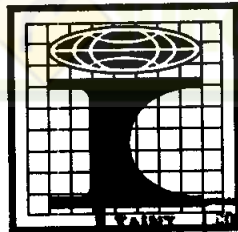


**9th
Annual Report
2000-2001**

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INDCAP FINANCIAL LIMITED



INDCAP FINANCIAL LIMITED

BOARD OF DIRECTORS

Sh. K.S. Bhutoria

Sh. P.R. Latey

Sh. T. Veerabathran

Sh. Ajay K. Jain

COMPANY SECRETARY

Sh. Rajeev Gupta

AUDITORS

M/s. Sharma Sahni & Associates

Chartered Accountants

New Delhi

BANKERS

State Bank of Indore, Delhi

State Bank of Indore, Mumbai

Citi Bank, N.A. Delhi

HDFC, Delhi

REGISTERED OFFICE

N-17, Green Park Extension

New Delhi - 110 -016

SHARES LISTED WITH STOCK EXCHANGE AT

The Delhi Stock Exchange Association Ltd.

DSE House, 3/1, Asaf Ali Road

New Delhi - 110 002

The Stock Exchange, Mumbai

Phiroze Jeejeebhoy Towers

Dalal Street, Mumbai - 400 001

Madras Stock Exchange Ltd.

Exchange Building, Post Box No. 183,

11, Second Line Beach, Chennai - 600 001

The Calcutta Stock Exchange Association Ltd.

7, Lyons Range, Calcutta - 700 001

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INDCAP FINANCIAL LIMITED

NOTICE

NOTICE is hereby given that the 9th Annual General Meeting of the members of M/s Indcap Financial Limited will be held on Friday, the 28th September, 2001 at 9.30 A.M. at B-224, Sainik Farm, New Delhi - 110030, to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2001 and the Profit & Loss Account for the year ended 31st March, 2001 and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. P.R. Latey who retires by rotation being eligible, offers himself for reappointment.
3. To appoint a Director in place of Mr. K.S. Bhutoria who retires by rotation being eligible, offers himself for reappointment.
4. To appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution:

1. **A new article be inserted immediately after existing article No. 13 as article No. 13A as set out below:**

13A Dematerialization of Securities:

Definitions

- (i) **For the purpose of this Article:**

"Beneficial Owner" means a person or persons whose name is recorded as such with a depository.

"SEBI" means the Securities & Exchange Board of India.

"Depository" means a company formed and registered under the Companies Act, 1956, and which has been granted a certificate of registration to act as a depository under the SEBI, 1992;

"Registered Owner" means a Depository whose name is recorded as such in the records of the Company; and "Security" means such security as may be specified by SEBI from time to time.

- (ii) **Dematerialization of Securities**

Notwithstanding anything contained in these Articles, the company shall be entitled to dematerialize its securities and to offer securities in a dematerialized form pursuant to the Depositories Act, 1996 and to offer its shares, debentures and other securities for issue in dematerialized form. The company shall further be entitled to maintain a Register of Members with the details of members holding shares both in material and dematerialized form in any media as permitted by law including any form of electronic media.

- (iii) **Issue of Securities and Option for Investors**

Every person subscribing to securities offered by the company shall have the option to receive security certificates or to hold the securities with a depository. Such a person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by the law, in respect of any security in the manner provided by the Depositories Act, and the company shall, in the manner and within the time prescribed, issue to the beneficial owner the required certificates of securities. If a person opts to hold the security with a depository, and on the receipt of the information, the depository shall enter in its record the name of the allottees as the beneficial owner of the security.

- (iv) **Securities in Depository mode to be in Fungible Form**

All securities held by a depository shall be dematerialized and be in fungible form. Nothing contained in Section 153, 153A, 153B, 187B, 187C and 372A of the Act, shall apply to a depository in respect of the securities held by it on behalf of the beneficial owners.

- (v) **Rights of Depositories and Beneficial Owners**

- a) Notwithstanding anything to the contrary contained in the Act or these Articles, a depository shall be deemed to be the registered owner for the purpose of effecting transfer of ownership of security on behalf of the beneficial owner.
- b) Save as otherwise provided in (a) above, the depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the securities held by it.
- c) Every person holding securities in the company and whose name is entered as the beneficial owner in the records of the depository shall be deemed to be a member of the company. The beneficial owner of securities shall be



INDCAP FINANCIAL LIMITED

entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities, which are held by a depository.

(vi) Service of Documents

Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a depository, the records of the beneficial ownership may be served by such depository on the company by means of electronic mode or by delivery of floppies or discs.

(vii) Transfer of Securities

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a depository.

(viii) Allotment of Securities dealt with a Depository

Notwithstanding anything in the Act or these Articles to the contrary, where securities are dealt with by a depository, the company shall intimate the details thereof to the depository immediately on allotment of such securities.

(ix) Distinctive numbers of Securities held in a Depository

Nothing contained in the Act or these Articles regarding the necessity of having distinctive numbers for securities issued by the company shall apply to securities held with a depository.

(x) Register and Index of Beneficial Owners

The register and index of beneficial owners maintained by a depository under the Depositories Act shall be deemed to be a Register and Index of members and other security holders.

A new article be inserted immediately after existing article No. 77 as article No. 77A as set out below:

- 77A a) Every holder of shares or debentures or fixed deposits of the company will have freedom to nominate at any time a person to whom his shares/debentures/fixed deposits shall vest in the event of his/her death.
- b) Where the shares/debentures/fixed deposits are held by more than one person jointly, the joint holders may together nominate, in the prescribed manner, a person to whom all the rights in the shares or debentures or fixed deposits of the company, as the case may be, shall vest in the event of death of all the joint holders.
- c) Notwithstanding, anything contained in any other law for the time being in force, in respect of such shares or debentures or fixed deposits of the company, where a nomination made in the prescribed purports to confer on any person the right to vest in the shares/debentures/fixed deposits of the company, the nominee shall on the death of the joint holder of securities mentioned above, or as the case may be, on the death of the joint holders become entitled to all the rights in such shares or debentures or fixed deposits, or as the case may be, all the joint holders in relation to such shares or debentures, to the exclusion of all other persons, unless the nomination is varied or cancelled in the prescribed manner.
- d) Where nominee is a minor it shall be lawful for the holder of the share or holder of debentures/fixed deposits to make the nomination to appoint in the prescribed manner any person to become entitled to shares in or debentures or deposits of the company in the event of his death during the minority.
- e) Any person who becomes nominee as aforesaid upon the production of such evidence as may be required by the Board of Directors of the company, elect either to be registered as holder of the shares or debenture or deposits or to make such transfer of the shares or debentures as the deceased shareholder or debenture holder could have made.
- f) The Board of Directors of the company shall in either case have the same right to decline or to suspend registration as it would have had if the deceased shareholder or debenture holder had transferred the shares or debentures before the death.

By order of the Board
For INDCAP FINANCIAL LTD.

Sd/-

Place : New Delhi
Date : 22/08/2001

Company Secretary

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

Item No. 5

As per the requirement of Security & Exchange Board of India (SEBI), the company has gone for compulsory dematerialization of equity shares of the company, which require a new article to be included as Article No. 13A after the existing article 13 in the Article of Association of the company to incorporate necessary provision relating to the dematerialization of the securities of the company.

Further the Companies (Amendment) Act, 1999 has introduced the facility of nomination to the shareholders, security holders and debenture holders of the company. A new article is proposed to be included as Article 77A after the existing article 77 in the Articles of Association of the company to this effect.

Since the above resolutions are relating to the alternation in the Article Association of the company, which require the consent of the shareholder, your Director recommends acceptance of the aforesaid resolution in the best interest of the company.

None of the directors of the company is concerned or interested in the proposed resolution.

By Order of the Board
FOR INDCAP FINANCIAL LTD.

Place: New Delhi

Date: 22.08.2001

Sd/-
COMPANY SECRETARY





INDCAP FINANCIAL LIMITED

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself on a poll and a proxy need not be a member, proxies in order to be effective must be received by the company not less than 48 hrs. before the meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 27th September to 28th September, 2001 both days inclusive.
3. Members are requested to notify immediately change in address, if any, to the company.
4. Members who have multiple folios with identical order or names are requested to intimate to the company those folios to enable the company to consolidate all shareholdings into one folio.

By order of the Board
For INDCAP FINANCIAL LTD.

Sd/-

Company Secretary

Place : New Delhi
Date : 22/08/2001

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DIRECTORS' REPORT

To the Members

Your Directors have pleasure in presenting to you the Ninth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2001.

PERFORMANCE HIGHLIGHTS

Performance of the company, during the year under review has been affected with the continue sluggish financial conditions in the country.

FINANCIAL RESULTS

	<i>Amount (Rs. in lacs)</i>
Total Income	20.96
Profit before Depreciation & Taxation	(-) 9.64
Less : Depreciation	2.68
Profit before taxation	(-) 12.32
Less : Provision for Taxation	—
Profit after Tax	(-) 12.32
Balance Carried to Balance Sheet	(-) 12.32

PERFORMANCE REVIEW

Total income for the year was Rs. 20.96 lacs (previous year Rs. 43.47 lacs) After provision of depreciation of Rs. 2.68 lacs (previous year Rs. 3.80 lacs) with no income tax liability (previous year Rs. 0.80 lacs) net loss was Rs. 12.32 lacs against a profit of Rs. 13.08 lacs in the previous year. The decline in income & profits during the year was primarily due to continue general sluggishness in the economy & poor response for credit by banking system.

OPERATIONAL PROSPECTS

The company during the year continued its focus in providing advisory services in Financial sector and technical consultancy in the field of software development, e-commerce and internet related services to its existing as well as new clients. The company will continue the same in the following year and your directors are confident that your company will do well in future.

DIVIDEND

In absence of profit your directors do not recommend any dividend.

PARTICULARS OF EMPLOYEES

During the year under review, there was no employee drawing remuneration exceeding the limits as specified in section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

DEPOSITS:

During the year under review, your company had not accepted any public deposits.

LISTING OF EQUITY SHARES:

The Company's shares are listed on the Stock Exchanges in Delhi, Mumbai, Chennai & Kolkata and listing fee for the period 2001-2002 have been paid to these Stock Exchanges.

DEMATERIALIZATION OF SECURITIES:

The trading in the shares of your company has been allowed on Demat pursuant to Agreements with NSDL and CDSL. Shareholders may avail this facility.