



**ANNUAL REPORT  
2019-2020**

**HARYANA CAPFIN LIMITED**

# HARYANA CAPFIN LIMITED

## BOARD OF DIRECTORS

Shruti Raghav Jindal                      Whole-time Director  
Saket Jindal  
Krishna Kumar Khandelwal  
Kamal Kishore Bhartia

## AUDIT COMMITTEE

Kamal Kishore Bhartia                      Chairman  
Shruti Raghav Jindal  
Krishna Kumar Khandelwal

## COMPANY SECRETARY

Sandhya Tiwari

## AUDITORS

A M A A & Associates  
Chartered Accountants  
New Delhi

## BANKERS

ICICI Bank  
HDFC Bank

## REGISTERED OFFICE

Pipe Nagar, Village Sukeli, N.H. 17  
B. K. G. Road, Taluka Roha,  
Distt. Raigad - 402 126 (Maharashthra)

## CORPORATE OFFICE

Plot No. 30, Institutional Sector-44  
Gurugram - 122 003  
Haryana

## HEAD OFFICE

B-59, Greater Kailash-I  
New Delhi-110 048

## REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Ltd.  
Alankit House,  
4E/2, Jhandewalan Extension,  
New Delhi 110055.

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# HARYANA CAPFIN LIMITED

## DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 22nd Annual Report along with Audited Financial Statements of the Company for the year ended 31st March 2020.

### FINANCIAL RESULTS

The highlights of the financial results are as under:

	Year Ended 31.03.2020	(₹ in Lakhs) Year Ended 31.03.2019
<b>Total Income</b>	<b>254.23</b>	262.27
<b>Profit before Tax</b>	<b>200.19</b>	208.37
Less: Provision for Tax	<b>6.60</b>	9.50
<b>Profit after Tax</b>	<b>193.59</b>	198.87
Balance brought forward from previous year	<b>1423.40</b>	1274.30
<b>Profit available for appropriation</b>	<b>1616.99</b>	1473.17
<b>Appropriations</b>		
- Statutory Reserves	<b>38.72</b>	39.77
- Transfer to General Reserve	<b>10.00</b>	10.00
- Surplus carried to Balance sheet	<b>1568.27</b>	1423.40
	<b>1616.99</b>	1473.17

### DIVIDEND

With a view to conserve resources for future business operations of the Company, your Directors do not recommend any dividend for the year under review.

### CHANGE IN NATURE OF BUSINESS

There is no change in nature of business of the company.

### TRANSFER TO RESERVES

The Company proposes to transfer Rs. 10 lakhs to the General Reserve out of the amount available for appropriations.

### RESULTS OF OPERATIONS

Total income of the Company during the year was Rs. 254.23 lakhs as against Rs. 262.27 lakhs in the previous year. The profit before tax during the year was Rs. 200.19 lakhs as against Rs. 208.37 lakhs in the previous year. The Profit after tax was Rs. 193.59 lakhs as against Rs. 198.87 lakhs in the previous year.

### SUBSIDIARY COMPANY

The Company has no subsidiary as on 31st March, 2020.

### DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri Saket Jindal, Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

The Board has re-appointed Smt. Shruti Raghav Jindal as Whole Time Director of the Company for the further period of 3 years w.e.f 1st July, 2020.

Mr. Krishna Kumar Khandelwal was appointed as Independent Director of the Company for a period of five years on September 28, 2015. His term of appointment as Independent Director of the Company shall come to an end on September 27, 2020. A resolution proposing his re-appointment as Independent Director of the Company for the second term pursuant to Section 149(6) of the Companies Act, 2013 forms part of the Notice of Annual General Meeting.

Brief resume of Directors, who are proposed to be appointed/ re-appointed is furnished in the Explanatory Statement and attachment to the notice of the Annual General Meeting.

All Independent Directors of the Company have given declaration that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

# HARYANA CAPFIN LIMITED

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Pursuant to the provisions of Section 203 of the Companies Act, 2013, the Key Managerial Personnel of the Company are Smt. Shruti Raghav Jindal, Whole-Time Director, Shri Rajender Singh, CFO and Smt. Sandhya Tiwari, Company Secretary.

## **BOARD MEETINGS**

During the year, 5 (Five) Board meetings were held. The details whereof are given in the Corporate Governance Report, which forms part of this report.

## **BOARD EVALUATION**

The Board of Directors has carried out the Annual performance evaluation of its own, Board Committees and individual Directors pursuant to the provisions of the Companies Act, 2013 and the Corporate Governance requirements as prescribed under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The performance of the Board was evaluated by the Board, after seeking inputs from all Directors on the basis of the criteria such as Board composition and structures, effectiveness of Board processes, information and functioning etc.

The performance of the Committees was evaluated by the Board after seeking inputs from the Committee members on the basis of the criteria such as composition of Committees, effectiveness of Committee meetings etc.

The Board and the Nomination and Remuneration Committee reviewed the performance of the Individual Directors on the basis of criteria such as contribution of the Individual Director to the Board and Committee meetings.

Also in a separate meeting of Independent Directors, performance of non-independent Directors, performance of the Board as a whole was evaluated and the chairman was evaluated, taking into account the views of Executive and Non-Executive Directors. Performance evaluation of Independent Directors was done by the entire Board, excluding the Independent Director being evaluated.

## **POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION**

The Company's policy on Directors' appointment and remuneration including criteria for determining qualifications, positive attributes, independence of Directors and other matters provided in Section 178(3) of the Companies Act, 2013 has been disclosed in the Corporate Governance Report, which forms part of the Directors' Report.

## **RISK MANAGEMENT**

Adequate measures have been adopted by the Company to anticipate, plan and mitigate the spectrum of risks it faces. The Company's business operations are exposed to financial risks including Liquidity risk etc.

The Board of the Company has approved the Risk management Policy of the Company and authorized the Audit Committee to implement and monitor the risk management plan for the Company and also identify and mitigate the various element of risks, if any, which in the opinion of the Board may threaten the existence of the Company.

## **INTERNAL FINANCIAL CONTROLS**

As per the provisions of Section 134(5)(e) of the Companies Act, 2013 the Company has in place adequate Internal Financial Controls with reference to Financial Statements. Audit Committee periodically reviews the adequacy of Internal Financial Controls.

During the year, such controls were tested and no reportable material weakness was observed.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under Section 134(5) of the Companies Act, 2013, your Directors state:

- (i) that in the preparation of the Annual Accounts for the year ended 31st March, 2020, the applicable accounting standards had been followed and there are no material departures;
- (ii) that the accounting policies selected and applied are consistent and the judgments and estimates made 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 financial year and of the profit of the Company for that period;
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Annual Accounts for the year ended 31st March, 2020 have been prepared on a going concern basis;
- (v) that the internal financial controls laid down by the Board and being followed by the Company are adequate and were operating effectively; and
- (vi) that the proper systems, devised by Directors to ensure compliance with the provisions of all applicable laws, were adequate and operating effectively.

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## **EXTRACT OF ANNUAL RETURN**

As Required under Section 92(3) of the Companies Act, 2013, the extract of the Annual Return in prescribed Form MGT -9 is annexed with this Report.

## **AUDIT COMMITTEE**

The Audit Committee of the Company consists of Shri K. K. Bhartia, Chairman, Smt. Shruti Raghav Jindal and Shri Krishna Kumar Khandelwal, as its other members. The terms of reference are in conformity with the requirements of Section 177 of the Companies Act, 2013 and Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 including Part C of Schedule II of SEBI (LODR) regulations, 2015.

## **VIGIL MECHANISM**

The Company has adopted a Whistle blower policy and has established the necessary Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. The said policy has been disclosed on the Company's website under the web link <http://www.haryanacapfin.com/VIGILMECHANISM.pdf>

## **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS**

Pursuant to Section 186(11) (b) of the Companies Act, 2013, provisions of Section 186 are not applicable to any acquisition made by a non-banking financial company registered under Chapter IIIB of the Reserve Bank of India Act, 1934 and whose principal business is acquisition of securities (i.e. investment and lending activities). The Company has not given any guarantee or provided any security.

## **CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES**

During the year, the Company had not entered into any contract/ arrangement/transactions with the related parties as defined under provisions of Section 188 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Thus disclosure in form AOC-2 is not required.

## **CORPORATE GOVERNANCE REPORT**

Pursuant to Regulation 34 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance Report along with Certificate regarding compliance of conditions of Corporate Governance has been annexed as part of this Annual Report.

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT**

As required under Regulation 34(2)(e) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. A detailed analysis of your Company's performance is discussed in the Management Discussion and Analysis Report which forms part of this Annual Report.

## **INFORMATION UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has constituted an Internal Compliants Committee under Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year no complaint was filed before the said Committee.

## **AUDITORS**

Pursuant to the provisions of Section 139 of the Companies Act, 2013 and Rules framed thereunder, M/s A.M.A.A & Associates, Chartered Accountants, who were appointed as Statutory Auditors of the Company from the conclusion of 17th Annual General Meeting for a period of five years, will complete their first term on conclusion of the ensuing 22nd AGM of the Company.

The Board, on the recommendation of the Audit Committee, recommended for the approval of the Members, the re-appointment of M/s A.M.A.A & Associates as the statutory Auditors of the Company for the further period of five year from the conclusion of the ensuing 22nd Annual General Meeting till the conclusion of the 27th Annual General Meeting.

The observations of the Auditors are explained wherever necessary in the appropriate Notes on Accounts. The Auditors' Report does not contain any qualification, reservation or adverse remark.

## **COST RECORDS**

The Company is not required to maintain cost records as specified by the Central Government under Section 148(1) of the Companies Act, 2013.

## **SECRETARIAL STANDARDS**

The Directors state that applicable Secretarial Standard i.e SS-1 and SS-2 relating to 'Meetings of the Board of Directors' and 'General Meetings' respectively have been duly followed by the Company.

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## SECRETARIAL AUDIT

The Board has appointed M/s Hemant Singh & Associates, Company Secretaries to conduct Secretarial Audit for the financial year ended 31st March, 2020. The Secretarial Audit Report for the year ended 31st March, 2020 is annexed herewith as an annexure to this Report. The Secretarial Audit Report contains the following qualification, observations or adverse remark:

1. The company has not filed the particulars of the company and its registered office in form INC-22A as per Rule 25A of The Companies (Incorporation) Rules, 2014.
2. The company has not filed form DIR-12 for regularization of appointment of Mr. Saket Jindal (DIN: 00405736) in the Annual General Meeting of the company held on 24.09.2019.

Company's Reply:

1. The Company could not file particulars of its registered office in form INC-22A required under Rule 25A of The Companies (Incorporation) Rules, 2014 as the photograph taken for verification of Registered Office was not acceptable by the Practicing Company Secretary.
2. As the Company could not file Form INC-22A, as mentioned above, Company was not able to form DIR-12 for regularization of appointment of Mr. Saket Jindal (DIN: 00405736).

## ANNUAL SECRETARIAL COMPLIANCE REPORT

The Company has undertaken an audit for the financial year 2019-20 for all applicable compliances as per Securities and Exchange Board of India Regulations and Circulars/Guidelines issued thereunder.

The Annual Secretarial Compliance Report has been submitted to the stock exchanges within prescribed time from the end of the financial year.

## PUBLIC DEPOSITS

The Company is an NBFC - ND and not accepted any deposits during the year.

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

In view of the business activities of the Company, the information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required under Section 134(3) (m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 are not applicable to the Company.

## PARTICULARS OF EMPLOYEES

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company is attached as a part of this annual report.

All Non-Executive Directors are paid by way of sitting fees for each meeting of the Board of Directors and Audit Committee attended by them

The particulars of the employees who are covered by the provisions contained in Rule 5(2) and rule 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are:

- |                                  |     |
|----------------------------------|-----|
| a) Employed throughout the year  | Nil |
| b) Employed for part of the year | Nil |

## MATERIAL CHANGES & COMMITMENTS

No material changes and commitments, affecting the financial position of the Company have occurred after the end of the financial year ended 31st March, 2020 and till the date of this report.

## CORPORATE SOCIAL RESPONSIBILITY

The company is not falling in the purview of criteria specified in Section 135(1) of the Companies Act, 2013 and hence the requirements pertaining to Section 135 of the Companies Act, 2013 is not applicable to the company.

## ACKNOWLEDGEMENT

The Board expresses its grateful appreciation of the assistance and co-operation received from Central and State Governments, Banks & Financial Institutions and Shareholders.

Your Directors wish to place on record their deep sense of appreciation for the devoted contribution made by the employees & associates at all levels.

For and on behalf of the Board

Place : Gurugram  
Dated : 21st August, 2020

**Shruti Raghav Jindal**  
Whole Time Director

**Kamal Kishore Bhartia**  
Director

# HARYANA CAPFIN LIMITED

## SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED ON 31st March, 2020

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,  
The Members,  
**HARYANA CAPFIN LIMITED**  
Pipe Nagar, Village - Sukeli,  
N.H-17, B.K.G. Road, Taluka Roha,  
Distt. - Raigad, Maharashtra-402126

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **HARYANA CAPFIN LIMITED** (hereinafter called "the Company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, the explanations and clarifications given to us and the representation made by the Management and considering the relaxation granted by the Ministry of Corporate Affairs and Securities and Exchange Board of India warranted due to the spread of the COVID-19 pandemic, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on March 31, 2020, generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent based on the management representation letter/ confirmation, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2020, according to the provisions of: -

- (i) The Companies Act, 2013 (the Act) and the Rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 **(Not applicable to the Company during the Audit Period)**;
  - d. The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 - **(Not applicable to the Company during the Audit Period)**;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008- **(Not applicable to the Company during the Audit Period)**;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client with respect to issue of securities;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 - **(Not applicable to the Company during the Audit Period)**;

# HARYANA CAPFIN LIMITED

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- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 **(Not applicable to the Company during the Audit Period); and**
  - i. The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- (vi) Other laws applicable specifically to the Company namely:
- a. Non-Banking Financial Company-Non Systemically Important Non-Deposit Taking Company (Reserve Bank) Directions, 2016 and other relevant guidelines and circulars issued by Reserve Bank of India from time to time and periodic reporting done by the Company.
  - b. and other relevant guidelines and circulars issued by Reserve Bank of India from time to time and periodic reporting's done by the Company.

We have also examined compliance with the Standard / regulations of the following :

- (a) Secretarial Standards issued by The Institute of Company Secretaries of India.

During the period under review, as per our audit of records of the Company and as per the explanations and clarifications given to us, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards etc. mentioned above except the following observations:

1. *The company has not filed the particulars of the company and its registered office in form INC-22A as per Rule 25A of The Companies (Incorporation) Rules, 2014.*
2. *The company has not filed form DIR-12 for regularization of appointment of Mr. Saket Jindal (DIN: 00405736) in the Annual General Meeting of the company held on 24.09.2019.*

## **We further report that**

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

Adequate notice was given to all directors to schedule the Board Meetings. Agenda and detailed notes on agenda were sent atleast 7 days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

The decisions of the Board were carried out through unanimous votes, no dissenting views of any Director was recorded in the minutes maintained by the Company.

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

We further report that during the audit period there has not been any such activity having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines etc.

Disclaimer: It is to be noted that due to the prevailing nationwide pandemic scenario and unavoidable work from home circumstances, our team could not follow the usual course of audit procedure which includes physical verification of the requisite compliances. Our opinion, as stated in the report is based on documents and information as made available by the Company via email.

**For Hemant Singh & Associates**  
Company Secretaries

**(Hemant Kumar Singh)**

(Partner)

FCS 6033

COP. No. 6370

**UDIN: F006033B000603729**

Date: 21.08.2020

Place: Delhi

Note: This Report is to be read with Annexure A, which forms an integral part of this report



To,  
The Members,  
**HARYANA CAPFIN LIMITED**  
Pipe Nagar, Village - Sukeli,  
N.H-17, B.K.G. Road, Taluka Roha,  
Distt. - Raigad, Maharashtra-402126

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

1. Maintenance of secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of the Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on random test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Date: 21.08.2020  
Place: Delhi

**(Hemant Kumar Singh)**  
(Partner)  
FCS 6033  
COP. No. 6370  
**UDIN: F006033B000603729**

# HARYANA CAPFIN LIMITED

## ANNEXURE B

### STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 AND RULE 5 OF COMPANIES (APPOINTMENT & REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014.

- a) The Ratio of the remuneration of each Director to the median remuneration of the employees of the Company for the financial year 2019-2020 and percentage increase in remuneration of each Director, Chief Financial Officer, Company Secretary in the Financial year 2019-2020.

S. No	Name of Director / KMP and Designation	Remuneration of Director/ KMP for financial year 2019-2020 (Rs)	Ratio of remuneration of each Director to median remuneration of employees	% increase in Remuneration in the financial year 2019-2020
1.	Mrs. Shruti Raghav Jindal (Whole Time Director)	21,09,360	11.42	0.00
2.	Mr Saket Jindal (Non- Executive Director)*	30,000	0.16	-
3.	Mr. Krishna Kumar Khandelwal (Non- Executive Director)	47,500	0.25	0.00
4.	Mr. Kamal Kishore Bhartia (Non- Executive Director)	47,500	0.25	0.00
5.	Mr. Sanjiv Gupta** (Non- Executive Director)	-	-	-
6.	Mr. Rajender Singh (CFO)	4,61,389	NA	5.42
7.	Mrs. Sandhya Tiwari (Company Secretary)	4,23,730	NA	9.14

\* appointed as Director on 20th March, 2019

\*\* resigned as Director on 1st June, 2019

- b. The percentage increase in the median remuneration of the employees in the financial year 2019-2020 was 39.30%
- c. As of March 31, 2020, there were 9 permanent employees on the rolls of the Company.
- d. Average percentile increase already made in the salaries of the employee other than the managerial personnel in last financial year i.e 2019-2020 was 12.53% whereas percentage increase in the managerial remuneration in the last financial year i.e 2019-2020 was 2.02%
- e. The Board of Directors of the Company affirms that the remuneration is as per the Remuneration Policy of the Company.

# HARYANA CAPFIN LIMITED

## FORM NO. MGT-9

### Extract of Annual Return

As on the financial year ended on 31st March, 2020

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

#### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L27209MH1998PLC236139
ii)	Registration Date	9th September, 1998
iii)	Name of the Company	Haryana Capfin Limited
iv)	Category / Sub-Category of the Company	Public Company/ Limited by Shares
v)	Address of the Registered office and contact details	Pipe Nagar, Village Sukeli, N.H.-17 B.K.G. Road, Taluka-Roha, Distt.-Raigad, Maharashtra- 402126 Tel: - 02194-238511 Fax: 02194-238513 Email: investors@haryanacapfin.com Website: www.haryanacapfin.com
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact details of Registrar and Transfer Agent, if any	Alankit Assignments Limited, Alankit House, 4E/2, Jhandelwalan Extension, New Delhi - 110 055 Phone: 011-42541234/23541234 Fax: 011-23552001 e-mail: rta@alankit.com

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

All the business activities contributing 10 % or more of the total turnover of the Company shall be stated:-

S.No.	Name and Description of main Products/ services	NIC code of the product/ service	% to total turnover of the Company
1.	Loan and Investment	64990	100%

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

S.No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	The Company has no Holding, Subsidiary or Associate Company as defined under the Companies Act, 2013				

# HARYANA CAPFIN LIMITED

## IV. SHAREHOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

### i) Category wise Shareholding

Category of Shareholders	No. of Shares held at the beginning of the year (As on 1st April, 2019)				No. of Shares held at the end of the year (As on 31st March, 2020)				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF	509693	-	509693	9.78	509693	-	509693	9.78	0.00
b) Central Government	-	-	-	-	-	-	-	-	-
c) State Government(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corporate	3177047	-	3177047	61.00	3177047	-	3177047	61.00	0.00
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any Other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(1):-</b>	<b>3686740</b>	<b>-</b>	<b>3686740</b>	<b>70.78</b>	<b>3686740</b>	<b>-</b>	<b>3686740</b>	<b>70.78</b>	<b>0.00</b>
<b>(2) Foreign</b>									
a) NRI-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corporate	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any other	-	-	-	-	-	-	-	-	-
<b>Sub-Total (A)(2):</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Shareholding of Promoters (A)=(A)(1)+(A)(2)</b>	<b>3686740</b>	<b>-</b>	<b>3686740</b>	<b>70.78</b>	<b>3686740</b>	<b>-</b>	<b>3686740</b>	<b>70.78</b>	<b>0.00</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FIs	114	264	378	0.01	114	264	378	0.01	0.00
c) Central Govt	-	-	-	-	-	-	-	-	-
d) State Govt(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs	54254	-	54254	1.04	39773	-	39773	0.76	-0.28
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
<b>Sub-total (B)(1):</b>	<b>54368</b>	<b>264</b>	<b>54632</b>	<b>1.05</b>	<b>39887</b>	<b>264</b>	<b>40151</b>	<b>0.77</b>	<b>-0.28</b>
<b>2. Non-Institutions</b>									
<b>a) Bodies Corporate</b>									
i) Indian	541725	9940	551665	10.59	539465	9940	549405	10.55	-0.04
ii) Overseas	-	-	-	-	-	-	-	-	-
<b>b) Individuals</b>									
i) Individual Shareholders holding nominal share capital upto ₹ 1 Lakh	604553	67042	671595	12.89	560449	65478	625927	12.02	-0.87
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 Lakh	154407	-	154407	2.96	206305	-	206305	3.96	1.00
<b>c) others (Specify)</b>									
i) NRI	61268	-	61268	1.17	55064	-	55064	1.06	-0.11
ii) Corporate Body (Foreign)	0	1	1	0.00	0	1	1	0.00	0.00
iii) Clearing Members	140	-	140	0.00	217	-	217	0.00	0.00
iv) Trust	5700	-	5700	0.11	5700	-	5700	0.11	0.00
v) HUF	22533	-	22533	0.43	39171	-	39171	0.75	0.32
<b>Sub-Total (B)(2):</b>	<b>1390326</b>	<b>76983</b>	<b>1467309</b>	<b>28.17</b>	<b>1406371</b>	<b>75419</b>	<b>1481790</b>	<b>28.45</b>	<b>0.28</b>
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>1444694</b>	<b>77247</b>	<b>1521941</b>	<b>29.22</b>	<b>1446258</b>	<b>75683</b>	<b>1521941</b>	<b>29.22</b>	<b>0.00</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
	-	-	-	-	-	-	-	-	-
<b>Grand Total (A+B+C)</b>	<b>5131434</b>	<b>77247</b>	<b>5208681</b>	<b>100.00</b>	<b>5132998</b>	<b>75683</b>	<b>5208681</b>	<b>100.00</b>	<b>0.00</b>

# HARYANA CAPFIN LIMITED

## (ii) Shareholding of Promoters

S.No.	Shareholder's Name	Shareholding at the beginning of the year (As on 1st April, 2019)			Shareholding at the end of the year (As on 31st March, 2020)			% Change in shareholding during the year
		No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	No. of shares	% of total shares of the Company	% of shares Pledged/encumbered to total shares	
1.	Dharam Pal Jindal	27,364	0.53	-	27,364	0.53	-	-
2.	D P Jindal & Sons	141,664	2.72	-	141,664	2.72	-	-
3.	Saket Jindal	117,579	2.26	-	117,579	2.26	-	-
4.	Savita Jindal	157,924	3.03	-	157,924	3.03	-	-
5.	Raghav Jindal	7,395	0.14	-	7,395	0.14	-	-
6.	Rachna Jindal	57,767	1.11	-	57,767	1.11	-	-
7.	Brahmadev Holding & Trading Ltd.	250,375	4.81	-	250,375	4.81	-	-
8.	Jindal Global Finance & Investment Ltd.	791,466	15.19	-	791,466	15.19	-	-
9.	Odd & Even Trades and Finance Ltd.	250,000	4.80	-	250,000	4.80	-	-
10.	Stable Trading Co. Ltd.	869,090	16.69	-	869,090	16.69	-	-
11.	Sudha Apparels Ltd.	1,014,322	19.47	-	1,014,322	19.47	-	-
12.	Crishpark Vincom Ltd.	1,737	0.03	-	1,737	0.03	-	-
13.	Global Jindal Fin Invest Ltd.	57	0.00	-	57	0.00	-	-
	<b>Total</b>	<b>3,686,740</b>	<b>70.78</b>	<b>-</b>	<b>3,686,740</b>	<b>70.78</b>	<b>-</b>	<b>-</b>

## (iii) Change in Promoters Shareholding

S.No.	Name	Shareholding		Date	Increase/Decrease in Shareholding	Reason	Cumulative Shareholding during the year	
		No. of shares at the beginning of the year/end of the year	% of total shares of the company				No. of Shares	% of total shares the of company
NO CHANGE DURING THE YEAR								

# HARYANA CAPFIN LIMITED

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

S.No.	Name of shareholders	Shareholding		Date of transaction	Increase/ decrease in shareholding during the year	Reason	Cumulative Shareholding	
		No. of shares at the beginning of the year/at the end of the year	% of the total shares of the Company				No. of shares	% of the Total Shares of the Company
1.	Daniel Vyapaar Private Limited	246521 246521	4.73 4.73	01.04.2018 31.03.2020		No Change		
2.	Concord Trexim Private Limited	141656 141656	2.72 2.72	01.04.2018 31.03.2020		No Change		
3.	Anmol Sekhri Consultants Pvt. Ltd.	56822 61647	1.09 1.18	01.04.2019 31.05.2019 31.03.2020	4825	Transfer	61647	1.18
4.	DB International (Asia) Ltd.	54254 39773	1.04 0.76	01.04.2019 17.01.2020 31.03.2020	-14481	Transfer	39773	0.76
5.	Zia Ul Rab Siddiqui	40052 40052	0.77 0.77	01.04.2019 31.03.2020		No Change		
6.	Anil Kumar Goel	26000 26000	0.50 0.50	01.04.2019 31.03.2020		No Change		
7.	GVN Fuels Ltd.	15903 15903	0.31 0.31	01.04.2019 31.03.2020		No Change		
8.	Anmol Gobindram Sekhri	64603 77789	0.32 1.49	01.04.2019 05.04.2019 26.04.2019 03.05.2019 07.06.2019 12.07.2019 26.07.2019 31.03.2020	164 3530 262 6890 100 2240	Transfer Transfer Transfer Transfer Transfer	64767 68297 68559 75449 75549 77789	1.24 1.31 1.32 1.45 1.45 1.49
9.	Laxmi M Mistry	16758 14648	0.32 0.28	01.04.2019 03.05.2019 31.05.2019 07.06.2019 31.03.2020	-758 -352 -100	Transfer Transfer Transfer	16000 15648 14648	0.31 0.30 0.28
10.	Kalpana Gupta	15900 26000	0.31 0.50	01.04.2019 17.05.2019 24.05.2019 31.05.2019 14.06.2019 28.06.2019 05.07.2019 30.09.2019 04.10.2019 11.10.2019 01.11.2019 08.11.2019 15.11.2019 22.11.2019 29.11.2019 20.12.2019 10.01.2020 17.01.2020 31.03.2020	296 304 700 800 2010 57 400 500 277 762 98 951 57 647 315 140 1786	Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer Transfer	16196 16500 17200 18000 20010 20067 20467 20967 21244 22006 22104 23055 23112 23759 24074 24214 26000	0.31 0.32 0.33 0.35 0.38 0.39 0.39 0.40 0.41 0.42 0.42 0.44 0.44 0.46 0.46 0.46 0.50

# HARYANA CAPFIN LIMITED

## (v) Shareholding of Directors and Key Managerial Personnel:

S.No.	Name of Director/ KMPs	Shareholding at the beginning of the year (01.04.2019)		Increase/Decrease during the year		Cumulative Shareholding at the end of the year (31.03.2020)	
		No. of shares	% of total shares of the Company	No. of shares	Reason	No. of Shares	% of total shares of the Company
1.	Smt. Shruti Raghav Jindal Whole-Time Director	0	0.00	0	Nil	0	0.00
2.	Shri K.K. Bhartia, Director	0	0.00	0	Nil	0	0.00
3.	Shri Sanjiv Gupta, Director*	0	0.00	NA	NA	NA	NA
4.	Shri K K Khandelwal, Director	0	0.00	0	Nil	0	0.00
5.	Shri Saket Jindal, Director	117579	2.26	0	Nil	117579	2.26
6.	Shri Rajender Singh, CFO	0	0.00	0	Nil	0	0.00
7.	Smt Sandhya Tiwari, CS	0	0.00	0	Nil	0	0.00

\* Resigned as Director of the Company on 1st June, 2019

## V. INDEBTEDNESS

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

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

NIL

# HARYANA CAPFIN LIMITED

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration of Managing Director, Whole-Time Director and/or Manager

S.No.	Particulars of Remuneration	Name of MD/ WTD/ Manager	Total Amount
		Shruti Raghav Jindal, WTD	(₹)
<b>1.</b>	<b>Gross Salary</b>		
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961	2,109,360	<b>2,109,360</b>
	(b) Value of perquisites u/s 17(2) of the Income-Tax Act, 1961	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-
<b>2.</b>	<b>Stock Option</b>	-	-
<b>3.</b>	Sweat Equity	-	-
<b>4.</b>	Commission - as % of profit - others, specify	-	-
<b>5.</b>	<b>Others, please specify</b>	-	-
	<b>Total (A)</b>	2,109,360	<b>2,109,360</b>

### B. Remuneration to other Directors:

S. No.	Particulars of Remuneration	Name of Directors			Total Amount
		K.K. Khandelwal	K.K. Bhartia	Saket Jindal	(₹)
<b>1</b>	<b>Independent Directors</b>				
	• Fee for attending Board/Committee meetings	47,500	47,500	30,000	1,25,000
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
	<b>Total (1)</b>	<b>47,500</b>	<b>47,500</b>	<b>30,000</b>	<b>1,25,000</b>
<b>2</b>	<b>Other Non-Executive Directors</b>				
	• Fee for attending Board/Committee meetings	-	-	-	-
	• Commission	-	-	-	-
	• Others, please specify	-	-	-	-
<b>3</b>	<b>Total (2)</b>	-	-	-	-
<b>4</b>	<b>Total (B)=(1+2)</b>	<b>47,500</b>	<b>47,500</b>	<b>30,000</b>	<b>1,25,000</b>
<b>5</b>	<b>Total Managerial Remuneration (A+B)</b>				<b>22,34,360*</b>

\*Total remuneration to Whole Time Director and other Directors (being total of A and B)



# HARYANA CAPFIN LIMITED

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

S. No.	Particulars of Remuneration	Key Managerial Personnel		Total
		Sandhya Tiwari, CS	Rajender Singh, CFO	
1.	<b>Gross Salary</b>			
	(a) Salary as per provisions contained in Section 17(1) of the Income Tax Act, 1961.	4,23,730	4,61,389	<b>8,85,119</b>
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961	-	-	-
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	-	-	-
2.	Stock Options	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit -others specify	- -	- -	- -
5.	Others (Ex gratia)	-	-	-
	<b>Total</b>	<b>4,23,730</b>	<b>4,61,389</b>	<b>8,85,119</b>

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

(₹.)

Type	Section of the Companies Act	Brief description	Details of penalty/ Punishment/Compounding fees imposed	Authority [RD/NCLT/Court]	Appeal made, if any (give details)
<b>A. COMPANY</b>					
Penalty					
Punishment					
Compounding					
<b>B. DIRECTORS</b>					
Penalty					
Punishment					
Compounding					
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty					
Punishment					
Compounding					

# HARYANA CAPFIN LIMITED

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## CORPORATE GOVERNANCE REPORT

Sound Corporate Governance is essential to enhance the shareholders' trust and value. Your Company conducts its affairs with the highest level of integrity, with proper authorizations, accountability, disclosure and transparency. The Company strongly believes in maintaining a simple and transparent corporate structure driven solely by business needs. Shareholders interests are on utmost priority while protecting the interest of other stakeholders, customers, suppliers and its employees and the management is only a trustee to carry out the activities in a truthful and fruitful manner.

The Company is in compliance with the requirements as stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 with regard to corporate governance.

### 1. BOARD OF DIRECTORS

#### Composition

The Company's policy is to have appropriate mix of Executive and Non-Executive/ Independent Directors including one women Director on the Board. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors. None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 Committees of the Companies as required under Regulation 26 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, across all the companies in which they are Directors. The Directors have made necessary disclosures regarding their Committee positions.

The Board meets regularly and is responsible for the proper management of the Company. The Company has one woman Executive Director who is also a promoter of the Company. Two Directors are Non-Executive Independent Directors and one Director is Non-Executive Non Independent Director; who is also a promoter of the Company.

The Chairman of the Board is Non-Executive Independent Director. The size and composition of the Board confirms to the requirements of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

All Independent Directors have confirmed that they meet the criteria as mentioned under Section 149 of the Companies Act, 2013 and Regulation 25 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

A Certificate under Clause (i) of point (10) of para C of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 by M/s Hemant Singh and Associates, Company Secretaries confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of the Company by Securities and Exchange Board of India/ Ministry of Corporate Affairs or any such statutory authority is attached as Annexure A.

#### Board Functioning & Procedure

In accordance with the provisions of Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 the Board meets at least once in every quarter to review the quarterly results and other items of agenda as required under the said regulations thereof.

During the year ended 31st March, 2020, the Board of Directors met five times on 29th May, 2019, 7th August, 2019, 12th September, 2019, 12th December, 2019 and 7th February, 2020. The Board periodically reviews the compliance report of all laws applicable to the Company.

The names and categories of the Directors on the Board, their attendance at Board meetings during the year and at the last Annual General Meeting, as also the number of Directorships held by them in other companies as on 31st March, 2020 are given below:

# HARYANA CAPFIN LIMITED

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held				
			Board Meeting	Last AGM	Directorship	Name of Listed Entities	Category of Directorship	Committee Memberships	Committee Chairmanships
Smt. Shruti Raghav Jindal	Whole- Time Director	-	4	No	2	-	-	-	-
Shri Krishna Kumar Khandelwal	Chairman & Independent Director	-	5	No	4	1. Jindal Drilling & Industries Ltd.	Independent Director	2	2
Shri Sanjiv Gupta*	Non-Executive Director	-	1	No	3	-	-	-	-
Shri K.K. Bhartia	Independent Director	-	5	Yes	3	-	-	-	-
Shri Saket Jindal	Non-Executive Director	117,579	4	No	6	1. Maharashtra Seamless Ltd.	Managing Director	1	-

\* \* Resigned as Director of the Company on 1st June, 2019.

Note: 1. Only Audit and Stakeholders' Relationship Committees are considered.

2. Excludes directorship in Foreign Companies.

3. No Director is related with other directors.

During the year 2019-20, information as required in Schedule II Part A of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 has been placed before the Board for its consideration. The Board periodically reviews the compliance reports of all laws applicable to the Company.

## SEPARATE MEETING OF INDEPENDENT DIRECTORS

The Company's Independent Directors meet at least once in every financial year without the presence of Executive Directors or management personnel, inter alia, to discuss:

- the performance of Non Independent Directors and Board of Directors as a whole.
- the performance of the Chairman of the Company, taking into account the views of the Executive & Non-Executive Directors.
- the quality, content and timelines of flow of information between the management and the Board that is necessary for the Board to effectively perform its duties.

During the year under review, the Independent Directors met on 7th February, 2019. All Independent Directors were present at the meeting.

## Familiarisation Programme

The Directors are provided with necessary documents/brochures, reports and internal policies to enable them to familiarize with the Company's procedures and practices. Periodic presentations are made at the Board and Committee meetings on business and performance updates of the Company.

The detail of familiarization programmes for Independent Directors are posted on the Company's website [www.haryanacapfin.com](http://www.haryanacapfin.com) and can be accessed at <http://www.haryanacapfin.com/Familiarization.pdf>.

## CODE OF CONDUCT

The Board of Directors has adopted the Code of Conduct for Directors (incorporating duties of Independent Directors as laid down in the Companies Act, 2013) and Senior Management personnel. The Code has also been posted on the Company's website [www.haryanacapfin.com](http://www.haryanacapfin.com)

The Code has been circulated to all members of the Board and senior management personnel and the compliance with the Code of Conduct is affirmed by them annually.

A declaration signed by the Whole Time Director of the Company is given below:

This is to certify that, all Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for Directors and Senior Management for the financial year ended 31st March 2020.

Date: 21st August, 2020

**Shruti Raghav Jindal**  
Whole Time Director

# HARYANA CAPFIN LIMITED

## 2. AUDIT COMMITTEE

The terms of reference of the Audit Committee are as per guidelines set out in the in the Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013. The Audit Committee provides directions towards the audit functions and monitors the quality of internal and statutory audit.

The responsibilities of the Audit Committee include overseeing the financial reporting process, to ensure fairness, sufficiency and credibility of financial statements, review findings of internal auditors relating to various functions, recommendation of appointment and removal of statutory auditors, internal auditors and fixation of their remuneration; review of the quarterly and annual financial statements before submission to the Board, with particular reference to matters required to be included in the Directors' Responsibility Statement to be included in the Board's Report in terms of clause (c) of Sub-section 3 of Section 134 of the Companies Act, 2013; review of adequacy and compliance of internal control systems and the internal audit function; review of compliance with laws; inspection of records and audit reports; review of findings of internal investigations; review of statement of significant related party transactions; review of management letters/letter of internal control, weaknesses issued by statutory auditors, discussion on the scope of audit with external auditors and examination of reasons for substantial defaults, if any in the payment to shareholders; review the functioning of the Whistle Blower mechanism etc.

### COMPOSITION

The Audit Committee of the Company comprises of 3 Directors, out of which two are Non - Executive Independent Directors and one is Executive Director. All members of the Committee possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is a Non-Executive Independent Director. The Company Secretary acts as Secretary to the Audit Committee.

Minutes of the Audit Committee meetings are noted by the Board of Directors at the subsequent Board Meeting.

During the year under review four Audit Committee meetings were held on 29th May, 2019, 12th September, 2019, 12th December, 2019 and 7th February, 2020. The Composition of the Audit Committee as on 31st March, 2020 and attendance at its meetings is as follows:

Members	Designation	No. of meetings attended
Shri Kamal Kishore Bhartia	Chairman	4
Smt. Shruti Raghav Jindal	Member	3
Shri Krishan Kumar Khandelwal	Member	4

### INTERNAL AUDITORS

The Company has appointed Internal Auditors to review the internal control systems of the Company and to report thereon. The Audit Committee reviews the reports of the Internal Auditors periodically.

## 3. NOMINATION AND REMUNERATION COMMITTEE

The Board has constituted a Nomination and Remuneration Committee (NRC) and the terms of reference of the Nomination and Remuneration Committee are as per guidelines set out in the Regulation 19 of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015 read with Section 178 of the Companies Act, 2013.

The said Committee has been entrusted to formulate the criteria for determining qualification, positive attributes and independence of a Director and recommend to the Board a policy relating to remuneration for the Directors, key managerial personnel and other employees, formulation of criteria for evaluation of Independent Directors and the Board, devising a policy on Board diversity, identifying persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal etc.

The Nomination & Remuneration Committee of the Company is comprised of three Directors out of which two are Independent Directors and one is Non-Executive Director. The Chairman of the Committee is an Independent Non-executive Director. During the year under review meetings of the Nomination and Remuneration Committee were held on 7th August, 2019 and 7th February, 2020. The Composition of the Nomination & Remuneration Committee as on 31st March, 2020 and attendance at its meetings are as follows:

Members	Designation	No. of meetings attended
Shri Kamal Kishore Bhartia	Chairman	2
Shri Krishna Kumar Khandelwal	Member	2
Shri Sanjiv Gupta*	Member	-
Shri Saket Jindal**	Member	2

\* Ceased to be member of the Committee on 29th May, 2019

\*\* Appointed as member of the Committee on 29th May, 2019

## Nomination and Remuneration Policy

The Remuneration Policy of the Company is designed to attract, motivate, improve productivity and retain manpower, by creating a congenial work environment, encouraging initiatives, personal growth and team work, and inculcating a sense of belonging and involvement, besides offering appropriate remuneration packages. The policy reflects the Company's objectives for good corporate governance as well as sustained long-term value creation for shareholders. This Remuneration Policy applies to Directors, senior management including its Key Managerial Personnel (KMP) and other employees of the Company.

Remuneration of Whole Time Director reflects the overall remuneration philosophy and guiding principles of the Company. When considering the appointment and remuneration of Whole Time Directors, due consideration is given to pay and employment conditions in the industry, merit and seniority of the person and the paying capacity of the Company.

The Company's Remuneration Policy is guided by a reward framework and set of principles and objectives as more fully and particularly envisaged under the Companies Act 2013, inter alia principles pertaining to determining qualifications, positive attributes, integrity and independence etc.

Remuneration also aims to motivate personnel to deliver Company's key business strategies, create a strong performance-oriented environment and reward achievement of meaningful targets over the short and long-term.

The remuneration of other employees is fixed from time to time as per the guiding principles outlined above and considering industry standards and cost of living. In addition to basic salary they are also provided perquisites and retirement benefits as per schemes of the Company and statutory requirements, where applicable. Policy of motivation/reward/ severance payments is applicable to this category of personnel as in the case of those in the management cadre.

The Nomination and Remuneration Policy of the Company has been uploaded and can be accessed on the website at <https://www.haryanacapfin.com/Nomination%20and%20Remuneration%20Policy.pdf>

## Details of Directors' Remuneration

Details of remuneration paid to the Directors during the financial year ended 31st March 2020 are as under:

a) Details of remuneration paid to Whole -Time Director: (Amount in ₹)

Name	Salary	Perquisites & other benefits	Total
Smt. Shruti Raghav Jindal	2,109,360	Nil	2,109,360

b) The Non-Executive Directors are paid by way of sitting fees for each meeting of the Board of Directors and Audit Committee attended by them. Details of remuneration paid as sitting fee to Non-Executive Directors during the year ended 31st March, 2020: -

Directors	Sitting Fees (₹)
Shri Krishna Kumar Khandelwal	47,500
Shri Kamal Kishore Bhartia	47,500
Shri Saket Jindal	30,000

Apart from receiving Directors' remuneration by way of sitting fee for attending each meeting of Board and Audit Committee, none of the Non-Executive Directors had any pecuniary relationship or transactions with the Company during the year ended 31st March, 2020.

## 4. STAKEHOLDERS RELATIONSHIP COMMITTEE

The Board has constituted Stakeholders' Relationship Committee under Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Chairman of this committee shall be a Non-Executive Director of the Company. The Committee meets periodically, to approve inter-alia, transfer/ transmission of shares, issue of duplicate share certificates and reviews the status of investors' grievances and redressal mechanism and recommends measures to improve the level of investor services. Details of shares transfers/transmissions approved by the Committee are placed at the Board meetings from time to time.

The constitution of the Stakeholders Relationship Committee as on 31st March, 2020 was as under:-

Members	Designation
Shri Kamal Kishore Bhartia	Chairman
Smt. Shruti Raghav Jindal	Member
Shri Sanjiv Gupta *	Member
Shri KK Khandelwal**	Member

\* Ceased to be member of the Committee on 29th May, 2019

\*\* Appointed as member of the Committee on 29th May, 2019

# HARYANA CAPFIN LIMITED

## COMPLIANCE OFFICER

The Board has designated Mrs. Sandhya Tiwari, Company Secretary as Compliance Officer of the Company.

## DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED AND REPLIED TO THE SATISFACTION OF SHAREHOLDERS

Number of Shareholders complaints received during the period 01.04.2019 to 31.03.2020	Nil
Number of complaints solved to the satisfaction of shareholders	NA
Number of pending complaints as on 31.03.2020	Nil

## DESIGNATED EMAIL ID FOR INVESTORS

The Company has designated an exclusive email id for redressal of investors grievances i.e. investors@haryanacapfin.com

## 5. GENERAL BODY MEETINGS

(I) Details of the last three Annual General Meetings:

Financial year	Date	Location of the Meeting	Time
2016-17	26.09.2017	Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad- 402126 (Maharashtra)	4.30 P.M.
2017-18	25.09.2018	Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad- 402126 (Maharashtra)	4.30 P.M.
2018-19	24.09.2019	Pipe Nagar, Village Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. Raigad- 402126 (Maharashtra)	4.30 P.M.

(II) Special resolutions passed in the previous three Annual General Meetings.

- a) In the AGM held on 26th September, 2017 : Appointment of Smt. Shruti Raghav Jindal as Whole-Time Director
- b) In the AGM held on 25th September, 2018 : i) Continuation of Shri K.K Khandelwal as Director.  
ii) Amendment of Objects Clause of the Memorandum of Association.  
iii) Amendment of the liability Clause of the Memorandum of Association.  
iv) Amendment of Articles of Association.
- c) In the AGM held on 24th September, 2019 : Re-appointment of Shri K.K. Bhartia as Independent Director for second term of five years.

(III) Special resolutions passed through Postal Ballot

During the year under review, no special resolution was passed through postal ballot.  
None of the special resolutions is proposed to be conducted through postal ballot.

## 6. MEANS OF COMMUNICATION

The Company's financial results are communicated forthwith to BSE Ltd, Mumbai, where the Company's shares are listed, as soon as they are approved and taken on record by the Board of Directors of the Company. Thereafter the results are normally published in the Financial Express, Business Standard & Mumbai Lakshdeep, Aapla Mahanagar/Navshakti. The financial results and all other relevant information is being uploaded on the company's website www.haryanacapfin.com.

## 7. CERTIFICATE ON CORPORATE GOVERNANCE REPORT

As required under Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 Certificate on Corporate Governance has been annexed to the Board's Report.

## 8. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In compliance with the requirements of the SEBI (Prohibition of Insider Trading) Regulations, 2015 and Companies Act, 2013 the Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors, KMPs and designated employees.

# HARYANA CAPFIN LIMITED

## 9. CORE SKILLS/EXPERTISE/COMPETENCIES FOR THE BOARD OF DIRECTORS

In terms of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 relating to the Corporate Governance, the Board has identified the following core skills/expertise/competencies for the Board of Directors in the context of business of the Company to function effectively and those actually available with the Board as follows:

- (i) Industry specific knowledge/ experience;
- (ii) Financial literacy/expertise including appreciation of legal/ regulatory issues;
- (iii) General administrative expertise including HR matter; and
- (iv) Knowledge of contemporary socio economic issues.

In terms of requirement of Listing Regulations, 2015, the Board has identified the following core skills / expertise / competencies of the Directors in the context of the Company's business for effective functioning as given below:

	Shri Saket Jindal	Shri K.K. Khandelwal	Shri K.K. Bhartia	Smt. Shruti Raghav Jindal
Industry specific knowledge/ experience	Yes	Yes	Yes	Yes
Financial literacy/expertise including appreciation of legal/ regulatory issues	Yes	Yes	Yes	Yes
General administrative expertise including HR matter	Yes	Yes	Yes	Yes
Knowledge of contemporary socio economic issues.	Yes	Yes	Yes	Yes

## 10. GENERAL SHAREHOLDERS INFORMATION

### a) Annual General Meeting:

- Date & Time : 26th September, 2020 at 11.00 A.M.  
 Venue : Not applicable since A.G.M will be held through Video Conferencing (VC) or other Audio Visual Means (OAVM)

b) Financial Year : 1<sup>st</sup> April, 2019 to 31<sup>st</sup> March, 2020

c) Book Closure : Not applicable

d) Dividend : Not Applicable

### Financial Calendar (Tentative):

- Financial reporting for the quarter ended 30th June, 2020 : Aug/Sept 2020  
 Financial reporting for the quarter ending 30th Sept. 2020 : Oct/Nov 2020  
 Financial reporting for the quarter ending 31st Dec. 2020 : Jan/Feb 2021  
 Financial reporting for the quarter/year ending 31st March, 2021 : April/May 2021

### Listing on Stock Exchanges:

The Equity Shares of the Company are listed on BSE Limited having its Office at Floor 25, P. J. Towers, Dalal Street, Mumbai - 400001, and Listing fee for the year 2019-20 has already been paid.

- Scrip ID : HARYNACAP  
 Stock Code : BSE 532855  
 NSDL/ CDSL - ISIN : INE928H01019

### STOCK MARKET PRICE DATA FOR THE YEAR 2019-20

Month	HCL BSE Price (₹)		BSE SENSEX	
	High	Low	High	Low
April, 2019	51.75	40.75	39,487.45	38,460.25
May, 2019	48.75	41.00	40,124.96	36,956.10
June, 2019	48.80	38.15	40,312.07	38,870.96
July, 2019	44.10	33.50	40,032.41	37,128.26
August, 2019	32.60	27.80	37,807.55	36,102.35
September, 2019	42.00	31.00	39,441.12	35,987.80
October, 2019	38.70	31.85	40,392.22	37,415.83
November, 2019	37.25	26.95	41,163.79	40,014.23
December, 2019	32.35	26.60	41,809.96	40,135.37
January, 2020	37.75	29.45	42,273.87	40,476.55
February, 2020	36.30	28.20	41,709.30	38,219.97
March, 2020	31.50	27.30	39,083.17	25,638.90

# HARYANA CAPFIN LIMITED

## DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2020

No. of equity shares held	No. of shareholders	% of shareholders	No. of shares held	% of shareholding
Up to 500	3430	92.13	287989	5.53
501 to 1000	131	3.52	96333	1.85
1001 to 10000	136	3.65	384113	7.37
10001 to 100000	16	0.43	459649	8.82
100001 to 500000	7	0.19	1305719	25.07
500001 and above	3	0.08	2674878	51.35
<b>GRAND TOTAL</b>	<b>3723</b>	<b>100</b>	<b>5208681</b>	<b>100</b>

## SHAREHOLDING PATTERN AS ON 31ST MARCH, 2020:

Category	No. of Share held	% of Shareholding
Promoters	3686740	70.78
Financial Institutions/ Banks	378	0.01
Foreign Portfolio Investors	39773	0.76
Bodies Corporate	549405	10.55
Indian Public/Resident HUF	871403	16.73
NRI/OCB	55065	1.06
Trust	5700	0.11
Clearing Members	217	0.00
<b>GRAND TOTAL</b>	<b>5208681</b>	<b>100.00</b>

### Dematerialization of Shares

98.55% of total paid-up equity shares of the Company were in dematerialized form as on 31st March, 2020.

### Outstanding ADR/GDR/ Warrants and Convertible Bonds, Conversion date and likely impact on equity:

There is no outstanding GDR/Warrants and Convertible Bonds etc.

### Commodity price risk or foreign exchange risk and hedging activities

Company's nature of business is of investment and financing, hence there is no commodity price risk or foreign exchange risk.

### Registrar and Share Transfer Agents:

Alankit Assignments Limited,  
Alankit House, 4E/2, Jhandelwala Extension,  
New Delhi - 110 055  
Phone: 011-42541234, 011-23541234  
Fax: 011-23552001,  
E-mail: rta@alankit.com

### Share Transfer System:

In accordance with the Regulation 40 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended, effective from April 1, 2019, transfers of shares of the Company, except in case of request received for transmission or transposition of securities, shall not be processed unless the shares are held in the dematerialized form with a depository. Shareholders holding equity shares in physical form are requested to have their shares dematerialized so as to be able to freely transfer them.

### Investor Correspondence Address:

Shareholders correspondence should be addressed to the Registrar and Share Transfer Agent at the address given above or to the Corporate Office of the Company.



Shareholders holding shares in dematerialized form should address all their correspondence to their respective Depository Participants.

## 11. OTHER DISCLOSURES

### i) Related Party Transactions

There have been related party transactions as reflected in Notes to the Financial Statements but they are not in conflict with the interest of the Company. All transactions have been approved by the Audit Committee.

The Board has approved a policy on materiality of Related Party Transactions which has been uploaded on the website of the Company at the following link <http://www.haryanacapfin.com/RPTPOLICY.pdf>

### ii) Accounting Standards

The Company has followed Indian Accounting Standards (Ind AS) in the preparation of the Financial Statements for the financial year ending 31st March, 2020. The significant accounting policies which are consistently applied have been set out in the Notes to the Financial Statements.

### iii) Details on Non Compliance

There were no instances of non-compliance imposed on the Company by the Stock Exchange, SEBI, or any other statutory authorities on any matter related to the capital markets during the last 3 years.

### iv) CEO/CFO Certificate

Smt. Shruti Raghav Jindal, Whole Time-Director and Shri Rajender Singh, CFO have furnished the required certificate to the Board of Directors pursuant to Regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

### v) Vigil Mechanism/Whistle Blower Policy

The Company has adopted a Whistle blower policy and has established the necessary vigil mechanism as defined under Regulation 22 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of the Company's Code of conduct. No person has been denied access to the Chairman of the Audit Committee. The said policy has been disclosed on the Company's website under the web link <http://www.haryanacapfin.com/VIGILMECHANISM.pdf>

### vi) Adoption of Mandatory and Non- mandatory requirements of Regulation 27 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all mandatory requirements of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. However, the Company has also complied with following non-mandatory requirements of Regulation 27 (1) read with Part E of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### Audit Qualifications

The Financial Statements of the Company are unqualified.

#### Reporting of Internal Auditor

The Internal Auditors of the Company make presentations to the Audit Committee on their reports.

### vii) Risk Management

The Company has detailed Risk Management Policy and the Board periodically reviews the procedures for its effective management.

### viii) Subsidiary Companies

The Company does not have any material non-listed Indian subsidiary company.

The Company has adopted a Policy in line with the requirements of the Listing Regulations. The objective of this policy is to lay down criteria for identification and dealing with material subsidiaries and to formulate a governance framework for subsidiaries of the Company. The policy on Material Subsidiary is available on the website of the Company under the web link [https://www.haryanacapfin.com/Material\\_Subsubsidiary.pdf](https://www.haryanacapfin.com/Material_Subsubsidiary.pdf)

### ix) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under regulation 32(7A)

Not applicable during the financial year.

# HARYANA CAPFIN LIMITED

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- x) **Where the board had not accepted any recommendation of any committee of the board which is mandatorily required, in the relevant financial year, the same to be disclosed along with reasons thereof**

The Board accepted the recommendations of its Committees, wherever made, during the financial year.

- xi) **Total Fees For All Services Paid By The Listed Entity And Its Subsidiaries, On A Consolidated Basis, To The Statutory Auditor And All Entities In The Network Firm/Network Entity Of Which The Statutory Auditor Is A Part:**

Details relating to fees paid to the Statutory Auditors are given in Notes to the Audited Financial Statements of the Company.

- xii) **Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

a. number of complaints filed during the financial year - Nil

b. number of complaints disposed of during the financial year - Nil

c. number of complaints pending as on end of the financial year - Nil

## 12. DISCLOSURE ON NON COMPLIANCE

There was no such non compliance made by the Company on Corporate Governance Report as required under sub para (2) to (10) of Part C of Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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### CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of

#### **HARYANA CAPFIN LIMITED**

Pipe Nagar, Village - Sukeli,  
N.H-17, B.K.G. Road, Taluka Roha,  
Distt. - Raigad, Maharashtra-402126

We have examined the compliance of conditions of Corporate Governance by **HARYANA CAPFIN LIMITED** (CIN: L27209MH1998PLC236139) ('the Company'), as stipulated in regulations 17 to 20 & 22 to 27 and clause (b) to (i) of regulation 46(2) and Para C, D & E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("SEBI Listing Regulations") for the financial year ended March 31, 2020.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to the review of procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance as stipulated in the said Regulations. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our findings of our examination of the records produced and explanations and information furnished to us, and the representation made by the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI Listing Regulations for the financial year ended March 31, 2020.

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 Hemant Singh & Associates**  
Company Secretaries

**Hemant Kumar Singh**  
Partner

FCS-6033

C.P. No. : 6370

**UDIN: F006033B000603707**

Place: Delhi

Dated: 21.08.2020

# HARYANA CAPFIN LIMITED

## CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

[Pursuant to Regulation 34(3) and clause (i) of Point (10) of Para C of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,

The Members

### Haryana Capfin Limited

Pipe Nagar, Village -Sukeli,

N.H. 17, B.K.G. Road, Taluka Roha,

Distt. - Raigad, Maharastra-402126

We have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Haryana Capfin Limited having CIN L27209MH1998PLC236139 and having its registered office at Pipe Nagar, Village -Sukeli, N.H. 17, B.K.G. Road, Taluka Roha, Distt. - Raigad Maharastra-402126 (hereinafter referred to as 'the Company'), produced before us by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In our opinion and to the best of our information and according to the verifications [including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)] as considered necessary and explanations furnished to us by the Company & its officers, we hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2020 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

S. No	Name of Director	DIN	Date of Appointment
1.	Mr. Kamal Kishore Bhartia	00081236	16/03/2011
2.	Mr. Saket Jindal	00405736	20/03/2019
3.	Mr. Krishna Kumar Khandelwal	00455369	26/05/2015
4.	Ms. Shruti Raghav Jindal	02208891	01/07/2014

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**For Hemant Singh & Associates**  
Company Secretaries

**(Hemant Kumar Singh)**

(Partner)

FCS 6033

C.P. No. 6370

**UDIN:** F006033B000603674

Date: 21.08.2020

Place: Delhi

# HARYANA CAPFIN LIMITED

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## MANAGEMENT DISCUSSION & ANALYSIS

**FORWARD LOOKING STATEMENT** and Management Discussion and Analysis Report contains "forward-looking statements" about the business, financial performance, skills and prospects of the Company. Statements about the plans, intentions, expectations, beliefs, estimates, predictions or similar expression for future are forward-looking statements. Forward-looking statements should be viewed in the context of many risk issues, and events that could cause the actual performance to be different from that contemplated in the Directors' Report and Management Discussion and Analysis Report, including but not limited to, the risk arising from impact of changes in interest rate fluctuation, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realized. Factors like changes in Government regulations, tax laws and other factors may further influence the Company's operations or performance. The Company disclaims any duty to update the information given in the aforesaid reports.

### ECONOMIC ENVIRONMENT OVERVIEW

The World Health Organization [WHO] declared COVID-19 as a pandemic on March 11, 2020. The pandemic has impaired global economy, international trade, financial structures, and most importantly human health and healthcare infrastructure. Factoring in the adverse effect of the pandemic, the IMF, in June 2020, projected global GDP for CY2020 to contract by as much as 4.9% - signalling the worst recession the world has seen since the Great Depression of the 1930s. The COVID-19 crisis threatens to reverse a significant part of the progress made in recent years, and it is feared millions of people will be pushed back into poverty.

What happens to global growth in the second half will depend on three factors: when the spread of the pandemic comes under control; whether sufficient stimulus is in place; and to what extent post-pandemic caution from households and businesses restrains economic activity.

### BUSINESS OUTLOOK

Indian GDP growth continued its downward trajectory in every successive quarter of FY 2019-20, expanding by a mere 3.1% in the fourth quarter and 4.2% for the entire FY 2019-20 - the slowest growth since FY 2008-09. The downward spiral which began with outflow of international investments soon ballooned into a consumption slowdown led by weakening credit growth due to liquidity constraints facing the NBFCs, credit averseness amongst banks, weak capital expenditure, and a slowdown in manufacturing. The government and the RBI announced a slew of measures during the year to revive the economy by trying to boost demand. In September 2019, the Government of India slashed the corporate tax rates from 30% to 22% [15% for new domestic manufacturing companies - amongst the lowest in the world] in an attempt to promote investment and boost growth. This complemented aggressive rate cuts from the RBI which reduced the benchmark policy rate in multiple steps from 6% in April 2019 to 4.4% in March 2020. However, the economic disruption intensified in the fourth quarter of the fiscal year 2020 due to the COVID-19 pandemic, and the consequent nationwide lockdown. Amid fast-changing macroeconomic environment and a deteriorating outlook for growth, the Monetary Policy Committee [MPC] held off-cycle meetings in March and May, cumulatively reducing repo rate by a total of 115 basis points to 4.00%, the lowest level since the year 2000.

### OPPORTUNITIES & THREATS

The Company foresees, new opportunities to come up to expand its operations by way of equity participation in new projects/expansion of existing projects, considering long term growth potential of the Country. The NBFC sector holds immense potential in view of the Government of India's increased focus towards Financial Inclusion.

The economic recovery, coupled with contained inflation has brightened the prospects of business growth. With multiple players invading the market, the ability to compete effectively will depend, to some extent, on the Company's ability to raise low cost funds in future.

## **SEGMENT-WISE PERFORMANCE**

The Company is engaged in the business of Finance/Investment activities. There is no other segment. Therefore, there are no separate segments for reporting as per the Accounting Standard AS-17 issued by The Institute of Chartered Accountants of India.

## **RISKS AND CONCERNS**

As an NBFC, your Company is subjected to both external and internal risks. External risks due to interest rate fluctuation, slowdown in economic growth rate, political instability, market volatility, decline in foreign exchange reserves, etc. Internal risk is associated with your Company's business which includes the strategic investments in a specific sector. Any downward movement in the prospects of the sector could be a threat to the Company's prospects. At this juncture of rapidly evolving macroeconomic risks, it becomes imperative for business to track the macroeconomic performance on an ongoing basis. Your Company recognizes the importance of risk management and has invested in people, process and technologies to effectively mitigate the above risks, so as to arrive at a profitable investment decision.

## **INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY**

The Company has adequate internal control system, commensurate with its size and nature of operations, covering assurance of recording all the transaction details, regulatory compliance and protecting the Company assets from any kind of loss or misuse. Accounting records are adequate for preparation of financial statements and other financial information. Internal Audit is conducted on a periodical basis to ascertain the adequacy and effectiveness of internal control systems.

## **FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

Total income of the Company during the year was Rs. 254.23 lakhs as against Rs. 262.27 lakhs in the previous year. The profit before tax during the year was Rs. 200.19 lakhs as against Rs. 208.37 lakhs in the previous year. The Profit after tax was Rs. 193.59 lakhs as against Rs. 198.87 lakhs in the previous year.

## **HUMAN RESOURCES**

Your Company has employed professionals/experienced persons, playing an important role in the operations of the Company. The Company will strengthen its operative staff as and when the need arises.

# HARYANA CAPFIN LIMITED

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## INDEPENDENT AUDITORS' REPORT

TO,  
THE MEMBERS OF HARYANA CAPFIN LIMITED

### Report on the Audit of the Financial Statements

We have audited the accompanying financial statements of **Haryana Capfin Limited** ('the Company'), which comprises the Balance Sheet as at 31st March 2020, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of the significant accounting policies and other explanatory information.

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 Companies Act, 2013 ('the Act') in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, and Profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis of Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under Section 143(10) of the Companies Act 2013. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the code of ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the code of ethics.

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

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### Information other than the Financial Statements and Auditor's Report thereon

The Company's management and Board of directors are responsible for the preparation of the other information. The other information comprises the information included in the Company's Annual Report, but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

### Management's Responsibility for the Financial Statements

The Company's management and Board of Directors are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the state of affairs, profit / loss (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with relevant rules issued thereunder. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design,

implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from materials misstatement, whether due to fraud or error.

In preparing the financial statements, management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors is also responsible for overseeing the Company's financial reporting process.

## **Auditor's Responsibility for the audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of Internal Financial Control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated

# HARYANA CAPFIN LIMITED

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in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Section 143(11) of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143 (3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - (c) The Balance Sheet, the Statement of Profit & Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account;
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
  - (e) On the basis of written representations received from the directors as on 31st March 2020 taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2020 from being appointed as a director in terms of section 164(2) of the Act;
  - (f) With respect to the adequacy of the Internal Financial Controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "**Annexure-B**"; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014 (as amended), in our opinion and to the best of our information and according to the explanations given to us:
    - i. As informed to us the Company does not have any pending litigations, which would impact its financial position.
    - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii. There were no amounts, which were required to be transferred to the Investor Education and Protection Fund by the Company.
3. With respect to the matter to be included in the Auditors' Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) which are required to be commented upon by us.

**For A M A A & Associates**  
Chartered Accountants  
Firm Registration no. 013066C

Place: Gurugram  
Date : 23-07-2020

**CA Mukesh Sharma**  
Partner  
Membership No. 505453



## Annexure - "A" to the Independent Auditors' Report

In terms of the information and explanations sought by us and given by the company and the books and records examined by us in the normal course of audit and to the best of our knowledge and belief, we state that: -

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.  
(b) Fixed assets have been physically verified by the management at regular intervals. It has been informed to us that no material discrepancies were noticed on such verification.  
(c) According to the information and explanations given to us and based on our examination of the records of the Company, the title deeds of immovable properties included in the fixed assets are held in the name of the Company.
- 2) The Company has no inventories as on 31st March 2020, hence clause (a), (b) and (c) of paragraph 2 of the order are not applicable.
- 3) According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Act. Thus, the provisions of clause (a), (b) and (c) of paragraph 3 of the Order are not applicable to the Company.
- 4) In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Section 185 and 186 of the Act, with respect to the loans given, investments made, guarantees and securities given.
- 5) The Company has not accepted any deposits from the public within the meaning of the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 of the Act, any other relevant provisions of the Act and the relevant rules framed there under.
- 6) The Central Government has not prescribed the maintenance of cost records under Section 148 of the Act for any of the services rendered by the Company.
- 7) (a) According to the information and explanations given to us and based on the records of the Company examined by us, the company is regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Investor Education Protection Fund, Employees' State Insurance, Income Tax, Goods and Services tax, custom duty, Cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods and Services tax, Sales Tax, Service Tax, Wealth Tax, Custom duty, Cess and other material statutory dues were in arrears, as at 31st March 2020 for a period of more than six months from the date they became payable.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to banks. The Company did not have any outstanding loans or borrowings from financial institutions or government and there are no dues to debenture holders during the year.
- 9) In our opinion and according to the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 9 of the Order is not applicable to the Company.
- 10) To the best of our knowledge and according to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit that causes the financial statements to be materially misstated.
- 11) In our opinion and according to the information and explanations given to us and based on examination of the records of the Company, the Company has paid / provided managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- 12) According to the information and explanations given to us, in our opinion, the Company is not a Nidhi Company as prescribed under Section 406 of the Act.
- 13) Based upon the audit procedures performed and according to the information and explanations given to us, all transactions with the related parties are in compliance with Sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- 14) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, the provisions of the paragraph 14 of the Order are not applicable to the Company.
- 15) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, the provisions of the paragraph 15 of the Order are not applicable to the Company.
- 16) The Company is registered under Section 45-IA of the Reserve Bank of India Act, 1934.

**For A M A A & Associates**  
Chartered Accountants  
Firm Registration no. 013066C

**CA Mukesh Sharma**  
Partner  
Membership No. 505453

Place: Gurugram  
Date : 23-07-2020

# HARYANA CAPFIN LIMITED

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## **Annexure - "B" to the Independent Auditors' Report**

(Refer to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' sections of our report of even date)

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

We have audited the internal financial controls with reference to the financial statements of Haryana Capfin Limited ("the Company") as of 31st March 2020 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

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

#### **Auditor's Responsibility**

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

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

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

#### **Meaning of Internal Financial Controls with reference to Financial Statements**

A company's internal financial control with reference to financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to financial statements includes those policies and procedures that -

- (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;

- (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and
- (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

## **Inherent Limitations of Internal Financial Controls with reference to Financial Statements**

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

## **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system with reference to the financial statements and such internal financial controls with reference to the financial statements were operating effectively as at 31st March 2020, based on the internal control with reference to financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by the ICAI.

**For A M A A & Associates**  
Chartered Accountants  
Firm Registration no. 013066C

Place: Gurugram  
Date : 23-07-2020

**Mukesh Sharma**  
Partner  
Membership No. 505453

# HARYANA CAPFIN LIMITED

## BALANCE SHEET AS AT 31ST MARCH, 2020

	Note No.	As at 31.03.2020 (₹)	As at 31.03.2019 (₹)	As at 01.04.2018 (₹)
<b>ASSETS</b>				
<b>(1) Financial Assets</b>				
(a) Cash and cash equivalents	1	353,068	330,637	263,095
(b) Bank Balance other than (a) above	2	-	-	-
(c) Receivables				
i) Trade Receivables				
ii) Other Receivables	3	1,187,970	1,215,663	1,002,672
(d) Loans	4	134,232,361	112,134,037	90,558,398
(e) Investments	5	609,878,153	1,468,699,652	1,257,938,074
(f) Other Financial assets				
<b>(2) Non-financial Assets</b>				
(a) Inventories	6	-	-	-
(b) Current tax assets (Net)	7	3,295,543	1,595,297	716,476
(c) Deferred tax Assets (Net)				
(d) Investment Property	8			
(e) Biological assets other than bearer plants	8			
(f) Property, Plant and Equipment	8	3,024,980	3,043,030	3,061,080
(g) Capital work-in-progress	8			
(h) Other non-financial assets	9	4,000	4,000	4,000
<b>Total Assets</b>		<b>751,976,075</b>	<b>1,587,022,316</b>	<b>1,353,543,795</b>
<b>LIABILITIES AND EQUITY</b>				
<b>LIABILITIES</b>				
<b>(1) Financial Liabilities</b>				
(a) Derivative financial instruments				
(b) Payables				
(I) Trade Payables				
i) dues of micro enterprises and smal enterprises				
ii) dues of creditors other than micro enterprises and small enterprises				
(II) Other Payables				
i) dues of micro enterprises and smal enterprises				
ii) dues of creditors other than micro enterprises and small enterprises				
(c) Borrowings (Other than Debt Securities)	10	-	-	-
(d) Deposits				
(e) Subordinated Liabilities				
(f) Other financial liabilities				
<b>(2) Non-Financial Liabilities</b>				
(a) Current tax liabilities (Net)	11	2,210,000	1,550,000	600,000
(b) Provisions	12	1,075,730	866,075	672,742
(c) Deferred tax liabilities (Net)	13	71,463,774	250,677,379	206,168,553
(d) Other non-financial liabilities	14	716,096	556,223	560,712
<b>(3) EQUITY</b>				
(a) Equity Share capital	15	52,086,810	52,086,810	52,086,810
(b) Other Equity		624,423,665	1,281,285,829	1,093,454,978
<b>Total Liabilities and Equity</b>		<b>751,976,075</b>	<b>1,587,022,316</b>	<b>1,353,543,795</b>

See accompanying notes to the financial statements  
In terms of our report of even date attached

### For AMAA & Associates

Chartered Accountants  
Firm Reg. No. 013066C

**Mukesh Sharma**  
Partner  
Membership No. 505453

Place : Gurugram  
Dated : 23-07-2020

### For & on Behalf of the Board

**Rajender Singh**  
CFO  
PAN - APIPS0673Q

**Sandhya Tiwari**  
Company Secretary  
ACS 35964

**Shruti Raghav Jindal**  
Whole-time Director  
DIN : 02208891

**Kamal Kishore Bhartia**  
Director  
DIN : 00081236

# HARYANA CAPFIN LIMITED

## STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2020

	Note No.	Year Ended 31.03.2020 (₹)	Year Ended 31.03.2019 (₹)
(I) Revenue from operations			
(i) Interest Income	16	7,220,360	7,788,204
(ii) Net gain on fair value changes			
(iii) Net gain on derecognition of financial instruments under amortised cost category			
(iv) Sale of Mutual Fund Units		-	-
(I) Total Revenue from operations		7,220,360	7,788,204
(II) Other Income	17		
(i) Dividend Income		17,656,129	17,376,101
(ii) Liability written back		5,416	-
(iii) Profit on sale of Current Investments (net)		541,408	1,063,086
Total Revenue from other income		18,202,953	18,439,187
(III) Total Income (I+II)		25,423,313	26,227,391
Expenses			
(i) Finance Costs	18	-	-
(ii) Net loss on fair value changes	19	-	-
(iii) Purchases of Stock-in-trade			
(iv) Changes in Inventories of finished goods, stock-in-trade and work-in-progress	20	-	-
(v) Employee Benefits Expenses	21	4,120,979	4,081,234
(vi) Depreciation, amortization and impairment	22	18,050	18,050
(vii) Others expenses	23	1,209,938	1,237,123
(viii) Contingent Provision against Standard Assets		55,246	53,938
(IV) Total Expenses (IV)		5,404,213	5,390,345
(V) Profit / (loss) before exceptional items and tax (III-IV)		20,019,100	20,837,046
(VI) Exceptional items			
(VII) Profit/(loss) before tax (V -VI)			
(VIII) Tax Expense:			
a) Current Tax		660,000	950,000
b) Deferred Tax		-	-
c) MAT Credit Entitlement		-	-
d) Tax Adjustment for Earlier Years		-	-
(IX) Profit/(loss) for the period from continuing operations(VII-VIII)		19,359,100	19,887,046
(X) Profit/(loss) from discontinued operations			
(XI) Tax Expense of discontinued operations			
(XII) Profit/(loss) from discontinued operations(after tax) (X-XI)			
(XIII) Profit/(loss) for the period (IX+XII)		19,359,100	19,887,046
(XIV) Other Comprehensive Income			
(A) (i) Items that will not be reclassified to profit or loss		(855,434,869)	212,452,631
(ii) Income tax relating to items that will not be reclassified to profit or loss		179,213,605	(44,508,826)
Total A		(676,221,264)	167,943,805
(B) (i) Items that will be reclassified to profit or loss Change in fair value of equity instrument		-	-
(ii) Income tax relating to items that will be reclassified to profit or loss		-	-
Total B		-	-
Other Comprehensive Income (A + B)		(676,221,264)	167,943,805
(XV) Total Comprehensive Income for the period (XIII+XIV)		(656,862,164)	187,830,851
(XVI) Earnings per equity share (for continuing operations)			
Basic (Rs.)	24	3.72	3.82
Diluted (Rs.)	24	3.72	3.82

See accompanying notes to the financial statements

In terms of our report of even date attached

For AMAA & Associates

Chartered Accountants  
Firm Reg. No. 013066C

For & on Behalf of the Board

Mukesh Sharma  
Partner  
Membership No. 505453

Rajender Singh  
CFO  
PAN - APIPS0673Q

Shruti Raghav Jindal  
Whole-time Director  
DIN : 02208891

Place : Gurugram  
Dated : 23-07-2020

Sandhya Tiwari  
Company Secretary  
ACS 35964

Kamal Kishore Bhartia  
Director  
DIN : 00081236

# HARYANA CAPFIN LIMITED

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2020

	Year Ended 31.03.2020 (₹)	Year Ended 31.03.2019 (₹)
Net Profit/(Loss) before Extraordinary Items and Tax	20,019,100	20,837,046
<b>Adjustments for:-</b>		
Depreciation and amortisation	18,050	18,050
Interest income		
Dividend Received / Profit or Loss on redemption of Investments		
Loss/(Profit) on transfer of land	-	-
Finance Cost		
Contingent Provision for Standard Assets Written back	-	-
<b>Operating profit /(loss) before working capital changes</b>	<b>20,037,150</b>	<b>20,855,096</b>
<b>Changes in working capital :</b>		
<b>Adjustment for (increase )/decrease in operating assets</b>		
Trade Receivables and Other Financial assets	(246,366,398)	(21,575,639)
Inventories	-	-
Trade receivable	-	-
<b>Adjustment for increase/(decrease) in operating liabilities</b>		
Trade payable	-	-
Other current liabilities	159,873	(4,489)
Provisions	154,409	139,395
<b>Cash generated from Operations</b>	<b>(226,014,966)</b>	<b>(585,637)</b>
Direct income tax(paid)/refunds	(1,700,246)	(161,668)
<b>Net Cash flow from /(used in) operating activities(A)</b>	<b>(227,715,212)</b>	<b>(747,305)</b>
<b>Cash Flow from Investing Activities</b>		
Payment for Property, Plant & Equipment, Intangible assets	-	-
Proceeds from sale of Property, Plant & Equipment	-	-
Net proceeds from sale/(purchase) of investments	-	-
Sale of Investments	-	(10,260,861)
Bank deposit not considered as cash and cash equivalents (net)	-	-
Dividend Received / Profit or Loss on redemption of Investments	-	-
Interest Received	-	-
<b>Net Cash flow from/(used in) Investing Activities( B)</b>	<b>-</b>	<b>(10,260,861)</b>
<b>Cash Flow from Financing Activities</b>		
Proceeds from borrowings (including Ind AS adjustments)	-	-
Net increase/(Decrease) in borrowings	-	-
Interest paid	-	-
<b>Net Cash Flow from /(used in) Financing Activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net Increase /(decrease) in Cash and Cash Equivalents (A+B+C)</b>	<b>(227,715,212)</b>	<b>(11,008,166)</b>
Cash and cash equivalents at the beginning of the year	330,637	263,095
Cash and cash equivalents at the end of the year	353,068	330,637

See accompanying notes to the financial statements

In terms of our report of even date attached

**For AMAA & Associates**

Chartered Accountants  
Firm Reg. No. 013066C

**Mukesh Sharma**  
Partner  
Membership No. 505453

Place : Gurugram  
Dated : 23-07-2020

**For & on Behalf of the Board**

**Rajender Singh**  
CFO  
PAN - APIPS0673Q

**Sandhya Tiwari**  
Company Secretary  
ACS 35964

**Shruti Raghav Jindal**  
Whole-time Director  
DIN : 02208891

**Kamal Kishore Bhartia**  
Director  
DIN : 00081236

## NOTES TO THE FINANCIAL STATEMENTS

### 1) Background

Haryana Capfin Limited ('the Company') is registered as Non-Banking Financial Company (NBFC) as defined under Section 45-1A of the Reserve Bank of India Act, 1934 (RBI). The Company is primarily a holding company, holding investment in its subsidiaries, associates and other group companies. The Company's subsidiaries and associates are engaged in a wide array of business in the financial service sector.

### 2) Significant Accounting Policies

The significant accounting policies applied by the Company in the preparation of its financial statements are listed below. Such accounting policies have been applied consistently to all the periods presented in these financial statements and in preparing the opening Ind AS Balance Sheet as at April 1, 2018 for the purpose of transition to Ind AS, unless otherwise indicated.

#### a) Statement of compliance with IND AS:

The Standalone Financial Statements have been prepared in accordance with Indian Accounting Standards (hereinafter referred to as the "Ind-AS") as notified by the Ministry of Corporate Affairs, pursuant to section 133 of the Companies Act 2013 (The Companies (Indian Accounting Standards) Rules, 2015) and comply in all material aspects with their provisions.

The financial statements up to year ended 31st March 2020 were prepared in accordance with Generally Accepted Accounting Principles (GAAP) in India, Accounting Standards specified under Section 133 of the Companies Act 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies Act, 2013. These financial statements for the year ended 31st March 2018 are the first, the Company has prepared in accordance with Ind-AS. The transition from Previous GAAP to Ind AS has been accounted for in accordance with Ind AS 101 "First Time Adoption of Indian Accounting Standards", with April 1, 2019 being the transition date. Details of the exceptions and optional exemptions availed by the Company and principal adjustments along with related reconciliations are detailed in Note 28 (First-time Adoption).

#### b) Basis of preparation:

The financial statements have been prepared under the historical cost convention with the exception of certain assets and liabilities that are required to be carried at fair values by Ind AS.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date.

#### c) Reporting Presentation Currency:

All amounts in the standalone financial statements and notes thereon have been presented in Indian Rupees (INR) (reporting and primarily functional currency of the company).

#### d) Use of estimates and critical accounting judgements:

In preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying values of assets and liabilities that are not readily apparent from other sources. The estimates and the associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and the underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and future periods affected.

Due to the nature of the Company's operations, critical accounting estimates and judgements principally relate to the:

#### e) Recoverability of Trade Receivables

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment.

#### f) Provisions and contingent liabilities

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates. Contingent liabilities are not recognized in the financial statements. Contingent assets are neither recognised nor disclosed in the financial statements.

# HARYANA CAPFIN LIMITED

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## **g) Property, plant and equipment:**

An item of property, plant and equipment is recognised as an asset if it is probable that the future economic benefits associated with the item will flow to the Company and its cost can be measured reliably. This recognition principle is applied to the costs incurred initially to acquire an item of property, plant and equipment and also to costs incurred subsequently to add to, replace part of, or service it. All other repair and maintenance costs, including regular servicing, are recognised in the statement of profit and loss as incurred. When a replacement occurs, the carrying value of the replaced part is derecognised. Where an item of property, plant and equipment comprises major components having different useful lives, these components are accounted for as separate items.

Property, plant and equipment are stated at cost, less accumulated depreciation and impairment. Cost includes all direct costs and expenditures incurred to bring the asset to its working condition and location for its intended use. Borrowing costs incurred during the period of construction is capitalised as part of cost of the qualifying assets.

The gain or loss arising on disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset, and is recognised in the statement of profit and loss.

On transition to Ind-As, the company has elected to continue with the carrying value of all of its property, plant and equipment recognized as at 1st April 2019, measured as per the previous GAAP and use that carrying value as the deemed cost of such property, plant and equipment.

## **h) Intangible assets:**

Intangible assets are capitalized where it is expected to provide future enduring economic benefits. Expenses incurred on up gradation / enhancements are charged off as revenue expenditure unless they bring similar significant additional benefits.

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight-line basis over their estimated useful lives. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. Intangible assets with indefinite useful lives that are acquired separately are carried at cost less accumulated impairment losses.

## **i) Depreciation and amortization of property, plant and equipment and intangible assets:**

Depreciation commences when the assets are ready for their intended use. Depreciable amount for assets is the cost of an asset, or other amount substituted for cost, less its estimated residual value. Depreciation on property, plant and equipment has been provided on "Straight Line Method". Depreciation on property, plant and equipment is provided on pro-rata basis based on the useful life as per Schedule II to the Companies Act, 2013. Freehold Land and construction in progress are not depreciated. Leasehold lands are depreciated over the period of lease tenure. The estimated useful lives of assets and residual values are reviewed regularly and, when necessary, revised. The estimated useful lives for the main categories of property, plant and equipment and other intangible assets are:

Estimated useful life of the tangible asset, based on the useful life as per Schedule II to the Companies Act, 2013.

## **j) Impairment of Assets:**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less costs of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

Where an impairment loss subsequently reverses, the carrying value of the asset (or cash generating unit) is increased to the revised estimate of its recoverable amount so that the increased carrying value does not exceed the carrying value that would have been determined had no impairment loss been recognised for the asset (or cash generating unit) in prior years. A reversal of an impairment loss is recognised in the statement of profit and loss immediately.

## **k) Leases:**

Leases are classified as finance leases whenever the terms of the lease, transfers substantially all the risks and rewards of ownership to the lessee. All other leases are classified as operating lease.

### **a) Finance lease:**

#### **As a lessee**

Assets held under finance leases are initially recognised as Assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the balance sheet as a finance lease obligation.

Lease payments are apportioned between finance expenses and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance expenses are recognised immediately in Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which



case they are capitalized. A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the Company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

## **As a lessor**

When assets are leased out under a finance lease, the present value of minimum lease payments is recognised as a receivable. The difference between the gross receivable and the present value of receivable is recognised as unearned finance income. Lease income is recognised over the term of the lease using the net investment method before tax, which reflects a constant periodic rate of return.

## **b) Operating Leases**

### **As a lessee**

Leases in which a significant portion of the risks and rewards of ownership are not transferred to the Company, as lessee, are classified as operating leases. Payments made under operating leases are charged to the Statement of Profit and Loss on a straight-line basis over the period of the lease unless another systematic basis is more representative of the time pattern in which economic benefits from the leased asset are consumed.

### **As a lessor**

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

## **l) Investment in subsidiaries and associates:**

Investment in subsidiaries and associates are shown at cost. Where the carrying amount of an investment is greater than its estimated recoverable amount, it is written down immediately to its recoverable amount and the difference is transferred to the Statement of Profit and Loss. On disposal of investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

## **m) Financial Instruments:**

Financial assets and financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instrument. Financial assets and liabilities are initially measured at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities (other than financial assets and financial liabilities at fair value through profit and loss) are added to or deducted from the fair value measured on initial recognition of financial asset or financial liability. The transaction costs directly attributable to the acquisition of financial assets and financial liabilities at fair value through profit and loss are immediately recognised in the statement of profit and loss.

### **Effective interest method**

The effective interest method is a method of calculating the amortised cost of a financial instrument and of allocating interest income or expense over the relevant period. The effective interest rate is the rate that exactly discounts future cash receipts or payments through the expected life of the financial instrument, or where appropriate, a shorter period.

## **(i) Financial assets**

### **Cash and bank balances**

Cash and bank balances consist of:

- (a) **Cash and cash equivalents** - which includes cash at bank and in hand, short term deposits and highly liquid investments with an original maturity of three months or less which are readily convertible into known amounts of cash, are subject to an insignificant risk of change in value. These balances with banks are unrestricted for withdrawal and usage.
- (b) **Other bank balances** - which includes balances and deposits with banks that are restricted for withdrawal and usage.

### **Financial assets at amortised cost:**

Financial assets are subsequently measured at amortised cost if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

### **Fair value through other comprehensive income (FVOCI):**

Financial assets are measured at fair value through other comprehensive income if these financial assets are held within a business model whose objective is to hold these assets in order to collect contractual cash flows or to sell these financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

# HARYANA CAPFIN LIMITED

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The Company in respect of equity investments (other than in subsidiaries, associates and joint ventures) which are not held for trading has made an irrevocable election to present in other comprehensive income subsequent changes in the fair value of such equity instruments. Such an election is made by the Company on an instrument by instrument basis at the time of initial recognition of such equity investments.

**Fair value through profit or loss:**

Financial asset not measured at amortised cost or at fair value through other comprehensive income is carried at fair value through the statement of profit and loss.

**Impairment of financial assets:**

Loss allowance for expected credit losses is recognised for financial assets measured at amortised cost and fair value through other comprehensive income.

For trade receivables, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

**De-recognition of financial assets**

The Company derecognizes a Financial Asset when the contractual rights to the cash flows from the Financial Asset expire or it transfers the Financial Asset and the transfer qualifies for derecognition under Ind AS 109.

**(ii) Financial liabilities and equity instruments**

**Classification as debt or equity**

Financial liabilities and equity instruments issued by the Company are classified according to the substance of the contractual arrangements entered into and the definitions of a financial liability and an equity instrument.

**Equity instruments**

An equity instrument is any contract that evidences a residual interest in the assets of the Company after deducting all of its liabilities. Equity instruments are recorded at the proceeds received, net of direct issue costs.

Repurchase of the Company's own equity instruments is recognised and deducted directly in equity. No gain or loss is recognised in Statement of Profit and Loss on the purchase, sale, issue or cancellation of the Company's own equity instruments.

**Financial Liabilities**

Trade and other payables are initially measured at fair value, net of transaction costs, and are subsequently measured at amortized cost, using the effective interest rate method where the time value of money is significant. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**De-recognition of financial liabilities:**

The Company de-recognizes financial liabilities when, and only when, the Company's obligations are discharged, cancelled or they expire.

**iii) Offsetting financial instruments**

Financial assets and liabilities are being offset and the net amount reported in the Financial Statements when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

**iv) Derivative financial instruments:**

The Company uses derivative financial instruments i.e. Forward Contracts to hedge its risks associated with foreign exchange fluctuations. These derivative financial instruments are used as risk management tools only and not for speculative purposes. The fair values of these derivative financial instruments are recognized as assets or liabilities at the balance sheet date and gain/loss is recognised in statement of profit and loss unless the derivative is designated and effective as a hedging instrument, in which event the timing of the recognition in Statement of Profit and Loss depends on the nature of the hedge item.

**n) Employee benefits:**

**(i) Short Term Employee Benefits**

All employee benefits payable within twelve months of rendering the service are classified as short term employee benefits. Benefits such as salaries, wages etc. and the expected cost of bonus, ex gratia, compensatory leave encashment, incentives are recognized in the period during which the employee renders the related service.

**(ii) Post-Employment Benefits**

**a) Defined contribution plan:**

This benefit includes contribution to provident fund and employee's state insurance scheme administered by government. Expenses are recognized in the statement of profit and loss for the year in which the employee has rendered services.

**b) Defined Benefit Plan:**

The present value of obligation is determined based on actuarial valuation using the projected unit credit method and the retirement benefit obligation (Liabilities) is recognized in the Balance Sheet net of fair value of planned assets. Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding interest), is reflected immediately in the balance sheet with a charge or credit recognised in other comprehensive income in the period in which they occur. The service cost and net interest on the net defined benefit liability/(asset) is treated as a net expense within employment costs.

**o) Inventories:**

Units of Mutual Fund are valued at lower of cost (FIFO basis) or net realisable value.

**p) Provisions:**

Provisions are recognised in the balance sheet when the Company has a present obligation (legal or constructive) as a result of a past event, which is expected to result in an outflow of resources embodying economic benefits which can be reliably estimated. Each provision is based on the best estimate of the expenditure required to settle the present obligation at the balance sheet date. Where the time value of money is material, provisions are measured on a discounted basis.

**q) Income taxes:**

**i) Current income tax**

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date.

Current income tax relating to items recognised directly in equity is recognised in equity and not in the statement of profit and loss. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

**ii) Deferred tax**

Deferred tax is provided using the balance sheet approach on temporary differences at the reporting date between the tax bases of assets and liabilities and their carrying amounts for financial reporting purpose at reporting date. Deferred income tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date and are expected to apply to taxable income in the years in which those temporary differences are expected to be recovered or settled. The effect of changes in tax rates on deferred income tax assets and liabilities is recognized as income or expense in the period that includes the enactment or the substantive enactment date. A deferred income tax asset is recognized to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences and tax losses can be utilized. The Company offsets current tax assets and current tax liabilities, where it has a legally enforceable right to set off the recognized amounts and where it intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

**iii) Minimum Alternate Tax**

Minimum Alternate Tax credit is recognized, as an asset only when and to the extent there is convincing evidence that the group will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognized as an asset in accordance with the recommendations contained in guidance note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss and shown as MAT Credit Entitlement under Other Assets. The group reviews the same at each balance sheet date and writes down the carrying amount of MAT Credit Entitlement to the extent there is no longer convincing evidence to the effect that group will pay normal Income Tax during the specified period.

Tax expense for the year comprises current and deferred tax.

**r) Revenue recognition:**

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is being made. Revenue is measured at the fair value of the consideration received or receivable excluding taxes or duties collected on behalf of the government.

**Interest income**

Interest income from a financial asset is recognised when it is probable that the economic benefits will flow to the Company and the amount of income can be measured reliably. Interest income is accrued on a time basis, by reference to the principal outstanding and at the effective interest rate applicable, which is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to that asset's net carrying amount on initial recognition.

# HARYANA CAPFIN LIMITED

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## **Rent Income**

Income from operating lease is recognized in the statement of profit & Loss as per contractual rentals unless another systematic basis is more representative of the time pattern in which benefit derived from the leased assets is diminished.

## **Dividend income**

Dividend income from investments is recognised when the shareholder's rights to receive payment have been established.

### **s) Borrowing costs:**

Borrowing costs directly attributable to the acquisition, construction or production of qualifying assets, which are assets that necessarily take a substantial period of time to get ready for their intended use, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use..Transaction cost in respect of long-term borrowings are amortised over the tenure of respective loans using effective interest method.

All other borrowing costs are recognised in the statement of profit and loss in the period in which they are incurred. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

### **t) Contingent Liabilities and Contingent Assets:**

A contingent liability is a possible obligation that arises from a past event, with the resolution of the contingency dependent on uncertain future events, or a present obligation where no outflow is probable. Major contingent liabilities are disclosed in the financial statements unless the possibility of an outflow of economic resources is remote. Contingent assets are not recognized in the financial statements but disclosed, where an inflow of economic benefit is probable.

### **u) Earnings Per Share:**

Earnings per share are calculated by dividing the net profit for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year.

### **(ii) Amendment to Existing issued Ind AS**

The MCA has also carried out amendments of the following accounting standards:

- i. Ind AS 21 - The Effects of Changes in Foreign Exchange Rates
- ii. Ind AS 40 - Investment Property
- iii. Ind AS 12 - Income Taxes
- iv. Ind AS 28 - Investments in Associates and Joint Ventures and
- v. Ind AS 112 - Disclosure of Interests in Other Entities

Application of above standards are not expected to have any significant impact on the Company's Financial Statements.

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>	<u>As at 01.04.2018</u>
<b>1 CASH AND CASH EQUIVALENTS</b>			
Cash in Hand	5,377	4,270	3,131
Balances with schedule Banks in Current Accounts	347,691	326,367	259,964
<b>Total</b>	<u><b>353,068</b></u>	<u>330,637</u>	<u>263,095</u>
<b>2 BANK BALANCE OTHER THAN (A) ABOVE</b>			
Balances with Banks			
-Fixed Deposit with original maturity of more than three months	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>3 OTHER FINANCIAL ASSETS</b>			
Share Application Money			
Interest Accrued			
Loans and Advances	-	-	-
Advance recoverable in cash or in kind	1,187,970	1,215,663	1,002,672
GST Recoverable			
Security Deposit with NSDL			
Other Current Assets	-	-	-
<b>Total</b>	<u><b>1,187,970</b></u>	<u>1,215,663</u>	<u>1,002,672</u>
<b>4 LOANS</b>			
Loans to body corporate	134,232,361	112,134,037	90,558,398
<b>Total</b>	<u><b>134,232,361</b></u>	<u>112,134,037</u>	<u>90,558,398</u>

# HARYANA CAPFIN LIMITED

## NOTE 5 : INVESTMENT

Particulars	As at 31 <sup>st</sup> March, 2020				As at 31 <sup>st</sup> March, 2019				As at 1 <sup>st</sup> April, 2018				
	No. of Shares/ Units	Amor- tised cost	At Fair Value		No. of Shares/ Units	Amor- tised cost	At Fair Value		No. of Shares/ Units	Amor- tised cost	At Fair Value		Total
			Thro- ugh profit or loss	Desig- nated at fair value through OCI			Thro- ugh profit or loss	Desig- nated at fair value through OCI			Thro- ugh profit or loss	Desig- nated at fair value through OCI	
	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)	(1)	(2)	(3)	(4)	
			5=1+2+3+4										5=1+2+3+4
<b>Equity shares :</b>													
<b>i) Quoted :</b>													
Maharashtra Seamless Limited	2852540		551,538,609		2852540		1,417,712,380		2852540		1,213,327,889		1,213,327,889
<b>ii) Unquoted</b>													
Global Jindal Fih- invest Limited	100		19,111		100		19,709		100		18,179		18,179
GVN Fuels Limited	47000		45,756,380		47000		35,016,880		47000		26,950,270		26,950,270
<b>CURRENT</b>													
ABSL Banking & PSU Debt Fund - Growth	-		-		4901600		983,795		18010121		3,641,736		3,641,736
Aditya Birla SL Money Manager Fund - Growth	11,463,739		2,564,053		20,995.67		4,696,027		62593		14,000,000		14,000,000
HDFC Liquid Fund - Growth	3,386.32		10,000,000										
Kotak Equity Arbitrage Fund - Monthly Dividend	-		-		955,810,111		10,260,861		-		-		-
<b>Total</b>			<b>609,878,153</b>				<b>1,468,699,652</b>				<b>1,240,296,338</b>		<b>1,257,938,074</b>
Aggregate Value of Unquoted Investments			<b>45,775,491</b>				<b>35,036,589</b>						<b>26,968,448</b>
Aggregate Value of Quoted Investments			<b>551,538,609</b>				<b>1,417,712,380</b>						<b>1,213,327,889</b>
Market Value of Quoted Investments			<b>551,538,609</b>				<b>1,417,712,380</b>						<b>1,213,327,889</b>

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>	<u>As at 01.04.2018</u>
<b>6 INVENTORIES</b>			
Stock in Trade - Units of Mutual Fund	-	-	-
<b>Total</b>	<u>-</u>	<u>-</u>	<u>-</u>
<b>7 INCOME TAX ASSETS (NET)</b>			
Advance Income Tax (Including tax deducted at source)	<b>3,295,543</b>	1,595,297	716,476
Mat Credit Entitlement/(utilization)	-	-	-
<b>Total</b>	<u><b>3,295,543</b></u>	<u>1,595,297</u>	<u>716,476</u>

## 8. PROPERTY, PLANT AND EQUIPMENT As at 31.03.2020

Nature of Fixed Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1st, 2019	Additions	Deletions	As at March 31st, 2020	As at April 1st, 2019	For the year	Deletions	As at March 31st, 2020	As at March 31st, 2020	As at March 31st, 2019
Tangible										
Land (Freehold)	2,934,379	-	-	2,934,379	-	-	-	-	2,934,379	2,934,379
Electrical Installation	190,000	-	-	190,000	81,349	18,050	-	99,399	90,601	108,651
<b>Total</b>	<b>3,124,379</b>	<b>-</b>	<b>-</b>	<b>3,124,379</b>	<b>81,349</b>	<b>18,050</b>	<b>-</b>	<b>99,399</b>	<b>3,024,980</b>	<b>3,043,030</b>

## As at 31.03.2019

Nature of Fixed Assets	Gross Carrying Amount				Accumulated Depreciation				Net Carrying Amount	
	As at April 1st, 2018	Additions	Deletions	As at March 31st, 2019	As at April 1st, 2018	For the year	Deletions	As at March 31st, 2019	As at March 31st, 2019	As at March 31st, 2018
Tangible										
Land (Freehold)	2,934,379	-	-	2,934,379	-	-	-	-	2,934,379	2,934,379
Electrical Installation	190,000	-	-	190,000	63,299	18,050	-	81,349	108,651	126,701
<b>Total</b>	<b>3,124,379</b>	<b>-</b>	<b>-</b>	<b>3,124,379</b>	<b>63,299</b>	<b>18,050</b>	<b>-</b>	<b>81,349</b>	<b>3,043,030</b>	<b>3,061,080</b>

	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>	<u>As at 01.04.2018</u>
<b>9. OTHER NON FINANCIAL ASSETS</b>			
Other Short Term Advances	<b>4,000</b>	4,000	4,000
<b>Total</b>	<u><b>4,000</b></u>	<u>4,000</u>	<u>4,000</u>

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	<u>As at</u> <u>31.03.2020</u>	<u>As at</u> <u>31.03.2019</u>	<u>As at</u> <u>01.04.2018</u>
<b>10 BORROWINGS (OTHER THAN DEBT SECURITIES)</b>			
<b>(A) In India</b>			
At amortised cost :			
From Bodies Corporate (Repayable on demand)	-	-	-
	-	-	-
	-	-	-
<b>(B) Outside India</b>			
At amortised cost :			
From Bodies Corporate (Repayable on demand)	-	-	-
	-	-	-
	-	-	-
<b>Total (A+B)</b>	-	-	-
<b>Out of above</b>			
Secured	-	-	-
Unsecured	-	-	-
<b>Total</b>	-	-	-
<b>11 CURRENT TAX LIABILITIES (NET)</b>			
Provision for Income Tax	<b>2,210,000</b>	1,550,000	600,000
<b>Total</b>	<b>2,210,000</b>	1,550,000	600,000
<b>12 PROVISIONS</b>			
Employee Benefits	<b>740,149</b>	585,740	446,345
Contingent Provision for Standard Assets*			
Opening Balance	<b>280,335</b>	226,397	216,011
Addition / (Adjusted) during the year	<b>55,246</b>	53,938	10,386
<b>Closing</b>	<b>335,581</b>	280,335	226,397
<b>Total</b>	<b>1,075,730</b>	866,075	672,742

\* As required in terms of paragraph 14 of (Non-Banking Financial Company –(Non-Systemically Important Non-Deposit taking Company (Reserve Bank)Directions, 2016.



# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 13 DEFERRED TAX LIABILITIES

Particulars	As at 31.03.2020	Tax effect for the period	As at 31.03.2019	Tax effect for the period	As at 01.04.2018
<b>Deferred Tax Liability</b>					
For Depreciation difference as per books and I.Tax Act					
Ind AS Impact on fair value of investmet	71,463,774	(179,213,605)	250,677,379	(44,508,826)	206,168,553
<b>Deferred Tax Assets</b>					
Carry forward Long Term Capital Loss					
Disallowance under Section 43-B of I.Tax Act					
<b>Net Deferred Tax Assets/(Liabilities)</b>	<b>71,463,774</b>	<b>(179,213,605)</b>	<b>250,677,379</b>	<b>(44,508,826)</b>	<b>206,168,553</b>

	<u>As at 31.03.2020</u>	<u>As at 31.03.2019</u>	<u>As at 01.04.2018</u>
<b>14 OTHER NON FINANCIAL LIABILITIES</b>			
Liabilities for Expenses	<b>663,332</b>	402,081	526,170
Liabilities for Statutory Dues	<b>52,764</b>	154,142	34,542
<b>Total</b>	<b>716,096</b>	556,223	560,712

### 15 A. SHARE CAPITAL

Particulars	Number of Shares			Amount in Rs.		
	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>AUTHORISED SHARE CAPITAL</b>						
<b>Equity shares of Rs. 10 each</b>						
At the beginning of the period	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000	60,000,000
Add: Additions during the period	-	-	-	-	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	<b>60,000,000</b>	<b>60,000,000</b>	<b>60,000,000</b>	<b>60,000,000</b>	<b>60,000,000</b>	<b>60,000,000</b>
<b>ISSUED,SUBSCRIBED AND PAID UP</b>						
<b>Equity Shares of Rs. 10 each</b>						
At the beginning of the period	5,208,681	5,208,681	5,208,681	52,086,810	52,086,810	52,086,810
Add: Additions during the period	-	-	-	-	-	-
Less: Reduction during the period	-	-	-	-	-	-
At the end of the period	<b>5,208,681</b>	<b>5,208,681</b>	<b>5,208,681</b>	<b>52,086,810</b>	<b>52,086,810</b>	<b>52,086,810</b>

Details of equity shares in the company held by each shareholder holding more than 5% of shares is as under:

Particulars	Number of shares held			% holding		
	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018	As at 31.03.2020	As at 31.03.2019	As at 01.04.2018
<b>Equity Shares of 10 each</b>						
Stable Trading Co. Limited	869,090	869,090	869,090	16.69	16.69	16.69
Sudha Apparels Limited	1,014,322	1,014,322	1,014,322	19.47	19.47	19.47
Jindal Global Finance & Investment Limited	791,466	791,466	791,466	15.19	15.19	15.19

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### B. OTHER EQUITY

Particulars	Reserves and surplus				Items of other comprehensive income	Total Other Equity
	Capital Reserve	Statutory Reserve	General Reserve	Retained Earnings	Other items of OCI	
Balance as on 01.04.2018	-	30,302,079	157,792,594	127,430,752	-	315,525,425
Ind As adjustments :						
Fv of investment	-	-	-	-	984,098,106	984,098,106
DTL	-	-	-	-	(206,168,553)	(206,168,553)
<b>Balance as on 01.04.2018 IND AS</b>	<b>-</b>	<b>30,302,079</b>	<b>157,792,594</b>	<b>127,430,752</b>	<b>777,929,553</b>	<b>1,093,454,978</b>
Profit/Loss for the period (as per GAAP)	-	3,977,500	1,000,000	19,887,046	-	24,864,546
Transfer during the year	-	-	-	(4,977,500)	-	(4,977,500)
Other comprehensive income	-	-	-	-	167,943,805	167,943,805
<b>Balance as on 31.03.2019 IND AS</b>	<b>-</b>	<b>34,279,579</b>	<b>158,792,594</b>	<b>142,340,298</b>	<b>945,873,358</b>	<b>1,281,285,829</b>
Profit/Loss for the period	-	-	-	19,359,100	-	19,359,100
Transfer during the year	-	3,872,000	1,000,000	-	-	4,872,000
Transfer during the year - Statutory Reserve	-	-	-	(3,872,000)	-	(3,872,000)
Transfer during the year - General Reserve	-	-	-	(1,000,000)	-	(1,000,000)
Other comprehensive income	-	-	-	-	(676,221,264)	(676,221,264)
<b>Balance as on 31.03.2020</b>	<b>-</b>	<b>38,151,579</b>	<b>159,792,594</b>	<b>156,827,398</b>	<b>269,652,094</b>	<b>624,423,665</b>

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	Year Ended 31.03.2020 (₹)	Year Ended 31.03.2019 (₹)
<b>16 REVENUE FROM OPERATIONS</b>		
Interest	7,220,360	7,788,204
	<u>7,220,360</u>	<u>7,788,204</u>
<b>17 OTHER INCOME</b>		
Dividend Income	17,656,129	17,376,101
Profit on sale of Non-Current Investments	-	-
Profit on sale of Current Investments (net)	541,408	1,048,086
Income Tax related to earlier years	-	-
Liability written back	5,416	-
Miscellaneous Income	-	15,000
<b>Total</b>	<u>18,202,953</u>	<u>18,439,187</u>
<b>18 FINANCE COSTS</b>		
Interest on Intercompany Loan	-	-
Interest - On Others	-	-
Bank Charges	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>19 NET LOSS ON FAIR VALUE CHANGES</b>		
Loss on fair value of Investments	-	-
<b>Total</b>	<u>-</u>	<u>-</u>
<b>20 CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN- TRADE AND WORK-IN- PROGRESS</b>		
Item - Mutual Fund Units		
Opening Stock	-	-
Less - Closing Stock	-	-
<b>Decrease/(Increase) in Stock in Trade</b>	<u>-</u>	<u>-</u>
<b>21 EMPLOYEE BENEFITS EXPENSE</b>		
Salaries , Wages, Allowances and Bonus	4,054,790	4,027,048
Staff Welfare	66,189	54,186
<b>Total</b>	<u>4,120,979</u>	<u>4,081,234</u>
<b>22 DEPRECIATION &amp; AMORTISATION EXPENSES</b>		
Depreciation	18,050	18,050
Amortization of Preliminary expenses	-	-
<b>Total</b>	<u>18,050</u>	<u>18,050</u>

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	Year Ended 31.03.2020 (₹)	Year Ended 31.03.2019 (₹)
<b>23 OTHER EXPENSES</b>		
D.P. Charges	3,047	3,186
Rent	14,160	14,160
Rates & Taxes	-	-
Postage & Telephone	60,885	110,180
Printing & Stationery	74,042	79,662
Fee & Subscription	363,800	301,000
Travelling - Director	-	-
Conveyance	37,200	8,575
Repair & Maintenance-Others	-	-
Directors' Fee	125,000	95,000
Membership Fee	-	109,740
Legal & Professional Charges	214,540	139,469
Share Maintenance Expenses	55,030	56,146
Electricity Expenses	49,761	31,352
Internal Audit Fee	8,850	8,850
Advertisement & Publicity	83,042	83,736
Auditors' Remuneration :		
- Audit Fee	35,400	35,400
- Tax Audit Fee	-	7,080
- Certification / others services	8,850	11,800
Miscellaneous Expenses	76,331	141,787
<b>Total</b>	<b>1,209,938</b>	<b>1,237,123</b>

## 24 EARNING PER SHARE (EPS)

Basic earnings per share is computed using the weighted average number of equity shares outstanding during the year. Diluted earnings per share are computed using the weighted average number of equity shares and dilutive potential equity shares outstanding during the year :-

Particulars	Year Ended 31.03.2020 (₹)	Year Ended 31.03.2019 (₹)
<b>Basic / Dilutive Earnings Per Share</b>		
Profit after tax as per profit & loss account	19,359,100	19,887,046
Weighted Average number of equity shares outstanding	5,208,681	5,208,681
Basic and diluted earnings per share	3.72	3.82

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 25 Reconciliations of Balance Sheet as per previous GAAP and Ind AS

Particulars	As at 31st March 2019			As at 01st April 2018		
	Previous GAAP	Adjustment	Ind AS	Previous GAAP	Adjustment	Ind AS
<b>ASSETS</b>						
<b>(1) Financial Assets</b>						
(a) Cash and cash equivalents	330,637	-	330,637	263,095	-	263,095
(b) Bank Balance other than (a) above	-	-	-	-	-	-
(c) Derivative financial instruments	-	-	-	-	-	-
(d) Receivables	-	-	-	-	-	-
i) Trade Receivables	-	-	-	-	-	-
ii) Other Receivables	1,215,663	-	1,215,663	1,002,672	-	1,002,672
(e) Loans	112,134,037	-	112,134,037	90,558,398	-	90,558,398
(f) Investments	272,148,915	1,196,550,737	1,468,699,652	273,839,968	984,098,106	1,257,938,074
(g) Other Financial assets	-	-	-	-	-	-
<b>(2) Non-financial Assets</b>						
(a) Inventories	-	-	-	-	-	-
(b) Current tax assets (Net)	45,297	1,550,000	1,595,297	116,476	600,000	716,476
(c) Deferred tax Assets (Net)	-	-	-	-	-	-
(d) Investment Property	-	-	-	-	-	-
(e) Biological assets other than bearer plants	-	-	-	-	-	-
(f) Property, Plant and Equipment	3,043,030	-	3,043,030	3,061,080	-	3,061,080
(g) Capital work-in-progress	-	-	-	-	-	-
(h) Intangible assets under development	-	-	-	-	-	-
(i) Goodwill	-	-	-	-	-	-
(j) Other Intangible assets	-	-	-	-	-	-
(k) Other non-financial assets	4,000	-	4,000	4,000	-	4,000
<b>Total Assets</b>	<b>388,921,579</b>	<b>1,198,100,737</b>	<b>1,587,022,316</b>	<b>368,845,689</b>	<b>984,698,106</b>	<b>1,353,543,795</b>
<b>LIABILITIES AND EQUITY</b>						
<b>LIABILITIES</b>						
<b>(1) Financial Liabilities</b>						
(a) Derivative financial instruments	-	-	-	-	-	-
(b) Payables						
(I) Trade Payables						
i) dues of micro enterprises and small enterprises	-	-	-	-	-	-
ii) dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(II) Other Payables						
i) dues of micro enterprises and small enterprises	-	-	-	-	-	-
ii) dues of creditors other than micro enterprises and small enterprises	-	-	-	-	-	-
(c) Debt Securities	-	-	-	-	-	-
(d) Borrowings (Other than Debt Securities)	-	-	-	-	-	-
(e) Deposits	-	-	-	-	-	-
(f) Subordinated Liabilities	-	-	-	-	-	-
(g) Other financial liabilities	-	-	-	-	-	-
<b>(2) Non-Financial Liabilities</b>						
(a) Current tax liabilities (Net)	-	1,550,000	1,550,000	-	600,000	600,000
(b) Provisions	866,075	-	866,075	672,742	-	672,742
(c) Deferred tax liabilities (Net)	-	250,677,379	250,677,379	-	206,168,553	206,168,553
(d) Other non-financial liabilities	556,223	-	556,223	560,712	-	560,712
<b>(3) EQUITY</b>						
(a) Equity Share capital	52,086,810	-	52,086,810	52,086,810	-	52,086,810
(b) Other Equity	335,412,471	945,873,358	1,281,285,829	315,525,425	777,929,553	1,093,454,978
<b>Total Liabilities and Equity</b>	<b>388,921,579</b>	<b>1,198,100,737</b>	<b>1,587,022,316</b>	<b>368,845,689</b>	<b>984,698,106</b>	<b>1,353,543,795</b>

\* For the purpose of above disclosure, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division III to the Schedule III of the Companies Act 2013.

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

Particulars		For the period 01.04.2018 to 31.03.2019		
		Previous GAAP	Adjustment	Ind AS
	<b>Revenue from operations</b>			
(i)	Interest Income	7,788,204	-	7,788,204
(ii)	Dividend Income	17,376,101	-	17,376,101
(iii)	Rental Income	-	-	-
(iv)	Fees and Commission Income	-	-	-
(v)	Net gain on fair value changes	-	-	-
(vi)	"Net gain on derecognition of financial instruments"under amortised cost category"	-	-	-
(vii)	Sale of products(including Excise Duty)	-	-	-
(viii)	Sale of services	-	-	-
(ix)	Others	-	-	-
(I)	Total Revenue from operations	25,164,305	-	25,164,305
(II)	Other Income	1,063,086	-	1,063,086
<b>(III)</b>	<b>Total Income (I+II)</b>	<b>26,227,391</b>	<b>-</b>	<b>26,227,391</b>
	<b>Expenses</b>			
(i)	Finance Costs	-	-	-
(ii)	Fees and commission expense	-	-	-
(iii)	Net loss on fair value changes	-	-	-
(iv)	Net loss on derecognition of financial instruments under amortised cost category	-	-	-
(v)	Impairment on financial instruments	-	-	-
(vi)	Cost of materials consumed	-	-	-
(vii)	Purchases of Stock-in-trade	-	-	-
(viii)	Changes in Inventories of finished goods, stock-in- trade and work-in- progress	-	-	-
(ix)	Employee Benefits Expenses	4,081,234	-	4,081,234
(x)	Depreciation, amortization and impairment	18,050	-	18,050
(xi)	Others expenses	1,237,123	-	1,237,123
(xii)	Contingent Provision against Standard Assets	53,938	-	53,938
<b>(IV)</b>	<b>Total Expenses (IV)</b>	<b>5,390,345</b>	<b>-</b>	<b>5,390,345</b>
(V)	Profit / (loss) before exceptional items and tax (III-IV)	20,837,046	-	3,460,945
(VI)	Exceptional items	-	-	-
(VII)	Profit/(loss) before tax (V -VI )	20,837,046	-	3,460,945
(VIII)	Tax Expense:			
	a) Current Tax	950,000	-	950,000
	b) Deferred Tax	-	-	-
	c) Ind AS Tax adjustments	-	-	-
(IX)	Profit / (loss) for the period from continuing operations(VII-VIII)	19,887,046	-	2,510,945
(X)	Profit/(loss) from discontinued operations	-	-	-
(XI)	Tax Expense of discontinued operations	-	-	-
(XII)	Profit/(loss) from discontinued operations(after tax) (X-XI)	-	-	-
(XIII)	Profit/(loss) for the period (IX+XII)	19,887,046	-	2,510,945
(XIV)	Other Comprehensive Income			
(A)	(i) Items that will not be reclassified to profit or loss	-	212,452,631	212,452,631
	(ii) Income tax relating to items that will not be reclassified to profit or loss	-	(44,508,826)	(44,508,826)
	Total A	-	167,943,805	167,943,805
(B)	(i) Items that will be reclassified to profit or loss	-	-	-
	(ii) Income tax relating to items that will be reclassified to profit or loss	-	-	-
	Total B	-	-	-
	Other Comprehensive Income (A + B)	-	167,943,805	167,943,805
<b>(XV)</b>	<b>Total Comprehensive Income for the period (XIII+XIV)</b>	<b>19,887,046</b>	<b>167,943,805</b>	<b>187,830,851</b>

\* For the purpose of above disclosure, figures for the previous GAAP have been reclassified to conform presentation requirements under Ind AS and the requirements laid down in Division III to the Schedule III of the Companies Act 2013.

### Explanatory Notes to First Time Adoption are as follows:

- 1 Reclassification: The assets and liabilities as of April 1, 2018 have been re-grouped / re-classified, wherever necessary to comply with accounting policies of the Company under Ind AS.
- 2 FVTOCI Financial Assets: Under Indian GAAP, long term investments equity shares were accounted as investment measured at cost less provision for other than temporary diminution in the value of investments. Under Ind AS, such investments have been designated as FVTOCI investments. Ind AS requires FVTOCI investments to be measured at fair value. The difference between the instrument's fair value and Indian GAAP carrying amount has been recognised as a separate component of equity, in the FVTOCI reserve, net of related deferred taxes.
- 3 FVTPL Short-term investments: Under Ind AS, investments in mutual funds are valued at fair value and such fair value differences as on the date of transition and for the comparative periods are recognised in the statement of Profit and Loss Account (FVTPL). Under Indian GAAP, the Company reports the value of such investments at cost or Net Realisable Value whichever was lesser.
- 4 Redeemable preference shares issued by the Company have been classified as borrowings and recognized at amortised cost on transition date as against part of Equity share capital under previous GAAP. The difference on the transition date has been recognized in opening retained earnings. Interest charge at effective interest rate on such borrowings has been recognized as finance cost in subsequent periods.
- 5 Tax impact includes deferred tax impact, wherever applicable as per provisions of Ind AS 12 (Income Taxes), on account of difference between previous GAAP and Ind AS.
- 6 Under IND AS, Remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expense on the net defined liability, are recognized in other comprehensive income instead of profit or loss in previous GAAP.

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 26 FAIR VALUE MEASUREMENTS

#### a) Financial instruments by category

	Carrying value /Fair value		
	As at 31 March 2020	As at 31 March 2019	As at 1 April 2018
<b>Financial assets</b>			
<b>Financial assets measured at Fair value</b>			
Investments measured at i)Fair value through OCI			
Investments in Equity Shares	609,878,153	1,468,699,652	1,257,938,074
<b>Financial assets measured at amortised cost</b>			
Other non-current financial assets			
Trade receivables			
Cash and cash equivalents	353,068	330,637	263,095
Bank balances other than above			
Other current financial assets - Loan & Advances	1,187,970	1,215,663	1,002,672
<b>Total financial assets</b>	<b>611,419,191</b>	<b>1,470,245,952</b>	<b>1,259,203,841</b>
<b>Financial liabilities</b>			
<b>Financial liabilities measured at fair value</b>			
Derivatives - foreign exchange forward contracts	-	-	-
<b>Financial liabilities measured at amortised cost</b>			
Non-current borrowings #	-	-	-
Current borrowings	-	-	-
Trade payables	-	-	-
Other current financial liabilities	-	-	-
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>

# including current maturities of long term debt

#### b) Fair Value Hierarchy

- (i) This section explains the judgements and estimates made in determining the fair values of the financial instruments. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard.

	As at 31 March 2020			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial assets measured at Fair value</b>				
i) Non Current Investment in Equity	609,878,153	-	-	609,878,153
i) Current Investment in Mutual Fund				
<b>Total financial assets</b>	<b>609,878,153</b>	<b>-</b>	<b>-</b>	<b>609,878,153</b>
<b>Financial liabilities</b>				
<b>Financial liabilities measured at fair value</b>				
<b>Total financial liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

	As at 31 March 2019			
	Level 1	Level 2	Level 3	Total
<b>Financial assets</b>				
<b>Financial assets measured at Fair value</b>				
i) Non Current Investment in Equity	1,468,699,652			1,468,699,652
i) Current Investment in Mutual Fund				
<b>Total financial assets</b>	<b>1,468,699,652</b>			<b>1,468,699,652</b>
<b>Financial liabilities</b>				
<b>Financial liabilities measured at fair value</b>	-	-	-	-
<b>Total financial liabilities</b>	-	-	-	-

### (ii) Valuation technique used to determine fair value

- The fair value of investment in quoted equity shares is measured at quoted price. The Net Asset value of share arrived has been considered as the fair value of investment in unquoted equity shares.
- The fair value of Forward Foreign Exchange contracts is determined using observable forward exchange rates.
- The carrying amounts of trade receivables, cash and cash equivalents and other bank balances, other financial assets (except derivative financial instruments), trade payables, and other financial liabilities (except derivative financial instruments) are considered to be the same as their fair values, due to their short-term nature.
- Loans have fair values that approximate to their carrying amounts as it is based on the net present value of the anticipated future cash flows using rates currently available for debt on similar terms, credit risk and remaining maturities.
- All foreign currency denominated assets and liabilities are translated using exchange rate at reporting date.
- Management uses its best judgement in estimating the fair value of its financial instruments. However, there are inherent limitations in any estimation technique. Therefore, for substantially all financial instruments, the fair value estimates presented above are not necessarily indicative of the amounts that the Company could have realised or paid in sale transactions as of respective dates. As such, fair value of financial instruments subsequent to the reporting dates may be different from the amounts reported at each reporting date.
- There have been no transfers between Level 1 and Level 2 for the years ended March 31, 2019 and March 31, 2018.

### Disclosure of loan / advances and investments in its own shares pursuant to Regulation 53 of the Securities and Exchange Board of India ( Listing Obligations And Disclosure Requirements) Regulations, 2015.

Particulars	Outstanding Balance		Maximum Balance Outstanding	
	31.03.2020	31.03.2019	2019-2020	2018-2019
i) Loans and advances in the nature of loans to Subsidiaries	-	-	-	-
ii) Loans and advances in the nature of loans to associates	-	-	-	-
iii) Loans and advances in the nature of loans to firms / companies in which directors are interested	-	-	-	-
	No. of shares		Amount in Rs.	
iv) Investment by loan in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-	-	-



# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### 27 TAXATION

#### Income Tax expenses recognised in Statement of Profit & Loss Account

Particular	Year Ended 31.03.2020	Year Ended 31.03.2019
Current Tax	660,000	950,000
Deferred Tax	179,213,605	(44,508,826)
MAT Credit	-	-
Earlier Years	-	-
<b>Total income tax expenses recognised</b>	<b>179,873,605</b>	<b>(43,558,826)</b>

#### The income Tax expenses for the year can be reconciled to the accounting profit as follows

Particular	Year Ended 31.03.2020	Year Ended 31.03.2019
Profit Before Tax	20,019,100	20,837,046
Applicable Tax Rate	0.25	0.35
Computed Tax Expenses	5,038,807	7,281,297
<b>Tax effect of:</b>		
Expenses Disallowed net off Exempted Income	(4,378,807)	(6,331,297)
Additional allowance net of MAT Credit		
<b>Current Tax Provisions (A)</b>	<b>660,000</b>	<b>950,000</b>
Incremental Deferred Tax Liabilities on account of Tangible & Intangible Assets	-	-
Incremental Deferred Tax Assets on account of Financial Assets and Other Items	179,213,605	(44,508,826)
<b>Deferred Tax Provision (B)</b>	<b>179,213,605</b>	<b>(44,508,826)</b>
<b>Tax Expenses recognised in Statement of Profit and Loss (A+B)</b>	<b>179,873,605</b>	<b>(43,558,826)</b>
<b>Effective Tax Rate</b>	<b>9</b>	<b>(2)</b>

Year Ended 31.03.2020 (₹)	Year Ended 31.03.2019 (₹)
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### 28 MANAGERIAL REMUNERATION

Salaries and Allowances	2,109,360	2,210,772
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### 29 RELATED PARTY DISCLOSURE AS PER IND AS 24

Related Parties	Nil	Nil
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#### Key Managerial Personnel

Mrs. Shruti Raghav Jindal, Wholetime Director  
Mr. Rajender Singh, CFO  
Mrs. Sandhya Tiwari, C.S.

# HARYANA CAPFIN LIMITED

## NOTES FORMING PART OF FINANCIAL STATEMENTS

### Related Parties with whom Transaction have taken place

(₹)

Particulars	31.03.2020	31.03.2019
Remuneration Key Management Personnel	2,994,479	3,061,683

### 30 SEGMENT REPORTING

The Company is primarily engaged in Investment in shares and securities and financing which are not separate reportable segment as per Ind AS - 108 of The Institute of Chartered Accountants of India. Hence there is no separate segment-wise report to be furnished.

### 31 RESERVE BANK OF INDIA REGISTERED NON BANKING FINANCE COMPANY

The company is registered as Non Banking Finance Company with Reserve Bank of India vide Registration no. N-13.02048 dated 15.07.2013 and has been complying with prudential norms as prescribed by RBI for NBFC.

Additional particulars as required under (Non-Banking Financial Company –(Non-Systemically Important Non-Deposit taking Company (Reserve Bank)Directions, 2016 are attached, under Separate Annexure -I

### 32 Previous years figures have been regrouped / rearranged wherever necessary to conform to the reclassification as per Revised - Schedule - III and make them comparable with current year.

Signatures to Accompanying Notes forming an integral part of the Financial Statements.

As per our report of even date attached

#### For AMAA & Associates

Chartered Accountants  
Firm Reg. No. 013066C

#### Mukesh Sharma

Partner  
Membership No. 505453

Place : Gurugram  
Dated : 23-07-2020

#### For & on Behalf of the Board

#### Shruti Raghav Jindal

Whole-time Director  
DIN : 02208891

#### Rajender Singh

CFO  
PAN - APIPS0673Q

#### Sandhya Tiwari

Company Secretary  
ACS 35964

#### Kamal Kishore Bhartia

Director  
DIN : 00081236

# HARYANA CAPFIN LIMITED

Annexure - I

## Schedule to the Balance Sheet of a non-deposit taking non-banking financial company

As required in terms of paragraph 18 of (Non-Banking Financial Company –(Non-Systemically Important Non-Deposit taking Company (Reserve Bank)Directions, 2016.

(₹)

Particulars			
<b>Liabilities side:</b>			
(1)	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid:	Amount Out-standing	Amount Overdue
	(a) Debentures		
	Secured	-	-
	Unsecured	-	-
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	-	-
	(c) Term Loans	-	-
	(d) Inter-corporate loans and borrowing	-	-
	(e) Commercial Paper	-	-
	(h) Other Loans (specify nature)	-	-
	* Please see note 1 below		
<b>Assets side:</b>			
		Amount Outstanding	
(2)	Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
	(a) Secured	-	
	(b) Unsecured	134,232,361	
(3)	Break-up of Leased Assets and stock on hire and other assets counting towards AFC activities		
	(i) Lease assets including lease rentals under sundry Debtors :		
	(a) Financial Lease	-	
	(b) Operating Lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:		
	(a) Assets on hire	-	
	(b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been re-possessed	-	
	(b) Loans other than (a) above	-	
(4)	Break-up of Investments:		
	Current Investments:		
	1. Quoted:		
	Shares: (a) Equity	-	
	(b) Preference	-	
	Debentures and Bonds	-	
	Units of mutual funds	-	
	Government Securities	-	
	Others (please specify)	-	
	2. Unquoted:		
	Shares: (a) Equity	-	
	(b) Preference	-	
	Debentures and Bonds	-	
	Units of mutual funds	-	
	Government Securities	-	
	Others (please specify)	-	

# HARYANA CAPFIN LIMITED

	Long Term Investments:			
	1. Quoted:			
	Shares: (a) Equity		255,724,872	
	(b) Preference		-	
	Debentures and Bonds		-	
	Units of mutual funds		12,564,043	
	Government Securities		-	
	Others (please specify)		-	
	2. Unquoted:			
	Shares: (a) Equity		473,360	
	(b) Preference		-	
	Debentures and Bonds		-	
	Units of mutual funds		-	
	Government Securities		-	
	Others (please specify)		-	
(5)	Borrower group-wise classification of assets financed as in (2) and (3) above: Please see note 2 below			
	Category	Amount of net of provisions		
	1. Related Parties**	Secured	Unsecured	Total
	Subsidiaries	-	-	-
	Companies in the same group	-	-	-
	Other related parties	-	-	-
	2. Other than related parties	-	134,232,361	134,232,361
	Total	-	134,232,361	134,232,361
(6)	Investors group-wise classifications of all Investments (current and long term) in shares and securities (both quoted and unquoted): Please see note 3 below			
	Category	Market Value/ Break-up or Fair Value or NAV	Book Value (Net of Provisions)	
	1. Related Parties**			
	(a) Subsidiaries	-	-	
	(b) Companies in the same group	-	-	
	(c) Other related parties	551,538,609	255,724,872	
	2. Other than related parties	54,775,491	473,360	
	Total	597,314,100	256,198,232	

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(7)	Other Information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	Related parties	-
	Other than related parties	-
	(ii) Net Non-Performing Assets	
	Related parties	-
	Other than related parties	-
	(iii) Assets acquired in satisfaction of debts	-

# HARYANA CAPFIN LIMITED

Registered Office: Pipe Nagar, Village-Sukeli, N.H. 17, B.K.G. Road,  
Taluka Roha, Distt. Raigad - 402 126, Maharashtra  
Tel: 02194-238511-12 | Fax: 02194-238513  
Email: investors@haryanacapfin.com | Website: www.haryanacapfin.com  
CIN: L27209MH1998PLC236139

## NOTICE

Notice is hereby given that the 22nd Annual General Meeting of Haryana Capfin Limited will be held on Saturday, the 26th September, 2020 at 11.00 A.M. (IST) through Video conferencing/Other Audio Visual means (VC / OAVM) to transact the following business:

### ORDINARY BUSINESS

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of Directors and Auditors thereon and in this regard to pass the following resolution as an ordinary resolution:  
"RESOLVED that the Audited Financial Statements of the Company for the financial year ended 31st March, 2020 together with the Reports of Directors and Auditors thereon be and are hereby considered and adopted."
2. To appoint a Director in place of Shri Saket Jindal, who retires by rotation and being eligible, offers himself for re-appointment and in this regard to pass the following resolution as an ordinary resolution:  
"RESOLVED that Shri Saket Jindal, (DIN-00405736) who retires by rotation be and is hereby re-appointed as Director of the Company."
3. To re-appoint and fix the remuneration of Statutory Auditors and in this regard to pass the following resolutions as an Ordinary Resolution:  
RESOLVED THAT pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, M/s. M/s A.M.A.A & Associates, Chartered Accountants (Firm Registration No. 013066C) be and are hereby re-appointed as the Statutory Auditors of the Company to hold office for their second term of 5 (five) year from the conclusion this Annual General Meeting till the conclusion of 27th Annual General Meeting at such remuneration as shall be fixed from year to year by the Board of Directors of the Company"

### SPECIAL BUSINESS

4. To re-appoint Shri Krishna Kumar Khandelwal as an Independent Director and in this regard to pass the following resolutions as a Special Resolution:  
"RESOLVED THAT pursuant to the provisions of Section 149, 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act"), the Companies (Appointment and Qualification of Directors) Rules, 2014 read with Schedule IV of the Act and the applicable provisions of the Securities and Exchange Board of India (Listing obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time Shri Krishna Kumar Khandelwal (DIN-00455369), who was appointed as an Independent Director at the 17th Annual General Meeting of the Company and who holds office upto 27th September, 2020 and being eligible for reappointment, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five years commencing from 28th September, 2020."
5. To re-appoint Smt. Shruti Raghav Jindal as an Whole Time Director and in this regard to pass the following resolutions as a Ordinary Resolution:  
"RESOLVED THAT in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof, Smt. Shruti Raghav Jindal (DIN-02208891) be and is hereby appointed as Whole time Director of the Company for a period of 3 (Three) years with effect from 1st July, 2020 on the terms and conditions, as set out herein below, with liberty to the Board of Directors to alter and vary the terms and conditions and/or remuneration, subject to the same not exceeding the limits specified under Schedule V of the Companies Act, 2013, or any statutory modification(s) or re-enactment thereof for the time being in force.

### SALARY

Rs. 2,00,000/- (Rupees Two lakhs only) per month with such increase as may be decided by the Board of Directors from time to time in the grade of Rs.2,00,000 - Rs. 4,00,000 per month.

# HARYANA CAPFIN LIMITED

## PERQUISITES

- I. The Whole Time Director shall be entitled to perquisites and benefits like furnished/non-furnished accommodation or house rent allowance in lieu thereof, gas, electricity, water, medical reimbursement, leave travel concession for self & family, club fees, car with driver for business and personal use, facility of telephone installed at her residence, medical and personal accident insurance, education allowance, bonus/ ex-gratia etc. as per rules of the Company. The value of perquisites shall be evaluated as per Income Tax Rules, wherever applicable.
- II. The Whole Time Director shall be entitled for the following perquisites which shall not be included in the computation of perquisites
  - (a) Company's contribution to Provident Fund, superannuation fund or annuity fund to the extent these either singly or put together are not taxable under the Income tax Act;
  - (b) gratuity payable at a rate not exceeding half a month's salary for each completed year of service; and
  - (c) encashment of leave at the end of the tenure.

## OTHER TERMS

1. The Whole Time Director shall not be paid any sitting fees for attending the meeting of the Board of Directors or Committees thereof.
2. The Whole Time Director shall be entitled to reimbursement of entertainment, travelling and all other expenses incurred in the course of the Company's business.
3. The appointment may be terminated by either side by giving not less than one months' prior notice.

By order of the Board  
For Haryana Capfin Limited

Place : Gurugram

Dated : 21st August, 2020

**SANDHYA TIWARI**  
Company Secretary

## NOTES:

1. Details of the Directors seeking appointment/re-appointment at the forthcoming Annual General Meeting [Pursuant to Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India

Name	Shri Saket Jindal	Smt. Shruti Raghav Jindal	Shri Krishna Kumar Khandelwal
Age	46 years	37 years	86 years
Qualification	B.B.A	Graduate in International Management from Richmond University, London	M.com, CAIIB
Brief Profile Expertise in specific functional area	Dynamic Industrialist having wide experience of managing industrial enterprises	Wide Experience in managing the Non- Banking Finance Companies and in the field of Business promotion and public relations.	Veteran Banker having over four decade of experience in finance, banking and administration. He held various senior positions in the Banking sector and last being the Managing Director of State Bank of Hyderabad.
Terms and Conditions of appointment	Shri Saket Jindal is liable to retire by rotation.	Smt. Shruti Raghav Jindal is proposed to be re-appointed as a Whole Time Director for a period of 3 years.	Shri Krishna Kumar Khandelwal is proposed to be re- appointed as an Independent Director for a second term of 5 years.
Remuneration last drawn (including sitting fees, if any)	Please refer Corporate Government Report	Please refer Corporate Government Report	The Please refer Corporate Government Report
Date of First appointment as Director of the Company	20.03.2019	01.07.2014	26.05.2015
No. of Shares Held	117,579 Equity Shares	Nil	Nil

# HARYANA CAPFIN LIMITED

<b>Inter-se relationship with other Directors</b>	None	None	None
<b>Number of meetings of the Board attended during the financial year (2019-20)</b>	Please refer Corporate Government Report	Please refer the Corporate Government Report	Please refer the Corporate Government Report
<b>Directorship of other companies as on 31<sup>st</sup> March, 2020</b>	1. Maharashtra Seamless Ltd. 2. Jindal Pipes Ltd. 3. Maharashtra Seamless Finance Ltd. 4. Odd & Even trades & Finance Ltd. 5. Global Jindal Fin-Invest Ltd. 6. Brahma Dev Holding And Trading Ltd.	1. Global Jindal Fin-Invest Ltd. 2. Sparlerk Dealcomm Ltd.	1. Jindal Drilling & Industries Ltd. 2. Toshniwal Travels Pvt. Ltd. 3. Quick Portfolio Services Pvt. Ltd. 4. Dwarkadhish Promoters Pvt. Ltd.
<b>Chairman/Member of Committee of other Companies</b>	Member – Maharashtra Seamless Ltd.-Stakeholders Relationship Committee	Nil	Chairman, Audit Committee and Stakeholders' Relationship Committee of Jindal Drilling & Industries Ltd.

2. Considering the present COVID-19 pandemic, the Ministry of Corporate Affairs ("MCA") has vide its circular dated 5th May, 2020 read together with circulars dated 8th April, 2020 and 13th April, 2020 (collectively referred to as "MCA Circulars") permitted convening the Annual General Meeting ("AGM" / "Meeting") through Video Conferencing ("VC") or Other Audio Visual Means ("OAVM"), without the physical presence of the members at a common venue. In accordance with the MCA Circulars, provisions of the Companies Act, 2013 ('the Act') and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as amended from time to time ("SEBI Listing Regulations"), the AGM of the Company is being held through VC/OAVM. The deemed venue for the AGM shall be the Registered Office of the Company.
3. In terms of MCA Circulars, since the physical attendance of members has been dispensed with, the facility of appointment of Proxies by Members will not be available. Hence the Proxy Form, Attendance Slip and Route map are not annexed to this Notice.
4. Members attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. The VC/OAVM facility for members to join the meeting, shall be kept open 15 minutes before the start of the AGM and shall be closed on expiry of 15 minutes after start of the AGM. Members can attend the AGM through VC/OAVM by following the instructions mentioned in this notice.
6. In compliance with the MCA Circulars and SEBI Circular dated 12th May, 2020, Notice of the AGM along with the Annual Report 2019-20 is being sent only through electronic mode to those Members whose email addresses are registered with the Company (RTA)/Depositories. Members may note that the Notice and Annual Report 2019-20 will also be available on the website of the Company at [www.haryanacapfin.com](http://www.haryanacapfin.com), website of the Stock Exchanges i.e. BSE Limited [www.bseindia.com](http://www.bseindia.com) and on the website of CDSL [www.evotingindia.com](http://www.evotingindia.com).
7. Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of special business which are unavoidable in nature is annexed hereto.
8. As per Regulation 40 of SEBI Listing Regulations, 2015, securities of listed companies can be transferred only in dematerialized form with effect from 1st April, 2019, except in case of transmission or transposition of securities. In view of this and to eliminate all risks associated with physical shares and for ease of portfolio management, members holding shares in physical form are requested to consider converting their holdings to dematerialized form. Members can contact the Company or Company's Registrar and Transfer Agent, Alankit Assignments Ltd. for assistance in this regard. In case of joint holders attending the meeting, the person who is first in order of names recorded in the Register of Members will be entitled to vote at the AGM.
9. Details under Regulation 36(3) of SEBI Listing Regulations read with Secretarial Standards (SS-2) issued by the Institute of Company Secretaries of India, in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting forms integral part of the Notice. The Directors have furnished the requisite declarations/Disclosure for their Appointment/re-appointment.
10. All documents referred to in the Notice and the Explanatory Statement shall be available for inspection by the Members at the registered office of the Company on all working days i.e. except Saturdays, Sundays and

# HARYANA CAPFIN LIMITED

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public holidays between 11.00 A.M. and 1.00 P.M. up to AGM. Such documents will also be available electronically for inspection by the members from the date of circulation of this Notice upto AGM on the basis of the request being sent on investors@haryanacapfin.com.

11. Pursuant to MCA Circular and Section 101 of the Companies Act, 2013 read with rules made thereunder, the companies are allowed to send communication to shareholders electronically. Therefore, the Members are requested to register/update their e-mail address with the Company's Registrar and Share Transfer Agent, Alankit Assignments Ltd at rta@alankit.com or their respective Depository Participants as the case may be, for receiving all communication including Annual Reports, Notices, Circulars, etc. from the Company electronically.
12. Corporate/Institutional Members are required to send a scanned certified true copy of the Board Resolution/ Authority Letter, etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting or during the AGM. The said Resolution/Authorisation shall be sent to the Scrutinizer by email through its registered email address at amadeli12@gmail.com with a copy marked to evoting@cdsl.co.in, if they have voted from individual Tab and not uploaded the same in the CDSL e-voting system for the scrutinizer to verify the same.
13. The Register of Directors and Key Managerial Personnel and their shareholding maintained under Section 170 of the Act, 2013, Register of Contracts or Arrangements in which Directors are interested under Section 189 of the Act, 2013 will be made available electronically for inspection by Members of the Company during the AGM on the basis of the request being sent on investors@haryanacapfin.com.
14. **Voting through electronic means:**

Pursuant to MCA Circular and Section 108 of the Companies Act, 2013 read with Rule 20 of Companies (Management and Administration) Rules, 2014, and Regulation 44 of SEBI Listing Regulations, the Company is pleased to provide the facility of 'remote e-voting' and VC/OAVM through Central Depository Services (India) Limited (CDSL), for all members of the Company to enable them to cast their votes electronically, on the resolutions mentioned in the notice of the 22nd Annual General Meeting (AGM) of the Company.

The members who have already cast their vote through remote e-voting may attend the meeting, but shall not be entitled to cast their vote again at the AGM and a person who is not a Member as on cut-off date i.e. 19th September, 2020 should treat this Notice for information purpose only.

The voting rights of shareholders shall be in proportion to their shares of the Paid-up Equity Share Capital of the Company as on cut-off date i.e. 19th September, 2020.

Mr. Ajit Kumar Mishra (FCS-9703), Practicing Company Secretary, has been appointed as Scrutinizer to scrutinize the voting process in a fair and transparent manner.

The Scrutinizer shall submit his report, to the Chairman, within 48 hours from the conclusion of the Annual General Meeting. The result declared along with the Scrutinizer's Report shall be placed on the website of the Company i.e. www.haryanacapfin.com and shall simultaneously be communicated to the Stock Exchange.

#### **The process and manner for remote e-voting are as under:**

- (i) The remote e-voting period begins on 23rd September, 2020 (9.00 A.M) and ends on 25th September, 2020 (5.00 P.M). During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 19th September, 2020 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (iii) Click on "Shareholders/ Members" module.
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.

OR

Alternatively, if you are registered for **CDSL's EASI/EASIEST** e-services, you can log-in at [www.cdslindia.com](http://www.cdslindia.com) from Login-Myeasi using your login credentials. Once you successfully log-in to **CDSL'S EASI/EASIEST** e-services, click on e-Voting option and proceed directly to cast your vote electronically.

- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier e-voting of any Company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>Shareholders who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number sent by the Company/RTA or contact Company/RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login. <ul style="list-style-type: none"> <li>If both the details are not recorded with the depository or Company please enter member id / folio number in the Dividend Bank details field as mentioned in instruction (iv)</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Shareholders holding shares in physical form will then directly reach the Company selection screen. However, Shareholders holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other Company on which they are eligible to vote, provided that the Company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for Haryana Capfin Limited on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take a print of the votes cast by clicking on "Click here to print" Option on the Voting page.
- (xvii) If a demat account holder has forgotten the changed login password then Enter the User ID and the image verification code and click on Forgot Password and enter the details as prompted by the system.
- (xviii) Shareholders can also cast their vote using CDSL's mobile app 'm-Voting'. The m-voting app can be downloaded from respective Store. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xix) Note for Non - Individual Shareholders and Custodians  
 Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.  
 Scanned copy of the Registration Form bearing the stamp and signature of the entity should be e-mailed to the [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).  
 After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.  
 The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.  
 A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

# HARYANA CAPFIN LIMITED

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Alternatively Non-Individual Shareholders are required to send the relevant Board resolution/Authority letter etc. together with attested specimen signature of the duly authorised signatory who are authorised to vote, to the Scrutinizer and to the Company, if voted from individual tab and not upload the same in the CDSL e-voting system for the scrutinizer to verify the same.

## **Process for Shareholders whose e-mail addresses are not registered for obtaining login credentials for e-voting for the resolutions proposed in this Notice**

For shareholders holding shares in physical form - Please provide necessary details like Folio No., Name of shareholder, scanned copy of the share certificate (front and back), PAN (self- attested scanned copy of PAN Card), AADHAR (self-attested scanned copy of Aadhar card) by e-mail to investors@haryanacapfin.com or rta@alankit.com.

For Shareholders holding shares in Demat form - Please provide Demat account details (CDSL - 16 digit beneficiary ID or NSDL - 16 digit DPID + CLIENT ID), Name, Client Master or copy of Consolidated Account Statement, PAN (self-attested scanned copy of PAN Card), AADHAR (self attested scanned copy of Aadhar card) by e-mail to investors@haryanacapfin.com or rta@alankit.com.

The Company and RTA shall co-ordinate with CDSL and provide the login credential to the above mentioned shareholders.

## **Procedure for Joining the AGM through VC/OAVM:**

1. Shareholders will be provided with a facility to attend the AGM through VC/OAVM through the CDSL e-Voting system. Shareholders may access the same at [www.evotingindia.com](http://www.evotingindia.com) under shareholders/members login by using the remote e-voting credentials. The link for VC/OAVM will be available in shareholders/members login where the EVSN of Company will be displayed.
2. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
3. Please note that Participants connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio/Video loss due to fluctuation in their respective network. It is therefore recommended to use stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
4. Shareholders attending the AGM through VC/OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
5. Shareholders who would like to express their views/ask questions during the meeting may register themselves as a speaker by sending their request up to 19th September, 2020, mentioning their name, demat account number/folio number, email id, mobile number on investors@haryanacapfin.com. Those shareholders who have registered themselves as a speaker will only be allowed to express their views/ask questions during the meeting. The Company reserves the right to restrict the number of questions and number of speakers, depending on the availability of time as appropriate for smooth conduct of the AGM.

## **INSTRUCTIONS FOR SHAREHOLDERS FOR E-VOTING DURING THE AGM ARE AS UNDER:-**

1. The procedure for e-Voting on the day of the AGM is same as the instructions mentioned above for Remote e-voting.
2. Only those shareholders, who are present in the AGM through VC/OAVM facility and have not casted their vote on the Resolutions through remote e-Voting and are otherwise not barred from doing so, shall be eligible to vote through e-Voting system available during the AGM.
3. If any Votes are cast by the shareholders through the e-voting available during the AGM and if the same shareholders have not participated in the meeting through VC/OAVM facility, then the votes cast by such shareholders shall be considered invalid as the facility of e-voting during the meeting is available only to the shareholders attending the meeting.
4. Shareholders who have voted through Remote e-Voting will be eligible to attend the AGM. However, they will not be eligible to vote at the AGM.

If you have any queries or issues regarding e-Voting (both for remote e-voting and e-voting at AGM), you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact Mr. Nitin Kunder (022- 23058738) or Mr. Mehboob Lakhani (022-23058543) or Mr. Rakesh Dalvi (022-23058542).

All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Manager, (CDSL) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

## **EXPLANATORY STATEMENT UNDER REGULATION 36 (5) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015.**

### **Item No. 3**

M/s. A.M.A.A & Associates, Chartered Accountants (Firm Registration No. 013066C) were appointed as the Statutory Auditors from the conclusion of 17th Annual General Meeting for a period of five years.

In accordance with the provisions of Section 139(1) of the Companies Act, 2013 ('the Act') read with the Companies (Audit and Auditors) Rules, 2014, M/s. A.M.A.A & Associates were appointed as the Statutory Auditors of the Company at the 17th Annual General Meeting ('AGM') held on 28th September, 2015 for a term of 5 years i.e. to hold office upto the AGM for the financial year 2019-20.

M/s. A.M.A.A & Associates would be completing 5 years as the Statutory Auditors of the Company at ensuing AGM. In accordance with Section 139(2) of the Act and the provisions provided under Rule 6 of the Companies (Audit and Auditors) Rules, 2014, M/s. A.M.A.A & Associates are eligible for re-appointment for a term of only 5 (five) year.

**Proposed Fees for Statutory Audit:** Rs. 30,000-60,000 p.a. plus applicable taxes, and out-of-pocket expenses incurred by them in connection with the statutory audit of the Company. The proposed fee is based on time and efforts required to be put in by M/s. A.M.A.A & Associates.

The Audit Committee of the Board has recommended the appointment of M/s. A.M.A.A & Associates as Statutory Auditors of the Company for a further term of 5 years. The credentials of M/s. A.M.A.A & Associates are as under:

### **Credentials**

M/s. A.M.A.A & Associates is an established Chartered Accountancy firm having its office at New Delhi.

The firm is adequately supported by qualified professionals and staff. Apart from statutory audit, the firm also has expertise in other allied areas i.e. Internal Audit, Taxation and Management Consultancy Services.

None of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the resolution.

The Board recommends the resolution as set out in the Item No. 3 of this notice for your approval.

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013.**

### **Item No. 4**

The Members of the Company had appointed Shri Krishna Kumar Khandelwal as an Independent Director of the Company for a term of five years with effect from 28th September, 2015. Shri Krishna Kumar Khandelwal will complete his present term on 27th September, 2020.

The Company has received declaration from Mr. Krishna Kumar Khandelwal to the effect that he meets the criteria of Independence as provided in Section 149(6) of the Companies Act, 2013 (the "Act") read with the Rules framed thereunder and Regulation 16(1)(b) of SEBI Listing Regulations, 2015. Shri Krishna Kumar Khandelwal is not debarred or disqualified from being appointed or continuing as Director of the Company by SEBI/Ministry of Corporate Affairs or such other statutory body.

In the opinion of the Board, Shri Krishna Kumar Khandelwal fulfils the conditions specified in the Act, the Rules, thereunder and SEBI Listing Regulations for his reappointment as an Independent Director.

# HARYANA CAPFIN LIMITED

Copy of the draft letter of reappointment of Shri Krishna Kumar Khandelwal as Independent Director setting out the terms and conditions is available for inspection by the Members at the registered office of the Company.

The Company has received a notice in writing under Section 160(1) of the Act proposing his candidature as an Independent Director of the Company.

The Board, based on the performance evaluation and as per the recommendation of Nomination and Remuneration Committee, considers that, his vast knowledge, experience and contribution made by him during his tenure, the continued association of Shri Krishna Kumar Khandelwal would be beneficial to the Company and it is desirable to continue to avail his services as Independent Director. Accordingly, it is proposed to re-appoint Shri Krishna Kumar Khandelwal as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of five years on the Board of the Company commencing from 28th September, 2020.

Shri Krishna Kumar Khandelwal and his relatives may be deemed to be interested in the resolution to the extent of their shareholding interest, if any. None of the other Directors/ Key Managerial Personnel and their relatives may be deemed to be interested financially or otherwise in the resolution.

Pursuant to regulation 17(1A) of the SEBI (LODR) regulations, the shareholder passed a special resolution at the 20th AGM to continue the directorship held by Mr. K.K. Khandelwal who had attained the age of over 75 years.

Further as per the Regulation 17(1A) of the Listing Regulations, appointment or continuation of a Non- Executive Director after attaining age of 75 years also requires approval of Members of the Company by way of Special Resolution. Shri Krishna Kumar Khandelwal has attained the age of 75 (seventy five) years before proposing second term. The Special Resolution under Item No. 4, once passed, shall also be deemed as your approval under the Listing Regulations 2015, for re-appointment of Shri Krishna Kumar Khandelwal as Independent Directors beyond the age of seventy five years.

The Board recommends the resolution as set out in the Item No. 4 of this notice for your approval.

## Item No. 5

The Board of Directors of the Company on the recommendation of the Nomination and Remuneration Committee of the Board of Directors has re-appointed Smt. Shruti Raghav Jindal as Whole Time Director of the Company for a period of three years on the terms and conditions, including remuneration, as contained in the resolution in conformity with in Section II, Part II of Schedule V of the Companies Act, 2013 in view of inadequacy of profit of the Company. Pursuant to the provisions of section 203 read with Schedule V of the Companies Act, 2013, the approval of the members is required to be obtained for payment of remuneration to Smt. Shruti Raghav Jindal as Whole Time Director.

Except Smt. Shruti Raghav Jindal and her relatives, none of the Directors and Key Managerial Personnel and their relatives are in any way concerned or interested, financially or otherwise in the resolution. The Board recommends the resolution as set out in the Item No. 5 of this notice for your approval.

## STATEMENT IN TERMS OF SECTION II OF SCHEDULE V OF THE COMPANIES, ACT 2013, RELATING TO REMUNERATION PAYABLE TO WHOLETEIME DIRECTOR

### I. GENERAL INFORMATION:

1.	Nature of Industry	Non- Banking Finance industry		
2.	Date or expected date of commencement of commercial production	The Company has already commenced operations in 1999		
3.	In case of new Companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus.	Not applicable		
		(₹ in Lakh)		
4.	Financial performance based on given indicators	Particulars	2019-20	2018-19
		Total Income	254.23	262.27
		Profit before Tax	200.19	208.37
		Provision for Tax	6.60	9.50
		Profit after Tax	193.59	198.87
5.	Foreign Investments or collaborators, if any	At present the Company has neither made any foreign investments nor has any collaboration abroad.		

# HARYANA CAPFIN LIMITED

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## I. INFORMATION ABOUT THE APPOINTEES:

### 1. BACKGROUND DETAILS :

Smt. Shruti Raghav Jindal is a Graduate in International Management from Richmond University London. She has wide experience in managing the Non- Banking Finance Companies and other industries. She had served as Chief Executive (Business Promotion and Public Relations) in Maharashtra Seamless Limited and is presently Director of Global Jindal Fin-Invest Limited and Sparlerk Dealcomm Limited.

### 2. PAST REMUNERATION :

Rs. 1,75,000 per month plus other benefits as per rules of the Company.

### 3. RECOGNITION OR AWARDS :

None

### 4. JOB PROFILE AND THEIR SUITABILITY

Smt. Shruti Raghav Jindal has been looking after the overall operations of Company, including various other responsibilities as may be assigned by the Board of Directors from time to time.

### 5. REMUNERATION PROPOSED : As per details given in the resolution.

### 6. COMPARATIVE REMUNERATION PROFILE WITH RESPECT TO INDUSTRY, SIZE OF THE COMPANY, PROFILE OF THE POSITION AND PERSON

Considering the size of the Company, the profile of the Whole time Director, the responsibilities shouldered by her and the industry benchmarks, the aforesaid remuneration is commensurate with the remuneration being drawn by similar position in other companies.

### 7. PECUNIARY RELATIONSHIP DIRECTLY OR INDIRECTLY WITH THE COMPANY, OR RELATIONSHIP WITH THE MANAGERIAL PERSONNEL, IF ANY

Besides the remuneration proposed, the Whole time Directors has no pecuniary relationship except the loan transactions with the related parties in the ordinary course of business.

Smt. Shruti Raghav Jindal is not related (as defined under the Companies Act, 2013) to any Managerial Personnel.

## II. OTHER INFORMATION :

### 1. REASONS OF LOSS OR INADEQUATE PROFITS

The profitability of the Company has been inadequate due to general economic slowdown in areas, wherein its investee companies are operating.

### 2. STEPS TAKEN OR PROPOSED TO BE TAKEN FOR IMPROVEMENT

The Company would make efforts to diversify and expand its activities to improve the profitability.

### 3. STEPS TAKEN OR PROPOSED TO BE TAKEN FOR IMPROVEMENT

With the efforts as above it is expected that the Company would improve its profitability.

By order of the Board

Place : Gurugram  
Dated : 21s August, 2020

**SANDHYA TIWARI**  
Company Secretary





**HARYANA CAPFIN LIMITED**  
Plot No. 30, Institutional Sector-44  
Gurugram - 122003  
Haryana