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35, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai 400 020
Tel: 91 22 4354 8200; Fax: 91 22 2201 9051

August 09, 2016

To

The Secretary **BOMBAY STOCK EXCHANGE LIMITED,** P J Towers Dalal Street, Fort, Mumbai 400 001	**NATIONAL STOCK EXCHANGE OF INDIA LIMITED** Listing Department Exchange Plaza, 5th Floor, Bandra-kurla Complex, Bandra (East), Mumbai – 400 051
Company Code No. 531595	**Company Code CGCL**

Dear Sir,

Sub: Annual Report for the FY 2015-16 as required under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

Ref: ISIN INE180C01018

We are enclosing herewith Annual Report for the FY 2015-16 as required under regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

This is for your information and record.

Thanking you,

Yours faithfully
for CAPRI GLOBAL CAPITAL LIMITED

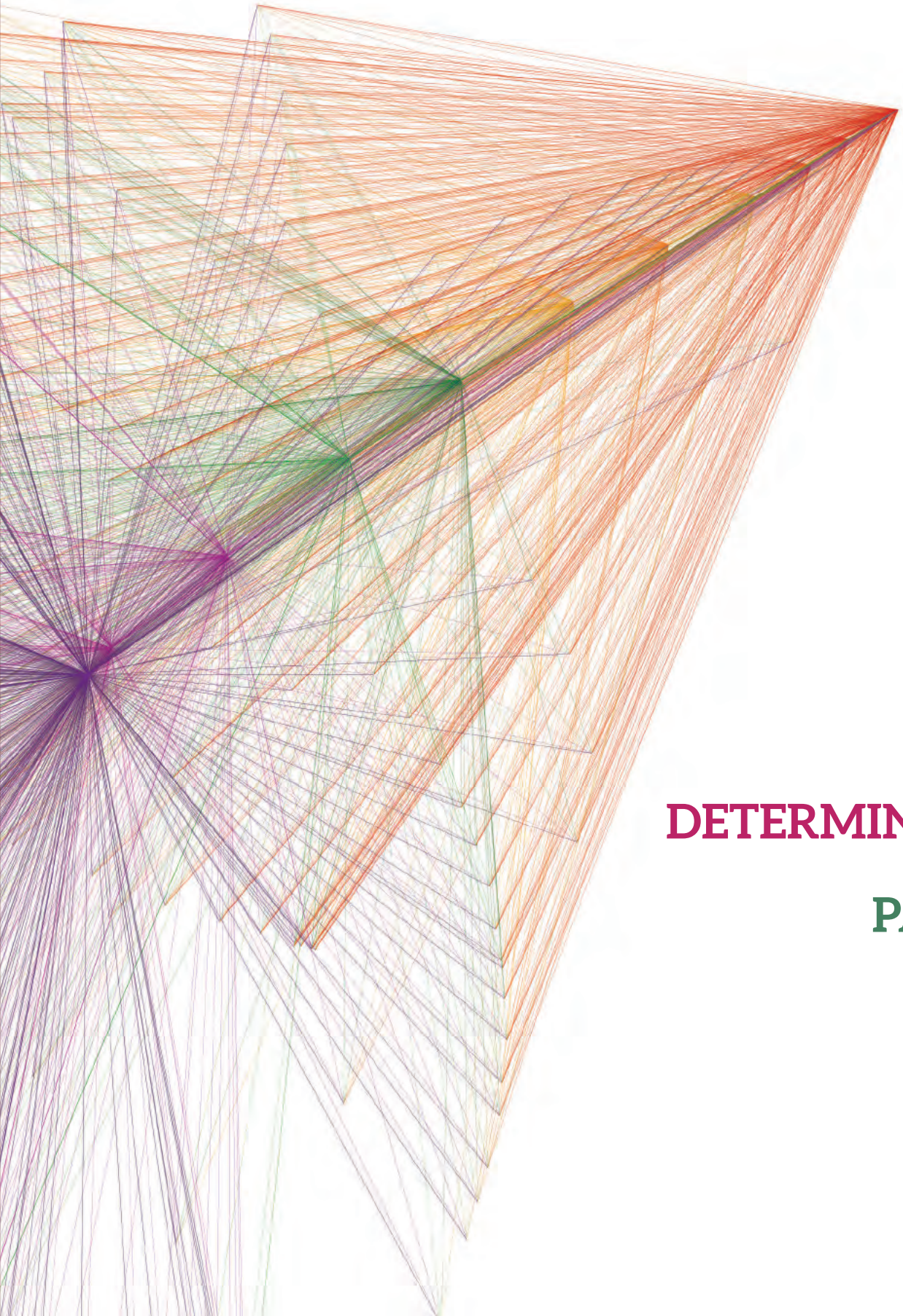
CAPRI GLOBAL CAPITAL LIMITED MUMBAI

(HARISH AGRAWAL)
SENIOR VICE PRESIDENT & COMPANY SECRETARY

Encl: a/a

Capri Global Capital Limited

Annual Report 2015-16



DRIVEN BY
DETERMINATION

FUELLED BY
PASSION

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DRIVEN BY DETERMINATION.
FUELED BY PASSION.

Determination paves the way for success. At Capri Global, this philosophy has seen us remain steadfast in our mission and approach our objectives with diligence and focus.

We are determined to grow our business, expand our offerings and create value for all our stakeholders. We will do so by remaining true to our purpose and by being passionate about the way we go about our work.

Our determination is reflected in the manner in which we are growing our retail finance portfolio and exploring newer vistas like affordable housing finance and asset management. Our passion is reflected in the manner in which we are growing our team, strengthening our network and investing our business with technology enabled processes.

We are determined to participate in the entrepreneurial resurgence of India. We are passionate about partnering the capital needs of businesses and helping them do better. With the determination to cater to more customers, we are innovating new products and deploying new distribution strategies.

We are committed to creating a meaningful future for our communities and towards this end are working with passion and perseverance.

The year 2015-16 was about putting our determination into action with passion. Going forward, we are confident to achieve our strategic objectives and emerge as a trusted partner for capital needs of our customers.

CAPRI GLOBAL AT A GLANCE

Capri Global Capital Ltd. (CGCL) is one of the leading non-deposit taking systemically important non-banking finance companies (NBFC-ND-SI) in India. It is engaged in lending to micro, small and medium enterprises (MSME) as well as corporate clients. Our products address the capital needs of MSMEs and realty developers engaged in residential sector.

69,274.70 Lacs

TOTAL LOAN DISBURSED

1,08,603 Lacs

NET WORTH

380

TOTAL EMPLOYEES

79.72%

CAPITAL ADEQUACY RATIO

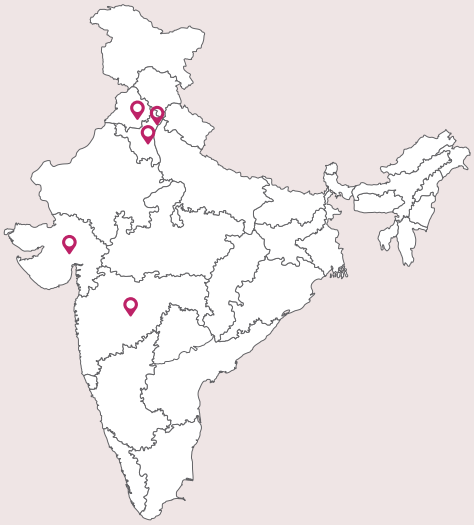
A+

CREDIT RATING BY CARE

Mission & Vision

Our motto is to build long-term relationships with our clients taking into account their needs as well as the changing market dynamics. Our mission is to be the preferred provider of the highest quality solutions in our chosen business domain.

Pan-India presence



We are headquartered in Mumbai with an extensive network comprising 23 branches across 5 states.

Operational Overview 2015-16

The key operational highlights during the year are as below:

- Increased number of branches to 23 as on March 31, 2016, from 9 branches as on March 31, 2015.
- Increased employee base to 380 as on March 31, 2016 as against 216 as on March 31, 2015.
- Loan book grew by 16.67% to Rs. 1,11,058.48 lacs from Rs. 95,167.99 lacs of the last year.
- Disbursed loan of Rs. 69,274.70 lacs as compared to Rs. 51,661.91 lacs last year.
- Total Income decreased to Rs. 18,655.19 lacs in 2015-16 from Rs. 19,216.08 lacs in 2014-15.

Product Portfolio

MSME & Retail Lending

- Loans for working capital
- Loans for purchase of equipment and machinery
- Loans for business or capacity expansion
- Term loans against property

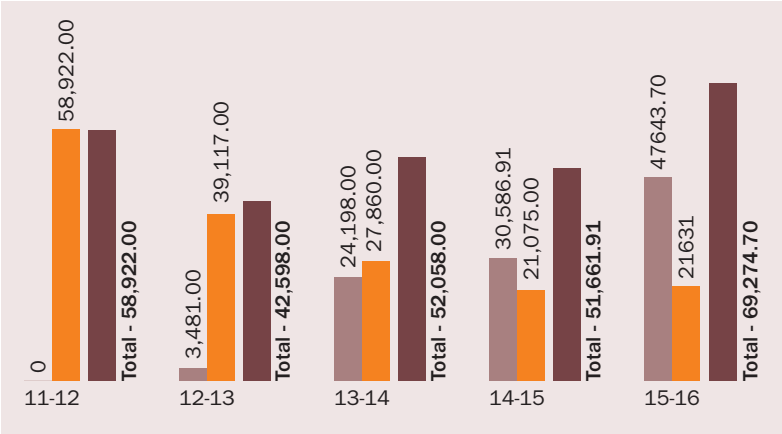
Wholesale Lending

- Construction finance
- Structured credit for initial funding requirements of projects
- Mezzanine financing
- Short term and long term working capital requirements
- Funding for general corporate purposes

KEY PERFORMANCE INDICATORS

Loans Disbursed

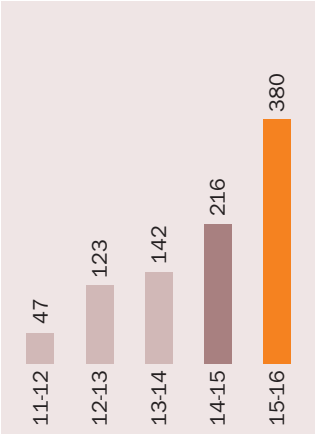
₹ in lacs



Y-O-Y 34.09%

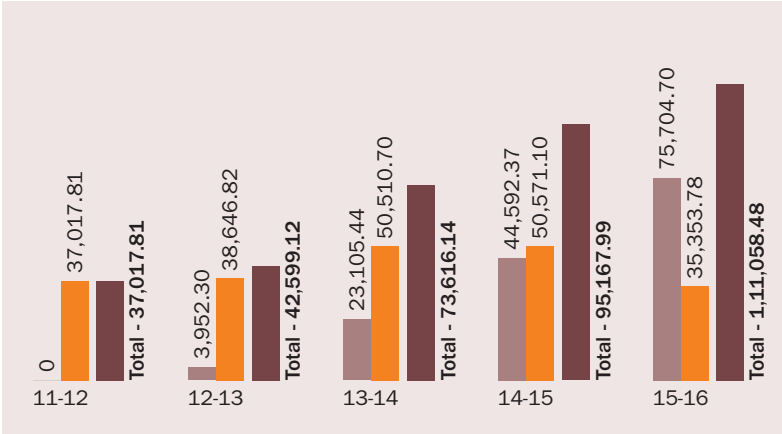
MSME
WL
Total

No. of Employees



Loans and Advances

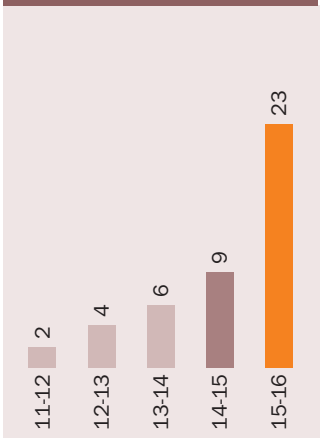
₹ in lacs



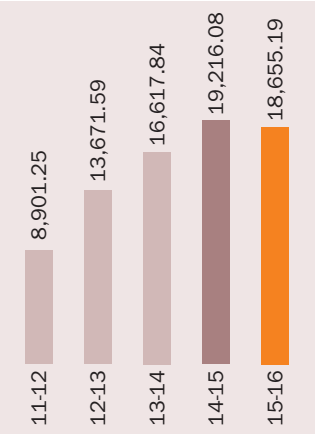
Y-O-Y 16.70%

MSME
WL
Total

No. of Branches

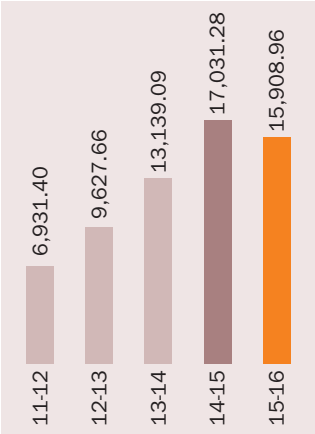


Total Income
₹ in lacs



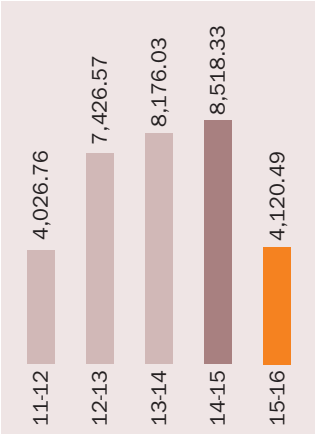
Y-O-Y 2.92%

Interest Income
₹ in lacs



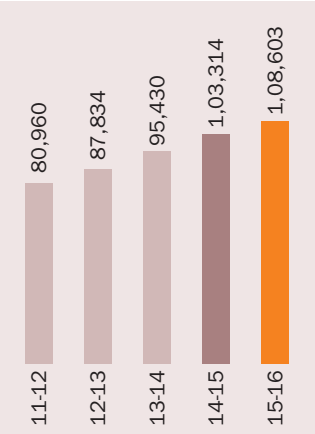
Y-O-Y 6.59%

Profit After Tax
₹ in lacs



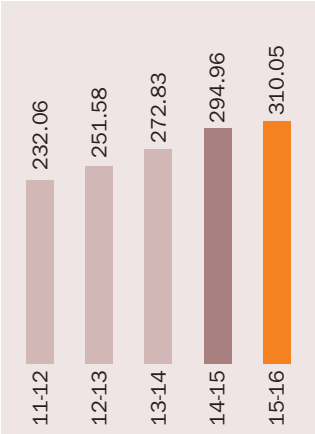
Y-O-Y 51.63%

Net Worth
₹ in lacs



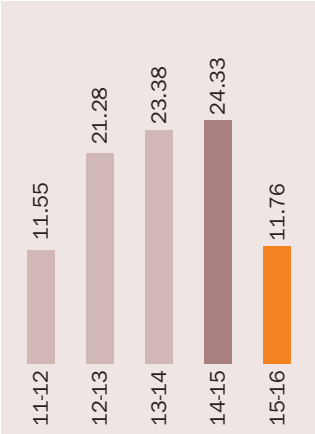
Y-O-Y 5.12%

Book Value per Share
(₹)



Y-O-Y 5.12%

Earnings per Share
₹



Y-O-Y 51.66%

CHAIRMAN'S MESSAGE

Dear Shareholders

Seven years after the Global Financial Crisis of 2008-9, the world still remains unsettled as it moves through a sustained period of economic turbulence and uncertainty. It is in this context that we have to evaluate India's strong performance in 2015-16 and an even stronger outlook going forward. Favourable macroeconomic parameters, multiple government initiatives, and softer oil prices have helped propel India to be the world's fastest growing major economy.

THE STRATEGIC SHIFT TOWARDS MSME LENDING WILL ENSURE THAT WE ARE A PARTICIPANT IN THE ENTREPRENEURIAL RESURGENCE OF INDIA.

The financial services sector is a good indicator of the progress that India is making. Financial inclusion instruments, direct benefit transfers, and government-sponsored funding schemes for MSMEs are all leading to greater economic participation from a large number of people in the entrepreneurial landscape. And I believe this is where the opportunity for NBFCs in India will be found. These unique financial organizations, such as Capri Global, are expected to be major participants in the retail finance industry, given our collective ability to be more flexible than traditional lenders and reach deeper into consumer and other markets. From a policy perspective, new RBI guidelines on NBFCs regarding capital requirements, provisioning norms, and enhanced disclosure requirements are all expected to benefit the sector over the long run, setting the stage for stronger, well-governed NBFCs to compete fairly in the marketplace.

The performance of Capri Global must be seen from this vantage point. We have certainly reported an encouraging performance in FY2015-16, yet there is always room for improvement. The MSME & Retail finance arm overtook Wholesale real estate lending and now comprises a substantial portion of our loan book. This was the result of a conscious effort and accurate reading of market trends by the Company's management. We have strategically downsized the exposure to the residential real estate sector given the current challenges, but will continue to be receptive to superior opportunities, as and when they present themselves.

Importantly, the strategic shift towards MSME lending will ensure that we are a participant in the entrepreneurial resurgence of India, for It is the entrepreneur that drives growth in economies across the world. To achieve this, we will continue to focus personnel and other resources towards this effort, making sure that our associates have the requisite credit, marketing, operations and administrative skills to be successful. In addition, we seek to ensure that our organization's diversity reflects the markets we are serving. A diverse organization is necessarily a stronger one. We will further sharpen our focus on technology, investing in processes and systems that will make scaling-up relatively risk-neutral. In short, although a medium-sized organisation, we, ourselves, must maintain a nimbleness and entrepreneurial spirit. This thinking must apply to all levels in the organisation, starting from the Board to the Executive Management and expanding to the field force.

I am pleased to report that the strategic alliance between Capri Investment Group (CIG), USA and the Company, which brought about my chairmanship, has begun delivering on its objectives. During FY2015-16, we took a major step forward to strengthen this strategic alliance by receiving RBI approval to establish an asset gathering, off-shore, wholly-owned subsidiary. Recent statutory changes may allow us to base the Asset Management Company (AMC) in India with favourable tax and regulatory implications for our third-party investors. From the start, we have aimed to infuse best practices, robust governance, and combine the research efforts of CIG and the Company. The pending establishment of the AMC with the goal of collectively raising capital from third-party investors – an area in which CIG specializes – will allow us to realize the spirit of joint venture upon which our alliance was formed.

As we move into the future, our primary focus will be on growth and expansion. We will broaden our product offerings geographically by extending our areas of operations. And at the same time, we will foray into new business lines, such as affordable housing finance and third-party asset management. But we also expect to expand our balance sheet by further developing our banking relationships and prudently increasing their capital exposure to us.

While MSME and residential real estate lending represent the bedrock of our ongoing business, our recent initiatives in affordable housing finance and AMC will help us further strengthen and diversify our portfolio, and, in the process, make our income streams more resilient. Certainly, the broader real estate market is currently facing challenges, but it may be the perfect time to counter-cyclically pursue select, high-return opportunities in the sector. All of these types of opportunities, properly executed, should enable the Company to profitably and responsibly provide attractive returns over the long term for our shareholders.

Lastly, at Capri Global, we are working to create value not just for our shareholders, but also for the communities in which we operate and the society at large. We are conscious of our responsibility as a corporate citizen and seek to play our part in making lives better. Our social responsibility initiatives are driven through the Capri Foundation, which runs various programmes in our operating areas. Beyond this, our lending activity itself provides opportunities for the society's underserved and marginalized sections.

I would like to thank our shareholders for their immense support as we steadily and consistently develop your Company into one of the leading financial organizations in India. As India continues to take its place as perhaps the most dynamic economy in the world, we will endeavour to grow in tandem with this great country for the benefit of all the varied and important stakeholders of Capri Global.

Yours truly,

Quintin E. Primo III
Non-executive Chairman

I AM HAPPY THAT THE STRATEGIC ALLIANCE BETWEEN CAPRI INVESTMENT GROUP (CIG), USA AND THE COMPANY HAS STARTED DELIVERING ON ITS OBJECTIVES.

EXECUTIVE DIRECTORS' MESSAGE

Dear Shareholders

I take great pleasure in writing to you after the end of a satisfactory year. Amid external challenges, we reported a reasonably strong performance during the year. We managed to keep our non-performing assets under check and continued to maintain a strong balance sheet. During 2015-16, our business demonstrated its resilience and long-term potential. It was also the year when we delivered on our strategic agenda of growing the retail lending business, while being cautious and calibrated on the wholesale lending side.

LOAN BOOK

₹1,11,058 lacs

from ₹ 95,168 lacs in 2014-15

16.67% ⌃

CAPITAL ADEQUACY RATIO

79.72%

Our loan book grew by 16.67 percent to Rs. 1, 11,058 lacs (from Rs. 95,168 lacs in 2015-16) during the year. Remarkably, retail lending grew by over 70 percent and now comprises nearly 2/3rd of our total loan book. To us this represents our ability to identify opportunities and respond with agility.

The strength of our balance sheet and low gearing gave us the courage to write-off an amount of Rs. 6,593.77 lacs (net of adjustments) during the year, which was the result of stress in the real-estate sector. Our total income was marginally lower at Rs. 18,655 lacs (from Rs. 19,216 lacs in 2014-15) largely due to the write-offs and reversals of income thereon during the year. Consequently, our Profit after tax fell by nearly half to Rs. 4120.49 lacs during the year. We were able to maintain a strong Capital Adequacy Ratio of 79.72% reflecting the immense headroom for growth that we enjoy.

We believe that the vibrant MSME sector in India requires easy access to capital to fuel its growth, and that we can be a partner in this journey. While traditional

banking channels have increased their small lending focus, NBFCs such as Capri Global are better suited to serve emerging entrepreneurs. This is due to their flexibility, quicker decision making and differentiated credit-assessment processes that determine ability and prospects as opposed to a templated evaluation of credit-worthiness.

At Capri Global, we have built our retail lending franchise on the foundation of empathy and customer-centricity. We understand the needs and requirements of entrepreneurs and are ever-willing to be flexible and accommodative in ensuring that their business does not suffer due to lack of funds. We are extending our understanding from our core markets and coverage areas, to other parts of the country, in order to have a broad-based customer profile, wider geographic reach and derisked approach. We are consistently strengthening our grip in the Indian market through expanding our footprints and have opened 14 new branches during the year, taking the branch tally to 23 across India.

We recognize that building a high-performance culture of motivated, passionate people is an imperative to scale up our operations. Therefore, we have focused on lateral hiring, strengthening our training process, and equip the team with best of the technology tools and empowerment. Our growth and expansion is led by a team of customer interfacing professionals and gradually we are reducing our reliance on direct sales agent for sourcing business.

We have adopted a cautious approach towards Wholesale lending business in order to protect our balance sheet. We are selective in lending only to reputed builders in multi-family residential projects after stringent credit risk assessment. We are taking proactive steps to write off amounts, rather than carrying them in the balance sheet as NPA, while we have stepped up our efforts to ensure recovery of these amounts. As the real-estate situation improves, we will be able to take strategic calls in this segment, and maintain a healthy book without compromising on returns.

I am also delighted to report that we have received the registration from National Housing Bank (NHB), for our Housing Finance subsidiary company (HFC). The affordable housing segment in India is attractive, and we are confident of leveraging our expertise and customer profile to be able to make a mark in this space. Together with this, we have also received RBI approval to incorporate a subsidiary company in Singapore, which will be focusing on the Asset Management business with India focus. All these initiatives would ensure multiple revenue streams for a sustainable growth and high risk adjusted return to stakeholders going forward.

Our growth will be directly driven by the capital-raising headroom our balance-sheet offers. An improved credit rating and existing lines, largely unutilized, from banks will enable us to grow multi-fold over the next few years. Improvement in our credit rating from A to A+ would ensure easy access to capital at reasonable cost to fuel our growth plans.

Capri Global is well aligned to the India growth story. Various government initiatives for small and micro entrepreneurs and financial inclusion measures drive towards affordable housing are leading to multiple opportunities in the financial services space. At the same time, regulatory initiatives are also helping strengthen the sector, together with providing a level-playing field for quality participants. All these factors are certainly going to provide the tailwind for our rapid growth.

We are helping build the India of tomorrow, not just through our business initiatives, but also through our social responsibility focus. Our interventions across the areas of Health, Education, Skill development and Livelihood are helping make a difference to the lives of our communities. We intend to scale-up and deepen these initiatives going forward.

We have positioned Capri Global attractively, and have put in place multiple initiatives during the year to implement the long term strategic intent. We are driven by our determination, and focused on our goal of value creation for the stakeholders. We are confident that our passion for excellence would help us fulfill expectations and take us to the next level, going forward.

I am deeply appreciative of the guidance and support received from our Board of Directors during the year. My gratitude also to our partners, bankers and other stakeholders who have supported our journey. And my congratulations to the hardworking team of go-getters that comprises Capri Global as they march towards our next level of growth.

Sincerely,

Sunil Kapoor
Executive Director

WE HAVE POSITIONED CAPRI GLOBAL ATTRACTIVELY, AND HAVE PUT IN PLACE MULTIPLE INITIATIVES DURING THE YEAR TO IMPLEMENT THE LONG TERM STRATEGIC INTENT. WE ARE DRIVEN BY OUR DETERMINATION, AND FOCUSED ON OUR GOAL OF VALUE CREATION FOR THE STAKEHOLDERS. WE ARE CONFIDENT THAT OUR PASSION FOR EXCELLENCE WOULD HELP US FULFILL EXPECTATIONS AND TAKE US TO THE NEXT LEVEL, GOING FORWARD.

BUSINESS APPROACH

ATTRACTIVE OPPORTUNITIES. ROBUST STRATEGY.

India is an inherently entrepreneurial society. With the Government's recent initiatives designed to further fuel enterprise, more and more people are taking the plunge to start their own businesses. The Make in India and Start-up India campaigns have further motivated people to become entrepreneurs.

In addition, there are millions of small businesses in India that require capital to realise their true potential. These factors, in turn, have accelerated the demand for small-ticket loans from NBFCs.

We at CGCL, are committed to reach a wider spectrum of emerging entrepreneurs to participate in the entrepreneurial resurgence of the country. We are taking strategic steps to attain success in the long term.

Changing Product Mix

During the year, we strategically shifted our focus to MSME and retail business, recognising the potential opportunities of these sectors. With our existent large market presence in key sectors, and present diversifications, we are now prepared to address a larger MSME base. During the year, the real estate sector witnessed a challenging environment amid policy uncertainties and delay in project approval cycle. This hampered the demand-supply scenario. Therefore, we followed a careful approach towards the real estate sector under wholesale lending.

Infusing Customer Centricity

As a customer-focused entity, we focus on understanding client requirements and addressing them through innovative solutions. During the year, we concentrated on reducing the DSA sales channel and built our own sales force, thereby strengthening direct business. The strong sales team regularly visit customers in our focused markets.

We are emphasizing on customer engagement by going closer to people, listening to their requirements and trying to improve our products and services, based on their insights. Our sensitivity to local cultures and aspirations has enabled us to gain the confidence of customers.

Increasing Footprints

We are foraying into new geographies and at the same time, penetrating deeper into existing locations. From a single centre entity, today, we have become a company with over 23 branches across India. Through expanding our footprints, we are consistently solidifying our grip in the Indian market. Going forward, we are planning to spread our network in the states of Maharashtra (Nagpur, Nashik), Gujarat (Baroda, Gandhidham, Jamnagar, Bharuch, Mehsana), Madhya Pradesh (Bhopal, Indore), Punjab (Jalandhar, Ambala), Tamil Nadu and entire NCR zone.

BUSINESS ENABLERS

STRONG TECHNOLOGY. PROFICIENT RISK MANAGEMENT.

Over the years, we have been able to position ourselves as a preferred financial services provider to customers through our due diligence, efficient processing and speedy disbursements. Our strong technological back-up and efficient risk-management framework has enabled us strengthen our reputation.

Robust IT framework

Our information technology facilitates faster and informed decision making. Information and technology framework has been integrated to all our various operations. We regularly invest in upgrading our infrastructure processes to ensure speed and accuracy in our functions.

Technology has gained more prominence with increasing volumes, processes and expansion of branch network. It has become a prerequisite to streamline operations. The technology infrastructure is regularly reviewed to ensure alignment with changing business model and technology landscapes.

Efficient risk management system

As an NBFC, we are predominantly exposed to typical risks which are common to financial sector. Our efficient risk management system enables us to thrive in a competitive environment. We follow an effective risk management model that supplements our business growth. Our risk management process begins with a well-documented policy, which is implemented by our team of experienced industry professionals.

We have institutionalised Risk management and the practices are reviewed and guided by the apex Risk Management Committee of the Board members. SOP are laid down for all the critical operations.

Ingenious credit rating tool for project and credit appraisal are developed for business verticals by experienced professionals to ensure selection of credible borrowers.

We have a capable team to handle recoveries and manage delinquencies reinforced by well-laid-out systems and procedures. Our recoveries philosophy is driven by core principles of integrity, transparency and respect for our customers. Extensive personal discussions with customers are conducted to assess their overall financial health and sustainability of their income.

We have a strong system to analyse data related to customers, supported by quality underwriting. As on March 31, 2016, our Gross NPAs were at 0.88% and Net NPAs at 0.75%.

Going forward, we will focus on the following areas:

- Strengthen data security functions
- Install analytical tools with various functions
- Present a new technology platform to improve customer services & acquisition and reduce the turnaround time with minimal transfer of physical documents
- Advancement to a scalable and flexible technology landscape
- Installation of fraud detection & prevention solutions

GROSS NPA

0.88%

NET NPA

0.75%

FULLY SECURED LOAN PORTFOLIO

BUSINESS DRIVERS

EMPOWERED **TEAM.** FIRM GOVERNANCE **FRAMEWORK.**

A dynamic and dependable team is the biggest asset for an organisation. We encourage a right work culture, supported by ethical work practices to facilitate good business. At the same time, we follow value creation approach. It originates from our belief that a comprehensive governance system, based on relationship and trust, is crucial to creating consistent stakeholder value.

Empowered team

The success of our business and contentment of our customers is largely dependent on our team performance. We work responsibly towards building an engaging team of performers. The proficiency and leadership capabilities of our team members are important for our long-term success. We made significant efforts in the areas of talent acquisition, employee development, leadership enhancement and performance management. During the year, our people strength increased from 216 to 380.

Comprehensive governance system

We are committed towards following the highest standards of governance and believe in implementing best practices for maintaining corporate discipline. Our leadership team, comprising an able mix of professionals with extensive experience and domain expertise, provides strategic direction to steer our continued growth. During the year, our credit rating moved to A+, one notch away from attaining an AA rating (premium rating held by big companies in the NBFC space).

Amit Setia

Associate Vice President
Sales - MSME & Retail Lending

"At CGCL, there is always a sense of security as it treats its employees like a family. HR understands well that there should be a work-life balance and therefore they leave no stone unturned to treat the employees in the best possible manner. At CGCL, performance is not limited to the quantitative numbers but encompasses the qualitative assessment of humane aspects, integrity, behavior and loyalty. At our work we have challenges, responsibilities and a lot of fun activities to do but I will say one thing that if you can dream, the organisation provides the resources to turn your dream into a reality."

Priyanka R. Hogle

Executive - Central Operations,
MSME & Retail Lending

"It gives me immense pleasure to be associated with CGCL. Calling it a "Capri family" perhaps would be more apt. I have joined this organization when the MSME segment was just shaping up and now after four years of sheer determination and dedication, the group has carved out a niche for itself in the market. The exposure which I got in Capri is great and I must say it is the best place to start my career in this industry. In CGCL, it is ensured that hard work and fun goes hand in hand. Participation in events like Stepathlon, Marathon, Health talks, various competitions on different occasions, outings / fun trips ensure perfect balance between work, fun and health."

Our HR practices during the year

- Embedded a culture of ownership by delegating authorities at various levels
- Brought transparency in performance management and reward programs
- Encouraged personal and professional growth through knowledge management and training & development programs
- Engineered high performance culture in the organization by reviewing, recognizing and incentivizing on monthly basis
- Conducted various employee-engagement activities to boost employee morale
- Built pool of young leaders

A+

OUR CREDIT RATING MOVED TO A+, ONE NOTCH AWAY FROM ATTAINING AN AA RATING.

BUSINESS FOCUS

DRIVEN TO **TRANSFORM.** DETERMINED TO **SUCCEED.**

It takes dedication and focus to evolve into a recognised institution. Over the years, we have built a strong reputation on the back of our commitment to creating value for stakeholders. However, one should never rest on laurels and instead, focus on the next level. Therefore, at Capri Global, we are taking various initiatives to leverage the emerging opportunities and strengthen our growth trajectory. This will enable us to prepare ourselves for the next phase of growth.

Our Growth Plan

- Strengthen focus on MSME & Retail lending and expand branch network
- Foray into affordable housing finance
- Enter asset management business
- Leverage high capital adequacy
- Invest in people, processes and IT
- Strengthen risk management framework

Foraying into new businesses

Being a recognised NBFC with strong presence in the real estate and MSME finance segment, we took the next logical step by foraying into the housing finance segment. Our endeavour is to empower the low and middle income customers in smaller towns and assist them in buying their dream homes by introducing special schemes, flexible solutions and hassle-free processing. Our consistent focus will be on groups that need own housing as a means of self-actualisation and financial security.

Besides housing, we also are entering into asset management business to further strengthen our portfolio, after having received the requisite approvals for this. We believe that our experience and understanding of our sector, together with our management depth will be well-utilised in a segment such as Asset Management, and will further allow us to meet the requirements of our customers. It will also ensure that we are leveraging our financial strength to create greater shareholder value.

Strengthening strategic alliance

During the year, we took a step forward to strengthen the strategic alliance between Capri Investment Group (CIG), USA and the Company. This alliance is aimed at imbibing best practices, ensuring robust governance standards and combining the research efforts of the two entities. Going forward, the spirit of this alliance would be realised by working together in raising third-party capital for the proposed asset management business.

Improving systems and processes

An effective collection system is an absolute necessity for NBFCs. To reduce our delinquency levels, we have strengthened our collections efficiency. With a larger collection team and regular follow-ups and reminders, we are on track to achieve best-in-class efficiencies and protect our profitability.

We also endeavour to ensure that our clients receive finance in the shortest possible time, because timely meeting of capital needs is important to them. This is one of our core differentiators, and we are building technology systems and processes to further strengthen our turn round times. Our technology investments will ensure that we are able to provide for the next level of our growth, and improve our operational efficiency and keep the operating costs under control.

Our credit appraisal process has been strengthened significantly, leading to a quicker loan sanction procedure. This builds our competitive position vis-à-vis other financial institutions and creates a differentiator.

We are also investing in technology to manage the business better, and to provide real time information and data to our management and to our field staff, in order that they may take informed decisions. We are ensuring that at all levels people are able to leverage technology and work better in order that Capri Global emerges as a best-in-class financial services institution.

DETERMINED TO SUPPORT SOCIAL PROGRESS

Rs. 242.60 lacs

SPENT ON CSR FOR THE FINANCIAL YEAR

At Capri Global, community development is an integral part of our sustainability strategy. We define CSR as conducting business in a way that provides social, environmental and economic benefits to our communities. Capri Foundation, our CSR arm has undertaken numerous social initiatives in the areas of education, health and livelihood enhancement.

EDUCATION

1300+

CHILDREN REACHED

Capri Shiksha Yogdan

Capri Shiksha Yogdan is our scholarship program for meritorious students from marginalized communities. The scholarship program encourages students and helps them to pursue their higher education.

PRAJAKTA MORE'S STORY OF SUCCESS

It was the happiest day of Prajakta's life when she was recruited by Tata Consultancy Services in her final year of engineering (Electronics and Telecommunication). However, her journey so far has been nothing short of a herculean task. Prajakta lost her father in her childhood and since then her mother struggled to make ends meet and educate her.

Even after qualifying for admission in Shah and Anchor Kutcchi College, the huge fees threatened to impede her academic pursuits. She paid her fees by taking loan from a local chit fund at a high rate of interest.

Prajakta's woes finally came to an end, when Capri Foundation accepted her scholarship application. After conducting a proper due-diligence process Capri Foundation sponsored Prajakta's fees till final year of engineering. We at Capri Foundation admire Prajakta for coming this far and we are glad to be able to support 268 more deserving children in the last year.

150+

PERSONS BENEFITED

LIVELIHOOD

Capri Rozgar

We focus on providing livelihood enhancement opportunities to socially-disadvantaged groups, through our Capri Rozgar initiatives. Some such initiatives include supporting skill training in stitching, umbrella making and switch assembly for specially-abled persons; and ITI training to urban youth in various technical trades, which in turn helps them become employable citizens.

HEALTH

Capri Sath

It is our need-based support program to provide accommodation, food, medical aid, and subsistence support to the economically-challenged people.

Helping Survive Thalassemia

Thalassemia is a life-threatening blood disorder that is incurable. A person diagnosed with Thalassemia needs to receive blood transfusion once in two to three weeks. Besides, the treatments and medication involve huge financial support. Realizing the situation, Capri Foundation has identified 40 such children from under-privileged backgrounds and is extending financial support to them.

40+

INDIVIDUALS SUPPORTED

Capri Vidya Abhiyan

Under this program we take up the responsibility of providing infrastructural support and sanitation facilities to schools in rural and urban areas. The school sanitation program is implemented in line with Government's 'Swachh Bharat Abhiyan' which aims to ensure 'Swachh Vidyalaya' by providing access to functional and hygienic sanitation facilities. Besides, scholarship support is also provided to students for pursuing primary and secondary education.

135+

STUDENTS SUPPORTED

School Sanitation Project

Dahanu block is located in Palghar district of Maharashtra. Not many visitors venture into this tribal belt, which is full of 'Kutcha' roads and tiny hamlets. The village schools are badly constructed and under-equipped. Toilets are rare and if any, they do not have any separate block for girls. The long queues to access toilets often led to open-defecation and acted as a major hindrance in enrollment of girl students. As an initiative towards improvement of sanitation facilities in zilla parishad schools, Capri Foundation has installed 10 sanitation units in five government schools of Dahanu.

10

SANITATION UNITS INSTALLED IN FIVE GOVERNMENT SCHOOLS

BUSINESS REVIEW

MSME & RETAIL LENDING

68%

MSME & RETAIL LENDING CONTRIBUTION

We partner MSMEs through their business cycle by providing them the much-needed access to funding. In a market where many large bankers and NBFCs chase the few large companies that require big ticket funding, we position ourselves as financers to the multitude of MSMEs who seek smaller amounts of growth capital to achieve their ambitions.

Under MSME financing, we provide loans to MSMEs in sectors of wholesale, retail, manufacturing and services. The overall retail book has grown by 70% during 2015-16 which demonstrates the success of the business-development efforts and focus on growing this segment.

Key Highlights 2015-16

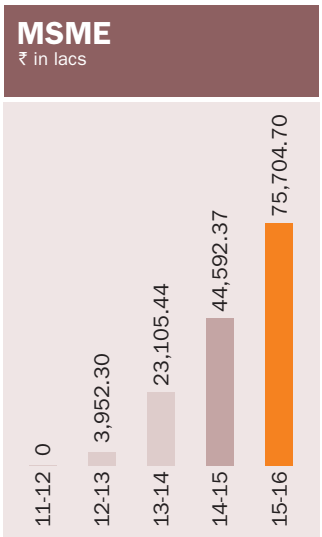
- More than 80% of our business is PSL (priority sector lending).
- We are expanding our presence in Maharashtra, Gujarat, Punjab, Tamil Nadu and entire NCR.
- Disbursed loan worth Rs.47,644 lacs.
- We received Certificate of Registration from National Housing Bank (NHB) to launch Housing Finance business.

Mr. Sunil Kumar

Owner of M/s. Swastik Express

Mr. Kumar is a resident of Sanjay Colony, Faridabad. He has been in business of providing domestic courier services and wanted to scale up his business. He approached us for financial assistance and we offered him instant and hassle-free loan. Now, not only that he has been able to launch international courier services, but also services to parcel more than 300 kg's of load, which he was not able to do earlier, due to working capital constraints. Mr. Sunil believes, "Capri Global has always supported me at every step and partnered my progress." We are proud to be part of his success story.

Loans and Advances Growth over 5 years



WHOLESALE LENDING

32%

WHOLESALE LENDING CONTRIBUTION

The wholesale lending division focuses on the residential real estate sector, and caters to the needs of this segment through comprehensive financial solutions. This division emphasises on diverse project financing needs over the entire real estate transaction cycle. Through this division, we aim to meet the funding requirements of established Tier-1 developers, as well as upcoming developers in mature markets. With deep industry relationships and excellent in-house risk assessment expertise, this vertical was able to manage risks and optimize returns even in an adverse economic and real estate environment.

Under real estate, we have created a niche for ourselves through offering structured term loans only to multi-family real estate townships / standalone buildings.

Key Highlights 2015-16

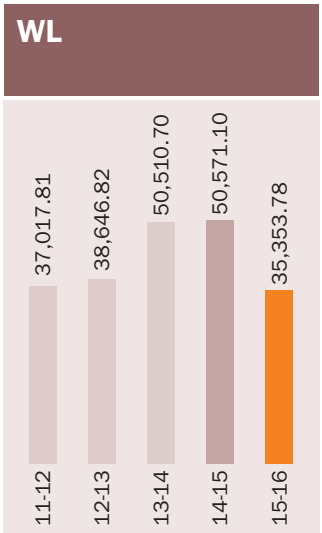
- We have presence at all major markets like Mumbai, Pune, Bangaluru and NCR Region.
- We focused on affordable housing projects in these areas.
- Strong credit risk assessment with minimum TAT.
- Disbursed loan worth Rs. 21,631 lacs.

Mr. Anil Mutha

Promoter of Nandivardhan Group

Mr. Mutha was in search of a financial partner to fund his landmark project in Thane which required financial closure. The project had just commenced construction. Mr. Anil Mutha says, "When we were searching a Financial Partner for our project, Capri Global was the quickest to respond and we are very happy to have your assistance. Your entire team understands our requirements very well and has offered viable solutions to the problems faced by us. We would definitely like to build this new relationship and hope to work together for our future projects."

Loans and Advances Growth over 5 years



BOARD OF DIRECTORS

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1 Mr. Quintin E. Primo III
Non-executive Chairman

Quintin E. Primo III is the Founder, Chairman and Chief Executive Officer of Capri Investment Group, LLC. Headquartered in Chicago, Illinois, USA, Capri Investment Group is a real estate investment management firm advising pension fund and other institutional investors. With over three decades of experience in real estate investment, Mr. Primo established Capri in 1992 during the US credit crisis. With his expertise in developing new markets for investment, he successfully established a niche business by capitalizing on the financing void left by retreating banks, insurance companies and thrift institutions.

Under his leadership, Capri launched one of the industry's first real estate mezzanine investment funds in 1998. In the following decade, he emerged as an early institutional investor in the US multifamily residential markets as well as in America's underserved urban markets.

Mr. Primo holds a Master of Business Administration degree from Harvard University Graduate School of Business and a Bachelor of Science degree in Finance, with honours and high distinction from Indiana University. He has several articles and industry white papers to his credit, and is well recognized for his professional, civic and philanthropic contributions.

2 Mr. Sunil Kapoor
Executive Director

Sunil Kapoor has over 25 years of experience with leading global organizations. He has significant expertise across various business functions, including, operations, credit (underwriting), collections, sales, distribution, and risk & finance.

He has worked with several leading global organizations such as AIG, Bharti AXA Life Insurance, General Electric (GE), Citigroup, American Express (AMEX), and Godfrey Phillips. He has demonstrated strong leadership skills and has successfully developed business strategy, built up a team of capable executives, implemented new operating systems and risk analytics, during his association with these reputed MNCs. During his current stint with Capri Global, he has strengthened the reach of the MSME vertical and has launched the direct-to-customer model to deliver personalized and quick services.

Sunil Kapoor is a qualified Chartered Accountant, Cost Accountant and a Commerce graduate from Shri Ram College of Commerce, Delhi University.

3 Mr. Beni Prasad Rauka
Independent Director

Beni Prasad Rauka is associated with SEB Group of companies as its Group CFO and has steered the Group's finance and accounts function for over 15 years. With more than 29 years of experience of working with merchant bankers, finance and manufacturing companies, he has helped many corporates raise substantive short and long-term funds from debt and equity markets.

Beni Prasad Rauka is a qualified Chartered Accountant and Company Secretary. He is known for his contribution to the community, through supporting various social welfare and culturalcauses.

4 Ms. Bhagyam Ramani
Independent Director

Bhagyam Ramani is an Ex-Director and GM of General Insurance Corporation of India (GIC-Re). She started her assignment at GIC-Re as a Direct Recruit Officer in 1976 and was promoted as General Manager in 2005. Subsequently, in 2009, she became a Director on the Board of GIC-Re and retired in January 2012.

She gained substantial experience in investment management while her association with GIC-Re. Besides, she served on on the Board of many prominent Indian companies like L&T, NSE, IDBI Trusteeship Ltd., Milestone Capital Advisors Ltd. and Agricultural Insurance Company Ltd.

At present, she is serving as Independent Director on the Board of prominent public listed companies such as Saurashtra Cement Ltd., Gujarat Sidhee Cement Ltd., Lloyds Metals and Energy Ltd., Industrial Investment Trust Ltd. and Choice International Ltd. Moreover, she is also on the Board of large unlisted public companies like IDBI Federal Life Insurance Company Ltd., L&T Hydrocarbon Engineering Ltd. and L&T Special Steels and Heavy Forgings Private Limited. She is also part of the visiting faculty at the National Insurance Academy, Pune.

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She is a Post Graduate in Economics (Hon.) from Bombay University with specialization in Industrial and Monetary Economics.

5 Mr. Bhagwati Prasad
Independent Director

Bhagwati Prasad, since retiring as Chief Justice of the Jharkhand High Court in May 2011, practices law as Senior Advocate before the Hon'ble Supreme Court of India.

After practising law for more than two decades, he was elevated as Judge of Rajasthan High Court in 1996. Subsequently, he became the Judge of the High Court of Gujarat at Ahmedabad in February 2008. In August 2010, he was elevated as the Chief Justice of Jharkhand High Court at Ranchi.

Bhagwati Prasad is a Post Graduate in Law (LLM) from Jodhpur University and a Law Graduate from Doongar College, Bikaner.

6 Mr. Mukesh Kacker
Independent Director

Mukesh Kacker served as an IAS officer with the Government of India for three decades, holding significant senior positions, both in policy formulation roles and in executing capacities.

As a Member of National Highways Authority of India, he was at the forefront of India's highways revolution. He played an instrumental role in planning and executing a major portion of the Golden Quadrilateral. As Joint Secretary (Petrochemicals), he drafted the National Policy on Petrochemicals and conceptualized the Policy on Investment Regions, anchored by big petrochemical units. Besides, he has worked in various positions in the Ministry of Human Resource Development, Government of India.

The Government of India inducted him as Member, Task Force on Infrastructure Development and Mega Projects. He also serves as Independent Director on the Board of Arshiya International Ltd.

He holds a Master's Degree in Economics from Harvard University, as well as a Bachelor in Science and M.A. in Political Science from Allahabad University.

7 Mr. T. R. Bajalia
Independent Director

T. R. Bajalia has over four decades of experience in the banking industry, having handled portfolios including Corporate Banking, Project Appraisal, NPA Management and Resolution, MSME Funding, Human Resource Management/ Development, Training, Legal, Management of Facilities and Infrastructure.

Mr. Bajalia started his career with Bank of India in 1974 as a Probationary Officer, before joining IDBI in 1983. He played a significant role in the formation of the Micro Small and Medium Enterprises (MSME) vertical in IDBI in 2008. He had been an IDBI nominee on the SIDBI Board since 2009. Before being appointed as Deputy Managing Director of SIDBI in October, 2012 he was the Executive Director with IDBI Bank Limited. He retired as Deputy Managing Director of the SIDBI on December 31, 2013, before joining Board of the Company as Independent Director.

T. R. Bajalia is a well-known authority on MSME funding in India and has addressed many MSME forums. He served as a Member of the Committee constituted by the Reserve Bank of India for restructuring of SME. He was also a member of the CDR empowered group and member of committees relating to the MSME sector constituted by Chambers of Commerce, including the Maharashtra Chamber of Commerce, FICCI and CII. He also serves as Independent Director on the Board of India Steel Works Limited.

He is an Economics Graduate, Cost Accountant and Certified Associate of the Indian Institute of Bankers (CAIIB).

8 Mr. Rajesh Sharma
Promoter Director

Rajesh Sharma is founder of the Company, with over two decades of experience in capital market and financial advisory services. Besides, he has rich knowledge in Corporate Finance, Investment Banking, Merchant Banking and Asset Financing. He has leveraged his expertise and experience to steer the Company's growth and played an instrumental role in making it one of the leading financial services players in India.

He is a qualified Chartered Accountant.

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MANAGEMENT DISCUSSION & ANALYSIS

GLOBAL ECONOMY OVERVIEW

The financial year 2015-16 did not witness any major surge in economic activity. Global growth declined from 3.4% in 2014 to 3.1% in 2015. This slowdown was primarily driven by unprecedented decline in oil and commodities prices, volatility in financial markets, decline in trade and low inflationary trends owing to depressed growth around the world.

The US posted 2.4% growth mainly due to the country's improved fiscal and housing situation. The Euro Area grew by 1.5% on the back of robust private consumption, supported by low oil prices and easy financial conditions. The Japanese economy was hampered by a sharp fall in private consumption, resulting in discouraging growth figures. The rebalancing of the Chinese economy had a major impact, especially in the Asia-Pacific region, as it shifted from manufacturing to service sector. This has translated into strong tailwind for China, and is expected to help it post decent, though below par, growth numbers.

Going forward, global growth is projected to improve at slow pace. It is expected to reach 3.2% in 2016 and 3.5% in 2017. The growth projections for all the major economies and regions for 2016-17 are modest. It is believed to be a year of consolidation, where commodities prices are expected to bottom out and a slight pickup witnessed in infrastructure activity.

(%)

Global Growth	2014	2015	2016	2017
World Output	3.4	3.1	3.2	3.5
Advanced Economies	1.8	1.9	1.9	2.0
United States	2.4	2.4	2.4	2.5
Euro Area	0.9	1.6	1.5	1.6
Japan	0.0	0.5	0.5	-0.1
United Kingdom	2.9	2.2	1.9	2.2
Other Advanced Economies *	2.8	2.0	2.1	2.4
Emerging and Developing Economies	4.6	4.0	4.1	4.6
China	7.3	6.9	6.5	6.2

*Excludes the G7 and Euro Area countries.

Source: International Monetary Fund (IMF)

INDIAN ECONOMY OVERVIEW

Despite continuing global headwinds, India's GDP clocked 7.6% growth in 2015-16, making it one of the fastest growing economies in the world. The Government of India (GoI) focused on strengthening the economy with various pro-reform policy initiatives to improve the country's social and physical infrastructure and set structural drivers for long-term sustainable economic growth.

India's trade deficit came down to $5.1 billion in March 2016 owing to a sharp decline of upto 21% in imports. The government's adherence to keeping the fiscal deficit within target while managing growth is a positive step, especially in view of the stress and uncertainty in the global economy. The government has targeted to narrow the fiscal deficit to 3.5% in 2016-17, after maintaining its 3.9% target for 2015-16. Consumer price inflation is also within normal range, hovering around 5%.

Government initiatives, low interest rates, decline in fiscal deficit and moderate inflation have enabled the Indian economy to achieve strong growth estimates. Policy adjustments and improved macro-economic environment have helped India attract more FDI flows during the year compared to last year. With government's growth agenda intact and the tide turning favourable on the economic front, India looks poised to perform better than its global counterparts in 2016-17 and is expected to grow at closer to 8% in 2016-17.

SECTOR OVERVIEW

Financial Services Industry

India's financial services industry is expanding at a rapid pace driven by the government's pro-sector measures, announced in the last fiscal. These initiatives have given significant impetus to the sector that includes, commercial banks, insurance companies, non-banking financial companies, co-operatives, pension funds, mutual funds and other smaller financial entities.

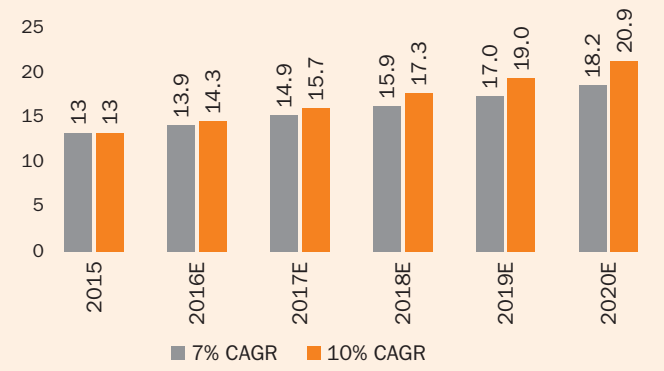
Government schemes like Pradhan Mantri Jan Dhan Yojana, Atal Pension Yojana, MUDRA, the new bankruptcy law, gold monetisation scheme and debt restructuring scheme are contributing to the financial sector's growth. Besides, the sector is positively impacted by favourable micro economic factors like rising income levels, improving life expectancy and good economic growth numbers.

The Reserve Bank of India (RBI) has issued in-principle approvals for setting up ten small finance banks and eleven payment banks. These initiatives are likely to speed up the process of financial inclusion, opening new avenues of funding for micro small and medium enterprises (MSMEs). This in turn is expected to open new business opportunities for NBFCs.

NBFCs - growing in relevance

For over a decade, Indian NBFCs have played a pivotal role in meeting the country's diverse financial requirements. They cater to under-penetrated and unbanked customer segments, fulfilling their financial needs. NBFCs are able to reach deeper, offer more specialised services, and are able to lend to sectors and customers who find it difficult to obtain bank lending. NBFCs have performed well in retail asset-backed lending, lending against securities and microfinance. Besides, they have done substantially well in farm equipment financing, loans for purchase of used commercial vehicles & machinery and small ticket personal loans. NBFCs are expected to play the role of a key financial intermediary, once they are integrated in the financial system with full policy support. Factors like better understanding of customer profile / need, better product lines, wide network, quick turnaround time and robust risk management capabilities will contribute to the growth of NBFCs.

Credit Growth at NBFCs as a % of Total Credit



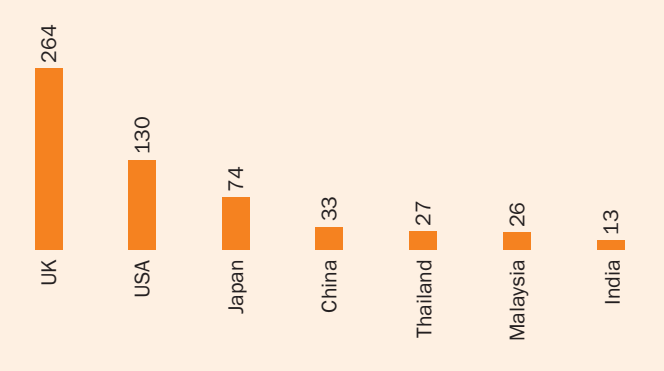
Source: PwC Analysis

Increased customization is the key to the sector's satisfactory performance. Innovation-led customised products will set the tone for the sector's growth momentum, going forward.

Conversion of 10 (ten) micro-finance institutions into small finance banks in the next one year is expected to provide space for the growth of other NBFCs-MFIs. NBFCs can partner with payment banks and small finance banks to provide more financial offerings to consumers, thereby boosting growth prospects. Large exposure regime for banks will come into effect by 2018, which would provide NBFCs more room to operate in big-ticket corporate financing segment in the medium term.

Credit penetration of NBFCs in India at 13% of GDP is still low, compared to other emerging economies (source: Boston Consulting Group). This represents huge untapped opportunities for the sector. According to various estimates, the market share of NBFCs in total credit has increased to 13% in 2015 from 10% in 2005, in just a decade. Improving macroeconomic conditions, higher credit penetration, improved consumption and disruptive digital trends will allow NBFC's credit to grow at 7–10% (real growth rate) over the next five years.

NBFC Credit as % of GDP



Source: BCG Reports

NBFCs and regulatory environment

The RBI conducted a comprehensive review of NBFC regulations in 2014. The revised regulatory framework is designed to focus supervisory attention to those NBFCs which genuinely can pose risks to the financial system and bring operational freedom to smaller NBFCs. Assets classification and Provisioning norms of NBFCs are going to converge with those of banks by the 2018.

Government Initiatives

- NBFCs shall be eligible to claim tax deduction to the extent of 5% of total income on account of provision for bad and doubtful debts (NPAs). It has been a long awaited demand to treat the provision of bad debts of NBFCs at par with that of Indian banks in terms of tax deduction. This has only been moderately met as the prescribed percentage is less than that allowed for banks. However, this is a positive development for NBFCs reducing the tax outgo for them. It has provided them a much sought after relief, especially in these rising NPAs scenario.
- Reversal of input tax is proposed to provide additional options to banking companies, financial institutions and non-banking financial companies, with respect to non-taxable services provided by them by way of extending deposits, loans and advances.
- FDI will be allowed beyond the 18 specified NBFC activities under the automatic route. This move will help in promoting ease of doing business and attracting overseas investments by doing away with the need of seeking government approvals.
- In 2015 Union Budget, the finance minister announced that NBFCs would be considered as an eligible financial institution for SARFAESI benefits. However, the corresponding amendment in the SARFAESI Act is yet to be introduced. This move would facilitate faster liquidation of immovable assets for recovery of bad loans.

NBFCs and MSME

The micro, small and medium enterprise (MSME) financing sector is still relatively underpenetrated. Most retail asset financiers are targeting the underpenetrated MSME financing market. The MSME sector includes roughly 36 million units, accounts for 45% manufactured output and 40% exports from the country. The sector contributes to around 37.5% of GDP and provides employment to 111.4 million persons. Owing to the greater flexibility and lower approval time that the sector offers, retail NBFCs are preferred borrowing partner to the MSME segment.

The government is taking proactive measures to help MSME sector. It is creating more awareness, removing technology-related obstacles and providing necessary training to the people engaged in this sector. According to CRISIL, loan against property segment for MSMEs is expected to grow by ₹ 5 lakh crores by 2018-19 and NBFCs are likely to contribute nearly half of this.

NBFC and Real estate sector

India is projected to become the third-largest economy in the world by 2030. An estimated 590 million people will dwell in cities. In 2015, the government announced 'Housing for All by 2020', heralding a new era in the housing finance sector. The scheme became a catalyst to create a supportive environment for expanding credit flow and increasing home ownership.

According to ICRA, the total housing credit outstanding as on December 31, 2015 crossed ₹ 11.9 trillion, thus showcasing a growth of 18% in the nine month of 2015. This is a marked improvement from the previous ₹ 10.5 trillion as on March 31, 2015. The growth can be attributed to the disbursements against construction-related loans, growth in the small ticket affordable housing segment and demand from Tier II and Tier III cities.

Overall, as the growth in the sector is picking up, there is enough opportunity for both banks and NBFCs to cater to this evolving demand. In addition, favourable policy implementations such as bringing housing loans of up to ₹ 50 lakh under affordable housing, ₹ 28 lakh in urban and ₹ 25 lakh in other centres under Priority Sector Lending will contribute to this sector's growth. Moreover, the government has identified 98 cities to be developed as smart cities and announced 20 cities to be taken up in the first phase.

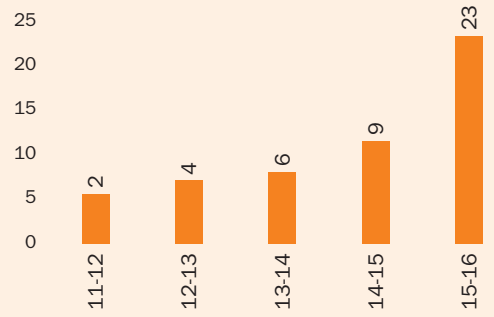
COMPANY OVERVIEW

Capri Global Capital Ltd (CGCL) is a leading Indian NBFC, which focuses on lending to MSME business enterprises as well as residential real estate developers. It has multiple products that include bridge loans to builders, structured debt, loans for working capital for small businesses and plant & machinery purchases. The Company aims to provide customised solutions to borrowers while de-risking the transactions through appropriate collaterals, thus, creating value for its stakeholders.

With a strong market presence in key sectors, CGCL is concentrating on bolstering its MSME vertical. The Company's growing ability to address the evolving financial needs of the sector will enable MSMEs to focus on their core competencies, and they collectively will contribute to the India Growth story. The Company's distribution footprint increased from 9 branches to 23 high potential locations across India during the year. The Company is expanding its presence, thereby strengthening its foothold in the key MSME markets across India.

Branch Expansion over the years

Nos.



CGCL is also focusing on the housing finance segment. It aims to make housing affordable to the society's marginalised sections, especially staying in Tier II and Tier III towns of India. Towards this end, it has recently received approval for undertaking Housing Finance business through its subsidiary. This will help the Company achieve significant growth, going forward and would supplement the existing Wholesale lending business focussed on funding real estate developers.

BUSINESS DIVISIONS

MSME and Retail lending

The Company's MSME & Retail financing vertical provides loans to micro, small and medium enterprises (MSME) in retail, manufacturing and services sector. The overall retail book has grown by 70% during 2015-16 which demonstrates the success of the business-development efforts and focus on growing this segment. CGCL believes that MSMEs are the growth engines which will power the economy forward, and therefore, addressing unmet financial needs of this segment can be a significant value-creation opportunity.

Wholesale lending

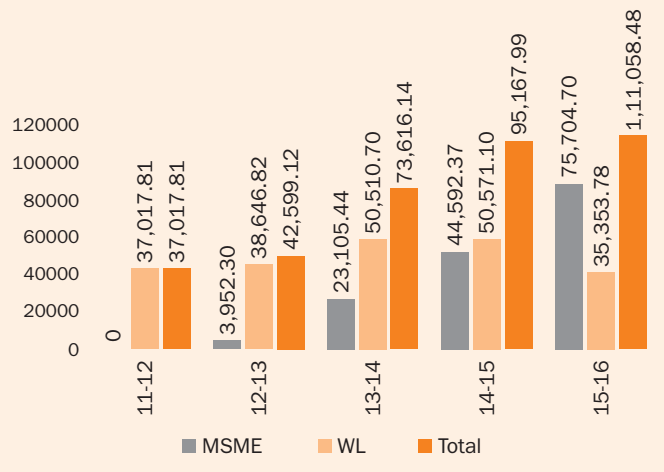
The Wholesale lending vertical aims to provide specialised and holistic solutions to real estate developer, helping them build and grow their businesses. The Company focuses on products in the structured credit space, backed by adequate collaterals and cash flows to build a secured and quality wholesale lending portfolio. The Company has created a niche for itself, offering structured term loans to multi-family real estate townships / standalone buildings.

The Company has consciously adopted a cautious approach towards wholesale lending during the year and has been selective in choosing customers after carrying at stringent due diligence. The Company's wholesale loan book stood at ₹ 35,354 lacs as compared to ₹ 50,571 lacs during the previous year due to slow down in the sector.

The Company's loan book is well distributed both geographically and among a set of selected customers. The portfolio of customers includes residential real estate developers of repute, located in all the major metros including Mumbai, NCR, Pune and Bangaluru.

Loans Book over the years

(₹ in lacs)



(₹ in lacs)

Financial Review	2015-16	2014-15
Total Revenue	18,655.19	19,216.08
Profit Before Depreciation &Taxes(PBDT)	5,544.14	13,946.47
Profit After Tax	4,120.49	8,518.33
Loans & Advances	1,11,058.48	95,167.99
Interest Income	15,908.96	17,031.28
Net Worth	1,08,602.50	1,03,313.84

During 2015-16, CGCL streamlined and expanded its operations after an intensive assessment of emerging economic scenario. It took cognizance of evolving customer needs and designed products and services that are aligned to their aspirations. CGCL also focused on leveraging the power of technology, and adopted a process-oriented approach to lending, to ensure better service delivery to customers and a stronger asset-quality. Given the slowdown experienced in the real-estate sector and the resultant surge in unsold inventory, CGCL consciously restricted the lending to this sector and increased the focus on the MSME business. This has resulted in a lower disbursement of loans for real-estate and an impact on profitability due to a one-time, proactive write-off as a prudent business and derisking strategy.

The revenues were marginally lower during the year at ₹ 18,655.19 lacs, compared to ₹ 19,216.08 lacs during 2014-15. Interest income of the Company was marginally lower by 6.58% as compared to the last year at ₹ 15,908.96 lacs (Previous year ₹ 17,031.28 lacs)

The management decided to write-off loan to the extent of ₹ 6,593.77 lacs (net of adjustments) during the year, due to continuing default by few of the borrowers in repayment of loans. As a result, Profit After Tax (PAT) was lower by 51.63% i.e. ₹ 4120.49 lacs vis-à-vis ₹ 8,518.33 lacs in 2014-15.

The loan book of the Company grew by 16.70% to ₹ 111,058.48 lacs from ₹ 95,167.99 lacs of the previous year. The balance sheet of the company has strengthened further despite the fall in profit and the net worth has increased to ₹ 1,08,603 lacs from ₹ 1,03,314 lacs.

The Capital Adequacy Ratio (CAR), as of March 31, 2016, stood at 79.72% which is well above the regulatory minimum of 15%, providing significant headroom for growth going forward.

The Company was able to secure lines of credit from banks for its business and working capital needs to the extent of ₹ 38,500 lacs during the year as compared to ₹ 10,000 lacs of the previous year.

STRATEGY GOING FORWARD

Maintain strong asset quality and earnings growth – The Company has maintained high-quality loan and investment portfolios through keeping a watch on the target customer base, a comprehensive risk-assessment and thorough risk remediation procedure. It aims to maintain its focus on steady earnings growth through conservative risk management techniques and by accessing low-cost funds.

Leverage existing network with selective expansion – The Company proposes to expand its operations across India in a phased manner. This will help increase its share of the MSME business, by tapping underserved segments – Tier II and Tier III of the Indian economy. The Company aims to have 40-45 branches from the current 23.

Strengthen the IT platform – Technology continues to be a strategic enabler for CGCL. It is primary for the Company's future business growth and cost optimisation. The Company aims to strengthen processes to improve operational efficiency, end-to-end business automation and customer service to support business growth.

OUTLOOK

Over the years, NBFCs have played a significant role in providing small-ticket loans to retail customers in underserved regions, who do not have access to formal sources of finance. There is huge opportunity for credit intermediation and expansion in the country owing to improved economic activity and moderate

interest rates as well as consumer demand. In the coming years, CGCL aims to achieve leadership position in selected customer products and segments; and build skills and capacity through people and technology development, while keeping risk under control.

The Company is prepared to take the next step by:

- Adopting faster means to expand and improving business operations.
- Establishing a presence across several parts of India.
- Developing new and bespoke products to meet diverse customer needs.
- Integrating operations with technology to improve the overall efficiency levels.

RISKS AND CONCERNS

Risk is the integral part of any business and CGCL is no exception to that. Even as the risk cannot be avoided in a business, it can be minimised or the probability of loss due to manifestation of such risk can be reduced to a greater extent.

Risk management has been institutionalised in CGCL. The Company has formed an apex Risk Management Committee of the Board of Directors, which reviews the implementation of risk management practices in the Company. It guides and advises the management to modify, improve and fine-tune systems and controls continuously to ensure a strong risk management discipline. Being a financial sector player , CGCL is predominantly exposed to typical risks including credit & portfolio risk, finance & liquidity risk, business & market risk, operational & technology risk and regulatory & compliance risk.

Credit Risk – This is a basic and inherent risk involved in lending business wherein the borrowers may fail to repay the loans leading to a risk of upsurge of the bad debts.

Impact on CGCL– Credit risk results in monetary losses (interest and principal), affects the capital adequacy and also casts doubts over the asset quality of the loan book. It further impacts the outlook of rating agencies about the company.

Mitigation – CGCL has a robust credit appraisal system in place along with an efficient monitoring system, designed to minimise the probability of default. The credit appraisal mechanism is founded on three pillars: selection of borrower; business assessment of borrower; and the collateral. CGCL follows quite elaborate process before a borrower is selected to be on board. The resources team is trained to identify a good customer. Subsequently, specialised executives from Company's in-house Fraud Control Unit check the references and antecedents of borrowers, and screen all papers/documents to ensure habitually unscrupulous borrowers are not taken on as customers. The Company has developed and implemented a rigorous credit rating tool in project finance under wholesale lending vertical. It precisely weighs the borrower on the scale of risk and investment grade. In MSME borrower segment, the business and repaying capacity of the prospective borrower are assessed pragmatically by adopting various measures, apart from traditional method of analysis of financial statements. Post disbursement, monitoring is also quite effective through Escrow arrangements. Besides, collecting and analysing different data and information from borrower, maintain vigorous follow up for recovery instalments of principal & interest and initiating corrective steps on time reduce the chances of impairment of loan assets.

Portfolio Risk – Concentration of credit risk in a particular segment of borrowers or products.

Impact on CGCL – The skew of the credit book in favour of any one sector may result in losses if the sector does not do well. It affects the quality of the asset-book and assessment by financing institutions.

Mitigation – CGCL adopts a vigilant practice to monitor portfolio risk. The wholesale lending business was historically concentrated in the real estate sector. CGCL has of late thoughtfully reduced its exposure to the sector by increasingly concentrating on the MSME segment where there are greater diversification opportunities. The MSME portfolio is well diversified to all business segments i.e. trade, industry, manufacturing, services and professionals, among others. The Company diligently follows prudential exposure norms to restrict credit concentration in any particular industry segment or scheme or product. Extensive MIS and internal controls ensure continuous monitoring of credit and portfolio risk.

Finance Risk – Money is the raw material in lending business. Timely and adequate availability of funds is essential for business growth.

Impact on CGCL – Having insufficient funds will impact the Company's ability to lend to prospective borrowers thus affecting business growth. Adequate balance between owned funds and borrowed funds must be maintained to ensure that the lending ability does not suffer.

Mitigation – With a large owned fund base, CGCL is capable of raising adequate funds from banking system to support the projected business growth. With a low capital gearing, of approximately 0.4 times, CGCL is in strong position to mobilise funds and support business growth without any challenges in foreseeable future. The company has a comfortable capital adequacy ratio, and it has available lines of credit from multiple institutions, that can be tapped whenever the need of funds arises.

Liquidity Risk – Liquidity is an intrinsic risk in the financing activity. It surfaces when there is a mismatch between the raising and deployment of funds, both in terms of tenor and quantum.

Impact on CGCL – Although it is a short-term risk, if not managed efficiently it can cause loss of business as well as revenue losses. Inability to lend when opportunity arises because of a non-availability of immediate funds can be a significant setback.

Mitigation – In CGCL liquidity is dynamically managed by well-equipped treasury. Funds availability and deployment are monitored daily, round-the-clock. The reports are submitted to ALCO members on a daily basis; ALCO reviews the position and forecasts on quarterly basis for next six months.

Business Risk – Volatile macro-economic conditions and change in the sector's attitude towards various economic segments cause ups and downs in the business. There may be increased competition, lower spreads available and non-performance of certain customer segments.

Impact on CGCL – Being forced to lend at lower rates may reduce the profitability. The company's asset book may be impaired if customer business segments are not doing well. If there is overall stress in the lending sector, there may be several regulatory restrictions imposed.

Mitigation – CGCL has a dedicated team to continuously evaluate trends in the economy as well as various sectors of it. With perseverance of research team, business and risk teams are equipped with Industry outlook to facilitate well informed decisions. With increasing competition in the financial markets, the Company's business growth is now subjected to its withstanding ability to face the competition. Keeping in with trends and practices in the market, CGCL has devised a number of tailor-made products to ease the market penetration. Under MSME a new focus area is introduced viz. urban retail for mobilising the business from micro markets within the city. For better reach to such market, the Company has undertaken a branch network expansion programme. Equipped with zealous sales force, range of products, continuous efforts to improve TAT and customer-friendly culture, the Company is efficiently withstanding the competition.

Interest Rates Risk – Fluctuations in interest rates could adversely affect borrowing costs, interest income and net interest margins of companies in the financial sector.

Impact on CGCL – Any changes in interest rates can impact the company's asset –liability position, together with making the business exposed to risk of lower profitability and lower returns.

Mitigation – Interest rate scenario is reviewed by ALCO on quarterly basis and accordingly, base LTRR is fixed. Majority of the portfolio is built on floating interest rates, but at the same time, Company also adopts blended interest rates structure. Interest rates are market driven and CGCL is capable of adapting itself swiftly to the changing market dynamics.

Operational Risk – The lack of a proper flow of and controls over the operations of the company.

Impact on CGCL – If the operations are not sound, it can have an adverse impact on continuity of the business, reputation and profitability of the company.

Mitigation – The Company has adopted all relevant contemporary and technology-based operational methods and systems. For credit delivery/administration, the Company has employed 'OmniFin'. Besides, 'Enterprise Tally' has been installed for accounting to ensure that the Company is maintaining a strict vigil on all operational parameters.

Technology Risk – Technology-driven systems are always extensively exposed to the 'Technology Obsolescence Risk'.

Impact on CGCL – If the technology investments become obsolete, it will impact the overall turnaround time and operations because of others having better technology. It might also add to increased operational cost as fresh investments may be required.

Mitigation – The Company has undertaken suitable initiatives to overcome such risks by evolution of new systems like MinFin-Nuclues and SAP-Basic, among others. Going forward, the Company plans to swiftly adapt to changes to meet the challenges of increasing business volumes. As the Company is in the 'Branches Network Expansion' mode, MPLS VPN has been introduced for secured networking and high availability. Besides, SSL VPN is there for internet locations. In all branches Firewalls are implemented. The Company has a full-fledged IT department, manned by expert professionals. Their services are available round-the-clock to ensure smooth operations, maximum uptime and controls. As a part of Business Continuity Plan (BCP), the Company has created distant Disaster Recovery Site (DRS) and full back-up policy is also adopted. The Company has assumed effective internal controls through Internal Audit. It applies to entire processes, operations and practices.

Regulatory & Compliance Risk – NBFCs are regulated by RBI, and given the nature of the business, there are always regulatory changes and compliance additions being made.

Impact on CGCL – CGCL being a non-deposit taking systemically-important NBFC, it can get impacted by unforeseen regulatory changes and additional compliance requirements.

Mitigation – The Company adheres to all guidelines issued by RBI from time to time. The Company has an independent compliance department headed by a senior management executive. The person, being a nodal officer, continuously liaises and updates on the regulatory guidelines and oversees their effective implementation in the organisation. The Company adheres strictly to Capital Adequacy, Fair Practice Codes, RBI

Reporting, Asset Classification and Provisioning Norms, among others to ensure zero tolerance to non-compliance. Besides, Company has employed services of full-time Company Secretary to ensure strict adherence to corporate and securities market laws & regulations.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

CGCL has put in place adequate Internal controls system to ensure efficiency in business operations, safeguarding of company's assets, protect against the chances of frauds & errors, strict compliance with applicable laws & regulations and the reliability of financials reporting. The Policies & processes and systems controls are clearly defined for all critical areas on principles of segregation of duties in a manner that proper maker-checker is built-in. Internal Audits are conducted at regular intervals to provide assurance to management that the transactions are carried out as per set policies & processes and that system controls are duly implemented & are working as defined.

The Audit Committee of the Company oversees the internal audit function, risk management systems and internal controls systems over financial reporting to ensure that business is conducted effectively.

Also, the company uses Insurance as risk transfer tool. During the year, insurance cover was taken to transfer risks of fire and theft of assets of the Company, as also towards Directors' and Officers' liabilities.

HUMAN CAPITAL

Employee Centricity

CGCL believes that employees play a pivotal role in achieving a competitive edge. Therefore, it is prerequisite to develop its human resource as per the changes in the external environment. The Company strengthens the talent pool by providing employees with career enhancement opportunities. The Company's HR framework is intensely focused on leadership development, talent management and succession planning. Going forward, the Company focus will be on bolstering its learning and development cell, through considerable investments in reducing the skill gap of its existing work force.

The Company's Remuneration Policy is designed to attract, motivate and retain human capital in a competitive environment. To further intensify the Remuneration Policy and retain high-quality talent, the Company has introduced a system of recognizing and rewarding its star performers. The HR policies are crafted to provide employees with best-in-class benefits.

Performance-driven environment

The human resources initiatives are of strategic importance and are concentrated on creating a performance-driven environment in the Company; where innovation is encouraged, performance is recognized and employees are motivated to realize their potential.

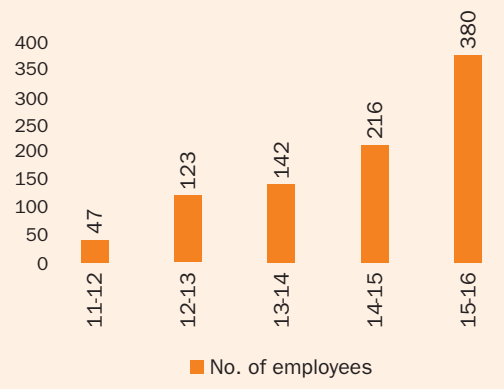
Competent systems, processes and continuous investments in technology helps manage this scale and complexity of a large, distributed and diverse workforce. 'CUBE', an interaction platform has transcended beyond just interaction platform to become a compelling tool driving transparency, policy changes and streamlining processes. It has revolutionized the way CGCLers interact professionally.

At CGCL, the employee engagement platform is inclusive and empowering. The HR Team engages employees through a lot of curricular activities, contests- providing them a platform to showcase the creative talent.

The growth story

As on March 31, 2016, the Company continues to grow its footprint with a diverse talent base of 380 employees, compared to 216 during the last year. Of these, 46% are professionally qualified and the average age of the executive staff is 32 years. Over 70% of the employees were hired through employee referrals and the attrition rate for FY 2015-16 was 15%. In order to consolidate the manpower to meet ambitious business expansion, more than 80% of hiring was done in the MSME lending vertical with 14 new branches across North and West zone.

Human Resource over the years
(Nos.)



CAUTIONARY STATEMENT

The statements made in this report describe the Company's objectives and projections that may be forward-looking statement within the meaning of applicable laws and regulations. The actual result might differ materially from those expressed or implied depending on the economic conditions, government policies and other incidental factors which are beyond the control of the Company. The Company is not under any obligation to publicly amend, modify or revise any forward-looking statements on the basis of any subsequent developments, information or events.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting the Twenty Second Annual Report and the audited statement of accounts of the Company for the year ended March 31, 2016.

FINANCIAL RESULTS

₹ in Lacs

Particulars	Standalone		Consolidated	
	2015-16	2014-15	2015-16	2014-15
Total Revenue	**18,655.19**	**19,216.08**	**19,059.15**	**20,607.96**
Total Expenses	**13,111.05**	**5,269.61**	**13,147.65**	**5,315.26**
Profit before Depreciation & Tax (PBDT)	**5,544.14**	**13,946.47**	**5,911.50**	**15,292.70**
Less: Depreciation	332.16	358.78	347.64	383.10
Profit Before Tax	**5,211.98**	**13,587.69**	**5,563.86**	**14,909.59**
Less: Provisions for taxation	1,091.49	5,069.36	1,198.89	5,385.94
Profit After Tax (PAT)	**4,120.49**	**8,518.33**	**4,364.97**	**9,523.65**
Add: Balance brought forward from previous year	39,231.08	33,902.48	40,353.10	35,823.15
Balance available for appropriations	**43,351.57**	**42,420.81**	**44,718.07**	**45,346.80**
Appropriations				
General Reserve	310.00	700.00	310.00	700.00
Statutory Reserve	850.00	1,850.00	900.00	1,850.00
Dividend on Equity Shares	525.40	525.40	525.40	525.40
Tax on Dividend	106.96	106.96	106.96	106.96
Depreciation Charged off as per Revised Depreciation Guidelines	-	7.36	-	10.81
Balance Carried to Balance Sheet	**41,559.21**	**39,231.08**	**42,875.71**	**42,153.63**

RESULTS OF OPERATIONS AND STATE OF AFFAIRS:

During the year under review your company has strategically grown the MSME and Retail business while adopting a cautious approach towards lending to the residential real estate sector under the Wholesale business. This strategic focus has yielded the desired results and the loan portfolio has moved positively to 68% (Previous Year 47%) in favour of MSME and Retail business and 32% (Previous Year 53%) for Wholesale business. Accordingly, the loan portfolio of MSME and Retail business has grown to ₹ 75,704.70 lacs (Previous Year ₹ 44,592 lacs) and the Wholesale business loan portfolio has come down to ₹ 35,353.78 lacs (Previous Year ₹ 50,571 lacs). Overall the Loan book of the Company grew by 16.70% to ₹ 1, 11,058.48 lacs from ₹ 95, 167.99 lacs of the last year.

During the year under review the Real Estate sector witnessed significant slowdown and build up of unsold inventory, thereby affecting the re-payment ability of the real estate developers. Due to continuing default by few of the borrowers in re-payment of loans, the management decided to write-off loan to the extent of ₹ 6593.77 lacs (net of adjustments) during the year. These write-offs considerably lowered the profitability of the Company during the year. The gross revenue of the Company was marginally lower at ₹ 18,655.19 lacs as compared to ₹ 19,216.08 lacs during the previous year, while the Profit After Tax (PAT) was lower by 51.63% i.e. ₹ 4,120.49 lacs as compared to ₹ 8,518.33 lacs of the previous year.

The consolidated gross revenue decreased by 7.52% to ₹ 19,059.15 lacs from ₹ 20,607.96 lacs of previous year, and the consolidated PAT decreased by 54.17% to ₹ 4,364.97 lacs from ₹ 9,523.65 lacs of previous year.

BANK FINANCE

During the year under review the Company raised funds for its working capital and business requirements from various banks to the extent of ₹ 38,500 lacs as compared to ₹ 10,000 lacs sanctioned during the last year.

The total amount of bank loan outstanding was ₹ 14,116.44 lacs as on March 31, 2016 as against ₹ 5, 000 lacs on March 31, 2015.

ASSET GROWTH

Total Assets of the Company stood at ₹ 1,30,388.41 lacs as compared to ₹ 1,13,252.34 lacs during the last year, showing an increase of 15.14%.

CAPITAL ADEQUACY RATIO

Your Company's total Capital Adequacy Ratio (CAR), as of March 31, 2016, stood at 79.72% of the aggregate risk weighted assets on balance sheet and risk adjusted value of the off-balance sheet items, which is well above the regulatory minimum of 15%.

STANDARD ASSET'S PROVISIONING

Pursuant to the Notification No. DNBR (PD) CC.No.002/03.10.001/2014-15 dated November 10, 2014 issued by the RBI for making a general provision at 0.30% on the outstanding Standard Assets of NBFCs, your Company has made provision at 0.50% exceeding the statutory requirements.

Further, the Company has decided to create additional Floating Provision @ 1.50% of Standard Assets over and above the statutory requirement, which would be available for adjustment against Provision on Sub-standard Assets.

DIVIDEND

The Directors of the Company have recommended a dividend of ₹ 1.50/- per Equity Share for the financial year ended on March 31, 2016. The dividend on Equity Shares, if approved by the shareholders at the 22nd Annual General Meeting, would amount to ₹ 632.36 lacs (inclusive of dividend distribution tax amount of ₹ 106.96 lacs) and will be paid to those members whose names appear on the Register of Members of the Company as on July 16, 2016.

TRANSFER TO RESERVES

The Company transferred an amount of ₹ 310 lacs to the General Reserves during the year.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion and Analysis of financial condition, including the results of operations of the Company for the year under review as required under regulation 34(2)(e) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, is provided as a separate section forming part of the Annual Report.

CONSOLIDATED FINANCIAL STATEMENTS

The audited consolidated financial statement of the Company prepared in accordance with applicable Accounting Standards specified under section 133 of the Companies Act, 2013 read with rule 7 of the Companies (Accounts) Rules, 2014 is provided in the Annual Report.

SUBSIDIARY COMPANIES

As on March 31, 2016, the Company has the following subsidiaries:

1. Capri Global Housing Finance Private Limited;
2. Capri Global Resources Private Limited.

The following subsidiary companies got merged with the Company during the year:

1. Capri Global Distribution Company Private Limited;
2. Capri Global Finance Private Limited;
3. Capri Global Investment Advisors Private Limited; and
4. Capri Global Research Private Limited.

The audited financial statements, the Auditors Report thereon and the Board's Report for each of the Company's subsidiaries for the year ended March 31, 2016 are available on the website of the Company. If any member is interested in obtaining a copy thereof, such member may write to the Company Secretary in this regard.

Performance and financial position of each of the Subsidiaries

Capri Global Housing Finance Private Limited received Registration from National Housing Bank on September 28, 2015 to commence housing finance business. Company has plans to finance affordable housing sector and would commence business during the next financial year.

Capri Global Resources Private Limited proposes to carry on the investment management business during the next financial year.

Both the subsidiaries had deployed their funds in interest and income bearing securities during the year under review.

A report on the performance and financial position of each of the subsidiaries as per the Companies Act, 2013 is provided as Annexure -I to the Consolidated Financial statement and hence not repeated here.

Material Subsidiaries

There are no material subsidiaries of the Company. The Policy for determining material subsidiaries as approved by the Board may be accessed on the Company's website at link:
http://www.cgcl.co.in/images/Downloads/Policy%20on%20Material%20Subsidiaries_1.pdf.

Merger of subsidiaries with the Company

The Hon'ble High Court of Judicature at Bombay on September 11, 2015 approved the Scheme of Amalgamation of Capri Global Distribution Company Private Limited, Capri Global Finance Private Limited, Capri Global Investment Advisors Private Limited and Capri Global Research Private Limited ('Transferor Companies') with the Company and their respective shareholders and creditors ('the Scheme'). The Scheme became effective on October 19, 2015, upon obtaining all sanctions and approvals as required under the Scheme. The Appointed Date for the Merger was April 1, 2015. As the Transferor Companies were wholly owned subsidiaries of the Company, no shares of the Company were issued and allotted pursuant to the Scheme. Necessary effects, as a result of the aforesaid Merger, have been given in the Financial Statements for the year 2015-16.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of section 134(5) of the Companies Act, 2013, your Board of Directors states that:

a) in the preparation of the annual financial statements for the year ended March 31, 2016, the applicable accounting standards have been followed and there are no material departures from the same;
b) the Directors have selected such accounting policies and applied them consistently and made judgments and

estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2016 and of the profit of the Company for the year ended on that date;

c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

d) the Directors have prepared the annual accounts on a 'going concern basis';

e) the Directors have laid down proper internal financial controls to be followed by the Company and that such financial controls are adequate and are operating effectively;

f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that the systems are adequate and are operating effectively.

CORPORATE GOVERNANCE

The Company has been observing best governance practices and is committed to adhere to the Corporate Governance requirements on an ongoing basis. A separate section on Corporate Governance and a certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance, as stipulated under Part E of Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

Further, as required under regulation 17(8) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, a certificate from the Executive Director and Associate Director – Head of Finance & Accounts on the financial statements of your Company for the year ended on March 31, 2016, was placed before the Board at its meeting held on April 23, 2016.

RELATED PARTY TRANSACTIONS

All contracts /transactions entered by the Company during the year with related parties were at arm's length and were in the ordinary course of business. During the year, the Company has not entered into any transactions which can be considered material in accordance with the policy of the Company.

The policy dealing with related party transaction as approved by the Board can be accessed on the Company's website at the link: http://www.cgcl.co.in/images/Downloads/Policy%20on%20Related%20Party%20Transactions_1.pdf.

Your Directors would like to draw attention of members to Note 27 to the financial statement which sets out details of related party transactions.

CORPORATE SOCIAL RESPONSIBILITY

The Corporate Social Responsibility Committee (CSR Committee) has formulated and recommended to the Board, a Corporate Social Responsibility Policy (CSR Policy) indicating the activities to be undertaken by the Company, which has been approved by the Board.

The CSR Policy may be accessed on the Company's website at the link: http://www.cgcl.co.in/images/Downloads/CSR_Policy_Website.pdf.

As part of its initiatives under "Corporate Social Responsibility" (CSR), the Company has undertaken projects in the areas of education, healthcare & livelihood of the unprivileged, women and differently–abled. These projects are in accordance with Schedule VII of the Companies Act, 2013.

The Annual Report on CSR activities is annexed herewith marked as **Annexure - I** to this report.

RISK MANAGEMENT

The Board of Directors of Company has constituted Risk Management Committee in addition to the Assets Liability Management Committee (ALCO) which is entrusted with the responsibility to assist the Board in identification and mitigation of risks associated with the business of the Company. The details of the functioning of the Risk Management Committee and ALCO are provided in the report on Corporate Governance forming part of this Annual Report. The Company follows a proactive risk management policy, aimed at protecting its assets and employees while at the same time ensuring growth and continuity of its business. Regular updates are made available to Board at the Board Meeting and in special cases on ad-hoc basis.

A detailed discussion on the identified risks and mitigation strategies is contained in the Management Discussion and Analysis forming part of the Annual Report.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has in place adequate internal controls commensurate with the size, scale and complexity of its operations. To maintain its objectivity and independence, the Internal Auditors report to the Chairman of the Audit Committee of the Board. Internal Auditors monitor and evaluate the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies at all locations of the Company and its subsidiaries.

Based on the report of Internal Auditors, process owners undertake corrective action in their respective areas and thereby strengthen the controls. Significant audit observations and corrective actions thereon are presented to the Audit Committee of the Board.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

In accordance with the provisions of section 152 of the Companies Act, 2013 and the Articles of Association of the Company Mr. Quintin E. Primo III, retires by rotation at the ensuing Annual General Meeting and offers him-self for re-appointment.

During the year under review, the members approved the re-appointment of Mr. Rajesh Sharma as a Non-executive Director who is liable to retire by rotation. The members have also appointed Mr. Sunil Kapoor as Executive Director of the Company for a term of one year which expired on January 23, 2016 and the Board has re-appointed him for another period of three years starting from January 24, 2016, which is proposed to be approved by the members at the ensuing Annual General Meeting.

Declaration by Independent Director(s)

The Company has received declarations from all the Independent Directors of the Company confirming that they meet the criteria of Independence prescribed both under the Companies Act, 2013 and regulation 16(1)(b) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Formal Annual Performance Evaluation

Pursuant to the provisions of the Companies Act, 2013 and regulation 16(10) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board has carried out an annual performance evaluation of Independent Directors, Board, Committees and other individual Directors, process of evaluation was followed as per the Policy laid down in this regard. The manner in which the evaluation has been carried out has been explained in the Report on Corporate Governance.

Nomination and Remuneration Policy

The Board has, on the recommendation of the Nomination & Remuneration Committee framed a policy for selection of Directors, determining Directors independence and payment of remuneration to Directors, Key Managerial Personnel and other employees.

The Nomination and Remuneration Policy is stated in the Report on Corporate Governance.

Familiarization Programmes

On appointment, the concerned Director is issued a Letter of Appointment setting out in detail, the terms of appointment, duties, responsibilities and expected time commitments. The details of programmes for familiarization of Independent Directors with the Company, their roles, rights, responsibilities in the Company and related matters are put up on the website of the Company at link:
http://www.cgcl.co.in/images/Downloads/Familiarisation%20Programme%20for%20Independent%20Directors.pdf.

EMPLOYEES STOCK OPTION PLAN

The Nomination and Remuneration Committee of the Board of Directors of the Company *inter-alia* administers and monitors the Employees Stock Options Scheme in accordance with the applicable SEBI guidelines.

During the year under review 400,000 options were granted to Mr. Sunil Kapoor, Executive Director of the Company at the exercise price of ₹ 200/- per option. The options would be vested over a period of 5 years starting from October 15, 2016 and vesting would be linked with attainment of return on equity.

No Stock Options were vested and exercised during the year by the employees.

There were no changes to the Employees Stock Options Scheme 2009 during the year.

The applicable disclosure as stipulated under the SEBI guidelines as on March 31, 2016 with regard to Employees Stock Options Scheme are put up on the website of the Company at link:
http://www.cgcl.co.in/images/Downloads/ESOS%20Details-2015-16.pdf.

The Company has received a certificate from the Auditors of the Company that the Scheme has been implemented in accordance with the SEBI guidelines and the resolution passed by the members. The certificate would be placed at the Annual General Meeting for inspection by members.

AUDITORS AND AUDITORS' REPORT

Statutory Auditor

Pursuant to the provisions of section 139 of the Act and the rules framed thereunder, M/s. Karnavat & Co, Chartered Accountants, were appointed as statutory auditors of the Company from the conclusion of the twenty first annual general meeting (AGM) of the Company held on July 18, 2015 till the conclusion of the twenty sixth AGM, subject to ratification of their appointment at every AGM.

The Notes on financial statements referred to in the Auditors Report are self –explanatory and do not call for any further comments. The Auditors' Report does not contain any qualification, reservation or adverse remark.

Secretarial Auditor

Pursuant to the provisions of section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed PRS Associates, Company Secretaries in Practice to undertake the Secretarial Audit of the Company. The Secretarial Audit Report is annexed herewith marked as **Annexure - II** to this Report.

The following qualification was observed by the Secretarial Auditor in their Report to which the Board has shared the following explanations:

Qualification: The Company has not appointed Chief Financial Officer ('CFO') as required under section 203(1) of the Companies Act, 2013.

Explanation: Company has made sincere efforts to appoint Chief Financial Officer (CFO) as per defined KRA. Few of the

candidates were interviewed, from which one of the candidate was selected. He had accepted the offer, but he was not able to join Company due to personal reasons. The Company has adequate resources and qualified personnel with more than 20 years of experience looking after accounts, finance, taxation & treasury operations of the Company.

DISCLOSURES

Audit Committee

The Audit Committee comprises of Independent Directors namely Mr. Beni Prasad Rauka (Chairman), Ms. Bhagyam Ramani, Mr. Mukesh Kacker and Mr. T. R. Bajalia as members. The Audit Committee played an important role during the year. It coordinated with the Statutory Auditors, Internal Auditors and other key personnel of the Company and has rendered guidance in the areas of internal audit & control, finance and accounts. All the recommendations made by the Audit Committee were accepted by the Board. Four meetings of the Audit Committee were held during the year.

Stakeholders Relationship Committee

The Committee has met four times during the year. With the compulsory dematerialization of the Company's shares and electronic mode of transfers, postal dispatches which led to usual complaints, have been minimized. At the year end 99.94% of the total shares were dematerialized with no unresolved pending investor grievances.

Nomination & Remuneration Committee

The Nomination and Remuneration Committee recommends to the Board the suitability of candidates for appointment as Key Managerial Personnel, Directors and the remuneration packages payable to them and other employees. The Nomination and Remuneration Committee met twice during the year.

Vigil Mechanism / Whistle Blower Policy

The Company has a vigil mechanism named Whistle Blower Policy (WBP) to deal with instance of fraud and mismanagement, if any, the details of the WBP is explained in the report of Corporate Governance. The WBP may be accessed on the Company's website at the link:
http://www.cgcl.co.in/images/Downloads/Whistle%20Blower%20Policy-website_1.pdf.

Meetings of Board

Four meetings of the Board of Directors were held during the year, the details of which are provided in report on Corporate Governance. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

Particulars of Loans, Investments, Guarantees

Not applicable being a Non-Banking Finance Company.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo

The provisions of section 134(3)(m) of the Companies Act, 2013, relating to conservation of energy and technology absorption are not applicable to the Company. However, the Company has been continuously and extensively using technology in its operations.

There were no foreign exchange earnings during the year. There was foreign exchange outgo of ₹ 26.27 lacs during the year.

Extract of Annual Return

The details forming part of the extract of the Annual Return as prescribed in Companies (Management and Administration) Rules, 2014 in form MGT- 9 is annexed herewith marked as **Annexure - III** to this Report.

Particulars of Employees

Disclosures pertaining to remuneration and other details as required under section 197(12) of the Companies Act, 2013, read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are provided in the Annual Report and is marked as **Annexure - IV** to this Report.

The statement containing particulars of employees as required under section 197(12) of the Companies Act, 2013, read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this Report. Further, the report and the accounts are being sent to the members excluding the aforesaid annexure. In terms of section 136 of the Companies Act, 2013, the said annexure is open for inspection at the Registered Office of the Company. Any shareholder interested in obtaining a copy of the same may write to the Company Secretary.

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 are no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

Reserve Bank of India Directions

Your Company is categorized as a non deposit taking systematically important (ND-SI) non-banking finance company (NBFC). Accordingly during the year your Company has not accepted any deposits from the public and there were no deposits which become due for repayment or renewal. Your Company has complied with the directives issued by the Reserve Bank of India under the Non Banking Financial Companies (Reserve Bank of India) Directions, 2007 and Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015, as amended from time to time.

Increase in Share Capital

Pursuant to merger of four of the subsidiaries with the Company, Authorised Share Capital of the subsidiary companies of ₹ 17,00,00,000/- (Rupees Seventeen Crores only) was combined with the Company. After combination the Authorised Share Capital of the Company is ₹ 72,00,00,000/- (Rupees Seventy Two Crores only) divided into 7,20,00,000 Equity Shares of ₹ 10/- each.

During the year under review, the Company has not issued and equity shares either with or without differential voting rights nor has issued any sweat equity. As on March 31, 2016, none of the Directors of the Company hold any convertible instruments of the Company.

Disclosure under Sexual Harassment of Women

Company has Sexual Harassment Policy in place and available on Company's intranet portal. During the year under review there were no complaints from any of the employee.

ACKNOWLEDGEMENTS

The Board of Directors wish to place on record their deep and sincere gratitude for the continued co-operation and support extended by the customers, bankers, business associates, consultants, advisors, shareholders, investors and the employees of the Company and subsidiaries.

The Board of Directors would also like to place on record their sincere appreciation for the co-operation received from the Reserve Bank of India, Securities and Exchange Board of India, NSE & BSE, Ministry of Corporate Affairs and all other regulatory bodies.

For and on behalf of the Board

Mr. Sunil Kapoor
Executive Director
DIN: 01436404

Mr. Rajesh Sharma
Director
DIN: 00020037

Place: Gangtok, Sikkim
Dated: April 23, 2016

Annexure - I

Annual Report on Corporate Social Responsibility (CSR) Activities

1. A brief outline of the Company's CSR policy, including overview of projects or programmes proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programmes:

   The Company's CSR policy is based on the firm belief that there can be nothing better than enriching the human capital of the society which can provide a sustainable socio-economic impact. Towards that end the Company's CSR initiative has been directed to provide to the most economically and socially marginalized people, particularly women and the differently–abled, an easy access to education & vocational training and health. For more information please refer CSR policy: http://www.cgcl.co.in/images/Downloads/CSR_Policy_Website.pdf.

   In accordance with the broad CSR philosophy your Company adopted four projects as under:
   a. Capri Shiksha Yogdan
   b. Capri Rozgar
   c. Capri Vidya Abhiyan
   d. Capri Sath

2. The Composition of the CSR Committee:
   1. Ms. Bhagyam Ramani-Chairperson
   2. Mr. Sunil Kapoor- Member
   3. Mr. Beni Prasad Rauka- Member
   4. Mr. Rajesh Sharma- Member

3. Average net profit of the Company for last three financial years: ₹ **12129.43 lacs**

4. Prescribed CSR Expenditure: ₹ **242.59 lacs**

5. Details of CSR spend for the financial year:

   a) Total amount spent for the financial year: ₹ **242.60 lacs**

   b) Amount unspent : **Nil**

   c) Manner in which the amount spent during the financial year is detailed below:

Sr. No.	CSR projects / Activities identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district projects or programs was undertaken	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or program Sub-heads (1) Direct expenditure on project or programs (2) Overheads	Cumulative Expenditure up to reporting period For the year (FY 15-16)	Amount spent: Direct or through implementing agency*
1.	Capri Shiksha Yogdan – Sponsorship support for higher education	Education	(i). Local Area - Maharashtra (Mumbai) (ii). Others- Rajasthan (Mukundgarh, Jaipur)	37.60	Direct – 37.58 Overheads - Nil	37.58	Direct and through Implementing agency- Capri Foundation
2.	Capri Vidya Abhiyan – Sponsorship support for primary and secondary education, school infrastructure	Education	Local Area - Maharashtra (Mumbai, Palghar-Dahanu)	13.59	Direct – 13.62 Overheads - Nil	13.62	Through Implementing Agency- Capri Foundation

Sr. No.	CSR projects / Activities identified	Sector in which the project is covered	Projects or programs (1) Local area or other (2) Specify the State and district projects or programs was undertaken	Amount Outlay (Budget) Project or Programs wise	Amount Spent on the project or program Sub-heads (1) Direct expenditure on project or programs (2) Overheads	Cumulative Expenditure up to reporting period For the year (FY 15-16)	Amount spent: Direct or through implementing agency*
3.	Capri Rozgar – Sponsorship Program for skill development	Livelihood	(i) Local Area - Maharashtra (Mumbai) (ii) Others- Rajasthan (Churu-Ratangarh, Jaipur)	17.75	Direct – 17.74 Overheads - Nil	17.74	Through Implementing Agency- Capri Foundation
4.	Capri Sath – Program for underprivileged for accommodation, food, medicine and sustenance	Health	Local Area Maharashtra (Navi Mumbai)	6.08	Direct – 6.08 Overheads - Nil	6.08	Through Implementing Agency Capri Foundation
5.	Administrative cost		N.A	10.53	Direct – Nil Overheads - 10.53	10.53	Direct
6	Contribution to Capri Foundation towards CSR activities as per the focus areas and program areas listed in CSR Policy of Company	Education, Livelihood, Health	N.A	157.04	Direct – 157.05 Overheads - Nil	157.05 Contribution to the Corpus of Capri Foundation	Direct
	Total			**242.59**	**242.60**	**242.60**	

* ***Details of the implementing agencies through Capri Foundation:***
National Association of Disableds' Enterprises (Mumbai) / Bharat Vikas Parishad (Palghar-Dahanu) / Indian Association for Promotion of Adoption and Child Welfare (Mumbai) / St. Joseph's Industrial Training Institute (Mumbai) / ASMITA (Mumbai) / Support and Aid for Thalassemia Healing Charitable Trust (Navi Mumbai)

6. In case the Company has failed to spend the 2% of the average net profit of the last three financial years or any part thereof, the reasons for not spending the amount in its Board's report - **Not Applicable**

7. A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the Company

   We hereby declare that implementation & monitoring of the CSR Policy are in compliance with the CSR Objectives and Policy of the Company.

(Sunil Kapoor)
Executive Director
DIN: 01436404

(Bhagyam Ramani)
Chairperson of the CSR Committee
DIN: 00107097

Annexure - II

Secretarial Audit Report

for the financial year ended March 31, 2016

{Pursuant to section 204(1) of the Companies Act, 2013 and rule No. 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014}

To,
The Members,
Capri Global Capital Limited
1-B, Court Chambers,
35, Sir, Vithaldas Thackersey Marg,
New Marine Lines
Mumbai - 400020

We have conducted the Secretarial Audit of the Compliance of applicable statutory provisions and the adherence to good corporate practices by the Capri Global Capital Ltd (herein after called the 'Company'). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/ statutory compliances and expressing our opinion thereon.

Based on our 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 authorised representatives during the conduct of secretarial audit, We hereby report that in our opinion, the company has, during the audit period covering the financial year ended 31st March, 2016 complied with the statutory provision 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 hereunder :-

1. We have examined the books, papers, minutes books, forms and returns filed and other records maintained by the company for the financial year ended on March 31, 2016 according to the provisions of :
   I. The Companies Act, 2013 (the Act) and the Rules made there under;
   II. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
   III. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
   IV. Foreign Exchange Management Act, 1999 and the rules and regulations made there under, 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'):-
      a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
      b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
      c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulation, 2009 relating to issue of shares on preferential basis to the promoters and others;
      d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
      e. 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.
   VI. The Non Banking Financial Companies Directions, Guidelines and Circulars issued by the Reserve Bank of India.

2. Provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 (SEBI Act) were not applicable to the Company under the financial year under report:
   a. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
   b. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
   c. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998.

3. We have also examined compliance of the following to the extent applicable;
   a. Secretarial Standards issued by the Institute of Company Secretaries of India;
   b. The Listing Agreements entered into by the Company with the BSE Ltd ('BSE') and National Stock Exchange of India Ltd ('NSE');
   c. The provisions of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015.

   During the year under review, the Company has complied with the provisions of the Act, Rules, Regulations, guidelines mentioned above except the following;

   - **The Company has not appointed Chief Financial officer ('CFO') as required under section 203(1) of the Companies Act, 2013.**

   We further report that:

   The Board of Directors of the Company is duly constituted with proper balance of Non Executive and Independent Directors. The changes in the composition of the Board of Directors that took place during the year under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all the directors to schedule the Board meetings, agenda and detail notes on agenda were sent at least seven days in advance and system exists for seeking and obtaining further information and clarifications on the agenda item before the meeting and the meaningful participation in the meeting.

Majority decision of the Board of Directors is carried through and are captured and recorded as part of the minutes. There were no dissenting views.

We further report that there are adequate system and processes in the Company commensurate with the size and operations of the Company to monitor and ensure compliance with the applicable laws, rules, regulations and guidelines.

We further report that during the audit period the Company has following specific actions having a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc referred to above made :

- The Hon'ble High Court of Bombay vide it's order issued on 11th September, 2015 has sanctioned the Scheme of Amalgamation between the Capri Global Distribution Company Pvt. Ltd., Capri Global Finance Pvt. Ltd., Capri Global Investment Advisors Pvt. Ltd. and Capri Global Research Pvt. Ltd. with the Company and has been effected from 1st April, 2015.

For **PRS Associates**
Company Secretaries

(Sanjay B. Shringarpure)
Partner
FCS No: 2857
COP No: 6107

Place: Mumbai
Dated: April 18, 2016

Note: - This report is to be read with our letter of even date which is annexed as ANNEXURE A and forms as integral part of this Report.

Annexure A to Secretarial Audit Report

The Members,
Capri Global Capital Limited
1-B, Court Chambers,
35, Sir, Vithaldas Thackersey Marg,
New Marine Lines
Mumbai - 400020

Our Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations and standards applicable to Capri Global Capital Limited (the Company) is the responsibility of the management of the Company. Our examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.

2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. Our responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to us by the Company, along with explanations where so required .

3. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produce to us. We believe that the process and practices we followed, provides a reasonable basis for our opinion for the purpose of issue of the Secretarial Audit Report.

4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.

5. Whenever required, we have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.

6. The Secretarial Audit Report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

For **PRS Associates**
Company Secretaries

(Sanjay B. Shringarpure)
Partner
FCS No: 2857
COP No: 6107

Place: Mumbai
Dated: April 18, 2016

Annexure - III

MGT-9

EXTRACT OF ANNUAL RETURN

as on the financial year ended 31.03.2016

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

I. REGISTRATION AND OTHER DETAILS

i.	CIN	L65921MH1994PLC173469
ii.	Registration Date	15th November, 1994
iii.	Name of the Company	Capri Global Capital Limited
iv.	Category / Sub-Category of the Company	Public Company
v.	Address of the Registered office and contact details	1-B, Court Chambers, 35 Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai-400020 Tel: 91 22 43548200; Fax: 91 22 2201 9051
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Link Intime India Private Limited C-13 Pannalal Silk Mills Compound, L B S MARG, Bhandup (West), Mumbai - 400078. Tel. No. 022-25946970 Fax: 022-25946969 e-mail: rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company:-

Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
Financial Services except Insurance and pension funding activities.	64920	100.00

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

Sl. No.	Name and Address of the Company*	CIN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1.	Capri Global Housing Finance Private Limited	U65990MH2006PTC161153	Subsidiary	100.00	2 (87)
2.	Capri Global Resources Private Limited	U67190MH2010PTC200848	Subsidiary	100.00	2 (87)

* *Address of all subsidiaries: 1-B, Court Chambers, 35, Sir Vithaldas Thackersey Marg, New Marine Lines, Mumbai-400020*

IV. SHARE HOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

i) Category-wise Shareholding

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. Promoters									
(1) Indian									
a) Individual / HUF	9180167	0	9180167	26.2089	9180167	0	9180167	26.2089	0
b) Central Govt.	0	0	0	0	0	0	0	0	0
c) State Govt.(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corporate	16711491	0	16711491	47.7103	16711491	0	16711491	47.7103	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(1):	**25891658**	**0**	**25891658**	**73.9192**	**25891658**	**0**	**25891658**	**73.9192**	**0**
(2) Foreign									
a) NRIs - Individuals	0	0	0	0	0	0	0	0	0
b) Other - Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corporate	0	0	0	0	0	0	0	0	0
d) Banks / FI	0	0	0	0	0	0	0	0	0
e) Any Other	0	0	0	0	0	0	0	0	0
Sub-Total (A)(2):	0	0	0	0	0	0	0	0	0
Total Shareholding of Promoters (A) = (A)(1)+(A)(2)	**25891658**	**0**	**25891658**	**73.9192**	**25891658**	**0**	**25891658**	**73.9192**	**0**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks / FI	0	0	0	0	15000	0	15000	0.0428	0.0428
c) Central Govt.	0	0	0	0	0	0	0	0	0
d) State Govt.(s)	0	0	0	0	0	0	0	0	0
e) Venture Capital Funds	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIs	3573445	0	3573445	10.2020	3266047	0	3266047	9.3244	(0.8776)
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
i) Others (specify)	0	0	0	0	0	0	0	0	0
Sub-Total (B)(1):	**3573445**	**0**	**3573445**	**10.2020**	**3281047**	**0**	**3281047**	**9.3672**	**(0.8348)**
(2) Non-Institutions									
a) Bodies Corporate									
i) Indian	4518569	200	4518769	12.9008	4615233	200	4615433	13.1768	0.276
ii) Overseas	0	0	0	0	0	0	0	0	0
b) Individuals									
i) Individual Shareholders holding nominal share capital upto ₹ 1 lakh	664583	20482	685065	1.9558	693062	20482	713544	2.0371	0.0813
ii) Individual Shareholders holding nominal share capital in excess of ₹ 1 lakh	343887	0	343887	0.9818	372310	0	372310	1.0629	0.0811
c) Others (specify)									
i) Hindu Undivided Family	0	0	0	0	118560	0	118560	0.3385	0.3385
ii) NRI / OCBs	14137	0	14137	0.0404	14176	0	14176	0.0405	0.0001
iii) Clearing Members / Clearing House	0	0	0	0	20233	0	20233	0.0578	0.0578
Sub-Total (B)(2):	5541176	20682	5561858	15.8788	5715014	20682	5735696	16.3751	0.4963
Total Public Shareholding (B)=(B)(1)+(B)(2)	**9114621**	**20682**	**9135303**	**26.0808**	**9114621**	**20682**	**9135303**	**26.0808**	**Nil**
C. Shares held by Custodian for GDRs & ADRs	0	0	0	0	0	0	0	0	0
Grand Total (A+B+C)	**35006279**	**20682**	**35026961**	**100.00**	**35006279**	**20682**	**35026961**	**100.00**	**Nil**

ii) Shareholding of Promoters

Sl. No.	Shareholders Name	Shareholding at the beginning of the year			No. of Shares held at the end of the year			% Change during the year
		No. of Shares	% of Total Shares	% of shares pledged/ encumbered to total shares	No. of Shares	% of Total Shares	% of shares pledged/ encumbered to total shares	
1.	Capri Global Holdings Private Limited	13208079	37.7083	Nil	13208079	37.7083	Nil	Nil
2.	Capri Global Advisory Services Private Limited	3503412	10.0020	Nil	3503412	10.0020	Nil	Nil
3.	Ramesh Chandra Sharma	8752986	24.9893	Nil	8752986	24.9893	Nil	Nil
4.	Ramesh Chandra Sharma - HUF	427081	1.2193	Nil	427081	1.2193	Nil	Nil
5.	Rajesh Sharma	100	0.0003	Nil	100	0.0003	Nil	Nil
	TOTAL	**25891658**	**73.9192**	**Nil**	**25891658**	**73.9192**	**Nil**	**Nil**

iii) Change in Promoters' Shareholding

There was no change in Promoters Shareholding during the year.

iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs)

Sl. No.	For Each of the Top 10 Shareholders (Name of the Shareholder)	Shareholding at the beginning of the year		Date wise Increase/ (Decrease) in Shareholding during the year specifying the reason for increase / decrease			Shareholding at the end of the year	
		No. of Shares	% of total shares of the Company	Date	No. of Shares	Reason	No. of Shares	% of total shares of the Company
1.	Roopam Multitrade Private Limited	1950000	5.5671	17.04.2015 24.04.2015 01.05.2015 08.05.2015 10.07.2015 17.07.2015 24.07.2015 30.10.2015	(8003) (24500) (67495) (13249) (7000) (66500) (10500) (14171)	Market sale	1738582	4.9636
2.	Bay Pond MB	1646987	4.7021	05.06.2015 17.07.2015	(1284) (82285)	Market sale	1563418	4.4635
3.	Gainful Multitrade Private Limited	1451006	4.1425	-	NIL	-	1451006	4.1425
4.	Morgan Stanley Mauritius Company Limited	1123220	3.2067	17.07.2015	(223829)	Market sale	899391	2.5677
5.	Bay Pond BMD MB	803238	2.2932	-	NIL	-	803238	2.2932
6.	Badrikedar Commercials Private Limited	717389	2.0481	10.04.2015 17.04.2015 24.04.2015	(15460) (2000) (1000)	Market sale	698929	1.9954
7.	RBM Realty Private Limited	257700	0.7357	-	NIL	-	257700	0.7357
8.	Janak Babubhai Thakar (HUF)	58366	0.1666	-	NIL	-	58366	0.1666
9.	Anand Rameshchandra Jakhotiya	45024	0.1285	15.05.2015 22.05.2015 03.07.2015 10.07.2015 24.07.2015 31.07.2015 14.08.2015 15.01.2016 29.01.2016	7056 (10) (2750) (11) 3393 15 3000 (400) 2100	Market Purchase and Sale	57417	0.1639
10.	Janak Babubhai Thakar jt with Kalpana Thakar	42904	0.1225	29.01.2016	163	Market Purchase	43067	0.123
11.	Samvrudhi Tradesol Private Limited	NIL	NIL	17.07.2015 14.08.2015 21.08.2015 28.08.2015	177744 15693 13027 6547	Market Purchase	213011	0.6081
12.	Rajasthan Global Securities Private Limited	NIL	NIL	08.05.2015 17.07.2015 15.01.2016 05.02.2016 12.02.2016	9209 110001 (9951) (3006) (226)	Market Purchase and Sale	106027	0.3027

v) Shareholding of Directors and Key Managerial Personnel

A. Directors

1. Rajesh Sharma

For each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	No. of Shares	% of total shares of the Company	No. of Shares	% of total shares of the Company
At the beginning of the year	100	0.0003	-	-
Datewise Increase/Decrease in Promoters Shareholding during the year specifying the reasons for increase/ decrease (e.g. allotment/transfer/bonus/sweat equity etc):	NIL	0.00	-	-
At the end of the year	**100**	**0.0003**	**100**	**0.0003**

2. No other Director holds any share in the Company

B. None of the Key Managerial Personnel holds any share in the Company.

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment

₹ in Lacs

	Secured Loans excluding deposits (₹)	Unsecured Loans (₹)	Deposits (₹)	Total Indebtedness (₹)
Indebtedness at the beginning of the financial year				
i) Principal Amount	5,000.00	–	–	5,000.00
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	**5,000.00**	**–**	**–**	**5,000.00**
Change in Indebtedness during the financial year				
Addition	10,366.44	–	–	10,366.44
Reduction	1,250.00	–	–	1,250.00
Net Change	9,116.44	–	–	9,116.44
Indebtedness at the end of the financial year				
i) Principal Amount	14,116.44	–	–	14,116.44
ii) Interest due but not paid	–	–	–	–
iii) Interest accrued but not due	–	–	–	–
Total (i+ii+iii)	**14,116.44**	**–**	**–**	**14,116.44**

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹)

Sl. No.	Particulars of Remuneration	Sunil Kapoor – Executive Director
1.	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	111,58,175
	(b) Value of perquisites under section 17(2) Income Tax Act, 1961	3,45,214
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil
2.	Stock Options	Nil
3.	Sweat Equity	Nil
4.	Commission	Nil
	- as % of profit	
	- others, specify	
5.	Others, please specify	Nil
	Total (A)	**115,03,389**
	Ceiling as per the Act	279,07,545

B. Remuneration to other Directors:

1. Independent Directors

	Name of Director					
	Mr. Beni Prasad Rauka	Ms. Bhagyam Ramani	Mr. Mukesh Kacker	Mr. Bhagwati Prasad	Mr. T R Bajalia	Total Amount
Fee for attending Board / Committee Meetings (₹)	5,15,000	7,40,000	2,30,000	1,70,000	2,90,000	19,45,000
- Commission	NIL	NIL	NIL	NIL	NIL	NIL
- Others, please specify	NIL	NIL	NIL	NIL	NIL	NIL
Total (B)(1) (₹)	**5,15,000**	**7,40,000**	**2,30,000**	**1,70,000**	**2,90,000**	**19,45,000**

2. Other Non Executive Directors

(₹)

Particulars of Remuneration	Name of Director		
	Mr. Quintin E Primo III Non-executive Chairman	Mr. Rajesh Sharma Promoter Director	Total Amount
Fee for attending Board/Committee Meetings	1,50,000	NIL	1,50,000
- Commission	NIL	NIL	NIL
- Others, please specify	NIL	NIL	NIL
Total (B)(2)	**1,50,000**	**NIL**	**1,50,000**
Total (B)= (B)(1)+ (B)(2)			**20,95,000**
Total Managerial Remuneration Total of A + B			**135,98,389**
Over all Ceiling as per the Act			613,96,598

C. Remuneration to Key Managerial Personnel other than MD/MANAGER/WTD

(₹)

Sl. No.	Particulars of Remuneration	Harish Agrawal - Senior Vice President & Company Secretary
1.	Gross Salary	
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961	45,39,420
	(b) Value of perquisites under section 17(2) Income Tax Act, 1961	2,70,000
	(c) Profits in lieu of salary under section 17(3) Income Tax Act, 1961	Nil
2.	Stock Options	Nil
3.	Sweat Equity	Nil
4.	Commission	Nil
	- as % of profit	
	- others, specify	
5.	Others, please specify	Nil
	Total (C)	**48,09,420**

VII. PENALTIES / 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			None		
Compounding					
B. DIRECTORS					
Penalty					
Punishment			None		
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment			None		
Compounding					

Annexure - IV

Details Pertaining to Employees Pursuant to section 197(12) of the Companies Act, 2013 read with rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sl. No.	Particulars required	Relevant details
i.	Ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Mr. Sunil Kapoor (Executive Director) 22.43x No Other Directors are in receipt of remuneration.
ii.	Percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary in the financial year	**Directors :** Mr. Sunil Kapoor (Executive Director) - 9.09%* No Other Directors are in receipt of remuneration. **Key Managerial Person :** Mr. Harish Agrawal, Sr. Vice President & Company Secretary - 15%*
iii.	Percentage increase in the median remuneration of employees in the financial year	10.3%
iv.	Number of permanent employees on the rolls of company	380 employees as on 31.03.2016
v.	Explanation on the relationship between average increase in remuneration and company performance	Average increase in remuneration of all eligible employees was 16.84%, which was based partly on the results of the Company for the previous year and partly on the individual performance of employee. Factors considered while recommending increase in the compensation were : - Financial performance' - Comparison with peer: - Industry Benchmarking and consideration towards cost of living adjustment/inflation Company follows performance review mechanism to ensure that the increase is commensurate with the effort and it is aligned with the performance of the Company.
vi.	comparison of the remuneration of the Key Managerial Personnel(KMP) against the performance of the company -	Aggregate remuneration of KMP: ₹ 163.13 lacs Revenue: ₹ 18,655.19 lacs Remuneration of KMPs as % of revenue: 0.87 Profit before Tax (PBT): ₹ 5211.97 lacs Remuneration of KMPs as % of PBT: 3.12
vii.	a. Variations in the market capitalization of the company; b. Price earnings ratio as at the closing date of the current financial year and previous financial year c. Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer	a) Market capitalization as on March 31, 2016 was ₹ 456.40 crores and was ₹ 583.90 crores as on March 31, 2015.** b) Price earnings ratio of the Company was 11.08 as at March 31, 2016 and was 6.85 as at March 31, 2015.** c) The Company has not made any Public Issue or Rights issue of securities after 2009, so comparison have not been made of current share price with public offer price. The Company's shares are listed on Bombay and National Stock Exchanges.
viii.	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	Average increase in salary of eligible employees other than managerial personnel is 16.89%, Remuneration of Executive Director was increased by 9.09%* and Sr. Vice President and Company Secretary was increased by 15%*. Increase in salary of the managerial personnel i.e. KMP was with an objective to keep pace with the industry norms.
ix.	Comparison of the each remuneration of the Key Managerial Personnel against the performance of the company	**Mr. Sunil Kapoor** / **Mr. Harish Agrawal** Remuneration (₹): 115.03 lacs / 48.09 lacs Revenue (₹): 18,655.19 lacs Remuneration as % of revenue: 0.62 / 0.26 Profit before Tax (PBT) (₹): 5211.97 lacs Remuneration of KMPs as % of PBT: 2.20 / 0.92
x.	The key parameters for any variable component of remuneration availed by the directors	Performance of individual director and Company's financial performance are the key parameters for a variable component of remuneration of executive director. Non-executive directors are paid sitting fees which do not have any variable component.
xi.	The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year	None
xii.	It is hereby affirmed that the remuneration is paid as per the Remuneration Policy for the Directors, Key Managerial Personnel and employees	

* *Remuneration does not include variable pay.*

** *Market Capitalisation and Price earnings ratio is calculated based on the lowest closing price of the equity shares as on the last trading day of the financial year over both the stock exchanges.*

Note: Employee performance is appraised based on the performance of the Company during the previous year and the change in remuneration is made effective from the beginning of the financial year. Remuneration of Mr. Sunil Kapoor was revised w.e.f January 24, 2016.

REPORT ON CORPORATE GOVERNANCE

Sustained strong performance by any company is directly linked to an organisation's philosophy and levels of Corporate Governance. Keeping this important reality in view, your Company has always placed major thrust on managing its affairs with diligence, transparency, responsibility and accountability.

The detailed report on Corporate Governance for the financial year ended March 31, 2016, as per the disclosure requirements prescribed in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, is set out below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Company's Philosophy on Corporate Governance is a combination of voluntary practices and compliance with laws and regulations leading to delegation of operational powers to experienced staff members, effective control oversight mechanism, strategies and policies which are constantly reviewed and strengthened to be in alignment with market realities and overall management of the organisation.

In ensuring that the desired levels of corporate governance practices are imbibed in the organisation and with a focus on its own fiduciary & trusteeship role, the Board of Directors of the Company seeks to evolve, strengthen and adopt structures and policies which would align and direct the actions of the organisation towards creating wealth and shareholder value. This, together with meaningful CSR activities of the Company has enabled your Company to earn the trust and goodwill of its investors, business partners, employees and the communities in which it operates.

Your Company has adopted various code and policies to carry out duties and functions in most ethical and compliant manner and some of them are:

i. Code of Conduct for the Board and Senior Managerial Personnel;
ii. Whistle Blower Policy;
iii. Corporate Social Responsibility Policy;
iv. Nomination & Remuneration Policy;
v. Board Evaluation Policy;
vi. Fair Practice Code;
vii. Code for regulating, monitoring and reporting of Trading by Insiders;
viii. Policy on Related Party Transactions;
ix. Policy on Material Subsidiaries;
x. Documents preservation and archival Policy; and
xi. Policy for determining material events and information

Your Company has complied with the requirements of Corporate Governance as laid down under the provisions of Companies Act, 2013, Clause 49 of the erstwhile Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, as applicable and RBI directions with regards to Corporate Governance.

2. BOARD OF DIRECTORS

The Company has maintained an optimum combination of Executive and Non-executive Directors including one woman director. As of March 31, 2016, the Board of Directors (the 'Board') consisted of eight members of which five were Independent Directors. The Independent Directors bring independent judgment in the Board's deliberations and decisions. Considering the stringent requirement of the skill-sets on the Board, eminent persons, having an independent standing in their respective field/profession and who can effectively contribute to the Company's business and policy decisions, are considered by the Nomination & Remuneration Committee for appointment of Independent Directors on the Board. The number of directorships and memberships held in various committees of other companies by such persons is also considered. The Board considers the recommendations of the Nomination & Remuneration Committee and takes appropriate decisions in regard to continuance of and induction of new skill sets at the Board level to ensure the availability of these experienced professionals to guide the Company in an ever evolving business environment.

During the year your Company had a Non-executive Chairman and the management of the Company was led by the Executive Director, who operated under the overall supervision, direction and control of the Board. The Board reviews and approves strategy and oversees the actions and results of the management to ensure that the long-term objectives of enhancing stakeholder value are achieved.

None of the Director on the Company's Board is holding office of Director in more than twenty companies and Independent Director in more than seven listed companies. Further, none of the Director is a Member of more than ten committees and Chairman of more than five committees across all the companies in which he/she act as Director. All Non-executive Director are/were liable to retire by rotation.

Familarisation Programme

At the time of appointing a Director, a formal letter of appointment is given to him, which inter alia explains the roles, rights and responsibilities expected of him as a Director of the Company. The Director is also explained in detail the compliances required from him under the Companies Act, 2013, Clause 49 of the erstwhile Listing Agreement, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Code of Conduct, Code for regulating, monitoring and reporting of Trading by Insiders, RBI directions and other relevant regulations.

By way of an introduction to the Company, the Director is presented with, relevant Annual Reports, welcome letter with Company's details. The Executive Director also has a one-to-one discussion with the Director. The Program aims to provide insights into the Company to enable the Director to be in a position to take well-informed timely decisions and contribute significantly to the Company.

At every Board meeting, the Executive Director and the departmental heads apprise the Board members of the business operations, significant changes in operating environment, risks and mitigation strategies of the Company, to keep them abreast of the developments taken place between the meetings.

The Independent Directors of the Company are given every opportunity to familiarize themselves with the Company, its management and operations so as to understand the Company, business, industry and environment in which it functions.

The details of the familiarization programme for Independent Directors has been uploaded on the Company's website i.e. on http://www.cgcl.co.in/images/Downloads/Familiarisation%20Programme%20for%20Independent%20Directors.pdf.

Directors' Profile

A brief resume of Directors, nature of their expertise and experience and other details are provided in the Annual Report.

Meetings, attendance and other details

During the year under review, four meetings of the Board of Directors were held. Board meetings were held on May 09, 2015, August 14, 2015, November 02, 2015 and February 11, 2016. The Twenty First Annual General Meeting ('AGM') was held on July 18, 2015. The Maximum time gap between any two consecutive meetings did not exceed 120 days.

The compositions of the Board, attendance at the Board meetings held during the Financial Year under review and at the last AGM, number of directorship, Memberships/ Chairmanships of the Committees of public companies and their shareholding as on March 31, 2016 in the Company are as follows:-

Name of the Director	DIN	Category	No. of Board Meetings attended/ held	Attendance at the last AGM	Directorships *	Committee position**		Shareholding
						Chairman	Member	
Mr. Quintin E. Primo III	06600839	Non Executive, Non Independent	4/4	Yes	1	Nil	Nil	Nil
Mr. Sunil Kapoor	01436404	Executive	4/4	Yes	3	Nil	Nil	Nil
Mr. Rajesh Sharma	00020037	Promoter- Non-Executive Non Independent	4/4	Yes	17	Nil	1	100
Mr. Beni Prasad Rauka	00295213	Independent	4/4	Yes	10	4	1	Nil
Mr. Bhagwati Prasad	05152091	Independent	4/4	Yes	2	Nil	Nil	Nil
Ms. Bhagyam Ramani	00107097	Independent	4/4	Yes	10	Nil	6	Nil
Mr. Mukesh Kacker	01569098	Independent	4/4	Yes	3	Nil	1	Nil
Mr. T. R. Bajalia	02291892	Independent	4/4	Yes	6	Nil	2	Nil

* *Excludes Directorship in Foreign Companies and Government Bodies.*

** *Only Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered for the Committee positions.*

The Companies Act, 2013 read with the relevant rules made thereunder, now facilitates the participation of a director in Board/Committee Meetings through video conferencing or other audio visual means. Accordingly, the facility to participate in the meeting through video conferencing was made available to the Directors travelling abroad or present at other locations.

Meeting of Independent Directors

During the year under review, the Independent Directors met once on March 11, 2016, inter alia, to:

i. Evaluate the performance of non-independent directors and the Board as a whole;
ii. Evaluate performance of the Non-executive Chairman of the Company; and
iii. Evaluate the quality, quantity and timelines of flow of information between the executive management and the Board.

The suggestions made at the meeting of the Independent Directors were communicated to the Non-executive Chairman and the Executive Director for taking appropriate steps. All Independent Directors were present at the meeting.

3. COMMITTEES OF THE BOARD

Board has constituted a set of committees with specific terms of reference/ mandate, as to effectively focus on the issues falling under their jurisdiction. Minutes of proceedings of Committee meetings are circulated to the Directors and placed before the Board at their meetings for noting.

A. AUDIT COMMITTEE

The Company has constituted a qualified and independent Audit Committee, comprising of four Independent Directors who have considerable experience and expertise in accounting and financial management. The Audit Committee comprises of:

i. Mr. Beni Prasad Rauka- Chairman
ii. Ms. Bhagyam Ramani- Member
iii. Mr. Mukesh Kacker- Member
iv. Mr. T. R. Bajalia- Member

The Company Secretary acts as Secretary to the Committee.

The representatives of the Statutory Auditors are permanent invitees to the Audit Committee meetings and they attended all the meetings held during the year. The Internal Auditor reports directly to the Audit Committee.

The Chairman of the Audit Committee was present at the last Annual General Meeting held on July 18, 2015.

Terms of Reference

The terms of reference of Audit Committee are wide enough, covering the matters specified in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as well as in section 177 of the Companies Act, 2013, which inter alia includes the following:

a) oversee the Company's financial reporting process and disclosure of its financial information;
b) recommend appointment, remuneration and terms of appointment of auditors of the Company;
c) approve payment to statutory auditors for any other services rendered by them;
d) review with the management, the annual financial statements before submission to the Board for approval, focusing particularly on:
    1) matters to be included in Director's Responsibility Statements to be included in Board's report ;
    2) any changes in accounting policies and practices;
    3) major accounting entries involving estimates based on the exercise of judgment by management;
    4) significant adjustments resulting from the audit findings;
    5) compliance with listing and other legal requirements relating to financial statement;
    6) disclosure of related party transactions;
    7) qualification in draft audit report.
e) review with the management , the quarterly financial statement before submission to the board for their approval;
f) recommend appointment, remuneration and terms of appointment of internal auditors, tax auditors, secretarial auditor and any matters of resignation or dismissal;
g) discuss with the statutory auditors before the audit commences, the nature and scope of the audit as well as post audit discussion to ascertain areas of concern;
h) review the internal audit programme, ensuring co-ordination between the internal and statutory auditors, ensuring that the internal audit function is adequately resourced and has appropriate standing within the Company, and to request internal auditor to undertake specific audit projects, having informed the management of their intentions;
i) consider the major findings of internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or failure of internal control systems of a material nature and reporting the matter to the Board;
j) consider any material breaches or exposure; breaches of regulatory requirements or of ethical codes of practice to which the Company subscribes, or of any related codes, policies and procedures, which could have a material effect on the financial position or contingent liabilities of the Company;
k) discuss significant findings with internal auditors and initiate follow up action thereon;
l) look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
m) review performance of statutory and internal auditors and adequacy of internal control systems;
n) approve transaction with related parties and subsequent modification to terms of contract/ transaction;
o) scrutinize inter-corporate loans and investments;
p) valuation of any of the undertakings or assets as and when necessary ;
q) evaluate adequacy of internal financial control and risk management system;
r) review with management , the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/ notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue , and making recommendation to the Board for taking steps in relation thereto;
s) approve appointment of CFO (i.e. the Whole time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualification, experience and background of the candidate;
t) review functioning of the Whistle Blower Policy ;
u) carry out any other functions as may be falling within the terms of reference of the Audit Committee or as may be delegated to the Committee from time to time.

The composition and terms of reference of the Audit Committee are in accordance with section 177 of the Companies Act, 2013, requirements prescribed in Non-Banking Financial Companies – Corporate Governance (Reserve Bank) Directions, 2015 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings and attendance

During the year under review, four meetings of the Audit Committee were held on May 08, 2015, August 14, 2015, November 02, 2015 and February 11, 2016, where all members were present.

B. STAKEHOLDERS' RELATIONSHIP COMMITTEE

The Stakeholders' Relationship ('SR') Committee is lead by Independent Director and is primarily responsible to review all matters connected with transfer of securities and redressal of shareholders complaints. The composition of SR Committee is as follows:

i. Mr. Beni Prasad Rauka- Chairman
ii. Ms. Bhagyam Ramani- Member
iii. Mr. Rajesh Sharma- Member

Terms of Reference

The terms of reference of the SR Committee inter alia, includes the following:

i. oversee the redressal of security holder and investors' complaints/grievances pertaining to transfers, non-receipt of annual reports, dividend payments, issue of duplicate certificates, transmission of securities and other miscellaneous complaints;
ii. oversee the performance and service standards of the Registrar and Share Transfer Agent, and recommends measures to improve level of investor services.

The composition and terms of reference of the SR Committee are in accordance with section 178 of the Companies Act, 2013 and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Meetings and attendance

During the year under review, four meetings of the SR Committee were held on May 08, 2015, August 14, 2015, October 31, 2015 and February 11, 2016, where all members were present.

Investor Grievance Redressal

The status of investor complaints is monitored by the SR Committee periodically and reported to the Board. The complaints received from the shareholders, regulators, stock exchanges are reviewed and they are expeditiously attended to by the Registrar and Share Transfer Agents.

Compliance Officer

Mr. Harish Agrawal, Senior Vice President & Company Secretary is the Compliance Officer for complying with the requirements of Securities Laws and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

During the year under review no complaint was received. There were no instruments for transfer pending as on March 31, 2016.

C. NOMINATION & REMUNERATION COMMITTEE

The Nomination & Remuneration ('NR') Committee is headed by an Independent Director and is primarily responsible for recommending candidates for appointment as Directors and KMPs and their remuneration, evaluation of performance of Directors and monitoring of remuneration policy. The composition of NR Committee is as follows:

i. Ms. Bhagyam Ramani- Chairperson
ii. Mr. Beni Prasad Rauka-Member
iii. Mr. Rajesh Sharma – Member

Terms of Reference

Terms of Reference of the NR Committee inter alia, includes the following:

i. to assess that a person to be appointed as Director is 'fit and proper' and fulfills the set criteria as may be required by the Company;
ii. review & recommend to the Board on the structure and composition of the Board of Directors of the Company ;
iii. evaluate the eligibility of an individual on the basis of his/her qualification, positive attributes, independence and past experience, for appointment and removal as whole time director/managing director/senior management of the company and advising the Board of Directors/ Shareholders with such detailed evaluation in the matter of appointment and removal of such individual;
iv. review, recommend and /or approve the remuneration that can be offered to the proposed whole time director/managing director/ non-executive director/ senior management of the Company;
v. evaluate the performance of the directors of the Company & review and recommend to the Board on their re-appointment ;
vi. review, recommend and /or approve the modification in the remuneration of the Whole time director/ managing director/manager/ non-executive director and senior managerial personnel;
vii. formulate remuneration policy relating to directors, key managerial personnel and other senior managerial employees of the Company;
viii. evaluate performance of directors with respect to their role as Independent Director and Board members;
ix. implement and administer the Employee Stock Option Scheme;

The Composition and terms of reference of the NR Committee is in compliance with provisions of section 178 of the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and SEBI (Share Based Employee Benefits) Regulations, 2014.

Meetings and attendance

During the year under review, two meetings of NR Committee were held on May 08, 2015 and January 16, 2016, where all members were present.

Nomination and Remuneration Policy

The Board of Directors of the company has adopted Nomination and Remuneration Policy ('Policy') for the Company, inter alia to deal with the manner of selection of Board of Directors, KMP and Managing Director and their remuneration. The Policy is annexed as **Annexure** to this Report.

Director's Remuneration

The details of sitting fees/remuneration paid to Directors during the FY 2015-16, are as under:

Sr. No.	Name of the Director	Sitting Fees for attending Meetings (₹)	Salary and Perquisites (₹)	Incentive/ Bonus (₹)	Total (₹)
1.	Mr. Quintin E. Primo III	1,50,000	N.A.	N.A.	1,50,000
2.	Mr. Sunil Kapoor	Nil	1,15,18,386	Nil	1,15,18,386
3.	Mr. Rajesh Sharma	Nil	Nil	Nil	Nil
4.	Mr. Beni Prasad Rauka	5,15,000	N.A.	N.A.	5,15,000
5.	Mr. Bhagwati Prasad	1,70,000	N.A.	N.A.	1,70,000
6.	Ms. Bhagyam Ramani	7,40,000	N.A.	N.A.	7,40,000
7.	Mr. Mukesh Kacker	2,30,000	N.A.	N.A.	2,30,000
8.	Mr. T. R. Bajalia	2,90,000	N.A.	N.A.	2,90,000

There were no pecuniary relationships or transactions of Non-executive Directors vis-à-vis the Company.

Service contract, Severance fees and Notice period

Mr. Sunil Kapoor was appointed as Executive Director of the Company for a period of one year w.e.f. January 24, 2014 and his appointment was renewed for a further period of one year w.e.f. January 24, 2015. His appointment was further renewed for 3 years w.e.f. January 24, 2016. His remuneration includes the salary of ₹ 1,11,73,172/- & perquisites of ₹ 3,45,214/. His appointment may be terminated by giving three months notice on either side or payment in lieu of notice. No severance fees are payable on termination of his employment.

Performance Evaluation of the Board, Directors and Committees of the Board

The Company has devised Board Evaluation Policy as to carry out annual performance evaluation of the Independent Directors, Board, Committees and other individual Directors.

A structured questionnaire was prepared for capturing various facets of the functioning of Board, such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance.

A separate exercise was carried out to evaluate the performance of individual Directors including the Chairman of the Board, who were assessed to find out knowledge/skills, contribution to the Board and their communication/relationship with the Board and senior management of the Company. The performance evaluation of the Independent Directors was carried out by the entire Board. The performance evaluation of the Chairman and the Non-independent Directors were carried out by the Independent Directors.

D. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility ('CSR') Committee is primarily responsible for assisting the Board in discharging its social responsibilities by formulating and monitoring implementation of the framework of policy adopted by the Board. The CSR Committee is lead by an Independent Director and the composition is as follows:

i. Ms. Bhagyam Ramani- Chairperson
ii. Mr. Beni Prasad Rauka- Member
iii. Mr. Sunil Kapoor- Member
iv. Mr. Rajesh Sharma- Member

Terms of Reference

Terms of Reference of the CSR Committee inter alia, includes:

a) to formulate and recommend to the Board, a Corporate Social Responsibility Policy which shall indicate the activities to be undertaken by the company as specified in Schedule VII of Companies Act, 2013;
b) to recommend the amount of expenditure to be incurred on the CSR activities ; and
c) to monitor the implementation of the CSR Policy of the company from time to time.

The composition and terms of reference of the CSR Committee is in compliance with provisions of section 135 of the Companies Act, 2013 and Companies (Corporate Social Responsibility Policy) Rules, 2014.

Meetings and attendance

During the year under review four meetings of the CSR Committee were held on June 05, 2015, June 13, 2015, July 25, 2015 and January 16, 2016. The attendance at the meeting of CSR Committee is as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Ms. Bhagyam Ramani	4	4
Mr. Beni Prasad Rauka	4	3
Mr. Rajesh Sharma	4	3
Mr. Sunil Kapoor	4	2

E. OPERATIONS & BORROWING COMMITTEE

The Operations and Borrowing Committee was constituted to oversee routine operations which are not specifically required to be referred to the Board and to borrow funds within the overall limits approved by the Shareholders of the Company. The Operations and Borrowing Committee is led by the Executive Director of the Company and comprise as follows:

i. Mr. Sunil Kapoor- Chairman
ii. Mr. Beni Prasad Rauka- Member
iii. Ms. Bhagyam Ramani- Member

Terms of Reference

Terms of reference of the Operations and Borrowings Committee inter alia, includes the following:

i. borrow funds up to the limits approved by the shareholders of the Company pursuant to section 180(1)(c) of the Companies Act, 2013;
ii. open, operate and/or close banking, demat , escrow and other accounts;
iii. approve change in the authorized signatories to the aforesaid accounts;
iv. acquire residential and commercial premises for housing branch offices and employees;
v. register, approve and execute lease deed, Leave & License, Escrow and other agreements for day to day business operations and sub - delegate the authorities to the officials;
vi. sale or purchase of office premises, flats, investments in real estate of the Company ;
vii. authorize officials of the Company to initiate, defend and represent Company in any suits and/or criminal proceedings for and against the Company ;
viii. authorize officials to sign, execute and file various return, forms, other relevant documents of routine nature with various authorities like Income Tax, Service Tax, Shops and Establishment Act, Provident Fund & Miscellaneous Provisions Act, ESIC etc.;
ix. authorise officials to represent the Company before any regulatory authority(ies);
x. oversee the functioning of Asset liability Management Committee as per clause 6.4 of guidelines for Asset-Liability Management (ALM) system in NBFCs.;
xi. to make application for registration of the intellectual property rights in trade mark, copy rights belonging to the Company and to defend any infringements in respect thereto;
xii. any other decision of routine nature having bearing on the day to day banking, operational and borrowing of the Company and not requiring specific approval of the Board of Directors / Members.

Meetings and attendance

During the year under review the Operations & Borrowing Committee met eight times on July 31, 2015, August 08, 2015, August 22, 2015, September 19, 2015, December 10, 2015, December 29, 2015, January 08, 2016 and March 30, 2016. The attendance at the meeting of Operations & Borrowing Committee is as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Mr. Sunil Kapoor	8	3
Ms. Bhagyam Ramani	8	8
Mr. Beni Prasad Rauka	8	8

F. STRATEGIC PLANNING COMMITTEE

The Board constituted the Strategic Planning Committee ('SPC') with primary responsibility to advise the Board on new business opportunities considering competitive positioning of the Company and recommend generally on issues of strategic importance to the organisation. SPC is lead by the Non-executive Chairman of the Company and comprises as follows:

i. Mr. Quintin E. Primo III- Chairman
ii. Mr. Sunil Kapoor- Member
iii. Mr. Rajesh Sharma-Member
iv. Mr. T. R. Bajalia- Member

Meetings and attendance

During the year under review SP Committee met two times on June 11, 2015 and February 11, 2016, where all the members were present.

G. RISK MANAGEMENT COMMITTEE

The Risk Management Committee is primarily responsible for review of operational risk, information technology risk and integrity risk, taking strategic actions to mitigate the risk associated with the nature of the business and appraising the Board of Directors at regular intervals regarding risk management policy and strategy.

Composition

The Risk Management Committee is lead by the Executive Director of the Company and comprises of the following:

i. Mr. Sunil Kapoor - Chairman
ii. Mr. Beni Prasad Rauka- Member
iii. Mr. T. R. Bajalia -Member
iv. Ms. Bhagyam Ramani -Member

Meetings and attendance

During the year under review the Risk Management Committee met twice on October 31, 2015 and February 10, 2016, where all members were present.

4. EXECUTIVE COMMITTEES CONSTITUTED BY THE BOARD

Board has constituted a set of committees which are lead by a Board member with senior executives of the company contributing as members. Minutes of proceedings of these committees are circulated to the Directors and placed before the Board at their meetings for noting.

A. ASSET LIABILITY MANAGEMENT COMMITTEE

The Asset Liability Management Committee ('ALCO') is primarily responsible for cash flow and balance sheet planning, managing interest rate risks and liquidity risks associated with the business of the Company. It monitors the asset liability gap and strategizes action to mitigate the risk associated.

Composition

ALCO is lead by the Executive Director of the Company and is joined by senior executives from Finance, Risk, Information Technology, Treasury functions. ALCO comprises as follows:

i.	Mr. Sunil Kapoor	- Chairman
ii.	Mr. Ashok Agrawal	- Senior Vice President (Compliance & Legal)
iii.	Mr. Balasaheb Ugale	- Vice President –IT
iv.	Mr. Gaurang Shah	- Associate Director (Finance & Accounts)
v.	Mr. Ramesh Kelkar	- Head of Credit & Risk-Wholesale & SME Lending

The Composition of the ALCO and its terms of reference are in compliance with the requirements of Reserve Bank of India.

Meetings and attendance

During the year under review, eleven meetings of the ALCO were held on April 07, 2015, May 07, 2015, June 05, 2015, July 07, 2015, August 07, 2015, August 25, 2015, September 07, 2015, October 07, 2015, November 06, 2015, November 20, 2015 and January 20, 2016. Attendance at ALCO meetings is as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Mr. Sunil Kapoor	11	9
Mr. Ashok Agarwal	11	7
Mr. Balasaheb Ugale	11	9
Mr. Gaurang Shah	11	10
Mr. Ramesh Kelkar	11	10

B. INVESTMENT COMMITTEE

The Investment Committee decides on all proposals for investment & lending received by the Company within the exposure norms as laid down in the Credit and Investment Policy of the Company.

Composition

The Investment Committee is lead by Independent Director and comprises as follows:

i.	Ms. Bhagyam Ramani	- Chairperson
ii.	Mr. Sunil Kapoor	- Executive Director
iii.	Mr. S. K. Sangar	- Head of Wholesale Lending
iv.	Mr. Ramesh Kelkar	- Head of Credit & Risk-Wholesale & SME Lending

Meetings and attendance

During the year under review the Investment Committee met 14 times and the attendance at its meeting is as follows:

Name of the Member	No. of Meetings Held	No. of Meetings Attended
Ms. Bhagyam Ramani	14	14
Mr. Sunil Kapoor	14	11
Mr. Ramesh Kelkar	14	14
Mr. S K Sangar*	3	3
Mr. Hemant Dave$	11	11

* *Appointed as a Member w.e.f February 02, 2016*

$ *Ceased to be member w.e.f February 02, 2016*

5. GENERAL BODY MEETINGS

Annual General Meetings

All Annual General Meetings during the preceding three years were held at Indian Merchants Chamber, LNM IMC Building, Opposite Churchgate Station, Churchgate, Mumbai-400020. The date, time and the special resolution passed thereat are as follows:

Year	Date	Time	Special Resolution Passed
2014-15	July 18, 2015	12 Noon	No special resolution was passed
2013-14	August 04, 2014	12 Noon	Authorised Board to borrow upto ₹2000 crores
2012-13	September 28, 2013	12 Noon	No special resolution was passed

Postal Ballot

No special resolution was passed through Postal Ballot during the Financial Year 2015-16.

6. DISCLOSURES

i. Related Party Transactions

During the year under review, the Company has not entered into any material transaction with any of the related parties. All related party transactions are at arm's- length and in the ordinary course of business and are not in conflict with the interest of the Company.

Suitable disclosure as required by the Accounting Standards (AS18) has been made in the Standalone Financial Statements and attention of the members is drawn to Note No. 27.

The Board has approved a policy for related party transactions which has been uploaded on the Company's website i.e. on http://www.cgcl.co.in/images/Downloads/Policy%20on%20Related%20Party%20Transactions_1.pdf.

ii. Strictures and Penalties

No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India or by any statutory authority on any matters related to capital markets during the last three years.

iii. There are no inter-se relationships between the Directors of the Company.

iv. Whistle Blower Policy

The Company believes in the conduct of the affairs of its various constituents in a fair and transparent manner, by adopting the highest standard of professionalism, honesty, integrity and ethical behaviour and open communication. The Company has Whistle Blower Policy under which the employees are free to report instances of unethical behaviour, violation of laws and regulations and the Code of Conduct or policies of the Company. The employee can approach the Whistle Blower Committee which operated under the supervision of the Audit Committee. Employee may directly report to the Chairman of the Audit Committee. During the year under review no employee was denied access to the Audit Committee.

v. Policy on Material Subsidiaries

The Board has approved a Policy on Material Subsidiaries which has been uploaded on the Company's website i.e. on http://www.cgcl.co.in/images/Downloads/Policy%20on%20Material%20Subsidiaries_1.pdf.

vi. Status of Adoption of Mandatory requirements of Clause 49 of erstwhile Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015

The Company has complied with all mandatory requirements of Clause 49 of the erstwhile Listing Agreement and SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

7. MEANS OF COMMUNICATION

The quarterly and half yearly results are published in widely circulating national and local newspapers, such as The Asian Age/ The Financial Express/Business Standard in English and Mumbai Lakshdeep in Marathi. The same are also displayed on the web site of the Company i.e. www.cgcl.co.in

8. GENERAL SHAREHOLDER INFORMATION

i. Company Registration Details

The Corporate Identity Number (CIN) allotted to the Company by the Ministry of Corporate Affairs (MCA) is L65921MH1994PTC173469.

ii. Annual General Meeting

(Day, Date, Time and Venue)

Tuesday, July 26, 2016 at 11 a.m.
Walchand Hirachand Hall, Indian Merchants' Chamber, LNM IMC Bldg., Opp. Churchgate Station, Churchgate, Mumbai-400020

iii. Financial year & Calendar (tentative)

Financial Year - April 1, 2016 to March 31, 2017

Results for the quarter ending –

June 30, 2016	-	on or before August 14, 2016
September 30, 2016	-	on or before November 14, 2016
December 31, 2016	-	on or before February 14, 2017
March 31, 2017	-	on or before May 30, 2017

iv. Book Closure Date

July 18, 2016 (Monday) to July 26, 2016 (Tuesday) (both days inclusive).

v. Dividend

Dividend of 15% on the Equity Share amounting to ₹ 1.50/- on each Equity Share of ₹ 10/- of the Company will be paid to the Shareholders whose names appear in the Register of Members as on July 16, 2016, subject to approval of the Shareholders at the 22nd Annual General Meeting, within the statutory time limit of 30 days.

vi. Listing

Equity Shares of the Company are listed on BSE & NSE.
ISIN: INE180C01018

a. **Bombay Stock Exchange Limited**
Phiroze Jeejeebhoy Towers,
Dalal Street, Mumbai – 400 001
Code: 531595

b. **National Stock Exchange of India Limited**
Exchange Plaza, 5th Floor, Bandra-Kurla Complex,
Bandra (East), Mumbai – 400 051.
Code: CGCL

Listing Fees up to the Financial Year 2016-17 have been paid in full to both the Stock Exchanges.

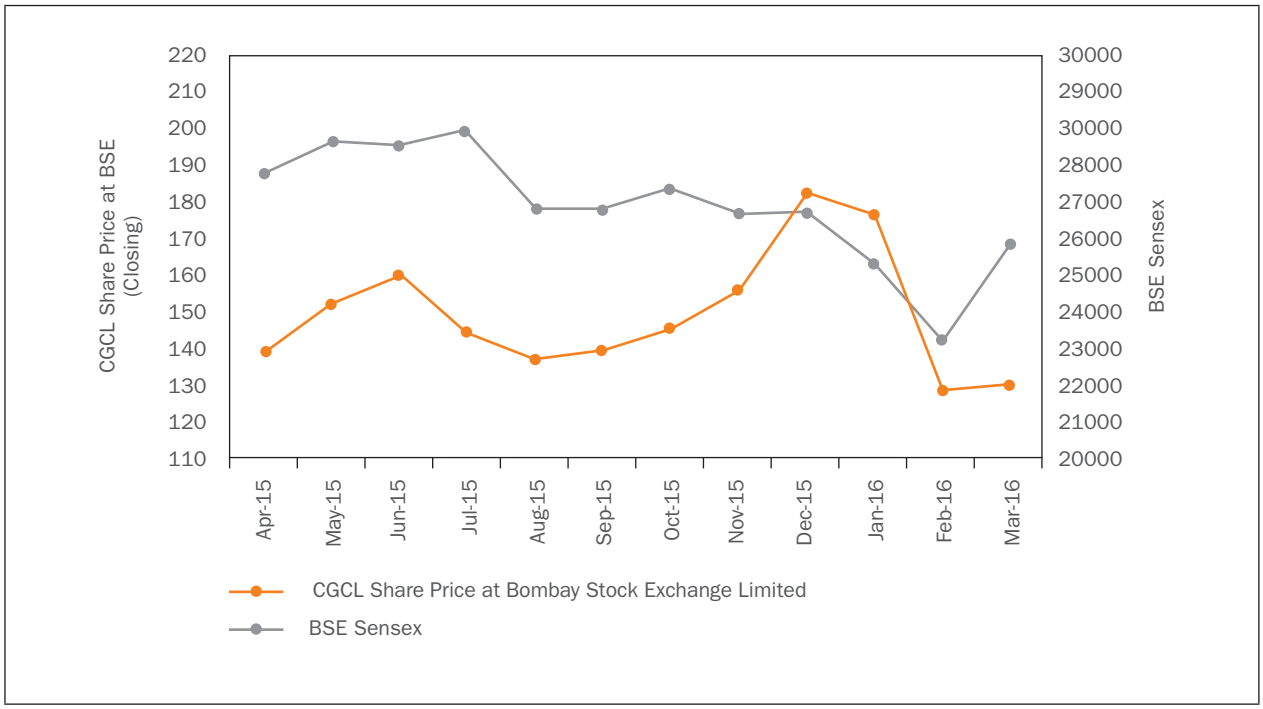
vii. Market Price Data

a) **Equity Shares:**

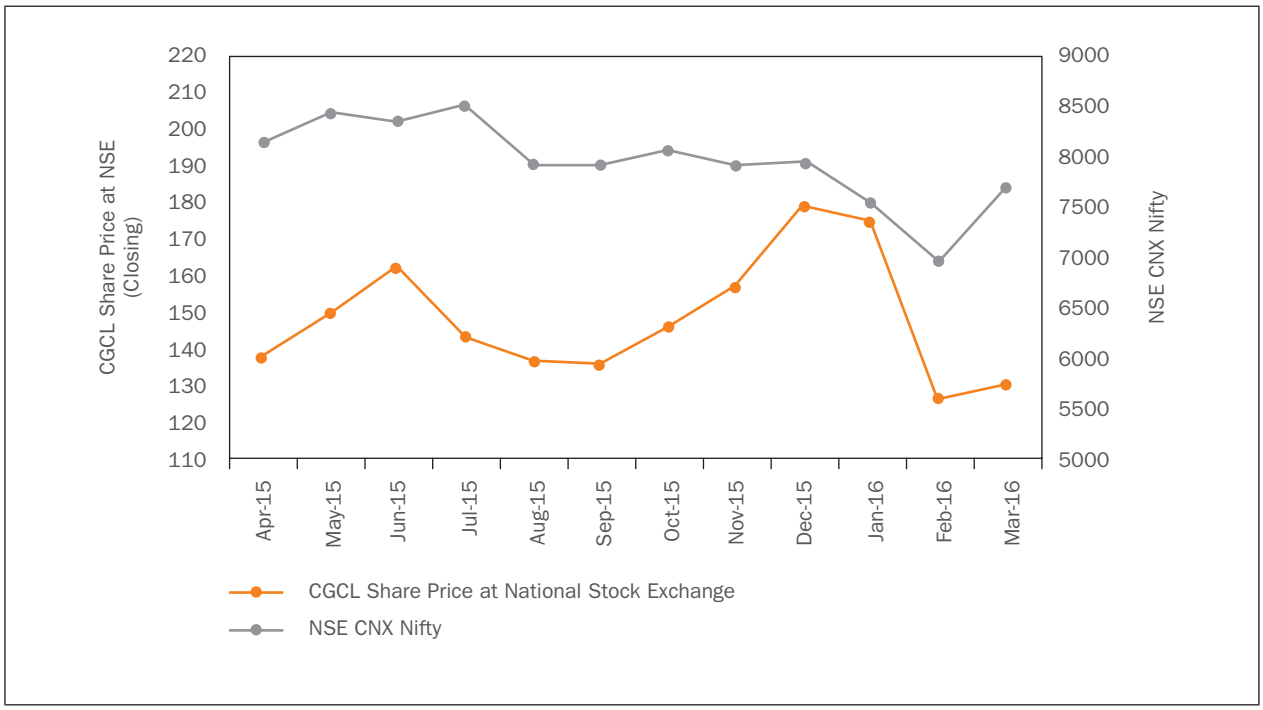
Monthly high/ low of the Closing Price and trading volumes on BSE/ NSE of Equity Shares of the Company is given hereunder:

Month	Bombay Stock Exchange Limited (BSE)			National Stock Exchange of India Limited (NSE)		
	High Price (₹)	Low Price (₹)	Volume (No. of shares)	High Price (₹)	Low Price (₹)	Volume (No. of shares)
Apr-15	198.50	125.00	104452	198.35	124.55	1,52,153
May-15	170.00	142.00	30739	170.00	141.25	48,674
Jun-15	164.90	135.00	16577	165.80	132.15	28,039
Jul-15	168.00	127.00	198408	166.85	127.00	3,63,439
Aug-15	163.90	129.50	69533	163.25	127.50	89,607
Sep-15	141.90	129.00	15454	159.70	124.00	24,984
Oct-15	171.90	138.20	31444	172.75	135.40	62,100
Nov-15	162.90	132.10	12404	161.70	135.00	25,292
Dec-15	187.50	150.30	33749	193.70	150.10	54,135
Jan-16	215.00	162.50	76585	218.90	156.20	1,19,636
Feb-16	180.00	120.10	24875	179.80	116.00	83,095
Mar-16	144.00	130.20	7860	148.50	120.10	25,101

b) **Performance of the Company's Stock Price vis- a- vis BSE Sensex:**



c) Performance of the Company's Stock Price vis- a- vis NSE Nifty



viii. Registrar and Transfer Agents

Members/ shareholders are requested to correspond with the Company's Registrars and Transfer Agents quoting their Folio No. / DP ID & Client ID at the following address:

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound, L.B.S.Marg,
Bhandup (West), Mumbai – 400078
Tel: 022-25946970
Telefax: 022-25946969
e-mail: rnt.helpdesk@linkintime.co.in

During the year under review the Registrar and Transfer Agents was changed from MCS Share Transfer Agent Limited to Link Intime India Private Limited.

ix. Share Transfer System

Securities lodged for transfers are processed and security certificates are returned within a period of fifteen days from the date of receipt, subject to all documents being valid and complete in all respects. The Board of Directors has delegated the authority for approving transfer, transmission, etc. of the Company's securities to the Executive Director and the Company Secretary of the Company. The Company obtains from a Company Secretary in Practice half-yearly certificate of compliance with the share transfer formalities, as required under regulation 40(9) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and files a copy of the certificate with Stock Exchanges.

x. Shareholding Pattern as on March 31, 2016

Category		No. of Shares	% of Holding
A)	Promoters Holding		
	Individuals	9180167	26.2089
	Bodies Corporate	16711491	47.7103
Sub- Total (A)		**25891658**	**73.9192**
B)	Non- Promoters Holding		
	1) Foreign Institutional Investors	3266047	9.3244
	2) Financial Institutions / Banks	15000	0.0428
Sub- Total (B)(1)		**3281047**	**9.3672**
	3) Non- Institutions		
	▣ Bodies Corporate	4615433	13.1768
	▣ Individuals	1204414	3.4385
	▣ Non Resident Indians	14176	0.0405
	▣ Clearing Member	20233	0.0578
Sub- Total(B)(2)		**5854256**	**16.7136**
Grand Total(A+B)		**35026961**	**100.0000**

Distribution Schedule of Equity shareholder as on March 31, 2016

Range	No. of Share Holders	%	No. of Shares	%
1 – 500	2341	85.3445	222117	0.6341
501 – 1000	183	6.6715	144598	0.4128
1001– 2000	83	3.0259	119399	0.3409
2001– 3000	42	1.5312	106528	0.3041
3001– 4000	20	0.7291	70605	0.2016
4001- 5000	11	0.401	51867	0.1481
5001-10000	25	0.9114	177313	0.5062
10001-50000	22	0.8020	395891	1.1302
50001-100000	2	0.0729	115783	0.3306
Above 100000	14	0.5104	33622860	95.9914
Total	**2743**	**100.0000**	**35026961**	**100.0000**

xi. Dematerialisation of Equity Shares and Liquidity

The Company's shares are currently traded only in dematerialised form over NSE & BSE. To facilitate trading in dematerialised form, the Company has tied up with NSDL and CDSL. Shareholders can open account with any of the Depository Participants registered with any of these depositories. As on March 31, 2016, 99.94% of the Company's equity shares were held in dematerialised form.

xii. The Company has not issued any GDRs/ADRs.

xiii. Branches

Company has twenty three branches located at Ahmedabad, Delhi, Faridabad, Gurgaon, Ludhiana, Mumbai, Pune, Rajkot, Surat, Thane and Vapi.

xiv. Address for Correspondence

For any assistance regarding share transfer and transmission, change of address, non-receipt of dividend, duplicate/missing share certificates, demat and other matters please write to or contact Registrar & Share Transfer Agent of the Company at address mentioned at (viii) above. For any query on the Annual Report and for any complaints or suggestions please write to or contact:

Mr. Harish Agrawal
Senior Vice President & Company Secretary
Capri Global Capital Limited
1-B, Court Chambers,
35, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai-400020.
Tel. No. (022) – 43548200
e-mail: investor.relation@cgcl.co.in

9. COMPLIANCE WITH DISCRETIONARY REQUIREMENTS AS PER REGULATION 27(1) OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015

The Company has adopted following discretionary requirements of regulation 27(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

i. **Audit Qualifications:** The Company is in the regime of unqualified financial statements.

ii. **Separate posts of Chairman and CEO:** The Chairman of the Board is a Non-executive Director and his position is separate from that of the Executive Director.

iii. **Reporting of Internal Auditor:** The Internal Auditor reports directly to the Audit Committee.

10. ED & CFO CERTIFICATION

Executive Director and Associate Director- Finance & Accounts of the Company provide annual certification on financial reporting and internal controls to the Board in terms of regulation 17(8) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. Executive Director and Associate Director- Finance & Accounts also certify the accuracy of the quarterly financial results while placing results before the Board.

DECLARATION OF COMPLIANCE WITH CODE OF CONDUCT

I, Sunil Kapoor, Executive Director of the Company, hereby declare that, all the Members of the Board and Senior Management Personnel have confirmed their compliance with the Code of Conduct for the year ended March 31, 2016.

For **Capri Global Capital Limited**

Place: Gangtok, Sikkim
Dated: April 23, 2016

(Sunil Kapoor)
Executive Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of Capri Global Capital Limited,
Mumbai

We have examined the compliance of conditions of Corporate Governance by Capri Global Capital Limited ('the Company') for the year ended 31st March, 2016 as stipulated in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement of the said Company with the Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the provisions as specified in Chapter IV of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 pursuant to the listing agreement of the said Company with the Stock Exchange.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **PRS Associates**
Company Secretaries

(Sanjay Shringarpure)
Partner
Membership No. FCS2857
CP No. 6107

Place: Mumbai
Date: April 23, 2016

Annexure
Nomination and Remuneration Policy

This Policy has been laid down on the recommendations of the Nomination and Remuneration Committee of the Board, and is in compliance with the requirements of the Section 178 Companies Act, 2013 and Clause 49 of the Listing Agreement.

1.1 Objectives

The Policy lays down the:

(i) Criteria for determining inter-alia qualification, positive attributes and independence of Directors for their appointment on the Board of the Company ;

(ii) Criteria for payment of remuneration to Directors, Key Managerial Personnel and other Employees.

1.2 Definitions

i. "Board" means Board of Directors of the Company.

ii. "Company" means "Capri Global Capital Limited."

iii. "Employees' Stock Option" means the option given to the Directors, Officers or Employees of a company or of its holding company or subsidiary company or companies, if any, which gives such Directors, Officers or Employees, the benefit or right to purchase, or to subscribe for, the shares of the Company at a future date at a pre-determined price.

iii A. 'fit and proper 'shall mean an individual who is :
   a. more than thirty years in age;
   b. a graduate;
   c. has minimum five years experience;
   d. a person of integrity, reputation and character in the opinion of the Committee;

iv. "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.

v. "Key Managerial Personnel" (KMP) means
   a) Chief Executive Officer or the Managing / Executive Director or the Manager,
   b) Company Secretary,
   c) Whole-time Director,
   d) Chief Financial Officer and
   e) Such other officer as may be prescribed.

vi. "Committee" shall mean the Nomination & Remuneration Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and the Listing Agreement.

vii. "Policy or This Policy" means, "Nomination and Remuneration Policy."

viii. "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

ix. "Senior Management" means, personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

1.3 Interpretation

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, SEBI Act, 1992, Listing Agreement and Regulations as notified by the Securities and Exchange Board of India from time to time.

1.4 Appointment and Removal of Managerial Person, Director, Key Management Personnel and Senior Management Personnel

i. Appointment criteria and qualifications:

a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Managerial Person, Director, KMP or Senior Management Personnel and recommend to the Board his / her appointment.

b) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the designated position.

ii. Term / Tenure:

a) The Company shall appoint or re-appoint a person as its Managerial Person by passing of a resolution and disclosure of such appointment in the Directors Report forming part of the Annual Report.

b) No Independent Director shall hold office for more than two consecutive Terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

c) Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. Term can be for a maximum period of five years.

d) the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves, is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of the Company.

iii. Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013 ('Act'), rules made there under or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Managerial Person, Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act, rules and regulations.

iv. Retirement:

The Managerial Person, Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Managerial Person, Director, and KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

1.5 Disqualifications for Appointment of Directors

i. A person shall not be eligible for appointment as director of the company if:

a) He is of unsound mind and stands so declared by a competent court;

b) He is undischarged insolvent;

c) He has applied to be adjudicated as an insolvent and his application is pending;

d) He has been convicted by a court of any offence, weather involving moral turpitude or otherwise, and sentenced in respect thereof to imprisonment for not less than six months and a period of five years has not elapsed from the date of expiry of the sentence:

Provided that if a person has been convicted of any offence and sentenced in respect thereof to imprisonment for a period of seven years or more, he shall not be eligible to be appointed as a director in any company:

1) An order disqualifying him for appointment as a director has been passed by a court or Tribunal and the order in force;
2) He has not paid any calls in respect of any shares of the company held by him whether alone or jointly with others and six months have elapsed from the last day fixed for the payment of the call;
3) He has been convicted of the offence dealing with related party transactions under section 188 at any time during the last preceding five years; or
4) He has not complied with sub-section (3) of section 152 of the Companies Act, 2013.

ii. A person who has been a Director of the company which:

a) has not filed financial statements or annual returns for any continuous period of three financial years; or
b) has failed to repay the deposits accepted by it or pay interest thereon or to redeem any debentures on the due date or pay interest due thereon or pay dividend declared and such failure to pay or redeem continues for one year of more,

shall be ineligible to be appointed as a director of the Company for a period of five years from the date on which the other company fails to do so.

iii. A person shall not be eligible for appointment and continuance as a Director, if he / she is not found 'fit and proper' by the Committee.

1.6 Remuneration Policy

Remuneration Policy of CGCL is designed to attract, motivate, and retain manpower in a competitive environment considering qualification, positive attribute, integrity and independence, and is guided by the common reward framework and set of principles and objectives. The Remuneration Policy applies to the Company's Senior Management Personnel, including its Key Managerial Person and the Board of Directors.

The policy captures remuneration strategies, policies and practices of CGCL, including compensation, variable-compensation, equity-based plans and the process for the measurement and assessment of employee and executive performance. The remuneration / compensation / commission etc. to the Managerial Person, Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval.

1.6.1 Remuneration Strategy for Employees at CGCL

The Company adopts a total compensation philosophy in rewarding employees. The Total compensation package for the employees comprises of Fixed and Variable Component. Fixed pay consists of the base salary and any recurring, regular allowances payable in the specific location. Variable pay includes performance bonuses and ESOP's for eligible employees.

The level of Total compensation is designed to be appropriate to attract, retain and motivate employees to contribute their best. In determining the Total compensation of employees, the Company

takes into account the role and its responsibilities, the individuals' and teams' performance, and the Company's performance, as well as market factors. The Company's remuneration strategy is market-driven and aims at attracting and retaining high calibre talent.

Factors such as profitability and achievement of key performance indicators are taken into consideration, in determining the bonus pool for the Company and its business units. Individual bonus allocation is based on performance against various set of pre-defined objectives.

The strategy is in consonance with the existing industry practice and is directed towards rewarding performance, based on review of achievements, on a periodical basis.

1.6.2 Remuneration of Key Management Personnel

The Company shall review, at least annually, the Key Management personnel's remuneration arrangements in light of current market benchmarks and expert advice on remuneration levels and, with due consideration to law and corporate governance principles.

Remuneration of the Key Management Personnel consists of a fixed component and a variable performance incentive. The annual appraisal of the Key Management personnel is based on a detailed performance evaluation of their Key Performance Indicators (KPI's)

i. Fixed Component: Consists of Basic Pay (Usually 40%-60% of the gross Fixed Salary).

ii. Perquisites: In the form of house rent allowance/ accommodation, reimbursement of medical expenses, conveyance, children education, telephone, communication equipments like Ipad's etc.

iii. Retirement Benefits: Pension contributions, Gratuity payments are made in accordance with applicable laws and employment agreements.

iv. Severance payments: In accordance with termination clauses in employment agreements, the severance payment is in accordance with applicable local legal framework.

v. Personal benefits: Based on employment agreements and Company policy, Company Car and Driver is provided to specific grade.

vi. Medical Insurance – Coverage of ₹ 5 Lacs every year to the personnel, his/her spouse, two children and parents (In case of female employees they can choose the option for including their in-laws in lieu of her parents).

vii. Term Insurance – Coverage between ₹ 50 Lacs to ₹ 1 Cr. based on the grade.

viii. Variable pay is linked to the below three factors:
   a) the financial results of the company;
   b) targets achieved;
   c) the individual performance and that of the department/team.

ix. Annual Performance Linked Bonus: Individual bonus allocation takes performance ratings and performance against various set of objectives mentioned below into consideration:
   a) In the beginning of the year the Board sets the organization performance objectives based on qualitative and quantitative measures.
   b) These objectives are reviewed periodically to ensure they remain consistent with the Company's priorities and the changing nature of the Company's business.
   c) These objectives form part of the performance targets for the Managerial Personnel.
   d) Performance against these objectives is reviewed annually by the Board and is reflected in the Managerial Personnel's remuneration review.

1.6.3 Remuneration of Non-executive Directors including Independent Directors

The Non-Executive Directors of the Company shall be paid sitting fees as per the recommendation of Committee and approved by the Board of the Company not exceeding ₹ 1, 00,000/- per meeting.

An independent Director shall not be entitled to any Stock Options of the Company.

1.7 Deviations from the Policy

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

1.8 Amendments

The Remuneration policy may be reviewed by the Board of the Company on the recommendation of the Nomination & Remuneration Committee of the Board.

3 Financial Statements

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INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
CAPRI GLOBAL CAPITAL LIMITED

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **CAPRI GLOBAL CAPITAL LIMITED** ("the Company"), comprising of the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the preparation of these standalone financial statements in terms of requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's 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 and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 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 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:

a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

b) In the case of the Statement of Profit and Loss, of the **Profit** for the year ended on that date; and

c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of Sub-section (11) of Section 143 of the Companies Act, 2013 and on the basis of such checks of the books and records of the Company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure-A a statement on the matters specified in paragraphs 3 and 4 of the Order.

2. As required by section 143(3) of the Act, we report 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 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 statement 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 written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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 the 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 the 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, we report that:

i) The Company does not have any pending litigations which would impact its financial position.

ii) The Company did not have any long term contracts including derivative contracts for which there were any material foreseeable losses.

iii) There were no amounts which were required to be transferred to the Investors Education and Protection Fund by the Company.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Camp: Gangtok
Dated: April 23, 2016

Annexure - A to Independent Auditors' Report

The Annexure referred to in paragraph 1 under the 'Report on Other Legal and Regulatory Requirements' our report to the members of CAPRI GLOBAL CAPITAL LIMITED, ('the Company') for the year ended on March 31, 2016. We report that:-

i. In respect of its fixed assets:

(a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.

(b) The Company has a regular programme of physical verification of fixed assets which is, in our opinion, reasonable having regard to the size of the Company and the nature of its assets. In accordance with this programme, certain fixed assets have been physically verified by the management during the year and no material discrepancies have been noticed on such verification.

(c) As per the information and explanation given to us by the management, the Company does not own any immovable property. Accordingly, the provisions of Clause 3(i)(c) of the Order are not applicable to the Company.

ii. In respect of its inventories:

The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable. There were no material discrepancies noticed on physical verification of inventories as compared to the book records.

iii. The Company has not granted any loans, secured or unsecured to Companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act and hence provisions of Clause 3(iii) of the aforesaid Order are not applicable to the Company.

iv. The Company has not granted any loans or made any investments, or provided any guarantee or security to the parties covered under Section 185 and 186 and hence provisions of Clause 3(iv) of the aforesaid Order are not applicable to the Company.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted deposits from the public within the meaning of Sections 73, 74, 75 and 76 of the Act and the Rules framed thereunder to the extent notified.

vi. In our opinion and according to the information and explanations given to us maintenance of cost records under sub-section (1) of the Section 148 of the Companies Act, 2013 has not been prescribed by the government.

vii. (a) According to the records of the Company, the Company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues applicable to it. No undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales tax, wealth tax, duty of customs, duty of excise, value added tax or cess and other statutory dues were outstanding, as at 31-03-2016, for a period of more than six months from the date they became payable.

(b) According to the records of the Company and information and explanations given to us no dues of income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess that have not been deposited on account of any disputes.

viii. Based on our audit procedures and according to the information and explanations given to us by the management, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions and bank.

ix. The Company has not raised any money by way of initial public offer, further public offer (including debt instruments) and term loans and hence provisions of Clause 3(ix) of the aforesaid Order are not applicable to the Company.

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, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the management.

xi. The Company has paid/provided managerial remuneration in accordance with the requisite approvals mandated by the provision of the Section 197 read with Schedule V of the Act.

xii. The Company is not a Nidhi Company and the Nidhi Rules, 2014 are not applicable to the Company and hence provisions of Clause 3(xii) of the aforesaid Order are not applicable to the Company.

xiii. The Company has entered into the transaction with the related parties in compliance with the provisions

of the Section 177 and 188 of the Act. The details of such related party transactions have been disclosed in the standalone financial statements as required under Accounting Standard (AS)18, Related Party Disclosures specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

xiv. The Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence provisions of Clause 3(xiv) of the aforesaid Order are not applicable to the Company.

xv. The Company has not entered into any non-cash transactions with its directors or the persons connected with him and hence provisions of Clause 3(xv) of the aforesaid Order are not applicable to the Company.

xvi. The Company has obtained registration as required under Section 45-IA of the Reserve Bank of India Act, 1934.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Camp: Gangtok
Dated: April 23, 2016

Annexure - B to Independent Auditors' Report

The Annexure referred to in paragraph 2(f) under the 'Report on Other Legal and Regulatory Requirements' our report to the members of **CAPRI GLOBAL CAPITAL LIMITED**, ('the Company') for the year ended on March 31, 2016.

Report on the Internal Financial Controls under Clause (i) of Sub-Section 3 of Section 143 of the Act

We have audited internal financial controls over financial reporting of **CAPRI GLOBAL CAPITAL LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the standalone financial statements of the Company for the year then ended on that date.

Management's Responsibility for the 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 Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI). These responsibilities includes design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of business, including adherence to Company's policies, the safeguarding of the 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 Act.

Auditor's Responsibility

Our responsibility is to express an opinion on 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 deemed to be prescribed under Section 143(10) of the Act 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 ICAI. Those Standards and Guidance note require that we comply with ethical requirements and plan and perform 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 procedure 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 controls based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the 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 our 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 a reasonable assurance regarding the reliability of financial reporting and preparation of financial statements for external purpose 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 the transactions are recorded as necessary to permit preparation of financial statements in accordance with the generally accepted accounting principles, and that receipts and expenditures of the Company are being made only in accordance with authorisations of management and directors of the Company; and

3. Provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the Company's assets that could have a material effect on the 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 control 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 aspects, an adequate internal financial control system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Camp: Gangtok
Dated: April 23, 2016

BALANCE SHEET

as at 31st March, 2016

₹ in Lacs

	Notes	As at 31-03-2016	As at 31-03-2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	3,502.70	3,502.70
Reserves and Surplus	3	105,099.80	99,811.14
		108,602.50	103,313.84
2 Non-Current Liabilities			
Long Term Borrowings	4	10,168.33	3,750.00
Other Non Current Liabilities	5	238.45	345.17
		10,406.78	4,095.17
3 Current Liabilities			
Short Term Borrowings	6	1,156.44	-
Trade Payables	7	115.64	90.08
Other Current Liabilities	5	8,983.78	4,609.70
Short Term Provisions	8	1,123.27	1,143.54
		11,379.13	5,843.33
Total		**130,388.41**	**113,252.34**
II. ASSETS			
1 Non Current Assets			
Fixed Assets	9		
Tangible Assets		402.89	272.94
Intangible Assets		369.90	536.79
		772.79	809.73
Non Current Investments	10	4,027.09	3,770.00
Deferred Tax Assets (Net)	11	39.30	22.32
Long Term Loans and Advances	12	92,411.33	60,565.91
Other Non-Current Assets	13	17.63	1,713.31
		96,495.35	66,071.54
2 Current Assets			
Current Investments	10	8,250.00	8,927.44
Inventories	14	-	2,354.47
Trade Receivables	15	811.66	2,599.76
Cash and Bank Balances	16	1,643.72	2,940.78
Short Term Loans and Advances	12	15,830.67	28,817.07
Other Current Assets	13	6,584.22	731.54
		33,120.27	46,371.06
Total		**130,388.41**	**113,252.34**
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2016

₹ in Lacs

	Notes	Year Ended 31-03-2016	Year Ended 31-03-2015
I. INCOME			
Revenue from Operations	17	18,638.83	18,955.14
Other Income	18	16.36	260.94
Total Revenue		**18,655.19**	**19,216.08**
II. EXPENSES			
Employee Benefit Expenses	19	3,240.21	2,599.25
Finance Costs	20	1,177.73	465.12
Depreciation and Amortization Expenses	21	332.16	358.78
Loan Provisions/Write off (Net of Provisions)	22	6,872.30	1,215.13
Other Expenses	23	1,820.81	990.12
Total Expenses		**13,443.21**	**5,628.39**
III. Profit before Exceptional Items and Tax		**5,211.98**	**13,587.69**
Less: Exceptional Items		-	-
IV. Profit before Tax		**5,211.98**	**13,587.69**
Less: Tax Expenses			
Current Tax		1,470.00	5,116.33
Deferred Tax		(14.31)	(47.06)
Earlier years adjustments		(364.20)	0.10
		1,091.49	5,069.36
V. Profit for the period		**4,120.49**	**8,518.33**
VI. Earnings per Equity Share Before Exceptional Items	29		
(Nominal Value of share ₹10/- each)			
Basic		11.76	24.33
Diluted		11.76	24.33
Earnings per Equity Share After Exceptional Items	29		
(Nominal Value of share ₹10/- each)			
Basic		11.76	24.33
Diluted		11.76	24.33
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

CASH FLOW STATEMENT

for the year ended 31st March, 2016

₹ in Lacs

Particulars	Year Ended 31-03-2016	Year Ended 31-03-2015
(A) Cash Flow From Operating Activities and Exceptional Items		
Profit Before Taxation	5,211.98	13,587.69
Add/(Less):		
Depreciation	332.16	358.78
Employees Stock Option Scheme Expenses	-	2.95
(Profit)/Loss on Sale of Fixed Assets	1.71	(0.02)
Bad Debts Written Off	6,593.77	-
Provisions/Sundry Balances Written back/off	-	16.15
Profit on Sale of Property	-	(106.28)
Provision for Standard Assets	85.60	110.06
Floating Provision Against Standard Asset	207.68	1,281.75
Provision for Restructured Standard Asset	(63.87)	130.64
Provision for Sub-Standard Assets	49.12	(307.32)
Operating Profit before exceptional items	12,418.16	15,074.40
Add: Exceptional Items	-	-
Operating Profit before working capital changes	12,418.16	15,074.40
Movements in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	(22,786.58)	(21,185.61)
(Increase)/Decrease in Stock-in-trade	2,354.47	13,447.03
Increase/(Decrease) in Trade & Other Payables	3,655.39	3,366.10
Cash Flow generated from/(used in) Operating Activities	(4,358.55)	10,701.92
Less:- Direct Taxes Paid	(2,743.51)	(5,140.29)
Net Cash generated from/(used in) Operating Activities (A)	**(7,102.06)**	**5,561.63**
(B) Cash Flow From Investing Activities		
Purchase of Fixed Assets	(306.70)	(58.64)
Sale of Fixed Assets	10.02	0.30
Sale of Property	-	301.00
(Increase)/Decrease in Investments	(844.65)	-
(Purchase)/Sale of Mutual Funds	-	(8,927.44)
Encashment of Fixed Deposit	1,200.00	300.00
Net Cash Flow generated from/(used in) Investing Activities (B)	**58.67**	**(8,384.78)**
(C) Cash Flow From Financing Activities		
Increase/Decrease in Borrowings	7,574.77	5,000.00
Dividend Paid	(525.40)	(525.08)
Dividend Distribution Tax Paid	(106.96)	(89.24)
Increase in Share Capital	-	2.16
Net Cash Flow generated from/(used in) Financing Activities (C)	**6,942.40**	**4,387.84**
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(100.99)	1,564.70
Cash & Cash Equivalents at the beginning	1,740.78	176.08
Cash & Cash Equivalents acquired on Merger	3.93	-
Cash & Cash Equivalents at the end	1,643.72	1,740.78
Net Increase/(Decrease) in Cash & Cash Equivalents	**(100.99)**	**1,564.70**

CASH FLOW STATEMENT

for the year ended 31st March, 2016

Notes:

1. Cash and Cash equivalents

	Year Ended 31-03-2016	Year Ended 31-03-2015
		₹ in Lacs
Cash in hand	11.26	1.00
Balance with banks:		
In Current Accounts	1,374.74	239.17
In Unpaid Dividend Account	0.89	0.61
Current maturities of fixed deposits with Original Maturity of Less than 3 Months	256.83	1,500.00
Total	**1,643.72**	**1,740.78**

2. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
3. Previous quarter's figures have been regrouped, wherever necessary to confirm to current year's classification.
4. Figures in brackets represent outflows.

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

1. Significant Accounting Policies

1.1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Use of Estimates:

Presentation and Disclosure of Financial Statement

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.3 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

a) **Sale of Traded Goods**

Revenue from sale of traded goods is recognized when all the significant risks and rewards of ownership of the traded goods have been passed to the buyer.

b) **Income from Advisory Services**

Income from Advisory Services are accounted for as and when the relevant services are rendered and revenue is recognised using completed service contract method except where the recovery is uncertain in which case it is accounted for on receipt.

c) **Interest**

Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from Operations" in the statement of profit and loss. Delayed Payment charges, Penal Interest, Other Penal Charges, etc., are recognised on receipt basis on account of uncertainty of the ultimate collection of the same. Further, in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Finance Companies, income on business assets classified as Non-performing Assets, is also recognised on receipt basis.

d) **Dividends**

Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

1.4 Inventories

The inventories held as stock-in-trade under current assets are valued at lower of cost or market value.

1.5 Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, as per Accounting Standard 3 "Cash Flows".

1.6 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use.

1.7 Depreciation on Tangible Fixed Assets

The Company has worked depreciation with reference to the Useful life of Fixed Assets prescribed by the PART C of Schedule II to the Act. The carrying values have been depreciated over the remaining useful life of the Asset using Written Down Value Method and the same is recognised in the Statement of Profit and Loss.

1.8 Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use. Intangible assets are amortized over the useful life on prorata basis under the straight line method as estimated by the management, which is generally between three to five years.

1.9 Impairment of Tangible and Intangible Assets:

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in

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for the year ended 31st March, 2016

use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.10 Foreign Currency Translation

a) **Foreign Currency Transactions and Balances**

(i) **Initial recognition**

Foreign Currency Transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss.

(ii) **Conversion**

Monetary assets and liabilities denominated in the foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The exchange differences, if any, are recognised in the statement of profit & loss and related assets and liabilities are accordingly restated in the Balance Sheet.

1.11 Investments:

Investments which are readily realizable and intended to the held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.12 Retirement and other employee benefits

The Company has adopted the revised Accounting Standard 15 – Accounting for Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

Gratuity:

The Company has funded Defined Benefit Obligation Plan for gratuity to its employees, who have completed five years or more of service, under the group gratuity scheme of Life Insurance Corporation (LIC) of India & to HDFC Standard Life Insurance Company. The Company has created planned assets by contribution to the gratuity fund with LIC of India & HDFC Standard Life Insurance Company Limited.

Leave Encashment:

Provision for Leave Encashment is made on the basis of Actuarial Valuation.

1.13 Employee stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

1.14 Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

1.15 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earning per Share.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The Weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

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for the year ended 31st March, 2016

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.16 Taxes on Income

Income tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) & the deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Deferred Taxation:

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/virtually certain (as the case may be) to be realised.

1.17 Provisions

The company creates a provision when there is 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 amounts of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.18 Contingent Liabilities / Assets

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will rise, asset and related income are recognised in the period in which the change occurs.

2. Share Capital

₹ in Lacs

	31-03-2016	31-03-2015
Authorized Shares		
7,20,00,000 (31 Mar 2015: 5,50,00,000) Equity Shares of ₹ 10 each	7,200.00	5,500.00
	7,200.00	**5,500.00**
Issued, Subscribed and fully paid up Shares		
3,50,26,961 (31 Mar 2015: 3,50,26,961) Equity Shares of ₹10/- Each fully paid up	3,502.70	3,502.70
Total	**3,502.70**	**3,502.70**

2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	31-03-2016		31-03-2015	
	Nos.	₹ In Lacs	Nos.	₹ In Lacs
Equity Shares:				
At the beginning of the period	35,026,961	3,502.70	34,977,953	3,497.80
Issued during the period - Warrant Conversion	-	-	27,408	2.74
Issued during the period - ESOP	-	-	21,600	2.16
Outstanding at the end of the period	**35,026,961**	**3,502.70**	**35,026,961**	**3,502.70**

2.2 Terms/Rights attached to equity shares:

The company has only one class of equity share having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

During the year ended 31st March 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.50/- (March 31, 2015 ₹ 1.50/-)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be proportional to the number of equity shares held by the shareholders.

2.3 Details of shareholders holding more than 5% share in the company

Equity Shares of ₹ 10 each fully paid up:

	31-03-2016		31-03-2015	
Name of Shareholder	**Nos.**	**%**	**Nos.**	**%**
Capri Global Holdings Pvt. Ltd.	13,208,079	37.71	13,208,079	37.71
Mr. Ramesh Chandra Sharma	8,752,986	24.99	8,752,986	24.99
Capri Global Advisory Services Pvt. Ltd.	3,503,412	10.00	3,503,412	10.00
Roopam Multitrade Private Limited	N.A.	N.A.	1,950,000	5.57

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3. Reserve and Surplus

₹ in Lacs

	31-03-2016	31-03-2015
3.1 Securities premium account		
Balance as per the last financial statements	44,710.06	44,657.47
Add : On account of Warrant Conversion	-	27.30
Add : On account of ESOP Exercised	-	25.28
Closing Balance	**44,710.06**	**44,710.06**
3.2 General Reserve		
Balance as per the last financial statements	3,860.00	3,160.00
Add:-Pursuant to the Scheme of merger of Subsidiaries (Refer Note 38)	1,800.53	-
Add: Amount transferred from surplus balance in the statement of profit and loss	310.00	700.00
Closing Balance	**5,970.53**	**3,860.00**
3.3 Surplus / (Deficit) in the Statement of Profit and Loss		
Balance as per the last Financial Statements	39,231.08	33,902.48
Profit for the year :	4,120.49	8,518.33
Less: Appropriations		
Less : Depreciation Charged off as per Revised Depreciation Guidelines	-	7.36
Proposed Dividend (Amount per share ₹ 1.50/- (31 March 2015 : ₹ 1.50/-)	525.40	525.40
Tax on Proposed Dividend	106.96	106.96
Transfer to Reserve Fund under Section 45 I C(1) of Reserve Bank of India Act,1934	850.00	1,850.00
Transfer to General Reserve	310.00	700.00
Net surplus in the Statement of Profit and Loss	**41,559.21**	**39,231.08**
3.4 Reserve Fund as per Section 45 I C(1) of Reserve Bank of India Act, 1934		
Balance as per the last Financial Statements	12,010.00	10,160.00
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	850.00	1,850.00
Closing Balance	**12,860.00**	**12,010.00**
Total Reserves and Surplus	**105,099.80**	**99,811.14**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

4. Long Term Borrowings

₹ in Lacs

	31-03-2016	31-03-2015
From Banks		
Term Loan from Bank of Maharashtra	4,375.00	3,750.00
Term Loan from Andhra Bank	2,610.00	-
Term Loan from Bank of India	2,083.33	-
Term Loan from Vijaya Bank	1,100.00	-
Total	**10,168.33**	**3,750.00**

Note : The above term loans are secured against the Pari-pasu Charge on the Standard Identified Receivables of MSME, Retails Credit assets and Wholesale Credit Assets of the Company.

Name of Bank	Facility amount ₹ in Lacs	Repayment schedule	Floating Interest Rate
Term Loan from Bank of Maharashtra	5,000.00	Repayable in 12 quarterly instalments started from Sep 2015	11.20%
Term Loan from Andhra Bank	3,000.00	Repayable in 12 quarterly instalments starting from Dec 2016	11.20%
Term Loan from Bank of India	2,500.00	Repayable in 12 quarterly instalments starting from Dec 2016	11.20%
Term Loan from Bank of Maharashtra	20,000.00	Repayable in 12 quarterly instalments starting from Mar 2017	11.20%
Term Loan from Andhra Bank	3,000.00	Repayable in 12 quarterly instalments starting from Jun 2017	11.20%
Term Loan from Vijaya Bank	5,000.00	Repayable in 12 quarterly instalments starting from May 2017	11.20%

5. Other Liabilities:

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Current Maturities of Long-term Borrowings (Refer Note: 4)	-	-	2,791.67	1,250.00
Temporary overdrawn balance as per books.	-	-	5,465.85	3,189.49
Other Payables				
Audit fees Payable	-	-	8.04	6.39
Service Tax Payable	-	-	-	0.19
Provident Fund & ESIC Payable	-	-	5.32	8.52
TDS Payable	-	-	59.96	51.33
Employee Profession Tax Payable	-	-	0.39	-
Margin Money	238.45	345.17	62.00	103.17
Unpaid Dividend	-	-	0.89	0.61
Others	-	-	589.66	-
Total	**238.45**	**345.17**	**8,983.78**	**4,609.70**

6. Short Term Borrowings

₹ in Lacs

	31-03-2016	31-03-2015
Loans repayable on demand (Secured)		
From Banks		
Cash Credit from Union Bank of India	1,156.44	-
Total	**1,156.44**	**-**

Note : The Company has the Cash Credit limit of 5,000 Lacs. (31 March 2015 ₹ NIL) against the Pari-pasu Charge on the Standard Identified Receivables of MSME, Retails Credit assets and Wholesale Credit Assets of the Company.

7. Trade Payable

₹ in Lacs

	31-03-2016	31-03-2015
Trade Payables (Including acceptances)		
- Due to Micro, Small and Medium Enterprises	-	-
- Due to Others	115.64	90.08
Total	**115.64**	**90.08**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

8. Short Term Provisions

₹ in Lacs

		31-03-2016	31-03-2015
8.1	**Provisions for employee benefits:**		
	Salary and Reimbursements	9.31	6.22
	Bonus	250.00	300.00
	Provision for Gratuity	3.79	7.99
	Leave encashment payable	11.32	-
8.2	**Others:**		
	Proposed Dividend	525.40	525.40
	Provision for Dividend Distribution Tax	106.96	106.96
	Provision for Income Tax(Net of Deposits)	-	82.28
	Provision for expenses	216.49	114.69
Total		**1,123.27**	**1,143.54**

Note:

(i)	Provision for Taxation (Net of deposits) comprises of :		
	Provision for Income Tax	-	29,481.33
	Less : Income Tax Deposits	-	(29,399.05)
		-	82.28

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

9. Fixed Assets

₹ in Lacs

	Life	GROSS BLOCK				DEPRECIATION / AMORTIZATION					NET BLOCK	
		Cost as at 01.04.2015	Additions	Disposals/ adjustments	Cost as at 31.03.2016	As at 01.04.2015	For the Period	Adjustment in Retained Earnings	Adjustment on Disposals	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
a) Tangible Assets												
Computers	3 Yrs. / 6 Yrs.	218.61	80.79	3.91	295.49	169.59	46.62	-	3.69	212.52	82.97	49.02
Furniture and Fixtures	10 years	190.92	19.91	-	210.83	109.30	25.78	-	-	135.08	75.75	81.62
Office Equipments	5 years	107.26	25.18	2.55	129.89	80.14	16.94	-	2.38	94.69	35.20	27.13
Electric Installation	10 years	29.08	-	-	29.08	19.12	3.40	-	-	22.52	6.57	9.96
Vehicles	8 years	280.19	154.43	52.41	382.21	174.74	46.13	-	41.06	179.81	202.40	105.45
Current Year		**826.07**	**280.30**	**58.87**	**1,047.50**	**552.89**	**138.87**	**-**	**47.14**	**644.62**	**402.89**	**273.18**
Previous Year		784.59	37.53	(0.80)	821.32	366.77	170.97	11.15	0.52	548.38	272.94	417.82
b) Intangible Assets												
Software		162.32	26.40	-	188.72	96.44	51.90	-	-	148.33	40.38	65.88
Royalty		705.40	-	-	705.40	234.49	141.39	-	-	375.88	329.52	470.91
Current Year		**867.72**	**26.40**	**-**	**894.12**	**330.93**	**193.29**		**-**	**524.22**	**369.90**	**536.79**
Previous Year		846.61	21.11	-	867.72	143.12	187.81	-	-	330.93	536.79	703.48

Notes :

a) Software are amortized on pro rata basis using straight line method over the useful life estimated by the management which is three years.

b) Royalty is amortized on pro-rata basis using straight line method over the useful life estimated by the management which is five years.

c) Gross Block of Computers as on 01.04.2015 includes ₹ 4.75 Lacs (WDV ₹ 0.24 Lacs) of Subsidiary Company acquired on account of Scheme of Merger.

d) Amortization of software :

₹ in Lacs

Year of Acquisition	Cost	Amortized		Balance to be amortized	
		No. of years*	Amount	No. of years*	Amount
2010-11	13.31	3	13.31	-	-
2011-12	3.44	3	3.44	-	-
2012-13	19.39	3	19.39	-	-
2013-14	810.47	2	472.97	1	337.50
2014-15	21.11	1	11.41	2	9.70
2015-16	26.40	1	3.69	3	22.70
Total	**894.12**		**524.22**		**369.90**

* Period of amortization of less than 6 months is not considered in the number of years column.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

10. Investments

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
10.1 Trade Investments, Unquoted				
(valued at cost unless stated otherwise)				
Investment in equity shares of Subsidiaries:				
2,50,00,000 (31 March 2015 :2,50,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Housing Finance Private Limited	2,500.00	2,500.00	-	-
Nil (31 March 2015 : 50,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Investment Advisors Private Limited	-	500.00	-	-
Nil (31 March 2015 :50,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Distribution Company Private Limited	-	500.00	-	-
Nil (31 March 2015 : 25,00,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Finance Private Limited	-	250.00	-	-
50,000 (31 March 2015 : 50,000) Equity Share of ₹ 10/- each fully paid up of Capri Global Resources Private Limited	5.00	5.00	-	-
Nil (31 March 2015 : 1,50,000) Equity Share of ₹ 10/- each paid up of Capri Global Research Private Limited	-	15.00	-	-
Investment in Equity Shares:				
Nil (31 March 2015 : 1) Equity Share of ₹ 10/- each fully paid up of Ganraj Homes Pvt. Ltd	-	-	-	-
	2,505.00	**3,770.00**	**-**	**-**
10.2 Non-Trade Investments, Quoted				
(valued at cost unless stated otherwise)				
Investment in Equity Shares:				
2,08,000 (31 March 2015 : Nil) CARE Equity Shares of ₹10 each fully paid -up	1,522.09	-	-	-
	1,522.09	**-**	**-**	**-**
10.3 Non-trade Investments , Unquoted				
(valued at cost unless stated otherwise)				
Investment in Mutual Funds:				
Nil (31 March 2015 : 7,69,951.75) units of ICICI PRU MF Money Market-D-G-Inv	-	-	-	1,485.69
36,55,137.75 (31 March 2015 : 36,55,137.75) units of Rel. Floating Rate STP(Dir Growth Dir Plan)	-	-	800.00	800.00
51,187.07 (31 March 2015 : 64,458.44) units of Rel. Liquid Fund Cash Fund Plan-DG-Inv.	-	-	1,250.00	1,440.00
Nil (31 March 2015 : 51,966.29) units of Rel. Money Manager Fund DG Invest.	-	-	-	1,000.00
Nil (31 March 2015 : 75,871.21) units of IDFC MF Cash Fund G Direct - Investments	-	-	-	1,285.33
63,08,966.30 (31 March 2015 : 34,44,759.83) units of Reliance Medium Term Fund-Inv	-	-	2,000.00	1,000.00
Nil (31 March 2015 : 56,267.70) units of Rel MF Liquid - Treasury - Direct - G - Investments	-	-	-	1,916.41
5,35,494.11 (31 March 2015 : Nil) units of ICICI PRU Liquid Fund D-G-Invt	-	-	1,200.00	-
2,78,02,353.54 (31 March 2015 : Nil) units of Rel. Banking & PSU Dir-Growth-Investment	-	-	3,000.00	-
	-	**-**	**8,250.00**	**8,927.44**
Total	**4,027.09**	**3,770.00**	**8,250.00**	**8,927.44**
Aggregate amount of Unquoted Investments				
In Equity Shares	2,505.00	-	-	-
In Mutual Funds	-	-	8,250.00	8,927.44
Aggregate amount of Quoted Investments				
In Equity Shares	1,522.09	-	-	-
Market value of Quoted investments	1,939.29	-	-	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

11. Deferred Tax Assets/(Liabilities) Net

(Disclosure as per AS-22 "Accounting for Taxes on Income")

₹ in Lacs

	31-03-2016	31-03-2015
Deferred Tax Assets		
Timing difference on account of :		
Excess of WDV of the assets as per Income Tax Act, 1961 over the Financial Books.	39.30	22.32
Deferred Tax Assets/(Liabilities) Net	**39.30**	**22.32**
Amount to be Charged to Statement of Profit and Loss before adjustment	(14.31)	(50.85)
Adjustment on account of Depreciation as per Revised Depreciation Guidelines	-	3.79
Amount to be Charged to Statement of Profit and Loss after adjustment	(14.31)	(47.06)

12. Loans and Advances

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
12.1 Capital Advances				
Unsecured, considered good	1,352.35	836.34	320.60	-
	1,352.35	**836.34**	**320.60**	**-**
12.2 Deposits				
Unsecured, considered good	44.86	21.71	42.30	30.02
	44.86	**21.71**	**42.30**	**30.02**
12.3 Other Loans and Advances				
Income Tax Deposits (Net of provision for taxation)	1,552.51	-	-	-
Other Advances	-	0.06	3.29	5.72
Prepaid Expenses	17.95	9.42	27.45	22.60
Loans to Employees				
Less than 12 months	-	-	-	-
More than 12 months	61.96	34.78	-	-
Current maturities of more than 12 months	-	-	25.06	22.83
Advances Recoverable in cash or kind				
(Secured, Considered good)	89,959.62	60,865.78	15,534.90	29,401
	91,592.04	60,910.03	15,590.70	29,452.57
Less : Statutory Provision on Standard Assets	(443.53)	(300.55)	(74.61)	(133.72)
Less : Provision for Standard Restructured Assets	(25.00)	-	(21.76)	(130.64)
Less : Floating Provision Against Standard Asset	-	(825.96)	-	(396.73)
Less : Provision for Non Performing Assets	(109.39)	(75.67)	(26.56)	(4.43)
	91,014.12	59,707.85	15,467.77	28,787.05
Total	**92,411.33**	**60,565.91**	**15,830.67**	**28,817.07**

Note :	
Income Tax Deposits (Net of provisions) comprises of :	
Income Tax Deposits	12,253.69
Less: Provision for Income Tax	(10,701.18)
	1,552.51

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

13. Other Assets

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Interest accrued but not due	2.00	1,732.33	4,836.72	670.50
Fixed Deposits with original maturity for more than 12 months	15.63	15.63	-	-
Current Maturities of Fixed Deposits with original maturity for more than 12 months	-	-	1,700.00	-
Inventory of Gift Items	-	-	60.91	60.91
Service Tax Receivables	-	-	10.24	10.50
Less : Statutory Provision on Standard Assets	-	(8.66)	(23.65)	(2.59)
Less : Floating Provision Against Standard Asset	-	(25.98)	-	(7.78)
Total	**17.63**	**1,713.31**	**6,584.22**	**731.54**

Note :

Fixed Deposits of ₹ Nil (31 March 2015 ₹ 15.63 Lacs) have been pledged as security for Bank Guarantee.

Fixed Deposits of ₹ 1200.00 Lacs (31 March 2015 : ₹ 1200 Lacs (Included in Note 16.1)) have been pledged as security for overdraft facility from bank.

14. Inventories

(valued at lower of cost and net realizable value)

₹ in Lacs

	31-03-2016	31-03-2015
Traded Goods		
Bonds		
Nil (31 Mar 2015 : 250) Units of 8.95% Infotel Broadband Services Ltd	-	2,354.47
Total	**-**	**2,354.47**

15. Trade receivables:

₹ in Lacs

	31-03-2016	31-03-2015
Secured, considered good		
Outstanding for a period exceeding six months from the due date of payment	42.43	56.13
Outstanding for a period less than six months	797.04	2,594.11
Less : Statutory Provision on Standard Assets	(1.95)	(12.62)
Less : Floating Provision Against Standard Asset	-	(25.28)
Less : Provision for Standard Restructured Assets	(20.01)	-
Less : Provision for Non Performing Assets	(5.85)	(12.58)
Total	**811.66**	**2,599.76**

16. Cash and Bank Balances

₹ in Lacs

	31-03-2016	31-03-2015
16.1 Cash and Cash equivalents		
Cash in hand	11.26	1.00
Balance with banks:		
In Current Accounts	1,374.74	239.17
In Unpaid Dividend Account	0.89	0.61
Fixed deposits with Original Maturity of Less then 3 Months	256.83	1,500.00
	1,643.72	**1,740.78**
16.2 Other Bank Balances		
Fixed Deposits with original maturity for more than 3 months but less than 12 months	-	1,200.00
	-	**1,200.00**
Total	**1,643.72**	**2,940.78**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

17. Revenue from Operations

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
17.1 Income from Traded Goods		
Sale of Government & Corporate Bonds	2,516.25	-
Sale of Mutual Funds	-	74,313.27
	2,516.25	74,313.27
Less : Purchases	-	60,385.00
Less : Opening Stock	2,354.47	15,801.50
Add : Closing Stock	-	2,354.47
Less : Direct Expenses	-	0.03
	161.78	**481.22**
17.2 Revenue From Financial Services		
Loan Processing Fees Received	694.98	520.24
	694.98	**520.24**
17.3 Interest Income		
Interest on Loans given	15,640.19	16,640.59
Interest on Bonds	74.79	184.83
Interest on Bank Deposits	193.98	205.85
	15,908.96	**17,031.28**
17.4 Other Operating Income		
Dividend on Non Current Investments	54.08	-
Gain on sale of Current Investments	1,260.03	495.48
Provisions no longer required, written back	52.04	16.15
Foreclosure Fees Received	506.96	410.77
	1,873.11	922.40
Total Revenue from Operations	**18,638.83**	**18,955.14**

18. Other Income

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Bad Debts of Syndication Business Recovered	-	138.35
Rent Received	16.29	16.29
Profit on sale of Property	-	106.28
Profit on sale of Fixed Assets	-	0.02
Other Income	0.07	-
Total	**16.36**	**260.94**

19. Employee Benefit Expenses

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Salaries, Wages and Bonus	3,040.41	2,412.91
Contribution to Provident Fund	55.86	48.12
Employees Stock Option Scheme Expenses	-	2.95
Gratuity Expenses	33.77	24.75
Staff Welfare Expenses	110.17	110.52
Total	**3,240.21**	**2,599.25**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

20. Finance Costs

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Interest on Bank Overdraft	5.44	1.09
Interest on Term Loan	944.67	370.28
Loan Processing Fees	209.95	72.15
Interest on Bank CC	17.67	21.59
Total	**1,177.73**	**465.12**

21. Depreciation and Amortization Expenses

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Depreciation of Tangible Assets	138.87	170.97
Amortization of Intangible Assets	193.29	187.81
Total	**332.16**	**358.78**

22. Loan Provisions/Write off (Net of Provisions)

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Bad Debts Written Off (Net off Provision)	6,593.77	-
General Provision for Standard assets	85.60	110.06
Floating Provision Against Standard Asset	207.68	1,281.75
Provision for Restructured Standard Asset	(63.87)	130.64
Provision made for Non Performing Asset	49.12	(307.32)
Total	**6,872.30**	**1,215.13**

23. Other Expenses

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Advertisement Expenses	2.80	5.15
Loss On Sale Of Fixed Assets	1.71	-
Bank charges	7.49	4.92
Business Promotion Expenses	70.08	1.93
Computer Maintenance	3.92	24.62
Conveyance Expenses	58.57	35.29
Custodian Charges	1.61	2.28
Corporate Social Responsibility Expenses	232.07	18.23
Delivery/Brokerage Charges	-	0.70
Donation	1.18	0.60
Directors Sitting Fees	22.39	13.59
Filing & Other Fees to ROC	2.21	1.15
Electricity Charges	48.30	39.35
General Expenses	112.21	85.05
Insurance Charges	8.63	7.32
Legal & Professional Fees	526.29	184.39
Listing Fees & Stock Exchange Fees	2.13	2.57
Meeting & Conference Expenses	21.07	3.50
Membership & Subscription	18.26	14.22
Motor Car Expenses	7.97	12.85
Payment to Auditors (as per details given below)	9.84	7.47
Printing & Stationery	44.32	24.28
Postage & Stamps	14.06	7.16
Rates & Taxes	0.30	0.43

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Recruitment & Training Expenses	54.14	19.43
Rent Paid	332.77	332.98
Software Expenses	13.80	5.90
Sundry Balance Written off	6.46	-
Telephone and Internet Expenses	81.65	43.85
Travelling Expenses	114.57	90.92
Total	**1,820.81**	**990.12**
Payment to Auditors Include		
As Auditor		
Statutory Audit Fees	5.61	4.37
Tax Audit Fees	1.45	1.45
Limited Review	1.47	1.22
In Other capacity		
Certification fees	1.31	0.42
Reimbursement of Expenses	-	-
	9.84	**7.47**

24. Gratuity and other post employment benefit plans (AS - 15)

The Company has an funded defined benefit obligation plan for gratuity under the Group Gratuity scheme of Life Insurance Corporation of India. The company has created plan assets by contributing to the Gratuity Fund with LIC Of India & to HDFC Standard Life Insurance Company.

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of profit and loss, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

A) Principal actuarial assumptions as at the balance sheet date:

Mortality	2015-16 Indian Assured Life Mortality (2006-08)	2014-15 LIC 1994-96 (ultimate)
Discount Rate	7.96%	7.95%
Salary Escalation	5.00%	5.00%
Employee Attrition Rate	5.00%	5.00%

B) Changes in the present value of the defined benefit obligation are as follows:

₹ in Lacs

	2015-16	2014-15
Liability at the beginning of the Year	67.49	38.83
Interest Cost	5.37	3.62
Current Service Cost	28.79	20.02
Liability Transferred In/Acquisitions	0.44	-
Past Service Cost (non vested benefit)	-	-
Past Service Cost (vested benefit)	-	-
Benefits paid	(9.02)	-
Actuarial (Gain)/Loss on Obligations - Due to change in Financial Assumptions	(0.10)	8.55
Actuarial (Gain)/Loss	1.88	(3.53)
Liability at the end of the Year	**94.85**	**67.49**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

C) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

₹ in Lacs

Particulars	2015-16	2014-15
Investments	59.50	40.58
Actual return on plan assets	4.73	3.53
Contributions	32.99	15.00
Assets Transferred In/Acquisitions	5.42	-
Benefits Paid	(9.02)	-
Actuarial Gain/(Loss) on plan assets	(2.56)	0.39
Fair value of plan assets at the end of the year	**91.06**	**59.50**

D) Amount Recognized in Balance Sheet

Provision for Gratuity

₹ in Lacs

	2015-16	2014-15
Liability at the end of the Year	94.85	67.49
Fair Value of plan assets at the end of the year	91.06	59.50
Difference	(3.79)	(7.99)
Unrecognised past service cost	-	-
Unrecognised transition liability	-	-
Amount in Balance Sheet	**(3.79)**	**(7.99)**

E) Statement of Profit and Loss

Net Employee Benefit Expenses (recognised in employee cost)

₹ in Lacs

	2015-16	2014-15
Current Service Cost	28.79	20.02
Interest on defined benefit obligation	0.64	3.62
Expected returns on plan assets	-	(3.53)
Net actuarial losses/(gains) recognised in the year	4.34	4.63
Past Service Cost	-	-
Actuarial (gain)/losses	-	-
Total included in employee benefit expense	**33.77**	**24.74**

Leave Encashment:

A) Actuarial assumptions as at the balance sheet date:

	2015-16
Mortality	Indian Assured Life Mortality (2006-08)
Mortality Rate After Employment	N.A.
Discount Rate	7.96%
Salary Escalation	5.00%
Employee Attrition Rate	5.00%
Expected Return on Plan Assets	N.A.

B) Changes in the present value of the Projected Benefit Obligation are as follows:

₹ in Lacs

	2015-16
Liability at the beginning of the Year	-
Interest Cost	-
Current Service Cost	11.32
Past Service Cost (non vested benefit)	-
Past Service Cost (vested benefit)	-
Benefits paid	-
Actuarial (Gain)/Loss on Obligations - Due to change in Financial Assumptions	11.32
Actuarial (Gain)/Loss	(11.32)
Liability at the end of the Year	**11.32**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

C) Amount Recognized in Balance Sheet

Provision for Leave Encashment

	₹ in Lacs
	2015-16
Present Value of Benefit Obligation at the end of the Year	11.32
Fair Value of Plan assets at the end of the year	-
Funded Status (Surplus/(deficit))	(11.32)
Unrecognised past service cost at the end of the Year	-
Amount in Balance Sheet	**(11.32)**

D) Statement of Profit and Loss

Net Employee Benefit Expenses (recognised in employee cost)

	₹ in Lacs
	2015-16
Current Service Cost	11.32
Net Interest Cost	-
Expected returns on plan assets	-
Net actuarial losses/(gains) recognised in the year	-
Past Service Cost	-
Actuarial (gain)/losses	-
Total included in employee benefit expense	**11.32**

Note:

1. *The Company has made provision of Leave Encashment amounting to ₹ 11.32 Lacs for the employees who are at the rank of Associate Vice President and above.*
   Further, during the year, the Company has also paid for Leave Encashment amounting to ₹ 27.63 Lacs, for employees other than mentioned above, which is charged to the Statement of Profit & Loss.
2. *Previous Year figures has not been disclosed since this is first year of actuarial valuation.*

25. Employee Stock Option Plan

During the year the Company granted 4,00,000 Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to an employee spread over a period of 5 years. The said ESOPs will start its vesting period from October 15, 2016. Hence, no provision is required to be made during the current financial year.

26. Segment Reporting (AS-17)

Primary Segment (Business Segment)

The Company operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of AS 17 on 'Segment Reporting'.

Secondary Segment (Geographical Segment)

The Company operates only in domestic markets. As a result separate segment information for different geographical segments is also not disclosed.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

27. Disclosures as required by Accounting Standard (AS-18) 'Related Party Disclosures' in respect of transactions for the year are as under:

A. List of Related Parties over which control exists:

Sr. No.	Name of the Related Party	Relationship
i)	**Subsidiaries Companies**	
1	Capri Global Housing Finance Private Limited	Wholly owned Subsidiary
2	Capri Global Investment Advisors Private Limited	Wholly owned Subsidiary up to 31st March 2015
3	Capri Global Distribution Company Private Limited	Wholly owned Subsidiary up to 31st March 2015
4	Capri Global Finance Private Limited	Wholly owned Subsidiary up to 31st March 2015
5	Capri Global Research Private Limited	Wholly owned Subsidiary up to 31st March 2015
6	Capri Global Resources Private Limited	Wholly owned Subsidiary
ii)	**Enterprises over which Management and/or their relatives have control**	
1	Money Matters Infrastructure Private Limited	
2	Parijat Properties Pvt. Ltd	
3	Dreamwork Media & Entertainment Pvt. Ltd	
4	Capri Global Holdings Pvt. Ltd	
5	Ramesh Chandra Sharma - HUF	
iii)	**Key Management Personnel**	
1	Mr. Sunil Kapoor	Executive Director
2	Mr. Quinton E Primo III	Non-Executive Chairman
3	Mr Harish Agrawal	Company Secretary
4	Mr. Anand Agarwal	Chief Financial Officer (From 16-October-2014 to 29-December-2014)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

B) Details of transactions during the year and closing balances as at the year end:

₹ in Lacs

Sr. No.	Particulars	Subsidiaries		Enterprises over which Management and/or their relatives have control		Key Management Personnel		Total	
		Year Ended Mar 31, 2016	Year Ended Mar 31, 2015	Year Ended Mar 31, 2016	Year Ended Mar 31, 2015	Year Ended Mar 31, 2016	Year Ended Mar 31, 2015	Year Ended Mar 31, 2016	Year Ended Mar 31, 2015
a	Profit and Loss Account Items:								
	(I) Incomes:								
i	Rent Received	-	-	16.29	16.29	-	-	16.29	16.29
	(II) Expenses								
i	Rent Paid	-	-	122.27	181.54	-	-	122.27	181.54
ii	Salaries, Commission and other benefits	-	-	-	-	165.63	184.12	165.63	184.12
iii	Director Sitting Fees	-	-	-	-	1.50	1.00	1.50	1.00
b	Balance Sheet Items:								
i	Recoverable Amount								
	a) Expenses incurred for related parties	-	0.10	-	-	-	-	-	0.10
ii	Advance Received		-	305.00				305.00	-
iii	Advance Repaid	-	-	305.00				305.00	-
c	Balance Sheet Items (Closing Balances):								
i	Loans & Advances Given								
	(Maximum Amount Involved during the year)	-	0.10	-	-	-	-	-	0.10

Note : Related Party Disclosures are given by the Management and relied upon by the Auditors.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

28. Leases (AS - 19)

Operating Leases:

The company has taken office premises & guest houses under operating lease and the leases are of cancellable/ non-cancellable in nature. The lease arrangement are normally renewable on expiry of the lease period at the option of the lessor/ lessee ranging from 3 to 5 years. Some of the lease agreements are having lock in period of six months to three years which are non-cancellable during that period. After the expiry of the lock in period, the lease agreement becomes cancellable in nature at the option of the lessor or the lessee by giving 1-3 months notice to the either party. There are no restrictions imposed by the lease agreement. There is no contingent rent in the lease agreement. There is escalation clause in some lease agreements. The future minimum lease payments in respect of the non cancellable lease are as follows :

₹ in Lacs

Particulars	2015-2016	2014-2015
a) Payable not later than one year	133.08	14.25
b) Payable later than one year and not later than five years	95.06	34.29
c) Payable later than five years	-	-

The lease payments recognized in the Statement of Profit & Loss in respect of non-cancellable lease for the year are ₹ 98.20 Lacs (31 March 2015: ₹3.23 Lacs).
The lease payments recognized in the Statement of Profit & Loss in respect of cancellable lease for the year are ₹ 232.62 Lacs (31 March 2015: ₹325.16 Lacs).
The Company had sub-leased the office premises under operating lease in the current year.
The lease income recognized in the Statement of Profit & Loss for the year is ₹ 16.29 Lacs (31 March 2015: ₹16.29 Lacs).

29. Earnings Per Share (AS - 20)

Particulars			For Year Ended March 31, 2016	For Year Ended March 31, 2015
Net Profit after tax as per Statement of Profit and Loss	(A)	₹ In Lacs	4,120.49	8,518.33
Weighted average number of equity shares for calculating Basic EPS	(B)	Nos.	35,026,961	35,013,630
Weighted average number of equity shares for calculating Diluted EPS	(C)	Nos.	35,026,961	35,013,630
Basic earnings per equity share (in Rupees) (Face value of ₹ 10/- per share)	(A)/(B)		11.76	24.33
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share)	(A)/(C)		11.76	24.33

Particulars		For Year Ended March 31, 2016	For Year Ended March 31, 2015
Weighted average number of equity shares for calculating EPS	Nos.	35,026,961	35,013,630
Add : Equity shares arising on conversion of warrants	Nos.	-	-
Add : Equity shares for no consideration arising on grant of stock options under ESOP	Nos.	-	-
Weighted average number of equity shares in calculation of diluted EPS	Nos.	35,026,961	35,013,630

30. The company believes that no impairment of assets arises during the year as per Accounting Standard - 28 “Impairment of Assets”.

31. Contingent Liabilities

On account of bank guarantee to the Central Bureau of Investigation against release of cash ₹ Nil (31st March, 2015: ₹ 12.12 Lacs)

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

32. Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2.92 Lacs (31st March, 2015 ₹ 2.92 Lacs)

b) Amount payable towards acquisition of Property: ₹ 5,350.97 Lacs (31st March, 2015 ₹ Nil)

c) Other Commitments
Pending disbursements of sanctioned loans ₹ 20,501.08 Lacs (31st March, 2015 ₹ 8,541.59 Lacs)

33. Expenditure in Foreign Currency

Foreign Travelling Expenses ₹ 24.77 Lacs (31st March, 2015 : ₹ 12.63 Lacs)

Staff Welfare Expenses ₹ Nil (31st March, 2015 : ₹ 1.60 Lacs)

Director Sitting Fees ₹ 1.50 Lacs (31st March, 2015 : ₹ 1.00 Lacs)

34. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

35 (a). Additional Disclosures as required in terms of Paragraph 13 of NonBanking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007 issued by Reserve Bank of India.

₹ in Lacs

Particulars	Amount Outstanding	Amount Overdue
Liabilities Side		
1 Loans and advances availed by the non banking financial company inclusive of interest accrued thereon but not paid:		
a) Debentures:		
Secured	-	-
Unsecured	-	-
(other than falling within the meaning of public deposits)		
b) Deferred Credits	-	-
c) Term Loans	12,960.00	-
d) InterCorporate loans and borrowings	-	-
e) Commercial Paper	-	-
f) Other Loans (Cash Credit Facility)	1,156.44	-
Total	**14,116.44**	**-**

₹ in Lacs

Particulars	Amount Outstanding
Assets Side	
2 Breakup of Loans and Advances including bills receivables (other than those included in (4) below):	
a) Secured	111,058.48
b) Unsecured	-
3 Breakup of Leased Asets and stock on hire and other assets counting towards AFC activities	
i) Lease assets including lease rentals under sundry debtors:	
a) Financial Lease	-
b) Operating Lease	-

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

Particulars	Amount Outstanding
ii) Stock on hire including hire charges under sundry debtors:	
a) Assets on hire	-
b) Repossed Assets	-
iii) Other loans counting towards AFC activities	
a) Loans where assets have been repossessed	-
b) Loans other than (a) above	-
4 Breakup of Investments:	
Current Investments:	
1. Quoted:	
i) Shares: (a) Equity	-
(b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	-
iv) Government Securities	-
v) Others (please specify)	-
- Certificate of Deposits	-
2. Unquoted:	
i) Shares: (a) Equity	-
(b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	8,250.00
iv) Government Securities	-
v) Others (please specify)	-
Long Term investments:	
1. Quoted:	
i) Shares: (a) Equity	1,522.08
(b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	-
iv) Government Securities	-
v) Others (please specify)	-
2. Unquoted:	
i) Shares: (a) Equity	2,505.00
(b) Preference	-
ii) Debentures and Bonds	-
iii) Units of mutual funds	-
iv) Government Securities	-
v) Others (please specify)	-

5 **Borrower groupwise classification of assets financed as in (2) and (3) above:**

₹ in Lacs

Category	Amount net of Provisions		
	Secured	Unsecured	Total
1. Related Parties			
a) Subsidiaries	-	-	-
b) Companies in the same group	-	-	-
c) Other related parties	-	-	-
2. Other than related parties	111,058.48	-	111,058.48
Total	**111,058.48**	**-**	**111,058.48**

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

6 Investor groupwise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

₹ in Lacs

Category	Market Value/ Break up or fair value or NAV	Book Value (Net of Provisions)
1. Related Parties		
a) Subsidiaries	4,155.57	2,505.00
b) Companies in the same group	-	-
c) Other related parties	-	-
2. Other than related parties	10,189.29	9,772.08
Total	**14,344.86**	**12,277.08**

7 Other information

₹ in Lacs

Particulars	Amount
i) Gross Non Performing Assets	
a) Related Parties	-
b) Other than related parties	974.35
ii) Net Non Performing Assets	
a) Related Parties	-
b) Other than related parties	832.55
iii) Assets acquired in satisfaction of debt	-

35 (b) Schedule to the Balance Sheet of Non Banking Financial (Non- Deposit Accepting or Holding) Company as required by RBI as per their Circular RBI/2008-09/116 DNBS (PD). CC. No. 125/03.05.002/2008-09, Guidelines for NBFC -ND-SI as regards capital adequacy, liquidity and disclosure norms.

(I) Disclosure for CRAR :-

	Items	As on March 31, 2016	As on March 31, 2015
i)	CRAR (%)	79.72%	89.68%
ii)	CRAR - Tier I Capital (%)	79.32%	88.20%
iii)	CRAR - Tier II Capital (%)	0.40%	1.48%
iv)	Amount of subordinated debt raised as Tier-II capital	Nil	Nil
v)	Amount raised by issue of Perpetual Debt Instrument	Nil	Nil

(II) Exposures

(A) Exposure to Real Estate Sector

₹ in Lacs

Category	As on March 31, 2016	As on March 31, 2015
a) Direct Exposure		
i) Residential Mortgages -		
Lending fully secured by mortgages on residential property that is or will be occupied by the borrower or that is rented; (Individual housing loans up to ₹ 15 Lacs may be shown separately)	32.00	23,871.99
ii) Commercial Real Estate -		
Lending secured by mortgages on commercial real estates(office buildings, retail space, multipurpose commercial premises, multi-family residential buldings, multi-tenanted commercial premises, industrial or warehouse space, hotels, land acquisition, development and construction, etc.	37,020.93	68,095.89
ii) Investments in Mortgage Backed Securities(MBS) and other securitised exposures -		
a. Residential	Nil	Nil
b. Commercial Real Estate	Nil	Nil
b) Indirect Exposure		
Fund based and non-fund based exposure on National Housing Bank(NHB) and Housing Finance Companies (HFCs.)	Nil	Nil

(B) Exposure to Capital Market

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

Category		As on March 31, 2016	As on March 31, 2015
i)	direct investment in equity shares, convertible bonds, convertible debentures and units of equity-oriented mutual funds the corpus of which is not exclusively invested in corporate debt;	1,522.09	Nil
ii)	advances against shares / bonds / debentures or other securities or on clean basis to individuals for investment in shares (including IPOs / ESOPs), convertible bonds, convertible debentures, and units of equity-oriented mutual funds;	Nil	Nil
iii)	advances for any other purposes where shares or convertible bonds or convertible debentures or units of equity oriented mutual funds are taken as primary security;	Nil	Nil
iv)	advances for any other purposes to the extent secured by the collateral security of shares or convertible bonds or convertible debentures or units of equity oriented mutual funds i.e. where the primary security other than shares / convertible bonds / convertible debentures / units of equity oriented mutual funds 'does not fully cover the advances;	Nil	Nil
v)	secured and unsecured advances to stockbrokers and guarantees issued on behalf of stockbrokers and market makers;	Nil	Nil
vi)	loans sanctioned to corporates against the security of shares / bonds / debentures or other securities or on clean basis for meeting promoter's contribution to the equity of new companies in anticipation of raising resources;	Nil	Nil
vii)	bridge loans to companies against expected equity flows / issues;	Nil	Nil
viii)	all exposures to Venture Capital Funds (both registered and unregistered)	Nil	Nil
Total Exposure to Capital Market		**1,522.09**	**Nil**
(C)	**Details of financing of parent company products**	Nil	Nil
(D)	**Details of Single Borrower Limit (SGL) / Group Borrower Limit (GBL) exceeded by the NBFC**	Nil	Nil
(E)	**Unsecured Advances**	Nil	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

(III) Maturity Pattern of Assets & Liabilities as at March 31, 2016

₹ in Lacs

	1 Day to 30/31 days(One Month)	Over one Month to 2 Months	Over 2 Months to 3 Months	Over 3 Months to 6 Months	Over 6 Months to 1 Year	Over 1 to 3 Years	Over 3 to 5 Years	Over 5 Years	Total
Liabilities									
Borrowing from Banks	-	-	416.67	416.67	1,958.33	8,223.27	1,945.06	-	12,960.00
	-	-	-	(416.67)	(833.34)	(3,333.32)	(416.67)	-	(5,000.00)
Market Borrowings	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Foreign Currency liabilities	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-
Assets									
Advances	2,213.57	897.53	2,182.85	7,367.17	9,131.35	34,957.93	15,296.97	39,011.12	111,058.48
	(4,647.39)	(1,515.57)	(1,126.39)	(3,696.47)	(17,879.78)	(34,171.05)	(8,451.03)	(23,680.31)	(95,167.99)
Investments	5,000.00	3,250.00	-	-	-	1,522.09	-	2,505.00	12,277.09
	(1,400.00)	-	-	(7,527.44)	(2,354.47)	-	-	(3,770.00)	(15,051.91)
Foreign Currency assets	-	-	-	-	-	-	-	-	-
	-	-	-	-	-	-	-	-	-

Note :

i) Maturity pattern of the Investments are based on the Management's intention to hold them for a desired period.

ii) Figures of Previous years are given in brackets

36 Disclosures for Non Banking Financial Company as required by RBI as per their Notification No. DNBR.019/CGM (CDS) - 2015 dated April 10, 2015

i.	RBI Registration No.	B-13.01882
ii.	Ratings assigned by credit rating agencies and migration of ratings during the year;	Upgraded from A to A+ by Credit Analysis and Research
iii.	Penalties, if any, levied by any regulator;	NIL
iv.	Information namely, area, country of operation and joint venture partners with regard to Joint ventures and overseas subsidiaries and	Country of Operation : India Joint Venture - NA

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

37 - Disclosure of Restructured Accounts

₹ in Lacs

Sr. No.	Type of Restructuring / Asset Classification Details		Under CDR Mechanism					Under SME Debt Restructuring Mechanism					Others					Total				
			Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total	Standard	Sub-Standard	Doubtful	Loss	Total
1	Restructured Accounts as on April 1 of the FY (opening figures)*	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1.00	-	-	-	-	1.00	-	-	-	1.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	2,612.75	-	-	-	-	2,612.75	-	-	-	2,612.75
		Provision thereon	-	-	-	-	-	-	-	-	-	-	130.64	-	-	-	-	130.64	-	-	-	130.64
2	Fresh restructuring during the year	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
3	Upgradations to restructured standard category during the FY 2015-16	No. of borrowers		-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
4	Restructured standard advances which cease to attract higher provisioning and / or additional risk weight at the end of the FY and hence need not be shown as restructured standard advances at the beginning of the next FY	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
5	Downgradations of restructured accounts during the FY 2015-16	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Provision thereon	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
6	Write-offs of restructured accounts during the FY 2015-16	No. of borrowers	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-	-
7	Restructured Accounts as on March 31 of the FY 2015-16 (closing figures*)	No. of borrowers	-	-	-	-	-	-	-	-	-	-	1.00		-	-	-	1.00	-	-	-	1.00
		Amount outstanding	-	-	-	-	-	-	-	-	-	-	1,335.44		-	-	-	1,335.44	-	-	-	1,335.44
		Provision thereon	-	-	-	-	-	-	-	-	-	-	66.77	-	-	-	-	66.77	-	-	-	66.77

* Excluding the figures of Standard Restructured Advances which do not attract higher provisioning or risk weight (if applicable).

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

v. Asset-Liability profile, extent of financing of parent company products, NPAs and movement of NPAs, details of all off-balance sheet assignment transactions and other disclosures;

Investments

₹ in Lacs

Particulars	As on March 31, 2016	As on March 31, 2015
(1) Value of Investments		
(i) Gross Value of Investments		
(a) In India	12,277.09	15,051.91
(b) Outside India,	Nil	Nil
(ii) Provisions for Depreciation		
(a) In India	Nil	Nil
(b) Outside India,	Nil	Nil
(iii) Net Value of Investments		
(a) In India	12,277.09	15,051.91
(b) Outside India.	Nil	Nil
(2) Movement of provisions held towards depreciation on investments.		
(i) Opening balance	Nil	Nil
(ii) Add : Provisions made during the year	Nil	Nil
(iii) Less: Write-off/write-back of excess provisions during the year	Nil	Nil
(iv) Closing balance	Nil	Nil

Derivatives

Forward Rate Agreement / Interest Rate Swap

₹ in Lacs

Particulars	As on March 31, 2016	As on March 31, 2015
(i) The notional principal of swap agreements	Nil	Nil
(ii) Losses which would be incurred if counterparties failed to fulfill their obligations under the agreements	Nil	Nil
(iii) Collateral required by the NBFC upon entering into swaps	Nil	Nil
(iv) Concentration of credit risk arising from the swaps $	Nil	Nil
(v) The fair value of the swap book @	Nil	Nil

Exchange Traded Interest Rate (IR) Derivatives

₹ in Lacs

S. No.	Particulars	Amount
(i)	Notional principal amount of exchange traded IR derivatives undertaken during the year	Nil
(ii)	Notional principal amount of exchange trade IR derivatives outstanding as on 31st March, 2016	Nil
(iii)	Notional principal amount of exchange traded of exchange traded IR derivatives outstanding and not "highly effective	Nil
(iv)	Mark-to-market value of exchange traded IR derivatives outstanding and not "highly effective	Nil

Disclosures on Risk Exposure in Derivatives

Qualitative Disclosures

No disclosures are given since the Company does not have any Exposure in Derivative.

Quantitative Disclosures

₹ in Lacs

Sl. No.	Particulars	Currency Derivatives	Interest Rate Derivatives
(i)	Derivatives (Notional Principal Amount)	Nil	Nil
	For hedging	Nil	Nil
(ii)	Marked to Market Positions [1]		
	a) Asset (+)	Nil	Nil
	b) Liability (-)	Nil	Nil
(iii)	Credit Exposure [2]	Nil	Nil
(iv)	Un-hedged Exposures	Nil	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

Disclosures relating to Securitisation

Outstanding amount of Securitised assets as per the books of the SPVs sponsored by the Company and Total amount of Exposure retained by the Company

₹ in Lacs

Sl. No.	Particulars	As on March 31, 2016	As on March 31, 2015
1.	No of SPVs sponsored by the NBFC for securitisation transactions	Nil	Nil
2.	Total amount of securitised assets as per books of the SPVs sponsored	Nil	Nil
3.	Total amount of exposures retained by the Company to comply with MRR as on the date of balance sheet	Nil	Nil
	a) Off-balance sheet exposures		
	First loss	Nil	Nil
	Others	Nil	Nil
	b) On-balance sheet exposures		
	First loss	Nil	Nil
	Others	Nil	Nil
4.	Amount of exposures to securitisation transactions other than MRR		
	a) Off-balance sheet exposures		
	i) Exposure to own securitizations		
	First loss	Nil	Nil
	Loss	Nil	Nil
	ii) Exposure to third party securitisations		
	First loss	Nil	Nil
	Others	Nil	Nil
	b) On-balance sheet exposures		
	i) Exposure to own securitisations		
	First loss	Nil	Nil
	Others	Nil	Nil
	ii) Exposure to third party securitisations		
	First loss	Nil	Nil
	Others	Nil	Nil

Details of Financial Assets sold to Securitisation / Reconstruction Company for Asset Reconstruction

₹ in Lacs

	Particulars	As on March 31, 2016	As on March 31, 2015
(i)	No. of accounts	Nil	Nil
(ii)	Aggregate value (net of provisions) of accounts sold to SC / RC	Nil	Nil
(iii)	Aggregate consideration	Nil	Nil
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	Nil	Nil

Details of Assignment transactions undertaken by NBFCs

₹ in Lacs

	Particulars	As on March 31, 2016	As on March 31, 2015
(i)	No. of accounts	Nil	Nil
(ii)	Aggregate value (net of provisions) of accounts sold	Nil	Nil
(iii)	Aggregate consideration	Nil	Nil
(iv)	Additional consideration realized in respect of accounts transferred in earlier years	Nil	Nil
(v)	Aggregate gain / loss over net book value	Nil	Nil

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

Details of non-performing financial assets purchased / sold

A. Details of non-performing financial assets purchased :

₹ in Lacs

Particulars	As on March 31, 2016	As on March 31, 2015
1. (a) No. of accounts purchased during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil
2. (a) Of these, number of accounts restructured during the year	Nil	Nil
(b) Aggregate outstanding	Nil	Nil

B. Details of Non-performing Financial Assets sold :

₹ in Lacs

Particulars	As on March 31, 2016	As on March 31, 2015
1. No. of accounts sold	Nil	Nil
2. Aggregate outstanding	Nil	Nil
3. Aggregate consideration received	Nil	Nil

Provisions and Contingencies

₹ in Lacs

	As on March 31, 2016	As on March 31, 2015
Break up of 'Provisions and Contingencies' shown under the head Expenditure in Statement of Profit and Loss		
Provisions for depreciation on Investment	Nil	Nil
Provision towards NPA	49.12	(307.32)
Provision made towards Income tax	1470.00	5116.33
Other Provision and Contingencies		
Provision for Standard Assets	85.60	110.06
Floating Provision Against Standard Asset	207.68	1281.75
Provision for Standard Restructured Assets	(63.87)	130.64

Draw Down from Reserves

The Company has not made any draw down from reserves during the previous year.

Concentration of Advances, Exposures and NPAs

Concentration of Advances

₹ in Lacs

	As on March 31, 2016	As on March 31, 2015
Total Advances to twenty largest borrowers	34,188.37	49,685.63
Percentage of Advances to twenty largest borrowers to Total Advances of the Company	32.26%	52.21%

Concentration of Exposures

₹ in Lacs

Particulars	As on March 31, 2016	As on March 31, 2015
Total Exposure to twenty largest borrowers/customers	34,188.37	49,685.63
Percentage of Exposures to twenty largest borrowers / customers to Total Exposure of the NBFC on borrowers / customers	32.26%	52.21%

Concentration of NPAs

₹ in Lacs

Particulars	As on March 31, 2016	As on March 31, 2015
Total Exposure to top four NPA accounts (Gross)	642.81	722.31

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

Sector-wise NPAs

Sl. No.	Sector	Percentage of NPAs to Total Advances in that sector	
		As on March 31, 2016	As on March 31, 2015
1.	Agriculture & allied activities	Nil	Nil
2.	MSME	1.29%	2.10%
3.	Corporate borrowers	Nil	Nil
4.	Services	Nil	Nil
5.	Unsecured personal loans	Nil	Nil
6.	Auto loans	Nil	Nil
7.	Other personal loans	Nil	Nil

Movement of NPAs

₹ in Lacs

Particulars		As on March 31, 2016	As on March 31, 2015
(i)	Net NPAs to Net Advances (%)	0.75%	0.88%
(ii)	Movement of NPAs (Gross)		
(a)	Opening balance	926.81	4,000.00
(b)	Additions during the year	8,551.36	926.81
(c)	Reductions during the year	8,503.82	4,000.00
(d)	Closing balance	974.35	926.81
(iii)	Movement of Net NPAs		
(a)	Opening balance	834.13	3,600.00
(b)	Additions during the year	7,696.22	834.13
(c)	Reductions during the year	7,697.80	3,600.00
(d)	Closing balance	832.55	834.13
(iv)	Movement of provisions for NPAs (excluding provisions on standard assets)		
(a)	Opening balance	92.68	400.00
(b)	Provisions made during the year	855.14	92.68
(c)	Write-off / write-back of excess provisions	806.02	400.00
(d)	Closing balance	141.80	92.68

Off-balance Sheet SPVs sponsored

Name of the SPV sponsored – N/A	
Domestic	Overseas
N/A	N/A

Customer Complaints

	Particulars	Current Year	Previous Year
(a)	No. of complaints pending at the beginning of the year	-	-
(b)	No. of complaints received during the year	24	57
(c)	No. of complaints redressed during the year	22	57
(d)	No. of complaints pending at the end of the year	2	-

38 The Hon'ble High Court of Judicature at Bombay on 11th September, 2015 approved the Scheme of Amalgamation of Capri Global Distribution Company Private Limited and Capri Global Finance Private Limited and Capri Global Investment Advisors Private Limited and Capri Global Research Private Limited ('the Transferor Companies') with Capri Global Capital Limited and their respective shareholders and creditors ('the Scheme'). The Scheme became effective on 19th October, 2015 upon obtaining all sanctions and approvals as required under the Scheme. The Appointed Date for the merger is 1st April 2015. As the Transferor Companies were wholly owned subsidiaries of the Company, no shares of the Company were issued and allotted pursuant to the Scheme.

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

Pursuant to the Scheme, the entire business including the assets, liabilities, duties & obligations of the Transferor Companies have become vested in the Company w.e.f. 1st April, 2015. Since the Scheme got the requisite approvals in the financial year ended 31st March, 2016, the impact of the amalgamation has been given in the current financial year itself.

In accordance with the provisions of the Scheme;

- The investments held by the Company in the Transferor Companies / Wholly Owned Subsidiaries were cancelled.
- The amalgamation is accounted under the Pooling of Interest Method as per Accounting Standard 14 - Accounting for Amalgamations as referred to in the Scheme of Amalgamation approved by the Hon'ble Bombay High Court.
- The value of investments of the Transferor Companies in the books of the Transferee Company was equivalent to the paid up value of the Transferor Companies, hence no goodwill or capital reserve was created on the said amalgamation.

The Company has recognised the impact of the said Scheme during the year as per the details below:

₹ in Lacs

Particulars		Amount	Amount
ASSETS:			
i)	**Capri Global Distribution Company Pvt. Ltd.**		
	Bank	0.23	
	Fixed Deposit	69.00	
	Investment	621.05	
	Income Tax Deposit	36.92	
	Other Asset	2.11	729.31
ii)	**Capri Global Investment Advisors Pvt. Ltd.**		
	Computers (WDV)	0.24	
	Investment	901.03	
	Bank	3.56	
	Fixed Deposit	620.25	
	Income Tax Deposit	637.92	
	Advance against Property	478.77	
	Service Tax Receivable	3.36	
	Other Asset	25.57	2,670.69
iii)	**Capri Global Research Pvt. Ltd.**		
	Bank	0.09	
	Fixed Deposit	5.00	
	Income Tax Deposit	0.02	
	Deferred Tax Asset	2.73	
	Other Asset	0.13	7.96
iv)	**Capri Global Finance Pvt. Ltd.**		
	Bank	0.07	
	Fixed Deposit	323.75	
	Income Tax Deposit	23.37	
	Other Asset	9.91	357.09
			3,765.06

₹ in Lacs

Particulars		Amount	Amount
LIABILITIES:			
i)	**Capri Global Distribution Company Pvt. Ltd.**		
	Income Tax Provision	37.12	
	Audit Fees Payable	0.22	37.33
ii)	**Capri Global Investment Advisors Pvt. Ltd.**		
	Bank	0.22	
	Income Tax Provision	636.12	
	Audit Fees Payable	0.23	
	Deferred Tax	0.07	
	TDS Payable	0.02	636.66

NOTES TO FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

Particulars	Amount	Amount
iii) **Capri Global Research Pvt. Ltd.**		
Income Tax Provision	0.07	
Audit Fees Payable	0.28	0.35
iv) **Capri Global Finance Pvt. Ltd.**		
Income Tax Provision	25.05	
Audit Fees Payable	0.14	25.19
		699.53
NET ASSETS		**3,065.53**
Investment In Subsidiaries		1,265.00
Amount transferred to the General Reserves as per the Scheme of Demerger		**1,800.53**

Note : Pursuant to the Scheme, the entire business including the assets, liabilities, duties & obligations of the Transferor Companies have become vested in the Transferee Company w.e.f. 1st April, 2015. The figures for the year ended 31st March, 2016 are not comparable with the corresponding previous year to that extent.

39. The Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, require the Company to make provision for standard assets at 0.30 percent of the Standard Assets. However, as a prudent practice, the Company has adopted to make provision of 0.50 percent. Consequently, during the current financial year, the profits of the company are lower by ₹ 34.24 Lacs.

Further, in pursuance to the Company's Board approved policy, the Company has started making an additional Floating Provision on Standard Assets of 1.5 percent and the same has been fully utilised towards Write off to the extent of ₹ 1,489.43 Lacs.

40. In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

41. Previous year figures

Previous year figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

INDEPENDENT AUDITORS' REPORT

TO THE MEMBERS OF
CAPRI GLOBAL CAPITAL LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **CAPRI GLOBAL CAPITAL LIMITED** ("the Holding Company") and its subsidiaries (together referred to as "Group"), comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Financial Statement").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") 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 Holding Company's Board of Directors is also responsible for ensuring accuracy of the records including financial information considered necessary for the preparation of Consolidated Financial Statements. 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 of 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 financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which has been used for purpose of preparation of the Consolidated Financial Statements by the Directors of the Holding Company as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting audit.

We have taken into account the provisions of the Act and the Rules made thereunder including the accounting and auditing standards and matters which are required to be included in the audit report.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act and other authoritative pronouncements issued by the Institute of Chartered Accountants of India. Those Standards and pronouncements 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 Directors, as well as evaluating the overall presentation of the consolidated 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 consolidated financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:

a) In the case of the Consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2016;

b) In the case of the Consolidated Statement of Profit and Loss, of the **Profit** for the year ended on that date; and

c) In the case of the Consolidated Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, we report 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 of the aforesaid consolidated financial statements;

   b) 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 the reports of the other auditors

c) 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 the consolidated financial statements.

d) 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.

e) On the basis of written representations received from the directors of the Group as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016, 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 and the operating effectiveness of such controls relevant to the Holding Company's preparation of the consolidated financial statements, we refer to Annexure-B of our report of even date on the standalone financial statements of the Holding Company.

g) With respect to the other matters to be included in the Auditor's Report in accordance with the 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, we report that:

i) There were no pending litigations which would impact the consolidated financial position of the Group.

ii) The Group did not have any material foreseeable losses on long-term contracts including derivative contracts.

iii) There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Holding Company, and its subsidiary companies.

For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Camp: Gangtok
Dated: April 23, 2016

CONSOLIDATED BALANCE SHEET

as at 31st March, 2016

₹ in Lacs

	Notes	As at 31-03-2016	As at 31-03-2015
I. EQUITY AND LIABILITIES			
1 Shareholders' Fund			
Share Capital	2	3,502.70	3,502.70
Reserves and Surplus	3	106,750.36	103,017.75
		110,253.06	106,520.45
2 Non-Current Liabilities			
Long Term Borrowings	4	10,168.33	3,750.00
Other Non Current Liabilities	5	238.45	345.17
		10,406.78	4,095.17
3 Current Liabilities			
Short Term Borrowings	6	1,156.44	-
Trade Payables	7	115.63	90.08
Other Current Liabilities	5	8,985.04	4,611.68
Short Term Provisions	8	1,123.27	1,096.86
		11,380.38	5,798.63
Total		**132,040.22**	**116,414.25**
II. ASSETS			
1 Non Current Assets			
Fixed Assets	9		
Tangible Assets		433.54	319.47
Intangible Assets		369.90	536.79
		803.44	856.26
Non Current Investments	10	2,799.28	2,799.28
Deferred Tax Assets (Net)	11	193.98	178.07
Long Term Loans and Advances	12	92,489.75	61,049.68
Other Non-Current Assets	13	312.05	3,307.25
		95,795.06	67,334.28
2 Current Assets			
Current Investments	10	8,250.00	8,927.44
Inventories	14	-	2,354.47
Trade Receivables	15	811.77	2,599.87
Cash and Bank Balances	16	1,812.79	3,469.34
Short Term Loans and Advances	12	15,831.38	28,817.06
Other Current Assets	13	8,735.78	2,055.54
		35,441.72	48,223.71
Total		**132,040.22**	**116,414.25**
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

for the year ended 31st March, 2016

₹ in Lacs

	Notes	Year Ended 31-03-2016	Year Ended 31-03-2015
I. INCOME			
Revenue from Operations	17	18,902.69	19,823.39
Other Income	18	156.46	784.57
Total Revenue		**19,059.15**	**20,607.96**
II. EXPENSES			
Employee Benefit Expenses	19	3,272.68	2,637.02
Finance Costs	20	1,177.73	465.12
Depreciation and Amortization Expenses	21	347.64	383.10
Loan Provisions/Write off (Net off Provision)	22	6,872.30	1,215.13
Other Expenses	23	1,824.94	997.99
Total Expenses		**13,495.29**	**5,698.37**
III. Profit before Exceptional Items and Tax		5,563.86	14,909.59
Less: Exceptional Items		-	
IV. Profit before Tax		**5,563.86**	**14,909.59**
Less: Tax Expenses			
Current Tax		1,579.00	5,408.18
Deferred Tax		(15.91)	(22.32)
Earlier years adjustments		(364.20)	0.10
		1,198.89	5,385.94
V. Profit for the period		**4,364.97**	**9,523.65**
VI. Earnings per Equity Share Before Exceptional Items			
(Nominal Value of share ₹10/- each)	29		
Basic		12.46	27.20
Diluted		12.46	27.20
Earnings per Equity Share After Exceptional Items			
(Nominal Value of share ₹10/- each)	29		
Basic		12.46	27.20
Diluted		12.46	27.20
Significant Accounting Policies	1		
The accompanying notes are an integral part of the Financial Statements.			

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
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(Beni Prasad Rauka)
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(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2016

₹ in Lacs

Particulars	Year Ended 31-03-2016	Year Ended 31-03-2015
(A) Cash Flow From Operating Activities and Exceptional Items		
Profit Before Taxation	5,563.85	14,909.59
Add/(Less):		
Depreciation	347.63	383.10
Employees Stock Option Scheme Expenses	-	2.95
Loss /(Profit) on Sale of Fixed Assets	1.80	(0.00)
Bad Debts Written Off	6,593.77	-
Provisions/Sundry Balances Written back/off	-	16.15
Profit on Sale of Property	-	(106.28)
Provision for Standard Assets	85.60	110.06
Floating Provision Against Standard Asset	207.68	1,374.43
Provision for Restructured Standard Asset	(63.87)	130.64
Provision for Sub-Standard Assets	49.12	(400.00)
Operating Profit before exceptional items	12,785.58	16,420.65
Add: Exceptional Items	-	-
Operating Profit before working capital changes	12,785.58	16,420.65
Movements in Working Capital		
(Increase)/Decrease in Trade & Other Receivables	(23,186.25)	(22,655.76)
(Increase)/Decrease in Stock-in-trade	2,354.47	14,008.98
Increase/(Decrease) in Trade & Other Payables	3,655.80	3,476.34
Cash Flow generated from/(used in) Operating Activities	(4,390.40)	11,250.21
Less: Direct Taxes Paid	(2,885.30)	(5,389.34)
Net Cash generated from/(used in) Operating Activities (A)	**(7,275.70)**	**5,860.87**
(B) Cash Flow From Investing Activities		
Purchase of Fixed Assets	(306.70)	(58.64)
Sale of Fixed Assets	10.09	0.30
Sale of Property	-	301.00
Investment in Fixed Deposit	174.80	(688.80)
Encashment of Fixed Deposit	1,200.00	300.00
(Purchase)/Sale of Investments	(844.65)	(8,639.77)
Net Cash Flow generated from/(used in) Investing Activities (B)	**233.54**	**(8,785.91)**
(C) Cash Flow From Financing Activities		
Dividend Paid	(525.40)	(525.08)
Tax on Dividend	(106.96)	(89.24)
Increase/Decrease in Borrowings	7,574.77	5,000.00
Increase in Share Capital	-	2.16
Net Cash Flow generated from/(used in) Financing Activities (C)	**6,942.41**	**4,387.84**
Net Increase/(Decrease) in Cash & Cash Equivalents (A+B+C)	(99.75)	1,462.80
Cash & Cash Equivalents at the beginning	1,748.85	286.05
Cash & Cash Equivalents at the end	1,649.10	1,748.85
Net Increase/(Decrease) in Cash & Cash Equivalents	**(99.75)**	**1,462.80**

CONSOLIDATED CASH FLOW STATEMENT

for the year ended 31st March, 2016

Notes:

₹ in Lacs

1. Cash and Cash equivalents	Year Ended 31-03-2016	Year Ended 31-03-2015
Cash in hand	11.26	1.01
Balance with banks:		
In Current Accounts	1,377.11	247.23
Deposits with original maturity of less than three months	-	-
In Unpaid Dividend Account	0.89	0.61
Current maturities of fixed deposits with Original Maturity of Less than 3 Months	259.83	1,500.00
Total	**1,649.10**	**1,748.85**

2. Cash flows arising on account of taxes on income are not specifically bifurcated with respect to investing & financing activities.
3. Previous Quarter's figures have been regrouped, wherever necessary to confirm to current year's classification.
4. Figures in brackets represent outflows.

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
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(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

1. Significant Accounting Policies

1.1 Basis of preparation

The financial statements of the company have been prepared in accordance with generally accepted accounting principles in India (Indian GAAP) to comply with the accounting standards specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Companies Act, 2013 and guidelines issued by the Reserve Bank of India ('RBI') as applicable to a Non Banking Finance Company. The financial statements have been prepared on an accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

1.2 Use of Estimates:

Presentation and Disclosure of Financial Statement

The preparation of financial statements in conformity with Indian GAAP requires the management to make judgments, estimates and assumptions that affect the reported amounts of revenue, expenses, assets and liabilities and the disclosure of contingent liabilities, at the end of the reporting period. Although these estimates are based on the management's best knowledge of current events and actions, uncertainty about these assumptions and estimates could result in the outcomes requiring a material adjustment to the carrying amounts of assets or liabilities in future periods.

1.3 Basis of Consolidation:

The consolidated financial statements relate to Capri Global Capital Limited (the Parent Company) and its subsidiary companies.

(i) **Principles of Consolidation:**

The consolidated financial statements have been prepared in accordance with Accounting Standard 21 (AS–21) - "Consolidated Financial Statements" as specified under section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014. The consolidated financial statements have been prepared on the following basis:

a) The financial statements of the Parent and its subsidiary companies (together the "Group") have been combined on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses, after fully eliminating intra-group balances and unrealised profits or losses on intra-group transactions.

b) The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances and are presented, to the extent possible, in the same manner as the Parent Company's separate financial statements. Appropriate adjustments have been made in the financial statements of the subsidiaries with respect to different accounting policies for like transaction and events in similar circumstances for the purpose of preparation of consolidated financial statements.

c) The excess of cost to the Parent Company of its investment in the subsidiary over the Parent Company's portion of equity of the subsidiary is recognised in the financial statements as Goodwill. This Goodwill is tested for impairment at the end of the financial year. The excess of Parent Company's portion of equity over the cost of investment as at the date of its investment is treated as Capital Reserve.

d) The financial statements of the subsidiaries used in consolidation are drawn up to the same reporting date as that of the Parent Company i.e. year ended March 31, 2016.

(ii) **Wholly owned Indian subsidiary companies included in the consolidated financial statements Name of Subsidiaries ;**

a) Capri Global Housing Finance Private Limited (Formerly known as Capri Global Securities Private Limited)

b) Capri Global Resources Private Limited (Formerly known as Money Matters Resources Private Limited)

(iii) **Wholly owned Indian subsidiary companies merged in Holding Company**

a) Capri Global Investment Advisors Private Limited (Formerly known as Money Matters Investment Advisors Private Limited)

b) Capri Global Distribution Company Private Limited (Formerly known as Money Matters Distribution Company Private Limited)

c) Capri Global Finance Private Limited (Formerly known as Money Matters Capital Private Limited)

d) Capri Global Resources Private Limited (Formerly known as Money Matters Resources Private Limited)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

1.4 Revenue Recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the company and the revenue can be reliably measured. The following specific recognition criteria are met before revenue is recognized:

a) **Sale of Traded Goods**
Revenue from sale of traded goods is recognized when all the significant risks and rewards of ownership of the traded goods have been passed to the buyer.

b) **Income from Advisory Services**
Income from Advisory Services are accounted for as and when the relevant services are rendered and revenue is recognised using completed service contract method except where the recovery is uncertain in which case it is accounted for on receipt.

c) **Interest**
Interest income is recognized on a time proportion basis taking into account the amount outstanding and the applicable interest rate. Interest income is included under the head "Revenue from Operations" in the statement of profit and loss. Delayed Payment charges, Penal Interest, Other Penal Charges, etc., are recognised on receipt basis on account of uncertainty of the ultimate collection of the same. Further, in accordance with the guidelines issued by the Reserve Bank of India for Non-Banking Finance Companies, income on business assets classified as Non-performing Assets, is also recognised on receipt basis.

d) **Dividends**
Dividend income is recognized when the company's right to receive dividend is established on the reporting date.

1.5 Inventories

The inventories held as stock-in-trade under current assets are valued at lower of cost or market value.

1.6 Cash and Cash Equivalents

Cash and Cash Equivalents for the purposes of cash flow statement comprise cash at bank and in hand and short term investments with an original maturity of three months or less, as per Accounting Standard 3 "Cash Flows".

1.7 Tangible Fixed Assets

Tangible Fixed Assets are stated at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets comprises purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use.

1.8 Depreciation on Tangible Fixed Assets

The Company has worked depreciation with reference to the Useful life of Fixed Assets prescribed by the PART C of Schedule II to the Act. The carrying values have been depreciated over the remaining useful life of the Asset using Written Down Value Method and the same is recognised in the Statement of Profit and Loss.

1.9 Intangible Assets

Intangible Assets are stated at cost less accumulated amortisation and impairment losses, if any. The cost of intangible assets comprises purchase price and any attributable cost of bringing the asset to it's working condition for it's intended use. Intangible assets are amortized over the useful life on prorata basis under the straight line method as estimated by the management, which is generally between three to five years.

1.10 Impairment of Tangible and Intangible Assets

The carrying amount of assets is reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the assets, net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life. A previously recognized impairment loss is increased or reversed depending on changes in circumstances. However the carrying value after reversal is not increased beyond the carrying value that would have prevailed by charging usual depreciation if there was no impairment.

1.11 Foreign Currency Translation

a) **Foreign Currency Transactions and Balances**

(i) Initial recognition
Foreign Currency Transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction. Exchange differences, if any, arising out of transactions settled during the year are recognised in the statement of profit and loss.

(ii) Conversion
Monetary assets and liabilities denominated in the foreign currencies as at the Balance Sheet date are translated at the closing exchange rates on that date. The exchange differences, if

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

any, are recognised in the statement of profit & loss and related assets and liabilities are accordingly restated in the Balance Sheet.

1.12 Investments

Investments which are readily realizable and intended to the held for not more than one year from the date on which such investments are made, are classified as current investments. All other investments are classified as long term investments.

Current investments are carried in the financial statements at lower of cost and fair value determined on an individual investment basis. Long Term Investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments. In case of investments in mutual funds, the net asset value of units declared by the mutual funds is considered as the fair value.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the statement of profit and loss.

1.13 Retirement and other employee benefits

The Company has adopted the revised Accounting Standard 15 – Accounting for Employee Benefits. The accounting policy followed by the Company in respect of its employee benefit schemes is set out below:

Gratuity:

The Company has funded Defined Benefit Obligation Plan for gratuity to its employees, who have completed five years or more of service, under the group gratuity scheme of Life Insurance Corporation (LIC) of India & to HDFC Standard Life Insurance Company. The Company has created planned assets by contribution to the gratuity fund with LIC of India & HDFC Standard Life Insurance Company Limited.

Leave Encashment:

Provision for Leave Encashment is made on the basis of Actuarial Valuation.

1.14 Employee stock Compensation Cost

Measurement and disclosure of the employee share-based payment plans is done in accordance with SEBI (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and the Guidance Note on Accounting for Employee Share-based Payments, issued by ICAI. The Company measures compensation cost relating to employee stock options using the intrinsic value method. Compensation expense is amortized over the vesting period of the option on a straight line basis.

1.15 Leases

Where the Company is lessee

Leases, where the lessor effectively retains substantially all the risks and benefits of ownership of the leased item, are classified as operating leases. Operating lease payments are recognized as an expense in the statement of profit and loss on a straight line basis over the lease term.

1.16 Earnings Per Share

The Company reports basic and diluted earnings per share in accordance with Accounting Standard 20 – Earning per Share.

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as fraction of an equity share to the extent that they are entitled to participate in dividends relative to a fully paid equity share during the reporting period. The Weighted average number of equity shares outstanding during the period is adjusted for events such as bonus issue, bonus element in a rights issue, share spilt, and reverse share split (consolidation of shares) that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

1.17 Taxes on Income

Income tax expenses comprises of current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) & the deferred tax charge or benefit (reflecting the tax effect of timing differences between accounting income and taxable income for the period).

Deferred Taxation:

The deferred tax charge or benefit and the corresponding deferred tax liabilities and assets are recognised using the tax rates that have been enacted or substantially enacted as at the balance sheet date. Deferred tax assets are recognised only to the extent there is

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

reasonable certainty that the asset can be realised in future; however, where there is unabsorbed depreciation or carried forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of the assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonable/ virtually certain (as the case may be) to be realised.

1.18 Provisions

The company creates a provision when there is 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 amounts of the obligation. Provisions are not discounted to their present value and are determined based on the best estimate required to settle the obligation at the reporting date. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates. If it is no longer probable that the outflow of resources would be required to settle the obligation, the provision is reversed.

1.19 Contingent Liabilities / Assets

A contingent liabilities is a possible obligation that arise from past events whose existence will be confirmed by the occurrence or non occurrence of one or more uncertain future events beyond the control of the company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The company does not recognize a contingent liability but discloses its existence in the financial statements.

Contingent assets are not recognised in the financial statements. However contingent assets are assessed continually and if it is virtually certain that an economic benefit will rise, asset and related income are recognised in the period in which the change occurs.

2. Share Capital

₹ in Lacs

	31-03-2016	31-03-2015
Authorized Shares		
7,20,00,000 (31 March 2015: 5,50,00,000) Equity Shares of ₹ 10 each	7,200.00	5,500.00
	7,200.00	**5,500.00**
Issued, Subscribed and fully paid up Shares		
3,50,26,961 (31 March 2015: 3,50,26,961) Equity Shares of ₹10/- Each fully paid up	3,502.70	3,502.70
	3,502.70	**3,502.70**

2.1 Reconciliation of the Shares outstanding at the beginning and at the end of the reporting period

	31-03-2016		31-03-2015	
	Nos.	₹ In Lacs	Nos.	₹ In Lacs
Equity Shares:				
At the beginning of the period	35,026,961	3,502.70	34,977,953	3,497.80
Issued during the year - Warrant Conversion	-	-	27,408	2.74
Issued during the year - ESOP	-	-	21,600	2.16
Outstanding at the end of the period	**35,026,961**	**3,502.70**	**35,026,961**	**3,502.70**

2.2 Terms/Rights attached to equity shares:

The company has only one class of equity share having a par value of ₹ 10/- per share. Each holder of equity shares is entitled to one vote per share. The company declares and pays dividends in Indian Rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31st March, 2016, the amount of per share dividend recognized as distributions to equity shareholders was ₹ 1.50/- (31st March 2015 ₹ 1.50/-)

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company. The distribution will be proportional to the number of equity shares held by the shareholders.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

2.3 Details of shareholders holding more than 5% share in the company

Equity Shares of ₹ 10 each fully paid up:

Name of Shareholder	31-03-2016 Nos.	%	31-03-2015 Nos.	%
Capri Global Holdings Pvt. Ltd.	13,208,079	37.71	13,208,079	37.71
Mr. Ramesh Chandra Sharma	8,752,986	24.99	8,752,986	24.99
Capri Global Advisory Services Pvt. Ltd.	3,503,412	10.00	3,503,412	10.00
Roopam Multitrade Private Limited	N.A.	N.A.	1,950,000	5.57

As per records of the company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

3. Reserve and Surplus

₹ in Lacs

	31-03-2016	31-03-2015
3.1 Securities premium account		
Balance as per the last Financial Statements	44,710.05	44,657.47
Add : On account of Warrant Conversion	-	27.30
Add : On account of ESOP Exercised	-	25.28
Closing Balance	**44,710.05**	**44,710.05**
3.2 General Reserve		
Balance as per the last Financial Statements	3,860.00	3,160.00
Add:-Addition during the year on account of merger of Subsidiaries	1,800.53	-
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	310.00	700.00
Closing Balance	**5,970.53**	**3,860.00**
3.3 Surplus / (Deficit) in the statement of profit and loss		
Balance as per the last financial statements	40,353.10	35,823.15
Profit for the period:	4,364.97	9,523.65
Less: Appropriations		
Less : Depreciation Charged off as per Revised Depreciation Guidelines (Refer Note 1.9)	-	10.81
Proposed Dividend (Amount per share ₹ 1.50/- (31 March 2015 : ₹ 1.50/-)	525.40	525.40
Tax on Proposed Dividend	106.96	106.96
Transfer to reserve fund under Section 45 I C(1) of Reserve Bank of India Act, 1934	850.00	1,850.00
Less: Transfer to Reserves as per Section 29C of the National Housing Bank Act, 1987	50.00	-
Transfer to general reserve	310.00	700.00
Closing Balance	**42,875.71**	**42,153.63**
3.4 Reserve Fund as per Section 45 I C(1) of Reserve Bank of India Act, 1934		
Balance as per the last financial statements	12,010.00	10,160.00
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	850.00	1,850.00
Closing Balance	**12,860.00**	**12,010.00**
3.5 Statutory Reserve U/s 29C of the National Housing Bank Act, 1987		
Balance as per the last financial statements	-	
Add: Amount transferred from surplus balance in the Statement of Profit and Loss	50.00	-
Closing Balance	**50.00**	**-**
3.6 Capital Reserve	**284.07**	**284.07**
Total Reserves and Surplus	**106,750.36**	**103,017.75**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

4. Long term Borrowings

₹ in Lacs

	31-03-2016	31-03-2015
From Banks		
Term Loan from Bank of Maharashtra	4,375.00	3,750.00
Term Loan from Andhra Bank	2,610.00	-
Term Loan from Bank of India	2,083.33	-
Term Loan from Andhra Bank	1,100.00	-
Total	**10,168.33**	**3,750.00**

Note : The above term loans are secured against the Paripasu Charge on the Standard Identified Receivables of MSME, Retails Credit assets and Wholesale Credit Assets of the Company.

Name of Bank	Facility amount (₹ In Lacs)	Repayment schedule	Floating Interest Rate
Term Loan from Bank of Maharashtra	5,000.00	Repayable in 12 quarterly instalments started from Sep 2015	11.20%
Term Loan from Andhra Bank	3,000.00	Repayable in 12 quarterly instalments starting from Dec 2016	11.20%
Term Loan from Bank of India	2,500.00	Repayable in 12 quarterly instalments starting from Dec 2016	11.20%
Term Loan from Bank of Maharashtra	20,000.00	Repayable in 12 quarterly instalments starting from Mar 2017	11.20%
Term Loan from Andhra Bank	3,000.00	Repayable in 12 quarterly instalments starting from Jun 2017	11.20%
Term Loan from Vijaya Bank	5,000.00	Repayable in 12 quarterly instalments starting from May 2017	11.20%

5. Other Liabilities

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Current Maturities of Long-term Borrowings	-	-	2,791.67	1,250.00
Temporary overdrawn balance as per books	-	-	5,465.85	3,189.71
Other Payables				
Audit fees payable	-	-	8.70	7.91
Service Tax payable	-	-	-	0.19
PF & ESIC Payable	-	-	5.32	8.52
Profession tax payable	-	-	0.44	-
TDS payable	-	-	60.51	51.52
Unpaid dividend	-	-	0.89	0.61
Margin Money	238.45	345.17	62.00	103.17
Other Outstanding expenses	-	-	589.66	0.05
Total	**238.45**	**345.17**	**8,985.04**	**4,611.68**

6. Short Term Borrowings

₹ in Lacs

	31-03-2016	31-03-2015
From Banks		
CC from Union Bank of India	1,156.44	-
Total	**1,156.44**	**-**

7. Trade Payable

₹ in Lacs

	31-03-2016	31-03-2015
Trade Payables (Including acceptances)		
- Due to Micro, Small and Medium Enterprises	-	-
- Due to Others	115.63	90.08
Total	**115.63**	**90.08**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

8. Short Term Provisions

₹ in Lacs

		31-03-2016	31-03-2015
8.1	**Provisions for employee benefits:**		
	Salary and Reimbursements	9.31	6.22
	Bonus	250.00	300.00
	Provision for Gratuity	3.79	1.75
	Leave encashment payable	11.32	-
8.2	**Others:**		
	Proposed Dividend	525.40	525.40
	Provision for Dividend Distribution Tax	106.96	106.96
	Provision for Income Tax (Net of Income Tax Deposits)	-	41.84
	Provision for expenses	216.49	114.69
Total		**1,123.27**	**1,096.86**
Note:			
i)	Provision for Taxation (Net of deposits) comprises of :		
	Provision for Income Tax	-	30,494.70
	Less : Income Tax Deposits	-	30,452.86
		-	**41.84**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

9. Fixed Assets

₹ in Lacs

	Life	GROSS BLOCK				DEPRECIATION / AMORTIZATION					NET BLOCK	
		Cost as at 01.04.2015	Additions	Disposals	Cost as at 31.03.2016	As at 01.04.2015	For the year	Adjustment in Retained Earnings	Adjustment on Disposals	As at 31.03.2016	As at 31.03.2016	As at 31.03.2015
a) Tangible Assets												
Computers	3 yrs. / 6 yrs.	272.45	80.79	4.44	348.80	220.75	46.62	-	4.19	263.18	85.63	51.71
Furniture and Fixtures	10 years	412.18	19.91	0.68	431.41	287.62	41.26	-	0.55	328.33	103.08	124.56
Office Equipments	5 years	120.24	25.18	2.55	142.87	92.47	16.94	-	2.38	107.02	35.85	27.77
Electric Installation	8 years	29.08	-	-	29.08	19.12	3.40	-	-	22.52	6.57	9.96
Vehicles	8 years	280.19	154.43	52.41	382.21	174.74	46.13	-	41.06	179.81	202.40	105.45
Current Year		**1,114.15**	**280.30**	**60.08**	**1,334.37**	**794.69**	**154.35**	**-**	**48.19**	**900.85**	**433.54**	**319.46**
Previous Year		1,077.88	37.53	1.26	1,114.15	584.21	195.29	16.15	0.96	794.69	319.46	
b) Intangible Assets												
Software	(Refer note a)	162.32	26.40	-	188.72	96.43	51.90	-	-	148.33	40.38	65.89
Royalty	(Refer note b)	705.40	-	-	705.40	234.49	141.39	-	-	375.88	329.52	470.91
Current Year		**867.72**	**26.40**	**-**	**894.12**	**330.93**	**193.29**	**-**	**-**	**524.22**	**369.90**	**536.79**
Previous Year		846.61	21.11	-	867.72	143.12	187.81	-		330.93	536.79	

Notes :

a) Software are amortized on pro rata basis using straight line method over the useful life estimated by the management which is three years.

b) Royalty is amortized on pro-rata basis using straight line method over the useful life estimated by the management which is five years.

c) Gross Block of Computers as on 01.04.2015 includes ₹ 4.75 Lacs (WDV ₹ 0.24 Lacs) of Subsidiary Company acquired on account of Scheme of Merger.

d) Amortization of software :

₹ in Lacs

Year of Acquisition	Cost	Amortized		Balance to be amortized	
		No. of years*	Amount	No. of years*	Amount
2010-11	13.31	3	13.31	-	-
2011-12	3.44	3	3.44	-	-
2012-13	19.39	3	19.39	-	-
2013-14	810.47	2	472.97	1	337.50
2014-15	21.11	1	11.41	2	9.70
2015-16	26.40	1	3.69	3	22.70
Total	**894.12**		**524.22**		**369.90**

* Period of amortization less than 6 months is not considered in the number of years column.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

10. Investments

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
10.1 Investment in Equity Instruments				
i (Non-trade Investments , Quoted)				
3,68,000 (31 March 2015 : 3,68,000) CARE Equity Shares of ₹10 each fully paid -up	2,689.55	2,689.55	-	-
ii (Trade Investments , Unquoted)				
Nil (31 March 2015 : 1) Equity Share of ₹ 10/- each fully paid up of Ganraj Homes Pvt. Ltd	-	-	-	-
10.2 Investment in Mutual Funds				
(Non-trade Investments , Unquoted)				
Nil (31 March 2015 : 7,69,951.75) Units of ICICI PRU MF Money Market-D-G-Inv	-	-	-	1,485.69
36,55,137.75 (31 March 2015 : 36,55,137.75) units of Rel. Floating Rate STP(Dir Growth Dir Plan)	-	-	800.00	800.00
51,187.07(31 March 2015 : 64,458.44) units of Rel. Liquid Fund Cash Fund Plan-DG-Inv.	-	-	1,250.00	1,440.00
63,08,966.30 (31 March 2015 : 34,44,759.83) Units of Reliance Medium Fund-Inv	-	-	2,000.00	1,000.00
Nil (31 March 2015 : 56,267.70) Units of Rel MF Liquid - Treasury - Direct - G - Investments	-	-	-	1,916.41
Nil (31 March 2015 : 75,871.21) units of IDFC MF Cash Fund (G) Direct	-	-	-	1,285.33
Nil (31 March 2015 : 51,966.29) units of Rel. Money Manager Fund DG Invest.	-	-	-	1,000.00
5,35,494.11 (31 March 2015 : Nil) units of ICICI PRU Liquid Fund D-G-Invt	-	-	1,200.00	-
2,78,02,353.54 (31 March 2015 : Nil) units of Rel. Banking & PSU Dir-Growth-Investment	-	-	3,000.00	-
	-	**-**	**8,250.00**	**8,927.44**
10.3 Other Non-Current Investments				
(valued at cost)				
Investment in Immovable Property	109.74	109.74	-	-
Total	**2,799.28**	**2,799.28**	**8,250.00**	**8,927.44**
Aggregate amount of Quoted Investments	2,689.55	2,689.55	-	-
Aggregate amount of Unquoted Investments				
In Mutual Funds	-	-	8,250.00	8,927.44
In Plot	109.74	109.74	-	-
In Equity Shares	-	-	-	-
Market value of Quoted investments	3,446.69	5,444.74	-	-

11. Deferred Tax Assets

(Disclosure as per AS-22 "Accounting for Taxes on Income")

₹ in Lacs

	31-03-2016	31-03-2015
Deferred Tax Assets		
Timing difference on account of :		
Excess of WDV of the assets as per Income Tax Act, 1961 over the Financial Books.	191.49	42.11
Carry Forward losses under the Income Tax Act, 1961	2.49	136.03
Gross Deferred Tax Assets (A)	**193.98**	**178.14**
Deferred Tax Liabilities		
Excess of WDV of the assets as per Financial Books over the WDV as per Income Tax Act, 1961.	-	0.07
Gross Deferred Tax Liabilities (B)	**-**	**0.07**
Deferred Tax Assets (Net) (A - B)	**193.98**	**178.07**
Amount to be Charged to Statement of Profit and Loss before adjustment	(15.91)	(27.67)
Adjustment on account of Depreciation as per Revised Depreciation Guidelines	-	5.35
Amount to be Charged to Statement of Profit and Loss after adjustment	**(15.91)**	**(22.32)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

12. Loans and Advances

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
i Capital Advances				
Unsecured, considered good	1,352.35	1,315.11	320.60	-
	1,352.35	**1,315.11**	**320.60**	**-**
ii Deposits				
Unsecured, considered good	5.00	-	-	-
Security deposit	44.86	26.71	42.30	30.02
	49.86	**26.71**	**42.30**	**30.02**
iii Other Loans and Advances				
Income Tax Deposits (Net of provision for taxation)	1,625.88	-	-	-
Other Advances	-	0.06	3.33	5.72
Prepaid Expenses	18.00	9.42	27.59	22.60
Loans to Employees				
Less than 12 months	-	-	-	-
More than 12 months	61.96	34.78	-	-
Current maturities of more than 12 months	-	-	25.06	22.83
Gratuity Fund with LIC of India	-	-	0.53	-
Advances Recoverable in cash or kind (Secured, Considered good)	89,959.62	60,865.78	15,534.90	29,401.43
	91,665.46	**60,910.04**	**15,591.41**	**29,452.57**
Less: Statutory Provision on Standard Assets as per RBI directions	(443.53)	(300.55)	(74.61)	(133.72)
Less : Floating Provision Against Standard Asset	-	(825.96)	-	(396.73)
Less : Provision for Substandard Restructured Assets	(25.00)	-	(21.76)	(130.64)
Less : Provision made for Non Performing Asset	(109.39)	(75.67)	(26.56)	(4.43)
	91,087.54	59,707.86	15,468.48	28,787.05
Total	**92,489.75**	**61,049.68**	**15,831.38**	**28,817.07**

Note :

Income Tax Deposits (Net of provisions) comprises of :	
Income Tax Deposits	12,751.08
Less: Provision for Income Tax	(11,125.20)
	1,625.88

13. Other Assets

₹ in Lacs

	Non-Current		Current	
	31-03-2016	31-03-2015	31-03-2016	31-03-2015
Interest accrued but not due on Loans	2.00	1,776.26	4,836.72	728.85
Interest accrued but not due on FD and Bonds	4.73	-	136.56	-
Fixed Deposits with original maturity for more than 12 months	305.32	15.63	-	-
Current Maturity of Fixed Deposits with original maturity for more than 12 months	-	1,550.00	3,706.47	1,253.86
Inventory of Gift Items	-	-	60.91	60.91
TDS Receivable	-	-	0.02	0.41
Service Tax Receivables	-	-	18.75	21.90
Less : Statutory Provision on Standard Assets	-	(8.66)	(23.65)	(2.59)
Less : Floating Provision Against Standard Asset	-	(25.98)	-	(7.78)
Total	**312.05**	**3,307.25**	**8,735.78**	**2,055.54**

Note :

Fixed Deposits of ₹ Nil (31 March 2015 ₹ 15.63 Lacs) have been pledged as security for Bank Guarantee.

Fixed Deposits of ₹ 1200.00 Lacs (31 March 2015 : ₹ 1200 Lacs (Included in Note 16.1)) have been pledged as security for overdraft facility from bank.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

14. Inventories

(valued at lower of cost and net realizable value)

₹ in Lacs

	31-03-2016	31-03-2015
Traded Goods		
Bonds		
NIL (31 March 2015 : 250) Units of 8.95% Infotel Broadband Services Ltd	-	2,354.47
Total	**-**	**2,354.47**

15. Trade receivables:

₹ in Lacs

	31-03-2016	31-03-2015
Secured, considered good		
Outstanding for a period exceeding six months	42.54	56.24
Outstanding for a period less than six months	797.04	2,594.11
Less : Provision for Std Assets	(1.95)	(12.62)
Less : Provision for Restructured Assets	(20.01)	-
Less : Provision made for Non Performing Asset	(5.85)	(12.58)
Less : Floating Provision Against Standard Asset	-	(25.28)
Total	**811.77**	**2,599.87**

16. Cash and Bank Balances

₹ in Lacs

	31-03-2016	31-03-2015
16.1 Cash and Cash equivalents		
Cash in hand	11.26	1.01
Balance with Banks		
In Current Accounts	1,377.11	244.66
In Unpaid Dividend Account	0.89	0.61
Fixed Deposits with original maturity of less then 3 months	259.83	1,502.56
	1,649.09	**1,748.84**
16.2 Other Bank Balances		
Fixed Deposits with original maturity for more than 3 months but less than 12 months	163.70	1,720.50
Current maturities of fixed deposits with original maturity of more than 12 months	-	-
	163.70	**1,720.50**
Total	**1,812.79**	**3,469.34**

17. Revenue from Operations

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
17.1 Income from traded goods		
Sale of Government & Corporate Bonds	2,516.25	-
Sale of Mutual Funds	-	77,001.43
	2,516.25	77,001.43
Add : Closing Stock	-	2,354.47
Less : Opening Stock	2,354.47	17,270.51
Less : Purchases of Mutual Fund	-	61,369.47
Less : Direct Expenses	-	0.15
	161.78	**715.78**
17.2 Revenue From Financial Services		
Loan Processing Fees Received	694.98	520.24
	694.98	**520.24**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
17.3 Interest Income		
Interest on Loans given	15,640.19	16,785.59
Interest on Bonds	74.79	184.83
Interest on Bank Deposits	416.24	308.27
	16,131.22	**17,278.69**
17.4 Other Operating Income		
Dividend on Non Current Investments	95.68	168.48
Dividend on Current Investments	-	133.65
Gain on sale of Non Current Investments	-	81.60
Gain on Sale of Current Investments	1,260.03	498.03
Provisions no longer required, written back	52.04	16.15
Foreclosure Fees Received	506.96	410.77
	1,914.71	**1,308.68**
Total Revenue from Operations	**18,902.69**	**19,823.39**

18. Other Income

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Bad Debts Recovered	-	139.56
Rent Received	16.29	16.29
Interest on Income Tax Refund	-	0.09
Profit on sale of Property	-	106.28
Profit on sale of Fixed Assets	-	0.02
Notice Pay Recovery	-	2.33
Income from title transfer of Immovable Property	140.10	520.00
Other Income	0.07	-
Total	**156.46**	**784.57**

19. Employee Benefit Expenses

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Salaries, Wages and Bonus	3,072.14	2,450.78
Contribution to Provident Fund	55.86	48.12
Employees Stock Option Scheme Expenses	-	2.95
Gratuity Expenses	34.51	24.53
Staff Welfare Expenses	110.17	110.64
Total	**3,272.68**	**2,637.02**

20. Finance Costs

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Interest on Bank Overdraft	5.44	1.09
Loan Processing Fees	209.95	72.15
Interest on Term Loan	944.67	370.28
Interest on Bank CC	17.67	21.59
Total	**1,177.73**	**465.12**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

21. Depreciation and Amortization Expenses

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Depreciation of Tangible Assets	154.35	195.30
Amortization of Intangible Assets	193.29	187.81
Total	**347.64**	**383.10**

22. Loan Provisions/Write off (Net off Provision)

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Bad Debts Written Off (Net off Provision)	6,593.77	-
General Provision for Standard assets	85.60	110.06
Floating Provision Against Standard Asset	207.68	1,281.75
Provision for Restructured Standard Asset	(63.87)	130.64
Provision made for Non Performing Asset	49.12	(307.32)
Total	**6,872.30**	**1,215.13**

23. Other Expenses

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Advertisement Expenses	2.80	5.15
Loss On Sale Of Fixed Assets	1.80	0.02
Bank charges	7.56	5.14
Business Promotion Expenses	70.08	1.93
Computer Maintenance	3.92	24.62
Conveyance Expenses	58.57	35.29
Custodian Charges	1.61	2.28
CSR Expenses	232.07	18.23
Delivery/Brokerage Charges	-	0.70
Directors Sitting Fees	22.39	13.59
Donation	1.18	0.60
Electricity Charges	48.30	39.35
Filing & Other Fees to ROC	2.21	1.15
General Expenses	112.30	85.39
Insurance Charges	8.63	7.32
Roc & Other Fees	0.10	0.35
Legal & Professional Fees	527.03	185.15
Listing Fees & Stock Exchange Fees	2.13	2.57
Meeting & Conference Expenses	21.07	3.50
Membership & Subscription	18.66	14.22
Motor Car Expenses	7.97	12.85
Payment to Auditors (as per details given below)	10.49	9.90
Printing & Stationery	44.32	24.37
Postage & Stamps	14.06	7.16
Rates & Taxes	0.58	0.86
Recruitment & Training Expenses	54.14	19.43
Rent Paid	332.77	332.98
Software Expenses	13.80	5.90
STT on sale of Investment	-	0.48
Telephone and Internet Expenses	83.36	45.29
Travelling Expenses	114.57	90.92
Sundry Balance Written off	6.46	1.29
Miscellaneous expenses	0.01	0.02
Total	**1,824.94**	**997.99**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

	Year Ended 31-03-2016	Year Ended 31-03-2015
Payment to Auditors Include		
As Auditor		
Statutory Audit Fees	6.26	6.19
Tax Audit Fees	1.45	1.75
Limited Review	1.47	1.22
In Other capacity	-	
Certification fees	1.31	0.47
Other services	-	0.15
Reimbursement of Expenses (Service tax)	-	0.11
	10.49	**9.90**

24. Gratuity and other post employment benefit plans (AS - 15)

The Company has an funded defined benefit obligation plan for gratuity under the Group Gratuity scheme of Life Insurance Corporation of India. The company has created plan assets by contributing to the Gratuity Fund with LIC Of India & to HDFC Standard Life Insurance Company.

The following tables summarise the components of the net employee benefit expenses recognised in the Statement of profit and loss, and the fund status and amount recognised in the balance sheet for the gratuity benefit plan.

A) Principal actuarial assumptions as at the balance sheet date:

Mortality	2015-16 Indian Assured Life Mortality (2006-08)	2014-15 LIC 1994-96 (ultimate)
Discount Rate	7.96%	7.95%
Salary Escalation	5.00%	5.00%
Employee Attrition Rate	5.00%	5.00%

B) Changes in the present value of the defined benefit obligation are as follows:

₹ in Lacs

	2015-16	2014-15
Liability at the beginning of the Year	70.46	41.16
Interest Cost	5.57	3.84
Current Service Cost	29.34	20.64
Past Service Cost (non vested benefit)	-	-
Past Service Cost (vested benefit)	-	-
Benefits paid	(9.02)	-
Actuarial (Gain)/Loss on Obligations - Due to change in Financial Assumptions	(0.10)	8.93
Actuarial (Gain)/Loss	2.16	(4.11)
Liability at the end of the Year	**98.41**	**70.46**

C) The major categories of plan assets as a percentage of the fair value of total plan assets are as follows:

₹ in Lacs

Particulars	2015-16	2014-15
Investments	68.71	48.90
Actual return on plan assets	5.03	4.25
Contributions	32.99	15.03
Benefits Paid	(9.02)	-
Actuarial Gain/(Loss) on plan assets	(2.56)	0.53
Fair value of plan assets at the end of the year	**95.15**	**68.71**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

D) Amount Recognized in Balance Sheet

Provision for Gratuity

₹ in Lacs

	2015-16	2014-15
Liability at the end of the Year	98.41	70.46
Fair Value of plan assets at the end of the year	95.15	68.71
Difference	(3.26)	(1.75)
Unrecognised past service cost	-	-
Unrecognised transition liability	-	-
Amount in Balance Sheet	**(3.26)**	**(1.75)**

E) Statement of Profit and Loss

Net Employee Benefit Expenses (recognised in employee cost)

₹ in Lacs

	2015-16	2014-15
Current Service Cost	29.34	20.64
Interest on defined benefit obligation	0.84	3.84
Expected returns on plan assets	(0.30)	(4.25)
Net actuarial losses/(gains) recognised in the year	4.63	4.30
Past Service Cost	-	-
Actuarial (gain)/losses	-	-
Total included in employee benefit expense	**34.50**	**24.53**

Leave Encashment:

A) Actuarial assumptions as at the balance sheet date:

	2015-16
Mortality	Indian Assured Life Mortality (2006-08)
Mortality Rate After Employment	N.A.
Discount Rate	7.96%
Salary Escalation	5.00%
Employee Attrition Rate	5.00%
Expected Return on Plan Assets	N.A.

B) Changes in the present value of the Projected Benefit Obligation are as follows:

₹ in Lacs

	2015-16
Liability at the beginning of the Year	-
Interest Cost	-
Current Service Cost	11.32
Past Service Cost (non vested benefit)	-
Past Service Cost (vested benefit)	-
Benefits paid	-
Actuarial (Gain)/Loss on Obligations - Due to change in Financial Assumptions	11.32
Actuarial (Gain)/Loss	(11.32)
Liability at the end of the Year	**11.32**

C) Amount Recognized in Balance Sheet

Provision for Leave Encashment

₹ in Lacs

	2015-16
Present Value of Benefit Obligation at the end of the Year	11.32
Fair Value of Plan assets at the end of the year	-
Funded Status (Surplus/(deficit))	(11.32)
Unrecognised past service cost at the end of the Year	-
Amount in Balance Sheet	**(11.32)**

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

D) Statement of Profit and Loss

Net Employee Benefit Expenses (recognised in employee cost)

	₹ in Lacs 2015-16
Current Service Cost	11.32
Net Interest Cost	-
Expected returns on plan assets	-
Net actuarial losses/(gains) recognised in the year	-
Past Service Cost	-
Actuarial (gain)/losses	-
Total included in employee benefit expense	**11.32**

Note:

1. The Company has made provision of Leave Encashment amounting to ₹ 11.32 Lacs for the employees who are at the rank of Associate Vice President and above.
2. Previous Year figures has not been disclosed since this is first year of actuarial valuation.

25. Employee Stock Option Plan

During the year the Company granted 4,00,000 Employee Stock Options (ESOP) under the Employee Stock Option Scheme 2009 (ESOP 2009) to an employee spread over a period of 5 years. The said ESOPs will start its vesting period from October 15, 2016. Hence, no provision is required to be made during the current financial year.

26. Segment Reporting (AS-17)

Primary Segment (Business Segment)

The Company operates mainly in the business segment of fund based financing activity. All other activities revolve around the main business. Further, all activities are carried out within India. As such, there are no separate reportable segments as per the provisions of AS 17 on 'Segment Reporting'.

Secondary Segment (Geographical Segment)

The Company operates only in domestic markets. As a result separate segment information for different geographical segments is also not disclosed.

27. Disclosures as required by Accounting Standard (AS-18) 'Related Party Disclosures' in respect of transactions for the year are as under:

A. List of Related Parties over which control exists:

i) **Enterprises over which Management and/or their relatives have control ;**

1 Money Matters Infrastructure Private Limited

2 Parijat Properties Pvt. Ltd

3 Dreamwork Media & Entertainment Pvt. Ltd

4 Ramesh Chandra Sharma - HUF

5 Capri Global Holdings Pvt. Ltd

ii) **Key Management Personnel ;**

1	Mr. Rajesh Sharma	Promoter Director of CGCL
		Director of CGHFPL (Up to 25th Sept 2014) &
		Director of CGIAPL, CGDCPL, CGFPL, CGRPL & CGREPL (Up to 28th March 2015)
2	Mr. Sunil Kapoor	Executive Director of CGCL,
		Director of CGHFPL (From 25th Sept 2014)
		Director of CGREPL (From 28th March 2015) &
		Director of CGIAPL, CGDCPL, CGFPL & CGRPL (Up to 31st March 2015)
3	Mr. Ashok Agarwal	Director of CGREPL (From 8-January-2014)
		Director of CGIAPL, CGDCPL, CGFPL & CGRPL (Up to 31st March 2015)
4	Mr Harish Agrawal	Company Secretary of CGCL,
		Company Secretary of CGDCPL (Up to 31st March 2015)
5	Mr. Anand Agarwal	Chief Financial Officer of CGCL (from 16 -October-2014 up to 29-Dec-2014)
6	Mrs. Riddhi Shah	Company Secretary of CGHFPL
7	Ms. Trusha Dand	Company Secretary of CGIAPL (Up to 31st March 2015)

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

iii) Key:

1 Capri Global Capital Limited (CGCL)

2 Capri Global Housing Finance Private Limited. (CGHFPL)

3 Capri Global Investment Advisors Private Limited. (CGIAPL) (subsidiary up to 31st March 2015)

4 Capri Global Distribution Company Private Limited. (CGDCPL) (subsidiary up to 31st March 2015)

5 Capri Global Finance Private Limited. (CGFPL) (subsidiary up to 31st March 2015)

6 Capri Global Research Private Limited. (CGRPL) (subsidiary up to 31st March 2015)

7 Capri Global Resources Private Limited. (CGREPL)

B. Details of transactions during the year and closing balances as at the year end ;

₹ in Lacs

Sr. No.	Particulars	Enterprises over which Management and/or their relatives have control		Key Management Personnel		Total	
		Year Ended Mar 31, 2016	Year Ended Mar 31, 2015	Year Ended Mar 31, 2016	Year Ended Mar 31, 2015	Year Ended Mar 31, 2016	Year Ended Mar 31, 2015
1	Statement of Profit and Loss Items:						
i	Incomes						
	Rent Received	16.29	16.29	-	-	16.29	16.29
ii	Expenses						
	Rent Paid	122.27	181.54	-	-	122.27	181.54
	Salaries, Commission and other benefits	-	-	165.63	184.12	165.63	184.12
	Director Sitting Fees	-	-	1.50	1.00	1.50	1.00
2	Balance Sheet Items:						
	Advance Received	305.00	-	-	-	305.00	-
	Advance Repaid	305.00	-	-	-	305.00	-

Note : Related Party Disclosures are given by the Management and relied upon by the Auditors.

28. Leases (AS - 19)

Operating Leases:

The company has taken office premises & guest houses under operating lease and the leases are of cancellable/ non-cancellable in nature. The lease arrangement are normally renewable on expiry of the lease period at the option of the lessor/ lessee ranging from 3 to 5 years. Some of the lease agreements are having lock in period of six months to three years which are non-cancellable during that period. After the expiry of the lock in period, the lease agreement becomes cancellable in nature at the option of the lessor or the lessee by giving 1-3 months notice to the either party. There are no restrictions imposed by the lease agreement. There is no contingent rent in the lease agreement. There is escalation clause in some lease agreements. The future minimum lease payments in respect of the non cancellable lease are as follows :

₹ in Lacs

Particulars		2015-2016	2014-2015
a)	Payable not later than one year	133.08	14.25
b)	Payable later than one year and not later than five years	95.06	34.29
c)	Payable later than five years	-	-

The lease payments recognized in the Statement of Profit & Loss in respect of non-cancellable lease for the year are ₹ 98.20 Lacs (31 March 2015: ₹3.23 Lacs).

The lease payments recognized in the Statement of Profit & Loss in respect of cancellable lease for the year are ₹ 232.62 Lacs (31 March 2015: ₹325.16 Lacs).

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

The Company had sub-leased the office premises under operating lease in the current year.

The lease income recognized in the Statement of Profit & Loss for the year is ₹ 16.29 Lacs (31 March 2015: ₹16.29 Lacs).

29. Earnings Per Share (AS - 20)

Particulars			For Year Ended 31-03-2016	For Year Ended 31-03-2015
Net Profit after tax as per Statement of Profit and Loss	(A)	₹ In Lacs	4,364.97	9,523.65
Weighted average number of equity shares for calculating Basic EPS	(B)	Nos.	35,026,961	35,013,630
Weighted average number of equity shares for calculating Diluted EPS	(C)	Nos.	35,026,961	35,013,630
Basic earnings per equity share (in Rupees) (Face value of ₹ 10/- per share)	(A)/(B)		12.46	27.20
Diluted earnings per equity share (in Rupees) (Face value of ₹ 10/- per share)	(A)/(C)		12.46	27.20

Particulars		For Year Ended 31-03-2016	For Year Ended 31-03-2015
Weighted average number of equity shares for calculating EPS	Nos.	35,026,961	35,013,630
Add : Equity shares arising on conversion of warrants	Nos.	-	-
Add : Equity shares for no consideration arising on grant of stock options under ESOP	Nos.	-	-
Weighted average number of equity shares in calculation of diluted EPS	Nos.	35,026,961	35,013,630

30. The company believes that no impairment of assets arises during the year as per Accounting Standard - 28 "Impairment of Assets."

31. Contingent Liabilities

On account of bank guarantee to the Central Bureau of Investigation against release of cash ₹ Nil (31 March 2015: ₹ 12.12 Lacs)

32. Capital and other commitments

a) Estimated amount of contracts remaining to be executed on capital account and not provided for ₹ 2.92 Lacs (31 March 2015 ₹ 2.92 Lacs)

b) Amount payable towards acquisition of Property: ₹ 5,350.97 Lacs (31 March 2015 ₹ Nil)

c) Pending disbursements of sanctioned loans of ₹ 20,501.08 Lacs (31 March 2015 ₹ 8,541.59 Lacs)

33. Expenditure in Foreign Currency

Foreign Travelling Expenses	₹ 24.77 Lacs (31 March 2015 : ₹ 12.63 Lacs)
Staff Welfare Expenses	₹ Nil (31 March 2015 : ₹ 1.60 Lacs)
Director Sitting Fees	₹ 1.50 Lacs (31 March 2015 : ₹ 1.00 Lacs)

34. Details of dues to Micro and Small Enterprises as defined under the MSMED Act, 2006

Based on the intimation received by the Company, none of the suppliers have confirmed to be registered under "The Micro, Small and Medium Enterprises Development ('MSMED') Act, 2006". Accordingly, no disclosures relating to amounts unpaid as at the year end together with interest paid /payable are required to be furnished.

35. The Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007, require the Company to make provision for standard assets at 0.30 percent of the Standard Assets. However, as a prudent practice, the Company has adopted to make provision of 0.50 percent. Consequently, during the current financial year, the profits of the company are lower by ₹ 34.24 Lacs.

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

Further, in pursuance to the Company's Board approved policy, the Company has started making an additional Floating Provision on Standard Assets of 1.50 percent and the same has been fully utilised towards Write off to the extent of ₹ 1,489.43 Lacs.

36. The Hon'ble High Court of Judicature at Bombay on 11th September, 2015 approved the Scheme of Amalgamation of Capri Global Distribution Company Private Limited and Capri Global Finance Private Limited and Capri Global Investment Advisors Private Limited and Capri Global Research Private Limited ('the Transferor Companies') with Capri Global Capital Limited and their respective shareholders and creditors ('the Scheme'). The Scheme became effective on 19th October, 2015 upon obtaining all sanctions and approvals as required under the Scheme. The Appointed Date for the merger is 1st April 2015. As the Transferor Companies were wholly owned subsidiaries of the Company, no shares of the Company were issued and allotted pursuant to the Scheme.

Pursuant to the Scheme, the entire business including the assets, liabilities, duties & obligations of the Transferor Companies have become vested in the Company w.e.f. 1st April, 2015. Since the Scheme got the requisite approvals in the financial year ended 31st March, 2016, the impact of the amalgamation has been given in the current financial year itself.

In accordance with the provisions of the Scheme;

- The investments held by the Company in the Transferor Companies / Wholly Owned Subsidiaries were cancelled.
- The amalgamation is accounted under the Pooling of Interest Method as per Accounting Standard 14 - Accounting for Amalgamations as referred to in the Scheme of Amalgamation approved by the Hon'ble Bombay High Court.
- The value of investments of the Transferor Companies in the books of the Transferee Company was equivalent to the paid up value of the Transferor Companies, hence no goodwill or capital reserve was created on the said amalgamation.

The Company has recognised the impact of the said Scheme during the year as per the details below:

₹ in Lacs

Particulars		Amount	Amount
ASSETS:			
i)	**Capri Global Distribution Company Pvt. Ltd.**		
	Bank	0.23	
	Fixed Deposit	69.00	
	Investment	621.05	
	Income Tax Deposit	36.92	
	Other Asset	2.11	729.31
ii)	**Capri Global Investment Advisors Pvt. Ltd.**		
	Computers (WDV)	0.24	
	Investment	901.03	
	Bank	3.56	
	Fixed Deposit	620.25	
	Income Tax Deposit	637.92	
	Advance against Property	478.77	
	Service Tax Receivable	3.36	
	Other Asset	25.57	2,670.69
iii)	**Capri Global Research Pvt. Ltd.**		
	Bank	0.09	
	Fixed Deposit	5.00	
	Income Tax Deposit	0.02	
	Deferred Tax Asset	2.73	
	Other Asset	0.13	7.96
iv)	**Capri Global Finance Pvt. Ltd.**		
	Bank	0.07	
	Fixed Deposit	323.75	
	Income Tax Deposit	23.37	
	Other Asset	9.91	357.09
			3,765.06

NOTES TO CONSOLIDATED FINANCIAL STATEMENTS

for the year ended 31st March, 2016

₹ in Lacs

Particulars		Amount	Amount
LIABILITIES:			
i)	**Capri Global Distribution Company Pvt. Ltd.**		
	Income Tax Provision	37.12	
	Audit Fees Payable	0.22	37.33
ii)	**Capri Global Investment Advisors Pvt. Ltd.**		
	Bank	0.22	
	Income Tax Provision	636.12	
	Audit Fees Payable	0.23	
	Deferred Tax	0.07	
	TDS Payable	0.02	636.66
iii)	**Capri Global Research Pvt. Ltd.**		
	Income Tax Provision	0.07	
	Audit Fees Payable	0.28	0.35
iv)	**Capri Global Finance Pvt. Ltd.**		
	Income Tax Provision	25.05	
	Audit Fees Payable	0.14	25.19
			699.53
NET ASSETS			**3,065.53**
Investment In Subsidiaries			1,265.00
Amount transferred to the General Reserves as per the Scheme of Demerger			**1,800.53**

Note : Pursuant to the Scheme, the entire business including the assets, liabilities, duties & obligations of the Transferor Companies have become vested in the Transferee Company w.e.f. 1st April, 2015. The figures for the year ended 31st March 2016 are not comparable with the corresponding previous year to that extent.

37. In the opinion of the Board, the Current Assets, Loans & Advances are realizable in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet. The provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.

38. Previous year figures

Previous year figures have been regrouped and reclassified wherever necessary to confirm to current year's presentation.

As per our report of even date attached
For and on behalf of
KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

Annexure

Form AOC - 1

(Pursuant to first proviso to sub section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the features of the financial statement of subsidiaries/associate companies/joint ventures

Part "A" : Subsidiaries

₹ in Lacs

Sr No.	Name of the Subsidiary	Capri Global Housing Finance Private Limited	Capri Global Resource Private Limited
1	Reporting Period of the Subsidiary if Different from the Holding Company's Reporting Period	NA	
2	Reporting currency and Exchange rate as on the last date of the relevant Financial Year in the case of Foreign Subsidiaries	NA	
3	Share Capital	2,500.00	5.00
4	Reserves & Surplus	1,652.77	(2.20)
5	Total Assets	4,153.90	2.94
6	Total Liabilities	4,153.90	2.94
7	Investments	1,277.20	-
8	Turnover	403.80	0.16
9	Profit/(Loss) Before Taxation	352.03	(0.15)
10	Provision for Taxation	107.45	(0.05)
11	Profit after Taxation	244.58	(0.11)
12	Proposed Dividend	-	-
13	% of Shareholding	100	100

Notes:

1	Names of subsidiaries which are yet to commence operations	Nil
2	Names of subsidiaries which have been liquidated or sold during the year	During the F.Y., following Subsidiaries were merged with the Company: 1. Capri Global Finance Private Limited 2. Capri Global Distribution Company Private Limited 3. Capri Global Investments Advisors Private Limited 4. Capri Global Research Private Limited

Part "B" : Associates and Joint Ventures

Statement persuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures : **Not Applicable**

For and on behalf of

KARNAVAT & CO.
Chartered Accountants
Firm Regn. No. 104863W

(Shashikant Gupta)
Partner
Membership No. 45629

Place: Gangtok, Sikkim
Date: April 23, 2016

For and on behalf of the Board of Directors

(Quintin E. Primo III)
Non-Executive Chairman
DIN 06600839

(Sunil Kapoor)
Executive Director
DIN 01436404

(Rajesh Sharma)
Director
DIN 00020037

(Bhagyam Ramani)
Independent Director
DIN 00107097

(Beni Prasad Rauka)
Independent Director
DIN 00295213

(Mukesh Kacker)
Independent Director
DIN 01569098

(T. R. Bajalia)
Independent Director
DIN 02291892

(Gaurang Shah)
Associate Director
Finance & Accounts

(Harish Agrawal)
Senior Vice President &
Company Secretary

Place: Gangtok, Sikkim
Date: April 23, 2016

Notes

Notes

CORPORATE INFORMATION

Board of Directors

Non-executive Chairman
Mr. Quintin E. Primo III

Executive Director
Mr. Sunil Kapoor

Directors

Mr. Beni Prasad Rauka	-	Independent
Ms. Bhagyam Ramani	-	Independent
Mr. Mukesh Kacker	-	Independent
Mr. Bhagwati Prasad	-	Independent
Mr. T. R. Bajalia	-	Independent
Mr. Rajesh Sharma	-	Promoter

Senior Vice President & Company Secretary

Mr. Harish Agrawal

Auditors

M/s. Karnavat & Co.,
Chartered Accountants
2A, Kitab Mahal,
192, D. N. Road, Mumbai- 400 021

Bankers

Andhra Bank
Bank of India
Bank of Maharashtra
Union Bank of India
Vijaya Bank

Registrar and Share Transfer Agents

Link Intime India Private Limited
C-13, Pannalal Silk Mills Compound,
L.B.S. Marg, Bhandup (West),
Mumbai – 400078
Tel. No. (022) 25946970
Fax No. (022) 25946969

Registered Office

1-B, Court Chambers,
35, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai- 400020
Tel. No. (022) 43548200
Fax No. (022) 22019051

Corporate Office

4TH Floor, Merchants Chambers,
41, Sir Vithaldas Thackersey Marg,
New Marine Lines, Mumbai- 400020
Tel. No. (022) 40888100
Fax No. (022) 40888170

Corporate Identification Number (CIN)

L65921MH1994PLC173469

Board Committees

I. Audit Committee

Mr. Beni Prasad Rauka	Chairman
Mr. Mukesh Kacker	Member
Ms. Bhagyam Ramani	Member
Mr. T. R. Bajalia	Member

II. Corporate Social Responsibility Committee

Ms. Bhagyam Ramani	Chairperson
Mr. Beni Prasad Rauka	Member
Mr. Rajesh Sharma	Member
Mr. Sunil Kapoor	Member

III. Nomination & Remuneration Committee

Ms. Bhagyam Ramani	Chairperson
Mr. Beni Prasad Rauka	Member
Mr. Rajesh Sharma	Member

IV. Operations & Borrowing Committee

Mr. Sunil Kapoor	Chairman
Mr. Beni Prasad Rauka	Member
Ms. Bhagyam Ramani	Member

V. Risk Management Committee

Mr. Sunil Kapoor	Chairman
Mr. Beni Prasad Rauka	Member
Ms. Bhagyam Ramani	Member
Mr. T. R. Bajalia	Member

VI. Stakeholders Relationship Committee

Mr. Beni Prasad Rauka	Chairman
Ms. Bhagyam Ramani	Member
Mr. Rajesh Sharma	Member

VII. Strategic Planning Committee

Mr. Quintin E. Primo III	Chairman
Mr. Rajesh Sharma	Member
Mr. Sunil Kapoor	Member
Mr. T. R. Bajalia	Member