

Capital Trust

**27th Annual Report
2012-2013**



Capital Trust Limited

47, Community Centre
Friends Colony, New Delhi 110025
Ph: 011-41627007 Email: info@capital-trust.com
Web: www.capital-trust.com

BOARD OF DIRECTORS

Mr. S. Mahanti (Chairman)
Mr. Yogen Khosla (Managing Director)
Cdr. K. L. Khullar (Retd.) (Director)
Mr. Vijay Kumar (Additional Director)

COMPANY SECRETARY

Ms. Tanya Sethi

Auditors

M/s VSH & Associates
Chartered Accountants
E-346, Nirman Vihar
Vikas Marg, Delhi-110092

BANKERS

HDFC BANK
VIJAYA BANK
STATE BANK OF INDIA
PUNJAB NATIONAL BANK
CORPORATION BANK

LISTING ON STOCK EXCHANGE

The Bombay Stock Exchange Limited
25th Floor, P. J. Towers
Dalal Street, Mumbai-400001

LENDERS

Vijaya Bank
Ananya Finance for inclusive Growth (P) Ltd.
MAS Financial Services Ltd.
Mount Nathan Advisors Pvt. Ltd.

REGISTRARS & SHARE TRANSFER AGENTS

MAS Services Ltd.
T-34, 2nd Floor, Okhla Industrial Area
Phase II, New Delhi-110020
Tel.: 011-26387281/2/3
Fax : 011-26387384
E-mail : info@masserv.com

Audit Committee

Mr. S. Mahanti (Chairman)
Mr. Yogen Khosla (Member)
Cdr. K. L. Khullar (Retd.) (Member)
Mr. Vijay Kumar (Member)
Ms. Tanya Sethi (Secretary)

Remuneration Committee

Mr. S. Mahanti (Chairman)
Cdr. K. L. Khullar (Retd.) (Member)
Mr. Vijay Kumar (Member)

Shareholder / Investor Grievances Committee

Cdr. K. L. Khullar (Retd.) (Chairman)
Mr. Yogen Khosla (Member)
Mr. S. Mahanti (Member)

Registered & Corporate Office:

47, Community Centre, Friends Colony,
New Delhi - 110025

CONTENTS

Name	Pg. No.
Notice	1
Directors' Report	2-3
Management Discussion Analysis Report	3
Report on Corporate Governance	3-8
Auditors' Report	8
Annexure to Auditor's Report	9
Balance Sheet	10
Statement of Profit & Loss	11
Cash Flow Statement	12
Accounting Policies & Notes on Account	13-21

NOTICE

NOTICE is hereby given that the **27th Annual General Meeting** of the Members of **Capital Trust Limited** will be held on **Monday, the 23rd day of September, 2013 at 9:00 A.M.** at MCD Community Centre, Gautam Puri, Badarpur, New Delhi-110044 to transact the following businesses:

ORDINARY BUSINESS

Item No. 1 Adoption of Accounts

To receive, consider, approve and adopt the audited **Balance Sheet** as at **31st March 2013**, the Statement of Profit & Loss for the year ended on that date together with Reports of the Directors and the Auditors thereon.

Item No. 2 Re-appointment of Mr. S. Mahanti

To re-appoint Mr. S. Mahanti, who retires by rotation and, being eligible, offers himself for re-appointment.

Item No. 3 Appointment of Statutory Auditor

To appoint **M/s. VHS & Associates**, Chartered Accountants, as Statutory Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

Item No. 4 Regularisation of Mr. Vijay Kumar as Director

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Section 257 and other applicable provisions (including any modification or re-enactment thereof), if any, of the Companies Act, 1956, Mr. Vijay Kumar, who was appointed as an Additional Director with effect from 25 March, 2013 by the Board of Directors of the Company in the meeting held on 9th March, 2013, whose term expires at the ensuing Annual General Meeting of the company and in respect of whom Company has received notice in writing proposing his candidature for the office of Director, be and is hereby appointed as a Director of the Company whose period of office shall be liable to retire by rotation.”

Item No. 5 Approval for re-appointment of Managing Director

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of Sections 198, 269, 309, and 316 read with Schedule XIII and other applicable provisions, if any, of the Companies Act 1956, (including any statutory modifications or re-enactment(s) thereof, for the time being in force) the consent of the shareholders of the company be and is hereby accorded for the re-appointment of Mr. Yogen Khosla, Managing Director of the Company for a period of Five years commencing from April 1, 2013. The payment of remuneration for the aforesaid period will be on the terms and conditions as approved by the Remuneration Committee in its meeting subject to the passing of special resolution by shareholders in general meeting;

Item No. 6 Increase in Authorised Preference Share capital

To consider and if thought fit to pass, with or without modification(s), the following resolution as an Ordinary Resolution:-

“RESOLVED THAT pursuant to the provisions of section 16, 31 and 94 and other applicable provisions, if any, of the Companies Act, 1956, the Authorised Capital of the Company be and is hereby increased from 15,00,00,000/- (Rupees fifteen crores only) to 18,00,00,000/- (Rupees Eighteen crore only) by creation of 30,00,000 preference shares of 10/- each of the Company.

Item No. 7 Approval for issue of Preference Shares on Preferential basis

To consider and if thought fit to pass, with or without modification(s), the following resolution as a Special Resolution:-

“RESOLVED that pursuant to the provisions of Section 81(1A) and other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment(s) thereof, consent of members is hereby accorded, to create, issue, offer and allot 30,00,000, 18% Preference Shares of Rs. 10 each aggregating to Rs. 3 (three) Crores to Indo Crediop Private Limited on Preferential basis.

By Order of the Board
for **CAPITAL TRUST LIMITED**

Place : New Delhi
Date : 8th May 2013

Sd/-
TANYA SETHI
COMPANY SECRETARY

NOTES

- (i) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING. A BLANK PROXY FORM IS ENCLOSED.
- (ii) Corporate Members intending to send their respective authorized representatives are requested to send a duly certified copy of the Board/Governing Body resolution authorizing such representatives to attend and vote at the Annual General Meeting.
- (iii) All documents referred to in the Notice and accompanying Explanatory Statement are open for inspection at the Registered Office of the Company on all working days, except Sunday and other holidays, between 11.00 A.M. and 1.00 P.M. up to the date of the Annual General Meeting.
- (iv) The Register of Members and Share Transfer Books will remain closed from **15th September 2013 to 22nd September 2013** (both days inclusive).
- (v) Members holding shares in electronic form may please note that: (a) the dividend, when declared, will be credited to their respective Bank Accounts as furnished to the respective Depository Participants, through Electronic Clearing Service (ECS), where this facility is available; (b) in other cases, Bank details as furnished to the respective Depository Participants will be printed on the Dividend Warrants as per the applicable regulations. The Company shall not entertain any direct request from such Members for deletion of / change of such Bank details. Further, it may be noted that instructions, if any, already given by the Members in respect of shares held in physical form will not be automatically applicable to the dividend paid on their holdings in electronic form.
- (vi) **Starting from the year 2011, the Ministry of Corporate Affairs has taken a “Green initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued circulars stating that service of notice/ documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, the Company, posted a communication to all the shareholders on the Company’s website www.capital-trust.com, that various notices/documents meant for them shall be sent electronically on their e-mail addresses as obtained from Depositories/other sources, unless specifically requested to be sent in physical form.**
The members who have not registered/ updated their e-mail addresses so far, are requested to register/ update their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold their shares in physical form and who are desirous of receiving the communications/ documents in electronic form are requested to promptly register their e-mail addresses with the Company.
- (vii) Members who are holding shares in physical form are requested to notify the change in their respective addresses or Bank details to the Company and always quote their Folio Numbers in all correspondence with the Company. In respect of holding in electronic form, Members are requested to notify any change in addresses or Bank details to their respective Depository Participants.
- (viii) Members who are still holding shares in physical form are advised to dematerialize their shareholding to avail of the benefits of dematerialization which include easy liquidity since trading is permitted only in dematerialized form, electronic transfer, savings in stamp duty, prevention of forgery, etc.
- (ix) Pursuant to Section 205A read with Section 205C of the Companies Act, 1956, the dividend amounts which remain unpaid/ unclaimed for a period of seven years, are required to be transferred to the Investor Education and Protection Fund (IEPF) of the Central Government. After such transfer no claim of the members whatsoever shall subsist on the said amount.
- (x) **Members or their respective proxies are requested to:**
 - (a) **bring copies of Annual Report sent to the Members as copies of Annual Report shall not be distributed at the Annual General Meeting;**
 - (b) **note that no gifts/coupons shall be distributed at the Annual General Meeting; and**
 - (c) **quote their Folio/Client ID & DP ID No. in all correspondence.**
- (xi) Any query relating to Accounts or any other items of business set out in the Agenda of the Meeting must be sent to the Company’s **Registered Office** at 47 C, Community Centre, New Friends Colony, New Delhi-110025 so as to reach **at least seven days before the date of the Meeting** so as to enable the management to keep the information ready. The envelope may please be superscribed **“AGM QUERIES – Attn.: Ms. Tanya Sethi, Company Secretary”**.

EXPLANATORY STATEMENT RELATING TO THE SPECIAL BUSINESS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.

Item No. 4

In accordance with Article 133 of the Articles of Association of the Company, the Board may appoint Additional Director who will hold office up to date of the next Annual General

Meeting. Accordingly, the Board has appointed Mr. Vijay Kumar as an Additional Director to hold office till the conclusion of the ensuing Annual General Meeting. Notice in writing proposing his appointment as a Director has been received by the company, in accordance with the provisions of Section 257 of the Companies Act, 1956. The Board recommends this resolution for your approval.

None of the directors except Mr. Vijay Kumar is interested in the said resolution.

Item No. 5

Mr. Yogen Khosla joined the Board of Director on 1st of April 2003. He was appointed as Managing Director of the Company for the period of five years and eligible for re-appointment. The term of his office expired on 31st March 2008 and he was re-appointed for the further period of five years. On 31st March 2013 his term of office had expired. The Board in meeting held on 9th March, 2013 has accorded its consent for re-appointment of Mr. Yogen Khosla as Managing Director of the company for a period of 5 years commencing from 1st April, 2013.

The Board recommends this resolution for your approval.

Item No. 6

In order to expand the preference capital base the company wants to issue Authorised Preference Capital in terms of section 94 of the Companies Act, 1956.

The Board recommends this for your approval.

Item No. 7

In terms of the provisions of section 81(1A) of the Companies Act, 1956 for making of a preferential offer a special resolution has to be passed.

The Company proposes to increase its capital base by way of private placement of shares to IndoCredio Private Limited. In view of the requirements of section 81(1A) of the Companies Act, 1956 and the above said rules made there under, the Company has to seek approval of members at the general meeting by way of special resolution which will be valid for a period of 12 months from the date of passing thereof.

DIRECTORS' REPORT

TO THE MEMBERS OF CAPITAL TRUST LIMITED

Your Directors have pleasure in presenting the 27th Annual Report on the business and operations of the company together with the Audited Statement of Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

The financial results of the Company during the year 2012-13 under review are summarized as under:

(Rs. In Lakhs)

Particulars	Year Ended 31.03.13	Year Ended 31.03.12
Gross Income from operation	899.39	547.25
Other Income	9.36	29.68
EBIDTA	486.50	189.41
Less:		
Interest	325.31	160.72
Depreciation	6.77	6.60
Profit Before Tax	154.42	22.09
Profit/(Loss) after tax	154.42	17.88
Available for appropriation	154.42	17.88
Appropriation to Reserve fund	30.88	3.58
Surplus/deficit carried to Balance Sheet	1.49	(122.04)

The Company's Gross Income for the year ended 31st March 2013 is Rs. 908.75 Lacs before EBIDTA.

DIVIDEND

The Directors express their inability to declare any dividend for the Financial Year 2012-13.

PUBLIC DEPOSITS

The Company has not accepted any public deposits and, therefore, no amount on account of principal or interest on public deposits was outstanding on the date of the Balance Sheet.

RESERVES AND SURPLUS

The Balance in Reserves and Surplus stands at Rs. 30.88 Lacs as on 31.03.2013 after the appropriations mentioned above.

PERFORMANCE REVIEW

During the Year under review the company has generated profit after tax of Rs. 154.42 lacs, an increase in profits as compared to last year where the profit was Rs. 17.88.

OPERATIONS AND BUSINESS PERFORMANCE

Kindly refer to Management Discussion & Analysis covered under Corporate Governance which forms part of this Report.

STATEMENT PURSUANT TO LISTING AGREEMENT

The Securities of the Company are listed at Bombay Stock Exchanges and the Company has paid Annual Listing Fees for the financial year 2013-2014 to the Stock Exchange.

DIRECTORS

Mr. S. Mahanthi retire by rotation in the ensuing Annual General Meeting and being eligible, offer himself for re-election. The company has received a notice under section 257 of the companies Act, 1956 proposing appointment of Mr. S. Mahanthi as Director of the company. The Board recommends his appointment as Director.

Mr. Vijay Kumar, who had been appointed on 25th March 2013 as Additional Director, pursuant to Section 260 of the Companies Act, 1956, to hold office upto the date of Annual General Meeting for the Year 2012-13 shall be regularized as a Director subject to approval of shareholders. The Board recommends his appointment as Director.

A brief profile of Mr. Yogen Khosla, Mr. S. Mahanti, and Cdr. K. L. Khullar, and Mr. Vijay Kumar is provided elsewhere in this Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT AS PER SECTION 217 (2AA) OF THE COMPANIES ACT, 1956.

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956 with respect to Directors' Responsibility Statement, it is hereby confirmed,

- That in the preparation of the accounts for the financial year ended 31st March 2013, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates, that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- That the Directors have prepared the accounts for the financial year ended 31st March 2013 on a going concern basis.

The above statements have been noted by the Audit Committee at its meeting held on 8th May 2013.

AUDITORS

M/S. VSH & Associates, Chartered Accountants, New Delhi, who are statutory auditor of the company retires at the ensuing Annual General Meeting and are eligible for re-appointment.

AUDITORS REPORT

The observations of Auditors in their report read with the relevant notes to accounts are self-explanatory and do not require further explanation.

EMPLOYEE PARTICULARS

The Statement of employees required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is not annexed, as there is no employee drawing salary exceeding the present limits as provided under the Act.

CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

It has always been a policy of Capital Trust Limited to adopt Fair and Best Corporate Governance Practices. The Company complies with all the provisions of revised clause 49 of the Listing Agreement.

The Compliance Report on Corporate Governance forms part of this Annual Report. The Auditors certificate on the compliance of Corporate Governance Code embodied in Clause 49 of the Listing Agreement is provided in this Report and form part of this Report

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

The statement containing the necessary information as required under Section 217 (1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in Report of Board of Directors) Rules 1988, relating to conservation of energy, technology absorption is not given as the Company is not engaged in any manufacturing activities.

The details of foreign exchange earnings and outgo is annexed hereto and forms an integral part of this report.

ACKNOWLEDGMENTS

Your Directors wish to place on record their appreciation of the dedication and commitment of your Company's employees during the year. Their unstinted support has been and continues to be an integral to your Company's ongoing growth.

Your Directors wish to thank and deeply acknowledge the co-operation, assistance and support extended by the Company's Bankers, Govt. agencies, customers and business associates for their continued co-operation and guidance and look forward to their continued support in future

FOR AND ON BEHALF OF THE BOARD
OF CAPITAL TRUST LIMITED

Place : New Delhi
Date : 8th May 2013

Sd/-
S. Mahanti
Director

Sd/-
Yogen Khosla
Managing Director

ANNEXURE TO THE DIRECTORS' REPORT

Under The Companies (Disclosure of particulars in the report of the Board of Directors) Rules 1988

A. Conservation of Energy	Not applicable
B. Technology Absorption	Not applicable
C. Foreign Exchange Earning & Outgo	Earnings : NIL Outgo : Rs. 1,68,346/-

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

1. **Industry Structure and Development** : Indian economy is going through a period of rapid 'financial liberalisation'. Today, the intermediation is being conducted by a wide range of financial institutions through a plethora of customer friendly financial products. The segment consisting of NBFCs have made great strides in recent years and are meeting the diverse financial needs of the economy. These NBFCs provide a variety of services and cater to retail and nonretail markets. They are being recognized as complementary to the banking sector due to their customer-oriented services, simplified procedures, flexibility and timeliness in meeting the credit needs of specified sectors.

Capital Trust Limited, headquartered in Delhi, is one of leading Non-Banking Financial Company having diversified interests in the financial services sector. CAPITAL TRUST LIMITED today has emerged as a strong & reliable player in a fiercely competitive market of financial services.

Over the years, Capital Trust Limited has built a strong presence in the market through its cumulative experience, strong distribution network as well as sound systems and processes. The company's long-term aspiration is to play a significant role in meeting the financial requirements of retail customers as well as corporate clients.

2. **Opportunities and Threats**: The NBFC sector continues to face competitive pressure from the banking sector and financial institutions, due to their increased penetration in the consumer financing market, with comparatively low cost of funds at their disposal. The spreads in the lending business have also narrowed considerably, bringing risk-adjusted margins to generally unviable levels.

CAPITAL TRUST LIMITED's strong financial position and adoption of prudent business strategies have enabled it to consistently post satisfactory performance among its customers despite these difficult conditions.

3. **Segment-wise Performance**: The Company is engaged in Small and Medium Enterprise (SME) Loans. Details of performance have been provided in this report.

4. **Outlook**: The Company's outlook for the year ending 2014 is to consolidate the business and make operations more efficient thereby increasing profitability.

The Company is currently engaged in NBFC activities and intends to continue focusing on NBFC activities. At the same time the company has plans to expand its business in the current line of Small Enterprise Loan.

In the upcoming years, Capital Trust Limited will strive to be one of the top financial services businesses in India focused on delivering superior customer experience through class leading services.

5. **Risks and Concerns**: The Company operates in the finance industry which is exposed to industry related risks. However, the company does operate in a conservative environment and has prudent business practices. Over the years, your Company has achieved an appropriate balance between risk and returns by setting up an efficient risk mitigation system to meet various forms of financial and other risks. The primary risks that the company is exposed to are, credit risk, market risk and operational risk. Deriving from the long years of experience in financing and trading in securities. Your Company's credit policy framework is designed to provide the right balance between business growth and portfolio quality.

6. **Internal Control Systems and their adequacy**: As NBFCs grow and operate as regulated financial intermediaries, internal control becomes essential to long term institutional viability. Internal Control measures and systems are established to ensure the correctness of the transactions and safe guarding of the assets. Company's internal control systems are in place in order to accomplish company's objectives. They aim at reliable financial reporting, authenticity of accurate field reporting, timely incorporation of such reports into the centralized software, compliance with prevailing laws amongst others. The control systems set on place are checked and further supplemented by Management Information System which provided for planned expenditure and information on disposal and acquisition of assets.

Internal Audit: The Company has a well-oiled Audit Department headed by an experienced Internal Auditor reporting directly Capital Trust Limited to the management. The role of the audit department is to enhance operational efficiency of the company, highlight risks and propose changes in the existing procedures. The team has special fraud investigating module.

7. **Human Resources**: The Company enjoyed excellent relationship between all members of the staff during the year. The company also initiated numerous training and development programs for various levels of staff. Your Company continues to lay great stress on its most valuable resource - people. Continuous training, both on the job and in an academic setting, is a critical input to ensure that employees at all levels are fully equipped to deliver a wide variety of products and services to the customer of the company. Company's HR Department strives to manage the company's HR requirements while taking into account prevailing best business practices and maintaining high employee morale in an effective manner.

8. **Information and Technology**: Your Company has an experienced team for the development and management of the company's proprietary management information system. Their objective is to use the highly efficient operations, technologies and processes of modern financial institutions to act as a strong backbone to bring economies of scale to financial operations. The software package is developed in Java J2EE environment with the backend of SQL Server. The package is robust enough to handle expanding business volumes and future technology innovations. Additionally, the software is web-based for easy deployment and off-site accessibility. Distinct advantages of the customized MIS include scalability, flexibility, and the ability to add and otherwise modify its features. The system also manages data more efficiently and generates reports faster since they are run on a central server. All branches get their reports on a daily basis. Daily flow of information and reports also allow greater communication between branches and Head Office. A distinct feature of the system is the online chat facility between all the MIS personnel, which speeds up information flow, rectifies errors and reduces costs. Divisional Managers are connected on a real time basis with the Operations Head and other heads of departments through a "DM Wall" facility. This facility allows all to correspond with each other on an online common platform.

REPORT ON CORPORATE GOVERNANCE

I. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is focussed at:

- Enhancing shareholder value through assisting the management to run the business on healthy and sound principles.
- Ethical, transparent and professional decision making.
- Conducting business in accordance with applicable laws, rules and regulations and following the highest standards of business ethics.
- In addition, adherence to the highest standards of integrity, fair practice and ethical behaviour.

II. BOARD OF DIRECTORS

1. Board's of Directors

A. Board Strength and Representation

As of 31st March 2013 the Board of Directors consisted of four members. The composition and the category of Directors on the Board of the Company as at 31st March 2013 were as under:

Category	Particulars of the Directors
Non-executive & Independent Director	Mr. S. Mahanti, Chairman Mr. K. L. Khullar Mr. Vijay Kumar
Executive Directors & Promoter	Mr. Yogen Khosla

Notes:

- None of the directors is related to any other director
- None of the directors has any business relationship with the Company
- None of the directors received any loans or advances from the Company during the year.
Note : None of the Directors on the Company's Board is a member on more than 10 Committees and Chairman of more than 5 Committees across all the Companies in which he is a Director. All the Directors have made necessary disclosures regarding committee positions occupied by them in other Companies.
- Ms. Tanya Sethi has been appointed as Company Secretary and Compliance Officer of the Company in terms of provisions of Companies Act 1956 by the Board of Director at their meeting held on 9th March 2013 in place of Ms Leena Sharma who resigned w.e.f 1st April, 2013.

B. Conduct of Board Proceedings

The day-to-day business is conducted by the executives of the Company under the direction of the Chairman and the supervision of the Board. The Board holds periodic meetings to review and discuss the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company. The Board performs the following specific functions in addition to the overseeing performance of the Business and Management.

- review, monitor and approve financial and business strategies and corporate actions;
- assess critical risks facing the Company – review options for their mitigation;
- provide counsel on the selection, evaluation, development and compensation of senior management;
- ensure that processes are in place for maintaining the integrity of
 - the Company
 - the financial statements;
 - compliance with laws;
 - relationships with customers, suppliers and other stakeholders;
- delegation of appropriate authority to the senior executives of the Company for effective management of its operations.

The agenda and the notes of agenda are circulated to the Directors in advance in the defined Agenda format. All the information as required under clause 49 of the listing agreement, as is required from time to time, is circulated to the Board for its consideration.

Standards issued by ICSI: The Company is in substantial compliance with the Secretarial Standards governing Board Meetings as also General Meetings as set out in Secretarial Standards 1 and 2 issued by the Institute of Company Secretaries of India. The Board of Directors of the Company has taken necessary steps to ensure compliance with these standards.

The Board periodically reviews compliance reports of all laws applicable to the Company and takes steps to rectify non-compliances, if any.

During the year under review Seven Board Meetings were held on 17.05.2012, 30.05.2012, 30.07.2012, 06.09.2012, 12.11.2012, 14.02.2013 and 09.03.2013. There has not been a time gap in excess of four months between any two meetings of the Board of Directors.

The requisite information as enumerated in Annexure I to Clause 49 of the Listing Agreement is made available to the Board of Directors for discussion and consideration at Board Meetings. The Composition of the Board, attendance at Board Meetings (BM) held during the financial year under review and at last Annual General Meeting (AGM) and number of directorships and Memberships/ Chairmanships in other Public Companies are given below:

Name of the Director (Designation)	Category	Share-holdings	FY 2012-13 Attendance at		No. of Other Director-ships Held *	Committee Positions	
			BM	Last AGM		Member	Chairman
Mr. Yogen Khosla (Managing Director)	Promoter & Managing Director	1244865	7	Yes	1	2	Nil
Mr. S. Mahanti (Director)	Independent Non Executive Director	Nil	7	Yes	Nil	1	2
Cdr. K. L. Khullar (Director)	Independent Non Executive Director	Nil	4	Yes	Nil	2	1
Mr. Vijay Kumar (Additional Director)	Independent Non Executive Director	Nil	NA**	NA**	Nil	1	Nil

* Excludes directorships held in Private Companies and Companies incorporated under Section 25 of the Companies Act, 1956.

** Appointed w.e.f. 25.03.2013

Details of Directors

Mr. Yogen Khosla, Managing Director

Age: 50 years

Mr. Khosla is a finance veteran with over 20 years of experience. He holds a Bachelor's degree in Commerce and has studied at the Ealing College in London. He is also a member of the Financial Accountants in UK. He was a member on the Board of Directors of Kinetic Capital Finance and spearheaded their retail finance operations in North India. He was also Board member of DBS Capital Trust Securities India P Limited (A joint venture between Capital Trust and Development Bank of Singapore) from 1996 to 2002. Since 2003, he has been working as the Managing Director of Capital Trust Limited. He forayed the company successfully into the rural financing space. Mr. Yogen Khosla joined the Board of Director on 1st of April 2003. He was appointed as Managing Director of the Company for the period of five year and eligible for re-appointed. The term of period expired on 31st March 2013 and he was re-appointed for the further period of five years.

Mr. S Mahanti, Director

Age : 73 Yrs

Experience : 30 years of experience in Banking including 6 years in Hong Kong with Indian Overseas Bank and later served as Managing Director, Prime East Ltd, a Bangalore based listed NBFC Company engaged in the Business of retail finance. He was also Managing Director Kinetic Capital Finance Ltd (a joint venture between Kinetic Engineering and Capital Trust Ltd) to finance Kinetic Honda products in North India. His overall work experience includes Banking and Finance and has been associated with Capital Trust Limited since 1990.

Commander K.L.Khullar (Retd.), Director

Age : 74 Yrs

Experience : A distinguished officer retired from the Indian Navy. Served as senior management positions, including General Administration, Officer commanding a Naval Unit at Port Blair.

Mr. Vijay Kumar, Additional Director

Age : 52

Experience : Mr. Vijay Kumar Dhawan is a retired colonel from army. He has held various important appointments in the Army including GSO 1 (Ops) of Northern Command and Secretary to Principal Personnel Officers Committee, dealing with all personnel issues of tri services nature. After an illustrious career in the Army, Col Vijay Dhawan took a pre mature retirement in 2008 and joined the corporate looking after Training and Development in HCL Infosystems Ltd. The exposure in HCL has given him a deep insight into the functioning of the corporate world. He joined the Board in 2013. He is also a Principal Consultant with Franklin Covey South Asia.

Specific contribution made by each of the directors for the organization.

Mr. Yogen Khosla He is the Managing Director of the Company and looks after day to day affair.
Mr. S Mahanti He is actively involved in an NGO helping teaching of street children of Delhi and looks after quarterly performance of the Company
Cdr K.L.Khullar He is provides administrative guidance to the organization
Mr. Vijay Kumar He acts as a principal consultant in the Company.

III. BOARD COMMITTEES

Presently the Board has following four committees

- Audit Committee
- Remuneration Committee
- Shareholder Grievance Committee
- Share Transfer Committee

Audit Committee

The Audit Committee comprises of Mr. Surrender Mahanti, Mr. K. L. Khullar and Mr. Yogen Khosla. The Audit Committee is chaired by Mr. Surrender Mahanti who has a wide experience in the field of economics, finance and taxation. All the other members of the Committee are financially literate within the meaning of clause II(A) Explanation 1 of Clause 49 of the listing agreement.

The Audit Committee advises the management on the areas where internal audit can be improved. The minutes of the meetings of the Audit Committee are placed before the Board of Directors. The terms of reference of the Audit Committee in accordance with all the items listed in clause 49(II)(D) and (E) of the listing agreement are as follows:

- Overseeing the Company's financial reporting process and the disclosure of its financial information to ensure that the financial information is correct, sufficient and credible.
- Recommending the appointment, re-appointment and replacement/removal of statutory auditor and fixation of audit fee
- Approve payment for any other services by statutory auditors.
- Reviewing with management the Annual financial statements before submission to the Board focusing primarily on:
 - matters required to be included in the Director's Responsibility Statement included in the report of the Board of Directors;
 - any changes, in accounting policies and practices;
 - major accounting entries based on exercise of judgment by management;
 - significant adjustments arising out of audit;
 - compliance with listing and other legal requirements concerning financial statements;
 - disclosure of any related party transactions;
 - qualifications in the draft audit report
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Reviewing with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.) the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing with the management, statutory and internal auditors, the adequacy of internal control systems.
- Reviewing the adequacy of internal audit function, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors on any significant findings and follow up thereon.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

- xi. Discussion with statutory auditors before the audit commences about nature and scope of audit as well as post-audit discussions to ascertain any area of concern.
- xii. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (incase of non-payment of declared dividends) and creditors.
- xiii. To review the functioning of the Whistle Blower mechanism.
- xiv. Carrying out any other function as is mentioned in the terms of reference of the Audit committee.
- xv. Review the following information:
 - a. Management Discussion and Analysis of Financial Condition and results of operations;
 - b. Internal audit reports relating to internal control weaknesses;
 - c. Management letters / letters of internal control weaknesses issued by statutory/internal auditors
 - d. Statement of significant related party transactions; and
 - e. The appointment, removal and terms of remuneration of the Chief Internal Auditor.

Composition & Terms of Reference:

The Audit Committee comprises of Mr. S. Mahanti as Chairman, Mr. Yogen Khosla and Cdr. K. L. Khullar as Members of the Committee and Ms. Tanya Sethi, Company Secretary of the Company (w.e.f 1st April, 2013) acts as Secretary to the Committee. Two-third of the directors in the Audit Committee is Non-executive and Independent Directors and one-third is Executive Director. The terms of reference of the Committee includes the matters specified for Audit Committee under the Listing Agreement.

Mr. S. Mahanti, Chairman of the Audit Committee was present at the Annual General Meeting of the Company for the Year 2011-12 held on 30.07.2012.

Meetings and attendance during the Year:

There were five meetings of the Audit committee held during the year on 17.05.2012, 30.05.2012, 30.06.2012, 12.11.2012 & 14.02.2013. The attendance of each Member of the Committee is given below:

Name of Director	Category of Director	No. of meetings attended
Mr. S. Mahanti (Chairman)	Non-executive, Independent	5
Mr. Yogen Khosla	Executive Director	5
Cdr. K. L. Khullar	Non-executive, Independent	5

Remuneration Committee:

The Remuneration Committee of the Board of Directors has been constituted to recommend/review the remuneration package of Executive directors. Presently, the committee is comprising of three non-executive & independent directors.

Details of Meeting of the Remuneration committee is as follows:

One meeting of Remuneration Committee was held during financial 2012-13. All the members of the committee were present at the meeting.

Details of Remuneration paid to Directors

- a) Executive Directors : All elements of remuneration package i.e. salary, benefits, bonuses, etc. paid to Executive Directors are as under:

Name of Director	Remuneration	Contribution to PF & Superannuation Fund	Other Perquisites	Total
Mr. Yogen Khosla, Managing Director	30,00,000.00	2,75,193.00	2,61,549.00	35,36,742.00

Notes:

- i. No commission is payable to the Executive Directors.
- ii. No sitting fee is paid to Executive Directors for attending the Meeting of Board of Directors of the Company or committees thereof.
- iii. There is no separate provision for payment of severance fees.
- iv. The Company does not have any Stock Option Scheme.

b) Non-Executive Directors

Non-executive Directors are paid the sitting fees for attending the Board Meetings and Audit Committee Meetings @ Rs. 750/- per meeting and Rs.500/- towards reimbursement of conveyance expenses. No sitting fee is paid for attending the Shareholders Grievances Committee meetings and meetings of Remuneration Committee of the Company. Sitting fees for Share Transfer Committee is Rs. 1500/- per meeting.

Name of Director	Sitting fees for Board Meeting @ Rs. 750/- per meeting	Sitting fees for Audit Committee Meeting. @ Rs. 750/- per meeting.	Sitting fees for Share Transfer Committee Meeting @Rs.1500/- p.m.
Mr. S. Mahanti	5250	3750	15000
Cdr. K. L. Khullar	3000	3750	- - - -
Total	8250	7500	15000

The Shareholders Grievance Committee comprises of Cdr. K. L. Khullar (Chairman), Mr. Yogen Khosla (Member), Mr. S. Mahanti (Member) and Ms. Tanya Sethi, Company Secretary(w.e.f. 1st April, 2013) as Secretary to the Committee, which looks into the Shareholders and investors related matters.

Meetings and the attendance during the year:

There were four meetings of the Shareholders Grievances Committee held on 30.05.2012, 06.09.2012, 12.11.2012 & 14.02.2013 during the year. The attendance of each member of the Committee is given below:

Name of Director	Category of Director	No. of meetings attended
Cdr. K. L. Khullar (Chairman)	Non-executive Director	4
Mr. S. Mahanti	Non-executive Director	4
Mr. Yogen Khosla	Managing Director	4

Ms. Leena Sharma, Company Secretary was the Secretary of the Committee for the Financial Year 2012-13.

The Company has been receiving various correspondences from the shareholders and the required information / documents are furnished at the earliest possible to the satisfaction of shareholders.

None of the complaints received from the shareholders is pending with the Company. The status of **Shareholders' Grievance Redressal** during 01-04-2012 to 31-03-2013 is as under:

Nature of Grievances	Received	Resolved
Non-receipt of Annual Report, etc.	Nil	N.A.
Complaint received through SEBI, BSE & ROC	Nil	N.A.
Total	Nil	N.A.

Share Transfer Committee:

The Share Transfer Committee comprises of Mr. Surrender Mahanti and Mr. Yogen Khosla. The Share Transfer Committee is chaired by Mr. Surrender Mahanti. The authority for share transfers etc. is Share Transfer Committee, which generally meets once in fortnight to consider and approve the transfers of shares.

IV. GENERAL BODY MEETINGS

Details of the location and time of the last three AGM's held:

Year	Location	Date	Time	No. of Special Resolution Passed
2011-12	MCD Community Centre Gautam Puri, Badarpur, N.D.-44	30.07.2012	9:00 a.m	NIL
2010-11	MCD Community Centre Gautam Puri, Badarpur, N.D.-44	12.09.2011	9:00 a.m	NIL
2009-10	MCD Community Centre Gautam Puri, Badarpur, N.D.-44	12.07.2010	9:00 a.m	NIL

Details of the location and time of the Extraordinary General Meeting held:

No Extra-ordinary General Meeting held during the Year.

Details of Postal Ballot:

The Board of Directors of the Company has not passed any resolution for obtaining approval of the Shareholders by means of Postal Ballot during the year.

V. DISCLOSURES :

- None of the transactions with any of the related party was in conflict with any of the related party was in conflict with the interest of the Company at large. The details of related party transactions are given in the Notes on Accounts of the Balance Sheet.
- No strictures / penalties have been imposed on the Company by the Stock Exchanges or the SEBI or any statutory authority on any matters related to capital markets during the last three years.
- The Company has formulated a policy to prohibit managerial personnel from taking adverse action against employees disclosing in good faith alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement or misappropriation of Public funds, substantial and specific danger to public health and safety. The policy also lays down the mechanism for making enquiry in to whistle blower complaint received by the Company. Employees aware of any alleged wrongful conduct to the Audit Committee shall be subject to the disciplinary action. No personnel of the Company have been denied access to the Grievance Redressal Mechanism of the Company.
- The Company has, for the year undertaken voluntary secretarial audit and has also obtained certificate from the Statutory Auditor of the Company confirming the compliance of all the conditions of Corporate Governance as stipulated in Clause 49 of the Listing agreement.

Further, the Company has adopted the following non-mandatory requirement:

- Remuneration committee of the Board of Directors has been set up and the particulars of the Committee are given in the Report itself.
- Shareholders Right**
The quarterly financial results including summary of significant events of relevant months are published in the newspaper and informed to the Stock exchanges and same is hosted in the website of Stock exchange.
- Audit Qualification**
Strategic decisions were taken during the year resulting in unqualified financial statements of the Company.
- Training of Board Members**
For orientation and to get familiar with the Company business operations, governance procedures and practices, the Director visits the Branches of the Company. Besides, detailed presentations are periodically made to the Board members of the Company, risk profile of the business parameter and their responsibilities as Director.
- Whistle Blower Policy**
The Company has formulated a policy to prohibit managerial personnel from taking adverse action against employees disclosing in good faith alleged wrongful conduct on matters of public concern involving violation of any law, mismanagement or misappropriation of Public funds, substantial and specific danger to public health and safety. The policy also lays down the mechanism for making enquiry in to whistle blower complaint received by the Company. Employees aware of any alleged wrongful conduct to the Audit Committee shall be subject to the disciplinary action. No personnel of the Company have been denied access to the Grievance Redressal Mechanism of the Company.

VI. MEANS OF COMMUNICATION

ii.	Quarterly Results sent to each shareholder	Published in the newspaper
iii.	In which newspaper the results are normally published in	The Pioneer (English) & Veer Arjun (Hindi)
iv.	Any Website, where results are displayed	www.Bseindia.com www.capital-trust.com
v.	Whether it also displays official news releases and the presentations made to institutional investors or to the analysts.	No
vi.	Whether MD&A are part of Annual Report	Yes
vii.	Whether shareholders information forms part of Annual Report	Yes

VII. GENERAL SHAREHOLDER INFORMATION

1. Annual General Meeting.

Year	Location	Day	Date	Time
2012-13	MCD Community Centre Gautam Puri, Badarpur New Delhi-110044	Monday	23.09.2013	9 a.m.

2. Tentative Financial Calendar

Unaudited results for quarter ending 30th June 2013: 2nd week of August 2013
Unaudited results for quarter ending 30th September 2013: Last week of October 2013
Unaudited results for quarter ending 31st December 2013: Last week of January 2014
Audited results for the year ending 31st March 2014: Last week of May 2014
Annual General Meeting for the year ended 31st March 2014: July - August 2014

3. Date of Book Closure of Annual General Meeting

15th September 2013 to 22nd September 2013 (Both days inclusive)

4. Dividend Payment Date

Not Applicable. No Dividend recommended.

5. Listing on Stock Exchanges

The Bombay Stock Exchange, Mumbai (BSE)
Phiroze Jeejeebhoy Towers
Dalal Street,
Mumbai 400 001

6. Stock Code

BSE Code : 511505

7. Corporate Identification Number (CIN):

L65923DL1985PLC195299

8. Market Price Data

Month	Open Price	High Price	Low Price	Close Price
Apr-12	35.65	35.65	33.90	33.90
May-12	33.05	33.05	28.35	28.35
Jun-12	26.95	29.00	20.60	21.55
Jul-12	21.55	27.35	19.40	27.35
Aug-12	27.35	30.70	24.75	30.25
Sep-12	31.70	38.00	25.55	29.70
Oct-12	28.40	33.90	27.15	29.80
Nov-12	30.85	30.85	22.30	26.35
Dec-12	25.30	32.15	25.05	31.10
Jan-13	32.00	40.40	29.55	33.90
Feb-13	32.25	35.85	27.70	35.80
Mar-13	35.85	37.40	29.40	29.40

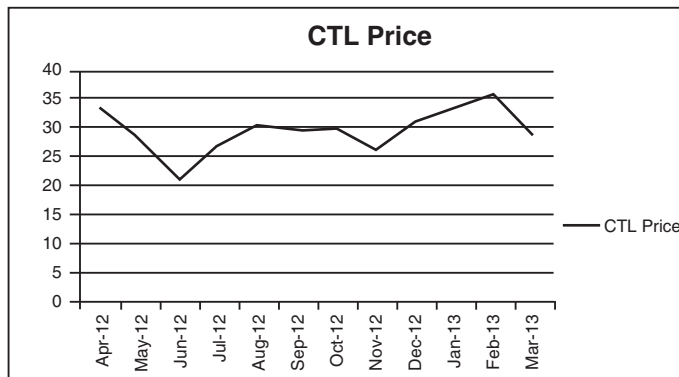
*Source: The Bombay Stock Exchange, website www.bseindia.com.

9. Performance in comparison to BSE Sensex

Month	Open	High	Low	Close
Apr-12	17,429.96	17,664.10	17,010.16	17,318.81
May-12	17,370.93	17,432.33	15,809.71	16,218.53
Jun-12	16,217.48	17,448.48	15,748.98	17,429.98
Jul-12	17,438.68	17,631.19	16,598.48	17,236.18
Aug-12	17,244.44	17,972.54	17,026.97	17,429.56
Sep-12	17,465.60	18,869.94	17,250.80	18,762.74
Oct-12	18,784.64	19,137.29	18,393.42	18,505.38
Nov-12	18,487.90	19,372.70	18,255.69	19,339.90
Dec-12	19,342.83	19,612.18	19,149.03	19,426.71
Jan-13	19,513.45	20,203.66	19,508.93	19,894.98
Feb-13	19,907.21	19,966.69	18,793.97	18,861.54
Mar-13	18,876.68	19,754.66	18,568.43	18,835.77

*Source: The Stock Exchange Bombay, website www.bseindia.com.

10. Shares Price Performance of Capital Trust Limited.



11. Registrar & Share Transfer Agent

Mas Services Limited
T-34, IInd Floor, Okhla Industrial Area,
Phase II, New Delhi-110020
Phone No.: 011-26387281/26387282
Fax.011- 26387384
Email: info@masserv.com

12. Share Transfer System

Physical Share Transfers lodged for transfer are processed and the share certificates are generally returned within a period of 30 days from the date of lodgment if the documents are clear in all respects. The authority for share transfers etc. is Share Transfer Committee, which generally meets once in fortnight to consider and approve the transfers of shares.

13. Distribution of Shareholdings

The distribution of shareholding as on as on 31.03.2013 is given as under:

Month	No. of shares held	% of Total Shares	No. of shares held	% of Total Shares
Up to 5000	834053	11.121	5489	93.176
5001 to 10000	170941	2.279	226	3.836
10001 to 20000	106890	1.425	74	1.256
20001 to 30000	70532	0.940	28	0.475
30001 to 40000	50354	0.671	14	0.238
40001 to 50000	13409	0.179	3	0.051
50001 to 100000	195983	2.613	25	0.424
100001 & above	6057838	80.771	32	0.543
Total	75000000	100.00	5946	100.00

14. Shareholding Pattern as on 31st March, 2013

Category	No. of Shares Held	% of holding
A. Promoters Holding		
1. Promoters - Indian Promoters	5182119	69.095
Foreign Promoters	Nil	Nil
2. Persons Acting in Concert	Nil	Nil
Sub Total	5182119	69.095
B. Non Promoters Holding		
C. Institutional Investors		
1. Mutual Funds & UTI	100	0.001
2. Banks, Financial Institutions, Insurance companies, Central/State Govt. Institutions, Non Govt. Institutions	100	0.001
3. FIIs	Nil	Nil
Sub Total	200	0.002
Non Institutional Investors		
1. Bodies Corporate	400730	5.560
2. Individual	1825241	23.984
3. NRIs/OCBs	89990	1.198
4. Clearing Member	1420	0.156
5. Trust	300	0.004
Sub Total	2317681	30.903
Total Non Promoters holding (1+2)	2317681	30.905
Grand Total	7500000	100

15. Dematerialization of Shares and liquidity.

The trading in the Company's equity shares is permitted only in Demat form. The Company has entered into an agreement with National Securities Depository Limited (NSDL) and Central Depository Service Limited (CDSL) for maintaining and facilitating transaction in the Company's shares in electronic mode. The ISIN No. allotted to the Company's equity shares is **INE707C01018**. The details of dematerialization of shares are as under:

Shares Held	No. of Shares	% of Total Issued Capital
In dematerialization form with NSDL	3135936	41.81
In dematerialization form with CDSL	3198290	42.65
In Physical form	1165774	15.54
TOTAL	7500000	100.00

The shares of the Company are listed on Bombay Stock Exchange, which provide sufficient liquidity to the investors.

16. Outstanding GDRs

Not Applicable. There were no outstanding GDRs/ADRs/ Warrants or any other Convertible Instruments as on 31.03.2013.

17. Plant locations

The Company is a Non-Banking Finance Company (NBFC) engaged in the business of Financing. Hence there is no plant location. However, the Company has Branches in parts of Uttar Pradesh and Uttrakhand.

18. Address for correspondence

Registered Office: 47 Community Centre, New Friends Colony, New Delhi-110025
Tel: 011-41627007
Email: info@capital-trust.com, Web: www.capital-trust.com

19. Code for prevention of Insider Trading Practices

In compliance with SEBI regulations on prevention of Insider trading the Company has instituted a comprehensive Code of Conduct for its management and staff. The code lays down guidelines and procedure to be followed and disclosures to be made while dealing with the Shares of the Company and cautions them about the consequences of violation.

20. Risk Management

The Company follows well-established risk assessment and minimization procedures which are periodically reviewed by the Board.

For and on behalf of
Capital Trust Limited
Sd/-

Yogen Khosla
(Managing Director)

Place : New Delhi
Date : 8th May 2013

VIII. CEO and CFO Certification

We, Yogen Khosla, Managing Director and CEO and Sukumara Pillai, Chief Manager Accounts, responsible for the finance function certify to the Board of Directors that:

- We have reviewed financial statements and the cash flow statement for the financial year ended on 31st March 2013 and that to the best of their knowledge and belief :
 - these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate of the Company's Code of Conduct.
- They accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- We have indicated to the Auditors and the Audit Committee
 - Significant changes in the internal control over financial reporting during the year;
 - Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

Sd/-
Yogen Khosla
(Managing Director & CEO)

Sd/-
Sukumara Pillai
(Chief Manager Accounts)

Place : New Delhi
Date : 8th May 2013

DECLARATION BY CHIEF EXECUTIVE OFFICER

I hereby confirm and declare that all the Directors of the Company and all Senior Management Personnel as defined in the Code of Conduct of the company have submitted annual declaration confirming their compliance with the same.

Sd/
Yogen Khosla
(Managing Director & CEO)

TO THE MEMBERS OF CAPITAL TRUST LIMITED

- We have examined the compliance of conditions of Corporate Governance by CAPITAL TRUST LIMITED (the company), for the year ended on 31st March 2013 as stipulated in clause 49 of the Listing Agreement of the Company with the Stock exchange in India.
- The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the Compliance with the conditions of the Corporate Governance; it is neither an audit nor an expression of opinion on the Financial statements of the Company.
- In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.
- As required by the Guidance Note issued by the Institute of Chartered Accountants of India in respect of 'Shareholders/ Investors Grievances, the Registrar of the Company, who have maintained the records pertaining to 'Shareholders/ Investors Grievances, have certified that there were no investor grievance remaining unattended/pending for more than 30 days.

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 VSH & ASSOCIATES
Chartered Accountants
Firm Registration No. 012420N

Sd/
(VIVEK K. GUPTA)
Partner
(Mem. No. 091926)

Place : New Delhi
Date : 8th May 2013

AUDIT REPORT

To the Board of Directors of **Capital Trust Limited**.

We have audited the attached Balance sheet of **Capital Trust Ltd.** as at 31st March 2013 and the Profit & Loss account of the company for the year ended on that date annexed thereto as required by Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1999 and report as follows:

- The company has applied for registration as provided in section 45-IA of the Reserve Bank of India Act, 1934 (2 of 1934) and received the Certificate of Registration bearing No. : B-03-00068
- Further to our comments in the annexure referred to in point 1 above, as the company is not accepting public deposits, we report as follows :
 - The Board of Directors has passed a resolution for non- acceptance of any public deposits;
 - The company has not accepted any public deposits during the relevant period ;and
 - The company has complied with prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.

for **VSH & ASSOCIATES**
Chartered Accountants
Firm Registration No. : 012420N

Sd/
(VIVEK K. GUPTA)
Partner
(Membership No. 091926)

Place : New Delhi
Date : 8th May 2013

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF **CAPITAL TRUST LIMITED**

Report on the Financial Statements

We have audited the accompanying Financial Statement of CAPITAL TRUST LIMITED ('the Company') which comprise the balance sheet as at 31 March 2013, the Statement of Profit and Loss Account and the 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

The Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal controls relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We 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 the ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers the internal controls 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 the accounting policies used and the reasonableness of the accounting estimates made by the 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 unqualified audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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 Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- in the case of the Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- 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

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable to the Company.

As required by Section 227(3) of the Act, we report that :

- 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;
- 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;
- the Balance Sheet, Statement of Profit & Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- in our opinion, the Balance Sheet, Statement of Profit & Loss Account and Cash Flow Statement comply with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956; and

On the basis of written representations received from directors, as on 31 March, 2013 and taken on record by the Board of Directors, we report that none of the directors are disqualified as on 31 March, 2013 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

for **VSH & ASSOCIATES**
Chartered Accountants
Firm Registration No. : 012420N

Sd/
(VIVEK K. GUPTA)
Partner
(Membership No. 091926)

Place : New Delhi
Date : 8th May 2013

ANNEXURE TO THE AUDITORS' REPORT

The Annexure referred to in our report to the members of Capital Trust Limited ('the Company') for the year ended 31st March 2013. We report that:

- 1) Fixed Assets
 - a) The Company has maintained proper records showing full particulars including quantitative detail and situation of fixed assets.
 - b) The Company has a regular programme of physical verification of its fixed assets by which fixed assets are verified in a phased manner at the end of every year. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets.
 - c) Fixed assets disposed off during the year were not substantial, and therefore, do not affect the going concern assumption.
- 2) Inventory
The Company is a service company, primarily lending loans at micro level. Accordingly, it does not hold any physical inventories. Thus, paragraph 4(ii) of the Order is not applicable.
- 3) Loans taken/ given
 - a) The Company has taken loans from 3 (Three) companies covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 7.27 Crores and the year-end balance of loans/ Advances taken from these parties/ companies was Rs. 6.68 Crores.
 - b) In our opinion and according to the information and explanations given to us, the rate of interest of such loans is prima facie not prejudicial to the interest of the company. There are no other terms and conditions of such loans.
 - c) The Company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.
 - 4) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of fixed assets and with regard to the services. The activities of the company do not involve purchase of inventory and the sale of goods. We have not observed any major weakness in the internal control system during the course of our audit.
- 5) Transactions u/s 301
 - a) To the best of our knowledge and belief and according to the information and explanation given to us, we are of the opinion that the transactions of contracts or arrangements that need to be entered in to the register maintained under section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion, and according to the information and explanations given to us, the transactions made in pursuance of contracts and arrangements referred to in (v)(a) above and exceeding the value of Rs 5 lakh with any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
 - 6) In Our Opinion and according to the information and explanations given to us, the company has not accepted deposits from the public during the period covered by the audit report. To the best of our knowledge and according to the information and explanations given to us, no order on the company u/s 58A, 58AA or any other relevant provisions of the Act and the rules framed there under. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal on the company.
- 7) In our opinion, the internal audit system of the Company is adequate commensurate with the size of the Company and nature of its business;
- 8) Company is maintaining Cost Records as required by Section 209(1)(d) of the Act.
- 9) Statutory Dues
 - a) According to the information and explanation given to us and on the basis of our examination of the records of the Company, amount deducted/accrued in the books of the account in respect of undisputed statutory dues including provident fund, investor education and protection fund, employee state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and other material statutory dues have been regularly deposited during the year by the company with the appropriate authorities. As explained to us, the company did not have any dues on account of Employees' State Insurance, Custom Duty and Excise Duty.

According to the information and explanation given to us, no undisputed statutory dues payable in respect of provident fund, investor education, and protection fund, employee state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess were in arrears, as at March 31, 2013 for a period of more than six months from the date they become payable.
 - b) According to the information and explanation given to us, there are no dues of sales tax, income tax, excise duty and service tax which have not been deposited on account of any dispute.

- 10) The Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and also had not incurred any cash losses in the immediately preceding financial year also.
- 11) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayments of dues to a bank.
- 12) In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion and according to the information and explanations given to us, the company is not a chit fund/nidhi/mutual benefit fund/society.
- 14) In our opinion company has maintained proper records of the transactions and contracts of dealing in shares etc and timely entries have been-made therein. Also the shares, securities and other investments have been held by the Company in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956 (1 of 1956)
- 15) In our opinion and according to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
- 16) In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised.
- 17) In our opinion and according to the information and explanations given to us, and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used (for long-term investment).
- 18) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- 19) In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our audit. Accordingly, the provisions of clause 4 c (xix) of the Companies (Auditors Report) order 2004 are not applicable to the Company.
- 20) During the period covered by our audit report, the Company has not raised any money by public issues.
- 21) To the best of our knowledge and belief and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.
- 22) Other clauses and paragraph 4 of the manufacturing and other Companies (Auditor's Report) Order, 2003 not commented upon are not applicable to the Company.

for **VSH & ASSOCIATES**
Chartered Accountants
Firm Registration No. 012420N

Sd/-
(VIVEK K. GUPTA)
Partner
(Membership No. 091926)

Place : New Delhi
Date : 8th May 2013

APPOINTMENT AS AUDITORS

To
The Board of Directors,
Capital Trust Limited,
47, Community Centre,
New Delhi

Re. : Appointment as Auditors --- wrt Section 224(1B)

Dear Sir, With reference to your letter dated 01/05/2013 we hereby confirm that if we are appointed as auditors of Capital Trust Limited at ensuring Annual General Meeting, our appointment will be valid as it will be within the limit prescribed under sub section (1-B) of Section 224 of Companies Act, 1956.

Thank you,

Your's Sincerely,

for **VSH & ASSOCIATES**
Chartered Accountants
Firm Registration No. 012420N

Sd/-
(VIVEK K. GUPTA)
Partner
(Membership No. 091926)

Particulars	Note No.	As at 31/Mar/13 ₹	As at 31/Mar/12 ₹
<u>EQUITY AND LIABILITIES</u>			
(1) SHARE HOLDERS FUNDS			
(a) Share Capital	2	75,000,000	75,000,000
(b) Reserve & Surplus	3	18,800,808	33,59,865
(2) NON-CURRENT LIABILITIES			
(a) Deferred Tax Liabilities (net)		-	-
(b) Long Term Borrowings	4	1,497,359	2,827,157
(c) Other Non-Current Liabilities	5	2,146,066	1,942,736
(3) CURRENT LIABILITIES			
(a) Short Term Borrowings	6	190,110,314	60,727,689
(b) Trade Payables	7	6,475,128	5,761,879
(c) Other Current Liabilities	8	4,807,796	3,939,075
Total		298,837,471	153,558,401
II ASSETS			
(1) NON-CURRENT ASSETS			
(a) Fixed assets			
(i) Tangible assets	9	4,650,421	5,421,779
(b) Non-current investments	10	5	5
(2) CURRENT ASSETS			
(a) Trade receivables	11	5,259,459	2,116,265
(b) Cash and cash equivalents	12	19,110,738	16,969,036
(c) Short-term loans and advances	13	269,816,848	129,051,316
Total		298,837,471	153,558,401
SIGNIFICANT ACCOUNTING POLICIES	1		

See accompanying notes forming part of financial statements

As per our report attached
For VSH & ASSOCIATES
 Chartered Accountants
 Firm Registration No. 012420N

Sd/-
(VIVEK K. GUPTA)
 Partner
 Membership No.091926

Sd/-
YOGEN KHOSLA
 Managing Director

Sd/-
S MAHANTI
 Director

Place : New Delhi
 Date : 8th May 2013

Sd/-
TANYA SETHI
 Company Secretary

Particulars	Note No.	As at 31/Mar/13 ₹	As at 31/Mar/12 ₹
I Revenue from operations	14	89,939,171	54,724,618
II Other income	15	936,140	2,968,372
III Total revenue (I + II)		90,875,311	57,692,990
IV Expenses			
Employee benefits expense	16	26,748,007	25,081,540
Other expenses	17	15,477,804	13,670,955
Total		42,225,811	38,752,495
V Profit before Depreciation, Interest and Tax		48,649,500	18,940,495
Depreciation and amortization expense	18	677,135	659,905
Finance costs	19	32,531,422	16,071,671
VI Profit/(Loss) before tax		15,440,993	2,208,919
VII Tax expense			
Current tax		-	421,000
Deferred tax		-	-
Total Tax expense		-	421,000
VIII Profit/(Loss) after Tax		15,440,943	1,787,919
IX EARNINGS PER EQUITY SHARE	20		
Equity shares of par value ₹.10/- each			
(a) Basic		2.06	0.24
(b) Diluted		2.06	0.24
Number of shares used in computing earnings per share			
(a) Basic		7,500,000	7,500,000
(b) Diluted		7,500,000	7,500,000
SIGNIFICANT ACCOUNTING POLICIES	1		

See accompanying notes forming part of financial statements

As per our report attached
For VSH & ASSOCIATES
Chartered Accountants
Firm Registration No. 012420N

Sd/-
(VIVEK K. GUPTA)
Partner
Membership No.091926

Sd/-
YOGEN KHOSLA
Managing Director

Sd/-
S MAHANTI
Director

Sd/-
TANYA SETHI
Company Secretary

Place : New Delhi
Date : 8th May 2013

CAPITAL TRUST LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	As at 31/Mar/13 ₹	As at 31/Mar/12 ₹
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit before Tax & Extraordinary items	15,440,943	2,208,919
Adjustments for:		
Depreciation	677,135	659,905
(Profit)/Loss on Sale of Assets (Net)	(17,598)	39,095
Provision for NPA/ Doubtful Advances	577,945	288,137
Interest paid to Banks and Financial Institutions	32,531,422	16,071,671
Write Offs		
	49,209,847	19,267,727
Adjustments for:		
Dividend Received	(15,000)	(20,020)
Provision for Income Tax	-	(421,000)
	49,194,847	18,826,707
Operating Profit before Working Capital Changes		
Adjustments for:		
(Increase)/Decrease in Current Assets	(143,908,728)	26,618,696
Increase/(Decrease) in Current Liabilities & Trade Payable	1,152,000	2,638,894
	(142,756,728)	29,257,590
(Increase)/Decrease in Net Current Assets		
Cash generated from Operations	(93,561,881)	48,084,297
Net Cash Flow from Operating activities	(93,561,881)	48,084,297
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(441,595)	(2,501,745)
Sale of Fixed Assets	553,417	963,154
Dividend Received	15,000	20,020
	126,822	(1,518,571)
Net Cash used in investing activities		
C. CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid to Banks and Financial Institutions	(32,531,422)	(16,071,671)
Proceeds from Borrowings	128,108,183	(50,643,202)
Dividend Paid	-	-
	95,576,761	(66,714,873)
Net Cash from Financing Activities		
Net increase/ (Decrease) in cash and cash equivalents (A+B+C)	2,141,702	(20,149,147)
Cash and cash equivalents at the begining of the year	16,969,036	37,118,183
Cash and cash equivalents at the close of the year	19,110,738	16,969,036

SIGNIFICANT ACCOUNTING POLICIES

1

See accompanying notes forming part of financial statements

As per our report attached
For VSH & ASSOCIATES
 Chartered Accountants
 Firm Registration No. 012420N

Sd/-
(VIVEK K. GUPTA)
 Partner
 Membership No.091926

Place : New Delhi
 Date : 8th May 2012

Sd/-
YOGEN KHOSLA
 Managing Director

Sd/-
TANYA SETHI
 Company Secretary

Sd/-
S MAHANTI
 Director

Significant Accounting Policies for the year ended 31 March 2013

1. Accounting Policies.

1.1 Corporate Information

Capital Trust Limited is a public company incorporated in India under the provisions of the Companies Act, 1956. Its shares are listed on Mumbai Stock Exchange. The Company is engaged in the Business of Small Enterprise Loan.

1.2 Basis of preparation of financial statements

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis except for certain financial instruments which are measured at fair values. GAAP comprises mandatory accounting standards as prescribed by the Companies (Accounting Standards) Rules, 2006, the provisions of the Companies Act, 1956 and guidelines issued by the Securities and Exchange Board of India (SEBI). Accounting policies have been consistently applied except where a newly issued accounting standard is initially adopted or are vision to an existing accounting standard requires a change in the accounting policy hitherto in use.

1.3 Use of estimates

- The preparation of the financial statements in conformity with GAAP requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities as at the date of the financial statements and reported amounts of income and expenses during the period.
- Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material, their effects are disclosed in the notes to the financial statements.
- The Management periodically assesses using, external and internal sources, whether there is an indication that an asset may be impaired. An

impairment loss is recognized wherever the carrying value of an asset exceeds its recoverable amount. The recoverable amount is higher of the asset's net selling price and value in use, which means the present value of future cash flows expected to arise from the continuing use of the asset and its eventual disposal.

1.4 Recognition of Income & Expenditure:-

- Micro & Small Enterprise Finance Interest income is accounted in accordance with the terms of agreements with the Borrowers on Accrual basis.
- Income from Sale of Advances (True Sale) are recognised on Date of Sale of Assets. In respect of True sale of Loans profit on such sale is recognised on the date of sale.
- All other incomes are accounted for on accrual basis.

1.5 Provisions and contingent liabilities

A provision is recognized if, as a result of a past event, the Company has a present legal obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by the best estimate of the outflow of economic benefits required to settle the obligation at the reporting date. Where no reliable estimate can be made, a disclosure is made as contingent liability. A disclosure for a contingent liability is also made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

1.6 Depreciation

- Depreciation is provided on SLM as per schedule XIV to the Companies Act 1956 on pro-rata basis with reference to the period of use.
- Depreciation on additions to assets or on sale/discardment of assets is calculated on pro-rata basis from the date of such addition or up to the date of such sale/discardment, as the case may be.

Notes to financial statements for the year ended 31 March 2013

1.7 Fixed Assets:

All Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. Subsequent expenditure, which substantially enhances the previously assessed standard performance of the asset, is added to the carrying value.

- The Company had collected a sum of ₹Rs.NIL. Previous Year Rs.54,88,285/- (Net) from its members by way of Welfare Fund reflected in Other Liabilities. The Fund is created exclusively for the utilization of the welfare activities of the members after successful and timely completion of Loan repayments. This Fund would be utilized for adjustment of Loan in case of any eventuality of serious injury or death, insurance premium for death cases, development of the surrounding area of borrowers villages, development by way of construction of Roads, Bridges, community centers in the vicinity of Borrowers living areas, Financial aid for the education of the members children's, and medical assistance to the members.

1.9 Foreign currency transaction:

All incomes or expenditure in Foreign Currency, are recorded at the rates of exchange prevailing on the dates when the relevant transactions take place.

1.10 Retirement Benefits:

The Company has subscribed the "Group Gratuity Scheme of LIC" for purpose of discharging the gratuity liability under the payment of Gratuity Act. The provision of Gratuity is made as per premium due/payable for the year as per calculation of premium on Actuarial basis certified by LIC of India and a counter certificate from a Certified Actuary as required by AS-15.

Contributions to the Provident Fund and Superannuation Fund are charged to the Profit & Loss Account.

1.11 Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of qualifying asset is capitalized as part of the cost of that asset wherever applicable. Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.12 Earning Per Share:

The Company reports basic and diluted Earning Per Share in accordance with Accounting Standard 20 on "Earning Per Share". Basic Earning Per Share is

computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year. Diluted Earning Per Share is computed by dividing the net profit or loss for the year by the weighted average number of equity shares outstanding during the year as adjusted for the effects of all dilutive potential equity shares, except where the results are anti-dilutive.

1.13 Impairment of Assets:

At the Balance Sheet date, the Company reviews the carrying amount of Fixed Assets to determine whether there is any indication that those assets suffered an impairment loss and provides, if any.

1.14 Taxation:

- No provision for tax is created in view of taxes paid during the year as MAT (Minimum Alternate Tax) are to be adjusted with future normal taxes payable by the company.
- Deferred tax is calculated at the rates and laws that have been enacted or substantively enacted as of the Balance Sheet date and is recognized on timing difference that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets, subject to consideration of prudence, are recognized and carried forward only to the extent that they can be realized in future.

1.15 Investment

Trade investments are the investments made to enhance the Company's business interests. Investments are either classified as current or non current based on Management's intention at the time of purchase. Current investments are carried at the lower of cost and fair value of each investment individually. Non current investments are carried at cost less provisions recorded to recognize any decline, other than temporary, in the carrying value of each investment.

1.16 Cash and cash equivalents

Cash flows are reported using the indirect method, whereby profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

Notes to financial statements for the year ended 31 March 2013

	31 March 2013 ₹	31 March 2012 ₹		
2. Share capital				
Authorized shares capital				
15000000 (31 March 2012 : 15000000) equity shares of ₹ 10/- each	150,000,000	150,000,000		
Issued, subscribed and paid-up capital				
7500000 (31 March 2012 : 7500000) equity shares of ₹ 10/- each	75,000,000	75,000,000		
Total issued, subscribed and fully paid-up shares capital	75,000,000	75,000,000		
The Company has only one class of shares referred to as equity shares having a par value of of ₹ 10/- each holder of equity shares is entitled to one vote per share				
Reconciliation of the shares outstanding				
Equity shares				
At the beginning of the period	7,500,000	7,500,000		
Addition / (Deletions)	NIL	NIL		
Total	7,500,000	7,500,000		
Details of shareholders holding more than 5% shares in the company				
	As at 31 March 2013		As at 31 March 2012	
Name of Shareholder	No. of Shares held	% of Holding	No. of Shares held	% of Holding
I C Construction & Services Ltd	2784053	37.121%	2784053	37.121%
Yogen Khosla	1244865	16.598%	1244865	16.598%
Indo Crediop Pvt Ltd	1153201	15.376%	1153201	15.376%
Total	5182119	69.095%	5182119	69.095%
3 Reserve and surplus				
(a) Capital Reserve				
Balance as per the last financial statements	227,400		227,400	
Add: additions during the period	-		-	
Less: adjustment during the period	-		-	
Closing Balance	227,400		227,400	
(b) Securities premium account				
Balance as per the last financial statements	8,614,800		8,614,800	
Add:/Less: Additions/Deletions	-		-	
Closing Balance	8,614,800		8,614,800	
(c) General reserve				
Balance as per the last financial statements	3,456,545		3,456,545	
Add: amount transferred from surplus balance in the statement of profit and (Loss)	-		-	
Closing Balance	3,456,545		3,456,545	
(d) Reserve Fund				
u/s 45 I C of RBI Act, 1934				
Balance as per the last financial statements	3,264,776		2,906,776	
Add: additions during the period	3,088,200		358,000	
Closing Balance	6,352,976		3,264,776	
(e) Surplus/(deficit) in the statement of profit and loss				
Balance as per the last financial statements	(12,203,656)		(13,633,575)	
Profit for the year	15,440,943		1,787,919	
Less: Transferred to Reserve Fund u/s 45 I C of RBI Act 1934	3,088,200		358,000	
Net surplus in the statement of profit and loss	149,087		(12,203,656)	
Total	18,800,808		3,359,865	

Notes to financial statements for the year ended 31 March 2013

	31 March 2013 ₹	31 March 2012 ₹
4. Long-term borrowings -Secured		
Term loans **		
- from banks		
i. Term Loan from Banks	-	808,662
ii. HDFC Bank (Auto Loan)	259,086	442,776
iii. HDFC Bank (Auto Premium Loan)	1,238,273	1,575,719
Total	1,497,359	2,827,157

1. Term Loans from banks are secured against assignment of Micro & Small Enterprise Finance receivables on 1st charge on specific book debts and personal guarantee of Managing Director
Repayment shall be made in 30 equal Installments of ₹.8,33,333/- along with interest @ 15.5 % P A at the end of every month commencing from 30-Nov-10.
2. Vehicle Loans are secured against hypothecation of respective Vehicles
 - i. HDFC Bank Auto Loan NO. 16774738 repayable in 60 monthly equal instalments of ₹.18,537/- including interest @ 10.76% P A commencing from 5th July 2010.
 - ii. HDFC Bank Auto Premium Loan No.20464597 repayable in 60 monthly equal instalments of ₹.41,852/- including interest @ 11.57% PA commencing from 5th March 2012

5. Other Long-Term Liabilities

Provision for Gratuity	2,146,066	1,942,736
Total	2,146,066	1,942,736

- 1) The liability for gratuity is covered under the group gratuity scheme with Life Insurance Corporation of India and Contributions made for the current year have been charged to profit and loss account as per certificate provided by LIC of India and counter certificate from certified Actuary as on 31st March 2013.

6 Short Term Borrowings - Secured

I Term Loans - Secured

Term Loan from Banks	-	-
a) Cash Credit from Vijaya Bank, New Delhi	9,986,985	9,938,813
b) Term Loan from Banks	-	10,000,000
II Term Loan from Others (Unsecured)	-	-
a) Term Loan from Ananya Finance for Inclusive Growth Pvt Ltd	-	8,888,876
b) Term Loan from Mas Financial Services Ltd.	103,333,329	-
c) Term Loan from Mount Nathan Advisors Pvt Ltd.	10,000,000	-

III Loans and advances from related parties*

a) Call Deposit from Corporate Bodies	66,790,000	31,900,000
Total	190,110,314	60,727,689

1. Cash Credit from Vijaya Bank secured against assignment of Small Enterprise Finance receivables on 1st charge on specific book debts and personal guarantee of Managing Director
Cash Credit Limit for a period of 12 months repayable monthly along with interest @ 16.25% PA as per drawing power based on monthly stock statement.
2. Term Loan from banks are secured against assignment of Micro & Small Enterprise Finance receivables on 1st charge on specific book debts and personal guarantee of Managing Director
Repayment shall be made in 30 equal Installments of ₹.8,33,333/- along with interest @ 15.5 % P A at the end of every month commencing from 30-Nov-10.
3. Term Loans from others (unsecured) except Mount Nathan are secured against assignment of Micro & Small Enterprise Finance receivables on 1st charge on specific book debts. Terms of Loans given in the table.

Loan Amount Outstanding		Date of Disbursement	Period in months	Rate of Interest	Monthly EMI
Mas Financial Services Ltd.	8333330	7-May-12	12 months	16.00%	4166667
Mas Financial Services Ltd.	12499997	15-Jun-12	12 months	16.00%	4166667
Mas Financial Services Ltd.	12500000	31-Jul-12	12 months	16.00%	250000
Mas Financial Services Ltd.	20000002	28-Sep-12	12 months	16.00%	3333333
Mas Financial Services Ltd.	50000000	2-Feb-13	12 months	16.00%	4166667
Mount Nathan Advisors Pvt Ltd.	10000000	2-Mar-13	9 months	9.00%	Bullet end term with Interest

4. Call Deposits from Corporate Bodies terms of loans are :

Name	Amount	Rate of Interest	Repayment Term
I C Construction & Services Ltd.	34805000	20.00%	On Demand
First Realtors Pvt Ltd.	11985000	20.00%	On Demand
Indo Crediop Pvt Ltd.	20000000	20.00%	On Demand

Notes to financial statements for the year ended 31 March 2013
31 March 2013
₹

31 March 2012
₹

7 Trade Payables
(a) Trade payables (Due within 1 year)

Sundry creditors

(i) Due to Micro and Small Enterprise Finance

(ii) Due to Others

-	-
6,475,128	5,761,879
6,475,128	5,761,879

8 Short Term Provisions
(a) Current Commitments of Long Term Borrowings

521,137	465,781
---------	---------

(b) Statutory dues payable

-TDS and Service Tax payable

-PF, ESI payable

704,965	423,887
350,192	355,139
1,576,294	1,244,807

(c) Provision

Provision for gratuity

Provision for Bonus

Provision for Salary

Other Provisions

746,838	392,591
737,581	648,629
1,630,002	1,653,048
117,081	Nil
3,231,502	2,694,268

Total

4,807,796	3,939,075
------------------	------------------

9 Fixed Assets

Tangible Assets	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	At 1st April 2012	Additions	Disposals	At 31st March 2013	At 1st April 2012	Charge for the year	Disposals	At 31st March 2013	At 31st March 2013	At 31st March 2012
Plant & Equipments	1,559,240	-	985,000	574,240	702,833	29,576	622,598	109,811	464,429	856,407
Computer	849,503	441,595	271,900	1,019,198	265,336	127,766	98,483	294,619	724,579	584,167
Furniture & Fixtures	711,297	-	-	711,297	564,860	45,022	-	609,882	101,415	146,437
Vehicles	4,938,789	-	-	4,938,789	1,161,442	469,179	-	1,630,621	3,308,168	3,777,347
Office Equipments	117,704	-	-	117,704	60,282	5,592	-	65,874	51,830	57,421
Total	8,176,533	441,595	1,256,900	7,361,228	2,754,753	677,135	721,081	2,710,807	4,650,421	5,421,779
Previous Year	9,158,202	2,501,745	3,483,414	8,176,533	4,576,014	659,905	2,481,165	2,754,754	5,421,779	4,582,188

Profit/(Loss) Net on disposal of Fixed Assets during the year ended 31st March 2013 is ₹ 17598 Previous Year ₹ (39095)

10 NON CURRENT INVESTMENTS - UNQUOTED
(a) Investments in Equity shares : Un Quoted

- Investment in others -unquoted shares

81,104	81,104
--------	--------

81,104	81,104
---------------	---------------

Less:-Provision for diminution

81,099	81,099
--------	--------

5	5
---	---

11 Trade Receivables
(Unsecured, considered good)

Outstanding for a period exceeding 6 months from the date they are due for payment

1000	0
------	---

Other Debts

5,258,459	2,116,265
-----------	-----------

Total

5,259,459	2,116,265
------------------	------------------

Notes to financial statements for the year ended 31 March 2013

	31 March 2013 ₹	31 March 2012 ₹
12 Cash and Cash Equivalents		
Cash on hand	81,722	186,510
Balances with banks:		
in current accounts	19,029,016	6,782,526
In Fixed Deposits	-	10,000,000
	<u>19,110,738</u>	<u>16,969,036</u>
13. Short Term Loans and advances		
(a) Short Term Advances		
(i) Micro Credit Loan		
Unsecured, considered good	-	1,332,949
Less Assignment of receivables by way of Securitization/Sale	-	1,332,949
	<u>-</u>	<u>-</u>
Less Contingent Provision Against Standard Assets/Loan Loss Provision	-	-
(ii) Micro & Small Enterprise Finance	418,634,493	250,624,845
Less Assignment of receivables by way of Sale	11,251,874	150,484,542
Managed Portfolio	233,494,155	-
	<u>173,888,464</u>	<u>100,140,303</u>
Less Contingent Provision Against Standard Assets/Loan Loss Provision including Managed Portfolio / Sold Portfolio	2,581,384	670,490
	<u>171,307,080</u>	<u>99,469,813</u>
	<u>171,307,080</u>	<u>99,469,813</u>
(b) Security Deposits		
Unsecured, considered good	88,442,432	28,677,575
	<u>88,442,432</u>	<u>28,677,575</u>
(c) Advances recoverable in cash or kind (specify nature)		
Unsecured, considered good	609,020	364,170
	<u>609,020</u>	<u>364,170</u>
(d) Other Loans and Advances		
Income Tax Paid (Net of Provisions)	2,418,444	539,758
Loan to employees	94,722	-
Prepaid expenses	6,945,150	-
	<u>9,458,316</u>	<u>539,758</u>
Total	<u>269,816,848</u>	<u>129,051,316</u>
a) In the opinion of the Board of Directors aggregate value of the Current Assets, Loans & Advances on realization in the ordinary course of the business shall not be less than the amount at which they are stated in the Balance Sheet.		
b) (i) Contingent Provision Against Standard Assets/Loan Loss Provision had been Provided as per RBI Guidelines		
(ii) Contingent Liabilities on account of Sale of Portfolio/Advance Funding Facility extended by Mas Financial Services Ltd principal and interest ₹.24,94,85,188.00 (Previous Year ₹.17,18,62,320.00)		
c) Aggregate amount of debtors/loans due from directors and companies in which they are directors/members are ₹.NIL Lacs. (Previous Year ₹.NIL Lacs)		
14 Revenue from operations		
Interest Received on Micro Credit Loan	-	15,246,048
Interest Received on Micro & Small Enterprise Finance	64,165,415	25,066,229
Income from Portfolio Sale	6,334,830	11,419,688
Interest Received on Security Deposit/Loan	5,745,609	820,219
Income from Assignment/Securitization of Loan	-	2,172,434
Interest Received on Managed Portfolio	13,693,317	-
	<u>89,939,171</u>	<u>54,724,618</u>
15 Other income		
Interest income		
- from Bank Short Term Deposits	343,515	1,232,342
Dividend income		
- from Long-term investments	15,000	20,020
Other Income	577,625	1,716,010
	<u>936,140</u>	<u>2,968,372</u>

1. Other Income includes ₹ 223990/- (Previous Year : ₹.14,00,641/-) in respect of amount received on closure of two wheeler finance division of the company as out of court settlement of NPA's Civil cases pending in District Courts.

Notes to financial statements for the year ended 31 March 2013

	31 March 2013 ₹	31 March 2012 ₹
16 Employee benefit expense		
Salaries, wages and bonus	19,660,415	19,917,551
Contribution to provident fund and other funds	2,729,780	2,124,513
Directors Remuneration	3,536,742	2,436,420
Staff welfare expenses	821,070	603,056
	26,748,007	25,081,540
1) The liability for gratuity is covered under the group gratuity scheme with Life Insurance Corporation of India and Contributions made for the current year have been charged to profit and loss account as per certificate provided by LIC of India and counter certificate from certified Actuary as on 31st March 2013.		
17 Other expenses		
Listing & Filing Fee	72,137	83,886
Electricity expenses	505,268	440,002
Rent Paid	4,391,565	4,350,100
Repairs and maintenance - Plant & Equipments	234,207	245,413
Repairs and maintenance - Others	1,065,535	848,014
Insurance	634,639	98,175
Vehicle Running Expenses	377,657	159,842
General Expenses	75,420	89,926
Legal and professional expenses	334,935	262,772
Directors sitting fee	30,750	30,750
Loss on sale / disposal of assets (Net)	-	39,095
Business Promotion Expenses	268,387	168,976
Postage & Stamps	656,171	259,097
Advertising and sales promotion	84,704	109,059
Travelling and conveyance Directors	430,727	1,002,103
Travelling and conveyance Others	3,340,352	2,652,609
Communication costs	900,154	891,353
Printing and stationery	637,154	759,831
Auditors Remuneration		
(a) Statutory Audit Fees	112,360	95,506
(b) Taxation matters	16,854	24,839
(c) Other Services (certification fees)	11,236	16,545
Miscellaneous Balances w/off	17,359	-
Fee & Subscription	4,775	754,925
Loan Loss w/off	697,513	-
Loan Loss Provision	161,851	16,497
Provision Against Standard Assets	416,094	271,640
	15,477,804	13,670,955
18 Depreciation and amortization expenses		
Depreciation of tangible assets	677,135	659,905
	677,135	659,905
19. Finance costs		
Interest Expenses		
Term Loan	17,949,768	9,037,445
Cash Credit	789,306	892,489
Intercompany Deposits	9,278,935	3,591,100
Processing Fee	4,006,351	2,105,784
Interest on Vehicle Loan	258,888	92,491
Bank Charges	248,174	352,361
	32,531,422	16,071,671
20 EARNINGS PER EQUITY SHARE		
Equity shares of par value ₹.10/- each		
(a) Basic	2.06	0.24
(b) Diluted	2.06	0.24
Number of shares used in computing earnings per share		
(a) Basic	7,500,000	7,500,000
(b) Diluted	7,500,000	7,500,000

31 March 2013
₹

 31 March 2012
₹

21 GRATUITY
Gratuity and other post-employment benefit plans

The Company has made provision in the Accounts for Gratuity based on Actuarial valuation. The particulars under the AS 15 (Revised) furnished below are those which are relevant and available to company for this year.

Statement of profit and loss
Net employee benefit expense recognised in the employee cost

Current service cost	441,810.00	372,829.00
Past service cost	-	-
Interest cost on benefit obligation	272,989.00	194,453.00
Expected return on plan assets	(85,563.00)	(81,980.00)
Net actuarial (gain)/loss recognized in the year	134,931.00	345,926.00

Net benefit expense

	764,167.00	831,228.00
--	------------	------------

Actual return on plan assets	(85,563.00)	(81,980.00)
------------------------------	-------------	-------------

Balance sheet
Benefit asset/liability

Present value of defined benefit obligation	3,932,870	3,174,293
Fair value of plan assets	1,039,966	992,870

Plan asset/(liability)

	2,892,904	2,181,423
--	-----------	-----------

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

Opening defined benefit obligation	3,174,293	2,261,085
Current service cost	441,810	372,829
Past Service cost	-	-
Interest cost	272,989	194,453
Benefits paid	(91,153)	-
Actuarial (gain)/losses on obligation	134,931	345,926
Closing defined benefit obligation	3,932,870	3,174,293

The principal assumptions used in determining gratuity and Compensated absence benefit obligations for the company's plan are shown below:

Discount rate	8.60	8.60
Expected salary Escalation rate	10.00	10.00
Retirement Age	58	58
Mortality table		

	Indian Assured Lives	Indian Assured Lives
	Mortality (1994-96) (modified)	Mortality (1994-96) (modified)
Withdrawal rate(%)	Withdrawal rate(%)	Withdrawal rate(%)
All Ages	20% per annum	17.78% per annum

Amounts for the current and previous available periods are as follows:

Gratuity

Defined benefit obligation	3,932,870	3,174,293
Plan assets	1,039,966	992,870
Surplus/(deficit)	(2,892,904)	(2,181,423)
Experience adjustments on plan liabilities	(32,945)	(345,926)
Experience adjustments on plan assets	-	-

Post employment medical benefit

Defined benefit obligation	-	-
Experience adjustments on plan liabilities	-	-

22 Actual receipts of foreign currency is Rs.NIL (previous Year Rs.NIL).

23 Foreign currency outflow on travelling and business promotion expenses are ₹.1,68,346 /- (previous year ₹.3,68,774/-)

24 Deferred Tax:

In view of no taxable income in the current year and also due to uncertainty in future taxable income, the Company has not recorded net Deferred Tax Assets of ₹.15.00 Lacs as on 31.03.2013 (Previous Year ₹.67.64 Lacs) arising on account of timing difference as stipulated in Accounting Standard-22 on "Accounting for Taxes on Income".

Notes to financial statements for the year ended 31 March 2013

25 As per Certificate obtained from Certified Actuary the company is having an excess provision of gratuity to the extent of 1.54 Lacs. However, no provision is reversed during the year. As per the certificate of Actuary certain previous year figures including "Experience Adjustment on Plan Liabilities-(Gain)/Loss" are not available.

26 Sale of Micro & Small Enterprise Advances

PARTICULARS	(₹. In lacs)	(₹. In lacs)
	31.03.2013	31.03.2012
Assets De recognised	2334.94	627.95
Interest Received on Managed Portfolio	136.93	21.72

(ii) During the year the Company has sold Small Enterprise Loans through direct Assignment/Sale. The information on direct assignment activity of the company as an originator is as shown below:-

PARTICULARS	(₹. In lacs)	(₹. In lacs)
	31.03.2013	31.03.2012
Total No of Loan Assigned/sold	5219.00	11381.00
Total Book value of Loans assigned/sold	670.18	1793.98
Sale consideration received for the loan assigned/sold	733.52	1908.17
Income from Portfolio Sale	63.34	114.19

27 Segment Reporting

The Company has only one business segment "Financing" as its primary segment and hence disclosure of segment-wise information is not required under Accounting Standard 17 - "Segmental Information" notified pursuant to the Companies (Accounting Standards) Rules, 2006 (as amended).

The Company has only one Geographical Segment. The Company caters mainly to the needs of the domestic market.

28 Schedule to the Balance sheet of NBFC (as required in terms of paragraph 9BB of Non Banking Financial Companies prudential norms (Reserve Bank) directions, 1998.

	Particulars	Amount in (Rs.)	
		Amount outstanding	Amount overdue
	Liabilities Side:		
1	Loans and advances availed by the NBFCs inclusive of interest thereon but not paid:		
	(a) Debentures : Secured	0	0
	: Unsecured (other than falling within the Meaning of public deposits)	0	0
	(b) Deferred Credits	0	0
	(c) Term Loans	115351825	0
	(d) Inter-corporate loans and borrowing	66790000	0
	(e) Commercial Paper	0	0
	(f) Public Deposits	0	0
	(g) Other Loans (Specify nature) Cash Credit Facility	9986985	0
2.	Break-up of (1) (f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):	0	0
	(a) In the form of Unsecured debentures	0	0
	(b) In the form of partly secured debentures i.e debentures where there is a shortfall in value of security	0	0
	(c) Other Public deposits		
	Assets side:		
		Amount Standing	
3	Break-up of Leased Assets and Advances including Bills receivables (other than those included in (4) below):		
	(a) Secured	0	
	(b) Unsecured -Receivable under financing activity	418634493	

4	Break-up of Leased Assets and stock on hire and Hypothecation loans counting towards EL/HP activities			
	(i) Lease assets including lease rentals under sundry Debtors:			
	(a) Financial Lease			0
	(b) Operating Lease			0
	(ii) Stock on hire including hire charges under Sundry Debtors			
	(a) Assets on hire			0
	(b) Repossessed Assets			0
	(iii) Hypothecation loans counting towards EL/HP activities			
	(a) Loans where assets have been repossessed			0
	(b) Loans other than (a) above			0
5	Break-up of Investments:			
	Current investments:			
	1. Quoted:			
	(i) Shares:			
	(a) Equity			0
	(b) Preference			0
	(ii) Debentures and Bonds			0
	(iii) Units of mutual funds			0
	(iv) Government Securities			0
	(v) Others (Please specify)			0
	(2) Unquoted:			
	(i) Shares: (a) Equity			0
	(b) Preference			0
	(ii) Debentures and Bonds			0
	(iii) Units of mutual funds			0
	(iv) Government Securities			0
	(v) Others (Please specify)			0
	Long Term Investments:			
	1. Quoted:			
	(i) Shares: (a) Equity			0
	(b) Preference			0
	(ii) Debentures and Bonds			0
	(iii) Units of mutual funds			0
	(iv) Government Securities			0
	(v) Others (Please specify)			0
	(2) Unquoted:			
	(i) Shares: (a) Equity			0
	(b) Preference			0
	(ii) Debentures and Bonds			0
	(iii) Units of mutual funds			0
	(iv) Government Securities			0
	(v) Others (Please specify)			0
6	Borrower group-wise classification of all leases assets, Stock-on-hire and loans and advances:			
	Category	Amount Net of Provisions		
		Secured	Unsecured	Total
	1. Related Parties**			
	(a) Subsidiaries	0	0	0
	(b) Companies in the same group	0	0	0
	(c) Other related parties	0	0	0
	2. Other than related parties	0	416053109	416053109
	Total	0	416053109	416053109
7	Investor group-wise 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	0	0	
	(b) Companies in the same group	0	0	
	(c) Other related parties	0	0	
	(d) Other than related parties	1	1	
	Total	1	1	

Notes to financial statements for the year ended 31 March 2013

8	Other information		
	Particulars	Amount	Amount
(i)	Gross Non-Performing Assets	1669605	0
	(a) Related parties	0	0
(ii)	(b) Other than related parties	1669605	0
	Net Non-performing Assets	1669605	0
(iii)	(a) Related parties	0	0
	(b) Other than related parties	1669605	0
	Assets acquired in satisfaction of debt	0	0

30 MSME undertakings as defined under the Micro, Small and Medium Development Act 2006, to whom the Company owes a sum are Rs .NIL
Previous year NIL.

29. Related Party Information:

1. Relationship
 - (a) Key Management Personnel
 - 1 Mr. Yogen Khosla (Managing Director)
 - 2 Mr. Surendra Mahanti (Director)
 - 3 Cdr. K. L. Khullar (Retd.) (Director)
 - 4 Mr. Vijay Kumar (Additional Director)
 - (b) Relatives of Key Management Personnel
 - 1 Mrs. Anju Khosla
 - 2 Yogen Khosla & Sons HUF
 - (c) Other Related Parties where control exists:
 1. M/s. First Realtors Pvt. Ltd.
 2. M/s. Italindian Trade & Financial Services P. Ltd.
 3. M/s. I C Construction & Services Ltd.
 4. M/s. Indo Crediop Pvt. Ltd.
 5. M/s. Vaibhav Farms Pvt. Ltd.
 6. M/s. Vishwas Credit & Livelihood Programme.
 7. M/s. Dreamcann Foods Pvt. Ltd.

For **VSH & ASSOCIATES**
Chartered Accountants
Firm Registration Number 012420 N

Sd/-
(VIVEK K. GUPTA)
Partner
M. No.091926

Sd/-
Yogen Khosla
Managing Director

Sd/-
S Mahanti
Director

Place : New Delhi
Date : 8th May 2013

Sd/-
Tanya Sethi
Company Secretary

Note:

1. Related party relationship on the basis of requirements of Accounting Standard 18 (AS-18) is identified by the Company and relied upon by the Auditors.
2. Transaction carried out with related parties referred in 1 above, in ordinary course of business:

(₹. In Lacs.)

Nature of Transactions	Related Parties			
	Year Ended	Referred in 1(a) above	Referred in 1(b) above	Referred in 1(c) above
Finance	Loans & Advances			
	Unsecured Loans (Deposits Recd.)	31/03/2013		559.08
		31/03/2012		346.42
	(Deposits Repaid)	31/03/2013		210.18
		31/03/2012		99.42
	(Deposits Paid.)	31/03/2013		0
	31/03/2012		36.86	
	(Deposits Recd.)	31/03/2013		0
		31/03/2012		72.57
Expenses	Interest Paid	31/03/2013		92.79
		31/03/2012		34.22
	Directors Remuneration	31/03/2013	35.37 (including Perquisites of Rs.14.97)	
		31/03/2012	24.36 (including Perquisites of Rs.10.56)	
	Directors Sitting Fee	31/03/2013	0.31	
		31/03/2012	0.31	
	Salary	31/03/2013		10.73
		31/03/2012		8.67
	Rent	31/03/2013		9.60
		31/03/2012		6.60
	Electricity	31/03/2013		2.02
		31/03/2012		3.3
	Water Charges	31/03/2013		0.07
		31/03/2012		0.01
	Travelling	31/03/2013	4.26	0.08
	31/03/2012	9.98	1.39	
Other reimbursement	31/03/2013	1.72	1.35	
	31/03/2012	1.62	0.28	
Outstandings	Finance			
	Loans & Advances	31/03/2013		
		31/03/2012		
	Unsecured Loans	31/03/2013		667.90
		31/03/2012		319.00



Capital Trust Limited

Registered Office :

47, Community Centre, Friends Colony, New Delhi 110025

Ph: 011-41627007 Email: info@capital-trust.com Web: www.capital-trust.com

Client ID*..... DP ID No*..... **PROXY FORM**

L.F. No.(s)..... No. of Shares hold

I/We of being member / members of

Capital Trust Limited hereby appoint..... of.....

of failing him / her of

as my / our proxy to attend and vote for me / us and on my/our behalf at the 26th Annual General Meeting of the Company to be held on Monday, the 23rd September, 2013 at 9:00 A.M. **MCD Community Centre,**

Gautam Puri, Badarpur, New Delhi-110044

Signed this day of 2013

Signed by said Affix One Rupee Revenue Stamp

NOTE : A member may sign this from and send it to the Registered Office of the Company so as to reach atleast 48 hours before the time for holding the meeting.



ATTENDANCE SLIP

Capital Trust Limited

Registered Office :

47, Community Centre, Friends Colony, New Delhi 110025

Ph: 011-41627007 Email: info@capital-trust.com Web: www.capital-trust.com

Client ID*..... DP ID No*.....

L.F. No.(s)..... No. of Shares hold

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTERANCE OF THE MEETING HALL. Joint Shareholders may obtain additional Attendance Slips on request.

Name & Address of Shareholders/Proxy

.....

.....

I hereby record my presence at the 26th Annual General Meeting of the Company to be held on Monday, the 23rd September, 2013 at 9:00 A.M. at **MCD Community Centre, Gautam Puri, Badarpur, New Delhi-110044**

SIGNATURE OF THE SHAREHOLDER OR PROXY*

* Applicable for members holding shares in electronic form

**Strike out whichever is not applicable

BOOK POST

If undelivered please return to :

Capital Trust Limited

47, Community Centre,
Friends Colony, New Delhi-110025