

HARYANA CAPFIN LIMITED

NOTICE

Notice is hereby given that the 12th Annual General Meeting of the Members of Haryana Capfin Limited will be held on Friday, 10th September, 2010 at 12.00 noon at Unitech Country Club, Block-E, South City -1, Gurgaon-122001 (Haryana) to transact the following business:

ORDINARY BUSINESS:-

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 2010 and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Sh. B. K. Narula, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to fix their remuneration. The retiring Auditors M/s B. K. Shroff & Co. Chartered Accountants, New Delhi, being eligible, offer themselves for re-appointment.

By order of the Board

Place : Gurgaon
Dated : 9th August, 2010

RAKESH BHARDWAJ
Company Secretary

Regd. Office:

Plot No. 30, Institutional Sector-44,
Gurgaon - 122 002, Haryana.

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the Company. Form of proxy is separately annexed. The proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.**
2. Members/Proxies should bring the attendance slip duly filled in for attending the meeting.
3. Members are requested to notify immediately any change in their address to the Registrar & Transfer Agent quoting their Folio Number to the following address:
Alankit Assignments Ltd. (RTA),
Alankit House, 2E/21, Jhandewalan Extension,
New Delhi – 110055.
4. Members who have multiple ledger folios in identical names or joint names in same order are requested to intimate/send the concerned share certificates quoting their ledger folios of such accounts to enable the Registrar & Transfer Agent to consolidate all such shareholdings into one folio.
5. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday the 4th September, 2010 to Friday the 10th September, 2010 (both days inclusive).
6. Members intending to seek any information on the Annual Accounts at the meeting are requested to inform the company in writing at least one week prior to the date of the meeting.
7. All documents referred in the notice are open for inspection at the Regd. Office of the Company between 10.00 A.M. and 1.00 P.M. on any working day up to the date of Annual General Meeting and also at the Meeting.
8. **Details of the Director seeking re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement):**

Name of the Director	Shri B. K. Narula
Age	56
Qualification	Graduate
Expertise in specific functional area	Prominent Businessman having wide business experience
Date of appointment as Director of the Company	24 th November, 2008
Directorship of other companies	Silversmith India Limited, B. K. Overseas Ltd., Solar Renewable Urja Pvt. Ltd., Sukarma Finance Limited, Corporate Research & Intelligence Services Ltd., Yes Travels & Hospitality Limited, Aseem Travels Private Limited.
Chairman/Member of Committees of other Companies	Nil
No. of Shares held	Nil

HARYANA CAPFIN LIMITED

DIRECTORS' REPORT

To the Members,

Your Directors are pleased to present the 12th Annual Report along with Audited Accounts of the Company for the year ended 31st March, 2010.

FINANCIAL RESULTS

	Year Ended 31.03.2010	(Rs. in Lacs) Year Ended 31.3.2009
Total Income	143.69	136.08
Profit before Tax	131.01	121.81
Less: Provision for Tax		
- Current	-	-
- Deferred	5.16	(2.31)
- Fringe Benefit tax	-	0.01
Profit after Tax	125.85	124.11
Excess Provision for Income Tax for earlier years written back (Net)	-	(1.06)
Profit after tax & adjustment	125.85	125.17
Balance brought forward from previous year	252.54	162.41
Profit available for appropriation	378.39	287.58
Appropriations		
- Statutory Reserves	25.17	25.04
- Transfer to General Reserve	10.00	10.00
- Surplus carried to Balance sheet	343.22	252.54
	378.39	287.58

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.

OPERATIONS

Total income of the Company during the year was Rs. 143.69 lacs as against Rs. 136.08 lacs in the previous year. The profit before tax during the year was Rs. 131.01 lacs as against Rs. 121.81 lacs in the previous year. The Profit after tax and adjustment was Rs. 125.85 lacs as against Rs. 125.17 lacs in the previous year.

DIRECTORS

Shri B. K. Narula, Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

FIXED DEPOSIT

Your Company has not accepted any deposits within the meaning of section 58A of the Companies Act, 1956 and the rules made there under.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) that in the preparation of the Annual Accounts for financial year ended 31st March, 2010, the applicable accounting standards have been followed;
- (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, 1956 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, 2010 have been prepared on a going concern basis.

CORPORATE GOVERNANCE

Pursuant to Clause 49 of the Listing Agreement, with the Stock Exchange, a separate Report on Corporate Governance has been annexed as part of the Annual Report. Certificate from the Practising Company Secretaries, confirming Compliance of conditions of Corporate Governance is annexed to this Report.

CEO/CFO CERTIFICATE

Shri Sudhir Kumar Singhal, Wholetime Director of the Company has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

MANAGEMENT DISCUSSION & ANALYSIS

A report on Management Discussion and Analysis is attached as a part of the Annual Report.

AUDITORS

M/s B. K. Shroff & Co. Chartered Accountants, New Delhi, the retiring Auditors, hold office up to the conclusion of the ensuing Annual General Meeting. The Statutory Auditors have confirmed their eligibility and willingness to accept the office on reappointment.

The Auditors' observations and the relevant notes on accounts are self-explanatory and therefore, do not call for further comments.

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

Provisions of the Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 regarding information on conservation of energy etc. does not apply to the Company.

There is no foreign exchange earning or outgo during the period under review.

PARTICULARS OF EMPLOYEES

There was no employee in the Company drawing remuneration more than the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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 & on behalf of the Board

Place : Gurgaon
Dated: 9th August, 2010

SAKET JINDAL
Chairman

HARYANA CAPFIN LIMITED

CORPORATE GOVERNANCE REPORT

The Company has been maintaining the highest standards of Corporate Governance principles and best practices. Your Company has been practicing the principles of good Corporate Governance, which comprises all activities that result in the control of the Company in a regulated manner, aiming to achieve transparent, accountable and fair management.

The details of the Corporate Governance compliance by the Company as per Clause 49 of the Listing Agreement with Stock Exchanges are as under:

A COMPLIANCE OF MANDATORY REQUIREMENTS:

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's philosophy on Corporate Governance envisages the attainment of the highest levels of transparency, accountability and equity, in all facets of its operations and in all interactions with its stakeholders, including shareholders, lenders, employees, the government and the society. The Company believes that all its operations and actions must serve the underlying goal of enhancing long-term shareholder value. In this pursuit, your Company's philosophy of Corporate Governance is aimed at assisting the management of the Company in the efficient conduct of its business and to continuously strive to attain high levels of accountability, transparency, responsibility and fairness in all aspects of its operations. Your Company continues to lay great emphasis on broad principles of Corporate Governance. Your Company, with a view to achieve these objectives, has adopted corporate strategies, prudent business plans and continuous monitoring of performance.

2. BOARD OF DIRECTORS

Composition

The strength of the Board as on March 31, 2010 was 4 Directors comprising of one Non-Executive Chairman who is also a promoter of the Company. One-half of the Board of the Company consists of Independent Directors. The number of Non-Executive Directors (NEDs) exceeds 50% of the total number of Directors. All Independent Directors fulfill the minimum age criteria i.e. 21 years as specified in Clause 49 of the listing agreement.

None of the Directors hold Chairmanship of more than 5 Committees or Membership in more than 10 committees of the Companies.

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

During the year under review 5 Board Meetings were held on 14th April, 2009, 29th June, 2009, 22nd July, 2009, 27th October, 2009, and 28th January, 2010.

The Composition of Board of Directors, their shareholding, attendance during the year and at the last Annual General Meeting, Number of other Directorships, Committee memberships and Chairmanships held by them as at 31st March, 2010 are given below:

Directors	Category	Shares held	Attendance		No. of other Directorships and Committee Memberships/ Chairmanships held \$		
			Board Meeting	Last AGM	Directorships	Committee Memberships	Committee Chairmanships
Sh. Saket Jindal	C	1,17,579	4	Yes	4	1	-
Sh. Sudhir KumarSinghal	WTD	-	5	Yes	-	-	-
Sh. B. K. Narula	NE	-	4	-	7	-	-
Sh. K. K. Khandelwal	NE	-	4	Yes	3	2	2

C = Chairman, WTD = Whole Time Director, NE = Non-Executive Director

\$ includes Directorships and Committee Memberships/ Chairmanship (Only Audit and Shareholders'/ Investors' Grievance Committees are considered).

RELATIONSHIPS BETWEEN DIRECTORS

No Director is related to any other Director on the Board in terms of the definition of "relative" under the Companies Act, 1956.

3. CODE OF CONDUCT

The Board of Directors has adopted the Code of conduct and ethics for Directors and Senior Management personnel. The Code of Conduct has been communicated to the Directors and designated employees of the Company who have confirmed compliance with the said Code.

4. AUDIT COMMITTEE

The Audit Committee of the Company is comprised of three Non- Executive Directors, Two are Independent Directors and One Promoter Non-Executive Director. All members of the Committee possess knowledge of Corporate Finance, Accounts and Company Law. The Chairman of the Committee is an Independent Non-Executive Director.

The terms of reference of the Committee covers the matters specified for Audit Committee under Clause 49 of the Listing Agreement as well as Section 292A of the Companies Act, 1956, besides other terms as may be referred by the Board of Directors from time to time.

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

During the year under review 4 Audit Committee Meetings were held on 29th June, 2009, 22nd July, 2009, 27th October, 2009 and 28th January, 2010. The Composition of the Audit Committee and attendance at its meetings is as follows:

Name of the Members	No. of Meeting attended
Sh. Saket Jindal	3
Sh. B.K.Narula	4
Sh. K. K. Khandelwal	4

Company Secretary of the Company acts as Secretary to the Audit Committee.

INTERNAL AUDIT

The Company has appointed a firm of Chartered Accountants as 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.

5. REMUNERATION TO DIRECTORS

The Company does not have a Remuneration Committee. Detailed terms of appointment of the Whole time Director are governed by Board and Members resolutions.

Details of Directors' Remuneration

The details of remuneration paid to the Directors during the financial year ended 31st March 2010 are as under:

a) The Details of remuneration paid to Whole- Time Director are as under:

Name	Salary	Perquisites & other benefits	Total
Shri Sudhir Kumar Singhal	2,45,330	83,747	3,29,077

The tenure of the appointment of Whole-Time Director is for a period of 5 years w.e.f. 1st November 2006.

b) The Non Executive Directors are paid by way of sitting fees for attending each meeting of the Board of Directors and Audit Committee.

The details of remuneration paid as sitting fee to Non-Executive Directors during the year ended 31st March, 2010 are as under:

Directors	Sitting Fees (Rs.)
Shri Saket Jindal	15,000
Shri B.K.Narula	20,000
Shri K. K. Khandelwal	20,000

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, 2010.

6. SHAREHOLDERS'/INVESTORS' GRIEVANCE CUM SHARE TRANSFER COMMITTEE

The Board has constituted a Committee under the Chairmanship of a Non-Executive Director. The Committee has authorised two officials of the Company and RTA M/s Alankit Assignments Limited, to look after the day to day transfer/ transmission of shares, issue of duplicate share certificates. Details of share transfers/transmissions approved by the Authorized Company Officials and the Committee are placed at the Board Meetings from time to time.

The Company Secretary of the Company acts as Secretary to the Committee.

COMPOSITION

The constitution of the Shareholders'/Investors' Grievance Cum Share Transfer Committee is as under:-

HARYANA CAPFIN LIMITED

Name of the Members	Status
Shri Saket Jindal	Chairman
Shri B. K. Narula	Member

COMPLIANCE OFFICER

Shri Rakesh Bhardwaj, Company Secretary is acting as "Compliance Officer" of the Company w.e.f. 02nd March, 2010.

DESIGNATED EMAIL ID FOR INVESTORS

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

DETAILS OF SHAREHOLDERS' COMPLAINTS RECEIVED & REPLIED TO THE SATISFACTION OF SHAREHOLDERS

Number of Shareholders, complaints received and replied during the period 01.4.2009 to 31.03.2010	Nil
---	-----

7. GENERAL BODY MEETINGS

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

Financial year	Date	Location of the Meeting	Time
2006-07	21.09.2007	Saras Tourist Complex, Damdama, Gurgaon 122102 (Haryana)	1.00 P.M
2007-08	20.08.2008	Apparel House, Institutional Area, Sector-44, Gurgaon-122002 (Haryana)	11.00 A.M
2008-09	09.09.2009	Unitech Country Club, Block – E, South City – 1, Gurgaon – 122001.	12.00 Noon

(ii) Special Resolutions passed in the previous three AGMs.

- a) In the AGM held on 21st September, 2007 : No Special Resolution was passed.
- b) In the AGM held on 20th August, 2008 : No Special Resolution was passed.
- c) In the AGM held on 09th September, 2009. : No Special Resolution was passed.

iii) During the Financial year 2009-10, no resolution was passed through postal ballot. No special resolution is proposed to be conducted through postal ballot.

8. DISCLOSURES

i) Related Party Transactions

There have been related party transactions as reflected in notes to the accounts but they are not in conflict with the interest of the Company.

ii) Accounting Standards

The Company follows the Accounting Standards laid down by the Institute of Chartered Accountant of India and there has been no deviation during the year.

iii) Details on Non Compliance

There are no instances of non-compliance by the Company on any matter relating to the Capital Market since listing at Bombay Stock Exchange, on 11th June 2007.

iv) Declaration by CEO with regard to Code of Conduct

The Whole-Time Director, Mr. Sudhir Kumar Singhal has furnished a declaration affirming compliance of Code of Conduct by the Board of Directors and Senior Management Personnel.

v) CEO/CFO Certificate

The Whole Time-Director, Mr. Sudhir Kumar Singhal has furnished the required certificate to the Board of Directors pursuant to Clause 49 of the Listing Agreement.

9. MEANS OF COMMUNICATION

The Company's financial results are communicated forthwith to the Stock Exchange Mumbai as soon as they are approved and taken on record by the Board of Directors of the Company. Additionally, in strict compliance of Listing Agreement, the Company has always promptly reported dates of various Board Meetings, Book Closures/ Record Dates to the Stock Exchange. The Financial Results are normally published in The Financial Express & Jansatta.

10. GENERAL SHAREHOLDERS INFORMATION

a) Annual General Meeting:

Date & Time : Friday, 10th September, 2010 at 12.00 Noon

Venue : Unitech Country Club, Block – E, South City- I, Gurgaon- 122001 (Haryana)

b) Financial Year : 1st April, 2009 to 31st March, 2010

c) Book Closure : Saturday 4th September, 2010 to Friday 10th September, 2010 (both days inclusive).

d) Dividend : Not Applicable

Financial Calendar (Tentative):

- Financial reporting for the quarter ended 30th June, 2010	July/Aug, 2010
- Financial reporting for the quarter ending 30th Sept. 2010	Oct/Nov 2010
- Financial reporting for the quarter ending 31st Dec. 2010	Jan/Feb 2011
- Financial reporting for the quarter ending 31st March, 2011	April/May, 2011

Listing on Stock Exchanges:

The Equity Shares of the Company are listed on Bombay Stock Exchange Limited having its office at Floor 25, P. J. Towers, Dalal Street, Mumbai – 400001, and Listing fee for the year 2010-11 has already been paid.

Scrip Name : HARYA CAPFIN
Scrip ID : HARYNACAP
Stock Code : BSE 532855
NSDL/ CDSL – ISIN : INE928H01019

Stock Market Price Data for the year 2009-10

Month	HCL BSE Price (Rs.)			BSE SENSEX (Rs.)		
	High	Low	Close	High	Low	Close
April, 2009	26.25	21.80	23.00	11492.10	9546.29	11403.25
May, 2009	38.75	23.00	37.70	14930.54	11621.30	14625.25
June, 2009	50.75	35.90	40.00	15600.30	14016.95	14493.84
July, 2009	39.85	29.75	32.00	15732.81	13219.99	15670.31
August, 2009	50.20	31.00	42.95	16002.46	14684.45	15666.64
September, 2009	48.90	38.55	42.95	17142.52	15356.72	17126.84
October, 2009	44.80	37.30	38.20	17493.17	15805.20	15896.28
November, 2009	43.00	36.00	38.95	17290.48	15330.56	16926.22
December, 2009	52.80	38.45	47.60	17530.94	16577.78	17464.81
January, 2010	51.90	44.10	45.50	17790.33	15982.08	16357.96
February, 2010	52.00	42.10	45.00	16669.25	15651.99	16429.55
March, 2010	50.00	34.00	40.75	17793.01	16438.45	17527.77

DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH 2010

NO.OF EQUITY SHARES HELD	NO.OF SHAREHOLDERS	% OF SHAREHOLDERS	NO. OF SHARES HELD	% OF SHAREHOLDING
Up to 5000	5630	99.31	976915	18.76
5001 to 10000	17	0.30	111571	2.14
10001 to 50000	11	0.20	448266	8.61
50001 to 100000	3	0.05	187639	3.60
100001 to Above	8	0.14	3484290	66.89
GRAND TOTAL	5669	100.00	5208681	100.00

HARYANA CAPFIN LIMITED

SHAREHOLDING PATTERN AS ON 31ST MARCH, 2010:

CATEGORY	NO. OF SHARES HELD	% OF SHARE HOLDING
Promoters	3662659	70.32
Financial Institutions/ Banks/ FII	72561	1.39
Bodies Corporate	387751	7.44
NRI/OCB	11704	0.23
Indian Public	1074006	20.62
GRAND TOTAL	5208681	100.00

DEMATERIALIZATION OF SHARES AND LIQUIDITY

The Company's shares are compulsorily traded in dematerialized form. As on 31st March, 2010, 61.84 % of total equity shares were held in dematerialized form.

OUTSTANDING GDR / WARRANTS AND CONVERTIBLE BONDS, CONVERSION DATE AND LIKELY IMPACT ON EQUITY:

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

REGISTRAR AND SHARE TRANSFER AGENTS:

Alankit Assignments Limited,
Alankit House, 2E/21, Jhandelwaln Extension,
New Delhi – 110 055.
Phone: 011-23541234-42541234
Fax: 011-42541201
E-mail: rta@alankit.com

SHARE TRANSFER SYSTEM:

Share transfer requests received in physical form are registered within 15 days from the date of receipt and demat requests are normally confirmed within prescribed time from the date of receipt.

INVESTOR CORRESPONDENCE ADDRESS:

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

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

COMPLIANCE CERTIFICATE OF THE AUDITORS

Certificate from Vikash Sethi & Associates, Practising Company Secretaries, confirming compliance with the conditions of Corporate Governance as stipulated under Clause 49, is forming part of the Annual Report.

B. NON-MANDATORY REQUIREMENTS

(1) a) CHAIRMAN OF THE BOARD

The Company has a Non-executive Chairman and expenses incurred in performance of his duties are paid by the Company.

b) TENURE OF INDEPENDENT DIRECTORS

In terms of the Governance policy of the Company, all Directors, including Independent Directors (excluding Whole Time Director being appointed for 5 years) are subject to retirement by rotation. However, no maximum tenure, in the aggregate for Independent Directors has been specifically determined by the Board.

(2) REMUNERATION COMMITTEE

The Company does not have any Remuneration Committee. There are 4 members in the Board and remuneration of Whole Time Director is being approved by the Board of Directors and shareholders.

(3) SHAREHOLDERS' RIGHTS

As the Company's quarterly results are published in leading English newspapers having circulation all over India and in a Hindi newspaper widely circulated in the region, the same are not sent to each household of shareholders.

(4) AUDIT QUALIFICATIONS

There are no Audit Qualifications in the Auditors' Report.

(5) TRAINING OF BOARD MEMBERS

At present, the Company does not have such a training programme for the Board Members.

(6) MECHANISM FOR EVALUATING NON-EXECUTIVE BOARD MEMBERS

At present, the Company does not have such a mechanism as contemplated for evaluating the performance of Non-Executive Board Members.

(7) WHISTLE BLOWER POLICY:

The Company does not have any Whistle Blower Policy as of now but no personnel are being denied any access to the Audit Committee.

DECLARATION UNDER LISTING AGREEMENT REGARDING ADHERENCE TO THE CODE OF CONDUCT

This is to certify that, to the best of my knowledge and belief, for the financial year ended on 31st March, 2010, all Board members and senior Management Personnel have affirmed compliance with the code of conduct for Directors and Senior Management Personnel respectively.

Dated : 9th August, 2010

Place : Gurgaon

SUDHIR KUMAR SINGHAL

Whole Time Director

CERTIFICATE ON COMPLIANCE OF CORPORATE GOVERNANCE

To The Members of
HARYANA CAPFIN LIMITED

We have examined the compliance of conditions of Corporate Governance of Haryana Capfin Limited for the year ended 31st March, 2010, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange(s).

The Compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us,

We certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

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 **Vikash Sethi & Associates**
Company Secretaries

Place : New Delhi
Date : 9th August , 2010

VIKASH SETHI
Proprietor
C.P.No. 7863

HARYANA CAPFIN LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

FORWARD LOOKING STATEMENTS

The statement in the Directors' Report 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 impact of changes in oil, Steel prices worldwide and domestic, economic and political conditions. We cannot assure that outcome of this forward-looking statements will be realized. The Company disclaims any duty to update the information given in the aforesaid reports.

INDUSTRY STRUCTURE AND DEVELOPMENT

The performance of the Indian Economy in 2009-10 greatly exceeded expectation. The Indian Economy has clocked a growth rate of 7.4 % in FY 2009-10 notwithstanding ripples of imbalances in other parts of the world, as against growth of 6.7% in the previous year i.e FY 2008-09. This was made possible by India's more measured policy actions, strong counter- cyclical regulatory measures, resilient banking system, strong domestic demand and other positive features of the economy.

The Fiscal 2010 began on a positive note. Financial markets posted strong gains fueled by huge amount of capital inflows which was set-aside during the economic downturn in search of a higher yield. The growth rebound of Indian economy would be faster and sooner in India than the developed economies of US and Europe as per a survey by ASSOCHAM.

Non-banking Financial Companies (NBFCs) play a vital role in the context of Indian Economy. They are indispensable part in the Indian financial system because they supplement the activities of Banks in terms of deposit mobilization and lending. They play a very important role by providing finance to activities which are not served by the organized Banking sector.

The NBFC sector in which your Company intends to proceed further, however, has been facing competitive pressure from Banks and Financial Institutions, making it increasingly difficult to generate revenues from financing activities. Although your Company has obtained Registration Certificate from RBI as an NBFC, the related activities have not been started in full flow. The Company's operations continued to be focused on capital market related activities. The Company is exposed to economic, political, capital market and operational risks. The Company views risk management as integral to its business for creating and maintaining best practices in business operations and administration. Your Company follows prudent business and risk management practices to combat these challenges. Your Company retains the status as a debt-free Company It has been consistently following a conservative investment policy over the years.

The Company was not exposed to the capital markets at large during the year under review. It holds only a controlling stake in Maharashtra Seamless Ltd. (a Company under the D. P. Jindal Group. Maharashtra Seamless is focused on Oil & gas sector, which is currently a very prominent and global sector. This business is doing well and we believe that with this we are also likely to get benefited on a long term basis with our present investments.

OPPORTUNITIES & THREATS

The NBFCs business model has strengthened considerably over the past few years in terms of access to varied funding sources.

The NBFC Sector continues to face competitive pressures from the Banking sector and financial institutions, due to their increased penetration in the consumer financing market, with comparatively low cost of funds at their disposal. The spreads in the lending business have also narrowed considerably, bringing risk-adjusted margins to generally unviable levels. However, Non Banking Financial Institutions are present in all competitive fields such as, vehicle financing, housing loans, leasing, hire purchase and personal loans financing etc. NBFC's are not required to maintain cash reserve ratio and statutory liquid ratio. Priority sector lending norm of 40 per cent (of total advances) is not applicable to NBFCs. While this is an advantage, no access to low cost demand deposits is a disadvantage. As a result the cost of funds is always high, resulting in thinner interest spread. There is a low retail penetration of financial services / products in India, which can be encashed by the Company.

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.

FUTURE OUTLOOK 2010-11

The developing countries have restored after the world crisis quicker. The highest rate of growth is in Asia, where they make up 8.7% in 2010. The highest recovery rate – China, India, Brazil and Mexico. The Indian economy likely to grow by around 9% in 2011. Non-banking financial companies (NBFCs) have seen considerable business model shift over last decade because of regulatory environment and market dynamics. The NBFCs business model has strengthened considerably over the past few years in terms of access to varied funding sources.

With the gradual opening up of the Indian economy, increasing importance of foreign portfolio investment in the Indian markets and drastic reduction in import tariffs that has exposed Indian companies to foreign competition, Indian capital market is acquiring a global image. Till recently, participants in the Indian capital market could largely afford to ignore what happened in other parts of the world. India just keeps getting better and better. The economy is growing rapidly surpassing some of Asia's biggest economies. India is now becoming the third largest country in Asia economically. It has grown so much and is expected to continue to grow like this for a long time.

RISKS AND CONCERNS

The Company is exposed to specific risks that are particular to its businesses and the environment within which it operates, including market risk, competition risk, interest rate volatility, human resource risk etc.

The Company is presently exposed to concentration risk and market risks in the form of reduction in value of its investments. The Company is also exposed to the fluctuations of economy and the volatilities of Indian and Global Equity market. Therefore, all the opportunities should be carefully analyzed before getting into any investments.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls to ensure accuracy of accounting records, reliability of financial information and compliance with all laws and regulations.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

The total income of the Company during the year was Rs. 143.69 lacs as against Rs. 136.08 lacs in the previous year. The profit before tax during the year was Rs. 131.01 lacs as against Rs. 121.81 lacs in the previous year. The profit after tax and adjustment was Rs. 125.85 lacs as against Rs. 125.17 lacs in the previous year.

HUMAN RESOURCES:

The Company has employees who are professionals/experienced persons playing an important role in the development of the Company. The Company will strengthen its operative staff as and when the need arises.

AUDITORS' REPORT

To The Members of

HARYANA CAPFIN LIMITED

1. We have audited the attached Balance Sheet of **HARYANA CAPFIN LIMITED** as at 31st March, 2010, the Profit & Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors' Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the Annexure referred to above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the company so far as appears from our examination of those books;
 - (iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) On the basis of written representations received from the directors and taken on record by the board of directors, we report that as on 31.03.2010 none of the directors is disqualified on the said date from being appointed as a director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2010
 - (b) In the case of the Profit & Loss Account, of the profit for the year ended on that date
 - (c) In the case of the cash flow statement, of the Cash Flow for the year ended on that date.

For **B.K. SHROFF & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.: 302166E

Place : New Delhi
Dated : 9th August, 2010

Kavita Nangia
Partner
Membership No. 90378

ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- (i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) All the fixed assets have been physically verified by the management according to a regular programme which in our opinion is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies with respect to book records were noticed on such verification.
- (ii) The Company does not have any inventory and as such clauses (ii) (a), (b) & (c) of the Order are not applicable to the Company.
- (iii) In our opinion and according to the explanations given to us, the Company has neither granted nor taken loans, secured or unsecured to/from companies firms or other parties covered in the register maintained under section 301 of the Act and as such clauses (iii) (b), (iii) (c) and (iii) (d) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regards to purchase of inventory and fixed assets and for sale of goods and services. Further on the basis of our examination of the books and records of the Company, carried out in accordance with the auditing standards generally accepted in India, we have not observed any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (v) In our opinion and according to the information given to us, the Company has not entered into any transactions that need to be entered in register in pursuance of Section 301 of the Act and as such clause (v) (b) of the Order is not applicable to the Company.
- (vi) In our opinion and according to the information given to us, the Company has not accepted any deposits from the public within the meaning of sections 58A and 58AA or any other relevant provisions of the Act.
- (vii) In our opinion, the Company has an internal audit system commensurate with the size and the nature of its business.
- (viii) The maintenance of cost records has not been prescribed by the Central Government u/s 209 (1) (d) of the Companies Act, 1956 in respect of the Company's products.
- (ix) (a) The Company is regular in depositing with the appropriate authorities undisputed statutory dues, if any, including provident fund, employees state insurance investor education and protection fund, income tax, sales tax, service tax, wealth tax, custom duty, excise duty and cess and other statutory dues applicable to it.
(b) According to the information and explanations given to us, no undisputed amount payable in respect of income tax, sales tax, service tax, wealth tax, customs duty, excise duty and cess were outstanding as at 31.03.2010
- (x) The Company does not have any accumulated losses at the end of the financial year nor has it incurred any cash loss during the financial year covered by our audit and in the immediately preceding financial year.
- (xi) The Company has not borrowed monies from any financial Institutions or bank or debenture holders and as such clause (xi) of the order is not applicable to the Company.
- (xii) According to the information and explanations given to us the Company has not granted any loan and advance on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion the Company is neither a chit fund nor nidhi / mutual benefit fund / society and hence clause (xiii) of the Order is not applicable to the Company.
- (xiv) In our opinion and according to the explanations given to us, the Company has maintained proper records of its transactions and contracts and has made timely entries therein. The Company is holding shares and debentures in its own name.
- (xv) In our opinion the Company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not availed any term loans during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the Company we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets.
- (xviii) The Company has not made any preferential allotment of shares, to parties and companies covered in the register maintained under section 301 Companies Act, 1956.
- (xix) The Company does not have any debentures outstanding, as on the Balance Sheet date, hence, the clause 4(xix) of the order is not applicable.
- (xx) The Company has not raised any money through the public issue during the year. Accordingly, clause 4(xix) of the order is not applicable.
- (xxi) According to the information and explanations given to us no fraud on or by the Company has been noticed or reported during the course of our audit.

For **B.K. SHROFF & CO.**
CHARTERED ACCOUNTANTS
Firm Registration No.: 302166E

Kavita Nangia
Partner

Place : New Delhi
Date : 9th August, 2010

Membership No. 90378

HARYANA CAPFIN LIMITED

BALANCE SHEET

AS AT 31ST MARCH, 2010

	SCHEDULES	AS AT 31.03.2010 (Rs.)	AS AT 31.03.2009 (Rs.)
I. SOURCES OF FUNDS			
1. Shareholders' Funds			
a) Share Capital	1	52,086,810	52,086,810
b) Reserves and Surplus	2	189,136,381	176,551,285
		241,223,191	228,638,095
2. Loan Funds			
a) Unsecured Loans	3	-	816,755
TOTAL		241,223,191	229,454,850
II. APPLICATION OF FUNDS			
1. Fixed Assets			
	4	998,684	998,684
2. Investments			
	5	227,420,988	227,419,983
3. Current Assets, Loans & Advances			
a) Cash and Bank Balances	6	161,121	191,738
b) Loans and Advances	7	12,779,146	4,895,536
		12,940,267	5,087,274
Less: Current Liabilities & Provisions	8	151,798	4,582,446
Net Current Assets		12,788,469	504,828
4. Deferred Tax Assets			
		15,050	531,355
TOTAL		241,223,191	229,454,850
Significant Accounting Policies & Notes on Accounts	13		

As per our report of even date attached

For B.K. SHROFF & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 302166

For & on Behalf of the Board

Kavita Nangia
 Partner
 Membership No. : 90378

Rakesh Bhardwaj
 Company Secretary

Saket Jindal
 Chairman
Sudhir Kumar Singhal
 Wholetime Director

Place : New Delhi
 Dated : 9th August, 2010

HARYANA CAPFIN LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

	SCHEDULES	YEAR ENDED 31.03.2010 (Rs.)	YEAR ENDED 31.03.2009 (Rs.)
INCOME			
Income From Operations	9	14,368,623	13,607,895
		14,368,623	13,607,895
EXPENDITURE			
Employees' Remuneration & Benefits	10	568,936	876,409
Administrative & Other Expenses	11	697,680	505,438
Financial Charges	12	606	44,697
		1,267,222	1,426,544
Profit before tax		13,101,401	12,181,351
Provision for taxation		-	-
- Current		-	-
- Deferred		516,305	(231,055)
- Fringe Benefits Tax		-	1,367
Profit after tax		12,585,096	12,411,039
Excess Provision for Income Tax for earlier year written back (Net)		-	(106,459)
Profit after tax & adjustment		12,585,096	12,517,498
Balance brought forward from previous year		25,254,691	16,241,193
Profit available for appropriation		37,839,787	28,758,691
APPROPRIATIONS			
Transfer to Statutory Reserve		2,517,100	2,504,000
Transfer to General Reserve		1,000,000	1,000,000
Balance carried to Balance Sheet		34,322,687	25,254,691
		37,839,787	28,758,691
Earning Per Share (Basic/ Diluted)		2.42	2.40
Significant Accounting Policies & Notes on Accounts	13		

As per our report of even date attached

For B.K. SHROFF & CO.
CHARTERED ACCOUNTANTS
Firm Registration No.: 302166

For & on Behalf of the Board

Kavita Nangia
Partner
Membership No. : 90378

Rakesh Bhardwaj
Company Secretary

Saket Jindal
Chairman
Sudhir Kumar Singhal
Wholetime Director

Place : New Delhi
Dated : 9th August, 2010

HARYANA CAPFIN LIMITED

SCHEDULES FORMING PART OF THE FINANCIAL STATEMENTS

	AS AT 31.03.2010 (Rs.)	AS AT 31.3.2009 (Rs.)
SCHEDULE : 1		
SHARE CAPITAL		
Authorised		
6,000,000 (Previous Year 6,000,000) Equity shares of Rs. 10 each	60,000,000	60,000,000
	60,000,000	60,000,000
Issued, Subscribed and Paid up		
Equity Capital		
52,08,681 (Previous Year 52,08,681) Equity Shares of Rs.10 each fully paid up	52,086,810	52,086,810
	52,086,810	52,086,810
SCHEDULE : 2		
Statutory Reserve		
Statutory Reserve :		
As per Last Balance sheet	2,504,000	2,504,000
Add : Transfer from Profit & Loss Account during the year	2,517,100	-
	5,021,100	2,504,000
RESERVES & SURPLUS		
General Reserve:		
As per last Balance Sheet	148,792,594	147,792,594
Add : Transfer from Profit & Loss Account during the year	1,000,000	1,000,000
	149,792,594	148,792,594
Profit and Loss Account	34,322,687	25,254,691
	189,136,381	176,551,285
SCHEDULE : 3		
UNSECURED LOANS		
Loans from Bodies Corporate	-	816,755
	-	816,755

SCHEDULE : 4

FIXED ASSETS

(Rs.)

DESCRIPTION	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK	
	AS AT	ADDITIONS	SALES/ ADJUSTMENTS	AS AT	UPTO	FOR THE YEAR	SALES/ ADJUSTMENTS	UPTO	AS AT	AS AT
	01.04.2009			31.03.2010					31.03.2009	31.03.2010
Land (Free Hold)	998,684	-	-	998,684	-	-	-	-	998,684	998,684
Total	998,684	-	-	998,684	-	-	-	-	998,684	998,684
Previous Year	998,684	-	-	998,684	-	-	-	-	998,684	

HARYANA CAPFIN LIMITED

	AS AT 31.03.2010		AS AT 31.03.2009	
	Number of Shares / Units	(Rs.)	Number of Shares / Units	(Rs.)
SCHEDULE : 5				
INVESTMENTS				
(Fully paid up unless otherwise specified)				
LONG TERM				
Non-Trade				
i) Quoted				
Equity Shares				
Maharashtra Seamless Limited of Rs. 5 each	2,777,540	226,969,983	2,777,540	226,969,983
ii) Un-Quoted				
Equity Shares				
Global Jindal Fin-invest Limited of Rs. 10 each	100	1,005	-	-
Bonds				
5.50% Rural Electrification Corporation Limited	45	450,000	45	450,000
		<u>227,420,988</u>		<u>227,419,983</u>
Aggregate Value of Unquoted Investments		451,005		450,000
Aggregate Value of Quoted Investments		226,969,983		226,969,983
Market Value of Quoted Investments		988,804,240		395,938,327
SCHEDULE : 6				
CASH AND BANK BALANCES				
Cash in hand		10,677		9,448
Balances with Scheduled Banks				
- In Current Accounts		150,444		182,290
		<u>161,121</u>		<u>191,738</u>
SCHEDULE : 7				
LOANS AND ADVANCES				
(Unsecured, Considered Good)				
Loans to Bodies Corporate		12,490,522		-
Advances Recoverable in Cash or in kind or for value to be received		100,948		289,886
Security Deposit		120,000		120,000
Advance Tax (including Tax Deducted at Source)		67,676		4,485,650
		<u>12,779,146</u>		<u>4,895,536</u>
SCHEDULE : 8				
CURRENT LIABILITIES & PROVISIONS				
Current Liabilities				
Sundry Creditors		35,737		29,450
Other Liabilities		65,986		122,918
		<u>101,723</u>		<u>152,368</u>
Provisions				
For - Income Tax		1,370		4,332,039
For - Gratuity & Leave Encashment		48,705		98,039
		<u>50,075</u>		<u>4,430,078</u>
		<u>151,798</u>		<u>4,582,446</u>

HARYANA CAPFIN LIMITED

	YEAR ENDED 31.03.2010 (Rs.)	YEAR ENDED 31.3.2009 (Rs.)
<u>SCHEDULE : 9</u>		
<u>INCOME FROM INVESTMENTS / FINANCING</u>		
Dividend Income	13,887,700	13,435,200
Interest Income (TDS Rs.35,001/-, Previous Year Rs. 31,305/-)	385,762	155,613
Liabilities Written Back	95,161	17,082
	14,368,623	13,607,895
 <u>SCHEDULE : 10</u>		
<u>EMPLOYEES' REMUNERATION & BENEFITS</u>		
Salaries & Other Allowances	563,619	875,032
Staff Welfare Expenses	5,317	1,377
	568,936	876,409
 <u>SCHEDULE : 11</u>		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Postage & Telephone	26,108	50,061
Printing & Stationery	29,341	28,900
Fee & Subscription	18,565	18,625
Travelling & Conveyance: Others	4,094	13,349
Legal & Professional Charges	153,259	50,976
Directors' Fee	55,000	15,000
Advertisement & Publicity	41,408	114,722
Rent	254,000	120,000
Share Maintenance Expenses	49,550	54,758
Auditors' Remuneration :		
- Audit Fee	33,090	22,060
- Tax Audit Fee	6,618	6,618
- In other Services	17,097	7,868
Miscellaneous Expenses	9,550	2,501
	697,680	505,438
 <u>SCHEDULE : 12</u>		
<u>FINANCIAL CHARGES</u>		
D.P. Charges	496	44,697
Bank Charges	110	-
	606	44,697

SCHEDULE: 13

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

SIGNIFICANT ACCOUNTING POLICIES

a. **Accounting Conventions**

The financial statements are prepared under the historical cost convention on accrual basis and in accordance with the requirements of the Companies Act, 1956 and in compliance with the applicable accounting standards referred to in sub-section (3C) of the section 211 of the said Act. The accounting policies, except otherwise stated, have been consistently applied by the Company.

b. **Use of Estimates**

The presentations of financial statements is in conformity with the generally accepted accounting principles which requires estimates and assumptions to be made that affect the reportable amount of assets and liabilities on the date of financial statements and the reportable amount of revenue and expenses during the reporting period. Differences between the actual results and estimates are recognised in the year in which the results are known / materialized.

c. **Revenue Recognition**

Revenue is recognized on accrual basis in accordance with Accounting Standard (AS-9) "Revenue recognition".

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

d. **Fixed Assets**

Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost comprises the cost of acquisition / purchase price inclusive of duties, taxes (net of credit availed if any) and incidental expenses up to the date the asset is ready for intended use.

e. **Investments**

Investments are classified into long term investments or current. Long-term investments are valued at their acquisition cost. Current investments are stated at lower of cost and fair market value. The provision for any diminution in the value of Long-term investments is made only if such a decline is other than temporary in the opinion of the management.

f. **Retirement Benefits**

Retirement benefits for Leave Encashment & Gratuity to employees has been accounted for on accrual basis in conformity with the Accounting Standard for retirement benefits issued by the Institute of Chartered Accountants of India and the basis has been disclosed in the Notes on Accounts.

g. **Taxes on Income**

Current Tax:

Provision for Taxation is ascertained on the basis of assessable profit computed in accordance with the provisions of Income Tax Act, 1961 & tax advices, wherever considered necessary.

Deferred Tax:

Deferred Tax is recognised, subject to the consideration of prudence, as the tax effect of timing difference between the taxable income & accounting income computed for the current accounting year and reversal of earlier years' timing difference.

Deferred Tax Assets are recognised and carried forward to the extent that there is a reasonable certainty, except arising from unabsorbed depreciation and carry forward losses, which are recognised to the extent that there is virtual certainty, that sufficient future taxable income will be available against which such deferred tax assets can be realised.

h. **Provisions, Contingent Liabilities and Contingent Assets**

Provisions are recognised only when there is reliable estimate of present obligation as a result of past events. Contingent Liabilities are disclosed by way of notes on accounts. Contingent Assets are neither accounted nor disclosed in the financial statements due to uncertainty of their realisation.

i. **Event occurring after the Balance Sheet Date**

Event occurring after the Balance Sheet Date and till the date on which the Financial Statement are approved, which are material in nature and indicate the need for adjustments in the financial statement are considered.

NOTES ON ACCOUNTS

1. Contingent Liability :

Income Tax demand (disputed in appeals) for the A.Y. 2006-07 amount Rs.31,990/- (Previous year Rs. 10,747/-).

2. Amount due to Micro Small & Medium Enterprises Suppliers (MSMES) is Nil (Previous year Nil). No amount was due to any small sector unit.
3. In the opinion of the management and to the best of their knowledge and belief, the value of current assets, loans and advances, if realised in the ordinary course of business would not be less than the amount at which they are stated in the Balance Sheet.
4. Segment Reporting Policies

The Company is primarily engaged in the business of Financing by way of loans & advances and Investment / Trading in shares and securities. Though, the company is keeping two divisions, but it is not required to report Segment revenue & expenses and assets & liabilities separately for each such activity pursuant to Accounting Standard – 17 issued by the Institute of Chartered Accountants of India.

The Company has identified revenue & expenses as well as capital employed separately pertaining to investment and financing of loans & advances including others as separate profit centres.

(Rs.)

Particulars	H.O. and Business Division	Shares and Securities Division	Total
Net External Sales / Income	406,969	13,961,654	14,368,623
Expenses	1,064,245	202,976	1,267,221
Profit Before Tax	(657,276)	13,758,678	13,101,402
Total Assets	13,899,416	227,475,573	241,374,989
Less – Total Liabilities	151,798	-	151,798
Capital Employed	13,747,618	227,475,573	241,223,191

5. Amount due for deposit in Investor Education & Protection Fund as on 31.03.2010 is Nil (Previous Year Nil).
6. Employees benefits provided to employees has been classified as under:

The two plans of the Company namely for Gratuity and Leave Encashment are unfunded. Any amount paid and provided for gratuity and leave encashment are adjusted to profit & loss account. Liability is ascertained at the end of each financial year and the increase / decrease in the amount of liability is adjusted in the profit & loss account. Liability of Gratuity payable to an employee is equal to 15 days salary based on the last drawn salary for every completed year of service or part thereof in excess of six months. Salary for a day is calculated by dividing the salary last drawn by 26 (being the number of working days in a month). During the year Rs. 40,038/- (Previous Year Rs. 23,519/-) has been adjusted to the profit and loss account on account of variation in liability for Gratuity at year end. No amount was paid as Gratuity during the year. Liability of Leave Encashment payable to an employee is equal to salary for earned leaves to the credit of employee based on the salary last drawn. Salary for a day is calculated by dividing the salary last drawn by 26 (being the number of working days in a month). During the year Rs. 11,737/- (Previous Year Nil) was paid as leave encashment to the employee and Rs. 5,169/- (Previous Year Rs. 8,836/-) has been adjusted to the profit and loss account on account of variation in liability for leave encashment at year end.

7. The Company is registered as Non Banking Financial Company with the Reserve Bank of India vide Registration no. N-14.03168 dated 12.11.2008 and has been complying with prudential norms as prescribed by RBI for NBFC.

HARYANA CAPFIN LIMITED

8. Related Parties Disclosures as per Accounting Standard - 18.

List of Related Parties with whom transactions have taken place during the year:

- a. **Associated Companies**
Maharashtra Seamless Limited
Sudha Apparels Limited
- b. **Key Managerial Personnel**
Shri Sudhir Kumar Singhal

Details of Transactions during the year are as follows:

(Rs.)

	Particulars	31.03.2010	31.03.2009
a.	Loans given (Maximum Outstanding) Associated Company	12,490,522	12,500,000
b.	Loans taken (Maximum Outstanding) Associated Company	1,324,484	821,102
c.	Interest received from related parties Associated Company	350,007	151,965
d.	Interest paid to related parties Associated Company	-	21,102
e.	Dividend received from related parties Associated Company	13,887,700	13,435,200
f.	Investment during the year in related parties Associated Company	-	12,571,883
g.	Remuneration Key Management Personnel	329,077	261,469
h.	Investment in related parties as on 31st March 2010 Associated Company	226,969,983	226,969,983
i.	Balance as at 31st March 2010 Receivable by the Company Associated Company	12,490,522	120,660
j.	Balance as at 31st March 2010 Payable by the Company Associated Company	-	816,755

9. Deferred Tax Liabilities / (Assets)

In compliance with the Accounting Standard – AS 22 relating to “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India the deferred tax income (net) arising out of timing differences aggregating to Rs. 516,305/- has been reversed during the year, in view of uncertainty of its realisation.

(Rs.)

Particulars	As At 31.03.2009	For The Year	As At 31.03.2010
Expenses disallowed U/S 43 B	30,294	(15,244)	15,050
Unabsorbed Business Loss	501,061	(501,061)	-
Net Deferred Tax Assets	531,355	(516,305)	15,050

Accordingly deferred tax asset of Rs. 698,904/- as at 31.03.2010 (Previous year Rs. 501,061/-) due to brought forward losses has not been recognised.

10. Earning Per Share

Particulars	2009-10	2008-09
Net Profit after tax available for Equity Shareholders (Rs.) (a)	12,585,096	12,517,498
Weighted average number of Equity Shares of Rs. 10/- each	5,208,681	5,208,681
Total no. of shares (b)	5,208,681	5,208,681
Basic / Diluted Earning per share (Rs.) (a/b)	2.42	2.40

HARYANA CAPFIN LIMITED

11. Managerial Remuneration

(Rs.)

Particulars	As At 31.03.2010	As At 31.03.2009
Salaries & Allowances	245,330	218,873
Perquisites	83,747	42,596

12. The necessary formalities in respect of change of name / mutation of land of casinvest division of Jindal Drilling & Industries Limited in favour of Haryana Capfin Limited pending in the Revenue records of Land Authorities, is under progress. However, the legal rights of these properties vest in Haryana Capfin Limited as per approved scheme of arrangement by operation of Statute viz. Sections 391 to 392 of the Companies Act, 1956.

13. Other additional Information pursuant to part IV of Schedule VI to the Companies' Act, 1956 - **Nil** (Previous year Nil)

14. Figures have been rounded off to the nearest rupees.

15. Previous years' figures have been re-grouped / re-arranged wherever considered necessary.

16. Additional particulars as required in terms of paragraph 9BD of Non-Deposit Accepting or Holding Companies Prudential Norms (Reserve Bank) Directions, 2007.

(Rs.)

Particulars		
Liabilities side:		
(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		
Assets side:		
	Amount Out-standing	
(2) Break-up of Loans and Advances including bill receivable (other-than those included in (4) below):		
(a) Secured	-	
(b) Unsecured	12,779,146	
(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	-	

HARYANA CAPFIN LIMITED

(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)	- - - - - -	
	Long Term Investments: 1. Quoted: Shares: (a) Equity (b) Preference Debentures and Bonds Units of mutual funds Government Securities Others (please specify)	226,969,983 - 450,000 - - -	
	2. Unquoted: Shares: (a) Equity (b) Preference Debentures and Bonds Units of mutual funds Government Securities Others (please specify)	1,005 - - - - -	
(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
	Subsidiaries	-	-
	Companies in the same group	-	-
	Other related parties	-	-
	Other than related parties	-	-
	Total	-	-
(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**		
	Subsidiaries	-	-
	Companies in the same group	-	-
	Other related parties	988,812,901	226,970,988
	2. Other than related parties	450,000	450,000
	Total	989,262,901	227,420,988
	** As per Accounting Standard of ICAI (Please see Note 3)		
(7)	Other Information		
	Particulars	Amount	
	(i) Gross Non-Performing Assets		
	(a) Related parties	-	
	(b) Other then related parties	-	
	(ii) Net Non-Performing Assets		
	(a) Related parties	-	
	(b) Other then related parties	-	
	(iii) Assets acquired in satisfaction of debts	-	

HARYANA CAPFIN LIMITED

17. Schedule 1 to 13 are annexed to and form an integral part of the Balance Sheet as at 31st March, 2010 and Profit & Loss accounts for the year ended on that date.

Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	96127	State Code	55
Balance Sheet Date	31.03.2010		

II. Capital Raised during the year (Rs. in thousand)

Public Issue	Right Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil

III. Position of Mobilisation and Deployment of Funds

Total Liabilities	Total Assets
241,223	241,223

Sources of Funds

Paid-up Capital	Reserves & Surplus
52,087	189,136
Secured Loan	Unsecured Loans
Nil	Nil

Application of Funds

Net Fixed Assets	Investments
999	227,421
Net Current Assets & Deferred Tax Assets	Misc. Expenditure
12,803	Nil
Accumulated Losses	
Nil	

IV. Performance of Company

Turnover (including other income)	Total Expenditure
14,369	1,267
Profit before tax	Profit after tax & adjustments
13,102	12,585
Earning per Share (Rs.)	Dividend (%)
2.42	Nil

V. Generic Names of Three Principal Products of Company (as per monetary terms)

Item Code. (ITC Code)	N.A.
Product Description	Investment & Financing

SIGNATURES TO SCHEDULES 1 TO 13

As per our report of even date attached

For B.K. SHROFF & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 302166

For & on Behalf of the Board

Kavita Nangia
 Partner
 Membership No. : 90378

Rakesh Bhardwaj
 Company Secretary

Saket Jindal
 Chairman
Sudhir Kumar Singhal
 Wholetime Director

Place : New Delhi
 Dated : 9th August, 2010

HARYANA CAPFIN LIMITED

CASH FLOW STATEMENTS ANNEXED TO THE BALANCE SHEET

FOR THE YEAR ENDED 31ST MARCH, 2010

	YEAR ENDED 31.03.2010 (Rs.)	YEAR ENDED 31.03.2009 (Rs.)
A. Cash Flow from Operating Activities		
Net Profit before tax and extraordinary items	13,101,401	12,181,351
Operating Profit before Working Capital Changes	13,101,401	12,181,351
Adjusted for:		
Trade & Other Receivables	(12,301,584)	(105,044)
Trade Payables & Others	(99,979)	30,498
Cash Generated from operations	699,838	12,106,805
Direct Taxes Paid	87,305	(32,853)
Cash Flow before extraordinary items	787,143	12,073,952
Net Cash From Operating Activities	A 787,143	12,073,952
B. Cash Flow from Investing Activities		
Purchase of Investments	(1,005)	(12,571,883)
Net Cash used in Investing Activities	B (1,005)	(12,571,883)
C. Cash Flow from Financing Activities		
Loan Taken	(816,755)	611,786
Net Cash used in Financing Activities	C (816,755)	611,786
Net increase in Cash & Cash Equivalents (A+B+C)	(30,617)	113,855
Opening Balances of Cash and Cash Equivalents	191,738	77,883
Closing Balances of Cash and Cash Equivalents	161,121	191,738
Change in Cash and Cash Equivalents	(30,617)	113,855

As per our report of even date attached

For B.K. SHROFF & CO.
 CHARTERED ACCOUNTANTS
 Firm Registration No.: 302166

For & on Behalf of the Board

Kavita Nangia
 Partner
 Membership No. : 90378

Rakesh Bhardwaj
 Company Secretary

Saket Jindal
 Chairman
Sudhir Kumar Singhal
 Wholetime Director

Place : New Delhi
 Dated : 9th August, 2010

BOOK POST

Printed at Delhi Press, New Delhi - 110055. Call 011-41398888
e-mail : printing@delhipress.net

If undelivered please return to :
HARYANA CAPFIN LIMITED
Plot No. 30, Institutional Sector-44
Gurgaon - 122002
Haryana
Ph. : 0124-2574325, 26

JINDAL
D.P. JINDAL GROUP

**12th ANNUAL REPORT
2009-10**

HARYANA CAPFIN LIMITED

HARYANA CAPFIN LIMITED

BOARD OF DIRECTORS

Saket Jindal Chairman
Sudhir Kumar Singhal Whole Time Director
K.K.Khandelwal
B.K.Narula

AUDIT COMMITTEE

K.K.Khandelwal Chairman
Saket Jindal Member
B.K.Narula Member

COMPANY SECRETARY

Rakesh Bhardwaj

AUDITORS

B.K. Shroff & Co.
Chartered Accountants
New Delhi

BANKERS

ICICI Bank Limited
HDFC Bank Limited

REGISTERED & CORPORATE OFFICE

Plot No. 30, Institutional Sector-44
Gurgaon- 122 002,
Haryana

HEAD OFFICE

1/23 – B,
1st Floor,
Asaf Ali Road,
New Delhi – 110 002

REGISTRAR & SHARE TRANSFER AGENT

Alankit Assignments Ltd.
Alankit House, 2E/21, Jhandewalan Extension,
New Delhi- 110 055

CONTENTS

Notice	01
Directors' Report	02
Corporate Governance Report	04
Management Discussion and Analysis	10
Auditors' Report	11
Balance Sheet	13
Profit & Loss Account	14
Schedules & Notes on Accounts	15
Cash Flow Statement	24
Proxy Form & Attendance Slip	Annexed

HARYANA CAPFIN LIMITED

Registered Office: Plot No.30, Institutional Sector 44, Gurgaon 122002 (Haryana)

PROXY FORM

Folio No.

DP ID*

CLIENT ID*

I/We of

being a member/members of Haryana Capfin Limited do hereby appoint of
..... or failing him/her of as my/
our proxy to attend and vote for me/us on my/our behalf at the 12th Annual General Meeting of the Company
to be held on Friday, the 10th September, 2010 at 12.00 Noon and at any adjournment thereof.

Date.....

Signature(s)

Revenue
Stamp

Note: This Proxy form must be deposited at the Registered Office of the Company not less than 48 hours before the time for commencement of the Meeting.

*** Applicable for investors holding shares in demat form.**



HARYANA CAPFIN LIMITED

Registered Office: Plot No.30, Institutional Sector 44, Gurgaon 122002 (Haryana)

ATTENDANCE SLIP

Folio NO.

DP ID*

CLIENT ID*

I hereby record my presence at the 12th Annual General Meeting of the Company held at Unitech Country Club, Block – E, South City- I, Gurgaon- 122 001 (Haryana) at 12.00 Noon on Friday, the 10th September, 2010.

Name of the attending Member

(in Block Letters)
Name of Proxy (in Block Letters)

(to be filled in, if the proxy attends instead of the member)
No. of Shares held

.....
Member's/Proxy's signature

Note : This attendance slip duly filled in should be handed over at the entrance of the meeting hall.

*** Applicable for investors holding shares in demat form.**

