

**ANNUAL  
REPORT  
2010-2011**



**Global Capital Market & Infrastructures Limited**  
(Formerly known as Global Capital Markets Limited)

# Global Capital Market & Infrastructures Limited

(Formerly Known as Global Capital Markets Limited)

## BOARD OF DIRECTORS

I. C. Baid	Chairman
L. N. Sharma	Executive Director
A. K. Das	Independent Director
Amitabh Shukla	Independent Director

## COMPLIANCE OFFICER

Mr. Shrenik Choraria

## AUDITORS

M/s. Bharat D. Sarawgee & Co.  
Chartered Accountant

## BANKERS

IndusInd Bank Ltd

## REGISTERED OFFICE

Sir RNM House, 5th Floor  
3B, Lalbazar Street,  
Kolkata-700 001

## REGISTRAR & SHARE TRANSFER AGENT

R & D Infotech Private Limited  
22/4, Nakuleswar Bhattacharjee Lane, Kolkata - 700 026  
Telephone : 033-24631657, Fax : 033-24631658  
E mail: rdinfotech@yahoo.com  
Website : www.rdinfotech.org

## ANNULA GENERAL MEETING

Date : 23rd September, 2011  
Time : 10.00 A.M.  
Venue : Shyamal Smriti Parishad  
30, Dr. Nagen Ghosh Road  
Kolkata - 700 031

# 22nd Annual Report 2010 - 2011

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Members are requested to bring their copy of Annual Report at the time of Meeting



**NOTICE**  
**TO THE SHAREHOLDERS**

Notice is hereby given that Twenty Second Annual General Meeting of the members of M/s. Global Capital Market & Infrastructures Limited will be held on Friday, the 23rd day of September, 2011 at 10:00 a.m. at Shyamal Smriti Parishad, 30, Dr. Nagen Ghosh Road, Kolkata-700 031 to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Balance Sheet as at 31st March 2011, the Profit & Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Laxmi Narayan Sharma , who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint and fix the remuneration of Auditors

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

**“RESOLVED THAT** M/s. Bharat D. Sarawgee & Co., Chartered Accountants, the retiring Auditor of the company be and is hereby reappointed as Auditor of the Company from the conclusion of this General Meeting and until the conclusion of the next Annual General Meeting and that the Board of Directors/Audit Committee of Directors of the Company be and is hereby authorized to fix their remuneration plus reimbursement of any out-of-pocket expenses that may be incurred, in connection with the audit.”

M/s. Bharat D. Sarawgee & Co. have intimated the Company that, if reappointed, their appointment will be within the limit laid down under section 224 of the Companies Act, 1956.

Registered Office :  
Sir RNM House, 5th Floor  
3B, Lalbazar Street  
Kolkata - 700 001  
Date : 30th May, 2011

By Order of the Board  
For **Global Capital Market & Infrastructures Limited**

**I. C. Baid**  
*Chairman*





**NOTES :**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote instead of himself / herself. The proxy need not be a member of the Company. A blank proxy form is enclosed. The proxy form duly stamped and executed should be deposited at the Registered Office of the Company.
2. The instrument appointing a Proxy must be lodged at the Registered Office of the Company at least 48 hours prior the time for holding the meeting.
3. The Share Transfer Books and Register of Members will remain closed from September 18, 2011 to September 23, 2011 (both days inclusive).
4. A copy of all the documents referred to in the accompanying explanatory statement are open to inspection at the Registered Office of the Company on all working days except holidays upto the date of AGM and at AGM.
5. Members are requested to produce the enclosed Attendance Slip duly signed as per the specimen signature recorded with the Company/Depository Participant for admission to the meeting hall.
6. The identity/signature of Members holding shares in electronic/demat form is liable for verification with the specimen signatures furnished by NSDL/CDSL. Such Members are advised to bring the relevant identity card issued by the Depository Participant to the Annual General Meeting.
7. Members holding shares in physical form are requested to notify immediately any change in their address and bank particulars to the Company or Share Transfer Agent and in case their shares are held in dematerialized form, this information should be passed on directly to their respective depository participants and not to the Company or Share Transfer Agent, without any delay.
8. Pursuant to SEBI Circular, the Shareholders holding shares in physical form are requested to submit self attested copy of PAN at the time of sending their request for share transfer/transmission of name/transposition of name.
9. In all correspondence with the Company, members are requested to quote their account/folio nos. and in case their shares are held in dematerialized form, they must quote their DP ID and Client ID No.
10. Members holding shares in physical form can now avail the facility of nomination in respect of shares held by them pursuant to the amendment in the Companies act, 1956. The prescribed form (Form 2B) can be obtained from the office of the RTA of the Company. Members desiring to obtain this facility may send their Nomination Form (in duplicate) duly filled in, to the Company or its Share Transfer Agent by quoting their respective folio nos.
11. Members are requested to bring copies of Annual Report to the Annual General Meeting.
12. Members are requested to send their queries in regard to the accounts at least 10 days in advance to the Registered Office of the Company.
- 13.. The Equity shares of the Company are listed on Bombay Stock Exchange Ltd. and Calcutta Stock Exchange Association Ltd. and Listing Fees for the financial year 2010-2011 have been paid to both the Exchanges.

Registered Office :  
Sir RNM House, 5th Floor  
3B, Lalbazar Street  
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Date : 30th May, 2011

By Order of the Board  
For **Global Capital Market & Infrastructures Limited**

**I. C. Baid**  
*Chairman*



## DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS TO THE SHAREHOLDERS

Your Directors have pleasure in presenting their Twenty Second Annual Report together with the Audited Accounts of the Company for the year ended 31st March 2011.

### Financial Results

	Year Ended 31.03.2011	Year Ended 31.03.2010
Income	1340.01	818.22
Profit before Tax & extraordinary item	104.87	41.00
Less : Provision for Taxation	34.85	13.82
Profit after Tax	70.02	27.18
Add : Profit brought forward from Previous Year	33.54	11.89
Balance carried forward	74.65	33.54

### Dividend

In view of inadequate profit and in order to meet financial requirements to implement its future plans, your Directors do not propose any dividend for the year under review.

### Performance Highlights and Future Plans

With the economic revival gathering momentum, a clutch of growth trajectory initiatives enabled your Company to deliver positive growth and further consolidate its presence in the core business. FY 2011 has been both challenging and momentous for your Company. The resilience and inherent strength of your Company's updated and timely taken decisions have enabled your Company to deliver better performance with improvements across key parameters in FY2011.

Global Capital Market & Infrastructures Limited (GCMIL) is a NBFC Company and its main source of Income is NBFC activities i.e. Interest on Loan. Other source of Income is from the investment in Stock Market. GCMIL is in the area of project finance with banks Corporate Bodies and HNIs. Your Company has, in order to reduce credit risk, improved security coverage and higher marginal rate of return and increased its exposure in the area of Promoters' Funding, where it faced competition from NBFCs only.

During the year, the Company has diversified its business in the other business like Infrastructure sector, Software business in order to maximize its returns however your Company is in initial stage of these businesses and thus it is too early to comment on the future earning from these businesses. During the year your Company has started its business in infrastructure business by way of involving itself with one of the popular shows "TV Serial Big Boss" by way of providing infrastructure facility to said show management. In software business the Company has started the business of providing software solutions to Mobile operators.

During the last financial year, the Company has sub-divided face value of its Equity Shares from Rs. 10/- to Re. 1/- with effect from 9th November 2010 with a view to create more liquidity on the trading platform so the Investors can buy and sell shares in narrow gap and in quantity of their desire.

Further, during the year the Company had come out of Preferential Issue of 11,950,000 Equity shares of Re. 1/- each at premium and thus raising the paid up Capital from Rs. 236,985,000/- to Rs. 248,935,000/- on 30th December 2010. Most part of fund so raised through Preferential Issue has been used in diversified business of Infrastructure and Software business.

In FY13, the Company is hopeful of doing better in its core business in Financing and Investment activities as well as in the diversified business like Infrastructure business as well as Software business.

### Risk & Concerns

Despite new risks, the global economic recovery is gaining strength and the IMF projected a 4.5% world growth in 2011 and 2012. While growth in emerging economies remains strong, while in the US and European region is slowly



gaining momentum. Some of economies of the developed nations are still a concern with the Euro zone being the most vulnerable as rating agencies continue to downgrade the sovereign rating of many of economies in this region. The natural disaster in Japan, sharp increase in oil prices consequent to the turmoil in the Middle East and North America is fuelling uncertainty to the pace of global recovery. Globally, elevated food and commodity prices accompanied by the spike in oil prices have endangered inflation concerns.

The Indian Economy registered improved growth and was amongst the better performers aid emerging market economies. Central statistical Organizations' recent estimated Indian GDP growth rate of 8.6% for 2010-11 is consistent with the RBI's projections for the same period. While the area sown under the Rabi Crop is higher than last year which augurs well for agricultural production, the index of industrial productions continues to be volatile. The other indicators such as latest Purchasing Managers' Index, direct and indirect tax collections, merchandise exports and bank credit suggest that growth momentum persists. However, continuing uncertainty about energy and commodity prices may vitiate the investment climate, posing a threat to the current growth trajectory. Inflation remains a challenge for the Indian Economy and the key risks are tighter monetary conditions and rising prices eating into the customer's disposable income.

### **Overview**

Your Company is one of the better players in the Financing activities and also in the Investing activities. Apart from said activities the Company has also entered into the business of Infrastructure and Software business. The Company is proud to be associated with one of well known and popular TV serial "Big Boss" in its initial stage of business of infrastructure business. Further since the demand of Mobile Phones is increasing tremendously and this will create an opportunity to the Company to provide value added services like different software which are used in Mobile Phone and thus will increase its profitability in the new sector of business also.

### **Internal Control Systems and Adequacy**

Your Company believes in formulating adequate and effective internal control systems and implementing the same strictly to ensure that assets and interests of the Company are safeguarded and reliability of accounting data and accuracy are ensured with proper checks and balances. The Internal Control systems is improved and modified continuously to meet the changes in business conditions, statutory and accounting requirements.

The Audit Committee of the Board of Directors, Statutory Auditors and Business Heads are periodically apprised of the Internal Audit findings and corrective actions taken.

The Audit Committee of the Board of Directors actively reviews the adequacy and effectiveness of Internal Control system and suggests improvements for strengthening them. The Company has a robust Management Information System which is an integral part of the control mechanism.

### **Material Development in Human Resources**

The Company takes pride in the commitment, competence and dedication shown by its employees in all areas of business. Various HR Initiatives are taken to align the HR Policies to the growing requirements of the business.

The Company has a structured induction process at its business locations and management development programmes to upgrade skills of managers. Objective appraisal systems based on Key Result Areas (KRAs) are in place for senior management staff.

Technical and safety training programmes are given periodically to its lower grade staff. Relations with its employees remain cordial entirely during the year.

### **Cautionary Statement**

Statements in the Management Discussions and Analysis describing the Company's objectives, projections, estimates, expectations may be forward looking statements. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the Company's performance include economic conditions affecting demand / supply and price conditions in the domestic and overseas markets in which the Company operates, changes in the Government Regulations, tax laws, statutes and other incidental factors.



### **Public Deposits**

During the year under review, your Company has not accepted any deposits from the public within the meaning of section 58A of the Companies Act 1956 and the rules there under.

### **Management**

There is no Change in Management of the Company during the year under review.

### **Directors**

Shri Laxmi Narayan Sharma retires by rotation at the ensuing Annual General Meeting and offers himself for re-appointment.

### **Auditors**

M/s. Bharat D. Sarawgee & Co., Chartered Accountant is hereby appointed as Auditor of the company from the conclusion of this Annual General until the conclusion of the next Annual General Meeting. The Company has received a certificate from them to the effect that their reappointment as Auditors, if made, would be within the limits as prescribed under section 224(1-B) of the Companies Act, 1956.

### **Comments on Auditor's Report**

The notes referred to in the Auditor's Report are self explanatory and as such they do not call for any further explanation as required under section 217(3) of the Companies Act, 1956.

### **Corporate Governance**

Your Company follows the principles of the effective corporate governance practices. The Clause 49 of Listing Agreement deals with the Corporate Governance requirements which every publicly listed Company has taken steps to comply with the requirements of the revised Clause 49 of the Listing Agreement with the Stock Exchange.

A separate section on Corporate Governance forming part of the Directors' Report and the certificate from the Company's Auditors on Corporate Governance as stipulated in Clause 49 of the Listing Agreement is included in the Annual Report.

### **Statutory Information**

The Company being basically in the finance and Investment sector, hence the requirement regarding and disclosures of Particulars of conservation of energy and technology absorption prescribed by the rule is not applicable to us.

### **Particulars of Employees**

People are the backbone of our operations. It is a matter of great satisfaction for our Company that our employees have been very supportive of the Company's plan. By far the employee's relations have been cordial throughout the year.

The information as required by provisions of section 217(2A) of the Companies Act, 1956 read with the companies (Particular of employees) amendments rules, 1988 is reported to be NIL.

### **Particulars under section 217 (1) (e) of the Companies Act, 1956**

The Company is engaged in the business of finance, Infrastructure & Software Sectors. Hence, the information regarding conservation of energy, Technology Absorption, Adoption and innovation, the information required under section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of Board of Directors) Rules 1988, is reported to be Nil.

The Company has not earned or used foreign exchange earnings/outgoings during the year under review.

### **Cash Flow Statement**

The Cash Flow Statement for the year ended 31st March 2011 pursuant to Clause 32 (as amended) of the Listing Agreement with Stock Exchanges is annexed herewith.



### **Directors Responsibility Statement**

In compliance with Section 217(2AA) of the Companies Act 1956, the Directors report that :

1. The preparations of the Annual Accounts, the applicable Accounting Standards have been followed along with proper explanation relating to Standard Accounting Practices.
2. Such accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give true and fair view of the state of the affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period.
3. Proper and sufficient care has been taken for the maintenance of then 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.
4. The annual accounts have been prepared on a going concern basis.

### **Corporate Social Responsibility (CSR)**

Corporate Social Responsibility (CSR) is commitment of the Company to improve the quality of the workforce and their families and also the community and society at large. The Company believes in undertaking business in such a way that it leads to overall development of all stake holders and Society.

### **Appreciations**

Your Directors wish to place on record their appreciation on the contribution made by employees at all levels but for whose hard work, solidarity and support your Company's achievements would not have been possible. Your Directors also wish to thank the customers, service providers, investors and bankers for their continued support and faith reposed in the Company.

By Order of the Board  
For **Global Capital Market & Infrastructures Limited**

Place : Kolkata  
Date : 30th May, 2011

**I. C. Baid**  
*Chairman*





## ANNEXURE TO THE DIRECTORS' REPORT

The Company pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges furnishes its report on the code on Corporate Governance :

### Company's philosophy on Code of Corporate Governance

A better Corporate Governance implies transparency, accountability and equity, in all facets of the Company's operations and its management and in all its interactions with its stakeholders, including shareholders, employees, the government and lenders. A company which maintains a good practice of Corporate Governance would be able to optimize the use of financial and human resources at its disposal resulting into various benefits to the investors, customers, creditors, employees and the society in general. The Company's core philosophy on the code of Corporate Governance is to ensure –

- ▲ Fair and transparent business practices;
- ▲ Accountability for performance;
- ▲ Transparent and timely disclosure of financial and management information;
- ▲ Effective management control and monitoring of executive performance by the Board; and
- ▲ Adequate representation of promoter, executives and independent directors on the Board.

A report on the implementation of the Corporate Governance Code of the Listing Agreement by the Company is furnished below.

The Certificate of Corporate Governance from the Statutory Auditors of the Company confirming compliance of the conditions of Corporate Governance is annexed hereto.

### Board of Directors

#### Composition of Directors

The Board of Directors consists of professionals drawn from diverse fields and brings in a wide range of skills and experience to the Board. The Company is managed by the Board of Directors in coordination with Senior Management team.

The day to day operations of the Company are conducted by the Chairman and Managing Director subject to the supervision and control of the Board of Directors. The Non-Executive Directors including the independent Directors bring external, wider perception and independence in the decision making.

The Composition of the Board of Directors, meets the requirements of Clause 49(I) (A) of the Listing Agreement.

None of the Directors on the Board is a member of more than ten committees and Chairman of more than five committees (as specified in Clause 49), across all companies in which they are Directors.

The 9 Meetings of Board of Directors during the year under review was held on 29th May, 13th August, 15th September, 9th November, 12th November, 31st October and 30th December in year 2010 and on 30th January and on 8th February in the year 2011.

The details regard to attendance of Directors at Board Meetings / Shareholders Meetings, the number of Directorship(s) held in Indian Public Limited Companies and the position of Membership/Chairmanship of Audit Committee and Shareholders/Investors Grievances Committee in such Indian Public Limited Companies is given below :-

Name of Director	Category of Director	No. of Board Meetings attended	Attendance in the AGM	No. of other Directorship held in other Public Ltd. Co.	Committee Chairmanship	Committee Membership
Mr. I. C. Baid	Promoter-Non Executive	9	Yes	2	Nil	3
Mr. L. N. Sharma	Executive	7	Yes	Nil	Nil	1
Mr. A. K. Das	Independent-Non Executive	9	Yes	1	2	2
Mr. Amitabha Shukla	Independent-Non Executive	7	Yes	Nil	Nil	2



Directors sitting fees was paid to each of Director of the Company during the year under review and amount of sitting fees was Rs. 8000/- to each Director. However no Remuneration was being paid to any of Directors during the year under review.

### **Audit Committee**

The Audit Committee consists of two Independent Directors & the Managing Director. All members of the Audit Committee are financially literate and they have accounting or related financial management expertise.

The primary purpose of the Audit Committee is to assist the Board of Directors (the "Board") of Global Capital Market & Infrastructures Ltd., (the "Company") in fulfilling its oversight responsibilities with respect to (a) the accounting and financial reporting processes of the Company, including the integrity of the audited financial results and other financial information provided by the Company to its stockholders, the public, any stock exchange and others, (b) the Company's compliances with legal and regulatory requirements, (c) the Company's independent auditors' qualification and independence, (d) the audit of the Company's Financial statements, and the performance of the Company's internal audit function and its Independent Auditors.

### **Authority and Responsibilities**

1. The Audit Committee reviews the Company's financial reporting process, disclosure of accounting treatment, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter, Compliance with listing and other legal requirements relating to financial statements, disclosure norms, internal control systems, risk management policies, accounting policies and practices, ensuring the quality and appropriateness of the Company's accounting and financial disclosures as well as quarterly/half yearly financial statements. It recommends appointment of Statutory Auditors fixes audit fees and reviews internal control systems, Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern, scope for observations of the auditors and adequacy of the internal audit function, discussion with internal auditors any significant findings and follow up there on, To review the functioning of the Whistle Blower mechanism, Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate etc.

In addition to the above, Audit Committee reviews the followings :

1. Management discussion and analysis of financial condition and results of operations;
2. Statement of significant related party transactions submitted by management;
3. Management letters / letters of internal control weaknesses issued by the statutory auditors and qualification in draft audit report;
4. Internal audit reports relating to internal control weaknesses;
5. The appointment, removal and terms of remuneration of the Chief internal auditor;

The members of Audit Committee met four times on 29th May, 13th August, & 12th November in year 2010 and on 8th February in year 2011 during the financial year ended on 31st March 2011.

<b>Name</b>	<b>Number of Meetings Held</b>	<b>Meetings Attended</b>
Mr. A. K. Das*	4	4
Mr. I. C. Baid	4	4
Mr. Amitabh Shukla	4	4

\*Chairman of Committee

### **Remuneration Committee**

The Remuneration Committee during the year comprised of three Directors namely, Shri I. C. Baid, Shri A. K. Das and Shri L. N. Sharma. The remuneration policy is directed towards rewarding performance based on review of achievements on a periodical basis. However, none of the Directors has been given any remuneration during the year under review except Meeting Fees.