

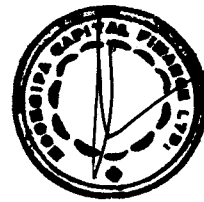


23<sup>RD</sup>

# ANNUAL REPORT

CERTIFIED TRUE COPY

2009-10



**MOONGIPA CAPITAL FINANCE LIMITED**

**ENDURING VALUES NEW AGE THINKING**

**MOONGIPA CAPITAL FINANCE LIMITED****BOARD OF DIRECTORS**

1. SH. SANJAY JAIN
2. SH. SHYAM SHARMA
3. SH. SANJEEV JAIN
4. SH. MOHD. NASIR

**AUDITORS**

**M/S SAXENA & SAXENA**  
Chartered Accountants  
New Delhi - 110 005

**REGISTERED OFFICE**

18/14, W.E.A. Pusa Lane,  
Karol Bagh  
New Delhi - 110 005

**SHARE TRANSFER AGENT**

**M/S SKY LINE FINANCIAL SERVICES PVT. LTD.**  
246, 1st Floor, Sant Nagar, East of Kailash,  
New Delhi-110065

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## MOONGIPA CAPITAL FINANCE LIMITED

### NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the members of MOONGIPA CAPITAL FINANCE LIMITED will be held on Wednesday, the 15th September, 2010 at 10.00 A.M. at Gupta Farms, Alipur Road, Village Hollambi, Delhi - 110 036 to transact the following business.

#### ORDINARY BUSINESS

1. To receive, consider, and adopt Balance Sheet as at 31st March 2010 and Profit & Loss Account for the year ended on that date and Report of the board of Directors and auditors thereon.
2. To appoint director in place of Sh. Sanjeev Jain, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint the Statutory Auditors of the company, and to fix their remuneration.

#### SPECIAL BUSINESS

4. To consider and if thought fit, to pass with or without modifications, the following resolution as a special resolution:

"RESOLVED THAT pursuant to section 198, 269, 309 read with schedule XIII and all other applicable provisions, if any, of the companies Act 1956, including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, consent of the company, be and is hereby accorded for increase in remuneration of Mr. Shyam Sharma, Director of the company from existing Rs. 8,000/- per month to Rs.12,000/- per month effective from 1st October, 2010 as set out in the explanatory statement to resolution with liberty to the Board of Directors (herein after referred to as "Board" which term shall be deemed to include the Remuneration committee constituted by the Board) to alter and vary the said remuneration in such form and manner or with such modification as the Board may deem fit and agreed to by Mr. Shyam Sharma.

RESOLVED FURTHER THAT the Board of Director be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

5. To consider and if thought fit, to pass with or without modifications, the following resolution as a special resolution:

"RESOLVED THAT pursuant to section 314 and other applicable provisions, if any, of the companies Act 1956, including any statutory modification or re-enactment thereof and subject to such approvals as may be necessary, consent of the company, be and is hereby accorded for increase in remuneration of Mrs. Pooja Jain, a relative of Mr. Sanjay Jain, Director of the company to hold an office or place of profit in the company from existing Rs. 12,000/- per month to Rs.15,000/- per month effective from 1st October, 2010 as set out in the explanatory statement to resolution with liberty to the Board of Directors (herein after referred to as

"Board" which term shall be deemed to include the Remuneration committee constituted by the Board) to alter and vary the said remuneration in such form and manner or with such modification as the Board may deem fit and agreed to by Mrs. Pooja Jain.

RESOLVED FURTHER THAT the Board of Director be and is hereby authorized to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid resolution.

By order of the Board

Place : New Delhi  
Date : 22-07- 2010

Sanjay Jain  
Director

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND & VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIM/HERSELF AND THE PROXY NEED NOT TO BE THE MEMBER OF THE COMPANY. CONSENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.

2. The relevant Explanatory statement pursuant to Section 173(2) of the Companies Act, 1956, in respect of Item no 4 the Notice set about above, is annexed hereto.
3. All documents referred to in the accompanying Notice & Explanatory Statement are open for inspection at the Registered office of the company during the office hours on all working days between 11.00 A.M. to 1.00 P.M. before the date of Annual General Meeting
4. Members/ Proxies should bring the attendance slip duly filled in for attending the meeting.
5. The Register of Members shall remain closed from 13<sup>th</sup> September to 15<sup>th</sup> September, 2010. (Both days inclusive)
6. Shareholders seeking any information and having any query with regard to accounts are requested to write the company early to enable the Management to keep the information ready.
7. Details of Directors seeking re-appointment in the ensuing Annual General Meeting pursuant to Clause 49 of the Listing agreement.

Name of the Director	Mr. Sanjeev Jain
Age	32
Qualification	B.Com, L.L.B, A.C.S
Profile/Expertise in Specific functional	Corporate Planning, H.R.D. and legal matters
List of other Companies in which Directorship held as on 31-03-2010	Nil
Chairman/Member of the Committees of the Board of Companies in which he is a Director as on 31-03-2010	Nil
Share holding as on 31st March, 2010	Nil

#### EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT 1956

##### ITEM 4

Mr. Shyam Sharma is being reappointed as Whole Time Director of the Company for a period of five years with effect from 1st October, 2010. Since with the increase in volume of business the workload of Mr. Shyam Sharma has considerably increased, the Remuneration Committee reviewed his remuneration and recommended to the Board of Directors to increase the remuneration from Rs. 8,000/- per month to Rs. 12,000/- per month w.e.f. 1st October, 2010. The Board has accordingly decided to increase the remuneration of Mr. Shyam Sharma as recommended by the Remuneration Committee subject to approval of the member of the company.

##### Minimum Remuneration

In absence or inadequacy of profits in any financial year, the remuneration as set out above may be paid as the minimum remuneration to Mr. Shyam Sharma.

Pursuant to the provisions of Section 269 read with Schedule XIII of the companies Act 1956, the approval of the members is required to be obtained for increase in remuneration of Mr. Shyam Sharma w.e.f. 01/10/2010 as proposed in the resolution.

The Board recommends the resolution for the approval of the members.

Mr. Shyam Sharma may be deemed to be concerned or interested in the resolution.

##### ITEM 5

Mrs. Pooja Jain is a Post Graduate. She is good in administration and looking after the Human resources also. The Remuneration Committee reviewed her remuneration and recommended to the Board of Directors to increase the remuneration from Rs. 12,000/- per month to Rs. 15,000/- per month w.e.f. 1st October, 2010. None of the directors except Mr. Sanjay Jain being relative of her is interested in this resolution.

By order of the Board

Place : New Delhi  
Date : 22-07- 2010

Sanjay Jain  
Director



# MOONGIPA CAPITAL FINANCE LIMITED

## DIRECTORS' REPORT

To the members,

Your directors have the pleasure in presenting the 23<sup>rd</sup> Annual Report together with Audited Statement of Accounts of your Company for the year ended 31 March 2010.

### FINANCIAL RESULTS

Financial results of the company for the year under review are summarized below:

	(RS. in Lacs)	
	Year Ended 31.03.2010	Year Ended 31.03.2009
Gross Income	45.25	51.48
Less : Interest & Finance Charges	0.34	0.35
Less : Personnel & Admn. Charges	38.49	41.09
Less : Loss on sale of Shares/Mutual Fund	0.00	8.86
Less: Depreciation	1.75	2.66
Less: Provision for Substandard Assets	8.27	1.05
Less : Provision for Taxes	2.05	15.46
Less: Prior Period Items	0.00	1.52
Net Profit/(Loss) for the year	(5.65)	(19.32)

### DIVIDEND

Since with a view to conserve the resources the Directors have not recommended any dividend for the year ended 31.03.2010.

### PERFORMANCE REVIEW

The financial year 2009-10 began on a positive note with the economies world over showing signs of recovery from the serious recessionary effects which had crippled it for greater part of financial year 2008-09 with each sector of the economy getting seriously affected. During the year under review, the Company has incurred a loss of Rs. 5.65 lakhs as against the loss of Rs. 19.32 in the last financial year. However the directors are confident that the company shall revive back, considering the present market conditions and economic revival of the country.

The overall risks to the outlook however remain slated to the downside. There are also looming concerns over a second round of convulsion in the advanced economies. If this was to happen, the recovery process is bound to be impacted.

### RBI PRUDENTIAL NORMS

Your Company continues to comply with all the guidelines issued by Reserve Bank of India, to the extent as applicable to the Company.

### BUSINESS PROSPECTS

As the demand for financial services is a derived demand, developments in economic conditions exert a significant influence on the business of financial sector. Your Company strives to continually understand the implication to its business of the various changes, as also the impact of altered economic policies and international developments.

### FIXED DEPOSITS

For the year ending 31 March 2010 your company has not accepted any deposits under section 58A of the Companies Act 1956.

### DIRECTOR

Mr. Sanjeev Jain, director of your company, retires by rotation and being eligible offers himself for reappointment.

Mr. Rakesh Ram has resigned from the Board of Directors. The Board expresses deep gratitude and appreciation for the co-operation and contribution extended by him during his tenure as director of the Company.

### DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217(2AA) of the Companies, Act, 1956, the Directors hereby confirm:

- In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- We have selected such accounting policies and applied them consistently and made judgements and estimates that are responsible and prudent so as to give a true & fair view of the state of affairs of the company at the end of financial year and of the profit & loss of the company for that period.

- We have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

- We have prepared the annual accounts on a going concern basis.

### TRADING IN EQUITY SHARES OF OUR COMPANY

The Company equity shares are being traded at Bombay Stock Exchange Ltd., Mumbai (BSE) W.e.f. July 06, 2010.

### CORPORATE GOVERNANCE

As per clause 49 of the listing agreement with the Stock Exchanges, a separate section of Corporate Governance report together with the certificate from the Company's Auditors confirming compliance is set out in the Annexure forming part of this report.

### AUDITORS

M/s Saxena & Saxena, Chartered Accountants, the Statutory Auditors of the company will retire at the conclusion of the Annual General Meeting and being eligible for reappointment consented to be reappointed for another term. Necessary certificates pursuant to Section 224(1)(B) of the Companies Act 1956 have been obtained from the Auditors.

### AUDITORS REPORT

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

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE INCOME/OUTFLOW

Additional information on conservation of energy, technology absorption as required under Sec.217 (1)(e) of the Companies Act, 1956 is not applicable, as the company is a Non-Manufacturing Company. During the year under review, there has been no foreign exchange income/outflow.

### PERSONNEL

There is no employee in the company whose particulars are required to be given under Section 217(2A) of the Companies Act 1956

### ACKNOWLEDGEMENT

Your directors would like to express their appreciation and gratitude to the company's Business Associates, Bankers, valued clients, Association of Leasing & Finance companies, Government agencies as well as shareholders.

Your directors also take the opportunity to place on record, their deep sense of appreciation of the devoted and dedicated services provided by the employees at all levels, and also their contribution towards company's continuing success.

For & On behalf of the Board

Chairman

Place: New Delhi

Date: 22/07/2010

### MANAGEMENT DISCUSSION AND ANALYSIS

#### 1. Industry Trends and Business Analysis

The activities of Finance and Investment Companies in India have undergone qualitative changes over the years. They have become prominent in a wide range of activities. By now, their role as effective financial intermediaries has been well recognized as they have inherent ability to take inherent decisions, assume greater risks, apply innovative marketing strategies and customize their products and services according to the needs of the clients. In order to have a healthy financial and investment sectors in a country like ours, there has to be a sustainable marriage between the primary lending institutions (Banks and FIs) and the intermediaries so that both of them stick to their core competencies and not to compete with other unnecessarily.

#### 2. Opportunities, Threats & Outlook

As the demand for financial services is a derived demand, developments in the industrial sector exert a significant influence on the business of financial sector. Your company strives to continually understand the implication to its business of the various changes, as also effect of altered economic policies and international developments.