



## BOARD OF DIRECTORS

H.C. Mathur *Chairman & Managing Director*  
Sujit Dutta  
B.N. Tripathi  
Sudhamoy Chatterjee  
A.V. Sudhakaran

## COMPANY SECRETARY

R.C. Kurup

## AUDITORS

Tarmaster & Co.  
Chartered Accountants

## REGISTERED OFFICE

Century Plaza  
Unit No. 233, Second Floor  
81, Netaji Subhas Road  
Kolkata 700 001

## CORPORATE OFFICE

207-215, Bezzola Complex  
B Wing, 71, Sion Trombay Road  
Chembur, Mumbai 400 071

## BANKERS

Bank of Rajasthan Ltd.  
Dena bank  
Federal Bank Ltd.  
HDFC Bank Ltd.  
The IndusInd Bank Ltd.  
Oriental Bank of Commerce  
State Bank of India  
State Bank of Travancore  
The Catholic Syrian Bank Ltd.  
The South Indian Bank Ltd.  
UTI Bank Ltd.  
Vijaya Bank

## REGISTRARS & TRANSFER AGENTS

Intime Spectrums Registry Limited  
59 C, Chowringhee Road, 3rd Floor  
Kolkata 700 020  
Phone : 033 - 2289 0540, Telefax : 033 - 2289 0539  
E-mail : [kolkata@intimespectrum.com](mailto:kolkata@intimespectrum.com)

## CONTENTS

Notice .....	1
Directors Report .....	3
Management Discussion & analysis .....	5
Report on Corporate Governance .....	6
Auditors Report & Annexure .....	12
Balance Sheet .....	16
Profit & Loss Account .....	17
Cash Flow Statement .....	18
Schedule & Notes on Accounts .....	19
Balance Sheet Abstract .....	35
Schedule Prescribed by RBI of NBFCs .....	36
Accounts of Subsidiary Company .....	39
Auditor's Report on Consolidated Accounts .....	47
Consolidated Accounts .....	48
Proxy Form / Admission Form .....	



## NOTICE

NOTICE is hereby given that the Twenty-fourth Annual General Meeting of the members of CFL Capital Financial Services Limited will be held at Birla Academy, 108-109, Southern Avenue, Kolkata-700 029 on Friday, the 24<sup>th</sup> day of July, 2009 at 10.30 A.M to transact the following business:

1. To receive, consider and adopt the audited Profit and Loss Account for the financial year ended 31<sup>st</sup> March 2009, the Balance Sheet as that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr.A.V.Sudhakaran who retires by rotation and is eligible for reappointment
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board to fix their remuneration.

### Special Business

To consider and if thought fit to pass, with or without modifications, the following as a Special Resolution

4. "RESOLVED that in accordance with the applicable provisions of the Companies Act, 1956 and subject to the approval of the Central Government and such other approvals as may be necessary, this meeting hereby approves the re-appointment of and the remuneration payable to Mr.H.C.Mathur as Managing Director of the Company for a further period of two years with effect from 1<sup>st</sup> May, 2009 as set out in the draft Agreement to be entered into between the Company and Mr.Mathur, a copy whereof is laid on the table and for the purpose of identification initialled by the Chairman hereof with liberty to the Board of Directors to alter or vary the remuneration as may be agreed to between the Board and Mr.Mathur subject to the conditions laid down in Schedule XIII to the Companies Act, 1956 or any amendment thereto."



By Order of the Board

**R.C. Kurup**  
Company Secretary

Registered Office:  
Century Plaza  
81, Netaji Subhas Road  
Unit No.233, Second Floor  
Kolkata-700 001

Dated : 25<sup>th</sup> June, 2009

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING MAY APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE ON HIS BEHALF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members of the Company will remain closed from 16th July, 2009 to 24<sup>th</sup> July, 2009, both days inclusive.
3. Brief profile of Mr.A.V.Sudhakaran who is seeking re-appointment at the ensuing Annual General Meeting required to be provided pursuant to Clause 49 of the Listing Agreements with the Stock Exchanges is furnished in the statement on Corporate Governance published elsewhere in this Report.
4. Shareholders desiring any information as regards the Accounts are requested to write to the Company at least seven days in advance of the date of the Meeting to enable the Company to keep the information ready, as far as possible.
5. Due to the prohibitive cost of paper and printing, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are, therefore, requested to bring their copies of the Annual Report with them for the meeting.
6. The Equity Shares of the Company have already come under compulsory dematerialised trading with effect from 28<sup>th</sup> August 2000. Members are, therefore, at liberty to dematerialise their holdings in the Company through a Depository Participant.

# CFL CAPITAL FINANCIAL SERVICES LTD.

---

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

### Item 4

Mr.H.C.Mathur was first appointed as Managing Director of the Company for a period of three years with effect from 1<sup>st</sup> May 2000 and was re-appointed for further periods of two years each with effect from 1<sup>st</sup> May, 2003, 1<sup>st</sup> May, 2005 and 1<sup>st</sup> May, 2007.

The Board of Directors of your Company at its meeting held on 20<sup>th</sup> April, 2009 has re-appointed Mr.Mathur as Managing Director of the Company for a further period of two years with effect from 1<sup>st</sup> May, 2009, subject to the approval of the shareholders and the Central Government, on remuneration as set out in the draft Agreement to be entered into between the Company and Mr.Mathur, an abstract of which is given below:

- I. Salary : Rs. 32,500/- per month
- II. Consolidated Allowance : Rs. 7,000/- per month
- III. Perquisites: : Perquisites are classified into the following categories:

### CATEGORY A

- a) Housing- House Rent Allowance equivalent to 60% of Basic Salary per month.
- b) Medical Benefits: Medical expenses for self, wife and dependent children subject to ceiling of one month's basic salary in a year.
- c) Leave Travel concession: For Mr.Mathur, his wife and dependent children subject to a ceiling of Rs.20,000/- per annum.
- d) Club Fees: Subscription for one club, which will not include admission and Life Membership Fees.
- e) Membership of professional body: Membership fees to be paid annually for one professional body.
- f) Personal Accident Insurance as per Rules of the Company.

### CATEGORY B

- a) Contribution to Provident Fund, Superannuation Fund or Annuity Fund in accordance with the Rules of the Company in force from time to time
- b) Gratuity : As per rules of the Company in force from time to time.
- c) Earned Privilege Leave on full pay and allowance as per rules of the Company. Leave accumulated but not availed of will be allowed to be encashed as per rules of the Company.

The perquisites mentioned in (a) and (b) above and encashment of leave at the end of tenure mentioned in (c) above will not be include in the computation of ceiling on remuneration specified in Part II of Schedule XIII to the Companies Act, 1956.

### CATEGORY C

#### Car and Telephone:

The Company will provide him with a car to be maintained by the Company and telephone at his residence. However, provision of car for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls on telephone and use of car for private purpose shall be billed by the Company to him.

Notwithstanding anything mentioned above, where in any financial year during the currency of his tenure as Managing Director, the Company has no profits or its profits are inadequate the remuneration proposed above will be paid as minimum remuneration.

In the opinion of the Board of Directors of your Company, the remuneration payable to Mr.Mathur is commensurate with his ability, qualification, experience and past performance. The Resolution set out at item 4 of the annexed Notice is intended to obtain approval of the Shareholders to the re-appointment of Mr.H.C.Mathur as Managing Director of the Company and payment of remuneration as mentioned above to him with liberty to the Board of Directors to vary the terms, as stated in the Resolution.

Mr.Mathur possesses over 48 years of commercial experience related to various aspects of management including legal, administration, finance, etc. Your Directors feel that it will be beneficial for the Company to re-appoint him as the Managing Director and make use of his vast experience and recommend that the resolution be passed.

Copy of the draft agreement to be entered into between the Company and Mr.Mathur will be available for inspection of members at the Registered Office of the Company on any working day during the hours of 10.00 A.M. and 12 Noon and will also be available at the meeting.

### MEMORANDUM OF INTEREST

None of the Directors of the Company other than Mr.Mathur is concerned with or interested in this resolution. The above should be considered as an Abstract of the Terms of re-appointment of Mr.Mathur as Managing Director of the Company and a Memorandum as to the nature of his interest in his re-appointment as required under Section 302 of the Companies Act, 1956.



## DIRECTORS' REPORT

Your Directors hereby present their Twenty-fourth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31<sup>st</sup> March 2009.

## FINANCIAL RESULTS

(Rs. in Lakhs)

	For the year ended 31-3-2009	For the year ended 31-3-2008
Gross Income	149	128
Less: Expenditure	1140	1139
Less: Depreciation	11	11
Gross Profit/(Loss)	(1002)	(1022)
Add Write off/provision against doubtful and irrecoverable debts and diminution/loss in value of investments	140	1815
Less Provision for expenses/NPA no longer required/bad debts recovered etc	439	1961
Profit/(Loss) before tax	(703)	(876)
Interest on Income Tax Refunds	-	310
Provision for tax	4	4
Profit/ (Loss) after tax	(707)	(570)
Tax Dues of earlier years	-	2
Transfer from Special Reserve	(250)	-
Add: Balance brought forward from earlier years	(48882)	(48310)
Loss carried to Balance Sheet	(49339)	(48882)

## DIVIDEND

In view of the accumulated losses, your Directors regret their inability to recommend any dividend on the Preference or Equity Shares.

## OPERATIONS

Your Company was successful in raising resources for payment of part of its liabilities by continuing its intensive efforts for recovering debts from debtors through various methods like legal pressure, persuasion and negotiation. Most of the revenues were used for meeting the payments obligations of Fixed Deposits under the present Order of the Hon'ble Company Law Board and operating expenses though the Company could not meet its dues to the Banks and financial institutions. The funds crunch coupled with the depressed recessionary conditions did not provide any scope for the Company's continued quest for starting any non-banking non-finance business.

Your Directors are pleased to inform that despite the problems of resources your Company has been strictly following the Order passed by the Hon'ble Company Law Board on 7<sup>th</sup> February, 2007 sanctioning the Scheme of repayment of deposits to the holders of Fixed Deposits in instalments. The Company has paid Rs. 10.56 crores, including hardship cases, to its Fixed Depositors during the financial year ended 31<sup>st</sup> March, 2009. 4731 deposits of Rs 7.08 crores are unclaimed as on 31<sup>st</sup> March, 2009 The Company is making efforts to reach out to these depositors from time to time. Your Company will continue to make its best efforts to repay the outstanding Fixed Deposits in accordance with the Orders of the Hon'ble Company Law Board.

Your Company is stressing on reduction of operating expenses and is trying to maintain the same at the bare minimum level. The Company has drawn a revival plan to improve the health of the Company.

## DIRECTORS

The Board of Directors of the Company at its meeting held on 24<sup>th</sup> April, 2009 has re-appointed Mr.H.C.Mathur as Managing Director of the Company for a period of two years with effect from 1<sup>st</sup> May, 2009. The re-appointment is subject to the approvals of the Central Government and the members of the Company. The Company has already applied to the Central Government and necessary resolution has been proposed at the ensuing Annual General Meeting for the said approvals.

Mr. A.V.Sudhakaran retires by rotation and, being eligible, offers himself for re-appointment.

## PARTICULARS OF EMPLOYEES

Mr.Amarendra Nath Misra was the only employee falling within the purview of Section 217(2-A) of the Companies Act, 1956 and his particulars are appended below:

# CFL CAPITAL FINANCIAL SERVICES LTD.

Designation	Remuneration (Rs.)	Nature of Employment whether contractual or otherwise	Nature of Duties	Qualification and total service Experience (Years)	Date of Commencement of employment	Age	Last employment held and Designation
Vice President-Legal	44,31,817	Contractual	In-charge of Legal functions and recoveries	B.A., LL.M., MBA, PGDCS 25 Years	06.09.1995	44	Head Legal Dept. Indo-Gulf Fertilisers & Chemicals Limited

\*Remuneration has been\ calculated as per Section 198 of the Companies Act, 1956 and includes expenditure incurred by the Company on salary and provision of benefits in respect of Mr.Misra. Terms of employment provide for termination of service by either party upon giving 6 months notice from either side.

Mr.Misra is not a relative of any Director of the Company and does not hold any shares in the Company either in his own name or in the name of his relatives.

## SUBSIDIARY

The Directors' Report along with the Auditors' Report, Balance Sheet and Profit and Loss Account of Ceat Securities Limited for the year ended 31st March, 2009 are annexed to this Report.

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

Your Company did not consume energy of any significant level during the year under review and, therefore, there was not much scope for taking any measures for energy conservation and for making any additional investment for reduction of energy consumption. Further, there being no involvement of any technology in the Company's activities during the year no comment is made in this regard.

There has been no foreign exchange earning or outgo during the year under review.

## DIRECTORS' RESPONSIBILITY STATEMENT

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

- in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- they have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit/loss of the Company for that period;
- they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- they have prepared the Accounts on a going concern basis.

## MANAGEMENT DISCUSSION AND ANALYSIS

### CORPORATE GOVERNANCE

In accordance with the requirements of the Listing Agreements with the Stock Exchanges, a report on Management Discussion and Analysis is attached hereto (Annexure 'A'). A report on Corporate Governance along with a certificate of the Auditors confirming compliance is also attached. (Annexure 'B')

### AUDITORS & AUDIT REPORT

Messrs Tarmaster & Co., Chartered Accountants, the Auditors of the Company, retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Regarding auditors' comments non-compliance of the provisions of the Non- Banking Financial (deposit accepting or holding) Companies (Reserve Bank of India) Directors, 2007, non-maintenance of minimum Capital Risk Asset Ration (CRAR) as prescribed by the Reserve Bank of India and the non- confirmation of loans and interest thereon, your Directors draw your attention respectively to Notes B26 in schedule 12 and Note (ii) & (iv) in Schedule 3 forming part of the Accounts which are self explanatory.

### ACKNOWLEDGEMENT

Your Directors wish to record their appreciation of the encouragement, support, assistance and co-operation received from the Company's bankers, financial institutions, shareholders, depositors and employees extended to it throughout the year.

For and on behalf of the Board

(H.C.Mathur)  
Chairman

Kolkata, Dated: 25<sup>th</sup> June, 2009



---

## Annexure 'A' to the Directors Report

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Gathering of resources has become a difficult proposition in view of the continued absence of any revenue generating activity and the gradual exhaustion of the recoverable assets which are also being gathered with great efforts. The funds garnered were just sufficient for payment of the instalments due to the depositors and for operating expenses.

### INDUSTRY STRUCTURE AND DEVELOPMENTS

The Company does not fall under any industrial structure consequent to the cancellation of its Certificate of Registration as a Non-Banking Finance Company by the Reserve Bank of India and in the absence of any significant business activity. The dues to the depositors for the installment payable under the Order of the Hon'ble Company Law Board within 2008 were met by the Company. Proceedings initiated against the Company by most of the banks for recovery of their dues are at various stages before the Debt Recovery Tribunal. Orders have been passed against the Company. The Company has appealed against the Orders and has taken appropriate steps for defence at the next higher level of appeal.

### OPPORTUNITIES, THREATS, RISKS, CONCERNS, PERFORMANCE AND OUTLOOK

Resources to take up any non-banking non-finance business continued to be scarce as available resources were being used for meeting liabilities and operating expenses. Efforts to maximize recoveries are continuing with mixed results. However, the gradual drying up of the recoverable amounts over a period of time poses a threat and funds have to be sourced for meeting the liabilities. The results of the efforts in this regard will determine the Company's ability to recover. The Company is also working out on a plan for revival of the Company.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

Your Company has an effective system of accounting and administrative controls supported by an internal audit system with proper and adequate system of internal check and controls to ensure safety and proper recording of all assets of the Company and their proper and authorised utilisation.

### DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONS

Your attention is drawn to the report of the Directors and more specifically to the issues mentioned under the head 'Operations' and to the comments under the head 'Opportunities, Threats, Risks, Concerns, Performance and Outlook' here before. The Company's financial position is under extreme stress and needs a concerted effort from creditors and shareholders for any significant positive result to emerge in the long run.

### HUMAN RESOURCES

The Company had 18 employees as at year end..

During the year a few innovative ideas were received from the staff, many of which were implemented for improvement in cost control, business recoveries and for achieving greater efficiency.

For and on behalf of the Board

**(H.C.Mathur)**

Chairman

Kolkata, Dated: 25<sup>th</sup> June, 2009

# CFL CAPITAL FINANCIAL SERVICES LTD.

## Annexure 'B' to the Directors' Report

### CORPORATE GOVERNANCE REPORT

#### Company's Philosophy on Corporate Governance

Your Company continues to practise transparency in its dealings with emphasis on integrity and compliance of regulatory provisions. It attaches great importance to practice of good corporate governance for meeting the interests and aspirations of the stakeholders. Your Company has implemented the mandatory requirements regarding Corporate Governance as mentioned in Clause 49 of the Listing Agreements.

#### Board of Directors

The composition of the Board of Directors and other details as on 31<sup>st</sup> March, 2008 are given below:

Name of the Director	Executive/ Independent/ Non-executive	No. of Board Meetings attended	Whether Attended Last AGM	No. of other Directorships in Public Ltd Companies	No of other Committee Chairmanship/ Member
Mr. H.C. Mathur	Managing Director	7	Yes	NIL	NIL
Mr.B.N.Tripathi	Independent Non-executive	7	Yes	NIL	NIL
Mr. Sujit Datta	Independent Non-executive	7	Yes	NIL	NIL
Mr. Sudhamoy Chatterjee	Independent Non-executive	7	No	NIL	NIL
Mr. A.V. Sudhakaran	Independent Non-executive	7	No	NIL	NIL

The Board of Directors of the Company at its meeting held on 20th April, 2009 has re-appointed Mr.H.C.Mathur as Managing Director of the Company for a period of two years with effect from 1<sup>st</sup> May, 2009. Necessary application has been made to the Central Government for its approval for the said appointment and payment of remuneration. Consent of the members for the said re-appointment by a Special Resolution has been sought in the Annual General Meeting.

Mr. A.V.Sudhakaran retires by rotation and, being eligible, offers himself for re-appointment. Mr.Sudhakaran is 47 years of age and has more than 22 years of corporate experience in the commercial and accounting functions.

During the year under review, 7 meetings of the Board of Directors were held on 6th May, 2008, 23rd June, 2008, 7<sup>th</sup> July, 2008, 31<sup>st</sup> July, 2008, 31<sup>st</sup> October, 2008, 30<sup>th</sup> January, 2009 and 24<sup>th</sup> March, 2009. The meetings of the Board of Directors are generally held once in a quarter and are scheduled well in advance unless it is necessary to convene the same for urgent purposes. A detailed agenda is prepared by the Company Secretary in consultation with the Managing Director which is circulated to the members of the Board in advance.

#### Audit Committee

The Company has a qualified Audit Committee comprising of three Non-executive Independent Directors. The terms of reference of the Committee are in accordance with the provisions of the Companies Act, 1956, the requirements of the Reserve Bank of India and of the Listing Agreements with Stock Exchanges. There were five meetings of Audit Committee on 22<sup>nd</sup> June, 2007, 31<sup>st</sup> July, 2007, 31<sup>st</sup> October, 2007, 31<sup>st</sup> January, 2008 and 26<sup>th</sup> March, 2008. The names of members of the Committee and their attendance at the meetings are as follows:

Name of the members	No of meetings attended
Mr. Sujit Datta                      Chairman	5
Mr. B.N.Tripathi                      Member	5
Mr. Sudhamoy Chatterjee              Member	5

#### Remuneration Committee

The Company has a Remuneration Committee to recommend/review the remuneration package of the Managing Director. Mr.B.N.Tripathi is the Chairman of the Committee with Messers Sujit Datta and Sudhamoy Chatterjee being the other members. The Committee met once during the year on 27<sup>th</sup> March, 2009 which was attended by all the members of the Committee.





## Remuneration Policy

Payment of remuneration to the Managing Director is governed by the terms and conditions contained in the Agreement entered into with him which incorporates remuneration within the limit sanctioned by the Central Government and the shareholders. The remuneration structure comprises of salary, consolidated allowance and other perquisites such as house rent allowance, medical benefits, leave travel concession, club subscription, contribution to provident, superannuation and gratuity funds and provision of car and telephone. There is no separate provision for payment of severance fee. However, the statutory provisions will apply.

The details of remuneration paid to Mr. H.C. Mathur during the year ended 31st March, 2009 are Basic Salary Rs. 3,90,000/-, House Rent Allowance Rs.2,32,000/- Consolidated Allowance Rs.82,000/- and Perquisites including Provident Fund, Personal Accident Insurance, etc, Rs.1,95,931/- aggregating Rs 8,99,931/-. The application made by the Company to the Central Government for waiver of excess remuneration to Mr.Mathur was rejected and Mr.Mathur has refunded the excess remuneration received by him. Either party to the Agreement is entitled to terminate the Agreement by giving not less than six calendar months' prior notice in writing to the other party. The Company shall also be entitled to terminate the incumbent's appointment at any time by payment of six months' salary in lieu of notice. Non-Executive Directors are entitled to receive sitting fees for attending meetings of the Board of Directors.

Messrs. Sujit Datta, B.N.Tripathi, Sudhamoy Chatterjee and A.V.Sudhakran received a sum of Rs.7,000 each as sitting fees during the year under review.

## Investors'/Shareholders' Grievance Committee

The Company has a Shareholders'/Investors' Grievance Committee of the Board of Directors under the Chairmanship of Mr.B.N.Tripathi, Non-Executive Director, to look into the redressal of investors' grievances with Messers H.C.Mathur and Sujit Datta as the other members. The Board of Directors has delegated power of approving transfer/transmission of shares to senior executives of the Company. During the year the Committee met 5 times with all the members attending the meetings.

Mr.R.C.Kurup, Company Secretary, is the Compliance Officer of the Company.

During the year under review, the total number of grievances received was 4 and all of them have been resolved to the satisfaction of the shareholders. No share transfer/transmission/issue of duplicate share certificates was pending as on 31<sup>st</sup> March, 2009.

## General Body Meetings

Details of location and time of last three Annual General Meetings are as follows:

AGM	Financial Year	Venue	Date	Time	Special Resolution Passed in the AGM
21 <sup>st</sup>	2005-06	Science City, Mini Auditorium, JBS Haldane Avenue Kolkata-700 046	05.09.2006	10.30 A.M.	No
22 <sup>nd</sup>	2006-07	Birla Academy 108-109 Southern Avenue Kolkata-700 029	27.07.2007	10.30 A.M.	Yes
23 <sup>rd</sup>	2007-08	- Do -	30.07.2008	10.30 A.M	No

All resolutions placed before the members at the last Annual General Meeting were passed by the requisite majority.

## Code of Conduct

The Board of Directors has laid down a code of conduct for the Company which is applicable to all its Board Members and Senior Management Personnel. This code has been posted on the Company's website. For the year under review, all Directors and senior management personnel have confirmed their adherence to the provisions of the said code. A declaration to this effect signed by the Managing Director forms part of this Report.

## Disclosures

- The Company did not enter into any materially significant related party transactions with its promoters, directors or the management, their subsidiaries, relatives etc that may have a potential conflict with the interest of the Company at large.
- The Equity Shares of the Company remain suspended for trading by the National Stock Exchange for non-compliance of certain provisions of the Listing Agreement. The matter is still pending. Except as aforesaid there were no non-compliance, penalties, and strictures by Stock Exchanges, SEBI or any statutory authority on any matter related to capital markets during the last three years.
- The Company does not have any Whistle Blower Policy as of now but no employee is being denied any access to the Audit Committee.
- The Company has complied with all the mandatory requirements under Clause 49 of the Listing Agreements with the Stock Exchanges. Out of the non-mandatory requirements the requirement as to Remuneration Committee is in place.

# CFL CAPITAL FINANCIAL SERVICES LTD.

## Means of Communication

Quarterly and annual results are published in renowned daily publications such as Business Standard (English) and Kalantar and Arthik Lipi (Vernacular). Such results were posted on SEBI's Electronic Data Information Filing and Retrieval System (EDIFAR) website.

The Company has a website [www.cfltd.in](http://www.cfltd.in). The Company's Email Id for the purpose of investors for any grievance is [cfl-shhlddgrievance@rpg.in](mailto:cfl-shhlddgrievance@rpg.in). Individual communication of the half yearly results is not made to the shareholders. The Company has not made any presentation to institutional investors or analysts.

## General Shareholder Information

- a. Annual General Meeting:
- |               |   |
|---------------|---|
| Date and Time | 24 <sup>th</sup> July, 2009 (Friday) at 10.30 A.M                           |
| Venue         | Birla Academy of Art & Culture<br>108-109 Southern Avenue<br>Kolkata-700029 |
- b. Financial Calendar (Tentative and subject to change)
- |   |                        |
|---|------------------------|
| Financial results for quarter ending 30 <sup>th</sup> June, 2009        | End of July, 2009      |
| Financial results for quarter ending 30 <sup>th</sup> September, 2009   | End of October, 2009   |
| Financial results for quarter ending 31 <sup>st</sup> December, 2009    | End of January, 2010   |
| Financial results for the year ending 31 <sup>st</sup> March, 2010      | End of June, 2010      |
| Annual General Meeting for the year ending 31 <sup>st</sup> March, 2010 | End of September, 2010 |
- c. Book Closure Date
- 16<sup>th</sup> July, 2009 to 24<sup>th</sup> July, 2009 (both days inclusive)
- d. List of Stock Exchanges where shares are listed and Stock Code
- | Name   | Address  | Stock Code |
|--|--|------------|
| Bombay Stock Exchange Ltd., Mumbai           | Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400 023  | 511272     |
| The National Stock Exchange of India Ltd.    | Exchange Plaza, Plot C-1, IFB Center, G Block, Bandra Kurla Complex (BKC), Bandra (East), Mumbai-400 051 | 13042      |
| The Calcutta Stock Exchange Association Ltd. | 7, Lyons Range, Kolkata-700 001  | CEATFIN    |

Listing fee has been paid to the Bombay Stock Exchange Limited for the year 2008-2009

The Company has applied to the Calcutta Stock Exchange Association Limited and the National Stock Exchange for delisting its Equity Shares from these Exchanges pursuant to Special Resolution passed by the shareholders at the Annual General Meeting of the Company held on 17<sup>th</sup> September, 2003 and is waiting for their approval. As such the Company has not paid the listing fees to these exchanges up to the year 2008-09

## e. Market Price Data

Monthly High and Low of Company's Equity Shares (Rs.10 per share) for the year ended March 2009 at the Stock Exchange, Mumbai

Months	Company's Share		BSE SENSEX	
	High(Rs.)	Low(Rs.)	High(Rs.)	Low(Rs.)
April, 2008	5.95	4.04	17480.74	15297.96
May, 2008	6.55	4.26	17735.70	16196.02
June, 2008	4.75	3.44	16632.72	13405.54
July, 2008	3.82	2.81	15130.09	12514.02
August, 2008	4.11	3.20	15579.78	14002.43
September, 2008	4.19	2.11	15107.01	12153.55
October, 2008	2.90	1.38	13203.86	7697.39
November, 2008	2.75	1.61	10945.41	8316.39
December, 2008	2.20	1.70	10188.54	8467.43
January, 2009	1.99	1.51	10469.72	8631.60
February, 2009	2.08	1.47	9724.87	8619.22
March, 2009	1.84	1.24	10127.09	8047.17