



CAPITALINDIA

Rediscover Business

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex - Fin Ltd)

24th ANNUAL REPORT 2017-18



CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

BOARD OF DIRECTORS

	DIN No.
Mr. Vinod Kumar Somani	: 00327231
Mr. Achal Kumar Gupta	: 02192183
Mrs. Promila Bhardwaj	: 06428534
Mr. Keshav Porwal	: 06706341
Mr. Rahul RameshKumar Jain	: 07541089
Mrs. Shraddha Kamat Suresh	: 07555355
Mr. Vineet Kumar Saxena	: 07710277
Mr. Subodh Kumar	: 07781250
Mr. Amit Sahai Kulshreshtha	: 07869849

KEY MANAGERIAL PERSONNEL (KMP)

Mr. Keshav Porwal	: Managing Director
Mr. Amit Sahai Kulshreshtha	: Chief Executive Officer
Mr. Rachit Malhotra	: Company Secretary
Mr. Neeraj Toshniwal	: Chief Financial Officer

AUDIT COMMITTEE

Mr. Vinod Kumar Somani	: Chairman
Mr. Achal Kumar Gupta	: Member
Mr. Vineet Kumar Saxena	: Member

NOMINATION AND REMUNERATION COMMITTEE

Mr. Achal Kumar Gupta	: Chairman
Mr. Vinod Kumar Somani	: Member
Mr. Vineet Kumar Saxena	: Member

STAKEHOLDER RELATIONSHIP COMMITTEE

Mr. Vinod Kumar Somani	: Chairman
Mr. Achal Kumar Gupta	: Member
Mr. Vineet Kumar Saxena	: Member

STATUTORY AUDITOR

M/s. Divyank Khullar & Associates
Chartered Accountants
New Delhi

SECRETARIAL AUDITORS

M/s. Naveen Garg & Associates
Company Secretaries
New Delhi

INTERNAL AUDITORS

M/s P B & Co., Chartered Accountants

SHARE TRANSFER AGENT

Indus Portfolio Private Limited

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CAPITAL INDIA FINANCE LIMITED

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BOARD'S REPORT

To,

The Members,

CAPITAL INDIA FINANCE LIMITED (FORMERLY KNOWN AS BHILWARA TEX-FIN LIMITED)

Your directors have pleasure in presenting their 24th Annual Report together with the Audited Financial Statements (both Standalone and Consolidated) for the Financial Year ended on March 31, 2018 ("FY 2017-18" or "period under review"). The summarised Consolidated and Standalone financial performance of your Company is as follows:

1. FINANCIAL RESULTS (Amount in Rs.)

Particulars	Consolidated*		Standalone	
	Year ended 31st March, 2018	Year ended 31st March, 2017	Year ended 31st March, 2018	Year ended 31st March, 2017
Total Income	26,04,60,113	NA	25,70,90,477	8,78,21,461
Total Expenditure	21,61,13,566	NA	21,06,34,455	8,33,67,339
Profit before tax	4,43,46,547	NA	4,64,56,022	44,54,122
Provision for tax (including Deferred Tax)	164,59,174	NA	1,69,69,426	21,02,197
Profit after tax	2,78,87,373	NA	2,94,86,596	23,51,925
Add: Profit and Loss account balance brought forward from previous year	26,46,488	NA	26,46,488	7,64,948
Transfer to Special Reserve under Section 45- IC of the RBI Act, 1934	58,97,319	NA	58,97,319	4,70,385
Surplus carried to Balance Sheet	2,46,36,542	NA	2,62,35,765	26,46,488

* The Company did not have any subsidiaries as on year ended March 31, 2017 and therefore, the consolidated figures are given for the Financial Year ended on March 31, 2018 in which the Company has 5 subsidiaries.

2. RESERVES

In order to comply with the provisions of Reserve Bank of India Act, 1934, the Company has transferred Rs. 58,97,319/- (Rupees Fifty Eight Lakhs Ninety Seven Thousand Three Hundred and Nineteen only) to Special Reserve Funds under Section 45-IC of the RBI Act, 1934 and has also made provision of Rs. 10,41,140/- (Rupees Ten Lakhs Forty One Thousand and One Hundred Forty Only) for Standard Assets during the year under review. Total provisions for Standard Assets of the Company at the Financial Year ended March 31, 2018 is Rs. 41,57,750/- (Rupees Forty One Lakhs Fifty Seven Thousand Seven Hundred and Fifty only).

Except as mentioned above, no amount was transferred to any reserve by the Company during the year under review.

3. SHARE CAPITAL

During the year under review, the Company had increased its authorised share capital to Rs. 2,14,00,00,000/- (Rupees Two Hundred Fourteen Crores only) from Rs. 4,00,00,000/- (Rupees Four Crores only). The increased share capital was approved by the shareholders through e-voting and postal ballot on January 27, 2018.

Consequently, the paid-up share capital and authorised share capital of the Company stands at Rs. 3,50,27,000/- (Rupees Three Crores Fifty Lacs and Twenty Seven Thousand only) and Rs. 2,14,00,00,000/- (Rupees Two Hundred Fourteen Crores only) respectively.

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4. INFORMATION ON THE STATE OF AFFAIRS OF THE COMPANY

Your directors intend to strengthen its core business operations in order to make the Company more profitable in the upcoming year. During the period under review, the name of the Company was changed from Bhilwara Tex - Fin Limited to Capital India Finance Limited. Further, your Company's entire Management and Control was changed during the year as Sainik Mining and Allied Services Limited, erstwhile promoters of the Company had divested their stake in favour of Capital India Corp LLP by adhering to the procedure laid down under SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, RBI Master Directions for NBFCs and all other applicable laws.

During the year under review, the Company was engaged into the business of financing and doing investments as Non -Banking Financial Company without accepting public deposit for which the Certificate of Registration was obtained from the Department of Non-Banking Supervision, Reserve Bank of India. The Company had provided / taken inter-corporate loans and investments in ordinary course of business at Arm's Length Price (ALP), which forms part of the Financial Statements enclosed with this Annual Report.

On standalone basis, the Company's total income during FY 2017-18 was Rs. 25,70,90,477/- (Rupees Twenty Five Crores Seventy Lakhs Ninety Thousand Four Hundred and Seventy Seven only) as compared to Rs. 8,78,21,461/- (Rupees Eight Crores Seventy Eight Lakhs Twenty One Thousand Four Hundred and Sixty One only) in FY 2016-17 and the Company has earned a Profit Before Tax (PBT) of Rs. 4,64,56,022/- (Rupees Four Crores Sixty Four Lakhs Fifty Six Thousand and Twenty Two only) in FY 2017-18 as compared to Rs. 44,54,122 /- (Rupees Forty Four Lakhs Fifty Four Thousand One Hundred and Twenty Two only) in FY 2016-17. Further, the Company did not have any subsidiaries in the FY 2016-17 but during the period under review, the Company had incorporated 5 wholly owned subsidiary companies with an aim to further expand its business activities. The Financial Statements forming part of this Annual Report also includes the Consolidated Financial Statements for the FY 2017-18.

5. CHANGE IN NATURE OF BUSINESS, IF ANY

There was no change in the nature of business activity of the Company during the period under review. The Company has however, formed 5 wholly owned subsidiaries with an aim to expand its business activities in financial services, details of which are given below in Para 6.

6. HOLDING & SUBSIDIARY COMPANY

i) Holding Company

Your Company does not have any holding company.

ii) Subsidiary Company

Your Company has following 5 subsidiaries:

S.No	Company's name	Shareholding
1	Capital India Home Loans Limited	100%
2	Capital India Asset Management Private Limited	100%
3	Capital India Wealth Management Private Limited	100%
4	CIFL Holdings Private Limited	100%
5	CIFL Investment Manager Private Limited	100%

Note:

- As required under Rule 8 (1) of the Companies (Accounts) Rules, 2014, the Board's Report has been prepared on Standalone Financial Statements and a Report on Performance and Financial Position of each of the subsidiaries, as included in the Consolidated Financial Statements, is presented herewith in Form AOC-I as Annexure-I.

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- In accordance with third proviso of Section 136 (1) of the Companies Act, 2013, the Annual Report of the Company, containing therein its Standalone and the Consolidated Financial Statements would be placed on the website of the Company at <http://capitalindia.com> under the "Investors" tab.

7. DIVIDEND

Your Directors recommend a final dividend of Rs. 1/- per equity share for the Financial Year 2017-18. The final dividend on the 35,02,700 equity shares, if approved by the members of the Company at the ensuing Annual General Meeting, would entail an outflow of Rs. 35,02,700/- (Thirty Five Lakhs Two Thousand and Seven Hundred Only) towards dividend and Rs. 7,13,069/- (Rupees Seven Lakh Thirteen Thousand and Sixty Nine only) towards dividend distribution tax @20.36%, resulting in a total outflow of Rs. 42,15,769/- (Rupees Forty Two Lakhs Fifteen Thousand Seven Hundred and Sixty Nine only).

8. INTERNAL CONTROL SYSTEM AND INTERNAL FINANCIAL CONTROLS

The Company has in place adequate Internal Financial Control System with reference to financial statements. The Company also has in place an Internal Control System, commensurate with the size, scale and complexity of its operations.

The Directors had laid down Internal Financial Controls Procedures to be followed by the Company which ensure compliance with various policies, practices and statutes, keeping in view the organization's pace of growth and increasing complexity of operations for orderly and efficient conduct of its business. The Audit Committee of the Board, is vested with the powers to evaluate the adequacy and effectiveness of Internal Financial Control System of the Company, thereby ensuring that:-

1. Systems have been established to ensure that all transactions are executed in accordance with management's general and specific authorization.
2. Systems and procedures exist to ensure that all transactions are recorded as necessary to permit preparation of Financial Statements in conformity with Generally Accepted Accounting Principles (GAAP) or any other criteria applicable to such Statements, and to maintain accountability for effectively and the timely preparation of reliable financial information.
3. Access to assets is permitted only in accordance with management's general and specific authorization. No assets of the Company are allowed to be used for personal purposes, except in accordance with terms of employment or except as specifically permitted.
4. The existing assets of the Company are verified /checked at reasonable intervals and appropriate action is taken with respect to differences, if any.
5. Appropriate systems are in place for prevention and detection of frauds and errors and for ensuring adherence to the Company's various policies as listed on the website and otherwise disseminated internally.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

i. Board of Directors

As on March 31, 2018, the Board of Directors consists of following 9 directors:

Sr. No	Name	DIN	Designation	Details
1.	Mr. Vinod Kumar Somani	00327231	Independent Director	He was appointed as an Additional Director in the capacity of Non - Executive Independent Director of the Company w.e.f. December 20, 2017, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.

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Sr. No	Name	DIN	Designation	Details
2.	Mr. Achal Kumar Gupta	02192183	Independent Director	He was appointed as an Additional Director in the capacity of Non - Executive Independent Director of the Company w.e.f. December 20, 2017, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
3.	Ms. Promila Bhardwaj	06428534	Independent Director	She was appointed as an Additional Director in the capacity of Non - Executive Independent Director of the Company w.e.f. December 20, 2017, subject to approval of the shareholders at the ensuing Annual General Meeting of the Company.
4.	Mr. Keshav Porwal	06706341	Managing Director	He was appointed as an Additional Director of the Company and subsequently designated as the Managing Director of the Company w.e.f. November 27, 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
5.	Mr. Amit Sahai Kulshreshtha	07869849	Executive Director and CEO	He was appointed as an Additional Director of the Company and subsequently designated as the Chief Executive Officer of the Company w.e.f. November 27, 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
6.	Mr. Vineet Kumar Saxena	07710277	Non- Executive Director	He was appointed as an Additional Director of the Company in the capacity of Non - Executive Director of the Company w.e.f. November 27, 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
7.	Mr. Rahul Rameshkumar Jain	07541089	Non- Executive Director	He was appointed as Non-Executive Director on the Board of the Company w.e.f. January 27, 2017. His appointment was duly approved by the shareholders as Independent Director of the Company through postal ballot dated August 10, 2017 and later on his designation was changed to Non- Executive director of the Company w.e.f. November 27, 2017. He is eligible to retire by rotation at the ensuing Annual General Meeting of the Company and has tendered his unwillingness to be re-appointed as director of the Company and therefore will retire at the ensuing Annual General Meeting of the Company.

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Sr. No	Name	DIN	Designation	Details
8.	Ms. Shraddha Kamat Suresh	07555355	Non- Executive Director	She has been appointed as an Additional Director of the Company in the capacity of Women Non - Executive Director of the Company w.e.f. November 27, 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.
9.	Mr. Subodh Kumar	07781250	Non- Executive Director	He was appointed as an Additional Director of the Company in the capacity of Non - Executive Director of the Company w.e.f. November 27, 2017 subject to the approval of the shareholders at the ensuing Annual General Meeting of the Company.

ii. **Ceased directorships during the year:**

Mr. Satish Kumar Sharma, Director of the Company had tendered his resignation from the Board w.e.f. November 27, 2017 due to change in management of the Company.

Mr. Samai Singh and Ms. Seema Kumari, being the Independent Directors of the Company had also tendered their resignation from the Board w.e.f. November 27, 2017 due to change in management of the Company.

iii. **Declaration of Independence:**

Pursuant to the provisions of Section 149 of the Act, Mr. Achal Kumar Gupta, Mr. Vinod Kumar Somani and Ms. Promila Bhardwaj were appointed as Independent Director(s) of the Company. They have submitted a declaration that each of them meets the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013 and there has been no change in the circumstances which may affect their status as Independent Director during the year. Further, none of the directors of your Company are disqualified under the provisions of Section 16(2)(a) & (b) of the Companies Act, 2013. During the year under review, the Independent Directors of the Company had no pecuniary relationship or transactions with the Company, other than the sitting fees, commission and reimbursement of expenses incurred by them for the purpose of attending meetings of the Company.

As required under regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the information on the particulars of the Directors proposed for appointment / re-appointment has been given in the Notice of the Annual General Meeting.

iv. **Retirement by Rotation of the Directors**

In accordance with the provisions of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rahul Rameshkumar Jain, Non-Executive Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and has tendered his unwillingness to be re-appointed as the director of the Company and therefore shall retire at the ensuing Annual General Meeting. The matter has been placed for noting by members at the ensuing Annual General Meeting, details of which are given in the Notice of Annual General Meeting.

v. **Change in Key Managerial Personnel**

During the period under review, Mr. Himmat Singh Bedla, Chief Executive Officer, Mr. Sukomal Bhuniya, Chief Financial Officer of the company had resigned w.e.f. November 27, 2017. Ms. Archana Aggarwal, Company Secretary of the Company had resigned w.e.f. January 11, 2018.

Mr. Keshav Porwal was appointed and designated as Managing Director w.e.f. November 27, 2017. Mr. Amit Sahai Kulshreshtha was appointed and designated as Chief Executive Officer w.e.f. November 27, 2017.

Mr. Neeraj Toshniwal was appointed and designated as Chief Financial Officer w.e.f. January 11, 2018. Mr. Rachit Malhotra was appointed and designated as the Company Secretary & Compliance Officer of the Company w.e.f. January 11, 2018.

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As on March 31, 2018, the Company had following Key Managerial Personnel (KMPs) as per provisions of the Companies Act, 2013 and the Rules framed thereunder:-

Mr. Keshav Porwal	-	Managing Director
Mr. Amit Sahai Kulshreshtha	-	Chief Executive Officer
Mr. Neeraj Toshniwal	-	Chief Financial Officer
Mr. Rachit Malhotra	-	Company Secretary

vi. Board Meetings

During the financial year 2017-18, eleven (11) board meetings were held and the intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

vii. Committees of the Board

The following are 9 Committees constituted by the Board:

- i) Audit Committee;
- ii) Stakeholder Relationship Committee;
- iii) Nomination and Remuneration Committee;
- iv) Management Committee;
- v) Risk Management Committee;
- vi) Credit Committee;
- vii) Asset-Liability Committee;
- viii) Investment Committee; and
- ix) Right Issue Committee.

viii. The Composition of Board and Committees were as under:

S.No	Committee meeting	Composition
1	Audit Committee	Mr. Vinod Kumar Somani (Chairman) Mr. Achal Kumar Gupta (Member) Mr. Vineet Kumar Saxena (Member)
2	Nomination and Remuneration Committee	Mr. Achal Kumar Gupta (Chairman) Mr. Vinod Kumar Somani (Member) Mr. Vineet Kumar Saxena (Member)
3	Stakeholders Relationship Committee	Mr. Vinod Kumar Somani (Chairman) Mr. Achal Kumar Gupta (Member) Mr. Vineet Kumar Saxena (Member)
4	Investment Committee	Mr. Achal Kumar Gupta (Chairman) Mr. Keshav Porwal (Member) Mr. Amit Sahai Kulshreshtha (Member)
5	Risk Management Committee	Mr. Achal Kumar Gupta (Chairman) Mr. Keshav Porwal (Member) Mr. Amit Sahai Kulshreshtha (Member)
6	Asset-Liability Committee	Mr. Vinod Kumar Somani (Chairman) Mr. Keshav Porwal (Member) Mr. Amit Sahai Kulshreshtha (Member)
7	Management Committee	Mr. Keshav Porwal (Chairman) Mr. Amit Sahai Kulshreshtha (Member) Mr. Vineet Kumar Saxena (Member)
8	Credit Committee	Mr. Keshav Porwal (Member) Mr. Amit Sahai Kulshreshtha (Member) Mr. Vineet Kumar Saxena (Member)
9	Right Issue Committee	Mr. Vinod Kumar Somani (Chairman) Mr. Keshav Porwal (Member) Mr. Amit Sahai Kulshreshtha (Member)

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ix. Board and Committee Meetings

Details of meetings of Board and various committees along with dates are as below:

S. No	Board / Committee	No. of meetings	Date of Meetings
1	Board Meeting (BM)	11	17 April 2017
			29 May 2017
			03 June 2017
			03 July 2017
			10 August 2017
			30 August 2017
			13 November 2017
			27 November 2017
			20 December 2017
			11 January 2018
			14 February 2018
2	Audit Committee (AC)	4	29 May 2017
			10 August 2017
			13 November 2017
			14 February 2018
3	Stakeholder Relationship Committee (SRC)	6	07 April 2017
			17 April 2017
			31 May 2017
			22 July 2017
			02 August 2017
			02 September 2017
4	Nomination and Remuneration Committee (NRC)	4	29 May 2017
			10 August 2017
			13 November 2017
			27 November 2017

Note: No meeting held for Risk Management Committee; Credit Committee; Asset-Liability Committee; Investment Committee; and Right Issue Committee during FY 2017-18.

x. Attendance of directors/members at board and committee meetings

As per Standard 9 of the Secretarial Standard on Meetings of the Board of Directors ('SS-1') issued by the Institute of Company Secretaries of India ('ICSI'), the attendance of Directors at Board and Committee meetings held during the Financial Year 2017-18 is provided as under:

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Name of Director	Board Meeting	Audit Committee Meeting	Stakeholders Relationship Committee	Nomination and Remuneration Committee
Mr. Vinod Kumar Somani	3	1	-	-
Mr. Achal Kumar Gupta	3	1	-	-
Ms. Promila Bhardwaj	3	NA	NA	NA
Mr. Keshav Porwal	4	NA	NA	NA
Mr. Amit Sahai Kulshreshtha	4	NA	NA	NA
Mr. Vineet Kumar Saxena	4	1	-	-
Mr. Rahul Rameshkumar Jain	7	3	6	3
Ms. Shraddha Kamat Suresh	1	NA	NA	NA
Mr. Subodh Kumar	3	NA	NA	NA
Mr. Satish Kumar Sharma	8	3	6	NA
Mr. Samai Singh	8	NA	NA	4
Ms. Seema Kumari	8	3	6	4

10 COMPANY'S POLICY ON DIRECTORS' APPOINTMENT, REMUNERATION AND EVALUATION

The Board had formulated an Evaluation Policy (the Policy) for evaluating the performance of the Board, Managing Director, Executive Directors, Independent Directors, Non-executive Directors and its Committees. Since the management had undergone a change, performance evaluation of the directors could not be done for the period under review and the same is proposed to be done during the year 2018-19.

The Policy safeguards the interest of the Company and to ensure compliance of applicable provisions of the Act (defined hereinafter) and the Listing Regulations (defined hereinafter) (as amended or re-enacted from time to time) relating to the evaluation of performance of the Directors, the Board and its Committees on an annual basis;

The evaluation framework for assessing the performance of Directors comprises of the following key areas:

- Expertise;
- Objectivity and Independence;
- Concern for stakeholders;
- Concern for working of the internal controls;
- Understanding of the Company's business;
- Leadership initiatives in terms of new ideas, planning for the Company and undertaking additional responsibilities;
- Team work attributes;
- Safeguarding confidential information;
- Rendering independent and unbiased opinions;
- Understanding and commitment to duties and responsibilities;
- Understanding the company and its unique requirements
- Willingness to devote the time needed for effective contribution to Company;
- Participation in discussions in effective and constructive manner;

The evaluation involves self-evaluation by the Board members and subsequent assessment by the Board of Directors. A member of the Board will not participate in the discussion of his/her evaluation.

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Remuneration Policy

The Board has, on the recommendation of the Nomination and Remuneration Committee, framed a policy for selection and appointment of directors and senior management and to fix their remuneration. The Nomination and Remuneration Policy can be viewed here <http://capitalindia.com>.

Disclosures with respect to the remuneration of Directors and employees as required under Section 197 of the Act and Rule 5 (1) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (Rules) and have been appended as Annexure - II to this report. Further, details of employee remuneration as required under provisions of Section 197 of the Companies Act, 2013 and Rule 5(2) and 5(3) of Rules are available at the registered office of the Company during working hours, 21 days before the Annual General Meeting and shall be made available to any shareholder on request.

11 SEXUAL HARASSMENT OF WOMEN AT WORKPLACE

The Company has framed a Policy on Prevention of Sexual Harassment at Workplace in accordance with the applicable laws for all employees of the Company to inter alia ensure that the employees are not subject to any form of sexual harassment and to constitute the Internal Complaints Committee. Your company is fully committed to protect the rights of any women, of any age, whether employed or not, who alleges to have been subjected to any act of sexual harassment within the Company's premises. Your Company provides a safe and healthy work environment.

The Policy was approved and made effective by the Board from its meeting dated May 03, 2018. However, there were no cases reported otherwise, during the year ended on March 31, 2018 of sexual harassment.

12 MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under regulation 34 of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis Report is enclosed as a part of this report.

13 DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors acknowledges the responsibility for ensuring compliance with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of the Financial Statements for the Financial Year ended on March 31, 2018 and state:

- a. That in the preparation of Annual Accounts for the Financial Year ended as at March 31, 2018, the applicable Accounting Standards have been followed along with proper explanation relating to the material departures.
- b. That the directors 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 Financial Year ended as at March 31, 2018 and of the profit and loss of the Company for the Financial Year ended on March 31, 2018.
- c. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Act for safeguarding the assets of the Company and for preventing and detecting fraud or other irregularities.
- d. That the directors have prepared the annual accounts on a going concern basis.
- e. That the directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- f. There is a proper system to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

Based on the framework of internal financial controls and compliance systems established and maintained by the Company, work performed by the internal, statutory and secretarial auditors and external consultants, including audit of internal financial controls over financial reporting by the statutory auditors, and the reviews performed by management and the relevant board committees, including the audit committee, the board is of the opinion that the Company's internal financial controls were adequate and effective during Financial Year 2017-18.

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14 PUBLIC DEPOSITS

The Company did not accept any public deposits during the year under review. Therefore, the disclosures as required under the Companies Act, 2013 and the Rules framed thereunder, and RBI Directions are not applicable.

15 PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the Financial Statements provided in this report.

16 AUDITORS REPORT AND SECRETARIAL AUDIT REPORT

The Board of Directors had appointed **M/s Divyank Khullar & Associates, Chartered Accountants, (Firm Regn. No. : 025755N)**, for the FY 2017-18 to carry out the statutory audit for the period under review. The Statutory Auditors submitted their Report on the Financial Statements (both standalone and consolidated), which forms part of this Annual Report.

The Board of Directors had appointed **M/s Naveen Garg & Associates, Company Secretaries in Practice**, for the FY 2017-18 in terms of provisions of section 204 of the Companies Act 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 for the purpose of carrying out the secretarial audit of the Company. The Secretarial Auditors submitted their Report in Form MR-3, which forms part of this Annual Report.

Further, the Statutory Auditors' report and Secretarial Auditors' report do not contain any qualifications, reservations or adverse remarks.

17 AUDITORS

a) STATUTORY AUDITORS:

M/s Divyank Khullar & Associates, Chartered Accountants, (Firm Regn. No.:- 025755N), Statutory Auditors of the Company tendered resignation on May 2, 2018. Basis this, pursuant to provisions of Section 139 (8), the Board at the meeting held on May 03, 2018 appointed, M/s. Deloitte Haskins & Sells, LLP (Firm Regn. No.:- 117366W/W100018) as the Statutory Auditors of the Company to fill the casual vacancy caused due to resignation of M/s Divyank Khullar & Associates, Chartered Accountants. The members, at the ensuing Annual General Meeting proposed to be held on June 02, 2018 shall consider approving the appointment of M/s. Deloitte Haskins & Sells, LLP as Statutory Auditor to hold office till ensuing Annual General Meeting.

Further, M/s. Deloitte Haskins & Sells, LLP (Firm Regn. No.:- 117366W/W100018) have offered themselves for appointment as Statutory Auditors to hold office from the date of conclusion of the 24th AGM of the Company till the date of conclusion of 29th Annual General Meeting. The Company has obtained a written consent from M/s. Deloitte Haskins & Sells, LLP (Firm Regn. No.: 117366W/W100018) for their appointment. A certificate from them has been received to the effect that their appointment as Statutory Auditors of the Company, if made, would be within the limits prescribed under Section 139 of the Companies Act, 2013. The Auditors have subjected themselves for the peer review process of the Institute of Chartered Accountants of India (ICAI) and they hold a valid certificate issued by the "Peer Review Board" of ICAI.

b) SECRETARIAL AUDITOR

The Board of Directors at their meeting held on May 03, 2018 re-appointed M/s. Naveen Garg & Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company for the Financial Year 2018-19 in terms of provisions of section 204 of the Companies Act 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

c) INTERNAL AUDITOR

The Board of Directors has, at its meeting held on 3 May 2018 appointed M/s. Aneja Associates, Chartered Accountants, as the Internal Auditor to undertake Internal Audit of the Company for Financial Year 2018-19 in terms of provisions of section 138 of the Companies Act, 2013.

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18 EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as "**Annexure III**".

19 CORPORATE GOVERNANCE REPORT

Your Company practices a culture that is built on core values and ethical governance practices and is committed to transparency in all its dealings. The Company is **having a paid up equity share capital not exceeding Rs. 10 Crore and net worth not exceeding Rs. 25 Crore**, and hence, as per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations'), Corporate Governance Requirements provided under Regulations 17 to 27 and clauses (b) to (i) of sub-regulation (2) of Regulation 46 and Para C, D and E of Schedule V of the Listing Regulations are not applicable to your Company.

20 RELATED PARTY TRANSACTIONS

During the year under review, the main business of the Company was financing & investment and granting loans. All related party transactions entered into with related parties were placed before the Audit Committee for their approval in the meeting of Board and Audit Committee dated May 03, 2018. The Audit Committee decided that such transactions are in the ordinary course of business and are on arm's length basis. None of the transactions with related parties fall under the scope of section 188(1) of the Companies Act, 2013. Even though the provisions of Companies Act, 2013 read with rules made thereunder regarding related party transactions are not attracted to such transactions as these are in ordinary course of business and on an arm's length basis, some transactions were material related party transaction by virtue of the Listing Regulations and hence, the Board and Audit Committee ratified them.

All related party transactions so entered are disclosed in Note no. 29 of Financial Statements of the Company as attached herewith. Information on all transactions with related party pursuant to section 134(3) (h) of the Act read with rule 8(2) of the Companies (Accounts) Rules, 2014 are also annexed in Form AOC-2 and the same forms part of this report.

The Policy relating to related party transactions duly approved by the Board of Directors of the Company has been placed on the Company's website <http://capitalindia.com>.

21 CODE OF CONDUCT

The Board of Directors has approved a Code of Conduct which is applicable to the members of the Board and all employees in the course of day to day business operations of the Company. The Code has been placed on the Company's website <http://capitalindia.com>.

The Code lays down the standard procedure of business conduct which is expected to be followed by the Directors and the designated employees in their business dealings and in particular on matters relating to integrity in the work place, in business practices and in dealing with stakeholders. All the Board members and the Senior Management personnel have confirmed compliance with the Code.

22 VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of Section 177(9) & (10) of the Companies Act, 2013 read with the rules made thereunder and pursuant to the provision of SEBI (Listing Obligations and Disclosure Requirements), 2015, the Company has established a Vigil Mechanism to be known as the 'Vigil Mechanism Policy' for its Directors and Employees, to report instances of unethical behaviour, actual or suspected, fraud or violation of the Company's Code of Conduct. The aim of the policy is to provide adequate safeguards against victimization of Whistle Blower who avails the mechanism and also provides direct access to the Chairman of the Audit Committee, in appropriate or exceptional cases.

Accordingly, Vigil Mechanism Policy has been formulated with a view to provide a mechanism for the Directors and employees of the Company to approach the Ethics Officer or the Chairman of the Audit Committee of the Company.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

The purpose of this policy is to provide a framework to promote responsible and secure whistle blowing. It protects employees willing to raise a concern about serious irregularities within the Company.

During the Financial Year 2017-18, no such complaint of unethical or improper activity has been received by the Company

23 PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading with a view to regulate trading in securities by the Directors and designated employees of the Company. The Code requires pre-clearance for dealing in the Company's shares and prohibits the purchase or sale of Company shares by the Directors and the designated employees while in possession of unpublished price sensitive information in relation to the Company and during the period when the trading window is closed. The Board is responsible for implementation of the Code. All Board of Directors and the designated employees have confirmed compliance with the Code.

The Code can be viewed here <http://capitalindia.com/> .

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

a) CONSERVATION OF ENERGY

- (i) Steps taken or impact on conservation of energy - The operations of your Company are not energy-intensive. However, adequate measures have been initiated for conservation of energy.
- (ii) Steps taken by the Company for utilising alternate source of energy - though the operations of the Company are not energy intensive, the Company shall explore alternative source of energy, as and when the necessity arises.
- (iii) Capital investment on energy conservation equipment - Nil

b) TECHNOLOGY ABSORPTION

- (i) Efforts made towards technology absorption - The minimum technology required for the business has been absorbed.
- (ii) Benefits derived like product improvement, cost reduction, product development or import substitution - Not Applicable
- (iii) In case of imported technology (imported during the last three years reckoned from the beginning of the financial year) - Not Applicable
 - (a) the details of technology imported;
 - (b) the year of import;
 - (c) whether the technology been fully absorbed; and
 - (d) if not fully absorbed, areas where absorption has not taken place, and the reasons thereof
- (iv) Expenditure incurred on Research and Development - Not Applicable

c) FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year under review, there were following foreign exchange transactions:

- 1. Earnings: Nil
- 2. Outgo: Rs. 20,44,853.04/-

25 FRAUD REPORTING

There was no fraud reported by the Auditors of the Company under Section 143(12) of the Companies Act, 2013 to the Board of Directors during the year under review.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

26 DETAILS OF SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS IMPACTING THE GOING CONCERN STATUS AND COMPANY'S OPERATIONS IN FUTURE

There have been no significant and material orders passed by the Regulators or Courts or Tribunals impacting the going concern status and company's operations in future. It is to be noted that pursuant to the approval of appropriate authorities, Sainik Mining and Allied Services Limited, erstwhile promoters of the Company had divested their stake in favour of Capital India Corp LLP as a result of which there was a change in management and control of the Company by following the procedures laid down under the applicable laws.

27 MATERIAL CHANGES AND COMMITMENTS, IF ANY

There are material changes and commitments affecting the financial position of the Company which, inter-alia includes the following:

1. Company has changed the name of the Company from Bhilwara Tex-Fin Limited to Capital India Finance Limited, the same has been approved by the shareholders through Postal Ballot on January 27, 2017. Company has received the fresh Certificate of Incorporation from the Registrar of Companies, NCT of Delhi & Haryana for the same.
2. Company has shifted its registered office from 129, Transport Centre, New Rohtak Road, Punjabi Bagh, New Delhi - 110035 to 2nd Floor, DLF Centre, Sansad Marg, New Delhi - 110001 on December 20, 2017.
3. Company had undergone change of management, which had been duly approved by the appropriate stakeholders and authorities which includes the approval of Reserve Bank of India and Securities Exchange Board of India.
4. Company had during the year under review proposed an issue of securities on Rights basis but the same was withdrawn on April 25, 2018.
5. Company has incorporated five wholly owned subsidiaries namely:
 - a. Capital India Home Loans Limited
 - b. Capital India Wealth Management Private Limited
 - c. Capital India Asset Management Private Limited
 - d. CIFL Holdings Private Limited
 - e. CIFL Investment Manager Private Limited

28 CORPORATE SOCIAL RESPONSIBILITY (CSR)

During the year under review, provision of section 135 and Schedule VII of the Companies Act, 2013 pertaining to Corporate Social Responsibility are not applicable to our Company. Hence, details of expenditures on CSR activities are not required to be furnished.

29 CREDIT RATING

There was no credit rating obtained from any agency during the period under review.

30 CONSOLIDATED FINANCIAL STATEMENTS

The Audited Consolidated Financial Statements are provided in this annual report which have been prepared in accordance with relevant Accounting Standards issued by the Institute of Chartered Accountants of India (ICAI).

31 RISK MANAGEMENT

The Risk Management Committee constituted by the Board of Directors of the Company has framed and implemented a Risk Management framework depicting the process for loan proposal approval, loan management post disbursement and day to day monitoring to manage credit risk. It sets out the standards helpful in achieving a high-quality loan portfolio with optimal returns.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

32 HUMAN RESOURCE-INITIATIVES

During the year under review, your Company has strengthened its Management team and Core Leadership team to steer the Company's business conscientiously and diligently. Efforts has been put in to attract the best Talent from Industry to build a strong foundation.

Your Company provides an employee friendly environment where employees are empowered and given an opportunity to demonstrate their talent, that eventually boost their career growth in the Company.

33 LISTING OF SECURITIES

Presently, the Securities of the Company are listed on BSE Limited, Mumbai. The listing fee for the Financial Year 2018-19 has been paid.

34 COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD MEETINGS

Your Company has complied with the applicable provisions of the Secretarial Standards -1 (SS-1) on Meetings of the Board of Directors issued by The Institute of Company Secretaries of India (ICSI).

35 GENERAL DISCLOSURES

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Issue of equity shares with differential rights as to dividend, voting or otherwise;
2. There was no issuance of any shares/options to the employees under the Employees Stock Option Scheme (ESOS) or Employees Stock Purchase Scheme (ESPS);
3. Issue of sweat equity shares;
4. There was no revision in the Financial Statements;
5. There was no change in the nature of business.

It is hereby intimated that your Company had initiated the procedure for issuance of Equity Shares of Rs. 525 crores to the existing shareholders on right issue basis. The proposed issue was withdrawn on April 25, 2018.

36 ACKNOWLEDGEMENTS

Your directors would gratefully like to place their appreciation for the assistance and co- operation received from the Company's bankers during the year under review. The directors also acknowledge with appreciation the support and co-operation rendered by various Government Agencies and Departments. Your Directors would also wish to place on record their deep sense of appreciation for the continued support from all the investors of the Company.

By order and on behalf of the Board

Capital India Finance Limited

(Formerly known as Bhilwara Tex-Fin Limited)

Sd/-

Keshav Porwal
Managing Director
DIN - 06706341

Sd/-

Amit Sahai Kulshreshtha
Director & CEO
DIN - 07869849

Place: New Delhi
Date: May 03, 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Annexure-I

Form AOC-I

Statement containing salient features of the Financial Statement of Subsidiaries / Associate Companies / Joint Ventures

**[Pursuant to first proviso to Sub-Section (3) of Section 129 of
Companies Act, 2013 read with Rule 5 of Companies (Accounts) Rules, 2014]**

Sr. No.	Name of subsidiary companies	Capital India Home Loans Limited	Capital India Wealth Management Private Limited	Capital India Asset Management Private Limited	CIFL Holdings Private Limited	CIFL Investment Manager Private Limited
1	The date since when subsidiary was acquired	11 August 2017	29 August 2017	12 September 2017	18 September 2017	14 September 2017
2.	Reporting year for the subsidiary	31 March 2018	31 March 2018	31 March 2018	31 March 2018	31 March 2018
3.	Reporting currency and exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries.	Not Applicable	Not Applicable	Not Applicable	Not Applicable	Not Applicable
4.	Share Capital	150,000,000	100,000	100,000	100,000	100,000
5.	Reserves & surplus	(1,471,308)	(31,985)	(32,010)	(31,960)	(31,960)
6.	Total Assets	152,662,557	99,950	99,925	99,975	99,975
7.	Total Liabilities	4,133,865	31,935	31,935	31,935	31,935
8.	Investments	-	-	-	-	-
9.	Turnover	3,369,636	-	-	-	-
10.	Profit before tax	(1,981,560)	(31,985)	(32,010)	(31,960)	(31,960)
11.	Provision for tax	(510,252)	-	-	-	-
12.	Profit after tax	(1,471,308)	(31,985)	(32,010)	(31,960)	(31,960)
13.	Proposed dividend	0%	0%	0%	0%	0%
14.	% of shareholding	100%	100%	100%	100%	100%

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Sr. No.	Name of subsidiary companies	Net Assets (i.e. Total Assets Less Total Liabilities)		Share in profit & loss	
		As a % of Consolidated Assets	Amount	As a % of profit or loss	Amount
	Parent Capital India Finance Limited	31.69%	6,90,18,874	105.73%	2,94,86,596
	Subsidiaries <i>Indian:</i>				
1.	Capital India Home Loans Limited	68.19%	14,85,28,692	-5.28%	(14,71,308)
2.	Capital India Wealth Management Private Limited	0.03%	68,015	-0.11%	(31,985)
3.	Capital India Asset Management Private Limited	0.03%	67,990	-0.11%	(32,010)
4	CIFL Holdings Private Limited	0.03%	68,040	-0.11%	(31,960)
5	CIFL Investment Manager Private Limited	0.03%	68,040	-0.11%	(31,960)
	<i>Foreign:</i> None				
	Minority interest in all subsidiaries	NA	-	NA	-
	Associates (Investments as per the Equity method)	NA	-	NA	-
	Joint Ventures (as per proportionate consolidation / investment as per the Equity method)	NA	-	NA	-

Notes:

1. Name of the Subsidiaries which are yet to commence operations:-
 - a. Capital India Home Loans Limited
 - b. Capital India Wealth Management Private Limited
 - c. Capital India Asset Management Private Limited
 - d. CIFL Holdings Private Limited
 - e. CIFL Investment Manager Private Limited
2. Names of subsidiaries which have been liquidated or sold during the year: NIL

Part B: Statement Pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures:

The Company has no Associate or Joint Venture Company.

**For and on behalf of Board of Directors
Capital India Finance Limited
(Formerly known as Bhilwara Tex-Fin Limited)**

Sd/-
Keshav Porwal
Managing Director
DIN - 06706341

Sd/-
Amit Sahai Kulshreshtha
Director & CEO
DIN - 07869849

Sd/-
Neeraj Toshniwal
CFO
PAN - ACCPT2249N

Sd/-
Rachit Malhotra
Company Secretary
M. No. - A39894

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Annexure- II

A. Particulars of employees for the year ended March 31, 2018 as required under Section 197 of the Companies Act, 2013 read with Rule 5 of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014:

The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year;	Name of the Director	Ratio to the median
	Amit Sahai Kulshreshtha	10 : 1
	Keshav Porwal	10 : 1
The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;	Name of Director/CS/CFO	% increase
	Nil	Nil
The percentage increase in the median remuneration of employees in the financial year;	There was no increase in the remuneration of employees during the Financial year 2016-17	
The number of permanent employees on the rolls of Company;	32	
Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration;	There was no increase in the remuneration of employees during the Financial year 2016-17	
Affirmation that the remuneration is as per the remuneration policy of the company.	Yes; the remuneration is as per the remuneration policy of the company.	

B. Particulars of employees for the year ended March 31, 2018 as required under Section 197 of the Companies Act, 2013 read with rule 5(2) of Companies (Appointment & Remuneration of Managerial Personnel) Rules, 2014

In terms of the provisions of Section 136(1) of the Companies Act, 2013 read with the said rules, the Directors' Report is being sent to all the shareholders of the Company excluding the annexure on the names and other particulars of employees, required in accordance with Rule 5.2 of said rules, which is available for inspection by the members, subject to their specific written request, in advance, to the Company Secretary. The inspection is to be carried out at the Company's Registered Office or at its Corporate Office, during business hours on working days of the Company up to date of ensuing Annual General Meeting.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Form No. MR-3 SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31st March 2018

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018

To,

The Members,

Capital India Finance Limited

(Formerly Known as Bhilwara Tex-fin Limited)

CIN:-L74899DL1994PLC128577

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Capital India Finance Limited. (Formerly Known as Bhilwara Tex-Fin Limited) (hereinafter called the "Company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended March 31, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance- mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on March 31, 2018, according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
 - (i) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; (The Company has changed its management on November 27, 2017)
 - (ii) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (iii) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; **(Company is in the process of issue of equity share on rights basis, Further Letter of Offer had also been filed with SEBI during the period under review)**
 - (iv) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Regulation, 2014;
 - (v) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; **(Not Applicable as the Company has not issued and listed any debt Securities during the financial year under review)**
 - (vi) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client; **(Not Applicable as the Company is not registered as Registrar to Issue and Share Transfer Agent During the financial year under review)**
 - (vii) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; **(Not Applicable as the Company has not delisted / proposed to delist its equity shares from any Stock Exchange during the period under review).**

and

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

- (viii) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; **(Not Applicable as the Company has not bought back / proposed to buy-back any of its securities during the period under review).**
- (vi) I have relied on the representation made by the Company and its officer for system and mechanism framed by the Company for compliances under the following Act, Laws & Regulations of the Company
- Employees Provident Fund and Miscellaneous Provisions Act, 1952 and Provisions of Employee State Insurance Act, 1948
 - Workmen's Compensation Act, 1923, Equal Remuneration Act, 1976, and all other allied labour laws, as informed / confirmed to me:
 - Income Tax Act, 1961
 - Finance Act, 1994
 - Prevention of Money Laundering Act, 2002
 - Delhi Shops and Commercial Establishment Act, 1954
 - Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
 - Reserve Bank of India Act, 1934 and rules, regulations, circulars, notification issued by Reserve Bank of India from time to time for Non-Banking Finance Company

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards with regard to Meeting of Board of Director (SS-1) and General Meeting (SS-2) issued by The Institute of Company Secretaries of India
- (ii) The Listing Agreements entered into by the Company with Stock Exchange(s) and SEBI (Listing Obligation and Disclosure Requirement) Regulation, 2015;

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that: -

- The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non- Executive Directors, Independent Directors and Woman Director. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act
- Adequate notice is given to all Directors to schedule the Board/Committee Meetings, Agenda and detailed notes on agenda were sent at least seven days in advance and a system exist for seeking and obtaining further information and clarification on the agenda items before the meeting and for meaningful participation at the meeting.
- All decision of the Board and Committees were carried with requisite majority while the dissenting members' views are captured and recorded as part of the minutes.

I further report that based on review of compliance mechanism established by the Company and on the basis of the Compliance Certificate(s) issued by the Company Secretary and taken on record by the Board of Director at their meeting(s), I have opinion that there are adequate systems and processes in the Company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period the Company has following specific events / actions having a major impact on Company's affair in pursuance of the referred laws, rules, regulations, standards etc.:

- o Issue of equity shares on rights basis.

**For Naveen Garg & Associates
(Company Secretaries)**

**Sd/-
(Naveen Garg)
Proprietor**

**Membership No: - 32159
CP No: -11815**

**Date: 3 May 2018
Place:- New Delhi**

This report is to be read with my letter of even date which is annexed as "Annexure A" and forms an integral part of this report.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

"Annexure A"

To,
The Members,
Capital India Finance Limited
(Formerly known as Bhilwara Tex-fin Limited)
CIN: -L74899DL1994PLC128577

Our Secretarial Audit Report for the Financial Year March 31, 2018 is to be read along with this letter.

1. It is the responsibility of the management of the Company to maintain secretarial records, devise proper system to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility

2. My responsibility is to express an opinion on these secretarial records, standards and procedures followed by the company with respect to secretarial compliances.
3. I believe that audit evidence and information obtained from the Company's management is adequate and appropriate for us to provide a basis for my opinion.
4. Wherever required, I have obtained the management's representation about compliance of laws, rules and regulations and happening of events etc.

Disclaimer

5. The Secretarial Audit Report is neither an assurance as to the future visibility of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.
6. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.

For Naveen Garg & Associates
(Company Secretaries)

Sd/-
(Naveen Garg)
Proprietor
Membership No: - 32159
CP No: -11815

Date: 3 May 2018
Place:- New Delhi

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Annexure-III

Form No.MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2018

[Pursuant to section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION & OTHER DETAILS:

CIN:	:	L74899DL1994PLC128577
Registration Date	:	16/11/1994
Name of the Company	:	Capital India Finance Limited
Category / Sub-Category of the Company	:	Company limited by Shares
Address of the Registered office and contact details	:	2nd Floor, DLF Centre Sansad Marg New Delhi-110001 Phone: 011-46546000
Whether listed company		Yes
Name, Address and Contact details of Registrar and Transfer Agent, if any	:	Indus Portfolio Private Limited G- 65, Bali Nagar, New Delhi 110015 Contact No: 91-11-47671214 Fax No: 91-11- 25449863 E-mail: cs.anamika@indusinvest.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10 % or more of the total turnover of the company shall be stated

S. No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Investment & Financing - granting loans	65923	100.00%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ subsidiary/ Associate	% of share held	Applicable Section
1	Capital India Home Loans Limited	U65990DL2017PLC322041	Subsidiary	100%	Section 2(87)(ii)
2	Capital India Asset Management Private Limited	U65999DL2017PTC323549	Subsidiary	100%	Section 2(87)(ii)
3	Capital India Wealth Management Private Limited	U65999DL2017PTC322881	Subsidiary	100%	Section 2(87)(ii)
4	CIFL Holdings Private Limited	U65990DL2017PTC323832	Subsidiary	100%	Section 2(87)(ii)
5	CIFL Investment Manager Private Limited	U65929DL2017PTC323719	Subsidiary	100%	Section 2(87)(ii)

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoter									
1) Indian									
a) Individual/ HUF	-	-	-	-	-	-	-	-	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt.(s)									
d) Bodies Corp	1467800	-	1467800	41.90	2232300	-	2232300	63.73	21.83
e) Banks / FI	-	-	-	-	-	-	-	-	-
f) Any Other..	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):	1467800	-	1467800	41.90	2232300	-	2232300	63.73	21.83
2) Foreign -	-	-	-	-	-	-	-	-	-
a) NRIs-Individuals	-	-	-	-	-	-	-	-	-
b) Other-Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks / FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):-	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1) + (A)(2)	1467800	-	1467800	41.90	2232300	-	2232300	63.73	21.83
B. Public Shareholding									
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks / FI	-	-	-	-	-	-	-	-	-
c) Central Govt.	-	-	-	-	-	-	-	-	-
d) State Govt.(s)	-	-	-	-	-	-	-	-	-
e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIs -	-	-	-	-	-	-	-	-	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (specify)	-	-	-	-	-	-	-	-	-
Sub-total(B)(1)	-	-	-	-	-	-	-	-	-
2. Non Institutions	-	-	-	-	-	-	-	-	-
a) Bodies Corp.	942	49542	50483	1.45	742448	4900	747348	21.34	(19.89)
(i) Indian	-	-	-	-	-	-	-	-	-
(ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	-	1006957	1006957	28.75	63152	266200	329352	9.40	19.35
(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	-	977100	977100	27.90	192800	-	192800	5.50	22.40
c) Others(Specify)									
i) Non-Resident Indian	-	-	-	-	-	400	-	0.01	(0.01)
ii) Clearing Member	-	-	-	-	500	-	-	0.01	(0.01)
iii) Clearing House	-	-	-	-	-	-	-	-	-
Sub-total(B)(2)	942	2033599	2034541	58.10	998900	271500	1435400	36.27	21.83
Total Public Shareholding (B)=(B)(1) + (B)(2)									NIL
C. Shares held by Custodian for GDRs &ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	1468742	2033599	6202341	100.00	3231200	271500	3667700	100	-

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

(ii) Shareholding of Promoter

S N.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in share-holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Sainik Mining And Allied Services Limited	1467800	41.90	N.A.	N.A	N.A	N.A	(100)
2	Capital India Corp LLP (Formerly known as Trident Holding LLP)	N.A	N.A	N.A	2232300	63.73	N.A	100
	Total	1467800	41.90	N.A.	2232300	63.73	N.A	N.A

(iii) Change in Promoters' Shareholding (please specify, if there is no change)

S N.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the Company	No. of shares	% of total share of the Company
1	SAINIK MINING AND ALLIED SERVICES LIMITED				
	At the beginning of the year	1467800	41.90	1467800	41.90
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A.	N.A.	(1467800)*	(41.90)
	At the End of the year	Nil	Nil	Nil	Nil
2	CAPITAL INDIA CORP LLP				
	At the beginning of the year	Nil	Nil	Nil	Nil
	Date wise Increase / Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	N.A.	N.A.	2232300**	63.73
	At the End of the year	Nil	Nil	2232300	63.73

* Shares transferred to Capital India Corp LLP pursuant to Share Purchase Agreement (SPA)

** Shares acquired amounting to 41.90% from Sainik Mining and Allied Services Limited vide SPA. Further, shares acquired through Open Offer amounting to 21.83% thereby making total holding to 63.73%

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

S N.		Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total share of the Company	No. of shares	% of total share of the Company
	For each of Ten Shareholders				
	At the beginning of the year	353600	10.09	-	-
	Date wise Increase / Decrease in Shareholding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/ sweat equity etc.):	-	-	61850*	17.66
	At the End of the year(or on the date of separation, if separated during the year)	353600	10.09	972100	27.75

* Change is pursuant to normal trading and share transfer at stock exchanges during the year.

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(v) Shareholding of Directors and Key Managerial Personnel

Sl. No	Name	Shareholding		Date	Increase/Decrease In share-holding	Reason	Reason Cumulative Share- holding during the year	
		No. of Shares at the Beginning /end of the year	% of total shares of the Company				No. of Shares	% of total shares of the Company
A	Directors (including independent Directors)							
1.	Satish Kumar Sharma	N.A	N.A	N.A	N.A	N.A	N.A	N.A
2.	Rahul Rameshkumar Jain	N.A	N.A	N.A	N.A	N.A	N.A	N.A
3.	Samai Singh	N.A	N.A	N.A	N.A	N.A	N.A	N.A
4.	Seema Kumari	N.A	N.A	N.A	N.A	N.A	N.A	N.A
5.	Vinod Kumar Somani	N.A	N.A	N.A	N.A	N.A	N.A	N.A
6.	Achal Kumar Gupta	N.A	N.A	N.A	N.A	N.A	N.A	N.A
7.	Promila Bhardwaj	N.A	N.A	N.A	N.A	N.A	N.A	N.A
8.	Keshav Porwal	N.A	N.A	N.A	N.A	N.A	N.A	N.A
9.	Amit Sahai Kulshreshtha	N.A	N.A	N.A	N.A	N.A	N.A	N.A
10.	Vineet Kumar Saxena	N.A	N.A	N.A	N.A	N.A	N.A	N.A
11.	Shraddha Kamat Suresh	N.A	N.A	N.A	N.A	N.A	N.A	N.A
12.	Subodh Kumar	N.A	N.A	N.A	N.A	N.A	N.A	N.A
B	Key Managerial Personnel(s)							
13.	Himmat Sigh Bedla (Erstwhile CEO)	N.A	N.A	N.A	N.A	N.A	N.A	N.A
14.	Sukomal Bhuniya (Erstwhile CFO)	N.A	N.A	N.A	N.A	N.A	N.A	N.A
15.	Amit Sahai Kulshreshtha (Present CEO)	N.A	N.A	N.A	N.A	N.A	N.A	N.A
16.	Neeraj Toshniwal (Present CFO)	N.A	N.A	N.A	N.A	N.A	N.A	N.A
17.	Archana Aggarwal (Erstwhile CS)	N.A	N.A	N.A	N.A	N.A	N.A	N.A
18.	Rachit Malhotra (Present CS)	N.A	N.A	N.A	N.A	N.A	N.A	N.A

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment (in Rs.)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year	NA			
i) Principal Amount		1,37,68,00,000		1,37,68,00,000
ii) Interest due but not paid		Nil		Nil
iii) Interest accrued but not due		1,41,05,394		1,41,05,394
Total (i+ii+iii)		1,39,09,05,394		1,39,09,05,394
Change in Indebtedness during the financial year				
Addition				
Reduction		1315378361		
Net Change		1315378361		
Indebtedness at the end of the financial year			NA	
i) Principal Amount		7,00,00,000		7,00,00,000
ii) Interest due but not paid		Nil		Nil
iii) Interest accrued but not due		55,27,033		55,27,033
Total (i+ii+iii)		7,55,27,033		7,55,27,033

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VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors and/or Manager

Sl No.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		Keshav Porwal (MD)*	Amit Sahai Kulshreshtha (Director)*	Satish Kumar Sharma (ED)*	
1	Gross Salary Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	37,90,960	36,34,891	NIL	7425851
	Value of perquisites u/s 17(2) Income-tax Act, 1961				
	Profits in lieu of salary under section 17(3) Income- tax Act, 1961				
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission -as % of profit -others, specify	NIL	NIL	NIL	NIL
5.	Others, please specify	NIL	NIL	NIL	NIL
	Total (A)	37,90,960	36,34,891	NIL	7425851
	Ceiling as per the Act	1,68,00,000	1,68,00,000	NIL	

* Mr. Amit Sahai Kulshreshtha and Mr. Keshav Porwal were appointed w.e.f. November 27, 2017. Mr. Satish Kumar Sharma ceased to be director of the Company w.e.f. November 27, 2017.

Remuneration to other directors:

Sl No.	Particulars of Remuneration	Name of Directors									Total
		Rahul Ramesh kumar Jain (ID and NED)*	Samai Singh (ID)	Seema Kumari (ID)	Vinod Kumar Somani (ID)	Achal Kumar Gupta (ID)	Promila Bhardwaj (ID)	Vineet Kumar Saxena (NED)**	Shraddha Kamat Suresh (NED)	Subodh Kumar (NED)	
1.	Independent Directors · Fee for attending board committee meetings · Commission · Others, please specify	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	3,00,000	3,00,000	3,00,000	NIL NIL NIL	NIL NIL NIL	NIL NIL NIL	
	Total (1)	NIL	NIL	NIL				NIL	NIL	NIL	
2.	Other Non- Executive Directors · Fee for attending board committee meetings · Commission · Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
	Total (2)	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	NIL	
	Total (B)=(1+2)	NIL	NIL	NIL				NIL	NIL	NIL	
	Total Managerial Remuneration	NIL	NIL	NIL				NIL	NIL	NIL	
	Overall Ceiling as per the Act	NIL	NIL	NIL				NIL	NIL	NIL	

* Mr. Rahul Rameshkumar Jain was appointed as Independent Director. However, he was re-designated as Non-Executive Director from August 10, 2017.

** Mr. Vineet Kumar Saxena was paid remuneration in his capacity as CEO of Capital India Home Loans Limited, a wholly owned subsidiary of the Company

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B. Remuneration to Key Managerial Personnel Other Than MD/Manager/WTD

(Amount in Rs.)

Sl. No.	Particular of Remuneration	Name of Key Managerial Personnel				
		Rachit Malhotra (CS)*	Archana Aggarwal (CS)*	Sukomal Bhunya (CFO)**	Neeraj Toshniwal (CFO)**	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act,1961 (b) Value of perquisites u/s 17(2) Income-tax Act,1961 (c) Profits in lieu of salary under section17(3) Income-tax Act,1961	5,58,151	1,08,000	5,81,800	15,95,994	28,43,945
2.	Stock Option	N.A.	N.A.	N.A.		N.A.
3.	Sweat Equity	N.A.	N.A.	N.A.		N.A.
4.	Commission - as % of profit - others, specify...	N.A.	N.A.	N.A.		N.A.
5.	Others, please specify	N.A.	N.A.	N.A.		N.A.
	Total (B)	5,58,151	1,08,000	5,81,800	15,95,994	28,43,945

* Ms. Archana Aggarwal ceased to be Company Secretary w.e.f. January 11, 2018; Mr. Rachit Malhotra was appointed as Company Secretary w.e.f. January 11, 2018;

** Mr. Sukomal Bhuniya ceased to be the CFO w.e.f. November 27, 2017; Mr. Neeraj Toshniwal was appointed as CFO on January 11, 2018.

VII. PENALTY / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type		Section of the Companies Act	Brief description	Details of Penalty/ Punishment /Compounding fees imposed	Authority[RD /NCLT/Court]	Appeal made, If any (give details)
A.	Company					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
B.	Directors					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-
C.	Other Officers in default					
	Penalty	-	-	-	-	-
	Punishment	-	-	-	-	-
	Compounding	-	-	-	-	-

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Annexure-IV

Form AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arm's length transaction under third proviso is given below:

1. Details of contracts or arrangements or transactions not at Arm's length basis:

S. No	Particulars	Details
a)	Name(s) of the related party & nature of relationship	NIL
b)	Nature of contracts/arrangements/transaction	NIL
c)	Duration of the contracts/arrangements /transaction	NIL
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
e)	Justification for entering into such contracts or arrangements or transactions	NIL
f)	Date of approval by the Board	NIL
g)	Amount paid as advances, if any	NIL
h)	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length basis:

Nature of the Transaction	Subsidiary Companies									
	Capital India Home Loans Limited		Capital India Asset Management Private Limited		Capital India Wealth Management Private Limited		CIFL Holding Private Limited		CIFL Investment Manager Private Limited	
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017
Transactions during the year										
Reimbursement of expenses\$	49,82,686	-	26,935	-	26,935	-	26,935	-	26,935	-
Investment in equity shares	15,00,00,000	-	1,00,000	-	1,00,000	-	1,00,000	-	1,00,000	-
Closing balances										
Receivable/ (payable)	40,24,569	-	26,935	-	26,935	-	26,935	-	26,935	-

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Nature of the Transaction	Enterprise having significant influence				Enterprise where key management personnel exercise significant influence				Key Managerial Personnel				
	Satnik Mining and Allied Services Limited		Capital India Corp LLP		Sahyog Homes Limited		Mr. Keshav Porwal		Mr. Amit Sahai Kulshreshtha				
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017			
Transactions during the year													
Interest income	24,63,452	6,61,95,160	-	-	1,08,01,729	-	-	-	-	-	-	-	-
Interest expense	-	-	52,79,454	-	-	-	-	-	-	-	-	-	-
Reimbursement of expenses	-	-	-	-	20,08,998	-	-	-	-	-	-	-	-
Remuneration paid	-	-	-	-	-	-	-	37,90,960	-	36,34,891	-	-	-
Share application money	-	-	1,25,00,00,000	-	-	-	-	-	-	-	-	-	-
ICD taken#	-	-	15,00,00,000	-	-	-	-	50,000	-	-	-	-	-
ICD repaid	-	-	15,00,00,000	-	-	-	-	50,000	-	-	-	-	-
Inter Corporate deposits given#	3,00,00,000	2,40,00,000	-	-	19,80,00,000	-	-	-	-	-	-	-	-
Inter Corporate deposits received back	3,00,00,000	62,42,57,903	-	-	19,80,00,000	-	-	-	-	-	-	-	-
Closing balances													
Share application money	-	-	1,25,00,00,000	-	-	-	-	-	-	-	-	-	-
Receivable/(payable)	-	-	-	-	20,08,998	-	-	-	-	-	-	-	-

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Your Company is a NBFC which has been in existence for more than two decades. At present, the Company falls within the category of "Non-Banking Finance Company - Non-Systemically Important Non-Deposit taking Company". Your Company is registered with the RBI as a NBFC without accepting public deposits under section 45 IA of the RBI Act, 1934. Capital India is a professionally managed finance company with registered office at Delhi and Corporate office at Mumbai. Main objects of the Company are as under:

- To provide financial services of all kinds, including fund based financial services
- To carry on business, profession or vocation of acting as consultants, advisors for all matters

The Company intends to focus on being a partner credit institution and will seek to provide customised technology driven tailor-made financial solutions to Indian Corporates and Enterprises for their growth and working capital requirements. Your Company will provide financing solutions primarily in situations where there is an 'asset' available as collateral sufficient to secure the lending. Capital India has an in-house team of experts to evaluate, value and estimate marketability of all kinds of assets. The Company will significantly focus on Commercial Real Estate sector for structured solutions to residential and commercial projects in Tier 1 towns of India, primarily Mumbai MMR, Delhi NCR, Bangalore, and Pune.

The Company's product suite is as follows:

- **Real Estate Project Finance (CRE)**

Project finance is required for meeting project acquisition/construction cost for Residential, Commercial, Retail or other real estate development. Under this product, loans are offered to the developers/builders for acquisition, construction & development of their projects.

- **Promoter's Funding / Loan Against Shares (LAS)**

Promoters of the companies, in order to raise funds for either personal or company needs, pledge their holding to financial institutions. For availing such loans against shares, any shareholder can pledge shares to the lender.

- **Loan Against Property (LAP) / Lease Rental Discounting (LRD)**

Under this product loans are offered against an existing ready property/land/any other assets of HNIs/Developers/Customers. End use of funds may be for general business purpose or purchase of land/FSI or it may be for debt consolidation or takeover of existing facility.

- **Non-Residential Property (NRP) / Commercial Property Purchase Loan**

NRP is a secured form of financing where the borrower seeks finance towards purchase or construction of commercial property under consideration.

- **Unsecured Loans / Personal Loans**

Capital India will offer Business Loans (BL) to business community so as to cater to their short term funds requirements either for capex or working capital gap. Similarly, Personal Loans (PL) will be offered to salaried borrowers for their personal needs.

- **Non - Convertible Debentures (NCD)**

NCDs are typically secured /unsecured debt instruments issued by companies incorporated under the companies act. NCD's, which will be subscribed by Capital India, are to be secured against the security of any asset in line with product norms.

- **Structured Finance**

With increase in economic activity in corporate sector and need for innovative financial products, there is huge business potential for lending to established corporate sector and new enterprise. There is demand for general business purpose loans, structured financing solutions for acquisition, expansion, exit to Private Equity partners, buyout of partners stake, pre IPO financing needs & business diversification etc.

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GROWTH OF COMPANY'S LENDING BUSINESS

The Company has identified the lending business as one of its key focus areas to expand its presence in the financial sector. The management of the Company believe that they are well placed to expand the lending business, by acquiring new customers, providing a seamless experience to customers and offering differentiated lending solutions to meet the specific needs of particular customer demographics.

As part of its strategy to focus on the lending business, the Company intends to customize and introduce innovative loan products and evaluate other financing opportunities. Company's Management also intend to improve their lending processes and enhance distribution channels. They believe that such customer service initiatives coupled with the use of technology will allow them to increase their presence in the lending market and secure both new and repeat business in our lending operations.

Competitive Strengths

- **Proven track record of Management Team with relevant domain expertise**

Your Company is spearheaded by management professionals with combined experience of several decades on the wholesale and retail lending side. The team has exposure of whole sale lending to various sectors, having seen credit cycles, ability to understand various intricacies of structured lending and real estate lending. The team members have been part of reputed Banks, Corporates and NBFCs in their previous assignments.

- **Diversified product offerings presenting significant growth opportunities**

Your Company will offer an integrated financial services platform, where the product suite would include the whole sale lending products encompassing multiple sectors. The Company will also have a strong retail loans presence through its home loans offerings through wholly owned subsidiary subject to receiving approval from the requisite authority. Company's lending philosophy on the offerings would be assets and cash flows backed.

- **Deep market knowledge with strong relationships**

By virtue of its seasoned management team, the company has deep insights in the segments that it intends to build loans portfolios. Specifically, in the real estate by virtue of senior management experience, the platform will have advantage of very deep rooted relationships, with developers in the industry. These relationships will also help the subsidiary build on the home loans portfolio through ready accesses to the good residential projects through these relationships and tie ups.

RISK MANAGEMENT

Risk management forms an integral part of Company's business. As an NBFC, the Company is exposed to various risks related to its lending business and operating environment. The objective is to evaluate and monitor various risks that the Company is subject to and follow stringent policies and procedures to address these risks. The Company's Risk Management Committee would assist the Board in addressing various risks and discharging duties relating to corporate accountability. A documented, systematic assessment of processes and outcomes surrounding key risks including internal control will be undertaken from time to time. The Risk Management Committee will review the effectiveness of risk management systems in place and ensure that they are effectively managed. The Risk Management Committee also will provide an independent and objective oversight on corporate accountability and risks, and consider reports of the Audit Committee on all categories of identified risks.

Changes in interest rates are expected to have significant impact on the Company's business and operations. Finance costs are dependent on various external factors, including Indian and global credit markets and, in particular, interest rate movements and adequate liquidity in the debt markets. Changes in RBI repo rates could affect the interest charged on interest-earning assets and the interest rates paid on interest-bearing liabilities. Adverse conditions in the global and Indian economy resulting from economic dislocations or liquidity disruptions may adversely affect availability of credit, and decreased liquidity may lead to an increase in interest rates.

POSSIBLE THREATS

As we get into an environment which is likely to be largely positive over medium to long term, there may be significant roadblocks in the shorter term. The post-GST implementation period is likely to cause certain short

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term variances. Real Estate (Regulation and Development) Act, 2016 (RERA), too will cause some turbulence and consolidation in the real estate sector which might affect the Company's funding plans to such class of customers. Despite recent push by the RBI, the resolution of stressed assets in the system is likely to take more time. Also, the effect of various loan waivers on credit culture in the rural areas is still to be seen.

Your Company acknowledges these possible negative factors and has a plan to mitigate them through its deep domain knowledge, strong risk framework and an efficient collection mechanism under the stewardship of the management team.

RBI GUIDELINES

The Company has complied with all the applicable regulations of the Reserve Bank of India.

HUMAN RESOURCES

The Company has a dedicated team that has been contributing to the progress and growth of the Company. Your company has further strengthened the management team to propel the business expeditiously. The manpower requirement at the offices of the Company is assessed continuously and recruitment is conducted accordingly.

PERFORMANCE DURING THE YEAR

During the year under review, the Company earned a Profit Before Tax (PBT) of Rs. 4,64,56,022/- (Rupees Four Crores Sixty Four Lakhs Fifty Six Thousand and Twenty Two only) in Financial Year 2017-18 as compared to Rs. 44,54,122/- (Rupees Forty Four Lakhs Fifty Four Thousand One Hundred and Twenty Two only) in the previous year. The Y-O-Y growth in the PBT is 10.42 times.

CAUTIONARY STATEMENT

Statements made herein describing the Company's expectations or predictions are "forward-looking statements". The actual results may differ from those expected or predicted. Prime factors that may make a difference to the Company's performance include market conditions, Government policies & regulations, economic development within/outside country etc.

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CERTIFICATE FOR COMPLIANCE WITH CODE OF CONDUCT DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors and Independent Directors. These Codes are available on the Company's website.

I confirm that the Company has in respect of the year ended March 31, 2018, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

Place: New Delhi
Date: May 03, 2018

Sd/-
Amit Sahai Kulshreshtha
Chief Executive Officer

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CEO & CFO Certificate

To,
The Shareholders and Board of Directors,
Capital India Finance Limited,
(Formerly known as Bhilwara Tex-Fin Limited)

Sub: CEO & CFO Certificate under Regulation 33(2)(a) of SEBI (LODR) Regulation, 2015 March 31, 2018

We, Amit Sahai Kulshreshtha, Chief Executive Officer and Neeraj Toshniwal, Chief Financial Officer, of Capital India Finance Limited (formerly known as Bhilwara Tex-Fin Limited), to the best of our knowledge and belief, certify that:

- A. We have reviewed the financial statements and the cash flow statements for the year ended March 31, 2018 (hereinafter referred to as the year) and that to the best of our knowledge and belief:
 - i. these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - ii. these statements together present a true and fair view of the listed entity's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transaction entered into by the listed entity during the quarter ended March 31, 2018 which are fraudulent, illegal or violative of the code of conduct of the Company.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of the Company's internal control systems pertaining to financial reporting and that they have disclosed to the Auditors and the Audit Committee deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
 - i. that there are no significant changes in internal control over financial reporting during the quarter;
 - ii. that there are no significant changes in accounting policies during the quarter; and that the same have been disclosed in the notes to the financial results; and
- E. To the best of our knowledge and belief, there are no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role.

Sd/-
Amit Sahai Kulshreshtha
Chief Executive Officer

Sd/-
Neeraj Toshniwal
Chief Financial Officer

Date: 3 May, 2018

Place: New Delhi

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
CAPITAL INDIA FINANCE LIMITED
(formerly known as Bhilwara Tex-Fin Limited)

Report on the Standalone Financial Statements

We have audited the accompanying financial statements ('standalone financial statements') of Capital India Finance Limited (formerly known as Bhilwara Tex-Fin Limited) ("the Company"), which comprise the Balance Sheet as at 31 March, 2018, the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the standalone financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the standalone financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the standalone financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the standalone financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the standalone financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31 March, 2018, and its profit and its cash flows for the year ended on that date.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143(11) of the Act, we give in the "Annexure (A)" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the Directors as on 31 March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (f) With respect to the adequacy of the internal financial controls over financial reporting of Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
- (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - (i) There is no pending litigation which would have its impact on standalone financial statement of the Company.
 - (ii) The Company has made provision, where ever required as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long term contract and company has not entered in any derivative contracts under audit.
 - (iii) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No.: 528399

Place: New Delhi

Date: 3 May, 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

ANNEXURE (A) TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CAPITAL INDIA FINANCE LIMITED (formerly known as Bhilwara Tex-fin Limited)

The Annexure referred to in Independent Auditors' Report to the members of the Company on the standalone financial statements for the year ended 31 March, 2018, we report that:

- (i)
 - (a) According to the information and explanations given to us, the Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets (property, plant and equipment).
 - (b) According to the information and explanations given to us, the Company has a regular programme of physical verification of its property, plant and equipment by which all fixed assets (property, plant and equipment) are verified at reasonable intervals. According to that programme, the Company has during the year physically verified certain assets and no material discrepancies were noticed during physical verification of fixed assets (property, plant and equipment).
 - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company didn't have any immovable properties in its name and therefore the paragraph 3(i)(c) of the Order is not applicable to the Company.
- (ii) As per the information and explanations provided to us, the Company is in the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits and does not hold any physical inventories; hence the paragraph 3(ii) of the Order is not applicable to the Company.
- (iii) In our opinion and according to the information and explanations provided to us, the Company has granted loans to a Company covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
 - (a) In our opinion, the rate of interest and other terms and conditions on which the loans had been granted to the Company listed in the register maintained under section 189 of the Act were not, prima facie, prejudicial to the interest of the Company;
 - (b) In the case of the loans granted to Company listed in the register maintained under section 189 of the Act, the borrower has been regular in the repayment of the principal and payment of interest on such loans as and when demanded by the Company as stipulated;
 - (c) There is no overdue amount in respect of the loans granted to a Company listed in the register maintained under section 189 of the Act;
- (iv) In our opinion and according to the information and explanations provided to us, the Company has complied with provisions of section 186 of the Act, with respect to the loans, investments, guarantees and securities made. Further, the Company is exempted from compliance of section 185 of the Act.
- (v) According to the information and explanations provided to us, the Company has not accepted any deposits from the public. Accordingly, the directives issued by Reserve Bank of India and the provisions of section 73 to 76 or any other relevant provisions of the Act and rules framed thereunder, are not applicable.
- (vi) According to the information and explanations provided to us, the Central Government has not specified for maintenance of cost records under section 148(1) of the Companies Act, 2013 in respect of the activities carried on by the Company. Hence, the provisions of paragraph 3(vi) of the Order is not applicable to the Company.
- (vii) In respect of statutory dues;
 - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, income-tax, service tax, goods and service tax and other material statutory dues, as applicable. As explained to us, the Company did not have any dues on account of employees' state insurance.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Further, there are no undisputed amounts payable outstanding as at 31 March, 2018 for a period of more than six months from the date they become payable.

- (b) According to the information and explanations given to us, there are no material statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions. Further, the Company did not have any outstanding dues to banks, Government or debenture holders during the year.
- (ix) According to the information and explanations provided to us, the company has raised share application money by way of further public offer against which shares has not been allotted and the same has been reflected under "share application money pending allotment" in the standalone financial statements and not availed the facility of term loans during the year.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, no fraud on or by the company or any fraud by its officers or employees was noticed or reported during the year.
- (xi) To the best of our knowledge and according to the information and explanations given to us, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V of the Companies Act, 2013.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under audit.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) of the Order is not applicable;
- (xvi) To the best of our knowledge and according to the information and explanations given to us, the company has registered under section 45-IA of the Reserve Bank of India Act, 1934.

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No.: 528399

Place: New Delhi

Date: 3 May, 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

ANNEXURE- (B) TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF CAPITAL INDIA FINANCE LIMITED (formerly known as Bhilwara Tex-fin Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of CAPITAL INDIA FINANCE LIMITED (formerly known as Bhilwara Tex-fin Limited), ("the Company") as of 31 March, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's management is responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and those receipts and expenditures of the company are being made only in accordance with authorizations of management and directors

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on "the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No.: 528399

Place: New Delhi

Date: 3 May, 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Balance sheet as at 31st March 2018

(All figures are in rupees, except otherwise stated)

Particulars	Notes	As at 31st March 2018	As at 31st March 2017
I. EQUITY AND LIABILITIES			
(1) Shareholders' funds			
(a) Share capital	3	3,50,27,000	3,50,27,000
(b) Reserves and surplus	4	3,39,91,874	45,05,278
		<u>6,90,18,874</u>	<u>3,95,32,278</u>
(2) Share application money pending allotment		1,25,00,00,000	-
(3) Non-current liabilities			
(a) Long-term borrowings	5	7,00,00,000	1,37,68,00,000
(b) Other long term liabilities	6	55,27,033	-
(c) Long-term provisions	7	5,24,823	31,16,610
		<u>7,60,51,856</u>	<u>1,37,99,16,610</u>
(4) Current liabilities			
(a) Other current liabilities	6	14,45,07,035	1,63,74,541
(b) Short term provisions	7	48,86,408	-
		<u>14,93,93,443</u>	<u>1,63,74,541</u>
Total		<u>1,54,44,64,173</u>	<u>1,43,58,23,429</u>
II. ASSETS			
(1) Non-current assets			
(a) Property, plant and equipment			
(i) Tangible assets	8	8,29,98,797	-
(ii) Intangible assets	8	2,36,740	-
(iii) Capital work in progress		2,04,96,665	-
(iv) Intangible assets under development		30,25,000	-
(b) Non-current investments	9	15,04,00,000	-
(c) Deferred tax assets (net)	12	28,04,004	-
(d) Long-term loans and advances	10	11,56,47,433	79,19,41,888
		<u>37,56,08,639</u>	<u>79,19,41,888</u>
(2) Current assets			
(a) Trade receivables	13	32,40,000	40,32,000
(b) Cash and cash equivalents	14	16,75,65,758	53,43,78,198
(c) Short-term loans and advances	10	98,45,63,101	9,00,11,440
(d) Other current assets	11	1,34,86,675	1,54,59,903
		<u>1,16,88,55,534</u>	<u>64,38,81,541</u>
Total		<u>1,54,44,64,173</u>	<u>1,43,58,23,429</u>

Background & Significant accounting policies

1 & 2

As per our report of even date attached
For DIVYANK KHULLAR & ASSOCIATES
 Chartered Accountants
 Firm Registration No. : 025755N

For and on behalf of the Board
CAPITAL INDIA FINANCE LIMITED

Sd/-
Divyank Khullar
 (Proprietor)
 Membership No. 528399

Sd/-
Keshav Porwal
 Managing Director
 DIN : 06706341

Sd/-
Amit Sahai Kulshreshtha
 Director & CEO
 DIN : 07869849

Sd/-
Neeraj Toshniwal
 Chief Financial Officer

Sd/-
Rachit Malhotra
 Company Secretary

Place : New Delhi
 Dated : 03 May 2018

Place : New Delhi
 Dated: 03 May 2018

Place : New Delhi
 Dated: 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Statement of profit and loss for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

Particulars	Notes	Year Ended 31st March 2018	Year Ended 31st March 2017
I. Revenue from operations	15	25,70,89,358	8,73,15,903
II. Other income	16	1,119	5,05,558
III. Total revenue		25,70,90,477	8,78,21,461
IV. Expenses			
Employee benefit expenses	17	3,16,24,752	13,64,059
Finance costs	18	10,36,46,805	7,97,84,754
Depreciation & amortization	8	42,91,639	-
Other expenses	19	7,10,71,259	22,18,526
Total expenses		21,06,34,455	8,33,67,339
V. Profit before tax (III-IV)		4,64,56,022	44,54,122
VI. Tax expense			
(1) Current tax		1,97,73,430	18,26,531
(2) Deferred tax		(28,04,004)	-
(3) Income Tax for earlier year		-	2,75,666
VII. Profit for the year (V-VI)		2,94,86,596	23,51,925
Earnings per equity share:	20		
Basic and diluted earnings per equity share (in Rs.) [face value Rs. 10 each]		8.42	0.67

As per our report of even date attached

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No. 528399

For and on behalf of the Board

CAPITAL INDIA FINANCE LIMITED

Sd/-

Keshav Porwal

Managing Director

DIN : 06706341

Sd/-

Amit Sahai Kulshreshtha

Director & CEO

DIN : 07869849

Sd/-

Neeraj Toshniwal

Chief Financial Officer

Place : New Delhi

Dated: 03 May 2018

Sd/-

Rachit Malhotra

Company Secretary

Place : New Delhi

Dated: 03 May 2018

Place : New Delhi

Dated : 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Cash flow statement for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

Particulars	Year Ended 31st March 2018	Year Ended 31st March 2017
A) CASH FROM OPERATING ACTIVITIES:		
Net profit before tax and extraordinary items	4,64,56,022	44,54,122
Adjustments for :		
Depreciation and amortisation	42,91,639	-
Interest on income tax refund	-	(5,05,024)
Provision for employee benefits	12,53,481	-
Provision for standard assets	10,41,140	14,57,515
Operating profit before working capital changes	5,30,42,282	54,06,613
Adjustments for changes in working capital :		
(Increase) in loans and advances	(21,25,64,571)	(33,74,39,692)
Decrease/(Increase) in trade receivables	7,92,000	(40,32,000)
Increase in other long term liabilities	55,27,033	-
Decrease in other current assets	19,73,228	-
Increase/(Decrease) in other current liabilities	12,81,32,494	(5,36,67,848)
Cash generated from operations	(2,30,97,534)	(38,97,32,927)
Income tax paid	(2,54,66,065)	(87,68,419)
Income tax refund received	-	1,04,27,418
Net Cash generated used in operating activities (A)	(4,85,63,599)	(38,80,73,928)
B) CASH FROM INVESTING ACTIVITIES:		
Purchase of property, plant and equipment	(11,10,48,841)	-
Purchase of investment	(15,04,00,000)	-
Proceeds from sale of Investment	-	2,87,12,970
Net Cash generated from /(used in) investing activities (B)	(26,14,48,841)	2,87,12,970
C) CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from share application money pending allotment	1,25,00,00,000	-
Proceeds from long term and short term borrowings	-	89,34,72,463
Repayment of long term and short term borrowings	(1,30,68,00,000)	-
Net cash generated from /(used in) financing activities (C)	(5,68,00,000)	89,34,72,463
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(36,68,12,440)	53,41,11,505
E) Cash and cash equivalents as at the beginning of the year	53,43,78,198	2,66,693
F) Cash and cash equivalents as at the end of the year	16,75,65,758	53,43,78,198

Cash and cash equivalents comprises:

Particulars	As at 31st March 2018	As at 31st March 2017
Cash in hand	7,601	67,530
Cheques in hand	25,00,000	-
Balances with banks		
- in current accounts	58,157	53,43,10,668
- in deposit accounts	16,50,00,000	-
	16,75,65,758	53,43,78,198

As per our report of even date attached
For DIVYANK KHULLAR & ASSOCIATES
 Chartered Accountants
 Firm Registration No. : 025755N

For and on behalf of the Board
CAPITAL INDIA FINANCE LIMITED

Sd/-
Divyank Khullar
 (Proprietor)
 Membership No. 528399

Sd/-
Keshav Porwal
 Managing Director
 DIN : 06706341

Sd/-
Amit Sahai Kulshreshtha
 Director & CEO
 DIN : 07869849

Sd/-
Neeraj Toshniwal
 Chief Financial Officer

Sd/-
Rachit Malhotra
 Company Secretary

Place : New Delhi
 Dated : 03 May 2018

Place : New Delhi
 Dated: 03 May 2018

Place : New Delhi
 Dated: 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

1 Background

Capital India Finance Limited ('the Company') is a public Company domiciled in India and incorporated on 16 November 1994 under the provisions of Companies Act, 1956. The Company has received a Certificate of Registration from the Reserve Bank of India ('RBI') to carry on the business of Non-Banking Financial Institution ('NBFC') without accepting public deposits.

2 Significant accounting policies

2.1 Basis of accounting and preparation of financial statements

The accompanying financial statements are prepared and presented in accordance with Indian Generally Accepted Accounting Principles ('GAAP') under the historical cost convention, on the accrual basis of accounting, unless otherwise stated, and comply with the Accounting Standards as prescribed under Section 133 of the Companies Act, 2013 (the 'Act') read with Rule 7 of the Companies (Accounts) rules, 2014, provisions of the Companies Act, 2013 (to the extent notified) and as per the guidelines issued by RBI as applicable to a Non-Banking Financial (Non deposit accepting or holding) Companies ('NBFC Regulations'). The financial statements are presented in Indian rupees.

2.2 Use of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles ('GAAP') requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods. The Goods & Services tax ('GST') reversal claimed by the Company is on estimate basis subject to final assessment by the tax authorities. This is as per the accounting policy adopted by the management to treat it as an expense.

2.3 Current/ Non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

2.4 Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.5 Fixed assets, depreciation and amortisation

a) *Tangible fixed assets*

Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Tangible fixed assets under construction are disclosed as capital work-in-progress.

b) *Acquired intangible assets*

Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

c) *Leasehold improvements*

Leasehold improvement includes all expenditure incurred on the leasehold premises that have future economic benefits. Leasehold improvements are written off over the period of lease.

d) *Depreciation and amortization*

Depreciation / amortisation is provided over the useful life of the assets, pro rata for the period of use, on a straight-line method. The useful life estimates prescribed in Part C of Schedule II to the 2013 Act have been considered as useful life for tangible assets. Acquired intangible assets are amortised over a period as per management estimates of their useful life. Pursuant to this policy, the useful life estimates in respect of the following assets are as follows:

Tangible fixed assets	Estimated useful life
Computers & Printers	3 Years
Furniture & Fixtures	10 Years
Leasehold Improvements	5 Years
Office Equipments	5 Years
Acquired intangible assets	
Computer software	3 Years

- e) Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognized on a pro-rata basis in the statement of profit and loss up to the month prior to the month in which the assets have been disposed off.

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(All figures are in rupees, except otherwise stated)

f) *Gains / losses on disposal of assets*

Losses arising from retirement or gains or losses arising from disposal of tangible and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

2.6 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.7 Leases

Assets acquired under lease other than finance lease are classified as operating lease. The total lease rentals in respect of assets taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term (in accordance with AS-19 'Leases' as prescribed by Companies (Accounting Standards) Rules, 2006).

2.8 Loans

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date.

2.9 Provisioning/ Write-off on assets

Provisioning/ Write-off on overdue assets

The provisioning / write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Master Direction-Non Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

Provision on standard assets

Provision on standard assets has been made @ 0.40% which is in accordance with Reserve Bank of India ('RBI') guidelines.

2.10 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Profit or loss on sale of investments is determined on a first in first out basis. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to statement of profit and loss.

2.11 Revenue recognition

Revenue is recognized on accrual basis, when no significant uncertainty as to determination or realization exists.

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Interest income is recognised on time proportionate basis. In case of non performing assets, interest income is recognised on receipt basis as per NBFC prudential norms. Penal interest is recognised on receipt basis.

Fee income is recognised as and when they are due in accordance with the terms of contract.

Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from the units of mutual funds is recognized on receipt basis in accordance with the NBFC Regulations.

2.12 Retirement and other employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salary, bonus, allowances and compensated absences. The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by the employees is recognised as an expense as the service is rendered by the employees.

The Company operates defined benefit plans for its employees pertaining to gratuity liability. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for this defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date.

2.13 Borrowing costs

Borrowing costs consists of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing costs are recognized as an expense in the period in which these are incurred.

2.14 Securities issue expenses

Security issue expenses related to issuance of equity are debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013.

2.15 Foreign currency transactions

Foreign exchange transactions are recorded the spot rate on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the period.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

Non monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions.

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2.16 Taxation

Income tax expense comprises current tax including minimum alternate tax ('MAT') (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized to the extent there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years and is recognized as tax credit in statement of profit and loss.

2.17 Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.18 Earnings per share

The basic earnings per share is computed by dividing the net profit / loss after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period.

2.19 Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

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3. Share Capital

	As at 31st March 2018		As at 31st March 2017	
	Number	Amount	Number	Amount
Authorized share capital				
Equity shares of Rs. 10 each with voting rights	21,40,00,000	2,14,00,00,000	40,00,000	4,00,00,000
Issued, subscribed and fully paid up				
Equity shares of Rs. 10 each with voting rights	35,02,700	3,50,27,000	35,02,700	3,50,27,000
Total issued, subscribed and fully paid up share capital	35,02,700	3,50,27,000	35,02,700	3,50,27,000

a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31st March 2018		As at 31st March 2017	
	Number	Amount	Number	Amount
At the beginning of the year	35,02,700	3,50,27,000	35,02,700	3,50,27,000
Add : Allotment during the year	-	-	-	-
Outstanding at the end of the year	35,02,700	3,50,27,000	35,02,700	3,50,27,000

b. Terms and rights attached to fully paid up equity shares:

The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Shares held by holding company

	As at 31st March 2018		As at 31st March 2017	
	Number	Amount	Number	Amount
Equity shares of Rs. 10 each	-	-	-	-
	-	-	-	-

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d. Shares in the Company held by each shareholder holding more than 5% shares

	As at 31st March 2018		As at 31st March 2017	
	Number	%	Number	%
<u>Equity shares of Rs. 10 each</u>				
Sainik Mining and Allied Services Limited	-	-	14,67,800	41.90%
Capital India Corp LLP (formerly known as Trident Holdings LLP)	22,32,300	63.73%	-	-
Dharampal Satyapal Limited	3,97,800	11.36%	-	-
Total	26,30,100	75.09%	14,67,800	41.90%

e. Aggregate no. of shares issued for consideration other than cash during the 5 years immediately preceding the balance sheet date:

	31 March, 2017	31 March, 2016	31 March, 2015	31 March, 2014	31 March, 2013
Equity shares of Rs. 10 each	-	-	-	-	-

4 Reserves and surplus

	As at 31st March 2018	As at 31st March 2017
a) General reserve		
Balance as per last financial statements	1,76,099	1,76,099
Add : Transfer during the year	-	-
Total	1,76,099	1,76,099
b) Statutory Reserve under Section 45-IC of the RBI Act, 1934		
Balance as per last financial statements	16,82,691	12,12,306
Add : Transfer during the year	58,97,319	4,70,385
Total	75,80,010	16,82,691
c) Surplus in the statement of profit and loss		
Balance as per last financial statements	26,46,488	7,64,948
Add : Profit for the year	2,94,86,596	23,51,925
	3,21,33,084	31,16,873
Less : Transfer to Statutory Reserve under Section 45-IC of the RBI Act, 1934	58,97,319	4,70,385
Net Surplus in the statement of profit and loss	2,62,35,765	26,46,488
Total reserves and surplus	3,39,91,874	45,05,278

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Notes to the financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

	As at 31st March 2018		As at 31st March 2017	
	Non-current	Current	Non-current	Current
5 Borrowings				
Unsecured				
From corporates (Inter corporate deposits)	7,00,00,000	-	1,20,00,00,000	-
From others	-	-	17,68,00,000	-
	7,00,00,000	-	1,37,68,00,000	-

Additional information:

Details of Unsecured borrowings from Corporates:

- Inter corporate deposits of Rs. 7,00,00,000 (Previous year: Rs. 7,00,00,000) is raised at an interest rate of 8% (Previous year: 8%) and repayable on 16 February, 2022 (Previous year: 16 February, 2022).
- Inter Corporate deposits of Rs. NIL (Previous year: Rs. 113,00,00,000) is raised at an interest rate of NIL (Previous year: 11%) and repayable on NIL (Previous year: 30 January, 2022).

Details of Unsecured borrowings from others:

- Loan from others represents loan availed from a Joint Venture of Rs. NIL (Previous year: Rs. 17,68,00,000) raised at an interest rate of NIL (Previous year: 6.5%) and repayable on NIL (Previous year: 17 February, 2022).

6 Other liabilities

Interest accrued but not due on borrowings	55,27,033	-	-	1,41,05,394
Book overdraft	-	11,05,32,356	-	-
Rent equalisation reserve	-	60,35,092	-	-
Statutory dues payable	-	2,22,87,697	-	21,50,287
Creditors for capital goods	-	22,91,469	-	-
Other payables (Refer note 25)	-	33,60,421	-	1,18,860
	55,27,033	14,45,07,035	-	1,63,74,541

7 Provisions

Provision for employee benefits				
- Gratuity	1,35,934	-	-	-
- Compensated absence	-	11,17,547	-	-
Provision for standard assets	3,88,889	37,68,861	31,16,610	-
	5,24,823	48,86,408	31,16,610	-

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(All figures are in rupees, except otherwise stated)

8 Property, plant and equipment

Particulars	Gross block			Accumulated depreciation / amortization			Net block	
	As at 01st April, 2017	Additions during the year	Sales during the year	As at 31st March, 2018	Depreciation for the year	Adjustments during the year	As at 31st March, 2018	As at 31st March, 2017
Tangible assets								
Computer & printers	-	37,59,374	-	37,59,374	3,51,523	-	34,07,851	-
Office equipment	-	71,92,509	-	71,92,509	3,04,824	-	68,87,685	-
Furniture & fixtures	-	4,40,49,041	-	4,40,49,041	14,62,866	-	4,25,86,175	-
Leasehold improvements	-	3,22,66,265	-	3,22,66,265	21,49,179	-	3,01,17,086	-
Total tangible assets	-	8,72,67,189	-	8,72,67,189	42,68,392	-	8,29,98,797	-
Intangible assets								
Computer softwares	-	2,59,987	-	2,59,987	23,247	-	2,36,740	-
Total intangible assets	-	2,59,987	-	2,59,987	23,247	-	2,36,740	-
Grand total	-	8,75,27,176	-	8,75,27,176	42,91,639	-	8,32,35,537	-
PREVIOUS YEAR	-	-	-	-	-	-	-	-

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	As at 31st March 2018		As at 31st March 2017	
	Non-current	Current	Non-current	Current
9 Investments				
(at cost, unless otherwise stated)				
Non Trade investments				
Investment in equity instruments (unquoted):				
-In subsidiary companies				
<u>15,000,000 equity shares @ Rs 10/- per share</u>				
- Capital India Home Loans Limited	15,00,00,000	-	-	-
<u>10,000 equity shares @ Rs 10/- per share</u>				
- Capital India Asset Management Private Limited	1,00,000	-	-	-
- Capital India Wealth Management Private Limited	1,00,000	-	-	-
- CIFL Holdings Private Limited	1,00,000	-	-	-
- CIFL Investment Manager Private Limited	1,00,000	-	-	-
	15,04,00,000	-	-	-
10 Loans and advances				
(Secured, considered good)				
Loans and advances relating to financing activity	9,72,22,223	83,22,15,257	78,50,00,000	-
(Unsecured, considered good)				
Loans and advances relating to financing activity	-	11,00,00,000	-	9,00,00,000
<u>Other loans and advances</u>				
- Advances to related parties (Refer note 29)	-	61,41,307	-	-
- Advance to employees	-	19,16,640	-	11,440
- Advances to suppliers	-	1,37,58,863	-	-
- Security deposits	1,84,25,210	-	-	-
- Advance taxes (net of provision for tax)	1,26,34,523	-	69,41,888	-
- Prepaid expenses	-	78,96,511	-	-
	11,56,47,433	98,45,63,101	79,19,41,888	9,00,11,440
11 Other assets				
Interest accrued and due	-	1,21,49,021	-	1,54,59,903
Interest accrued but not due	-	13,37,654	-	-
	-	1,34,86,675	-	1,54,59,903

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	As at 31st March 2018	As at 31st March 2017
12 Deferred tax assets (net)		
Deferred tax asset comprises of:		
Provision for standard assets	11,45,564	-
Provision for gratuity	37,453	-
Provision for compensated absence	3,07,912	-
Rent equalisation reserve	16,62,819	-
Deferred tax liability comprises of:		
Depreciation on fixed assets	(3,49,744)	-
Deferred tax assets (net)	28,04,004	-
13 Trade receivables		
<i>(Unsecured, considered good)</i>		
Outstanding for a period exceeding six months from the date they are due for payment	-	-
Other receivables	32,40,000	40,32,000
	32,40,000	40,32,000
14 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	7,601	67,530
Balances with banks		
- in current accounts	58,157	53,43,10,668
- in fixed deposits with original maturity less than 3 months	16,50,00,000	-
Cheques in hand	25,00,000	-
	16,75,65,758	53,43,78,198
	Year ended 31st March 2018	Year ended 31st March 2017
15 Revenue from operations		
Interest income	14,10,89,358	8,33,15,903
Fee income	11,60,00,000	40,00,000
	25,70,89,358	8,73,15,903
16 Other income		
Interest on income tax refund	-	5,05,024
Dividend income	-	534
Misc. receipts	1,119	-
	1,119	5,05,558

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	Year ended 31st March 2018	Year ended 31st March 2017
17 Employee benefit expense		
Salaries, bonus and allowances	2,99,16,231	13,63,050
Contribution to provident and other funds (Refer note 30)	11,53,298	-
Staff welfare expenses	5,55,223	1,009
	3,16,24,752	13,64,059
18 Finance costs		
Interest expenses	10,36,02,230	7,97,82,772
Bank charges	44,575	1,982
	10,36,46,805	7,97,84,754
19 Other expenses		
Rent (Refer note 28)	1,45,13,555	-
Rate, fee & taxes	1,94,41,084	33,344
Reversal of GST credit	1,28,41,269	-
Repairs & maintenance - others	21,02,684	-
Office expenses	31,65,709	-
Electricity charges	4,95,003	-
Communication expenses	4,72,956	27,521
Printing & stationery	7,75,423	47,822
Insurance	2,31,349	-
Membership & subscription	10,69,700	-
Travelling & conveyance	60,95,331	44,452
Advertisement, marketing & business promotion expenses	14,76,265	1,03,673
<u>Auditor's remuneration</u>		
- Audit fees	1,00,000	58,000
- Other services	-	276
Legal & professional charges	45,19,253	1,34,704
Listing fee	2,97,220	2,56,480
Directors sitting fees	9,00,000	-
Provisions for standard assets (Refer note 2.9)	10,41,140	14,57,515
Miscellaneous expenses	15,33,318	54,739
	7,10,71,259	22,18,526
20 Earnings per share		
Net profit attributable to equity shareholders (Rs.)	2,94,86,596	23,51,925
Weighted average number of equity shares outstanding during the year	35,02,700	35,02,700
Nominal value of an equity share (Rs.)	10	10
Basic and diluted earnings per share (in Rs.)	8.42	0.67

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21. Contingent liabilities

There are no contingent liabilities as on 31 March 2018. (31 March 2017: Nil)

22. Capital & other commitments

- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for as at 31 March 2018 is Rs.2,28,08,925 (31 March, 2017: Rs.Nil).
- Other commitments pertaining to undrawn committed credits as on 31 March 2018 is Rs. 7,07,68,000 (31 March 2017: Nil)

23. Earnings and expenditure in foreign currency (on accrual basis)

There are no reportable earnings and expenditure in foreign currency during the year ended 31 March 2018. Rs. 20,44,853 was incurred in foreign currency towards payment of capital advances. Expenses incurred on foreign travel is billed by travel agent to the Company in Indian Rupees and hence not disclosed. (31 March 2017: Nil)

24. Segment information

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

25. Dues to Micro and Small Enterprises

There are no amounts that need to be disclosed pertaining to Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED'). As at 31 March 2018, no supplier has intimated the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under the MSMED.

26. There were no pending litigations which would impact the financial position of the company.

27. There are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

28. Leases (Operating Lease)

The registered office and corporate office are taken on operating lease. The corporate office premises has a non-cancellable lease for 60 months with an escalation clause of 15% after 36 months. The registered office premises are rented on non-cancellable lease for 36 months without an escalation clause. There are no subleases. Lease payments during the year are charged to statement of profit and loss.

Description	31-Mar-18	31-Mar-17
Operating lease payments recognized during the year	1,45,13,555	-
Minimum Lease Obligations		
Not later than one year	4,80,93,570	-
Later than one year but not later than five years	14,53,93,215	-
Later than five years	-	-

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29 Related party disclosures

Disclosures as required by the Accounting Standard 18 (AS – 18) “Related Party Disclosures” are given below :

- (i) Names of related parties with whom transactions have taken place during the year and description of relationship:

Name of the related party	Nature of relationship
Capital India Home Loans Limited	Subsidiary Company (W.e.f. 11 August 2017)
Capital India Asset Management Private Limited	Subsidiary Company (W.e.f. 12 September 2017)
Capital India Wealth Management Private Limited	Subsidiary Company (W.e.f. 29 August 2017)
CIFL Holdings Private Limited	Subsidiary Company (W.e.f. 18 September 2017)
CIFL Investment Manager Private Limited	Subsidiary Company (W.e.f. 14 September 2017)
Sainik Mining and Allied Services Limited	Enterprise having significant influence (Upto 11 December 2017)
Capital India Corp LLP	Enterprise where key management personnel exercise significant influence
Sahyog Homes Limited	Enterprise where key management personnel exercise significant influence
Mr. Keshav Porwal	Managing Director (W.e.f. 27 November 2017)
Mr. Amit Sahai Kulshreshtha	Executive Director (W.e.f. 27 November 2017)

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(ii) Details of transaction with related parties mentioned in (i) above are as follows:

Nature of the Transaction	Subsidiary Companies																	
	Capital India Home Loans Limited		Capital India Asset Management Private Limited		Capital India Wealth Management Private Limited		CIFL Holdings Private Limited		CIFL Investment Manager Private Limited									
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017						
Transactions during the year																		
Reimbursement of expenses\$	49,82,686	-	26,935	-	26,935	-	26,935	-	26,935	-	26,935	-						
Investment in equity shares	15,00,00,000	-	1,00,000	-	1,00,000	-	1,00,000	-	1,00,000	-	1,00,000	-						
Closing balances																		
Receivable/ (payable)	40,24,569	-	26,935	-	26,935	-	26,935	-	26,935	-	26,935	-						
Nature of the Transaction	Enterprise having significant influence						Enterprise where key management personnel exercise significant influence						Key Managerial Personnel					
	Sainik Mining and Allied Services Limited		Capital India Corp LLP		Sahyog Homes Limited		Mr. Keshav Porwal		Mr. Amit Sahai Kulshreshtha									
	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017	31 March 2018	31 March 2017		
Transactions during the year																		
Interest income	24,63,452	6,61,95,160	-	-	1,08,01,729	-	-	-	-	-	-	-	-	-	-	-		
Interest expense	-	-	52,79,454	-	-	-	-	-	-	-	-	-	-	-	-	-		
Reimbursement of expenses	-	-	-	-	20,08,998	-	-	-	-	-	-	-	-	-	-	-		
Remuneration paid	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-		
Share application money	-	-	1,25,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-		
ICD taken#	-	-	15,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-		
ICD repaid	-	-	15,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-		
Inter Corporate deposits given#	3,00,00,000	2,40,00,000	-	-	19,80,00,000	-	-	-	-	-	-	-	-	-	-	-		
Inter Corporate deposits received back	3,00,00,000	62,42,57,903	-	-	19,80,00,000	-	-	-	-	-	-	-	-	-	-	-		
Closing balances																		
Share application money	-	-	1,25,00,00,000	-	-	-	-	-	-	-	-	-	-	-	-	-		
Receivable/ (payable)	-	-	-	-	20,08,998	-	-	-	-	-	-	-	-	-	-	-		

Maximum loan given / taken at any time during the year

\$ Includes allocated shared expenses

Investments in equity shares of subsidiaries have been disclosed under "Non-current investments" (Refer Note 9)

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

30 Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan, under which every employee who has completed atleast five years of service gets a gratuity on departure @15 days of last drawn basic salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan.

	31-Mar-18				
Statement of profit and loss					
Net employee benefit expense recognized in the employee cost					
Current service cost	1,35,934				
Interest cost on benefit obligation	-				
Expected return on plan assets	-				
Net actuarial (gain) / loss recognized in the year	-				
Amount not recognized as asset	-				
Gratuity expense	1,35,934				
Actual return on plan assets	-				
Balance sheet					
Benefit asset/ liability					
Present value of defined benefit obligation	1,35,934				
Fair value of plan assets	-				
Less: Amount not recognize as asset	-				
Plan (asset) / liability	1,35,934				
Changes in the present value of defined benefit obligation are as follows					
Opening defined benefit obligation	-				
Current service cost	1,35,934				
Interest cost	-				
Past service cost	-				
Benefits paid	-				
Actuarial (gains)/ losses on obligation	-				
Closing defined benefit obligation	1,35,934				
The principal assumptions used in determining gratuity liability for the company is shown below:					
Discount rate	7.58%				
Expected rate of return on assets	NA				
Employee turnover	5.00%				
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.	5.00%				
Amounts for the Current and previous four years are as follows:					
	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14
Defined benefit obligation	1,35,934	-	-	-	-
Plan Assets	-	-	-	-	-
Surplus / (deficit)	-	-	-	-	-
Experience adjustments on plan liabilities	-	-	-	-	-
Experience adjustments on plan assets	-	-	-	-	-

Notes:

Since the gratuity plan of the Company is not funded, the disclosure regarding change in fair value of plan assets and categories of plan assets are not required.

Since Payment of Gratuity Act 1972 became applicable on the Company from the financial year ended 31 March 2018, the Company has not disclosed the comparative information for financial year 2016-17.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

- 31** The Board of Directors have recommended dividend of Rs 1.00 per share (10%) on each equity share having face value of Rs. 10/- each. The proposed equity dividend and dividend distribution tax thereon are not accounted as liabilities in fiscal 2017-18 in accordance with revised AS-4 "Contingencies and events occurring after balance sheet date."
- 32** Debit balances in respect of the loan facilities provided to parties and trade receivables, as mentioned in note 10 and 13 respectively, are subject to confirmations.
- 33** Previous year comparatives

Figures for previous year have been regrouped/rearranged wherever necessary, to conform to current year's classification.

As per our report of even date attached

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No. 528399

For and on behalf of the Board

CAPITAL INDIA FINANCE LIMITED

Sd/-

Keshav Porwal

Managing Director

DIN : 06706341

Sd/-

Amit Sahai Kulshreshtha

Director & CEO

DIN : 07869849

Sd/-

Neeraj Toshniwal

Chief Financial Officer

Place : New Delhi

Dated: 03 May 2018

Sd/-

Rachit Malhotra

Company Secretary

Place : New Delhi

Dated: 03 May 2018

Place : New Delhi

Dated : 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

[Schedule to the Balance Sheet of a Non Banking Financial Company as required in terms of paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007]

Amount in Rupees

LIABILITIES SIDE:		
1	Loans and advances availed by the NBFC inclusive of interest accrued thereon but not paid :	
		Amount outstanding
		Amount overdue
a.	Debentures (other than falling within the meaning of public deposits)	
	- Secured	-
	- Unsecured	-
b.	Deferred Credits	-
c.	Term Loans	-
d.	Inter-corporate loans and borrowings	7,00,00,000
e.	Commercial Paper	-
f.	Public Deposits (Refer note 1 below)	-
g.	Other Loans	-
ASSETS SIDE:		
2	Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :	Amount Outstanding
a.	Secured	92,94,37,480
b.	Unsecured	11,00,00,000
3	Break up of Leased Assets and stock on hire and other assets counting towards AFC activities	Amount Outstanding
i.	Lease Assets including lease rentals under sundry debtors:	
a.	Finance Lease	-
b.	Operating Lease	-
ii.	Stocks on hire including hire charges under sundry debtors:	
a.	Assets on hire	-
b.	Repossessed Assets	-
iii.	Other Loans counting towards AFC activities:	
a.	Loans where assets have been repossessed	-
b.	Loans other than (a) above	-
4	Break-up of Investments :	Amount
	Current Investments :	
1.	Quoted	
i.	Shares : - Equity	-
	- Preference	-
ii.	Debentures and Bonds	-
iii.	Units of mutual funds	-
iv.	Government Securities	-
v.	Others	-

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

7 Other information

Particulars	Amount
i. Gross Non-Performing Assets	
a. Related parties	-
b. Other than related parties	-
ii. Net Non-Performing Assets	
a. Related parties	-
b. Other than related parties	-
iii. Assets acquired in satisfaction of debt	-

- Notes :**
- 1 As defined in paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
 - 2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007.
 - 3 All Accounting Standards and Guidance Notes issued by the Institute of Chartered Accountants of India ('ICAI') are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break up/ fair value/ NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in category 4 above.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
CAPITAL INDIA FINANCE LIMITED
(formerly known as Bhilwara Tex-Fin Limited)

Report on the Consolidated Financial Statements

We have audited the accompanying Consolidated financial statements of Capital India Finance Limited (formerly known as Bhilwara Tex-fin Limited) ("the Company" or "the Holding Company") and its subsidiaries, as described in note 1(b) of consolidated financial statements, (collectively called the "Group"), which comprise the Consolidated Balance Sheet as at 31 March, 2018, the Consolidated Statement of Profit and Loss and the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Board of Directors of the Holding Company, as aforesaid.

Auditors' Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit of consolidated financial statements in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence obtained by us and the audit evidence obtained by other auditors in terms of their report referred to in sub-paragraph (a) of the "Other matters" paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on the separate financial statements of the subsidiaries, the aforesaid Consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) In the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31 March 2018;
- (ii) In the case of the Consolidated Statement of Profit and Loss, of the profit of the Group for the year ended on that date; and

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

- (iii) In the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

Other Matters

- a) We did not audit the financial statements of 5 subsidiaries, whose financial statements reflect total assets of Rs. 153,062,382 as at 31st March 2018, total revenues of Rs. 3,369,636 and net cash inflow amounting to Rs. 51,359,100 for the year ended on that date, as considered in the consolidated financial statements. These financial statements have been audited by other auditors whose reports have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary companies, and our report in so far as it relates to the aforesaid subsidiary companies, is based solely on the reports of the other auditors. Our report is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- (h) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- (i) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and reports of other auditors.
- (j) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the Consolidated Cash Flow Statement dealt with by this report are in agreement with the relevant books of account maintained for the purpose of preparation of consolidated financial statements.
- (k) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (l) On the basis of the written representations received from the Directors of the Holding Company as on 31 March, 2018 taken on record by the Board of Directors of the Holding Company and the reports of statutory auditors of its subsidiary companies, none of the directors is disqualified as on 31 March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- (m) With respect to the adequacy of the internal financial controls over financial reporting of Holding Company and its subsidiaries and the operating effectiveness of such controls, refer to our separate Report in "Annexure A".
- (n) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the report of the other auditors on separate financial statements of the subsidiaries:
- (iv) There is no pending litigation which would have its impact on consolidated financial statement of the Company.
- (v) The Holding Company and its subsidiaries have made provision, where ever required as required under the applicable law or accounting standards, for material foreseeable losses, if any, on the long term contract and company has not entered in any derivative contracts under audit.
- (vi) There are no amounts required to be transferred to the Investor Education and Protection Fund by the Company.

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No.: 528399

Place: New Delhi

Date: 3 May, 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

ANNEXURE- (A) TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF CAPITAL INDIA FINANCE LIMITED (formerly known as Bhilwara Tex-fin Limited)

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of **CAPITAL INDIA FINANCE LIMITED (formerly known as Bhilwara Tex-Fin Limited)**, ("the Company" or "the Holding Company") and its subsidiaries, as of 31 March, 2018 in conjunction with our audit of the Consolidated financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Company and its subsidiaries, are responsible for establishing and maintaining internal financial controls based on "the internal control over financial reporting criteria established by the Holding Company and its subsidiaries, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India". These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for my audit opinion on the Holding Company and its subsidiaries, internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

financial statements in accordance with generally accepted accounting principles, and those receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company and its subsidiaries, have, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31 March, 2018, based on "the internal control over financial reporting criteria established by the Holding Company and its subsidiaries, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India".

Other matter

Our aforesaid report under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to 5 subsidiaries, is based on the corresponding reports of the auditors of such companies. Our report is not modified in respect of this matter.

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No.: 528399

Place: New Delhi

Date: 3 May, 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Consolidated Balance sheet as at 31st March 2018

(All figures are in rupees, except otherwise stated)

Particulars	Notes	As at 31st March 2018
I. EQUITY AND LIABILITIES		
(1) Shareholders' funds		
(a)	Share capital	3 3,50,27,000
(b)	Reserves and surplus	4 3,23,92,651
		6,74,19,651
(2) Share application money pending allotment		1,25,00,00,000
(3) Non-current liabilities		
(a)	Long-term borrowings	5 7,00,00,000
(b)	Other long term liabilities	6 55,27,033
(c)	Long-term provisions	7 5,24,823
		7,60,51,856
(4) Current liabilities		
(a)	Other current liabilities	6 14,46,36,331
(b)	Short term provisions	7 48,86,408
		14,95,22,739
Total		1,54,29,94,246
II. ASSETS		
(1) Non-current assets		
(a)	Property, plant and equipment	
(i)	Tangible assets	8 8,29,98,797
(ii)	Intangible assets	8 2,36,740
(iii)	Capital work in progress	2,04,96,665
(iv)	Intangible assets under development	30,25,000
(b)	Deferred tax assets (net)	11 33,14,256
(c)	Long-term loans and advances	9 11,56,47,433
		22,57,18,891
(2) Current assets		
(a)	Trade receivables	12 32,40,000
(b)	Cash and cash equivalents	13 31,89,24,858
(c)	Short-term loans and advances	9 98,10,79,588
(d)	Other current assets	10 1,40,30,909
		1,31,72,75,355
Total		1,54,29,94,246

Background & Significant accounting policies

1 & 2

As per our report of even date attached

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

Sd/-

Divyank Khullar

(Proprietor)

Membership No. 528399

For and on behalf of the Board

CAPITAL INDIA FINANCE LIMITED

Sd/-

Amit Sahai Kulshreshtha

Director & CEO

DIN : 07869849

Sd/-

Keshav Porwal

Managing Director

DIN : 06706341

Sd/-

Neeraj Toshniwal

Chief Financial Officer

Place : New Delhi

Dated: 03 May 2018

Sd/-

Rachit Malhotra

Company Secretary

Place : New Delhi

Dated: 03 May 2018

Place : New Delhi
Dated: 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Consolidated statement of profit and loss for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

Particulars	Notes	Year ended 31st March 2018
I. Revenue from operations	14	26,04,58,994
II. Other income	15	1,119
III. Total revenue		26,04,60,113
IV. Expenses		
Employee benefit expenses	16	3,50,89,553
Finance costs	17	10,36,46,805
Depreciation & amortization	8	42,91,639
Other expenses	18	7,30,85,569
Total expenses		21,61,13,566
V. Profit before tax (III-IV)		4,43,46,547
VI. Tax expense		
(1) Current tax		1,97,73,430
(2) Deferred tax		(33,14,256)
VII. Profit for the year (V-VI)		2,78,87,373
Earnings per equity share	19	
Basic and diluted earnings per equity share (in Rs.) [face value Rs. 10 each]		7.96

As per our report of even date attached
For DIVYANK KHULLAR & ASSOCIATES
Chartered Accountants
Firm Registration No. : 025755N

Sd/-
Divyank Khullar
(Proprietor)
Membership No. 528399

Place : New Delhi
Dated : 03 May 2018

For and on behalf of the Board
CAPITAL INDIA FINANCE LIMITED

Sd/-
Keshav Porwal
Managing Director
DIN : 06706341

Sd/-
Neeraj Toshniwal
Chief Financial Officer

Place : New Delhi
Dated: 03 May 2018

Sd/-
Amit Sahai Kulshreshtha
Director & CEO
DIN : 07869849

Sd/-
Rachit Malhotra
Company Secretary

Place : New Delhi
Dated: 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Consolidated Cash flow statement for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

Particulars	Year Ended 31st March 2018
A) CASH FROM OPERATING ACTIVITIES:	
Net profit before tax and extraordinary items	4,43,46,547
Adjustments for :	
Depreciation and amortisation	42,91,639
Provision for employee benefits	12,53,481
Provision for standard assets	10,41,140
Operating profit before working capital changes	5,09,32,807
Adjustments for changes in working capital :	
(Increase) in loans and advances	(20,90,81,058)
(Increase) in bank deposits (having original maturity of more than 3 months)	(10,00,00,000)
Decrease in trade receivables	7,92,000
Increase in other long term liabilities	55,27,033
Decrease in other current assets	14,28,994
Increase in other current liabilities	12,82,61,790
Cash generated from operations	(12,21,38,434)
Income tax paid	(2,54,66,065)
Net Cash generated used in operating activities (A)	(14,76,04,499)
B) CASH FROM INVESTING ACTIVITIES:	
Purchase of property, plant and equipment	(11,10,48,841)
Net Cash generated used in investing activities (B)	(11,10,48,841)
C) CASH FLOW FROM FINANCING ACTIVITIES:	
Proceeds from share application money pending allotment	1,25,00,00,000
Repayment of long term and short term borrowings	(1,30,68,00,000)
Net cash generated used in financing activities (C)	(5,68,00,000)
D) Net increase/ (decrease) in cash and cash equivalents (A+B+C)	(31,54,53,340)
E) Cash and cash equivalents as at the beginning of the year	53,43,78,198
F) Cash and cash equivalents as at the end of the year	21,89,24,858

Cash and cash equivalents comprises:

Particulars	As at 31st March 2018
Cash in hand	7,601
Cheques in hand	25,00,000
Balances with banks	
- in current accounts	34,17,257
- in deposit accounts	21,30,00,000
	21,89,24,858

As per our report of even date attached
For DIVYANK KHULLAR & ASSOCIATES
 Chartered Accountants
 Firm Registration No. : 025755N

For and on behalf of the Board
CAPITAL INDIA FINANCE LIMITED

Sd/-
Divyank Khullar
 (Proprietor)
 Membership No. 528399

Sd/-
Keshav Porwal
 Managing Director
 DIN : 06706341

Sd/-
Amit Sahai Kulshreshtha
 Director & CEO
 DIN : 07869849

Sd/-
Neeraj Toshniwal
 Chief Financial Officer

Sd/-
Rachit Malhotra
 Company Secretary

Place : New Delhi
 Dated : 03 May 2018

Place : New Delhi
 Dated: 03 May 2018

Place : New Delhi
 Dated: 03 May 2018

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the consolidated financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

1 Basis of preparation & Consolidation

The Consolidated financial statements relates to Capital India Finance Limited (the company), its subsidiary companies. The company, its subsidiary companies constitute the group. The financial statements have been prepared in conformity with generally accepted accounting principles to comply in all material respects with the notified Accounting Standards ('AS') under provisions of the Companies Act, 2013 ('the Act') and the directions issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company ('NBFC'). The financial statements have been prepared under the historical cost convention on an accrual basis. The accounting policies have been consistently applied by the group and are consistent with those used in the previous year. The complete financial statements have been prepared along with all disclosures.

Principles of consolidation

- a) The Consolidated Financial Statements are prepared in accordance with AS - 21 on "Consolidated Financial Statements" notified under Section 133 of the Companies Act, 2013 (the 'Act') read together with Rule 7 of the Companies (Accounts) Rules, 2014 and the Companies (Accounting Standards) Amendment Rules 2016. The financial statements of these group companies are prepared according to uniform accounting policies, in accordance with accounting principles generally accepted in India. The effects of Inter Company transactions are eliminated on consolidation.

The financial statements of the Company and its subsidiaries have been combined on a line-by-line basis by adding together like items of assets, liabilities, income and expenses, after eliminating intra-group balances and intra-group transactions resulting in unrealised profits or losses.

The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and events in similar circumstances and necessary adjustments required for deviations, if any to the extent possible unless otherwise stated, are made in the Consolidated Financial Statements and are presented in the same manner as the Company's standalone financial statements.

- b) The subsidiary companies considered in the presentation of the consolidated financial statements are:

Particulars	Country of incorporation	Proportion of ownership interest as on 31st March 2018	Proportion of ownership interest as on 31st March 2017	Financial year ends on
Capital India Home Loans Limited	India	100%	-	31 March
Capital India Asset Management Private Limited	India	100%	-	31 March
Capital India Wealth Management Private Limited	India	100%	-	31 March
CIFL Holding Private Limited	India	100%	-	31 March
CIFL Investment Manager Private Limited	India	100%	-	31 March

2 Significant accounting policies

2.1 Use of Estimates

The preparation of financial statements is in conformity with the Generally Accepted Accounting Principles ('GAAP') requires management to make judgments, estimates and assumptions that affect the application of accounting policies and reported amounts of assets, liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Management believes that the estimates made in the preparation of financial statements are prudent and reasonable. Actual

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results could differ from these estimates. Estimates and underlying assumptions are reviewed on an ongoing basis. Any revision to accounting estimates is recognised prospectively in current and future periods. The Goods & Services tax ('GST') reversal claimed by the Company is on estimate basis subject to final assessment by the tax authorities. This is as per the accounting policy adopted by the management to treat it as an expense.

2.2 Current/ Non-current classification

All assets and liabilities are classified into current and non-current.

Assets

An asset is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be realized in, or is intended for sale or consumption in, the Company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is expected to be realized within 12 months after the reporting date; or
- (d) it is cash or a cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date.

All other assets are classified as non-current.

Liabilities

A liability is classified as current when it satisfies any of the following criteria:

- (a) it is expected to be settled in, the company's normal operating cycle;
- (b) it is held primarily for the purpose of being traded;
- (c) it is due to be settled within 12 months after the reporting date; or
- (d) the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date.

All other liabilities are classified as non-current.

2.3 Operating cycle

Based on the nature of activities of the Company and the normal time between acquisition of assets and their realization in cash or cash equivalents, the Company has determined its operating cycle as 12 months for the purpose of classification of its assets and liabilities as current and non-current.

2.4 Fixed assets, depreciation and amortisation

Tangible fixed assets

- a) Tangible fixed assets are carried at cost of acquisition or construction less accumulated depreciation and / or accumulated impairment loss, if any. The cost of an item of tangible fixed asset comprises its purchase price and other non-refundable taxes or levies and any directly attributable cost of bringing the asset to its working condition for its intended use. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates. Tangible fixed assets under construction are disclosed as capital work-in-progress.

Acquired intangible assets

- b) Intangible assets that are acquired by the Company are measured initially at cost. After initial recognition, an intangible asset is carried at its cost less any accumulated amortisation and any accumulated impairment loss. Subsequent expenditure is capitalised only when it increases the future economic benefits from the specific asset to which it relates.

Leasehold improvements

- c) Leasehold improvement includes all expenditure incurred on the leasehold premises that have future economic benefits. Leasehold improvements are written off over the period of lease.

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Depreciation and amortization

- d) Depreciation / amortisation is provided over the useful life of the assets, pro rata for the period of use, on a straight-line method. The useful life estimates prescribed in Part C of Schedule II to the 2013 Act have been considered as useful life for tangible assets. Acquired intangible assets are amortised over a period as per management estimates of their useful life. Pursuant to this policy, the useful life estimates in respect of the following assets are as follows:

Tangible fixed assets	Estimated useful life
Computers & Printers	3 Years
Furniture & Fixtures	10 Years
Leasehold Improvements	5 Years
Office Equipments	5 Years
Acquired intangible assets	
Computer software	3 Years

- e) Depreciation is provided on a pro-rata basis i.e. from the month in which asset is ready for use. Individual assets costing less than or equals to Rs. 5,000 are depreciated in full, in the year of purchase. Depreciation on assets sold during the year is recognized on a pro-rata basis in the statement of profit and loss up to the month prior to the month in which the assets have been disposed off.

Gains / losses on disposal of assets

- f) Losses arising from retirement or gains or losses arising from disposal of tangible and intangible assets are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit and loss.

2.5 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset may be impaired based on internal/external factors. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash generating unit which the asset belongs to, is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognised in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.6 Leases

Assets acquired under lease other than finance lease are classified as operating lease. The total lease rentals in respect of assets taken on operating lease are charged to the statement of profit and loss on a straight line basis over the lease term (in accordance with AS-19 'Leases' as prescribed by Companies (Accounting Standards) Rules, 2006).

2.7 Loans

Loans are stated at the amount advanced, as reduced by the amounts received up to the balance sheet date.

2.8 Provisioning/ Write-off on assets

Provisioning/ Write-off on overdue assets

The provisioning / write-off on overdue assets is as per the management estimates, subject to the minimum provision required as per Master Direction-Non Banking Financial Company-Non-Systemically Important Non-Deposit taking Company (Reserve Bank) Directions, 2016.

Provision on standard assets

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Provision on standard assets has been made @ 0.40% which is in accordance with Reserve Bank of India ('RBI') guidelines.

2.9 Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as non current investments.

Current investments are carried at lower of cost and fair value determined on an individual investment basis.

Non current investments are carried at cost. However, provision for diminution in value is made to recognise a decline other than temporary in the value of the investments.

Profit or loss on sale of investments is determined on a first in first out basis. Any reduction in the carrying amount and any reversals of such reductions are charged or credited to statement of profit and loss.

2.10 Revenue recognition

Revenue is recognized on accrual basis, when no significant uncertainty as to determination or realization exists.

Interest income is recognised on time proportionate basis. In case of non performing assets, interest income is recognised on receipt basis as per NBFC prudential norms. Penal interest is recognised on receipt basis.

Fee income is recognised as and when they are due in accordance with the terms of contract.

Dividend income is recognised when the shareholders' right to receive payment is established by the balance sheet date. Dividend from the units of mutual funds is recognized on receipt basis in accordance with the NBFC Regulation.

2.11 Retirement and other employee benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short term employee benefits. These benefits include salary, bonus, allowances and compensated absences. The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by the employees is recognised as an expense as the service is rendered by the employees.

The Company operates defined benefit plans for its employees pertaining to gratuity liability. The costs of providing benefits under this plan are determined on the basis of actuarial valuation at each year-end. Separate actuarial valuation is carried out using the projected unit credit method. Actuarial gains and losses for this defined benefit plans are recognized in full in the period in which they occur in the statement of profit and loss. Accumulated leave, which is expected to be utilized within the next 12 months, is treated as short-term employee benefit. The Company measures the expected cost of such absences as the additional amount that it expects to pay as a result of the unused entitlement that has accumulated at the reporting date.

The Company treats accumulated leave expected to be carried forward beyond twelve months, as long-term employee benefit for measurement purposes. Such long-term compensated absences are provided for based on the actuarial valuation using the projected unit credit method at the year-end. Actuarial gains/ losses are immediately taken to the statement of profit and loss and are not deferred. The Company presents the leave as a current liability in the balance sheet, to the extent it does not have an unconditional right to defer its settlement for 12 months after the reporting date."

2.12 Borrowing costs

Borrowing costs consists of interest and other cost that an entity incurs in connection with borrowing of funds. Borrowing costs are recognized as an expense in the period in which these are incurred.

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2.13 Securities issue expenses

Security issue expenses related to issuance of equity are debited against securities premium account in accordance with the provisions of Section 52 of the Companies Act, 2013.

2.14 Foreign currency transactions

Foreign exchange transactions are recorded the spot rate on the date of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the period.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognised in the statement of profit and loss.

Non monetary assets and liabilities are carried at historical cost using exchange rates as on the date of the respective transactions.

2.15 Taxation

Income tax expense comprises current tax including minimum alternate tax ('MAT') (i.e. amount of tax for the period determined in accordance with the Income Tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognized using the tax rates that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognized to the extent there is virtual certainty of realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably / virtually certain (as the case may be) to be realized.

MAT paid in accordance to the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax in future years and is recognized as tax credit in statement of profit and loss.

2.16 Provisions and contingencies

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.17 Earnings per share

The basic earnings per share is computed by dividing the net profit / loss after tax attributable to the equity shareholders for the period by the weighted average number of equity shares outstanding during the reporting period.

2.18 Cash and cash equivalents

Cash and Cash Equivalents for the purpose of cash flow statement comprise cash in hand and cash at bank including fixed deposit with original maturity period of three months and short term highly liquid investments with an original maturity of three months or less.

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(All figures are in rupees, except otherwise stated)

3. Share Capital

	As at 31st March 2018	
	Number	Amount
Authorized share capital		
Equity shares of Rs. 10 each with voting rights	21,40,00,000	2,14,00,00,000
Issued, subscribed and fully paid up		
Equity shares of Rs. 10 each with voting rights	35,02,700	3,50,27,000
Total issued, subscribed and fully paid up share capital	35,02,700	3,50,27,000

a. Reconciliation of the shares and amount outstanding at the beginning and at the end of the reporting period:

	As at 31st March 2018	
	Number	Amount
At the beginning of the year	35,02,700	3,50,27,000
Add : Allotment during the year	-	-
Outstanding at the end of the year	35,02,700	3,50,27,000

b. Terms and rights attached to fully paid up equity shares:

The Company has only one type of equity shares having par value of Rs. 10 each. All shares rank pari passu with respect to dividend, voting rights and other terms. Each shareholder is entitled to one vote per share. The dividend proposed, if any, by the Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting, except in case of interim dividend. The repayment of equity share capital in the event of liquidation and buy back of shares are possible subject to prevalent regulations. In the event of liquidation, normally the equity shareholders are eligible to receive the remaining assets of the company after distribution of all preferential amounts, in proportion to their holdings.

c. Shares held by holding company

	As at 31st March 2018	
	Number	Amount
Equity shares of Rs. 10 each	-	-
	-	-

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d. Shares in the Company held by each shareholder holding more than 5% shares

	As at 31st March 2018	
	Number	%
<u>Equity shares of Rs. 10 each</u>		
Capital India Corp LLP (formerly known as Trident Holding LLP)	22,32,300	63.73%
Dharampal Satyapal Limited	3,97,800	11.36%
Total	26,30,100	75.09%

4 Reserves and surplus

	As at 31st March 2018
a) General reserve	
Balance as per last financial statements	1,76,099
Add : Transfer during the year	-
Total	1,76,099
b) Statutory Reserve under Section 45-IC of the RBI Act, 1934	
Balance as per last financial statements	16,82,691
Add : Transfer during the year	58,97,319
Total	75,80,010
c) Surplus in the statement of profit and loss	
Balance as per last financial statements	26,46,488
Add : Profit for the year	2,78,87,373
	3,05,33,861
Less : Transfer to Statutory Reserve under Section 45-IC of the RBI Act, 1934	58,97,319
Net Surplus in the statement of profit and loss	2,46,36,542
Total reserves and surplus	3,23,92,651

5 Borrowings

	As at 31st March 2018	
	Non-current	Current
Unsecured		
From corporates (Inter-corporate deposits)	7,00,00,000	-
	7,00,00,000	-

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(All figures are in rupees, except otherwise stated)

Additional information:

Details of Unsecured borrowings from Corporates:

- (i) Inter Corporate deposits of Rs. 7,00,00,000 (Previous year: Rs. 7,00,00,000) is raised at an interest rate of 8% (Previous year: 8%) and repayable on 16 February, 2022 (Previous year: 16 February, 2022).

	As at 31st March 2018	
	Non-current	Current
6 Other liabilities		
Interest accrued but not due on borrowings	55,27,033	-
Book overdraft	-	11,05,32,356
Rent equalisation reserve	-	60,35,092
Statutory dues payable	-	2,23,60,993
Creditors for capital goods	-	22,91,469
Other payables (Refer note 24)	-	34,16,421
	55,27,033	14,46,36,331
7 Provisions		
Provision for employee benefits		
- Gratuity	1,35,934	-
- Compensated absence	-	11,17,547
Provision for standard assets	3,88,889	37,68,861
	5,24,823	48,86,408

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8 Property, plant and equipment

Particulars	Gross block			Accumulated depreciation / amortization				Net block
	As at 01st April, 2017	Additions during the year	Sales during the year	As at 31st March, 2018	As at 01st April, 2017	Depreciation for the year	Adjustments during the year	
Tangible assets								
Computer	-	37,59,374	-	37,59,374	-	3,51,523	-	34,07,851
Office equipment	-	71,92,509	-	71,92,509	-	3,04,824	-	68,87,685
Furniture & fixtures	-	4,40,49,041	-	4,40,49,041	-	14,62,866	-	4,25,86,175
Leasehold improvements	-	3,22,66,265	-	3,22,66,265	-	21,49,179	-	3,01,17,086
Total tangible assets	-	8,72,67,189	-	8,72,67,189	-	42,68,392	-	8,29,98,797
Intangible assets								
Computer softwares	-	2,59,987	-	2,59,987	-	23,247	-	2,36,740
Total intangible assets	-	2,59,987	-	2,59,987	-	23,247	-	2,36,740
Grand total	-	8,75,27,176	-	8,75,27,176	-	42,91,639	-	8,32,35,537

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	As at 31st March 2018	
	Non-current	Current
9 Loans and advances		
<i>(Secured, considered good)</i>		
Loans and advances relating to financing activity	9,72,22,223	83,22,15,257
<i>(Unsecured, considered good)</i>		
Loans and advances relating to financing activity	-	11,00,00,000
<u>Other loans and advances</u>		
- Advances to related parties (Refer note 28)	-	20,08,998
- Advance to employees	-	19,16,640
- Advances to suppliers	-	1,37,58,863
- Security deposits	1,84,25,210	-
- Balances with statutory authorities	-	6,48,796
- Advance taxes (net of provision for tax)	-	1,26,34,523
- Prepaid expenses	-	78,96,511
	11,56,47,433	98,10,79,588
10 Other assets		
Interest accrued and due	-	1,21,49,021
Interest accrued but not due	-	18,81,888
	-	1,40,30,909
11 Deferred tax assets (net)		
Deferred tax asset comprises of:		
Provision for standard assets		11,45,564
Provision for gratuity		37,453
Provision for compensated absence		3,07,912
Rent equalisation reserve		16,62,819
Preliminary expenses		3,05,392
Accumulated losses		2,04,860
Deferred tax liability comprises of:		
Depreciation on fixed assets		(3,49,744)
Deferred tax assets (Net)		33,14,256
12 Trade receivables		
<i>(Unsecured, considered good)</i>		
Outstanding for a period exceeding six months from the date they are due for payment		-
Other receivables		32,40,000
		32,40,000

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	<u>As at</u> <u>31st March 2018</u>
13 Cash and bank balances	
Cash and cash equivalents	
Cash on hand	7,601
Balances with banks	
- in current accounts	34,17,257
- in fixed deposits with original maturity less than 3 months	21,30,00,000
Cheques in hand	25,00,000
Other bank balances	
- Short term deposits with banks	10,00,00,000
(Other bank deposits with maturity less than 12 months)	
	<u>31,89,24,858</u>
	<u>Year ended</u> <u>31st March 2018</u>
14 Revenue from operations	
Interest income	14,44,58,994
Fee income	11,60,00,000
	<u>26,04,58,994</u>
15 Other income	
Misc. receipts	1,119
	<u>1,119</u>
16 Employee benefit expense	
Salaries, wages and bonus	3,33,81,032
Contribution to provident and other funds (Refer note 29)	11,53,298
Staff welfare	5,55,223
	<u>3,50,89,553</u>
17 Finance costs	
Interest expenses	10,36,02,230
Bank charges	44,575
	<u>10,36,46,805</u>

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	<u>Year ended</u> <u>31st March 2018</u>
18 Other expenses	
Rent (Refer note 27)	1,45,13,555
Rate, fee & taxes	2,12,65,389
Reversal of GST credit	1,28,41,269
Repairs & maintenance - others	21,02,684
Office expenses	31,65,709
Electricity charges	4,95,003
Communication expenses	4,72,956
Printing & stationery	7,75,423
Insurance	2,31,349
Membership & subscription	10,69,700
Travelling & conveyance	60,95,331
Advertisement, marketing & business promotion expenses	14,76,265
<u>Auditor's remuneration</u>	
- Audit fees	1,40,000
- Certification	20,000
- Other services	1,29,800
Legal & professional charges	45,19,253
Listing fee	2,97,220
Directors sitting fees	9,00,000
Provisions for standard assets (Refer note 2.8)	10,41,140
Miscellaneous expenses	15,33,523
	7,30,85,569
19 Earnings per share	
Net profit attributable to equity shareholders (Rs.)	2,78,87,373
Weighted average number of equity shares outstanding during the year	35,02,700
Nominal value of an equity share (Rs.)	10
Basic and diluted earnings per share (in Rs.)	7.96

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20. Contingent liabilities

There are no contingent liabilities as on 31 March 2018.

21. Capital & other commitments

- Estimated amount of contracts (net of advances) remaining to be executed on capital account and not provided for as at 31 March 2018 is Rs.2,28,08,925.
- Other commitments pertaining to undrawn committed credits as on 31 March 2018 is Rs. 7,07,68,000.

22 Earnings and expenditure in foreign currency (on accrual basis)

There are no reportable earnings and expenditure in foreign currency during the year ended 31 March 2018. Rs. 20,44,853 was incurred in foreign currency towards payment of capital advances. Expenses incurred on foreign travel is billed by travel agent to the Company in Indian Rupees and hence not disclosed.

23 Segment information

The Company operates in a single reportable segment i.e. financing, which has similar risks and returns for the purpose of AS 17 on 'Segment Reporting' specified under section 133 of the Companies Act 2013, read with rule 7 of the Companies (Accounts) Rules, 2014 and Companies (Accounting Standards) Amendment Rules, 2016. The Company operates in a single geographical segment i.e. domestic.

24 Dues to Micro and Small Enterprises

There are no amounts that need to be disclosed pertaining to Micro Small and Medium Enterprise Development Act, 2006 (the 'MSMED'). As at 31 March 2018, no supplier has intimated the Company about its status as Micro or Small Enterprises or its registration with the appropriate authority under the MSMED.

25 There were no pending litigations which would impact the financial position of the company.

26 There are no long-term contracts including derivative contracts for which there were any material foreseeable losses.

27 Leases (Operating Lease)

The registered office and corporate office are taken on operating lease. The corporate office premises has a non-cancellable lease for 60 months with an escalation clause of 15% after 36 months. The registered office premises are rented on non-cancellable lease for 36 months without an escalation clause. There are no subleases. Lease payments during the year are charged to statement of profit and loss.

Description	31-Mar-18
Operating lease payments recognized during the year	1,45,13,555
Minimum Lease Obligations	
Not later than one year	4,80,93,570
Later than one year but not later than five years	14,53,93,215
Later than five years	-

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(All figures are in rupees, except otherwise stated)

28 Related party disclosures

Disclosures as required by the Accounting Standard 18 (AS – 18) “Related Party Disclosures” are given below :

- (i) Names of related parties with whom transactions have taken place during the year and description of relationship:

Name of the related party	Nature of relationship
Sainik Mining and Allied Services Limited	Enterprise having significant influence (Upto 11 December 2017)
Capital India Corp LLP	Enterprise where key management personnel exercise significant influence
Sahyog Homes Limited	Enterprise where key management personnel exercise significant influence
Mr. Keshav Porwal	Managing Director (W.e.f. 27 November 2017)
Mr. Amit Sahai Kulshreshtha	Executive Director (W.e.f. 27 November 2017)
Mr. Vineet Kumar Saxena	Executive Director & CEO of Capital India Home Loans Ltd. (W.e.f. 20 December 2017)

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(ii) Details of transaction with related parties mentioned in (i) above are as follows:

Nature of the Transaction	Enterprise having significant influence		Enterprise where key management personnel exercise significant influence		Key Managerial Personnel							
	Sainik Mining and Allied Services Limited	31 March 2018	Capital India Corp LLP	31 March 2018	Sahyog Homes Limited	31 March 2018	Mr. Keshav Porwal	31 March 2018	Mr. Amit Sahai Kulshreshtha	31 March 2018	Mr. Vineet Kumar Saxena	31 March 2018
Transactions during the year												
Interest income	24,63,452		-		1,25,21,181		-		-			-
Interest expense	-		52,79,454		-		-		-			-
Reimbursement of expenses	-		-		20,08,998		-		-			-
Remuneration paid	-		-		-		37,90,960		36,34,891			34,64,801
Share application money	-		1,25,00,00,000		-		-		-			-
ICD taken#	-		15,00,00,000		-		-		-			-
ICD repaid	-		15,00,00,000		-		-		-			-
Loan taken	-		-		-		50,000		-			-
Loan repaid	-		-		-		50,000		-			-
Inter Corporate deposits given#	3,00,00,000		-		-		-		-			-
Inter Corporate deposits received back	3,00,00,000		-		30,30,00,000		-		-			-
Closing balances												
Share application money Receivable/ (payable)	-		1,25,00,00,000		-		-		-			-
					20,08,998		-		-			-

Maximum loan given / taken at any time during the year

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the consolidated financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

29 Gratuity and other post-employment benefit plans

The Company has a defined benefit gratuity plan, under which every employee who has completed atleast five years of service gets a gratuity on departure @15 days of last drawn basic salary for each completed year of service.

The following tables summarize the components of net benefit expense recognized in the statement of profit and loss and amounts recognized in the balance sheet for the gratuity plan.

	31-Mar-18				
Statement of profit and loss					
Net employee benefit expense recognized in the employee cost					
Current service cost	1,35,934				
Interest cost on benefit obligation	-				
Expected return on plan assets	-				
Net actuarial (gain) / loss recognized in the year	-				
Amount not recognized as asset	-				
Gratuity expense	1,35,934				
Actual return on plan assets	-				
Balance sheet					
Benefit asset/ liability					
Present value of defined benefit obligation	1,35,934				
Fair value of plan assets	-				
Less: Amount not recognize as asset	-				
Plan (asset) / liability	1,35,934				
Changes in the present value of defined benefit obligation are as follows					
Opening defined benefit obligation	-				
Current service cost	1,35,934				
Interest cost	-				
Past service cost	-				
Benefits paid	-				
Actuarial (gains)/ losses on obligation	-				
Closing defined benefit obligation	1,35,934				
The principal assumptions used in determining gratuity liability for the company is shown below:					
Discount rate	7.58%				
Expected rate of return on assets	NA				
Employee turnover	5.00%				
The estimates of future salary increases, considered in actuarial valuation, take account of inflation, seniority, promotion and other relevant factors, such as supply and demand in the employment market.	5.00%				
Amounts for the Current and previous four years are as follows:					
	31-Mar-18	31-Mar-17	31-Mar-16	31-Mar-15	31-Mar-14
Defined benefit obligation	1,35,934	-	-	-	-
Plan Assets	-	-	-	-	-
Surplus / (deficit)	-	-	-	-	-
Experience adjustments on plan liabilities	-	-	-	-	-
Experience adjustments on plan assets	-	-	-	-	-

Notes:

Since the gratuity plan of the Company is not funded, the disclosure regarding change in fair value of plan assets and categories of plan assets are not required.

Since Payment of Gratuity Act 1972 became applicable on the Company from the financial year ended 31 March 2018, the Company has not disclosed the comparative information for financial year 2016-17.

CAPITAL INDIA FINANCE LIMITED

(Formerly known as Bhilwara Tex-Fin Limited)

Notes to the consolidated financial statements for the year ended 31st March 2018

(All figures are in rupees, except otherwise stated)

30 The Board of Directors have recommended dividend of Rs 1.00 per share (10%) on each equity share having face value of Rs. 10/- each. The proposed equity dividend and dividend distribution tax thereon are not accounted as liabilities in fiscal 2017-18 in accordance with revised AS-4 “Contingencies and events occurring after balance sheet date”.

31 Debit balances in respect of the loan facilities provided to parties and trade receivables, as mentioned in note 9 and 12 respectively, are subject to confirmations.

32 Previous year comparatives

This being the first consolidated financial statements for the year ended 31 March 2018, there are no prior year comparatives.

As per our report of even date attached

For DIVYANK KHULLAR & ASSOCIATES

Chartered Accountants

Firm Registration No. : 025755N

For and on behalf of the Board

CAPITAL INDIA FINANCE LIMITED

Sd/-

Divyank Khullar

(Proprietor)

Membership No. 528399

Sd/-

Keshav Porwal

Managing Director

DIN : 06706341

Sd/-

Amit Sahai Kulshreshtha

Director & CEO

DIN : 07869849

Sd/-

Neeraj Toshniwal

Chief Financial Officer

Place : New Delhi

Dated: 03 May 2018

Sd/-

Rachit Malhotra

Company Secretary

Place : New Delhi

Dated: 03 May 2018

Place : New Delhi

Dated: 03 May 2018

CAPITAL INDIA FINANCE LIMITED
(Formerly Known as Bhilwara Tex-Fin Limited)
 2nd Floor, DLF Centre, Sansad Marg, New Delhi-110001
 CIN: L74899DL1994PLC128577

PROXY FORM
Form No. MGT-11

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : L74899DL1994PLC128577
 Name of the Company : Capital India Finance Limited (Formerly known as Bhilwara Tex-Fin Limited)
 Registered Office : 2nd Floor, DLF Centre, Sansad Marg, New Delhi-110001

Name of the Member	
Registered Address	
E-mail ID	
Folio No/ Client ID	
DP ID	

I/We, being the member(s), holding Shares of the above named company, hereby appoint

Name	
Address	
E-mail ID	
Signature	

Or failing him/her

Name	
Address	
E-mail ID	
Signature	

Or failing him/her

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24th Annual General Meeting of the Company, to be held on Saturday, the June 02, 2018 at 9.00 A.M at the "Magnolia" Habitat World, at India Habitat Centre, Lodhi Road, New Delhi-110003 and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	Resolution
	Ordinary Business:
1.	To consider and adopt the audited standalone Financial Statements of the Company comprising of Balance Sheet of the Company as on March 31, 2018, Statement of Profit and Loss and Cash Flow Statement for the year ended on March 31, 2018, together with Notes forming part thereof, the audited consolidated Financial Statements of the Company comprising of the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement for the said Financial Year together with Notes forming part thereof and the Reports of the Board of Directors and the Auditors thereon.
2.	To declare dividend on equity shares of the Company at the rate of Re. 1/- (Rupee One only) per share for the Financial Year ended March 31, 2018.
3.	To take note of retirement of Mr. Rahul Rameshkumar Jain (DIN: 07541089), who retires by rotation at this Annual General Meeting and being unwilling to be re-appointed, retires from his position as Director of the Company.
	Special Business
4.	Appointment of Statutory Auditors to fill casual vacancy.
5.	Appointment of Mr. Keshav Porwal as the Managing Director of the Company.
6.	Appointment of Mr. Amit Sahai Kulshreshtha as an Executive Director and Chief Executive Officer of the Company.
7.	Appointment of Mr. Vineet Kumar Saxena as Non-Executive Director of the Company.
8.	Appointment of Ms. Shraddha Kamat Suresh as Woman Non-Executive Director of the Company.
9.	Appointment of Mr. Subodh Kumar as Non-Executive Director of the Company.
10.	Appointment of Mr. Vinod Kumar Somani as an Independent Director of the Company.
11.	Appointment of Mr. Achal Kumar Gupta as an Independent Director of the Company.
12.	Appointment of Ms. Promila Bhardwaj as an Independent Director of the Company.
13.	Issue and allotment of equity shares of the Company on a preferential allotment basis through private placement.
14.	Issue of non-convertible debentures / debt securities.
15.	Issue and allotment of securities including equity shares, convertible preference shares, convertible debentures, Global Depository Receipts, American Depository Receipts etc., by way of Qualified Institutions Placement ("QIP") or through any other method, and in compliance of applicable laws.

Signed this day ofof 2018.

Signature of shareholder

Signature of Proxy holder(s)

Affix a Re. 1/- Revenue Stamp
--

Note: This form of proxy in order to be effective should be duly completed, stamped, dated and signed and deposited at the Registered Office of the Company at 2nd Floor, DLF Centre, Sansad Marg, New Delhi-110001, not less than 48 hours before the commencement of the Annual General Meeting.

CAPITAL INDIA FINANCE LIMITED
(Formerly Known as Bhilwara Tex-Fin Limited)
2nd Floor, DLF Centre, Sansad Marg, New Delhi-110001
CIN: L74899DL1994PLC128577

FORM NO. MGT-12
Polling Paper

[Pursuant to section 109(5) of the Companies Act, 2013 and rule 21(1)(c) of the Companies (Management and Administration) Rules, 2014]

CIN : L74899DL1994PLC128577
Name of the Company : Capital India Finance Limited (Formerly known as Bhilwara Tex-Fin Limited)
Registered Office : 2nd Floor, DLF Centre, Sansad Marg, New Delhi-110001

BALLOT PAPER

S. No.	Particulars	Details
1	Name of the First Named Shareholder (in block letters)	
2	Postal Address	
3	Registered folio no./ *Client ID No.	
4	Class of shares	

I hereby exercise my vote in respect of Ordinary/Special resolution enumerated below by recording my assent or dissent to the said resolution in the following manner:

No.	Item No.	No. of shares held by me	I assent to the resolution	I dissent from the resolution
1.	To consider and adopt the audited standalone Financial Statements of the Company comprising of Balance Sheet of the Company as on March 31, 2018, Statement of Profit and Loss and Cash Flow Statement for the year ended on March 31, 2018, together with Notes forming part thereof, the audited consolidated Financial Statements of the Company comprising of the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement for the said Financial Year together with Notes forming part thereof and the Reports of the Board of Directors and the Auditors thereon.			
2.	To declare dividend on equity shares of the Company at the rate of Re. 1/- (Rupee One only) per share for the Financial Year ended March 31, 2018.			
3.	To take note of retirement of Mr. Rahul Rameshkumar Jain (DIN: 07541089), who retires by rotation at this Annual General Meeting and being unwilling to be re-appointed, retires from his position as Director of the Company.			
4.	Appointment of Statutory Auditors to fill casual vacancy.			
5.	Appointment of Mr. Keshav Porwal as the Managing Director of the Company.			
6.	Appointment of Mr. Amit Sahai Kulshreshtha as an Executive Director and Chief Executive Officer of the Company.			
7.	Appointment of Mr. Vineet Kumar Saxena as Non-Executive Director of the Company.			
8.	Appointment of Ms. Shradha Kamat Suresh as Woman Non-Executive Director of the Company.			
9.	Appointment of Mr. Subodh Kumar as Non-Executive Director of the Company.			
10.	Appointment of Mr. Vinod Kumar Somani as an Independent Director of the Company.			
11.	Appointment of Mr. Achal Kumar Gupta as an Independent Director of the Company.			
12.	Appointment of Ms. Promila Bhardwaj as an Independent Director of the Company.			
13.	Issue and allotment of equity shares of the Company on a preferential allotment basis through private placement.			
14.	Issue of non-convertible debentures / debt securities.			
15.	Issue and allotment of securities including equity shares, convertible preference shares, convertible debentures, Global Depository Receipts, American Depository Receipts etc., by way of Qualified Institutions Placement ("QIP") or through any other method, and in compliance of applicable laws.			

Place:
Date:

(Signature of shareholder/Proxy)

CAPITAL INDIA FINANCE LIMITED

(Formerly Known as Bhilwara Tex-Fin Limited)

CIN: L74899DL1994PLC128577

Registered Office: 2nd Floor, DLF Centre, Sansad Marg, New Delhi-110001

Phone: 011-49546000

Email: secretarial@capitalindia.com, Website: www.capitalindia.com

ATTENDANCE SLIP

(24th Annual General Meeting on Saturday, 2nd June, 2018 at 9.00 A.M.)

1. Name(s) of Members(s) including joint holders, if any	
2. Registered Address of the Sole/First named Member	
3. DP ID No. & Client ID No. / Registered Folio No.	
4. No. of Shares held	
5. Name of Proxy (In case of proxies only)	

I hereby record my presence at the 24th Annual General Meeting of the Company being held at:

"Magnolia" Habitat World, at India Habitat Centre, Lodhi Road, New Delhi-110003,
on Saturday, the 2nd June, 2018 at 9 AM

Signature of the Shareholder/Proxy/ Authorized Representative present

Notes:

1. Shareholder/Proxy/ Authorized representative wishing to attend the meeting must bring the Attendance Slip and handover the same duly signed at the entrance of the meeting hall.
- 2. PLEASE CUT HERE AND BRING THE ABOVE ATTENDANCE SLIP TO THE MEETING**

ROUTE MAP FOR THE VENUE OF AGM

