

2012-13

Annual Report



Euro Finmart Limited



www.eurofin.in

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CORPORATE INFORMATION

BOARD OF DIRECTORS

Mr. Alok Kumar Agarwal	Director
Mr. Rajbir Singh Makhni	Director
Mr. Sunil Kumar Gupta	Director
Mr. Yash Jeet Basrar	Director

BOARD LEVEL COMMITTEES

I AUDIT COMMITTEE

Mr. Sunil Kumar Gupta	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Rajbir Singh Makhni	Member

II SHARE TRANSFER & SHAREHOLDERS' /INVESTORS' GREIVANCE COMMITTEE

Mr. Yash Jeet Basrar	Chairman
Mr. Rajbir Singh Makhni	Member
Mr. Sunil Kumar Gupta	Member

III REMUNERATION COMMITTEE

Mr. Sunil Kumar Gupta	Chairman
Mr. Alok Kumar Agarwal	Member
Mr. Rajbir Singh Makhni	Member

COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Preeti Puri

BANKERS

HDFC Bank
Vijaya Bank
AXIS Bank Limited

REGISTERED AND CORPORATE OFFICE

205-208, Anarkali Complex, Jhandewalan Extension,
New Delhi-110 055
Tel: 91-11-41540028, Fax: 91-11-41540028
Website: www.eurofin.in
Investor Helpdesk: investor@eurofin.in

STATUTORY AUDITORS

M/s Krishan K. Gupta & Company
Chartered Accountants
1/3-10196, Devi Mandir Lane,
Jhandewalan, New Delhi 110 055

NOTICE

NOTICE IS HEREBY GIVEN THAT THE 24th ANNUAL GENERAL MEETING OF THE MEMBERS OF EURO FINMART LIMITED WILL BE HELD ON MONDAY THE 30TH DAY OF SEPTEMBER, 2013 AT 10:30 A.M. AT 3E/9, 1ST FLOOR, JHANDEWALAN EXTENSION, NEW DELHI-110 055, TO TRANSACT THE FOLLOWING BUSINESSES:

ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2013 and the Statement of Profit & Loss for the year ended on that date and the report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Rajbir Singh Makhni who retires by rotation, and being eligible offers himself for re-appointment.
3. To appoint M/s. Krishan K. Gupta & Co., Chartered Accountants as Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company on such remuneration as the Board may decide.

SPECIAL BUSINESS

Item No. 4

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

“RESOLVED THAT Mr. Alok Kumar Agarwal who was appointed by the Board of Directors as an Additional Director of the Company w.e.f. 10th December, 2012 to hold office upto the upcoming Annual General Meeting in terms of Section 260 of the Companies Act, 1956 and in respect of whom notice under Section 257 of the Act, has been received by the Company from a member signifying his intention to propose, Mr. Alok Kumar Agarwal as candidate for the office of Director of the Company, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

BY ORDER OF THE BOARD OF DIRECTORS
For EURO FINMART LIMITED

DATED: 9th August, 2013
PLACE: New Delhi

-Sd/-
PREETI PURI
COMPANY SECRETARY

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE “MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address immediately to the Company/Registrar and Share Transfer Agent, M/s. Alankit Assignments Limited. These changes will be automatically reflected in the company records which help the company to provide efficient and better services to the members.
3. All documents referred to in the notice are open for inspection at the Registered Office of the Company between working hours on all working days up to the date of Annual General Meeting.
4. The Register of Members and the Share Transfer Books of the Company will remain closed on 23rd September, 2013 to 30th September, 2013 (both days inclusive) for the purpose of Annual General Meeting.
5. Members/proxies should bring their copy of the Annual Report for reference at the meeting along with the attendance slip duly filled in for attending the meeting.
6. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled to vote.
7. The communication address of our Registrar and Share Transfer Agent (RTA) is Alankit Assignments Limited having its Corporate Office at “Alankit House”, 2E/21, Jhandewalan Extension, New Delhi-110055.
8. The Annual Report of the Company circulated to the Members of the Company, will be made available on the Company's website at www.eurofin.in
9. The Company has implemented the “Green Initiative” as per circular Nos. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011 issued by the Ministry of Corporate Affairs (MCA) to enable electronic delivery of notices/documents and Annual Reports to the Shareholders. Henceforth, the email addresses indicated in your respective Depository Participant (DP) accounts which will be periodically downloaded from NSDL/CDSL will be deemed to be your registered email address for serving notices/documents including those covered under Section 219 of the Companies Act, 1956. The Notice of AGM and the copies of audited financial statements, director's report, auditor's report, etc. will also be displayed on the website www.eurofin.in of the Company and the other requirements of the aforesaid MCA circular will be duly complied with. Members holding shares in electronic mode are therefore requested to ensure to keep their email addresses updated with the Depository Participants. Members holding shares in physical mode are also requested to update their email addresses by writing to the Registrar & Share Transfer Agent of the Company at the address mentioned in note no. 7 above.
10. Explanatory Statement pursuant to the provisions of Section 173(2) of the Companies Act, 1956 is annexed hereto and forms part of this Notice.

EXPLANATORY STATEMENT**Persuant to section 173(2) of the Companies Act, 1956****Item No. 4**

The Board of Directors of the Company has appointed Mr. Alok Kumar Agarwal as an Additional Director of the Company w.e.f. 10th December, 2012. As per the Provisions of Section 260 of the Companies Act, 1956, Mr. Alok Kumar Agarwal shall hold the office only up to the date of the forthcoming Annual General Meeting of the Company. The Company has received notice under Section 257 of the Companies Act, 1956 from a member of the Company along with the requisite amount, proposing the appointment of Mr. Alok Kumar Agarwal as a Director of the Company, liable to retire by rotation. None of the Directors of the Company, except Mr. Alok Kumar Agarwal, are interested in the above resolution.

Your Directors recommend the Ordinary Resolution for the approval of the members

BY ORDER OF THE BOARD OF DIRECTORS
For **EURO FINMART LIMITED**

-Sd/-

PREETI PURI
COMPANY SECRETARY

DATED: 9th August, 2013

PLACE: New Delhi

DIRECTORS' REPORT

To
The Members,
Euro Finmart Limited

Your Directors have pleasure in placing before you the 24th Annual Report of the Company together with the Audited Accounts for the year ended on 31st March, 2013.

FINANCIAL HIGHLIGHTS

The Financial results of the Company for the year under review along with figures for the previous year are as follows:

PARTICULARS	For the year ended 31st March, 2013 (₹)	For the year ended 31st March, 2012 (₹)
Total Revenue / Income	122,245,648	125,579,000
Total Expenditure	131,114,967	120,655,573
Profit / (Loss) before Taxation	(8,869,320)	4,923,426
Provision for Taxation	--	(853,282)
Deferred Tax	12,018,939	--
Profit after Taxation	3,149,620	4,070,144

REVIEW OF OPERATIONS & FUTURE PROSPECTS

During the year under review, there was a decrease in total revenue and Profit after Tax as compared from previous year due to adverse market conditions. The Company is regularly making efforts for getting work relating to e-Governance business.

The Company has been accredited as Smart Card Service provider under Rashtriya Swasthaya Bima Yojna (RSBY) by Quality Council of India. The Company has been empanelled as Enrolment Agency under RSBY and currently doing the enrolments in the Bundi, Sikar & Jhunjunu district of Rajasthan.

The Company is also empanelled as Enrolment Agency for enrolment of residents of India by UIDAI and currently doing enrolments in the State of Maharashtra on behalf of Oriental Bank of Commerce.

The Company has applied for renewal of empanelment as enrollment agency to UIDAI. The Company is planning to take part in the tenders and projects related to e- Governance and providing services related to smart card.

MERGER

The Company has applied for In-principal approval under clause 24(f) of listing agreement from Bombay Stock Exchange (BSE) for merger with Alankit Assignments Limited.

OPEN OFFER

Promoter Group had sold its stake of 76,550 equity shares representing 1.58% of the total paid up capital of the Company and transferred the management and control pursuant to share purchase agreement dated 27th August 2012 to Mr. Alok Kumar Agarwal.

Thereafter, Mr. Alok Kumar Agarwal, had made an open offer to the shareholders of the Company to acquire 12,60,500 equity shares constituting 26% of the total paid-up capital of the Company and consequently acquired 704 equity shares representing 0.014% of the total paid-up capital of the Company in compliance with the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.

Pursuant to post open offer report issued by Merchant Banker dated 4th December, 2012, Mr. Alok Kumar Agarwal will act as a new promoter of the Company.

DIVIDEND

In view to augment the resources of the Company so as to achieve better operating results, your directors do not recommend any dividend.

DIRECTORS

Mr. Rajbir Singh Makhni, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

Mr. Alok Kumar Agarwal was appointed as Additional Director w.e.f 10th December, 2012. He vacates his office at the ensuing Annual General Meeting and has filed requisite consent to act as a Director of the Company. Notice has been received from a member of the Company under Section 257 of the Companies Act, 1956 for his appointment as a Director of the Company.

CHANGE IN REGISTERED OFFICE

The Registered Office of your Company had been shifted from 291, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 to 205-208, Anarkali Complex, Jhandewalan Extension, New Delhi 110055 w.e.f. 9th August, 2013 as per the requisite resolution passed by the Board of Directors.

PUBLIC DEPOSIT

During the year, your Company has not accepted any Deposit under Section 58A and Section 58AA of the Companies Act, 1956, read with Companies (Acceptance of Deposits) Rules, 1975.

PARTICULARS OF EMPLOYEES

None of the employees of the company were in receipt of remuneration exceeding the limit as prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 during the year.

BOARD COMMITTEES

The Company has re-constituted two Committees viz. Audit Committee and Remuneration Committee during the year under review.

FOREIGN EXCHANGE EARNINGS & OUTGO

During the year, the Company has not earned and spent anything in Foreign Exchange.

RESEARCH & DEVELOPMENT AND TECHNOLOGY ABSORPTION

Since the Company is not involved in manufacturing activity, hence the research & development and technology absorption is not applicable.

CONSERVATION OF ENERGY

The Company is engaged in providing financial and e-governance services and such operations do not account for substantial energy consumption. However, the company is taking all possible measures to conserve the energy.

LISTING WITH STOCK EXCHANGES

Equity Shares of the Company are listed on Bombay Stock Exchange Limited (BSE). The Company has paid Annual Listing Fees for the Financial Year 2012-2013 to BSE & DSE and also paid Annual Listing Fees for the current Financial Year 2013-14 to BSE. Since trading activities do not take place on DSE, your Company took initiative to get it delisted from DSE to facilitate the administrative convenience. DSE delisted the Company w.e.f. 8th April, 2013. The Company has made tripartite agreement with Central Depository Services (India) Limited (CDSL) & Registrar & Share Transfer Agent (RTA) dated 31st July 2012 for holding and transfer of securities in demat form of CDSL. The Company has also paid Annual Custody Fee to National Securities Depository Limited (NSDL) and CDSL for the Financial Year 2013-14.

CORPORATE SOCIAL RESPONSIBILITY

During the year, your Company continued the affirmative action and Corporate Social Responsibility in various fields.

CODE OF CONDUCT

The Company continues to place emphasis on inclusive growth and has adopted a voluntary code of conduct for affirmative action.

EVALUATION OF PERFORMANCE OF BOARD OF DIRECTORS

The Directors of your Company are in a fiduciary position, empowered to oversee the management functions with a view to ensure its effectiveness and enhancement of shareholders' value.

The Board provides and critically evaluates strategic direction, management policies and their effectiveness on your Company. Their objective is also to ensure that the long-term interests of the shareholders are being served.

Independent Directors are appointed not merely to fulfill the statutory requirements but for their diverse skills and experience as well as the external objectivity that each of them bring to effectively perform their role to provide strategic direction and guidance and provide constructive support to management by asking the right questions and generating quality debates and discussions on major decisions. The Board of Directors is at the core of your company's corporate governance practice and oversees how the management serves and protects the long term interests of the stakeholders. Your Directors believe that an active, well informed and independent Board is necessary to ensure highest standards of corporate governance.

DIRECTORS' RESPONSIBILITY STATEMENT

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

- I) in the preparation of the annual accounts for the year ended March 31, 2013, the applicable accounting standards read with requirements set out under Schedule VI of the Companies Act, 1956, have been followed and there are no material departures from the same;
- ii) the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and of the profit of the Company for the year ended on that date;
- iii) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) the Directors have prepared the Annual Accounts of the Company on a 'going concern' basis.

AUDITORS

During the year under review, M/s Krishan K. Gupta & Co., Chartered Accountants, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and is eligible for re-appointment.

TRANSFER TO RESERVES IN TERMS OF SECTION 217 (1)(B) OF THE COMPANIES ACT, 1956

Your Company had not transferred any amount to reserves.

DISCLOSURE UNDER SECTION 217(1)(D) OF THE COMPANIES ACT, 1956

There have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance. The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49 is attached to the Annual Report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is included in a separate section forming part of the Annual Report.

ACKNOWLEDGEMENT

Yours Directors place on record their appreciation and thanks for the support extended by SEBI, BSE, NSDL, CDSL, UIDAI, other Govt. Departments, Bankers and employees of the Company at all level.

BY ORDER OF THE BOARD OF DIRECTORS
For **EURO FINMART LIMITED**

-Sd/-
ALOK KUMAR AGARWAL
DIRECTOR

-Sd/-
SUNIL KUMAR GUPTA
DIRECTOR

DATE: 9th August, 2013
PLACE: New Delhi