and carry out *de dupes*; when satisfied about the reputation and credentials of the potential borrower, the deal is proposed. Antecedents of all the prospective borrowers are verified through CIBIL, RBI Defaulters List and enquiries with their existing bankers.

Thorough credit appraisal is undertaken by Credit Team which comprises of qualified personnel, largely Chartered/Cost Accountants and MBAs, and other richly experienced professionals, mostly from Banks and Financial Institutions with extensive relevant experience. Credit appraisal involves studying the financials and business prospects to establish the financial soundness and debt servicing capacity of the prospective borrower. Various well-established techniques including Management accounting tools are deployed for this purpose. Objectivity in Credit Risk assessment process is maintained by prescribing standards norms which are unambiguously defined in Policy and Operational Guidelines. The existing track records, credit history, banking operations, etc are also examined to corroborate the findings of credit appraisal. For Credit Approval a committee approach is adopted.

Additionally, it is ensured that every exposure is covered by physical security in the form of immovable property with minimum cover of 1.25 times in MSME loans and 2 times in the case of Wholesale lending. A thorough legal Due Diligence is conducted by employing services of reputed Law firms/Advocates, on the property offered as security, to confirm its title and marketability.

Extrinsic Risks

The performance of the financial sector is largely dependent upon the developments taking place in economic and political environment. Over the last two years, the Indian economic environment remained subdued, affecting Industry and commerce causing an unprecedented spurt in NPAs of Banks and other lending organisations. Despite this, your Company performed well in both the verticals, attributable to efficient & effective processes to address market-related and economy-related risks. A negligible nonperforming asset is a testimony of having taken sufficient safeguards against external risks by your Company.

Your Company has comprehensively identified, *inter alia*, the market- and economy-related risks and issued detailed guidelines in its Policy and Operational Manual for mitigation of such risks. The Risk Metrics (RM) are introduced, and each loan proposal, MSME and WL as well, is scanned through RM before a lending decision is taken. The ability to foresee the changes and proactively respond to the

same is the key of effectively safeguarding the organisation from external risks. The dedicated personnel working on Research desks in their respective Business Verticals continuously keep a watch on various developments on the economic, political/policy fronts, and provide feedback to business and risks personnel. Accordingly business strategies are adopted. The MSME business vertical adopts a cluster approach for business development. Likewise, the WL vertical also considers the specific demography of the location and type of the project before considering a proposal.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has proper and adequate internal control systems to ensure that all the assets are safeguarded and that all transactions are authorised, recorded and reported correctly. Regular internal audits and checks are carried out to ensure that the execution of approved activities is in line with the policies and processes in place and that the systems are adequately strengthened to ensure compliance. Internal audit cover verification of Loan & security creations documents, repayments, Credit evaluation, as also process audits of various functions & Systems audits.

The Audit Committee of the Company overviews the internal audit function and the internal control systems and procedures to ensure the efficient conduct of business. The Company maintains adequate internal control systems, which is designed to provide assurance regarding the effectiveness and efficiency of operations, the adequacy of safeguards of assets, the reliability of financials controls and compliance with applicable laws and regulations. The Company has implemented suitable controls to ensure all the resources are utilised optimally, financial transactions are reported with accuracy and that there is strict compliance with applicable laws and regulations. Also, company effectively uses Insurance as risk transfer tools. During the year, Insurance was taken to cover risks of fire & theft of assets of the company as also towards Directors & officers Liabilities.

HUMAN CAPITAL

Our key human capital focus areas include attracting and developing core skills, implementing sustainable leadership development and succession planning strategies, improving staff retention and building a collaborative company culture.

Our infrastructure is built on a strong and integrated foundation comprised of the right principles, people policies and products that drive the right behaviours to create a high-performance culture based on our corporate values. Our recruitment philosophy also fosters employing high-calibre, strong-performing employees who subscribe to the values and culture of the company. Over the last year we have grown to be a 142-employee strong organization. The average age of the new entrants is 31 years, and they bring an average 7 years of experience per employee into the CGCL team.

We recognise the role that active engagement, career development and remuneration play in creating a workforce of motivated, energised and committed employees, and we have continued our focus on these areas as part of our retention strategy. During the last year the company actively engaged in developing a variety of platforms that foster open, transparent, two-way dialogue with our employees.

The implementation of the integrated online human resource management portal (CUBE - Capri's Ultimate Basket for Employees) has accelerated our initiative to align our human capital management and development across the CGCL Group to achieve our vision. Our training and development strategies are vital and have to be unique to prepare all employees for both their current and future roles. We continue to optimise our workforce by increasing the value of jobs and effectively equipping our staff with the right capabilities and competencies.

CGCL appreciates the importance of its people and the key role that they play in achieving objectives through strategy implementation. Our people are equipped with the knowledge, skills and motivation that give CGCL a leading advantage.

CAUTIONARY STATEMENT

The statements made in this report describe the Company's objectives and projections that may be forward looking statement within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward looking statements on the basis of any subsequent developments, information or events.



Sustained strong performance by any company is directly linked to an organisation's philosophy and levels of Corporate Governance. Keeping this important reality in view, your Company has always placed major thrust on managing its affairs with diligence, transparency, responsibility and accountability.

The detailed report on Corporate Governance for the financial year ended 31st March, 2014, as per the format prescribed by Securities and Exchange Board of India and incorporated in clause 49 of the Listing Agreement with Stock Exchanges, is set out below:

1. CORPORATE GOVERNANCE PHILOSOPHY

Company's Philosophy on Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to delegation of operational powers to experienced staff members, effective control oversight mechanism, strategies and policies which are constantly reviewed and strengthened to be in alignment with market realities and overall management of the organisation. It has been generally established that strong Corporate Governance practices, lead to long-term shareholder value and enhances interests of other stakeholders.

In ensuring that the desired levels of corporate governance practices are imbibed in the organisation and with a focus on its own fiduciary and trusteeship role, the Board of Directors of the Company seeks to evolve, strengthen and adopt structures and policies which would align and direct the actions of the organisation towards creating wealth and shareholder value.

2. BOARD OF DIRECTORS

The Company has maintained an optimum combination of Executive and Non-Executive Directors. As of 31st March, 2014, the Board of Directors (the 'Board') consisted of seven (7) members of which four (4) were Independent Directors. The Independent Directors bring independent judgment in the Board's deliberations and decisions. Considering the stringent requirement of the skill-sets on the Board, eminent persons, having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions, are considered by the Nomination Committee for appointment, inter-alia, of Independent Directors on the Board. The number of directorships and memberships held in various committees of other companies by such persons is also considered. The Board considers the recommendations of the Nomination Committee and takes appropriate decisions in regard to continuance of and induction of new skill sets at the Board level to ensure the availability of these experienced professionals to guide the Company in an ever evolving business environment.

During the Financial year your Company had an Non-executive Chairman and the management of the Company was headed by the Managing Director till 24th January, 2014 and thereafter by Executive Director, who operated under the overall supervision, direction and control of the Board. The Board reviews and approves strategy and oversees the actions and results of the management to ensure that the long-term objectives of enhancing stakeholder value are achieved.

None of the Director on the Company's Board is a Member of more than ten Committees and Chairman of more than five Committees across all the Companies in which he/she is a Director. None of the Director holds the office of Director in more than fifteen Public Companies and are not related to each others. All Non-executive Director are/were liable to retire by rotation.

During the year under review, seven (7) meetings of the Board of Directors were held on 12th April, 2013, 30th May, 2013, 12th August, 2013, 28th September, 2013, 12th November, 2013, 24th January, 2014 and 1st February, 2014. The 19th (Nineteenth) Annual General Meeting was held on 28th September, 2013. The Maximum time gap between any two consecutive Board meetings did not exceed four months.

The compositions of the Board, attendance at the Board meetings held during the Financial Year under review and at the last Annual General Meeting, number of directorship (including Capri Global Capital Limited), Memberships/Chairmanships of the Committees of public companies and their shareholding as on 31st March, 2014 in the Company are as follows:-

Name of the Director	DIN	Category	No. of Board Meetings attended	Attendance at the last AGM	Directorships*	Committee position**		Share-holding
						Chairman	Member	
Mr.Rajesh Sharma	00020037	Promoter Non- Executive	7	Yes	7	Nil	1	100
Mr. Beni Prasad Rauka	00295213	Non Executive Independent	7	Yes	10	5	2	Nil
Mr.Dinesh Chandra Babel @	03042254	Non Executive Independent	3	Yes	NA	NA	NA	Nil
Mr.Bhagwati Prasad	05152091	Non Executive Independent	6	Yes	1	Nil	Nil	Nil
Mr.Mukesh Kacker	01569098	Non Executive Independent	6	Yes	2	Nil	1	Nil
Ms. Bhagyam Ramani	00107097	Non Executive Independent	7	Yes	2	Nil	2	Nil
Mr.P.H.Ravikumar#	00280010	Executive	6	Yes	NA	NA	NA	Nil
Mr.Sanjay Kaul##	01729695	Non Executive Independent	2	No	NA	NA	NA	Nil
Mr.Quintin E Primo III ###	06600839	Non Executive	3	No	1	Nil	Nil	Nil
Mr.Sunil Kapoor####	01436404	Executive	1	NA	1	Nil	Nil	Nil

* Excludes Directorship in Private Limited Companies, Foreign Companies and Government Bodies.

**Only Audit Committee and Shareholders'/Investors' Grievance Committee in Public Limited Companies, have been considered for the Committee positions.

@ Retired w.e.f. 28th September, 2013

#Appointed w.e.f. 12th April, 2013 and resigned w.e.f. 24th January, 2014

##Appointed w.e.f. 12th August, 2013 and resigned w.e.f. 22nd January, 2014

Appointed w.e.f. 2nd August, 2013

Appointed w.e.f. 24th January, 2014

3. COMMITTEES OF THE BOARD

Board has constituted a set of committees with specific terms of reference/mandate, as to effectively focus on the issues falling under their jurisdiction. The minutes of the meeting of all the Committees of the Board are placed before the Board for discussion/noting.

A. AUDIT COMMITTEE

Pursuant to section 292A of the Companies Act, 1956, and clause 49 of the Listing Agreement with Stock Exchanges, the Company has constituted a qualified and independent Audit Committee comprising of three (3) Independent Directors who have considerable expertise in accounting and financial management:

- Mr.Beni Prasad Rauka - Chairman
- Ms. Bhagyam Ramani - Member
- Mr.Mukesh Kacker- Member

The Company Secretary acts as Secretary to the Committee.

Terms of Reference

The terms of reference of Audit Committee are wide enough, covering the matters specified in clause 49 of the Listing Agreement as well as in section 292A of the Companies Act, 1956, which inter alia are as under:

- Overseeing the Company's financial reporting process and disclosure of its financial information.



- b) Reviewing the results and accounts at the end of a quarter, half year and the full year before submission to the Board, focusing particularly on:
 - 1) any changes in accounting policies and practices;
 - 2) major judgmental areas;
 - 3) significant adjustments resulting from the audit;
 - 4) the going concern assumption;
 - 5) compliance with accepted accounting standards;
 - 6) compliance with stock exchanges and legal standards.
- c) Considering the appointment of the statutory auditors, internal auditors, tax auditors, their audit fees, and any matters of resignation or dismissal;
- d) Discussing with the statutory auditors before the audit commences, the nature and scope of the audit;
- e) Discussing problems and reservations arising from the statutory audit, and any matters the statutory auditor may wish to discuss (in the absence of the management, where necessary);
- f) Reviewing the statutory auditors' reports and presentations and Management's response thereto;
- g) Reviewing the effectiveness of the system of internal financial control and discussing the same periodically with the statutory auditors, prior to the Board making its statement thereon;
- h) Reviewing the internal audit programme, ensuring co-ordination between the internal and statutory auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and to request internal auditor to undertake specific audit projects, having informed the management of their intentions;
- i) Considering the major findings of internal investigations and managements response;
- j) Considering any material breaches or exposure; breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
- k) Reviewing policies and procedures with respect to directors and officers expense accounts, including their use of corporate assets, and considering the results of any review of these areas by the internal auditors or the statutory auditors;
- l) Looking into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
- m) Carrying out any other functions as may be falling within the terms of reference of the Audit Committee or as may be delegated to the Committee from time to time.

Composition & meetings

During the Period under review, five (5) meetings of the Audit Committee were held on 30th May, 2013, 12th August, 2013, 23rd September, 2013, 12th November, 2013 and 24th January, 2014.

Name of the Member	No. of Meetings	
	Held	Attended
Mr. Beni Prasad Rauka	5	5
Mr. Dinesh Chandra Babel*	3	3
Ms. Bhagyam Ramani	5	4
Mr. Sanjay Kaul#	1	1
Mr. Mukesh Kacker@	1	1

* Retired w.e.f. 28th September, 2013

Appointed as a member on 28th September, 2013 and resigned w.e.f. 24th January, 2014

@ Appointed as a member w.e.f. 24th January, 2014

B. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Terms of Reference

The Committee is responsible to oversee the redressal of shareholders' and investors' complaints/grievances pertaining to share transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transmission of shares and other miscellaneous complaints.

The Committee also oversees the performance of the Registrar and Share Transfer Agent, and recommends measures to improve the level of investor related services.

Composition & meetings

During the period under review, four (4) meetings of the Shareholders'/Investors' Grievance Committee were held on 30th May, 2013, 12th August, 2013, 12th November, 2013 and 1st February, 2014. The Composition of the Shareholders'/Investors' Grievance Committee and attendance at its meeting is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Beni Prasad Rauka	Chairman	4	4
Mr. Rajesh Sharma	Member	4	3
Mr. Dinesh Chandra Babel *	Member	2	2
Ms. Bhagyam Ramani#	Member	2	2

* Retired as a Director w.e.f. 28th September, 2013

Appointed as a Member w.e.f. 28th September, 2013

The status of investor complaints is monitored by the Committee periodically and reported to the Board. The complaints received from the shareholders, regulators, stock exchanges etc. are reviewed and they are expeditiously attended to by the Company/Share Transfer Agent.

Mr. Harish Agrawal, Vice President & Company Secretary is the Compliance Officer.

During the year ended 31st March, 2014, the Company has not received any investor's complaints.

During the year under review, the status of requests and complaints was as follows:

Particulars	Opening Balance	Received	Resolved	Closing Balance
Requests	0	4	4	0
Complaints	0	0	0	0

C. COMPENSATION & REMUNERATION COMMITTEE

Terms of Reference

The Committee is responsible for assisting the Board of Directors in the Board's overall responsibilities relating to determination on their behalf and on behalf of the shareholders with agreed terms of reference, the Company's policy on specific remuneration packages and any payment of compensation to the Managing Director, Executive Director and Whole-time Directors of the Company and to deal with matters pertaining to Employees' Stock Option Scheme.

Composition & meetings

The Compensation & Remuneration Committee comprises of two independent directors and one non executive director. During the year under review, three Compensation & Remuneration Committee meeting were held on 12th April, 2013, 30th May, 2013 and 24th January, 2014. The decisions are taken by the committee at meetings or by passing resolutions through circulation. The composition of the Compensation & Remuneration Committee and attendance at its meeting is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Ms. Bhagyam Ramani	Chairperson	3	3
Mr. Rajesh Sharma	Member	3	2
Mr. Beni Prasad Rauka	Member	3	3
Mr. Dinesh Chandra Babel*	Member	2	2

* Retired as a Director w.e.f. 28th September, 2013



Remuneration policy

For Managing Director/Executive Director

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and Executive Director, within the overall limits as approved by the members of the Company and ceiling prescribed under the Companies Act, 1956.

For Non Executive/Independent Directors

Non Executive Directors get sitting fees for attending each meeting of the Board of Directors and reimbursement of out-of-pocket expenses incurred, wherever applicable, for attending such meetings. The sitting fee payable per meeting of the Board of Directors is ₹ 20,000/- and ₹ 10,000/- per Committee Meeting.

The details of sitting fees/remuneration paid to Directors during the year 2013-14, are as under:

Sr. No.	Name of the Director	Sitting Fees for attending Meetings (₹)	Salary and Perquisites (₹)	Incentive/ Bonus (₹)	Total (₹)
1.	Mr. Rajesh Sharma	NIL	2,62,000	NIL	2,62,000
2.	Mr. Beni Prasad Rauka	3,00,000	N.A.	N.A.	3,00,000
3.	Mr. Dinesh Chandra Babel @	1,30,000	N.A.	N.A.	1,30,000
4.	Mr. Bhagwati Prasad	1,20,000	N.A.	N.A.	1,20,000
5.	Mr. Mukesh Kacker	1,30,000	N.A.	N.A.	1,30,000
6.	Ms. Bhagyam Ramani	2,80,000	N.A.	N.A.	2,80,000
7.	Mr. P.H. Ravikumar#	NIL	35,27,823	-	35,27,823
8.	Mr. Sanjay Kaul##	50,000	N.A.	N.A.	50,000
9.	Mr. Quintin E Primo III###	60,000	N.A.	N.A.	60,000
10.	Mr. Sunil Kapoor####	NIL	22,82,934	-	22,82,934

@Retired on 28th September, 2013

Resigned w.e.f. 24th January, 2014

##Appointed w.e.f. 12th August, 2013 and resigned w.e.f. 22nd January, 2014

###Appointed w.e.f. 2nd August, 2013

####Appointed w.e.f. 24th January, 2014

Service contract, Severance fees and Notice period

1. Mr. Rajesh Sharma was appointed as the Managing Director of the Company for a period of five years w.e.f. 24th January, 2009 and has resigned as Managing director w.e.f. 12th April, 2013. His remuneration includes the salary & perquisites of ₹ 262,000/- for the period 1st April, 2013 to 12th April, 2013. Further he received incentive/bonus of ₹ 2,00,00,000/- for the F.Y. 2012-13.
2. Mr. P.H. Ravikumar was appointed as the Managing Director of the Company for a period of 3 years w.e.f. 12th April, 2013. His remuneration includes the salary & perquisites of ₹ 35,27,823/- for the period 12th April, 2013 to 24th January, 2014. He resigned from the Company w.e.f. 24th January, 2014.
3. Mr. Sunil Kapoor is appointed as Executive Director of the Company for a period of 1 year w.e.f. 24th January, 2014. His remuneration includes the salary & perquisites of ₹ 22,82,934/-. The appointment may be terminated by giving three months notice on either side or payment in lieu of notice. No severance fees are payable on termination of his employment.

D. NOMINATION COMMITTEE

Terms of Reference

Nomination Committee assists the Board in assessing the 'fit and proper' status of the proposed/existing Directors and based on recommendation of the Committee, new Directors on the Board of the Company are appointed.

Composition & meetings

During the year under review, three (3) meetings of the Nomination Committee were held on 12th April, 2013, 12th August, 2013 and 24th January, 2014. Composition of the Nomination Committee and attendance at its meeting is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Ms. Bhagyam Ramani	Chairperson	3	3
Mr. Rajesh Sharma	Member	3	3
Mr. Beni Prasad Rauka	Member	3	3

E. ASSET LIABILITY MANAGEMENT COMMITTEE ('ALCO')

Terms of Reference

The Asset Liability Management Committee (ALCO) is a decision-making unit responsible for cash flow and balance sheet planning, managing interest rate risks and liquidity risks. The operating staff is responsible for analyzing, monitoring and reporting risk profiles to ALCO, for its decision making.

Composition & meetings

During the year under review, five(5) meetings of the ALCO were held on 14th May, 2013, 14th June, 2013, 22nd August, 2013, 20th February, 2014 and 25th February, 2014. Composition of the ALCO and attendance at its meetings is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Sunil Kapoor*	Chairman	2	2
Mr. Arvind Hali	Member	5	5
Mr. Ramesh Kelkar**	Member	2	2
Mr. Ashok Agarwal	Member	5	4
Mr. Gaurang Shah**	Member	2	2
Mr. Hiten Kapadia***	Member	1	1
Mr. P.H. Ravikumar#	Chairman	3	3
Mr. Atul Chandra##	Member	2	2
Mr. Rajesh Agrawal###	Member	3	3

* Appointed as a Chairman w.e.f. 24th January, 2014

** Appointed as a Member w.e.f. 24th January, 2014

*** Appointed as a Member w.e.f. 12th August, 2013 and resigned w.e.f. 24th January, 2014

Appointed as Chairman w.e.f. 12th April, 2013 and resigned w.e.f. 24th January, 2014

Resigned as a Member w.e.f. 12th August, 2013

Resigned as a Member w.e.f. 24th January, 2014

F. INVESTMENT COMMITTEE

Terms of Reference

The Committee is responsible for the deciding on the proposals for investment & lending received by the Company within the exposure norms as laid down in the Credit and Investment Policy of the Company.

Composition & Meeting

The Committee is headed by the Executive Director of the Company with representative from credit, finance, risk function as members of the Committee.



Committee met 20 (twenty) times during the year. Composition of the Investment Committee and attendance at its meeting is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr.Sunil Kapoor*	Chairman	3	3
Mr.Arvind Hali	Member	20	17
Mr.Ashok Agarwal	Member	20	20
Mr.Hiten Kapadia**	Member	18	17
Mr.Ramesh Kelkar***	Member	3	3
Mr.P.H.Ravikumar#	Chairman	15	15
Mr.Rajesh Sharma##	Chairman	2	2
Mr.Rohit Bhujbal###	Member	2	2
Mr.Atul Chandra####	Member	7	4

* Appointed as a Chairman w.e.f. 24th January, 2014

** Appointed as a member w.e.f. 12th April, 2013

*** Appointed as a member w.e.f. 09th January, 2014

Appointed as a Chairman w.e.f. 12th April, 2013 and resigned w.e.f. 24th January, 2014

Resigned as a Chairman w.e.f. 12th April, 2013

Resigned as a member w.e.f. 12th April, 2013

Resigned as a member w.e.f. 12th August, 2013

G. OPERATIONS & BORROWING COMMITTEE

Terms of Reference

The Committee was constituted by the Board of the Company on 28th September, 2013, to oversee routine operations that arise in the normal course of the business, such as decisions on banking relations, borrowings within the overall limits approved by the shareholders of the Company, delegation of operational powers, appointment of nominees, etc.

Composition & Meeting

During the year under review, Committee met once on 19th November, 2013. Composition of the Operations & Borrowing Committee and attendance at its meeting is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr.Sunil Kapoor*	Chairman	Nil	NA
Mr.Beni Prasad Rauka	Member	1	1
Ms. Bhagyam Ramani	Member	1	1
Mr.P.H.Ravikumar#	Chairman	1	1

* Appointed as a Chairman w.e.f. 24th January, 2014

Appointed as a Chairman w.e.f. 28th September, 2013 and resigned w.e.f. 24th January, 2014

H. RISK MANAGEMENT COMMITTEE

Terms of Reference

In addition to the ALCO, this Committee is entrusted with the responsibility of monitoring the assets liability gap and strategize to mitigate organisation wide risks of operations.

Composition & meetings

During the year under review, Committee met once on 21st January, 2014. Composition of Risk Management Committee and attendance at its meeting is as follows:

Name of the Member	Designation	No. of Meetings Held	No. of Meetings Attended
Mr. Sunil Kapoor*	Chairman	Nil	Nil
Mr. Arvind Hali**	Member	1	1
Mr. Ashok Agarwal**	Member	1	1
Mr. Hemant Dave**	Member	1	1
Mr. Gaurang Shah***	Member	Nil	Nil
Mr. Ramesh Kelkar***	Member	Nil	Nil
Mr. P.H. Ravikumar#	Chairman	1	1
Mr. Hiten Kapadia##	Member	1	1
Mr. Rajesh Agrawal##	Member	1	1

* Appointed as a Chairman w.e.f. 24th January, 2014

** Appointed as a Member w.e.f. 12th August, 2013

*** Appointed as a Member w.e.f. 24th January, 2014

Appointed as a Chairman w.e.f. 12th August, 2013 and resigned w.e.f. 24th January, 2014

Appointed as a Member w.e.f. 12th August, 2013 and resigned w.e.f. 24th January, 2014

4. GENERAL BODY MEETINGS

Details of last three Annual General Meetings are as follows

Financial Year	2012-13	2011-12	2010-11
Date and Time	28 th September, 2013 12.00 noon	28 th July, 2012 12.00 noon	25 th July, 2011 11.30 a.m.
AGM	19 th AGM	18 th AGM	17 th AGM
Venue	Walchand Hirachand Hall, Indian Merchants' Chamber, LNM IMC Bldg., Opp. Churchgate Station, Churchgate, Mumbai - 400020	Kilachand Conference Room, Indian Merchants' Chamber, LNM IMC Bldg., Opp. Churchgate Station, Churchgate, Mumbai-400020	Walchand Hirachand Hall, Indian Merchants' Chamber, LNM IMC Bldg., Opp. Churchgate Station, Churchgate, Mumbai - 400020
Number of Special Resolution passed	Nil	Nil	Nil

5. POSTAL BALLOT

Company has approved four resolutions through Postal Ballot process during the year.

Two special resolutions and two ordinary resolutions were passed on 11th July, 2013 through postal ballot, pursuant to Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2001, in respect of the following items:

- 1) Resolution under Section 21 of the Companies Act, 1956 for change of name of the Company to 'Capri Global Capital Limited'.
- 2) Resolution to set a limit of ₹ 3000 Crores for lending/investments under Section 372A of the Companies Act, 1956.
- 3) Resolution to increase the Borrowing Limits of the Company up to ₹ 2000 Crores under clause (d) of sub-section (1) of Section 293 of the Companies Act, 1956.
- 4) Resolution to create charge on assets of the Company to secure borrowings under clause (a) of subsection (1) of Section 293 of the Companies Act, 1956.



Mr. Alwyn D'souza, Proprietor, Alwyn D'Souza & Co., Practising Company Secretary was appointed as the Scrutinizer to conduct the postal ballot process.

Notice dated 31st May, 2013 was sent to the members and the last date for receipt of postal ballot forms was 8th July, 2013. The Company received 90 Postal Ballot Forms. According to the Scrutinizer's report, the Resolutions were passed with requisite majority. The result of the postal ballot was declared on 11th July, 2013 and published on 12th July, 2013 in one English daily, and one Marathi daily for the information of the members. Details of voting pattern are as below:

Sr.No.	Description	Votes in favour of the Resolution		Votes against the Resolution	
		No. of Votes	% to total votes	No. of Votes	% to total votes
1.	Special Resolution under Section 21 of the Companies Act, 1956 for Change of name of the Company to 'Capri Global Capital Limited'.	26109025	99.9973	12	0.0000
2.	Special Resolution to set a limit of ₹ 3000 Crores for lending/investments under section 372A of the Companies Act, 1956.	26108732	99.9962	324	0.0012
3.	Ordinary Resolution to increase the Borrowing Limits of the Company up to ₹ 2000 Crores under clause (d) of sub-section (1) of section 293 of the Companies Act, 1956.	26108823	99.9965	233	0.0009
4.	Ordinary Resolution to create charge on assets of the Company to secure borrowings under clause (a) of sub-section(1) of section 293 of the Companies Act, 1956.	26108923	99.9969	133	0.0005

Resolution, if any, to be passed through Postal Ballot during the current financial year will be taken up as and when necessary.

6. DISCLOSURES

1. The Company did not have any material significant related party transaction having a potential conflict with the interest of the Company at large. Transactions with related parties are disclosed in the Notes to the accounts forming part of the Annual Report.
2. The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory/regulatory authorities on all matters related to capital markets during the last three years and no strictures were imposed on the Company.

7. STATUS OF ADOPTION OF MANDATORY AND NON-MANDATORY REQUIREMENTS OF CLAUSE 49 OF LISTING AGREEMENT IS AS FOLLOWS

The Company has complied with all mandatory requirements and has complied with the following non-mandatory requirements of clause 49 of the Listing Agreement.

Remuneration Committee

The Company has constituted Compensation & Remuneration Committee to recommend/review remuneration of the Managing Director, Executive Director and Whole-time Directors based on their performance and defined assessment criteria. More details are provided under heading 'Compensation & Remuneration Committee'.

Whistle Blower Policy

In an effort to enhance transparency and fair practice, the Company has adopted and institutionalised a mechanism of reporting illegal or unethical instances. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate superiors. Such reports are received and placed at the Audit Committee and the anonymity of those reporting violations is maintained.

8. ED & CFO CERTIFICATION

Executive Director and Associate Director- Finance & Accounts of the Company provides annual certification on financial reporting and internal controls to the Board in terms of clause 49 of the Listing Agreement. Executive Director and Associate Director-Finance & Accounts also certify the accuracy of the quarterly financial results while placing the financial results before the Audit Committee and Board.

9. MEANS OF COMMUNICATION

The quarterly and half yearly and annual results are published in widely circulating national and local newspapers, such as The Asian Age in English and Mumbai Lakshdeep in Marathi. The same are also displayed on the web site of the Company i.e. www.cgcl.co.in

10. GENERAL SHAREHOLDER INFORMATION

Company Registration Details

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65921MH1994PTC173469.

Annual General Meeting

(Day, Date, Time and Venue)

Monday, 4th August, 2014 at 12.00 Noon

Walchand Hirachand Hall,
Indian Merchants' Chamber,
LNM IMC Bldg., Opp. Churchgate Station,
Churchgate, Mumbai-400020

Book Closure Date

28th July, 2014 (Monday) to 4th August, 2014 (Monday) (both days inclusive)

Financial Calendar (tentative)

Financial Year - 1st April, 2014 to 31st March, 2015

Results for the quarter ending –

June 30, 2014 - on or before August 14, 2014
September 30, 2014 - on or before November 14, 2014
December 31, 2014 - on or before February 14, 2015
March 31, 2015 - on or before May 30, 2015

Dividend

Dividend of 15% on the Equity Share amounting to ₹ 1.50 on each Equity Share of ₹ 10/- each of the Company will be paid, to the Shareholders whose names appear in the Register of Members as on July 26, 2014 subject to approval of the Shareholders at the 20th Annual General Meeting, within the statutory time limit of 30 days.

Listing

a) Equity Shares of the Company are listed on BSE & NSE. The details are:

ISIN: INE180C01018

1. BOMBAY STOCK EXCHANGE LIMITED

Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai - 400 001

Code: 531595

2. NATIONAL STOCK EXCHANGE OF INDIA LIMITED

Exchange Plaza, 5th Floor, Bandra-kurla Complex,
Bandra (East), Mumbai – 400 051.

Code: CGCL

b) Warrants of the Company were listed over BSE till 26th March, 2014

Listing Fees up to the Financial Year 2014-15 have been paid in full to both the Stock Exchanges.



Market Price Data

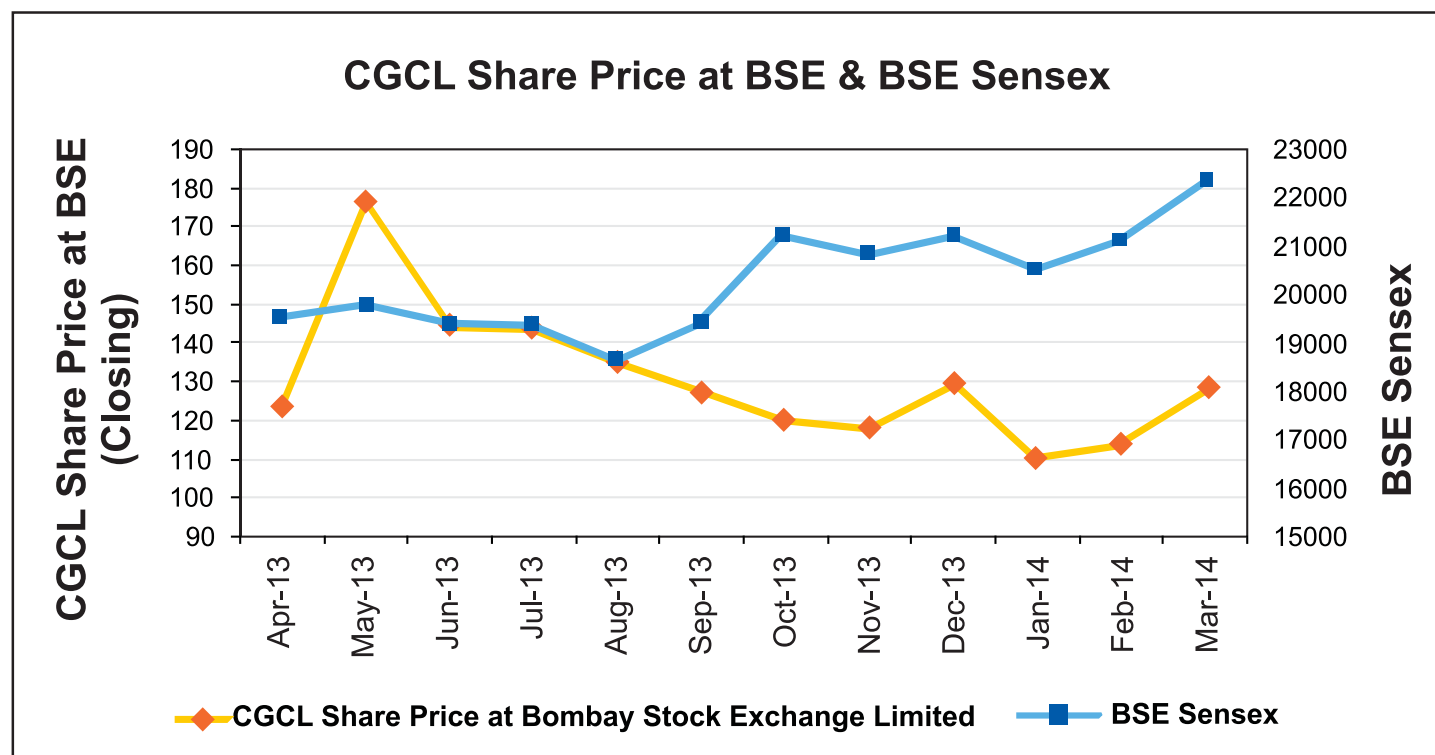
a) Equity Shares:

Monthly high/low of the Closing Price and trading volumes on BSE/NSE of Equity Shares of the Company is given hereunder:

Stock Market Price Data of Equity Shares:

Month	Bombay Stock Exchange Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High Price (₹)	Low Price (₹)	Volume (No. of shares)	High Price (₹)	Low Price (₹)	Volume (No. of Shares)
Apr-13	124.90	101.30	5,50,982	121.30	102.65	4,14,212
May-13	180.00	119.80	1,06,888	182.00	120.00	22,856
Jun-13	179.90	141.05	1,36,113	180.00	141.65	1,06,492
Jul-13	169.90	140.05	32,726	167.95	136.00	4,799
Aug-13	145.00	117.45	15,298	152.00	106.20	3,445
Sep-13	135.50	115.05	6,01,969	133.00	120.15	352
Oct-13	138.00	119.75	21,925	135.00	119.70	3,243
Nov-13	135.50	114.10	18,149	132.05	110.10	11,353
Dec-13	138.80	115.45	14,500	141.00	107.10	20,142
Jan-14	133.65	108.60	11,783	131.95	107.00	16,489
Feb-14	128.30	105.05	3,855	128.80	106.05	4,529
Mar-14	133.60	106.00	18,088	133.65	93.10	17,211

Performance of the Company's Stock Price vis-a-vis Sensex:



b) Warrants:

Month	Bombay Stock Exchange Limited (BSE)		
	Month's High (₹)	Month's Low (₹)	Monthly Volume (No. of Warrants)
Apr-13	24.25	24.25	10
May-13	25.99	22.47	763
Jun-13	34.25	27.10	733147
Jul-13	30.00	27.75	340300
Aug-13	26.37	26.37	50
Sep-13	NA	NA	Nil
Oct-13	26.50	26.50	103
Nov-13	NA	NA	Nil
Dec-13	NA	NA	Nil
Jan-14	25.18	25.18	1
Feb-14	NA	NA	Nil
Mar-14	NA	NA	Nil

Registrar and Share Transfer Agents

For Equity Shares & Warrants related matters, Members/holders are requested to correspond with the Company's Registrar and Transfer Agents quoting their Folio No./DP ID & Client ID at the following address:

MCS Limited

Shri Kashiram Jamnadas Building
Ground Floor, Office No.21 & 22,
5, P.D. Mello Road, Ghadial Godi, Masjid (East),
Mumbai 400 009.

Tel: 022-2372623/55, 022-67439092

Telefax: 022-23726256/23726252

E-mail: uday_mcs@yahoo.co.in

Share Transfer System

Securities lodged for transfers are processed and security certificates are returned within a period of 15 days from the date of receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Securities Transfer Committee. The minutes of the Securities Transfer Committee meetings are placed before the Board. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities, as required under clause 47(c) of the Listing Agreement, and files a copy of the certificate with the BSE & NSE, where the Equity Shares of the Company are listed.



Shareholding Pattern as on 31st March, 2014

Category	No. of Shares	% of Holding
A) Promoters Holding		
Individuals	9415167	26.9174
Bodies Corporate	14961054	42.7728
Sub - Total (A)	24376221	69.6902
B) Non - Promoters Holding		
1) Foreign Institutional Investors	3573445	10.2163
Sub - Total (B)(1)	3573445	10.2163
2) Non - Institutions		
• Bodies Corporate	6110148	17.4686
• Individuals	909730	2.6009
• Non Resident Indians	8409	0.0240
Sub - Total(B)(2)	7028287	20.0935
Grand Total(A+B)	34977953	100.0000

Distribution Schedule as on 31st March, 2014

Range	No. of Share Holders	%	No. of Shares	%
1-500	2269	87.9798	200531	0.5733
501-1000	144	5.5836	110780	0.3167
1001-2000	57	2.2102	82851	0.2369
2001-3000	27	1.0469	69066	0.1975
3001-4000	14	0.5428	47815	0.1367
4001-5000	14	0.5428	66602	0.1904
5001-10000	23	0.8918	155109	0.4434
10001 - 50000	17	0.6592	331261	0.9471
50001 - 100000	1	0.0388	57011	0.1630
And Above	13	0.5041	33856927	96.7950
Total	2579	100.0000	34977953	100.0000

Warrant Holder details as on 26th March, 2014

Category	No. of Warrant	% of Holding
A) Promoters Holding		
Individuals	Nil	Nil
Bodies Corporate	Nil	Nil
Sub - Total	Nil	Nil
B) Non - Promoters Holding		
1) Foreign Institutional Investors	Nil	Nil
Sub - Total	Nil	Nil
2) Non - Institutions		
• Bodies Corporate	3498859	94.9979
• Individuals	184233	5.0021
Sub - Total	3683092	100.00
Grand Total	3683092	100.00

Distribution Schedule-Warrants as on 26th March, 2014

Range	No. of Warrant Holders	%	No. of Warrants	%
1 - 500	107	73.7931	12711	0.3451
501 - 1000	13	8.9655	10189	0.2766
1001 - 2000	10	6.8966	16148	0.4384
2001 - 3000	4	2.7586	10222	0.2775
3001 - 4000	1	0.6897	3450	0.0937
4001- 5000	1	0.6897	4771	0.1295
5001 - 10000	1	0.6897	7128	0.1935
10001 - 50000	3	2.0690	72217	1.9608
50001 - 100000	1	0.6897	95100	2.5821
And Above	4	2.7586	3451156	93.7027
Total	145	100.0000	3683092	100.0000

Dematerialisation of Equity Shares and Liquidity

The Company's shares are currently traded only in dematerialised form over NSE & BSE. To facilitate trading in dematerialised form, the Company has tied up with NSDL and CDSL. Shareholders can open account with any of the depository participants registered with any of these depositories. As on 31st March, 2014, about 99.94% of the Company's shares were held in dematerialised form.

The Company has not issued any GDRs/ADRs.

Address for Correspondence

Registered Office

Capri Global Capital Limited
1-B, Court Chambers,
35, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai-400020
Tel. No. (022) 43548200 / 66518011
Fax No. (022) 22019051

Corporate Office

Capri Global Capital Limited
Merchant Chambers, 4th Floor,
41, Sir Vithaldas Thackersey Marg,
New Marine Lines,
Mumbai-400020
Tel. No. (022) 40888100
Fax No. (022) 40888170



For redressal of complaints & grievances, please write or contact:-

Mr. Harish Agrawal
Vice President & Company Secretary
Capri Global Capital Limited
1-B, Court Chambers,
35, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai-400020.
Tel. No. (022) – 43548200
Email ID: investor.relation@cgcl.co.in

For any assistance regarding share transfer and transmission, change of address, non-receipt of dividend, duplicate/missing share certificates, demat and other matters please write to or contact Registrar & Share Transfer Agent of the Company at below mentioned address.

M/s. MCS Limited
Shri Kashiram Jamnadas Building
Ground Floor, Office No.21 & 22,
5, P.D. Mello Road, Ghadial Godi, Masjid (East),
Mumbai 400 009.
Tel: 022-2372623/55, 022-67439092
Telefax: 022-23726256/23726252
E-mail: uday_mcs@yahoo.co.in

For and on behalf of the Board

Place : Mumbai
Date : 9th May, 2014

Sunil Kapoor
Executive Director

Rajesh Sharma
Director

DECLARATION REGARDING ADHERENCE TO THE CODE OF CONDUCT

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, all the Board Members and Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2014.

For Capri Global Capital Limited

Sunil Kapoor
Executive Director

Place : Mumbai

Date : 9th May, 2014

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

CAPRI GLOBAL CAPITAL LIMITED

(formerly known as Money Matters Financial Services Limited)

1. We have examined the compliance of the conditions of Corporate Governance by Capri Global Capital Limited (formerly known as Money Matters Financial Services Limited), for the financial year ended 31st March, 2014, as stipulated in Clause 49 of the Listing Agreement of the said company with the relevant Stock Exchanges (hereinafter referred to as 'Clause 49')
2. The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us and representations made by the management, we certify that the company has complied with the condition of Corporate Governance as stipulated in Clause 49.
4. We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Viral Joshi)
Partner
Membership No. 137686

Place : Mumbai

Dated : 9th May, 2014

STANDALONE FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT TO THE MEMBERS OF

Capri Global Capital Limited

(formerly known as Money Matters Financial Services Limited)

Report on the Financial Statements

We have audited the accompanying financial statements of **CAPRI GLOBAL CAPITAL LIMITED** (formerly known as Money Matters Financial Services Limited) ("the Company"), which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that gives a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act 2013 and in accordance with the accounting practices generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and 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 control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, 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 generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) In the case of the 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.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of Sub-section (4A) of Section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that :
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act 1956.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Viral Joshi)
Partner
Membership No. 137686

192, Dr. D. N. Road
Mumbai - 400001
Dated: 9th May, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act 1956, and on the basis of such checks as we considered appropriate, we further 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) As explained to us, the Company has a system of verifying all its major fixed assets over a period of three years which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year. The discrepancies noticed on such verification were not material and have been properly dealt with in the books of accounts.
 - (c) During the year, the Company has not disposed off any substantial /major part of fixed assets so as to affect the going concern status of the Company.
- (ii) In respect of its inventories:
 - (a) As per the information and explanation given to us by the management, the inventories of the Company mainly consists of Shares & Securities maintained in electronic (dematerialization) mode and hence no physical verification of inventories of the Company is required. In our opinion, sub-clause (ii)(a) and (ii)(b) of Paragraph 4 of the Order are not applicable to the Company.
 - (b) On the basis of our examination of the records of inventory, we are of the opinion that the Company is maintaining proper records of inventory. No discrepancies have been noticed on verification between the stocks as per dematerialization mode and the book records.
- (iii)
 - (a) The Company has granted interest free unsecured loan and advances in the nature of loan to four wholly owned subsidiary parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved together with balance due at the end of the year was ₹ 21.05 Lacs and the year end balance was ₹ Nil.
 - (b) In our opinion and according to the information and explanations given to us the other terms and conditions of the loans given by the Company are not prima facie prejudicial to the interest of the Company.
 - (c) The principal amounts are repayable on demand and there is no repayment schedule.
 - (d) In respect of the said loans, the same are repayable on demand and therefore the question of overdue amounts does not arise.
 - (e-g) The Company has not taken loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956 and hence provisions of paragraph 4(iii)(e) to 4(iii)(g) of the aforesaid Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is adequate internal control system commensurate with the size of the Company and the nature of its business, for the purchase of inventory and fixed assets and for sale of services. During the course of our audit, we have not observed any major weakness in such internal controls.
- (v) Based on the audit procedures applied by us, and to the best of our knowledge and belief and according to the information and explanations given to us by the management, we are of the opinion that during the year no contracts or arrangements referred to in Section 301 of the Companies Act, 1956, have been entered into by the Company. Accordingly requirement of clause (v)(a) & (v)(b) of Paragraph 4 of the Order are not applicable to the Company.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public to which provisions of Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are applicable.
- (vii) In our opinion, the internal audit functions carried out during the year by a firm of independent Chartered Accountants appointed by the Management has been commensurate with the size of the Company and nature of its business.
- (viii) As per the information and explanations given to us by the management, maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 has not been prescribed by the Company Law Board and hence in our opinion the requirement of clause (viii) of Paragraph 4 of the Order is not applicable to the Company.



- (ix) (a) According to the information and explanations given to us by the management and according to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income-tax, service tax, wealth tax, and other applicable statutory dues.
- (b) According to the information and explanations given to us, no undisputed arrears of above statutory dues were outstanding, as at 31st March 2014, for a period of more than six months from the date they became payable.
- (x) The Company does not have accumulated losses at the end of the financial year and the Company has not incurred any cash losses during the current financial year as well as in the immediately preceding financial year.
- (xi) According to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and banks.
- (xii) Based on our examination of documents and records and according to the explanations given to us by the management we are of the opinion that the Company has maintained adequate documents and records in cases where it has granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) As per the information and explanations given to us by the management, the Company is not a Chit Fund or a Nidhi Company. Hence in our opinion, the provisions of any special statute as specified under Clause (xiii) of Paragraph 4 of the Order are not applicable to the Company.
- (xiv) As per the information and explanations given to us by the management and based on our examination of the records and evaluation of the related internal controls, we are of the opinion that proper records have been maintained of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. We also report that the Company has held all the shares, securities, and other investments in its own name except to the extent of exemption under section 49 of the Companies Act, 1956.
- (xv) The Company has not given any guarantee for loans taken by others from Bank or financial institution and accordingly requirement of Paragraph 4(xv) of the aforesaid Order are not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us by the management, the Company has not availed of any term loan during the year.
- (xvii) According to the cash flow statement on the Balance Sheet date and according to the information and explanations given to us and on an overall examination of the Balance sheet of the Company, we are of the opinion that no funds raised on short term basis have, prima-facie, been used for long term investments. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xviii) 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 and therefore, in our opinion clause (xviii) of Paragraph 4 of the Order is not applicable.
- (xix) During the period covered by our audit report, the Company has not issued debentures and therefore clause (xix) of Paragraph 4 of the Order is not applicable.
- (xx) During the period covered by our audit report, the Company has not raised money by way of public issues except by way of Employee Stock Option Plans and conversion of warrants into equity shares as per terms and conditions of warrants issued in the earlier year.
- (xxi) Based upon the audit procedures performed and as per information and explanations given to us by the management, we report that no fraud on or by the Company has been noticed or reported during the year.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No .104863W

192, Dr. D. N. Road
Mumbai - 400001
Dated: 9th May, 2014

(Viral Joshi)
Partner
Membership No. 137686

BALANCE SHEET

As at 31st March, 2014

		(₹ in Lacs)	
	Notes	As At 31/03/2014	As At 31/03/2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	3,497.80	3,491.25
Reserves and Surplus	3	91,902.28	84,296.82
Money Received against Share Warrants		30.04	45.60
		<u>95,430.12</u>	<u>87,833.67</u>
2 Non-Current Liabilities			
Deferred Tax Liabilities (Net)	4	28.53	-
Other Long Term Liabilities	5	340.20	145.09
		<u>368.73</u>	<u>145.09</u>
3 Current Liabilities			
Trade Payables	6	59.94	36.01
Other Current Liabilities	5	55.26	61.56
Short Term Provisions	7	1,106.65	1,112.44
		<u>1,221.85</u>	<u>1,210.01</u>
Total		<u>97,020.70</u>	<u>89,188.77</u>
II. ASSETS			
1 Non Current Assets			
Fixed Assets	8		
Tangible Assets		417.82	427.59
Intangible Assets		703.48	22.00
		<u>1,121.31</u>	<u>449.59</u>
Non Current Investments	9	3,770.00	5,762.07
Deferred Tax Assets (Net)	4	-	3.39
Long Term Loans and Advances	10	51,266.96	27,664.03
Other Non-Current Assets	11	15.70	12.12
		<u>55,052.66</u>	<u>33,441.61</u>
2 Current Assets			
Inventories	12	15,801.51	23,824.16
Trade Receivables	13	785.69	3,939.87
Cash and Bank Balances	14	1,688.19	13,909.97
Short Term Loans and Advances	10	21,989.82	12,307.92
Other Current Assets	11	581.53	1,315.65
		<u>40,846.73</u>	<u>55,297.57</u>
Total		<u>97,020.70</u>	<u>89,188.77</u>
Significant Accounting Policies	1		

The accompanying notes are an integral part of the Financial Statements

As per our report of even date attached
For and on behalf of

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

(Viral Joshi)

Partner
Membership No. 137686

Place : Mumbai

Date : 9th May, 2014

For and on behalf of the Board of Directors

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

STATEMENT OF PROFIT AND LOSS

For the Year Ended 31st March, 2014



	Notes	For the Year Ended 31/03/2014	(₹ in Lacs) For the Year Ended 31/03/2013
I. INCOME			
Revenue from Operations	15	15,825.52	12,366.44
Other Income	16	792.34	1,305.15
Total Revenue		16,617.86	13,671.59
II. EXPENSES			
Employee Benefit Expenses	17	2,262.44	1,727.11
Finance Costs	18	159.84	5.91
Depreciation and Amortization Expenses	19	253.42	91.13
Loan Provisions	20	535.09	115.88
Other Expenses	21	1,147.70	929.73
Total Expenses		4,358.49	2,869.76
III. Profit before Exceptional Items and Tax		12,259.37	10,801.83
Less: Exceptional Items		-	-
IV. Profit before Tax		12,259.37	10,801.83
Less: Tax Expenses			
Current Tax		4,050.00	3,380.00
Deferred Tax		31.92	(5.54)
Earlier years adjustments		1.42	0.80
		4,083.34	3,375.25
V. Profit for the period		8,176.03	7,426.57
VI. Earnings per Equity Share Before Exceptional Items			
(Nominal Value of share ₹ 10/- each)	27		
Basic		23.38	21.28
Diluted		23.35	20.81
Earnings per Equity Share After Exceptional Items			
(Nominal Value of share ₹ 10/- each)	27		
Basic		23.38	21.28
Diluted		23.35	20.81
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements			

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants

Firm Regn. No. 104863W

(Viral Joshi)

Partner

Membership No. 137686

Place : Mumbai

Date : 9th May, 2014

For and on behalf of the Board of Directors

(Sunil Kapoor)

Executive Director

(Rajesh Sharma)

Director

(Gaurang Shah)

Associate Director Finance & Accounts

(Harish Agrawal)

Vice President & Company Secretary

CASH FLOW STATEMENT

For the Year Ended 31st March, 2014

		(₹ in Lacs)	
Particulars		31/03/2014	31/03/2013
(A) CASH FLOW FROM OPERATING ACTIVITIES AND EXCEPTIONAL ITEMS			
Profit Before Taxation		12,259.37	10,801.83
Add/(Less):			
Depreciation		253.42	91.13
Stock Options Adjustment		2.44	12.26
Bad Debts Written Off		0.92	12.25
Provisions/Sundry Balances written back/off		0.44	(515.27)
Profit on Sale of Non- Operating assets		(157.95)	(26.89)
Provision for Standard Assets		135.09	115.88
Provision for Sub-Standard Assets		400.00	-
Operating Profit		12,893.74	10,491.18
Add: Exceptional Item		-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		12,893.74	10,491.18
Movements in Working Capital			
(Increase)/Decrease in Trade & Other Receivables		(30,325.98)	(4,024.88)
(Increase)/Decrease in Stock-in-trade		8,022.65	(5,394.40)
Increase/(Decrease) in Trade & Other Payables		99.50	169.99
CASH FLOW FROM OPERATING ACTIVITIES		(9,310.09)	1,241.89
Less:			
Direct Taxes Paid		(3,758.49)	(3,427.84)
Income Tax Adjustment of earlier years		-	-
NET CASH (USED IN) OPERATING ACTIVITIES	(A)	(13,068.58)	(2,185.96)
(B) CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed Assets		(941.52)	(198.05)
Sale of Non-Operating Assets		361.02	-
Sale of Fixed Assets		16.40	68.51
Investment in Fixed Deposit		(1,500.00)	(10,866.70)
Encashment of Fixed Deposit		12,987.88	11,460.59
(Increase)/Decrease in Investments		1,992.07	(112.75)
NET CASH FLOW (USED IN) INVESTING ACTIVITIES	(B)	12,915.85	351.60

Cash Flow Statement

For the Year Ended 31st March, 2014



		(₹ in Lacs)	
Particulars		31/03/2014	31/03/2013
(C) CASH FLOW FROM FINANCING ACTIVITIES			
Money Received against share warrants		30.04	45.60
Dividend Paid		(524.33)	(348.88)
Tax on Dividend		(89.11)	(56.60)
Money received for increase in Share Capital		2.25	2.49
NET CASH FLOW GENERATED FROM FINANCING ACTIVITIES	(C)	(581.15)	(357.38)
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)		(733.89)	(2,191.73)
Cash & Cash Equivalents at the beginning of the year		909.96	3,101.69
Cash & Cash Equivalents at the end of the year		176.07	909.96
Net Increase/(Decrease) in Cash & Cash Equivalents		(733.89)	(2,191.73)
Notes:			
1. Cash and Cash equivalents			
Cash in hand			
Cash in hand		1.00	1.00
Balance with banks:			
In Current Accounts		175.07	908.96
TOTAL		176.07	909.96

- Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
- Previous year's figures have been regrouped, wherever necessary to confirm to current year's classification.
- Figures in brackets represent outflows.

As per our report of even date attached
For and on behalf of

For and on behalf of the Board of Directors

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Viral Joshi)

Partner
Membership No. 137686

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

Place : Mumbai
Date : 9th May, 2014

NOTES TO FINANCIAL STATEMENTS

For the Year Ended 31st March, 2014

1. Significant Accounting Policies

1.1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non-Banking Finance Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

1.2 Change in accounting Policy

Provisioning in Standard Assets

The Reserve Bank of India (RBI) vide Notification No. DNBS 223/CGM (US) -2011 dated January 17, 2011 has issued directions to all NBFCs to make provision of 0.25% on standard assets. However, the Company is making provision @ 0.50% on Standard Assets from FY 2012-13. Further, from the current Financial Year, the company has decided to make a Floating Provision on Standard Assets @ 0.25% which will be available for adjustment against Provision on Sub-standard Assets.

1.3 Use of Estimates

Presentation and Disclosure of Financial Statement

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.4 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. The following specific recognition criteria are met before revenue is recognized:

a) Sale of Traded Goods

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

b) Income from Advisory Services

Income from Advisory Services are accounted for as and when the relevant services are rendered and revenue is recognised using completed service contract method except where the recovery is uncertain in which case it is accounted for on receipt.

c) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from Operations" in the statement of profit and loss. Delayed Payment charges, Penal Interest, Other Penal Charges, etc. are recognised on receipt basis on account of uncertainty of the ultimate collection of the same. Further, in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Finance Companies, income on business assets classified as Non-Performing Assets, is also recognised on receipt basis.

e) Dividends

Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

1.5 Inventories

The securities acquired with the intention of short term holding and trading positions are considered as stock-in-trade and disclosed as current assets. The securities held as stock-in-trade under current assets are valued at lower of cost or market value. In case of units of mutual fund, net asset value of units declared by the mutual funds is considered as market value.

1.6 Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, as per Accounting Standard 3 "Cash Flow Statements".



1.7 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

1.8 Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets is provided on a written down value basis from the date the asset is ready to use or put to use, whichever is earlier at the rates prescribed in the Schedule XIV to the Companies Act 1956. In respect of assets sold, depreciation is provided upto the date of disposal.

1.9 Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible assets are amortized over the useful life on prorata basis under the straight line method as estimated by the management, which is generally between three to five years.

1.10 Impairment of Tangible and Intangible Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.11 Foreign Currency Translation

Foreign Currency Transactions and Balances

(i) Initial recognition

Foreign Currency Transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss.

(ii) Conversion

Monetary assets and liabilities denominated in the foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are recognised in the statement of profit & loss and related assets and liabilities are accordingly restated in the Balance Sheet.

1.12 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

In accordance with the Revised Schedule VI to the Companies Act, 1956, the portion of the Long Term Investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.13 Retirement and other employee benefits

The Company has adopted the revised Accounting Standard 15 – Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

Gratuity: The Company has funded Defined Benefit Obligation Plan for gratuity to its employees, who have completed five years or more of service, under the group gratuity scheme of Life Insurance Corporation of India. The Company has created planned assets by contribution to the gratuity fund with LIC of India.

Leave Encashment: Unutilised leave of staff is paid as at the end of the year. Accordingly, no provision is required to be made for compensated absences.

1.14 Employee stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

1.15 Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

1.16 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earning per Share prescribed by the Companies (Accounting Standards) Rules, 2006.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The Weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 Taxes on Income

Income tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) & the deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Deferred Taxation: The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

1.18 Provisions

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.19 Contingent Liabilities/Assets

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will rise, asset and related income are recognised in the period in which the change occurs.



(₹ in Lacs)

Particulars	As At 31/03/2014	As At 31/03/2013
2. Share Capital		
Authorized Shares		
5,50,00,000 (31 March 2013 : 5,50,00,000) Equity Shares of ₹ 10/- each	5,500.00	5,500.00
	5,500.00	5,500.00
Issued, Subscribed and Fully Paid up Shares		
3,49,77,953 (31 March 2013: 3,49,12,459) Equity Shares of ₹ 10/- Each fully paid up	3,497.80	3,491.25
	3,497.80	3,491.25

2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares:	31/03/2014		31/03/2013	
	Nos.	₹ in Lacs	Nos.	₹ in Lacs
At the beginning of the period	34,912,459	3,491.25	34,887,559	3,488.76
Issued during the period - Warrant Conversion	42,994	4.30	-	-
Issued during the period - ESOP	22,500	2.25	24,900	2.49
Outstanding at the end of the period	34,977,953	3,497.80	34,912,459	3,491.25

2.2 Terms/Rights attached to equity shares

The company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2014, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.50/- (31 March 2013 ₹ 1.50/-)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be proportional to the number of equity shares held by the shareholders.

There are Nil (31 March 2013: 36,83,092) warrants outstanding as at the end of the year. The 5th conversion period of warrants began from December 27, 2013 and closed on March 26, 2014. Warrant Exercise Price is calculated as 20% discount to the Market Price subject to a minimum of ₹ 10/- and the Market Price is the higher of the following:

(a) The average price of the Equity shares of the Company computed as the average of the weekly high and low of the closing prices of the shares of the Company during the six months immediately preceeding the month in which the exercise price is announced, or;

(b) Average of the weekly high and low of the closing prices of the related shares during the two weeks preceding the month in which the exercise price is announced.

2.3 Details of shareholders holding more than 5% share in the company

Equity Shares of ₹ 10/- each fully paid up:	As At 31/03/2014		As At 31/03/2013	
Name of Shareholder	Nos.	%	Nos.	%
Capri Global Holdings Pvt. Ltd.	11,772,979	33.66	11,772,979	33.72
Mr. Rameshchandra Sharma	8,987,986	25.70	8,987,986	25.74
Capri Global Advisory Services Pvt. Ltd.	3,188,075	9.11	1,576,390	4.52
Gainful Multitrade Private Limited	1,453,006	4.15	2,033,706	5.83
Roopam Multitrade Private Limited	1,950,000	5.57	1,950,000	5.59

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

Notes to Financial Statements

For the Year Ended 31st March, 2014

		(₹ in Lacs)	
Particulars	As At 31/03/2014	As At 31/03/2013	
3. Reserve and Surplus			
3.1 Securities premium account			
Balance as per the last financial statements	44,589.83	44,560.69	
Add: On account of Warrant Conversion	41.30	-	
Add: On account of ESOP Exercised	26.34	29.15	
Closing Balance	44,657.47	44,589.83	
3.2 Employee stock options outstanding			
Employee Stock Options Outstanding	25.28	67.60	
Less: Deferred employee stock compensation	2.95	21.38	
Closing Balance	22.33	46.22	
3.3 General Reserve			
Balance as per the last financial statements	2,310.00	1,925.00	
Add: Amount transferred from surplus balance in the statement of profit and loss	850.00	385.00	
Closing Balance	3,160.00	2,310.00	
3.4 Surplus/(Deficit) in the statement of profit and loss			
Balance as per the last financial statements	28,840.77	23,912.64	
Profit for the year:	8,176.03	7,426.57	
Less: Appropriations			
Proposed Dividend (Amount per share ₹ 1.50)	525.08	524.33	
Tax on Proposed Dividend	89.24	89.11	
Transfer to reserve fund under Section 45 I C(1) of Reserve Bank of India Act, 1934	1,650.00	1,500.00	
Transfer to general reserve	850.00	385.00	
Net surplus in the statement of profit and loss	33,902.48	28,840.77	
3.5 Reserve Fund as per Section 45 I C(1) of Reserve Bank of India Act, 1934			
Balance as per the last financial statements	8,510.00	7,010.00	
Add: Amount transferred from surplus balance in the statement of profit and loss	1,650.00	1,500.00	
Closing Balance	10,160.00	8,510.00	
Total Reserves and Surplus	91,902.28	84,296.82	
4. Deferred Tax Liabilities (Net)			
(Disclosure as per AS-22 "Accounting for Taxes on Income")			
Deferred Tax Assets			
Timing difference on account of :			
Excess of WDV of the assets as per Income Tax Act, 1961 over the Financial Books.	-	3.39	
	-	3.39	
Deferred Tax Liabilities			
Excess of WDV of the assets as per Income Tax Act, 1961 over Financial Books.	28.53	-	
Deferred Tax Liabilities	28.53	-	



Particulars	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
5. Other Liabilities				
Other Payables				
Audit fees payable	-	-	6.14	5.69
Service Tax payable	-	-	-	21.49
TDS payable	-	-	49.12	34.38
Security Deposits against loans	321.38	126.27	-	-
Advance received	18.82	18.82	-	-
	340.20	145.09	55.26	61.56

Particulars	As At	
	31/03/2014	31/03/2013
6. Trade Payable		
Trade Payables (Including acceptances)		
- Due to Micro, Small and Medium Enterprises	-	-
- Due to Others	59.94	36.01
	59.94	36.01
7. Short Term Provisions		
7.1 Provisions for employee benefits:		
Salary and Reimbursements	2.25	-
Bonus	300.00	450.00
Contribution to PF	-	0.02
7.2 Others		
Proposed Dividend	525.08	524.33
Provision for Dividend Distribution Tax	89.24	89.11
Provision for Income Tax (Net of Deposits)	106.13	-
Provision for expenses	83.95	48.98
	1,106.65	1,112.44
Note: Provision for Taxation (Net of deposits) comprises of:		
Provision for Income Tax	24,365.00	20,315.00
Less: Income Tax Deposits	24,258.87	20,501.80
	106.13	(186.80)

8. Fixed Assets

8. Fixed Assets

(₹ in Lacs)										
		Rate of Depre- ciation	GROSS BLOCK			DEPRECIATION / AMORTIZATION			NET BLOCK	
			Cost as at 01/04/2013	Additions	Disposals	Cost as at 31/03/2014	As at 01/04/2013	For the year	Adjustment on Disposals	As at 31/03/2014
a)	Tangible Assets									
	Buildings	5.00%	-	-	-	-	-	-	-	-
	Computers	40.00%	154.28	32.29	(0.30)	186.27	82.81	37.02	0.27	71.47
	Furniture and Fixtures	18.10%	134.25	54.65	-	188.89	57.90	19.20	-	76.35
	Office Equipments	13.91%	79.52	21.37	(0.20)	100.69	23.93	9.37	0.03	55.60
	Electric Installation	13.91%	29.08	-	-	29.08	11.49	2.45	-	17.59
b)	Vehicles	25.89%	292.20	22.75	(35.30)	279.66	85.62	56.40	19.12	206.59
	Current Year ₹		689.33	131.06	(35.80)	784.59	261.74	124.44	19.41	427.59
	Previous Year ₹		559.21	178.65	(48.53)	689.33	183.54	85.12	6.91	-
	Intangible Assets									
	Softwares	(Refer note a)	36.14	105.07	-	141.21	14.14	35.49	-	22.00
	Royalty	(Refer note b)	-	705.40	-	705.40	-	93.49	-	-
	Current Year ₹		36.14	810.47	-	846.61	14.14	128.98	-	22.00
	Previous Year ₹		16.75	19.39	-	36.14	8.13	6.01	-	-
Notes:										
a) Softwares are amortized on pro rata basis using straight line method over the useful life estimated by the management which is three years.										
b) Royalty is amortized on pro-rata basis using straight line method over the useful life estimated by the management which is five years.										
c) Amortization of software.										
Year of Acquisition	Cost	Amortized		Balance to be amortized						
		No. of years*	Amount	No. of years*	Amount					
2010-11	13.31	3	13.31	0	-					
2011-12	3.44	3	2.48	1	0.96					
2012-13	19.39	2	6.90	2	12.49					
2013-14	810.47	1	120.44	3	690.03					
Total	846.61		143.13		703.48					
* Period of amortization of less than 6 months is not considered in the number of years column.										

* Period of amortization of less than 6 months is not considered in the number of years column.



		(₹ in Lacs)	
Particulars		As At 31/03/2014	As At 31/03/2013
9. Non Current Investments			
9.1 Trade Investments, Unquoted (valued at cost unless stated otherwise)			
Investment in equity shares of Subsidiaries			
2,50,00,000 (31 March 2013 : 2,50,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Securities Private Limited		2,500.00	2,500.00
50,00,000 (31 March 2013 : 50,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Investment Advisors Private Limited		500.00	500.00
50,00,000 (31 March 2013 : 50,00,000) Equity Share of ₹ 10/- each fully paid up (Previous Year partly paid up ₹ 1/- each) of Capri Global Distribution Company Private Limited		500.00	500.00
25,00,000 (31 March 2013 : 25,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Finance Private Limited		250.00	250.00
50,000 (31 March 2013 : 50,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Resources Private Limited		5.00	5.00
1,50,000 (31 March 2013 : 1,50,000) Equity Share of ₹ 10/- each paid up of Capri Global Research Private Limited		15.00	15.00
Sub - Total		3,770.00	3,770.00
9.2 Non-trade Investments , Quoted (valued at cost unless stated otherwise)			
Investment in Equity Instruments			
Nil (31 March 2013 : 3,85,446) Equity Shares of ₹ 10/- each fully paid up of Credit Analysis & Research Limited		-	1,992.07
Sub - Total		-	1,992.07
Total		3,770.00	5,762.07
Aggregate amount of Quoted Investments		-	1,992.07
Aggregate amount of Market Value of Quoted Investments		-	3,124.04
Aggregate amount of Unquoted Investments		3,770.00	3,770.00

		(₹ in Lacs)			
Particulars		Non-Current		Current	
		31-03-2014	31-03-2013	31-03-2014	31-03-2013
10. Loans and Advances					
10.1 Capital Advances					
Unsecured, considered good		1,003.74	1,155.15	3.90	39.05
		1,003.74	1,155.15	3.90	39.05
10.2 Security Deposit					
Unsecured, considered good		43.56	51.44	2.60	-
		43.56	51.44	2.60	-

Notes to Financial Statements

For the Year Ended 31st March, 2014

Particulars	(₹ in Lacs)			
	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
10.3 Other Loans and Advances				
Income Tax Deposits (Net of Provision for Taxation)	-	186.80	-	-
Other Advances	0.00	-	4.40	7.01
Prepaid Expenses	8.06	0.02	22.12	12.64
Loans to Employees				
Less than 12 months	-	-	36.00	-
More than 12 months	43.75	34.94	-	-
Current maturities of more than 12 months	-	-	-	36.56
Gratuity Fund with LIC of India (Net of Provision)	-	-	1.75	(6.74)
Advances Recoverable in cash or kind (Secured, Considered good)	50,629.99	26,367.51	22,201.06	12,280.81
	50,681.81	26,589.28	22,265.33	12,330.27
Less: Statutory Provision on Standard Assets	(242.15)	(131.84)	(102.01)	(61.40)
Less: Provision for Substandard Assets	(220.00)	-	(180.00)	-
Sub - Total	50,219.66	26,457.44	21,983.32	12,268.87
Total	51,266.96	27,664.03	21,989.82	12,307.92

Note: The Gratuity fund with LIC Of India is ₹ 40.59 Lacs (31 March 2013 ₹ 18.90 Lacs).
The Provision for Gratuity is ₹ 38.84 Lacs (31 March 2013 ₹ 25.64 Lacs)

Particulars	(₹ in Lacs)			
	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
11. Other Assets				
Interest accrued but not due	15.70	-	504.96	1,244.76
Fixed Deposits with original maturity for more than 12 months	-	12.12	-	-
Inventory of Gift Items	-	-	60.91	67.79
Service Tax Receivables	-	-	15.66	3.10
	15.70	12.12	581.53	1,315.65



		(₹ in Lacs)	
Particulars	As At 31/03/2014	As At 31/03/2013	
12. Inventories			
(valued at lower of cost and net realizable value)			
Traded Goods			
i) Bonds			
250 (31 March 2013: 250) Units of 8.95% Infotel Broadband Services Ltd	2,354.47	2,470.55	
ii) Mutual Fund			
50,00,000 (31 March 2013: 50,00,000) Units Of ICICI Pru. FMP Series 66-405days PlanJ(G)-Direct	500.00	500.00	
18,58,400.94 (31 March 2013: Nil) Units Of ICICI Pru. FMP Series 66-405days PlanJ(G)-Direct	4,463.90	-	
Nil (31 March 2013: 5,27,56,602.10) Units Of ICICI Pru MF Blended Plan B Direct Plan (G)	-	9,230.98	
Nil (31 March 2013: 88,72,696.04) Units Of ICICI Pru MF Gilt Fund Treasury Direct Plan (G)	-	2,611.48	
2,71,913.83 (31 March 2013: 84,228.74) Units Of Rel MF Liquid Plan - Treasury Plan- Direct (G)	8,483.13	2,380.84	
Nil (31 March 2013: 1,59,83,530.57) Units Of Rel. MF Monthly Interval Fund Series II (G)Direct	-	2,500.00	
Nil (31 March 2013: 3,52,350.84) Units Of Union KBC Liquid Fund (G) - Direct	-	4,130.30	
Total	15,801.51	23,824.16	
13. Trade receivables			
Unsecured, considered good			
Outstanding for a period exceeding six months from the due date of payment	-	-	
Outstanding for a period less than six months	789.61	3,959.62	
Less: Provision for Standard Assets	(3.92)	(19.75)	
Total	785.69	3,939.87	
14. Cash and Bank Balances			
14.1 Cash and Cash equivalents			
Cash in hand	1.00	1.00	
Balance with banks			
In Current Accounts	175.07	908.96	
	176.07	909.96	
14.2 Other Bank Balances			
Fixed Deposits with original maturity for more than 3 months but less than 12 months	1,500.00	-	
Current maturities of fixed deposits with original maturity of more than 12 months	12.12	13,000.00	
	1,512.12	13,000.00	
Total	1,688.19	13,909.96	

Note:

14(i) Fixed Deposits of ₹ 1500 Lacs (31 March 2013 : ₹ 13000 Lacs) have been pledged as security for overdraft facility from bank.

Notes to Financial Statements

For the Year Ended 31st March, 2014

		(₹ in Lacs)	
Particulars	Year Ended 31/03/2014	Year Ended 31/03/2013	
15. Revenue from Operations			
15.1 Income from Traded Goods			
Sale of Government & Corporate Bonds	7,900.03	21,127.69	
Sale of Mutual Funds	173,239.35	153,924.45	
	181,139.38	175,052.13	
Less: Purchases	172,028.87	178,291.39	
Less: Changes in Inventories	8,022.65	(5,394.40)	
Less: Direct Expenses	0.01	-	
Sub -Total	1,087.85	2,155.13	
15.2 Revenue From Financial Services			
Fees from Advisory Services	2.50	-	
Loan Processing Fees Received	628.82	532.98	
Sub -Total	631.32	532.98	
15.3 Interest Income			
Interest on Loans given	11,551.04	7,633.25	
Interest on Bonds/Application Money for Bonds	454.85	769.12	
Interest on Bank Deposits	1,133.21	1,225.29	
Sub -Total	13,139.09	9,627.66	
15.4 Other Operating Income			
Dividend on Current Investments	-	0.85	
Dividend on Non Current Investments	77.88	46.25	
LTCG on sale of Non Current Investments	816.81	-	
Prepayment Charges Received	72.58	3.55	
Sub -Total	967.27	50.66	
Total Revenue from Operations	Total	15,825.52	12,366.44
Note			
15(i) Details of Traded Goods			
Government Securities	4,990.10	15,424.71	
Corporate Bonds	2,909.93	5,702.98	
Mutual Funds	173,239.35	153,924.45	
Sub -Total	181,139.38	175,052.14	
16. Other Income			
Other non-operating income			
Bad Debts of Syndication Business Recovered	625.52	747.00	
Rent Received	8.87	-	
Profit on sale of assets	157.95	26.89	
Provisions no longer required, written back	-	515.27	
Prior Period Items	-	15.99	
Total	792.34	1,305.15	



Particulars	(₹ in Lacs)	
	Year Ended 31/03/2014	Year Ended 31/03/2013
17. Employee Benefit Expenses		
Salaries, Wages and Bonus	2,141.52	1,617.28
Contribution to Provident Fund	43.70	29.50
Employees Stock Option Scheme Expenses	2.44	31.59
Reversal of ESOP Expenses on lapsed options	-	(19.33)
Gratuity Expenses (Note No. 22)	11.58	12.17
Staff Welfare Expenses	63.20	55.91
Total	2,262.44	1,727.11
18. Finance Costs		
Interest on Bank Overdraft	159.84	5.91
Total	159.84	5.91
19. Depreciation and Amortization Expenses		
Depreciation of Tangible Assets	124.44	85.12
Amortization of Intangible Assets	128.98	6.01
Total	253.42	91.13
20. Loan Provisions		
Provision for Restructured assets	400.00	-
General Provision for Standard assets	135.09	115.88
Total	535.09	115.88
21. Other Expenses		
Advertisement Expenses	6.87	6.09
Bad Debts Written Off	0.92	12.25
Bank charges	1.24	0.65
Business Promotion Expenses	14.99	14.93
Computer Maintenance	11.05	11.17
Conveyance Expenses	26.43	12.33
Custodian Charges	1.00	1.00
Directors Sitting Fees	11.17	7.61
Delivery/Brokerage Charges	3.50	-
Donation	11.70	-
Electricity Charges	32.21	20.40
Foreign Travelling Expenses	14.86	28.22
General Expenses	50.46	23.29
Insurance Charges	2.09	1.97
Legal & Professional Fees	284.95	194.89
Listing Fees & Stock Exchange Fees	1.75	1.74

		(₹ in Lacs)	
Particulars	Year Ended 31/03/2014	Year Ended 31/03/2013	
Meeting & Conference Expenses	5.18	3.48	
Membership & Subscription	16.91	5.94	
Motor Car Expenses	9.21	2.31	
Payment to Auditors (as per details given below)	6.00	5.25	
Printing & Stationery	24.60	12.80	
Postage & Stamps	10.89	3.15	
Rates & Taxes	5.11	5.24	
Recruitment & Training Expenses	61.14	70.09	
Rent Paid	356.70	353.09	
Software Expenses	2.51	1.65	
STT on sale of Investment	2.81	-	
Telephone and Internet Expenses	43.43	28.12	
Travelling Expenses	128.03	102.07	
Total	1,147.70	929.73	
Payment to Auditors Include			
As Auditor			
Statutory Audit Fees	3.50	3.30	
Tax Audit Fees	1.45	0.50	
Limited Review	0.75	1.15	
In Other capacity			
Certification fees	0.30	0.30	
Reimbursement of Expenses	-	-	
Total	6.00	5.25	

22. Gratuity and other post employment benefit plans (AS - 15)

The Company has an funded defined benefit obligation plan for gratuity under the Group Gratuity scheme of Life Insurance Corporation of India. The company has created plan assets by contributing to the Gratuity Fund with LIC Of India.

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of profit and loss, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

A) Principal actuarial assumptions as at the balance sheet date:

Particulars	2013-14	2012-13
Mortality	LIC 1994-96 (ultimate)	LIC 1994-96 (ultimate)
Discount Rate	8.00%	8.00%
Salary Escalation	5.00%	5.00%
Employee Attrition Rate	5.00%	1.00% to 3.00%



B) Changes in the present value of the defined benefit obligation are as follows:

	(₹ in Lacs)	
Particular	2013-14	2012-13
Liability at the beginning of the Year	25.64	13.47
Interest Cost	2.29	1.08
Current Service Cost	21.52	5.98
Past Service Cost (non vested benefit)	-	-
Past Service Cost (vested benefit)	-	-
Benefits paid	(3.78)	-
Actuarial (Gain)/Loss	(6.84)	5.11
Liability at the end of the Year	38.83	25.64

C) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particular	2013-14	2012-13
Investments with LIC of India	18.90	13.41
Actual return on plan assets	4.09	-
Contributions	20.18	5.49
Benefits Paid	(3.78)	-
Actuarial (Gain)/Loss on plan assets	1.19	-
Fair value of plan assets at the end of the year	40.58	18.90

**D) Amount Recognized in Balance Sheet
Provision for Gratuity**

Particular	2013-14	2012-13
Liability at the end of the Year	38.83	25.64
Fair Value of plan assets at the end of the year	40.58	18.90
Difference	1.75	(6.74)
Unrecognised past service cost	-	-
Unrecognised transition liability	-	-
Amount in Balance Sheet	1.75	(6.74)

**E) Statement of Profit and Loss
Net Employee Benefit Expenses (recognised in employee cost)**

Particular	2013-14	2012-13
Current Service Cost	21.52	5.98
Interest on defined benefit obligation	2.29	1.08
Expected returns on plan assets	(4.09)	-
Net actuarial losses/(gains) recognised in the year	(8.03)	5.11
Past Service Cost	(0.11)	-
Actuarial (gain)/losses	-	-
Total included in employee benefit expense	11.58	12.17

23. Employee Stock Option Plan

Date of grant	October 27, 2009
Date of Board/Committee Approval	October 27, 2009
Date of Shareholder's Approval	September 22, 2009
Number of options granted	825,000
Method of Settlement (Cash/Equity)	

Equity	
Vesting Dates	No. of Options
1-Nov-11	18,000
1-Nov-12	229,500
1-Nov-13	247,500
1-Nov-14	330,000
Total	825,000

Exercisable period

Within 3 Years from the Vesting date

The details have been summarized below:

Grant Date 27/10/2009

Particulars	As At 31/03/2014		As At 31/03/2013	
	Number of Shares	Weighted Average Exercise Price (₹)	Number of Shares	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	57,750	10	111,300	10
Add: Granted during the year	-	10	-	10
Less: Forfeited during the year	-	NA	-	NA
Less: Exercised during the year	22,500	10	24,900	10
Less: Expired/Lapsed during the year	13,650	NA	28,650	NA
Outstanding at the end of the year	21,600	10	57,750	10
Exercisable at the end of the year	-	NA	-	NA
Weighted average remaining contractual life (in years)		1		2
Weighted average fair value of options granted		116.11		116.82

The Black Scholes Model has been used for computing the weighted average fair value of options considering the following inputs:

	Year 5
Exercise Price	₹ 10
Expected Volatility (%)	64.86%
Historical Volatility	NA
Life of the options granted in years	5
Expected dividends per annum (₹)	1.5
Average risk-free interest rate (%)	8.47%

Effect of the employee share-based payment plans on the Statement of Profit and Loss and on its financial position:

(₹ in Lacs)

Particulars	As at 31/03/2014	As at 31/03/2013
Compensation cost pertaining to equity-settled employee share-based payment plan included above	22.33	46.22
Liability for employee stock options outstanding as at year end	25.28	67.60
Deferred compensation cost	2.95	21.38



Since the enterprise used the intrinsic value method, the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after 1 April, 2005. The said guidance note requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements applying the fair value based method defined in the said guidance note. The impact on the reported net profit and earnings per share would be as follows:

Particulars	(₹ in Lacs)	
	As at March 31, 2014	As at March 31, 2013
Profit as reported	8,176.03	7,426.57
Add: Employee stock compensation under intrinsic value method	(23.89)	(16.89)
Less: Employee stock compensation under fair value method	(24.00)	(17.90)
Proforma profit	8,176.14	7,427.58
Earnings per share		
Basic (₹)		
As reported	23.38	21.28
Proforma	23.38	21.28
Diluted (₹)		
As reported	23.35	20.81
Proforma	23.35	20.81

24. Segment Reporting (AS - 17)

The Company operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of AS - 17 on 'Segment Reporting'.

25. Disclosures as required by Accounting Standard (AS - 18) 'Related Party Disclosures' in respect of transactions for the year are as under

A) List of Related Parties over which control exists

Sr. No.	Name of the Related Party	Relationship
i	SUBSIDIARIES	
1	Capri Global Securities Private Limited	Wholly owned Subsidiary
2	Capri Global Investment Advisors Private Limited	Wholly owned Subsidiary
3	Capri Global Distribution Company Private Limited	Wholly owned Subsidiary
4	Capri Global Finance Private Limited	Wholly owned Subsidiary
5	Capri Global Research Private Limited	Wholly owned Subsidiary
6	Capri Global Resources Private Limited	Wholly owned Subsidiary

B) Enterprises over which Management and/or their relatives have control

1	Money Matters Infrastructure Private Limited
2	Parijat Properties Pvt Ltd
3	Dreamwork Media & Entertainment Pvt Ltd

C) Key Management Personnel

1	Mr. P.H. Ravikumar	Managing Director (Upto 24-January-2014)
2	Mr. Rajesh Sharma	Director (Chairman & Managing Director Upto 11-April-2013)
3	Mr. Quinton E Primo III	Chairman (From 02-August-2013)
4	Mr. Sunil Kapoor	Executive Director (From 24-January-2014)

D) Details of transactions during the year and closing balances as at the year end:

(₹ in Lacs)

Sr . No.	Particulars	Subsidiaries		Enterprises over which Management and/or their relatives have control		Key Management Personnel		Total	
		Year Ended 31/03/2014	Year Ended 31/03/2013	Year Ended 31/03/2014	Year Ended 31/03/2013	Year Ended 31/03/2014	Year Ended 31/03/2013	Year Ended 31/03/2014	Year Ended 31/03/2013
a	Profit and Loss Account Items:								
	i Incomes								
	Rent Received	-	-	8.87	-	-	-	8.87	-
	ii Expenses								
	Rent Paid	-	-	168.55	183.17	-	0.04	168.55	183.21
	Salaries, Commission and other benefits	-	-	-	-	58.57	279.39	58.57	279.39
	Director Sitting Fees	-	-	-	-	0.60	-	0.60	-
b	Balance Sheet Items:								
	i Loans Given	21.05	5,755.51	-	-	-	-	21.05	5,755.51
	ii Loans Received Back	21.05	7,585.05	-	-	-	-	21.05	7,585.05
	iii Recoverable Amount								
	a) Expenses incurred for related parties	35.47	2,830.85	-	-	-	-	35.47	2,830.85
	iv Security Deposits given & received	-	0.03	-	-	-	-	-	0.03
	v Investment in equity shares	-	14.00	-	-	-	-	-	14.00
c	Balance Sheet Items: (Closing Balances)								
	Loans & Advances Given	-	-	-	-	-	-	-	-
	(Maximum Amount Involved during the year)	21.05	4,356.79	-	-	-	-	21.05	4,356.79

26. Leases (AS - 19)

Operating Leases

The company has taken office premises & guest houses under operating lease and the leases are of cancellable/non-cancellable in nature. The lease arrangement are normally renewable on expiry of the lease period at the option of the lessor/lessee ranging from 3 to 5 years. Some of the lease agreements having lease period of five years have a lock in period of three years which are non-cancellable in nature. After the expiry of the lock in period, the lease agreement becomes cancellable in nature at the option of the lessor or the lessee by giving 1-3 months notice to the either party. There are no restrictions imposed by the lease agreement. There is no contingent rent in the lease agreement. There is escalation clause in some lease agreements. The future minimum lease payments in respect of the non cancellable lease are as follows :



Particulars	(₹ in Lacs)	
	2013-14	2012-13
a) Payable not later than one year	294.36	84.61
b) Payable later than one year and not later than three years	244.13	131.18

The lease payments recognized in the Statement of Profit & Loss in respect of non-cancellable lease for the year are ₹ 102.71 Lacs (31 March 2013: ₹ 64.33 Lacs).

The lease payments recognized in the Statement of Profit & Loss in respect of cancellable lease for the year are ₹ 249.02 Lacs (31 March 2013: ₹ 267.49 Lacs).

The Company had sub-leased the office premises under operating lease in the current year.

The lease income recognized in the Statement of Profit & Loss for the year is ₹ 8.87 Lacs (31 March 2013: ₹ Nil/-).

27. Earnings Per Share (AS - 20)

Particulars			For Year Ended 31/03/2014	For Year Ended 31/03/2013
Net Profit after tax as per Statement of Profit and Loss	(A)	₹ In Lacs	8,176.03	7,426.57
Net Profit after tax & before exceptional items as per Statement of Profit and Loss	(B)	₹ In Lacs	8,176.03	7,426.57
Weighted average number of equity shares for calculating Basic EPS	(C)	Nos.	34,963,427	34,896,905
Weighted average number of equity shares for calculating Diluted EPS	(D)	Nos.	35,010,682	35,686,926
Basic earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (after exceptional items)	(A)/(C)		23.38	21.28
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (After exceptional items)	(A)/(D)		23.35	20.81
Basic earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (Before exceptional items)	(B)/(C)		23.38	21.28
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (Before exceptional items)	(B)/(D)		23.35	20.81

Particulars			For Year Ended 31/03/2014	For Year Ended 31/03/2013
Weighted average number of equity shares for calculating EPS	Nos.		34,963,427	34,896,905
Add: Equity shares arising on conversion of warrants	Nos.		27,408	736,618
Add: Equity shares for no consideration arising on grant of stock options under ESOP	Nos.		19,847	53,403
Weighted average number of equity shares in calculation of diluted EPS	Nos.		35,010,682	35,686,926

28. Impairment of Assets (AS - 28)

The Company believes that no impairment of assets arises during the year as per Accounting Standards-28 "Impairment of Assets".

29. Contingent Liabilities

On account of bank guarantee to the Central Bureau of Investigation against release of cash ₹ 12.12 Lacs (31 March 2013 : ₹ 12.12 Lacs)

30. Capital and other commitments

- a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 20.42 Lacs (31 March 2013 ₹ 126.05 Lacs)
- b) Other Commitments
Pending disbursements of sanctioned loans ₹ 5776.56 Lacs (31 March 2013, ₹ 1,312.73 Lacs)

31 (a). Additional Disclosures as required in terms of Paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India.

(₹ in Lacs)

Particulars		
Liabilities Side		
1	Loans and advances availed by the non-banking financial company	Amount Outstanding
a)	Debentures:	Amount Overdue
	Secured	-
	Unsecured	-
	(other than falling within the meaning of public deposits)	
b)	Deferred Credits	-
c)	Term Loans	-
d)	Inter Corporate loans and borrowings	-
e)	Commercial Paper	-
f)	Other Loans (Specify nature) Bank O/D	-
	Total	-

Assets Side

	Amount Outstanding
2	Breakup of Loans and Advances including bills receivables (other than those included in (4) below):
a)	Secured 73,616.14
b)	Unsecured -
3	Breakup of Leased Assets and stock on hire and other assets counting towards AFC activities
i)	Lease assets including lease rentals under sundry debtors:
a)	Financial Lease -
b)	Operating Lease -
ii)	Stock on hire including hire charges under sundry debtors:
a)	Assets on hire -
b)	Reposessed Assets -
iii)	Other loans counting towards AFC activities
a)	Loans where assets have been reposessed -
b)	Loans other than (a) above -

Capri Global Capital Limited

5 Borrower groupwise classification of assets financed as in (2) and (3) above:

(₹ in Lacs)

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	73,616.14	-	73,616.14
Total	73,616.14	-	73,616.14

6 Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	5,974.75	3,770.00
b) Companies in the same group	-	-
c) Other related parties	-	-
2. Other than related parties	15,801.50	15,801.50
Total	21,776.25	19,571.50

7 Other information

(₹ in Lacs)

Particulars	Amount
i) Gross Non Performing Assets	
a) Related Parties	-
b) Other than related parties	4,000.00
ii) Net Non Performing Assets	
a) Related Parties	-
b) Other than related parties	3,600.00
iii) Assets acquired in satisfaction of debt	-

31 (b) Disclosures in terms of Paragraph 10 of Non-Banking Financial (Non-Deposit Accepting or Holding)

Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India.

(I) Disclosure for CRAR:

CRAR	Items	As on 31/03/2014	As on 31/03/2013
i)	CRAR (%)	93.34%	116.89%
ii)	CRAR - Tier I Capital (%)	93.00%	116.60%
iii)	CRAR - Tier II Capital (%)	0.34%	0.28%



(II) Exposure to Real Estate Sector

(₹ in Lacs)

Category	As on 31/03/2014	As on 31/03/2013
a) Direct Exposure		
i) Residential Mortgages - Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 Lacs may be shown separately)	13,438.55	Nil
ii) Commercial Real Estate - Lending secured by mortgages on commercial real estates (office buildings, retail space, multipurpose commercial premises, multi-family residential buildings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.)	59,631.53	41,919.63
iii) Investments in Mortgage Backed Securities (MBS) and other securitised exposures -		
a. Residential	Nil	Nil
b. Commercial Real Estate	Nil	Nil
b) Indirect Exposure		
Fund based and non-fund based exposure on National Housing Bank (NHB) and Housing Finance Companies (HFCs.)	Nil	Nil

(III) Maturity Pattern of Assets & Liabilities as at 31/03/2014

	1 Day to 30/31 days(One Month)	Over 1 Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Liabilities									
Borrowing from Banks	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Market Borrowings	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Assets									
Advances	1,949.65	2,036.89	1,133.80	6,335.58	13,370.84	27,980.52	7,505.39	13,303.47	73,616.14
	(1,277.00)	(2,439.00)	(539.00)	(2,926.00)	(6,796.80)	(26,268.10)	(737.00)	(1,616.22)	(42,599.12)
Investments	-	-	-	-	15,801.51	-	-	3,770.00	19,571.51
	-	-	-	-	(23,824.16)	-	-	(5,762.07)	(29,586.23)

Note: Figures of Previous years are given in brackets

32 - Disclosure of Restructured Accounts

SL No	Type of Restructuring		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1	-	-	-	-	-	1	-	-	1
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	40	-	-	-	-	40	-	-	40
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	4	-	-	-	-	4	-	-	4
3	Upgradations to restructured standard category during the FY 2013-14	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and/or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY 2013-14	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY 2013-14	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2013-14 (closing figures*)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1.00	-	-	-	-	1.00	-	-	-	1.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	40.00	-	-	-	40.00	-	-	-	40.00
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	4.00	-	-	-	4.00	-	-	-	4.00
* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).																						



33. Expenditure in Foreign Currency

Foreign Travelling Expenses	₹ 14.86 Lacs (31 March 2013 : ₹ 18.38 Lacs)
Director Sitting Fees	₹ 0.60 Lacs (31 March 2013 : ₹ Nil)
Capital Expenditure (Royalty)	₹ 605.79 Lacs (31 March 2013 : ₹ Nil)

34. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

- 35.** The Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, require the Company to make provision for standard assets at 0.25 percent of the Standard Assets. However, as a prudent practice from FY 2012-13, the Company has adopted to make provision of 0.50. Consequently, during the current financial year 2013-14, the profits of the company are lower by ₹ 67.54 Lacs.

During the year, the Company, has decided to provide an additional Floating provision on standard asset of 0.25 percent which will be available for adjustment towards provision for Substandard Assets. Accordingly an amount of ₹ 174.04 Lacs is provided as a Floating Provision, which has been adjusted towards the Provision for Substandard Assets, thereby having no impact on Profits for the year.

- 36.** The 5th warrant conversion period in relation to 36,83,092 outstanding warrants of the Company commenced from 27th December, 2013 and ended on 26th March, 2014. Warrant Conversion price was fixed at ₹ 109.62 (including premium of ₹ 99.62). Warrant holders holding 27,408 warrants opted for conversion to equity shares and the Company received an amount of ₹ 30.04 Lacs from the warrant holders who have exercised their option to convert warrants into equity shares. The shares were allotted on 2nd April, 2014. The amount received has not been utilized for any purpose as at the end of the year. The balance 36,55,684 warrants have lapsed.

37. Utilization of money received on conversion of warrants

During the year ended 31 March, 2014 the company raised ₹ 30.04 Lacs towards conversion of 27,408 warrants into equity shares. As on 31 March 2014, the said proceeds were not utilized & were parked in a separate bank account.

- 38.** In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

39. Previous year figures

Previous year figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

As per our report of even date attached
For and on behalf of

For and on behalf of the Board of Directors

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Viral Joshi)

Partner
Membership No. 137686

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

Place : Mumbai
Date : 9th May, 2014

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CONSOLIDATED FINANCIAL STATEMENTS

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INDEPENDENT AUDITORS' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS TO THE BOARD OF DIRECTORS OF **Capri Global Capital Limited**

(formerly known as Money Matters Financial Services Limited)

Report on the Financial Statements

We have audited the attached Consolidated financial statements **CAPRI GLOBAL CAPITAL LIMITED** (formerly known as Money Matters Financial Services Limited) ('the Company') and its subsidiaries (together referred to as "Group"), which comprise the Consolidated Balance Sheet as at March 31, 2014, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these consolidated financial statements that gives a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the Accounting principles accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- In the case of the Consolidated Statement of Profit and Loss, of the **Profit** for the year ended on that date; and
- In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Viral Joshi)
Partner
Membership No. 137686

192, Dr. D. N. Road
Mumbai - 400001
Dated: 9th May, 2014

CONSOLIDATED BALANCE SHEET

As At 31st March, 2014

		(₹ in Lacs)	
	Notes	As At 31/03/2014	As At 31/03/2013
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	3,497.80	3,491.25
Reserves and Surplus	3	94,107.02	86,454.70
Money Received against Share Warrants		30.04	45.60
		<u>97,634.85</u>	<u>89,991.56</u>
2 Non-Current Liabilities			
Other Long Term Liabilities	4	340.20	145.09
		<u>340.20</u>	<u>145.09</u>
3 Current Liabilities			
Trade Payables	5	59.99	36.01
Other Current Liabilities	4	56.75	62.94
Short Term Provisions	6	1,023.41	1,113.31
		<u>1,140.15</u>	<u>1,212.26</u>
Total		<u>99,115.20</u>	<u>91,348.90</u>
II. ASSETS			
1 Non Current Assets			
Fixed Assets			
Tangible Assets	7	493.68	521.41
Intangible Assets	7	703.48	22.00
		<u>1,197.17</u>	<u>543.41</u>
Non Current Investments	8	3,086.96	2,285.45
Deferred Tax Assets (Net)	9	150.40	169.20
Long Term Loans and Advances	10	51,861.72	28,332.78
Other Non Current Assets	11	182.37	165.43
		<u>55,281.46</u>	<u>30,952.86</u>
2 Current Assets			
Inventories	12	17,270.52	27,760.30
Trade Receivables	13	895.54	4,398.34
Cash and Bank Balances	14	1,875.88	14,048.12
Short Term Loans and Advances	10	21,996.20	12,312.14
Other Current Assets	11	598.43	1,333.74
		<u>42,636.57</u>	<u>59,852.63</u>
Total		<u>99,115.20</u>	<u>91,348.90</u>
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

(Viral Joshi)

Partner
Membership No. 137686

Place : Mumbai

Date : 9th May, 2014

For and on behalf of the Board of Directors

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

For the Year Ended 31st March, 2014



	Notes	For the Year Ended 31/03/2014	(₹ in Lacs) For the Year Ended 31/03/2013
I. INCOME			
Revenue from Operations	15	16,190.90	12,826.05
Other Income	16	922.81	1,316.49
Total Revenue		17,113.71	14,142.54
II. EXPENSES			
Employee Benefit Expenses	17	2,367.68	1,923.77
Finance Costs	18	159.84	5.92
Depreciation and Amortization Expenses	19	271.37	113.99
Loan Provisions	20	535.09	115.88
Other Expenses	21	1,157.18	1,076.52
Total Expenses		4,491.16	3,236.08
III. Profit before Exceptional Items and Tax		12,622.55	10,906.46
Less: Exceptional Items		304.83	-
IV. Profit before Tax		12,317.72	10,906.46
Less: Tax Expenses			
Current Tax		4,077.06	3,405.55
Deferred Tax		18.79	(159.33)
Earlier years adjustments		(1.01)	1.96
		4,094.83	3,248.17
V. Profit for the period		8,222.89	7,658.28
VI. Earnings per Equity Share Before Exceptional Items			
(Nominal Value of share ₹ 10/- each)	27		
Basic		24.39	21.95
Diluted		24.36	21.46
Earnings per Equity Share After Exceptional Items			
(Nominal Value of share ₹ 10/- each)	27		
Basic		23.52	21.95
Diluted		23.49	21.46
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date attached

For and on behalf of

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

(Viral Joshi)

Partner
Membership No. 137686

Place : Mumbai

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For and on behalf of the Board of Directors

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

CONSOLIDATED CASH FLOW STATEMENT

For the Year Ended 31st March, 2014

Particulars	(₹ in Lacs)	
	31/03/2014	31/03/2013
(A) CASH FLOW FROM OPERATING ACTIVITIES AND EXCEPTIONAL ITEMS		
Profit Before Taxation	12,317.73	10,906.46
Add/(Less):		
Depreciation	271.37	113.99
Stock Options Adjustment	2.44	12.26
Bad Debts Written Off	305.74	12.25
Provisions/Sundry Balances Written back/off	0.44	(520.59)
Profit on Sale of Non-Operating assets	(157.95)	(26.89)
Provision for Standard Assets	135.09	115.88
Provision for Sub-Standard Assets	400.00	-
Operating Profit	13,274.87	10,613.35
Add: Exceptional Item	-	-
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	13,274.87	10,613.35
Movements in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	(30,326.58)	(5,873.28)
(Increase)/Decrease in Stock-in-trade	10,489.79	(7,445.16)
Increase/(Decrease) in Trade & Other Payables	91.46	165.25
CASH FLOW FROM OPERATING ACTIVITIES	(6,470.46)	(2,539.84)
Less:		
Direct Taxes Paid	(3,762.34)	(3,386.87)
Income Tax Adjustment of earlier years	-	-
NET CASH (USED IN) OPERATING ACTIVITIES	(A) (10,232.80)	(5,926.71)
(B) CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(941.52)	(198.05)
Sale of Non-Operating Assets	361.02	-
Sale of Fixed Assets	16.40	68.51
Investment in Fixed Deposit	(1,500.00)	(10,998.35)
Encashment of Fixed Deposit	13,041.86	11,575.27
(Increase)/Decrease in Investments	(801.50)	2,931.04
NET CASH FLOW (USED IN) INVESTING ACTIVITIES	(B) 10,176.26	3,378.43

Consolidated Cash Flow Statement

For the Year Ended 31st March, 2014



		(₹ in Lacs)	
Particulars		31/03/2014	31/03/2013
(C) CASH FLOW FROM FINANCING ACTIVITIES			
Money Received against share warrants		30.04	45.60
Dividend Paid		(524.33)	(348.88)
Tax on Dividend		(89.11)	(56.60)
Money received for increase in Share Capital		2.25	2.49
NET CASH FLOW GENERATED FROM FINANCING ACTIVITIES	(C)	(581.15)	(357.38)
NET INCREASE/(DECREASE) IN CASH & CASH EQUIVALENTS	(A+B+C)	(637.70)	(2,905.66)
Cash & Cash Equivalents at the beginning		923.76	3,829.45
Cash & Cash Equivalents at the end		286.06	923.79
Net Increase/(Decrease) in Cash & Cash Equivalents		(637.70)	(2,905.66)
Notes:			
1. CASH AND CASH EQUIVALENTS			
Cash in hand		1.02	1.01
Balance with banks:			
In Current Accounts		285.04	922.78
TOTAL		286.06	923.79

- Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
- Previous year's figures have been regrouped, wherever necessary to confirm to current year's classification.
- Figures in brackets represent outflows.

As per our report of even date attached
For and on behalf of

For and on behalf of the Board of Directors

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

(Viral Joshi)

Partner
Membership No. 137686

(Sunil Kapoor)

Executive Director

(Rajesh Sharma)

Director

(Gaurang Shah)

Associate Director Finance & Accounts

(Harish Agrawal)

Vice President & Company Secretary

Place: Mumbai
Date : 9th May, 2014

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

For the Year Ended 31st March, 2014

1. Significant Accounting Policies

1.1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the *Companies (Accounting Standards) Rules, 2006, (as amended)* and the relevant provisions of the Companies Act, 1956 and the guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year, except for the change in accounting policy explained below.

1.2 Change in accounting Policy

Provisioning in Standard Assets

The Reserve Bank of India (RBI) vide Notification No. DNBS 223/CGM (US) -2011 dated January 17, 2011 has issued directions to all NBFCs to make provision of 0.25% on standard assets. However, the Company is making provision @ 0.50% on Standard Assets from FY 2012-13. Further, from the current Financial Year, the company has decided to make a Floating Provision on Standard Assets @ 0.25% which will be available for adjustment against Provision on Sub-standard Assets.

1.3 Use of Estimates

Presentation and Disclosure of Financial Statement

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.4 Basis of Consolidation

The consolidated financial statements relate to Capri Global Capital Limited (the Parent Company) and its subsidiary companies.

(i) Principles of Consolidation

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS-21) - "Consolidated Financial Statements" as prescribed under the Companies (Accounting Standards) Rules, 2006. The consolidated financial statements have been prepared on the following basis:

- a) The financial statements of the Parent and its subsidiary companies (together the "Group") have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions.
- b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiaries with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.
- c) The excess of cost to the Parent Company of its investment in the subsidiary over the Parent Company's portion of equity of the subsidiary is recognised in the financial statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.
- d) The financial statements of the subsidiaries used in consolidation are drawn upto the same reporting date as that of the Parent Company i.e. year ended March 31, 2014.



(ii) Wholly owned Indian subsidiary companies included in the consolidated financial statements

Name of Subsidiaries

- a) Capri Global Investment Advisors Private Limited
- b) Capri Global Securities Private Limited
- c) Capri Global Distribution Company Private Limited
- d) Capri Global Finance Private Limited
- e) Capri Global Research Private Limited
- f) Capri Global Resources Private Limited

The above subsidiaries are audited by the auditor of the Holding Company for the current as well as the previous financial year.

1.5 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. The following specific recognition criteria are met before revenue is recognized:

a) Sale of Traded Goods

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

b) Income from Advisory Services

Income from Advisory Services are accounted for as and when the relevant services are rendered and revenue is recognised using completed service contract method except where the recovery is uncertain in which case it is accounted for on receipt.

c) Interest

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from Operations" in the statement of profit and loss. Delayed Payment charges are recognised on receipt basis on account of uncertainty of the ultimate collection of the same. Further, in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Finance Companies, income on business assets classified as Non-performing Assets, is also recognised on receipt basis.

d) Dividends

Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

1.6 Inventories

The securities acquired with the intention of short term holding and trading positions are considered as stock-in-trade and disclosed as current assets. The securities held as stock-in-trade under current assets are valued at lower of cost or market value. In case of units of mutual fund, net asset value of units declared by the mutual funds is considered as market value.

1.7 Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, as per Accounting Standard 3 "Cash Flows".

1.8 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use.

1.9 Depreciation on Tangible Fixed Assets

Depreciation on tangible fixed assets is provided on a written down value basis from the date the asset is ready to use or put to use, whichever is earlier at the rates prescribed in the Schedule XIV to the Companies Act 1956. In respect of assets sold, depreciation is provided upto the date of disposal.

1.10 Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Intangible assets are amortized over the useful life on prorata basis under the straight line method as estimated by the management, which is generally between three to five years.

1.11 Impairment of Tangible and Intangible Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A Formerly recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.12 Foreign Currency Translation

Foreign Currency Transactions and Balances

(i) Initial recognition

Foreign Currency Transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss.

(ii) Conversion

Monetary assets and liabilities denominated in the foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are recognised in the statement of profit & loss and related assets and liabilities are accordingly restated in the Balance Sheet.

1.13 Investments

Investments which are readily realizable and intended to be held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

In accordance with the Revised Schedule VI to the Companies Act, 1956, the portion of the Long Term Investments classified above, and expected to be realised within 12 months of the reporting date, have been classified as current investments.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.14 Retirement and other employee benefits

The Company has adopted the revised Accounting Standard 15 – Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

Gratuity: The Company has funded Defined Benefit Obligation Plan for gratuity to its employees, who have completed five years or more of service, under the group gratuity scheme of Life Insurance Corporation (LIC) of India. The Company has created planned assets by contribution to the gratuity fund with LIC of India.

Leave Encashment: Unutilised leave of staff is paid as at the end of the year. Accordingly, no provision is required to be made for compensated absences.

1.15 Employee stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock



Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

1.16 Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

1.17 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earnings per Share prescribed by the Companies (Accounting Standards) Rules, 2006.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The Weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share split, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.18 Income Taxes

Income tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) & the deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Deferred Taxation

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

1.19 Provisions

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amounts of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.20 Contingent Liabilities/Assets

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will rise, asset and related income are recognised in the period in which the change occurs.

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2014

(₹ in Lacs)

	As At 31/03/2014	As At 31/03/2013
2. Share Capital		
Authorized Shares		
55,000,000 (31 March 2013 : 55,000,000) Equity Shares of ₹ 10/- each	5,500.00	5,500.00
	5,500.00	5,500.00
Issued, Subscribed and Fully Paid up Shares		
34,977,953 (31 March 2013: 34,912,459) Equity Shares of ₹ 10/- Each fully paid up	3,497.80	3,491.25
	3,497.80	3,491.25

2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

Equity Shares	31/03/2014		31/03/2013	
	Nos.	₹ in Lacs	Nos.	₹ in Lacs
At the beginning of the period	34,912,459	3,491.25	34,887,559	3,488.76
Issued during the period - Warrant Conversion	42,994	4.30	-	-
Issued during the period - ESOP	22,500	2.25	24,900	2.49
Outstanding at the end of the period	34,977,953	3,497.80	34,912,459	3,491.25

2.2 Terms/Rights attached to equity shares

The company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2014, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.50/- (31 March 2013 ₹ 1.50/-)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be proportional to the number of equity shares held by the shareholders.

There are Nil (31 March 2013: 36,83,092) warrants outstanding as at the end of the year. The warrant holders at their option can convert the warrants into equity shares in the ratio of 1:1 as per the Warrant Exercise Price. The 5th conversion period of warrants began from December 27, 2013 and closed on March 26, 2014.

Warrant Exercise Price is calculated as 20% discount to the Market Price subject to a minimum of ₹ 10/- and the Market Price is the higher of the following:

- The average price of the Equity shares of the Company computed as the average of the weekly high and low of the closing prices of the shares of the Company during the six months immediately preceding the month in which the exercise price is announced, or;
- Average of the weekly high and low of the closing prices of the related shares during the two weeks preceding the month in which the exercise price is announced.

2.3 Details of shareholders holding more than 5% share in the company

Equity Shares of ₹ 10/- each fully paid up	As At 31/03/2014		As At 31/03/2013	
Name of Shareholder	Nos.	%	Nos.	%
Capri Global Holdings Pvt. Ltd.	11,772,979	33.66	11,772,979	33.72
Mr. Rameshchandra Sharma	8,987,986	25.70	8,987,986	25.74
Capri Global Advisory Services Pvt. Ltd.	3,188,075	9.11	1,576,390	4.52
Gainful Multitrade Private Limited	1,453,006	4.15	2,033,706	5.83
Roopam Multitrade Private Limited	1,950,000	5.57	1,950,000	5.59

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.



	(₹ in Lacs)	
	As At 31/03/2014	As At 31/03/2013
3. Reserve and Surplus		
3.1 Capital reserve		
Balance as per the last financial statements	284.07	284.07
	284.07	284.07
3.2 Securities premium account		
Balance as per the last financial statements	44,589.83	44,560.69
Add : On account of Warrant Conversion	41.30	-
Add : On account of ESOP Exercised	26.34	29.15
Closing Balance	44,657.47	44,589.83
3.3 Employee stock options outstanding		
Employee Stock Options Outstanding	25.28	67.60
Less: Deferred employee stock compensation	(2.95)	21.38
Closing Balance	22.33	46.22
3.4 General Reserve		
Balance as per the last financial statements	2,310.00	1,925.00
Add: Amount transferred from surplus balance in the statement of profit and loss	850.00	385.00
Closing Balance	3,160.00	2,310.00
3.5 Surplus/(Deficit) in the Statement of profit and loss		
Balance as per the last financial statements	30,714.58	25,554.73
Profit for the year:	8,222.89	7,658.28
Less: Appropriations		
Proposed Dividend (Amount per share ₹ 1.50)	525.08	524.33
Tax on Proposed Dividend	89.24	89.11
Transfer to reserve fund under Section 45 I C(1) of Reserve Bank of India Act, 1934	1,650.00	1,500.00
Transfer to general reserve	850.00	385.00
Net surplus in the statement of profit and loss	35,823.15	30,714.58
3.6 Reserve Fund as per Section 45 I C(1) of Reserve Bank of India Act, 1934		
Balance as per the last financial statements	8,510.00	7,010.00
Add: Amount transferred from surplus balance in the statement of profit and loss	1,650.00	1,500.00
Closing Balance	10,160.00	8,510.00
Total Reserves and Surplus	94,107.02	86,454.70

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2014

(₹ In Lacs)

	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
4. Other Liabilities:				
Other Payables				
Audit fees payable	-	-	7.46	7.04
Service Tax payable	-	-	-	21.49
TDS payable	-	-	49.29	34.41
Security Deposits against loans	321.38	126.27	-	-
Advance received	18.82	18.82	-	-
Total	340.20	145.09	56.75	62.94

	As At 31/03/2014	As At 31/03/2013
5. Trade Payable		
Trade Payables (Including acceptances)	59.99	36.01
Total	59.99	36.01
6. Short Term Provisions		
6.1 Provisions for employee benefits:		
Salary and Reimbursements	2.25	-
Bonus	300.00	450.00
Contribution to PF	-	0.02
6.2 Others:		
Proposed Dividend	525.08	524.33
Provision for Dividend Distribution Tax	89.24	89.11
Provision for Income Tax (Net of Income Tax Deposits)	22.89	-
Provision for expenses	83.95	49.85
	1,023.41	1,113.31
Note: Provision for Taxation (Net of deposits) comprises of:		
Provision for Income Tax	25,091.89	21,044.60
Less: Income Tax Deposits	25,069.00	21,335.41
Total	22.89	(290.81)



7. Fixed Assets

7. Fixed Assets

		Rate of Depre- ciation	GROSS BLOCK			DEPRECIATION / AMORTIZATION				NET BLOCK	
		Cost as at 01/04/2013	Additions	Disposals	Cost as at 31/03/2014	As at 01/04/2013	For the year	Adjustment on Disposals	As at 31/03/2014	As at 31/03/2014	As at 31/03/2013
(₹ in Lacs)											
a)	Tangible Assets										
	Buildings	-	-	-	-	-	-	-	-	-	-
	Computers	213.33	32.29	(0.30)	245.32	136.26	39.26	0.27	175.25	70.08	77.07
	Furniture										
	and Fixtures	355.51	54.65	-	410.15	197.03	34.07	-	231.10	179.05	158.48
	Office Equipments	92.50	21.37	(0.20)	113.67	30.83	10.22	0.03	41.02	72.65	61.68
	Electric Installation	29.08	-		29.08	11.49	2.45	-	13.94	15.14	17.59
	Vehicles	292.20	22.75	(35.30)	279.66	85.62	56.40	19.12	122.90	156.76	206.59
	Current Year ₹	982.62	131.06	(35.80)	1,077.88	461.22	142.40	19.41	584.21	493.68	521.40
	Previous Year ₹	852.50	178.65	(48.53)	982.62	360.15	107.98	6.91	461.22	521.40	-
b)	Intangible Assets										
	Softwares										
	Royalty	36.14	105.07	-	141.21	14.14	35.49	-	49.63	91.57	22.00
	Current Year ₹	36.14	810.47	-	846.61	14.14	128.98	-	93.49	611.91	-
	Previous Year ₹	16.75	19.39	-	36.14	8.13	6.01	-	143.12	703.48	22.00
Notes:											
a) Softwares are amortized on pro-rata basis using straight line method over the useful life estimated by the Management which is three years.											
b) Royalty is amortized on pro-rata basis using straight line method over the useful life estimated by the management which is five years.											
c) Amortization of software:											

Year of Acquisition	Cost	Amortized		Balance to be amortized	
		No. of years*	Amount	No. of years*	Amount
2010-11	13.31	3	13.31	0	-
2011-12	3.44	3	2.48	1	0.96
2012-13	19.39	2	6.90	2	12.49
2013-14	810.47	1	120.44	3	690.03
Total	846.61		143.13		703.48

* Period of amortization of less than 6 months is not considered in the number of years column.

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2014

(₹ In Lacs)

	As At 31/03/2014	As At 31/03/2013
8. Non-trade Investments, Quoted (valued at cost unless stated otherwise)		
Investment in Equity Shares		
4,15,000 (31 March 2013 : 4,17,536) Equity Shares of ₹ 10/- each fully paid up of Credit Analysis & Research Limited	3,086.96	2,285.45
	3,086.96	2,285.45
Aggregate amount of quoted Investments	3,086.96	2,285.45
Market Value of quoted Investments	3,234.72	3,384.13
9. Deferred Tax Assets (Disclosure as per AS-22 "Accounting for Taxes on Income")		
Deferred Tax Assets		
Timing difference on account of :		
Excess of WDV of the assets as per Income Tax Act, 1961 over the Financial Books.	-	15.30
Carry Forward losses under the Income Tax Act, 1961	167.11	154.34
Expenses disallowed under Section 35D Income Tax Act, 1961	0.06	0.39
Gross Deferred Tax Assets (B)	167.17	170.03
Deferred Tax Liabilities		
Provision for Gratuity	1.39	0.83
Excess of WDV of the assets as per Financial Books over the Income Tax Act, 1961.	15.38	-
Gross Deferred Tax Liabilities (A)	16.77	0.83
Deferred Tax Assets (Net)	150.40	169.20

	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
10. Loans and Advances				
10.1 Capital Advances				
Unsecured, considered good	1,597.51	1,578.93	3.90	39.05
	1,597.51	1,578.93	3.90	39.05
10.2 Security Deposit				
Unsecured, considered good	43.56	192.40	2.60	-
Total	43.56	192.40	2.60	-
10.3 Other Loans and Advances				
Advance Income Tax (Net of Provision for Taxation)	-	290.81	-	-
Other Advances	1.00	-	4.70	7.31
Prepaid Expenses	8.06	0.02	22.21	12.64
Loans to Employees				
Less than 12 months	-	-	36.00	-
More than 12 months	43.75	34.94	-	-
Current maturities of more than 12 months	-	-	-	36.56
Gratuity Fund with LIC of India	-	-	7.74	(2.83)
Advances Recoverable in cash or kind (Secured, Considered good)	50,629.99	26,367.51	22,201.06	12,280.81
	50,682.80	26,693.28	22,271.71	12,334.49



(₹ In Lacs)

	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
Less: Statutory Provision on Standard Assets as per RBI directions	(242.15)	(131.84)	(102.01)	(61.40)
Less: Provision for restructured assets	(220.00)	-	(180.00)	-
	50,220.65	26,561.44	21,989.70	12,273.09
Total	51,861.72	28,332.78	21,996.20	12,312.14

Note: The Gratuity fund with LIC Of India is ₹ 48.91 Lacs (31 March 2013 ₹ 26.43 Lacs). The Provision for Gratuity is ₹ 41.17 Lacs (31 March 2013 ₹ 29.26 Lacs)

	Non-Current		Current	
	31-03-2014	31-03-2013	31-03-2014	31-03-2013
11. Other Assets				
Interest accrued but not due	29.06	-	510.44	1,251.80
Inventory of Gift Items	-	-	60.91	67.79
TDS Receivable	-	-	0.41	0.41
Service Tax Receivables	-	-	26.67	13.74
Other Bank Balances				
Fixed Deposits with original maturity for more than 12 months	153.31	165.43	-	-
Total	182.37	165.43	598.43	1,333.74

	As At 31/03/2014	As At 31/03/2013
12. Inventories (valued at lower of cost and net realizable value)		
Traded Goods		
i) Bonds		
250 (31 March 2013 : 250) Units of 8.95% Infotel Broadband Services Ltd	2,354.47	2,470.55
ii) Equity Shares		
6,20,000 (31 March 2013: Nil) Equity Shares of ₹ 10/- each in Pipavav Defence & Offshore Engineering Company Limited	-	434.79
iii) Mutual Fund		
50,00,000 (31 March 2013 : 50,00,000) Units Of ICICI Pru. FMP Series 66-405days PlanJ(G)-Direct	500.00	500.00
15,00,000 (31 March 2013: 15,00,000) Units of ICICI Pru FMP Series 66-404 Days Plan L - Direct - G	150.00	150.00
18,58,400.94 (31 March 2013 : Nil) Units Of ICICI Pru. FMP Series 66-405days PlanJ(G)-Direct	4,463.90	-
50,00,000 (31 March 2013: 50,00,000) Units of ICICI Pru Interval Fund Series VI Annual Interval	545.16	500.00
Nil (31 March 2013 : 5,92,50,584.07) Units Of ICICI Pru MF Blended Plan B Direct Plan (G)	-	10,360.60
Nil (31 March 2013 : 88,72,696.04) Units Of ICICI Pru MF Gilt Fund Treasury Direct Plan (G)	-	2,611.48

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2014

(₹ In Lacs)

	As At 31/03/2014	As At 31/03/2013
2,72,025.91 (31 March 2013 : 84,228.74)		
Units Of Rel MF Liquid Plan - Treasury Plan - Direct (G)	8,483.13	2,380.84
Nil (31 March 2013 : 1,59,83,530.57)		
Units Of Rel. MF Monthly Interval Fund Series II (G)Direct	-	2,500.00
Nil (31 March 2013: 4,02,276.05)		
Units Of Union KBC Liquid Fund (G) - Direct	-	4,715.53
112.08 (31 March 2013: Nil)		
Units of Reliance MF Liquid Fund Treasury Plan Growth	3.46	-
6964.8 (31 March 2013 : 204678.208)		
Units of ICICI Prudential Money Market Fund Cash Option (Growth)	11.70	328.09
13673.125 (31 March 2013 : 1385597.443) of		
LIC Noumura Liquid Fund Growth	283.46	287.26
2005279.75 (31 Mar 2013: 2199043.65)		
Units of ICICI Pru Short Term - Inst Direct (G)	475.23	521.15
Total	17,270.52	27,760.30
13. Trade receivables		
Unsecured, considered good		
Outstanding for a period exceeding six months from the due date of payment	0.11	-
Outstanding for a period less than six months	899.35	4,418.09
Less: Provision for Standard Assets	(3.92)	(19.75)
Total	895.54	4,398.34
14. Cash and Bank Balances		
14.1 Cash and Cash equivalents		
Cash in hand	1.01	1.01
Balance with banks:		
In Current Accounts	285.07	915.44
Sub-Total	286.08	916.45
14.2 Other Bank Balances		
Fixed Deposits with original maturity for more than 3 months but less than 12 months	1,500.00	-
Current maturities of fixed deposits with original maturity of more than 12 months	89.80	13,131.66
Sub-Total	1,589.80	13,131.66
Total	1,875.88	14,048.12
Note:		
14(i) Fixed Deposits of ₹ 1500 Lacs (31 March 2013 : ₹ 13000 Lacs)		
have been pledged as security for overdraft facility from bank.		
15. Revenue from Operations		
15.1 Revenue from Trading in Bonds & Mutual Funds		
Sale of Government & Corporate Bonds	7,900.03	21,127.69
Sale of Mutual Funds	183,189.15	165,852.01
Sale of Commodities	1,286.68	439.34
Sale of Shares	457.46	2,036.37
Sub-Total	192,833.33	189,455.40



(₹ In Lacs)

	As At 31/03/2014	As At 31/03/2013
Add : Closing Stock	17,270.51	27,760.32
Less : Opening Stock	27,760.30	20,315.15
Less : Purchases of Mutual Fund	171,821.87	180,557.32
Less : Purchases of Government & Corporate Bonds	7,859.02	11,033.62
Less : Purchase of Shares	0.05	2,359.48
Less : Purchase of Commodities	1,263.97	427.86
Less : Gain Reversal on Commodity Transactions with NSEL	5.54	-
Less : Direct Expenses	4.53	8.02
Sub-Total	1,388.57	2,514.27
15.2 Revenue From Financial Services		
Fees from Advisory Services	2.50	0.02
Loan Processing Fees Received	628.82	532.98
Sub-Total	631.32	533.00
15.3 Interest Income		
Interest on Loans given	11,564.50	7,633.31
Interest on Bonds/ Application Money for Bonds	454.85	769.12
Interest on Bank Deposits	1,157.38	1,275.68
Sub-Total	13,176.72	9,678.11
15.4 Other Operating Income		
Dividend on Current Investments	24.12	36.01
Dividend on Long Term Investments	84.48	46.25
Profit on sale of Non Current Investments	813.11	58.32
Loss in Future & Options	-	(44.20)
Interest on Margin Deposit	-	0.72
Prepayment Penalty Received	72.58	3.55
Sub-Total	994.29	100.66
Revenue from Operations	Total	Total
	16,190.90	12,826.05
Total Revenue from Operations		
Note		
15(i) Details of Traded Goods		
Government Securities	4,990.10	15,424.71
Shares	457.46	2,036.37
Commodities	1,286.68	439.34
Corporate Bonds	2,909.93	5,702.98
Mutual Funds	183,189.15	165,852.01
Total	192,833.33	189,455.41

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2014

(₹ In Lacs)

Particulars	As At 31/03/2014	As At 31/03/2013
16. Other Income		
Bad Debts of Syndication Business Recovered	625.52	747.00
Bad Debts of Broking Business Recovered	128.77	-
Rent Received	8.87	-
Interest on IT Refund	1.70	6.01
Foreign Exchange Gain / (Loss)	0.00	-
Profit on sale of fixed assets	157.95	26.89
Provisions no longer required, written back	-	515.27
Sundry Balances Written Back	-	5.33
Prior Period Items	-	15.99
Total	922.81	1,316.49
17. Employee Benefit Expenses		
Salaries, Wages and Bonus	2,246.69	1,814.99
Contribution to Provident Fund	44.83	29.50
Employees Stock Option Scheme Expenses	2.44	31.59
Reversal of ESOP Expenses on lapsed options	-	(19.33)
Gratuity Expenses (Note No. 22)	10.24	11.05
Staff Welfare Expenses	63.48	55.98
Total	2,367.68	1,923.77
18. Finance Costs		
Interest	159.84	5.92
Total	159.84	5.92
19. Depreciation and Amortization Expenses		
Depreciation of Tangible Assets	271.37	113.99
Amortization of Intangible Assets	-	-
Total	271.37	113.99
20. Loan Provisions		
Provision for Restructured assets	400.00	-
General Provision for Standard assets	135.09	115.88
Total	535.09	115.88
21. Other Expenses		
Advertisement Expenses	6.87	6.11
Bad Debts Written Off	0.92	144.45
Bank charges	1.39	0.90
Business Promotion Expenses	14.99	14.93
Computer Maintenance	11.05	11.17
Conveyance Expenses	26.43	12.33
Custodian Charges	1.00	1.00
Delivery/Brokerage Charges	3.51	-
Directors Sitting Fees	11.17	7.66



(₹ In Lacs)

Particulars	As At 31/03/2014	As At 31/03/2013
Donation	11.76	-
Electricity Charges	32.21	20.40
Foreign Travelling Expenses	14.86	28.22
General Expenses	50.65	23.43
Insurance Charges	2.09	2.45
Lease Line Charges	-	0.10
Roc & Other Fees	0.15	0.17
Legal & Professional Fees	289.26	199.94
Listing Fees & Stock Exchange Fees	1.87	3.00
Meeting & Conference Expenses	5.18	3.98
Membership & Subscription	16.91	5.94
Motor Car Expenses	9.21	2.31
Payment to Auditors (as per details given below)	7.31	6.56
Printing & Stationery	24.64	12.84
Postage & Stamps	10.89	3.15
Rates & Taxes	5.26	5.86
Recruitment & Training Expenses	61.14	70.09
Rent Paid	356.87	353.09
Software Expenses	2.51	2.38
STT on sale of Investment	3.29	-
Telephone and Internet Expenses	45.41	31.08
Travelling Expenses	128.39	102.98
Total	1,157.18	1,076.52
Payment to Auditors Include		
As Auditor		
Statutory Audit Fees	4.55	4.61
Tax Audit Fees	0.90	0.50
Limited Review	1.45	1.15
In Other capacity		
Certification fees	0.35	0.30
Reimbursement of Expenses (Service tax)	0.06	-
	7.31	6.56

22. Gratuity and other post employment benefit plans (AS - 15)

The Company has an funded defined benefit obligation plan for gratuity under the Group Gratuity scheme of Life Insurance Corporation of India. The company has created plan assets by contributing to the Gratuity Fund with LIC Of India.

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of profit and loss, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

A) Principal actuarial assumptions as at the balance sheet date:

Particulars	2013-14	2012-13
Mortality	LIC 1994-96 (ultimate)	LIC 1994-96 (ultimate)
Discount Rate	8.00%	8.00%
Salary Escalation	5.00%	5.00%
Employee Attrition Rate	5.00%	1.00% to 3.00%

B) Changes in the present value of the defined benefit obligation are as follows:

(₹ in Lacs)

Particulars	2013-14	2012-13
Liability at the beginning of the Year	29.26	18.22
Interest Cost	2.55	1.46
Current Service Cost	22.73	7.37
Past Service Cost (non vested benefit)	-	-
Past Service Cost (vested benefit)	-	-
Benefits paid	(3.78)	-
Actuarial (Gain)/Loss	(9.60)	2.21
Liability at the end of the Year	41.16	29.26

C) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

Particulars	2013-14	2012-13
Investments with LIC of India	26.43	20.73
Actual return on plan assets	5.30	-
Contributions	20.18	5.70
Benefits Paid	(3.78)	-
Actuarial (Gain)/Loss on plan assets	0.77	-
Fair value of plan assets at the end of the year	48.90	26.43

D) Amount Recognized in Balance Sheet

Particulars	2013-14	2012-13
Provision for Gratuity		
Liability at the end of the Year	41.16	29.26
Fair Value of plan assets at the end of the year	48.90	26.43
Difference	7.74	(2.83)
Unrecognised past service cost	-	-
Unrecognised transition liability	-	-
Amount in Balance Sheet	7.74	(2.83)

E) Statement of Profit and Loss

Net Employee Benefit Expenses (recognised in employee cost)

Particulars	2013-14	2012-13
Current Service Cost	22.73	7.37
Interest on defined benefit obligation	2.55	1.46
Expected returns on plan assets	(5.30)	-
Net actuarial losses/(gains) recognised in the year	(10.37)	2.21
Past Service Cost	0.63	-
Actuarial (gain)/losses	-	-
Total included in employee benefit expense	10.24	11.04



23. Employee Stock Option Plan

Date of grant	October 27, 2009
Date of Board/Committee Approval	October 27, 2009
Date of Shareholder's Approval	September 22, 2009
Number of options granted	825,000
Method of Settlement (Cash/Equity)	

Equity	
Vesting Dates	No. of Options
1-Nov-11	18,000
1-Nov-12	229,500
1-Nov-13	247,500
1-Nov-14	330,000
Total	825,000

Exercisable period Within 3 Years from the Vesting date
The details have been summarized below:

Grant Date 27/10/ 2009				
	As At 31/03/2014		As At 31/03/2013	
	Number of Shares	Weighted Average Exercise Price (₹)	Number of Shares	Weighted Average Exercise Price (₹)
Outstanding at the beginning of the year	57,750	10	111,300	10
Add: Granted during the year	-	10	-	10
Less: Forfeited during the year	-	NA	-	NA
Less: Exercised during the year	22,500	10	24,900	10
Less: Expired/ Lapsed during the year	13,650	NA	28,650	NA
Outstanding at the end of the year	21,600	10	57,750	10
Exercisable at the end of the year	-	NA	-	NA
Weighted average remaining contractual life (in years)		1		2
Weighted average fair value of options granted		116.11		116.82

The Black Scholes Model has been used for computing the weighted average fair value of options considering the following inputs:

	Year 5
Exercise Price	₹ 10
Expected Volatility (%)	64.86%
Historical Volatility	NA
Life of the options granted in years	5
Expected dividends per annum (₹)	1.5
Average risk-free interest rate (%)	8.47%

Effect of the employee share-based payment plans on the Statement of Profit and Loss and on its financial position:

	(₹ in Lacs)	
Particulars	As at 31/03/2014	As at 31/03/2013
Compensation cost pertaining to equity-settled employee share-based payment plan included above	22.33	46.22
Liability for employee stock options outstanding as at year end	25.28	67.60
Deferred compensation cost	2.95	21.38

Notes to Consolidated Financial Statements

For the Year Ended 31st March, 2014

Since the enterprise used the intrinsic value method, the impact on the reported net profit and earnings per share by applying the fair value based method is as follows:

In March 2005, ICAI has issued a guidance note on "Accounting for Employees Share Based Payments" applicable to employee based share plan the grant date in respect of which falls on or after 1st April, 2005. The said guidance note requires that the proforma disclosures of the impact of the fair value method of accounting of employee stock compensation accounting in the financial statements applying the fair value based method defined in the said guidance note. The impact on the reported net profit and earnings per share would be as follows:

Particulars	(₹ in Lacs)	
	As at March 31, 2014	As at March 31, 2013
Profit as reported	8,222.89	7,658.28
Add: Employee stock compensation under intrinsic value method	(23.89)	(16.89)
Less: Employee stock compensation under fair value method	(24.00)	(17.90)
Proforma profit	8,223.00	7,659.29
Earnings per share		
Basic (₹)		
As reported	23.52	21.95
Proforma	23.52	21.95
Diluted (₹)		
As reported	23.49	21.95
Proforma	23.49	21.95

24. Segment Reporting (AS - 17)

The Company operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of AS - 17 on 'Segment Reporting'.

25. Disclosures as required by Accounting Standard (AS - 18) 'Related Party Disclosures' in respect of transactions for the year are as under

List of Related Parties over which control exists

A) Enterprises over which Management and/or their relatives have control

- 1 Money Matters Infrastructure Private Limited
- 2 Parijat Properties Pvt Ltd
- 3 Sukumar Properties Pvt Ltd
- 4 Capri Global Advisory Services Pvt. Ltd.
- 5 Parshwanath Buildcon Pvt Ltd
- 6 Realty Check Properties Pvt Ltd
- 7 Dreamwork Media & Entertainment Pvt Ltd

B) Key Management Personnel

- | | |
|-----------------------|--|
| 1 Mr. Rajesh Sharma | Director (Chairman & Managing Director Upto 11-April-2013) |
| 2 Mr. P. H. Ravikumar | Managing Director (From 12-April-2013 to 24-January-2014) |
| 3 Mr. Sunil Kapoor | Executive Director (From 24-January-2014 onwards) |
| 4 Mr. Nitin Pandey | Director (Upto 8-January-2014) |
| 5 Mr. Ashok Agarwal | Director (From 8-January-2014) |



D) Details of transactions during the year and closing balances as at the year end:

(₹ in Lacs)

Sr. No.	Particulars	Enterprises over which Management and/or their relatives have control		Key Management Personnel		Total	
		Year Ended 31/03/2014	Year Ended 31/03/2013	Year Ended 31/03/2014	Year Ended 31/03/2013	Year Ended 31/03/2014	Year Ended 31/03/2013
a	Statement of Profit and Loss Items:						
	Incomes						
	Rent Received	8.87	-	-	-	8.87	-
	Expenses						
	Rent Paid	168.55	183.17	-	0.04	168.55	183.21
	Salaries, Commission and other benefits	-	-	78.49	301.76	78.49	301.76
	Director Sitting Fees	-	-	0.60	-	0.60	-
b	Balance Sheet Items:						
	Reimbursement of expenses						
	a) Incurred for related party	-	30.16	-	-	-	30.16
c	Balance Sheet Items (Closing Balances):						
	Loans Given	-	-	-	-	-	-
	(Maximum Amount Involved during the year)	-	-	-	-	-	-

26. Leases (AS - 19)

Operating Leases:

The company has taken office premises & guest houses under operating lease and the leases are of cancellable/non-cancellable in nature. The lease arrangement are normally renewable on expiry of the lease period at the option of the lessor/lessee ranging from 3 to 5 years. Some of the lease agreements having lease period of five years have a lock in period of three years which are non-cancellable in nature. After the expiry of the lock in period, the lease agreement becomes cancellable in nature at the option of the lessor or the lessee by giving 1-3 months notice to the either party. There are no restrictions imposed by the lease agreement. There is no contingent rent in the lease agreement. There is escalation clause in some lease agreements. The future minimum lease payments in respect of the non cancellable lease are as follows :

(₹ in Lacs)

Particulars	As At 31/03/2014	As At 31/03/2013
a) Payable not later than one year	294.36	84.61
b) Payable later than one year and not later than three years	244.13	131.18

The lease payments recognized in the Statement of Profit & Loss in respect of non-cancellable lease for the year are ₹ 102.71 Lacs (31 March 2013: ₹ 64.33 Lacs).

The lease payments recognized in the Statement of Profit & Loss in respect of cancellable lease for the year are ₹ 249.02 Lacs (31 March 2013: ₹ 267.49 Lacs).

The Company had sub-leased the office premises under operating lease in the current year.

The lease income recognized in the Statement of Profit & Loss for the year is ₹ 8.87 Lacs (31 March 2013: ₹ Nil/-).

(₹ In Lacs)

27. Earnings Per Share (AS - 20)

Particulars		For the Year Ended 31/03/2014	For the Year Ended 31/03/2013
Net Profit after tax as per Statement of profit and loss	(A)	8,222.89	7,658
Add : Exceptional Items (Royalty Payment)		304.83	-
Net Profit after tax & before exceptional items as per profit and loss account	(B)	8,527.72	7,658
Weighted average number of equity shares for calculating Basic EPS	(C)	34,963,427	34,896,905
Weighted average number of equity shares for calculating Diluted EPS	(D)	35,010,682	35,686,926
Basic earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (after exceptional items)	(A)/(C)	23.52	21.95
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (After exceptional items)	(A)/(D)	23.49	21.46
Basic earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (Before exceptional items)	(B)/(C)	24.39	21.95
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share) (Before exceptional items)	(B)/(D)	24.36	21.46
Particulars		For the Year Ended 31/03/2014	For the Year Ended 31/03/2013
Weighted average number of equity shares for calculating EPS		34,963,427	34,896,905
Add : Equity shares arising on conversion of warrants		27,408	736,618
Add : Equity shares for no consideration arising on grant of stock options under ESOP		19,847	53,403
Weighted average number of equity shares in calculation of diluted EPS		35,010,682	35,686,926

28. The company believes that no impairment of assets arises during the year as per Accounting Standards - 28 "Impairment of Assets".

29. Contingent Liabilities

On account of bank guarantee to the Central Bureau of Investigation against release of cash ₹ 12.12 Lacs (31 March 2013: ₹ 12.12 Lacs)

30. Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 1421.64 Lacs (31 March 2013 ₹ 1581.26 Lacs/-)

b) Other Commitments

Pending disbursements of sanctioned loans ₹ 5776.56 Lacs (31 March 2013 ₹ 1,312.73 Lacs)



31. Expenditure in Foreign Currency

Foreign Travelling Expenses	₹ 14.86 Lacs (31 March 2013 : ₹ 18.38 Lacs)
Director Sitting Fees	₹ 0.60 Lacs (31 March 2013 : ₹ Nil)
Capital Expenditure (Royalty)	₹ 605.79 Lacs (31 March 2013 : ₹ Nil)

32. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid / payable are required to be furnished.

- 33.** The Non- Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, require the Company to make provision for standard assets at 0.25 percent of the Standard Assets. However, as a prudent practice, the Company has adopted to make provision of 0.50 percent from FY 2012-13. Consequently, the profits of the current year are lower by ₹ 67.54 Lacs.

Further the company from FY 2013-14, has decided to provide an additional Floating provision on standard asset of 0.25 percent amounting to ₹ 174.04 Lacs. The same was utilised towards provision for Substandard Assets thereby having no impact on Profits for the year.

- 34.** The 5th warrant conversion period in relation to 36,83,092 outstanding warrants of the Company commenced from 27th December, 2013 and ended on 26th March, 2014. Warrant Conversion price was fixed at ₹ 109.62 (including premium of ₹ 99.62). Warrantholders holding 27,408 warrants opted for conversion to equity shares and the Company received an amount of ₹ 30.04 Lacs from the warrantholders who have exercised their option to convert warrants into equity shares. The shares were allotted on 2nd April, 2014. The amount received has not been utilized for any purpose as at the end of the year. The balance 36,55,684 warrants have lapsed.

35. Utilization of money received on conversion of warrants

During the year ended 31 March, 2014 the company raised ₹ 30.04 Lacs towards conversion of 27,408 warrants into equity shares. As on 31 March 2014, the said proceeds were not utilized & were parked in a separate bank account.

- 36.** In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

37. Previous year figures

Previous year figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

As per our report of even date attached
For and on behalf of

KARNAVAT & CO.

Chartered Accountants
Firm Regn. No. 104863W

For and on behalf of the Board of Directors

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Viral Joshi)

Partner
Membership No. 137686

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

Place: Mumbai
Date : 9th May, 2014

STATEMENT PURSUANT TO SECTION 212 OF THE COMPANIES ACT, 1956

Sr. No.	Name of the Subsidiary	Capri Global Securities Private Limited	Capri Global Distribution Company Private Limited	Capri Global Finance Private Limited	Capri Global Investment Advisors Private Limited	Capri Global Resource Private Limited	Capri Global Research Private Limited
1	Financial Year of the subsidiary ended on	31/03/2014					
2	Extent of the interest of the Company in the subsidiary at the end of the Financial Year of each						
	a) Number of Shares in the subsidiary company held by Capri Global Capital Limited Nos.	25,000,000	5,000,000	2,500,000	5,000,000	50,000	150,000
	b) Shareholding per cent in the subsidiary held by Capri Global Capital Limited %	100%	100%	100%	100%	100%	100%
3	The net aggregate of profits, less losses, of the subsidiary company so far as it concerns the members of Capri Global Capital Limited						
	a) Not dealt with in the accounts of Capri Global Capital Limited to:						
	(i) For the Financial Year ended 31-03-2014 ₹ in Lacs	(17.51)	44.36	(0.20)	23.99	(2.19)	(1.58)
	(ii) For the previous financial years since it became a subsidiary ₹ in Lacs	686.85	122.43	38.75	1,367.43	(2.75)	(7.96)
	b) Dealt with in the accounts of Capri Global Capital Limited to:						
	(i) For the Financial Year ended 31-03-2014 ₹ in Lacs	Nil	Nil	Nil	Nil	Nil	Nil
	(ii) For the previous financial years since it became a subsidiary ₹ in Lacs	Nil	Nil	Nil	Nil	Nil	Nil

For and on behalf of the Board

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

Place: Mumbai
Date : 9th May, 2014

DETAILS OF SUBSIDIARY COMPANIES



(₹ in Lacs)

Sr. No.	Name of the Subsidiary	Capri Global Securities Private Limited	Capri Global Distribution Company Private Limited	Capri Global Finance Private Limited	Capri Global Investment Advisors Private Limited	Capri Global Resource Private Limited	Capri Global Research Private Limited
1.	Share Capital	2,500.00	500.00	250.00	500.00	5.00	15.00
2.	Reserves & Surplus	686.85	122.43	38.75	1,367.43	(2.75)	(7.96)
3.	Total Assets	3,187.57	623.74	288.89	1,868.71	2.39	7.18
4.	Total Liabilities	3,187.57	623.74	288.89	1,868.71	2.39	7.18
5.	Investments	1,564.87	621.05	-	901.03	-	-
6.	Revenue	339.11	62.46	0.21	93.81	0.61	0.07
7.	Profit Before Tax	(30.54)	62.00	(0.24)	30.97	(2.12)	(1.70)
8.	Provision for Taxation	(13.03)	17.64	(0.04)	6.98	0.06	(0.12)
9.	Profit after Tax	(17.51)	44.36	(0.20)	23.99	(2.19)	(1.58)
10.	Proposed Dividend	-	-	-	-	-	-

For and on behalf of the Board

(Sunil Kapoor)
Executive Director

(Rajesh Sharma)
Director

(Gaurang Shah)
Associate Director Finance & Accounts

(Harish Agrawal)
Vice President & Company Secretary

Place: Mumbai
Date : 9th May, 2014

NOTES



Capri Global Capital Limited

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New Marine Lines, Mumbai - 400 020.
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