



FORM A

**Format of covering letter of the annual audit report to be filed
with the Bombay Stock Exchange**

1. Name of the Company : DHRUVA CAPITAL SERVICES LTD.
2. Annual Financial statements
for the year ended : 31st March, 2014
3. Type of Audit observation : UN-QUALIFIED
4. Frequency of observation : Not Applicable
5. To be signed by –

- Managing Director:

For DHRUVA CAPITAL SERVICES LTD.

Jilani
MANAGING DIRECTOR

- CFO :

For Dhruva Capital Services Limited

Munim
Director / Authorised Signatory

- Auditor of the
Company :

For B.L. PAGARIA & CO.
Chartered Accountants

B. L. Pagaria
(Partner)

- Audit Committee
Chairman :

For Dhruva Capital Services Limited

Aracharya
Director / Authorised Signatory

DHRUVA

CAPITAL SERVICES LIMITED



Twentieth Annual Report

2013 - 2014

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NOTICE

NOTICE is hereby given that the twentieth Annual General Meeting of the Company will be held on Tuesday the 30th day of September, 2014 at 11.30 A.M. at Corporate Office of the Company situated at First Floor, 60-D, Panchwati, Udaipur - 313 001 (Raj.) to transact the following business :-

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Balance Sheet & Profit & Loss A/c as at 31st March 2014, together with the Auditor's Report and Director's Report thereon.
2. To appoint a director in place of Mr. Rajendra Jain who retires by rotation as a director on ensuing AGM and due to some other occupations, not willing for his reappointment.
3. To appoint a director in place of Mr. Lalit Kachhara who retires by rotation as a director on ensuing AGM and being eligible, offers himself for reappointment.

4. APPOINTMENT OF AUDITORS

To consider and if thought fit to pass with or without modification(s) the following resolution as an Ordinary Resolution :

"RESOLVED that pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, M/S B. L. Pagaria & Co., Chartered Accountants (Firm Registration No. 001821C), be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the Twenty Fourth AGM of the Company to be held in the year 2018 (subject to ratification of their appointment at every AGM), at such remuneration plus service tax, out-of-pocket, travelling and living expenses, etc., as may be mutually agreed between the Board of Directors of the Company and the Auditors."

5. Re-appointment of Mr. Kailash Karnawat as Managing Director of the Company

To consider and, if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution :

"Resolved that the Company hereby accords its approval and consent to the re-appointment of Mr. Kailash Karnawat, as Managing Director of the Company, for a further period of five years with effect from 1st October, 2014 on the terms and conditions including remuneration, as set out in the Explanatory Statement which is annexed to the Notice convening the Annual General Meeting, a copy whereof initialed by the chairman of the meeting for the purpose of identification is placed before this meeting."

SPECIAL BUSINESS :

6. Appointment of Mr. Upendra Tater in place of Mr. Rajendra Jain as a Director of Company

To consider and if thought fit, to pass with or without modifications, the following resolution as an ordinary resolution :

"Resolved that pursuant to the provisions of sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 and the rules made thereunder, including any amendment, modification, variation or re-enactment thereof read with schedule IV to the Act for the time being in force, Mr. Upendra Tater, in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of an Independent Director, be and is hereby appointed as an Independent Director of the Company, to hold office as such for a period of 5 (five) consecutive years with effect from the date of his Annual General Meeting AND THAT he shall not be liable to retire by rotation."

By order of the Board
For Dhruva Capital Services Ltd.

Sd /-

(KAILASH KARNAWAT)
MANAGING DIRECTOR

Place : Udaipur
Dated : 11-08-2014

Registered Office : 003 - 'A', "Circle View", 169, Fatehpura, Near Sukhadia Circle, UDAIPUR - 313 001
Ph.: 0294-2425555 Fax : 0294-2423150

DHRUVA CAPITAL SERVICES LIMITED

NOTES :

1. A MEMBER ENTITLED TO ATTEND & VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND & VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The proxies, in order to be effective, should be duly completed, stamped and signed and must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 23rd September' 2014 to 30th September' 2014 (both days inclusive).
4. The Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the business under Item No. 5 set out above is annexed hereto.
5. Members are requested to :
 - (a) Notify any **change in their registered address** along with pin code numbers.
 - (b) Quote their respective **LEDGER FOLIO No.** on every communication with the Company.
 - (c) Bring their copies of Annual Report to the meeting. No copies of the Annual Report will be available for distribution to the members at the meeting.
 - (d) Deposit duly filled-in attendance slip annexed to the proxy form at the entrance to the place of the meeting and not to bring with them any other person who is not a member / proxy.
 - (e) Write to the Company at least 10 days before the date of the meeting regarding any information on accounts so as to enable the Company to keep the information ready.

EXPLANATORY STATEMENT :

(Pursuant to section 102 of the Companies Act, 2013)

6. **Item No. : 5**

Shri Kailash Karnawat was reappointed as Managing Director of the Company in the Annual General Meeting of Shareholders of the Company held on 30th September, 2009 with effect from 1st April, 2010 for a period of five years which is going to end on 31-03-2015. The Board feels that he has worked very well for the benefit of Company and it would be for the benefit of the Company if his services are continued. To keep the tenure of members of board from AGM to AGM, the term of Shri Kailash Karnawat as MD of the Company (which is going to complete on 31.03.2015) is hereby treated as complete on 30.09.2014. Therefore the Board had decided in its meeting held on 11-08-2014 to re-appoint Shri Kailash Karnawat as Managing Director of the Company for a further period of five years with effect from 01-10-2014, subject to approval and consent of Shareholders of the Company in ensuring Annual General Meeting, on the terms and conditions mentioned below.

The principal terms and conditions of re-appointment of Mr. Kailash Karnawat including remuneration payable are as under :

- (1) Period of Appointment : 5 years with effect from 1st October, 2014.
- (2) Mr. Kailash Karnawat shall carry out such duties and exercise such powers as may be entrusted to him from time to time by the Board.
- (3) Remuneration : Basic Salary Rs. 60000/- (Rs. Sixty Thousand only) per month.
- (4) Perquisite & Allowances : In addition to the remuneration mentioned in clause (3) above, Mr. Kailash Karnawat shall also be entitled to perquisites and benefits classified into the following 3 categories, namely A, B and C.

CATEGORY - A

The Company will provide rent free, fully furnished accommodation with the gas, electricity, water and servant.

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The Company shall reimburse Managing Director, medical expenses for self and family, subject to ceiling of one month's salary in a year or three month's salary in a block of three years.

The Company shall reimburse Managing Director, actual travelling expenses once in a year for self and family, in accordance with the rules of Company.

The Company shall pay fees of two Clubs excluding admission and life membership fees.

The Company shall arrange to insure Managing Director against personal accident risk, subject to the condition that the premium payable by Company shall not exceed Rs. 6,000/- (Rs. Six thousand only) per annum.

Family means spouse, dependent children and dependent parents of Managing Director.

CATEGORY - B

The Company shall contribute to the Provident Fund, Superannuation Fund or Annuity Fund as per the Company's Rules to the extent these either singly or put together are below taxable limits under the Income Tax Act, 1961.

The perquisites in Category A and Category B will be restricted to an amount equivalent to the annual salary as above provided that the contribution to the Provident Fund, Superannuation Fund and Annuity Fund will not be included in this ceiling.

In addition, Shri Kailash Karnawat shall also be entitled to Gratuity at the rate of half month's salary for each completed year of service.

CATEGORY - C

Provision of the car with driver for use on Company's business and telephone at residence will not be considered as perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company to Managing Director.

The terms and conditions of the said appointment may be altered and varied from time to time by the Board as it may in its direction, deem fit so as not to exceed the limits specified by **Schedule V of the Companies Act, 2013** or amendments made thereafter in that regard.

In the event of loss or inadequacy of profit in any year, remuneration including perquisites as aforesaid will be paid to Mr. Kailash Karnawat in accordance with the applicable provisions of the **Schedule V of the Companies Act, 2013** and will be adjusted appropriately.

If at any time, the Managing Director ceases to be a Director of the Company for any cause whatsoever, he shall also cease to be the Managing Director.

Save and except Mr. Kailash Karnawat, none of the other Directors of the Company are in any way concerned or interested in the Resolution proposed.

The above may be regarded as an "abstract of the agreement and memorandum of interest" under **section 190 of the Companies Act, 2013**.

7. Item No. : 6

The provisions of Section 149 of the Companies Act, 2013 (Act) require all listed Companies to appoint requisite number of independent Directors on its Board. In terms of aforesaid Section, an independent director shall hold office for two terms of up to 5 consecutive years each on the Board of a Company, but shall be eligible for re-appointment on passing of a special resolution by the Company. Further, the Director appointed under the aforesaid section are not liable to retire by rotation and their appointment shall be subject to the approval of shareholders of the Company as per Section 150 of the Act.

However, the Clause 49 of the Listing Agreements proposed to be implemented with effect from 01.10.2014 provides that a person, who has already served as an Independent Director for 5 years or more in a Company as on 01.10.2014, shall be eligible for re-appointment, on completion of present term, for one more term of 5 consecutive years only.

In the opinion of the Board, Mr Upendra Tater is fulfilling the conditions specified in the Act and the Rules made thereunder for his appointment as an Independent Director of the Company and is independent of the Management. Upon the confirmation of the appointment of Mr. Upendra Tater as Independent Director by the shareholders of the Company, the appointment shall be formalized by issue of a letter of appointment by the Company to the said Independent Director.

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The Company has also received notices in writing along with the requisite deposit from the members duly signifying their intention to propose the appointment of above Independent Director.

Therefore, the Board of Directors proposes the aforesaid appointment of Independent Director and recommends the resolution at Item no. 6 of the notice for approval by the shareholders. Brief profile of the said Independent Director, in terms of Clause 49 of the Listing Agreements is given here under :

Mr. Upendra Tater, aged about 48 years, is an Architect and MBA. He has completed various renowned projects in Udaipur as well as out of Udaipur and presently he is Govt. Approved valuer of Income Tax Dept., UIT, Udaipur, Nagar Nigam, Udaipur etc. etc. He is also in the empanelments of various Banks and NBFC's. His experience will be very helpful to the Company, to flourish its business in real estate sector. He doesn't hold directorship anywhere else.

None of the Directors is deemed to be interested or concerned in the resolution.

8. APPOINTMENT OF SCRUTINIZER :

In compliance with provisions of the Companies Act 2013, the company is also offering the e-voting facility to the members to enable them to cast their votes electronically. E-voting facility would remain open only from 24.09.2014 to 26.09.2014 (both days inclusive).

Mr. Pawan Talesara, Practicing Company Secretary, 2nd Floor, Anand Plaza, Ayad Bridge, Udaipur (COP No. 2674) has been appointed as Scrutinizer for scrutinizing e-voting system in a fair and transparent manner and to give his report thereon.

E-VOTING INSTRUCTIONS

THE INSTRUCTIONS FOR SHAREHOLDERS VOTING ELECTRONICALLY ARE AS UNDER:

- (i) The voting period begins on 24.09.2014, 9 AM and ends on 26.09.2014, 6 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 05.09.2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter :
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com.
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user, follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none">● Members who have not updated their PAN with the Company / Depository Participant are requested to use the first two letters of their name and the 8 digits of the folio / client id number in the PAN field.● In case the Folio Number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 1 then enter RA00000001 in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none">● Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the number of shares in the Dividend Bank details field.

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- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant Company "DHURVA CAPITAL SERVICES LTD." on which you choose to vote.
- (xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/ NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xviii) Note for Non - Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details, they have to create a compliance user (should be created using the admin login and password). The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xix) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

By order of the Board
For Dhruva Capital Services Ltd.

Sd/-

Place : Udaipur
Dated : 11-08-2014

(KAILASH KARNAWAT)
MANAGING DIRECTOR

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors have pleasure in presenting their Twentieth Annual Report together with Audited Accounts of the Company for the year ended on 31st March, 2014.

1. FINANCIAL RESULTS :	(Rs. in Lacs)	
For the Year ended	31-03-2014	31-03-2013
Income From Operations	20.00	28.89
Other Income	2.93	2.48
Operational Expenses	14.31	17.70
Profit/Loss before Dep., Tax & Misc. Expenses	8.62	13.67
Depreciation & Misc. Exp. W/off	2.83	0.51
Provision for Taxation		
1. Current Taxes	0.77	2.39
2. Deferred Taxes	0.69	(0.01)
Profit / Loss after Tax	4.32	10.78
Balance Carried to Balance Sheet	4.32	10.78

2. PERFORMANCE :

The Net Profit of the Company during the year under review was Rs. 4.32 Lacs as compared to Net Profit of Rs. 10.78 Lacs in the previous year.

REVIEW OF OPERATIONS & FUTURE OUTLOOK :

Interest was the major source of earning during this year. The initiatives taken by the Company to improve its operations in the coming financial years are good. Your Company is intensifying its focus on new business avenues like real estate, energy and power sector.

3. DIVIDEND :

Since your Company has not made enough profit during the year under review, your directors have not recommended any dividend.

4. PUBLIC DEPOSITS :

The Company has not accepted any deposit from public during the year ended 31st March 2013, as per provisions of Section 58 A of the Companies Act, 1956.

5. COMPLIANCE CERTIFICATE :

Compliance Certificate U/s 383 (A) of the Companies Act, 1956 has been obtained from M/s P. Talesara & Associates, Company Secretary in practice.

6. CONSERVATION OF ENERGY :

Not applicable since your Company being a Financial Services Company.

7. TECHNOLOGY ABSORPTION :

No comment is necessary considering the nature of activities undertaken by your Company during the year under review.

8. FOREIGN EXCHANGE EARNINGS AND OUTGO :

Your Company does not have any foreign exchange earning and outgo during the year under review.

9. DIRECTORS :

Mr. Rajendra Jain retires by rotation at this Annual General Meeting & due to some other occupations, not willing for his re-appointment. Board express its grateful thanks and appreciation for his sincere association with the Company during his tenure and wish him a very bright future. It is proposed to appoint Mr. Upendra Tater (Architect) as a director in his place, as set out in the Notice to AGM.

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Mr. Lalit Kachhara also retires by rotation at this AGM & being eligible, offers himself for reappointment.

Mr. Kailash Karnawat is completing his tenure as Managing Director on 31.03.2015. To keep the tenure of members of board from AGM to AGM, the term of Shri Kailash Karnawat as MD of the Company (which is going to complete on 31.03.2015) is hereby treated as complete on 30.09.2014. Board has recommended his reappointment as Managing Director for a further period of 5 years w.e.f. 01.10.2014 at the terms as set out in the Notice to AGM.

10. DIRECTOR'S RESPONSIBILITY STATEMENT :

Pursuant to the requirements under Section 217 (2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- i. in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanations relating to material departures.
- ii. the Directors have selected accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the Profit or Loss of the Company for the year under review.
- iii. the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. the Directors have arranged preparation of the accounts for the financial year ended March 31, 2014 on a "going concern" basis.

11. MANAGEMENT DISCUSSIONS & ANALYSIS REPORT :

INDUSTRY STRUCTURE & DEVELOPMENT :

No concessions are being given to NBFC Industry by govt. so that the industry can withstand competitions from banks and other lending institutions. Moreover due to unhealthy business environment for the last few years, the margins have squeezed and the cost of operations has increased consistently.

OPPORTUNITIES & THREATS :

Fluctuations in the interest rate in economy has created uncertainty in the business of finance. The biggest threat for Non Banking Finance Companies arise from the vast gap existing between demand and supply.

Another threat for Non Banking Finance Companies comes from increased competition from banking industry, which is in a position to lend at competitive rates due to availability of huge funds at a cheaper cost. The Company expect stable interest rates in the coming period and is confident of meeting the challenges by increasing volume of business at nominal margin.

RISK AND CONCERNS :

Like any other industry, the Company's business is also exposed to various business risks.

Continuous efforts are made to reduce the cost of funds, increase the volume of the business and to control the NPAs within a bearable limit to minimize the impact of declining spread.

INTERNAL CONTROL SYSTEM :

The Company has proper and adequate internal control system in all the areas of its activities. The Company's Audit Committee reviewed the internal control system and looked in to the observations of the statutory auditor.

DISCUSSION ON FINANCIAL PERFORMANCE :

The financial performance of the Company for the year has been discussed in the Director's Report and cash-flow statement is annexed with the Annual Accounts.

HUMAN RESOURCES / INDUSTRIAL RELATIONS :

The relation between the Company and its employees remained cordial through-out the year and the management expects the same to continue and receive full support and cooperation from its employees in future also.

12. AUDITORS :

M/s B.L. Pagaria & Co., Chartered Accountants, Auditor's of the Company shall hold office until the conclusion of ensuing Annual General Meeting. The Auditor's, being eligible, offer themselves for reappointment. Pursuant to Section 139 of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules 2014, the said Auditors are eligible to hold office for a term up to 4 years. Subject to approval of shareholders at ensuing Annual General Meeting, the said Auditors shall hold office for a term up to 4 years.

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13. REPORT ON CORPORATE GOVERNANCE :

1. COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE :

Our Company has always believed in the concepts of good Corporate Governance involving transparency, empowerment, accountability and integrity with a view to enhance the Share Holder's value. The Company has professionals on its Board of Directors who are actively involved in the deliberations of the Board on all important policy matters.

2. COMPOSITION OF BOARD OF DIRECTORS :

The Company has a combination of executive and non-executive Directors. The Company has an executive chairman and half of the Board of Directors are independent Directors. The number of non-executive Directors are 50% of total number of Directors.

None of the Directors on the Board is a member of more than 10 committees and chairman of more than 5 committees {as per clause 49 (iv) (B)} across all the Companies in which he is a Director. All the Directors have made requisite disclosures regarding committee positions occupied by them in other Companies. The Company's Board at present have six Directors comprising one Managing Director, Two Promoter Directors and Three non-executive Independent Directors.

The Board met 4 times during the year on 28-05-2013, 12-08-2013, 12-11-2013 & 12-02-2014. The name and category of Directors on the Board, their attendance at Board Meetings held during the year ended on 31st March, 2014, at the last Annual General Meeting & also, number of Directorships and committee positions as held by them in other Public Limited Companies as on 31-03-2014 are given below :

Name	Category	No. of Board Meetings attended out of 4 meetings held during the year 2013-14	Whether attended AGM held on 30-09-13	No. of Directorship held in other Public Limited Companies	No. of committee positions held in other Public Limited Companies	
					Chairman	Member
Mr. L.S. Karnawat	Promoter Executive	1	Yes	Nil	Nil	Nil
Mr. Kailash Karnawat	Promoter Executive	4	Yes	Nil	Nil	Nil
Mrs. Meena Karnawat	Promoter Non-Executive	2	Yes	Nil	N.A.	N.A.
Mr. Lalit Kachhara	Independent Non Executive	3	No	Nil	N.A.	N.A.
Mr. Kirti Jain	Independent Non Executive	3	No	Nil	N.A.	N.A.
Mr. Rajendra Jain	Independent Non Executive	3	Yes	Nil	N.A.	N.A.

3. COMMITTEES OF THE BOARD :

AUDIT COMMITTEE :

The Company has an Audit Committee with scope of activities as set out in Clause 49 of the Listing Agreement with Stock Exchange read with Section 292A of the Companies Act, 1956. The broad terms for reference of the Audit committee are as under.

- a) To hold periodic discussions with the Statutory Auditor's and Internal Auditor's of the Company concerning the accounts of the Company, internal control systems, scope of audit and observations of the Auditor's/Internal Auditor's.
- b) To review compliance with internal control system.
- c) To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
- d) To make recommendation to the Board on any matter relating to the financial management of the Company, including the Audit Report.

The Audit Committee is presently comprised of three Non- Executive Directors viz. Mr. Lalit Kachhara as Chairman of the committee, Mr. Kirti Jain and Mr. Rajendra Jain as its members.

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The Committee met four times during the year on the following dates viz May 28, 2013, August 12, 2013, November 12, 2013 and February 12, 2014. Attendance of the members at the meetings is as stated below.

ATTENDANCE OF THE AUDIT COMMITTEE MEETINGS

Name of Director	Number of Meetings Attended
Mr. Lalit Kachhara	Three
Mr. Rajendra Jain	Three
Mr. Kirti Jain	Three

REMUNERATION COMMITTEE :

The composition of the Remuneration Committee and the details of meeting attended by the Directors are given below. Remuneration Committee met once on May 28, 2013 during F.Y. 2013-14.

Name of Director		Number of Meetings during the period	
		Held	Attended
Mrs. Meena Karnawat	Promoter Non-executive Director	One	One
Mr. Rajendra Jain	Independent Non-executive Director	One	NIL
Mr. Kirti Jain	Independent Non-executive Director	One	One

Given below are the details of remuneration paid to directors during the financial year 2013-14.

Name	Sitting Fees (Rs.)	Salary (Rs.)	Perquisites (Rs.)	Commission paid during the year (Rs.)
Mr. L.S. Karnawat	800/-	Nil	Nil	Nil
Mr. Kailash Karnawat	Nil	5,40,000/-	99,266/-	Nil
Mrs. Meena Karnawat	Nil	Nil	Nil	Nil
Mr. Lalit Kachhara	2400/-	Nil	Nil	Nil
Mr. Rajendra Jain	2400/-	Nil	Nil	Nil
Mr. Kirti Jain	2400/-	Nil	Nil	Nil

The Company pays remuneration to its Managing Director by way of salary and perquisites. Remuneration is paid as approved by the Shareholders. The Board on the recommendation of the Remuneration Committee approves the annual increments. The appointment / re-appointment of Managing Director is contractual and subject to termination by three months notice in writing by either side.

SHARE HOLDER'S / INVESTOR'S GRIEVANCES COMMITTEE :

The Company has an independent Shareholder's Grievances Committee which comprises of :

Name of Director		Number of Meetings Attended
Mr. Kirti Jain	Chairman	Two
Mr. L.S. Karnawat	Member	One
Mr. Kailash Karnawat	Member	Two

The shareholder's/investor's grievances committee met twice on August 12, 2013 and February 12, 2014 during the year ended on 31st March, 2014. The committee is prompt in attending to requests received for transfer, split, consolidation as well as issue of duplicate certificates well within the stipulated time. Status of complaints received during the year ended on 31-03-2014 is as under.

Number of complaints received from investors comprising of non-receipt of Annual Report, Shares sent for transfer and transmission, complaints received from SEBI etc.	NIL
Number of complaints resolved.	NIL
Number of complaints pending as on 31-03-2014.	NIL

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4. General Body Meetings :

Fin. Year	Type	Date	Venue	Time
2010-2011	AGM	29th Sept., 2011	First Floor, 60-D, Panchwati Udaipur-313 001	11.00 A.M.
2011-2012	AGM	29th Sept., 2012	First Floor, 60-D, Panchwati Udaipur-313 001	11.00 A.M.
2012-2013	AGM	30th Sept., 2013	First Floor, 60-D, Panchwati Udaipur-313 001	11.30 A.M.

5. Disclosure on materially significant related party transactions :

- During the year, the Company has incurred transactions with related parties. However they were not potentially in conflict with interest of the Company.
- No penalties have been imposed on the Company by Stock Exchange, SEBI or any statutory authority in any matter relating to the capital markets during last three years.

6. Means of communication to the shareholders :

Timely disclosure of the performance of the Company is an integral part of good governance. Your Company disseminates information about its performance to Stock Exchange, Media & Shareholders. The Quarterly and Annual Results of the Company are being published in News Papers also, as required under Listing Agreement.

Ministry of Corporate Affairs has undertaken a 'Green Initiative in Corporate Governance' by allowing paperless compliances by companies through electronic mode, vide its Circular Nos. 17/2011 & 18/2011 dated April 21, 2011 and April 29, 2011, respectively.

Your Company proposes to deliver electronically any communication / documents including the Annual Reports and such other necessary communication/documents from time to time to the Members, who have provided their e-mail address to their Depository Participant (DP). Members holding shares in physical form and who are desirous of receiving the communication/documents in electronic form, are requested to please promptly inform their e-mail address to the RTA/ Company.

7. General Shareholders information :

- Next Annual General Meeting :
Date - 30.09.2014, **Time**-11.30 A.M., **Venue**- First Floor, 60-D, Panchwati, Udaipur (Raj.)
- Financial Calendar :

Financial Reporting for the Quarter ending 30th June, 2014	Mid Aug., 2014
Financial Reporting for the Half Year ending 30th September, 2014	Mid Nov., 2014
Financial Reporting for the Quarter ending 31st December, 2014	Mid Feb., 2015
Financial Reporting for the Year ending 31st March, 2015	End May, 2015

- Book Closure 23-09-2014 to 30-09-2014 (both days inclusive).
- No dividend is proposed to be paid.
- Listing on Stock Exchanges :-
Shares of the Company are listed at **Bombay Stock Exchange Ltd. (BSE Ltd.), Mumbai.**
- Registrar & Transfer Agent :-
M/s Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai - 400072 , Ph. : 022-28470652, 40430200
Fax : 91 - 22 - 28475207 e-mail : info@bigshareonline.com

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- g. Dematerialisation of shares of the Company :-
Connectivity of securities of our Company have been activated by National Securities Depository Limited (NSDL) w.e.f. 01-03-2004 and Central Depository Service Ltd. (CDSL) w.e.f. 13-10-2006. The ISIN are as mentioned below:-

NSDL ISIN — INE 972E01014.

CDSL ISIN — INE 972E01014.

- h. Distribution of Shareholding as on 31.03.2014 :-

Nominal Share Capital	No. of shareholders	% of Total Shareholders	Total Equity Shares	% of Paid Up Share Capital
Upto 500	493	70.0284	1140830	3.4977
501 - 1000	108	15.3409	929110	2.8485
1001 - 2000	33	4.6875	523640	1.6054
2001 - 3000	14	1.9886	363800	1.1154
3001 - 4000	10	1.4205	357570	1.0963
4001 - 5000	4	0.5682	181200	0.5555
5001 - 10000	21	2.9830	1490460	4.5696
Above 10000	21	2.9830	27630390	84.7116
TOTAL	704	100	3261700	100

- i. Shareholding Pattern as on 31.03.2014 :-

S.No.	Category	Number of Shares Held	% of shareholding
1.	Promoters (Incl. Corp. Bodies)	2200800	67.4740
2.	Directors other than promoters	—	—
3.	Private Corporate Bodies	163545	5.0141
4.	Financial Institutions	—	—
5.	Clearing Members	—	—
6.	Indian Public	897355	27.5119
	Total	3261700	100

Total Foreign shareholding is NIL.

14. EMPLOYEES :

There is no employee earning salary over and above as specified under Sec. 217(2A) of the Companies Amendment Act, 1988 read with the Companies (particulars of employees) Rules 1990.

15. AUDITOR'S OBSERVATIONS :

The observations in the Auditor's Report are self explanatory and therefore do not call for any further comments.

16. ACKNOWLEDGEMENTS :

Your Directors' place on record their grateful thanks and appreciation for the assistance received from the Auditors M/s B.L. Pagaria & Co., Chartered Accountants, M/s. P. Talesara & Associates, Company Secretary in practice & IndusInd Bank Ltd. Your Directors express their gratitude to the shareholders for the confidence reposed in the Company. Your Directors place on record their appreciation and thanks for the sincere efforts and active involvement by the employees of the Company during the year.

For and on behalf of the Board of Directors

Sd/-

Sd/-

Place : Udaipur

L. S. KARNAWAT
Chairman

KAILASH KARNAWAT
Managing Director

Dated : 11th August, 2014

DHRUVA CAPITAL SERVICES LIMITED

INDEPENDENT AUDITOR'S REPORT

To,
The Shareholders,
Dhruva Capital Services Ltd.
Udaipur (Raj.)

We have audited the accompanying financial statements of Dhruva Capital Services Limited, Udaipur which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control 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.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, 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.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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, 2014 ;
- b) in the case of the Profit and Loss Account, 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, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose 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, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
 - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For B. L. PAGARIA & CO.
Chartered Accountants
(FRN : 01821C)
Sd/-
(B. L. PAGARIA)
Partner
(M.No. : 071017)

Place : Udaipur
Dated : 27th May, 2014

Twentieth Annual Report

The Annexure referred to in paragraph 1 of the Our Report of even date to the members of Dhruva Capital Services Limited on the accounts of the company for the year ended 31st March, 2014.

On the basis of such checks as we considered appropriate and according to the information and explanation given to us during the course of our audit, we report that:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets.
(b) As explained to us, fixed assets have been physically verified by the management at reasonable intervals; no material discrepancies were noticed on such verification.
(c) In our opinion and according to the information and explanations given to us, no fixed assets were disposed off during the year and hence it does not affect the going concern assumption.
2. (a) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) In our opinion and on the basis of our examination of the records, the Company is generally maintaining proper records of its inventories. No material discrepancy was noticed on physical verification of stocks by the management as compared to book records.
3. (a) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans, secured or unsecured, to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. There is one such party and the amount involved is Rs. 40,77,756/-.
(b) According to the information and explanations given to us, we are of the opinion that the rate of interest and other terms and conditions on which loan has been granted to the party, listed in the register maintained u/s 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
(c) Since the loan is in the nature of demand loan, hence regular receipt of principal amount and interest is not relevant.
(d) As explained to us, Company has taken reasonable steps to recover the principal amount.
(e) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has taken loans from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956. There is one such party and the amount involved at the end of the year is Rs. 4281/-.
(f) According to the information and explanations given to us, we are of the opinion that the rate of interest and other terms and conditions on which loan has been taken from party listed in the register maintained u/s 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the Company.
(g) Only Demand loan is taken from the said party, hence regular repayment of principal and interest is not relevant.
4. In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the company and the nature of its business, for the purchase of inventories & fixed assets and payment for expenses & for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls has been noticed.
5. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, the particulars of contracts or arrangements referred to in section 301 of the Act have been entered in the register required to be maintained under that section.
(b) In our opinion and according to the information and explanations given to us, there are no transactions of purchase of goods and materials, sale of goods, materials and services have been made in pursuance of contract or arrangement entered in the register maintained under Section 301 of the Companies Act, 1956.
6. The Company has not accepted any deposits from the public covered under section 58A and 58AA of the Companies Act, 1956.
7. As per information & explanations given by the management, the Company has an internal audit system commensurate with its size and the nature of its business.
8. As per information & explanation given by the management, maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Act.
9. (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st of March, 2014 for a period of more than six months from the date they became payable.
(b) According to the information and explanations given to us, there is no amounts payable in respect of income tax, wealth tax, service tax, sales tax, customs duty and excise duty which have not been deposited on account of any disputes. However, in case of dues relating to Income Tax, the company has got relief from CIT(A), Udaipur but the I. Tax department has preferred appeals before hon'ble ITAT, Jodhpur. The details of the same has not been provided here as they are considered to be undisputed on account of relief from CIT(A), Udaipur as well as from ITAT, Jodhpur.

DHRUVA CAPITAL SERVICES LIMITED

10. The Company does not have any accumulated loss and has not incurred cash loss during the financial year covered by our audit and in the immediately preceding financial year.
11. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion that, the Company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi /mutual benefit fund/society. Therefore, the provision of this clause of the Companies (Auditor's Report) Order, 2003 (as amended) is not applicable to the Company.
14. According to information and explanations given to us, the Company is trading in Shares, Mutual funds & other Investments. Proper records & timely entries have been maintained in this regard & further investments specified are held in their own name.
15. According to the information and explanations given to us, the Company has not given any guarantees for loan taken by others from a bank or financial institution.
16. Based on our audit procedures and on the information given by the management, the Company has availed the term loan for the purpose for which it has been obtained.
17. Based on the information and explanations given to us and on an overall examination of the Balance Sheet of the Company as at 31st March, 2014, we report that no funds raised on short-term basis have been used for long-term investment by the Company.
18. Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment of shares during the year.
19. The Company has no outstanding debentures during the period under audit.
20. The Company has not raised any money by public issue during the year.
21. Based on the audit procedures performed and the information and explanations given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For B. L. PAGARIA & CO.
CHARTERED ACCOUNTANTS
(FRN : 01821C)

Sd/-

Place : UDAIPUR
Dated : 27th May, 2014

(B. L. PAGARIA)
PARTNER
(M.No.: 071017)

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members
Dhruva Capital Services Ltd.,
Udaipur (Raj.)

We have examined the compliance of conditions of Corporate Governance by M/s Dhruva Capital Services Ltd. for the year ended on 31.03.2014, as stipulated in Clause 49 of the listing agreement of the said company with the Bombay Stock Exchanges (BSE).

The Compliance of the conditions of the Corporate Governance is the responsibility of the Company's management. Our examination has been limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the guidance Note on certification of Corporate Governance issued by the Chartered Accountants of India, we have to state that, as per the records maintained by the Company as on 31.03.2014, there were no investor grievance matters against the Company remaining unattended / pending for more than 30 days.

We further state that such compliances 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 B. L. PAGARIA & CO.
CHARTERED ACCOUNTANTS
(FRN : 01821C)

Sd/-

Place : UDAIPUR
Dated : 27th May, 2014

(B. L. PAGARIA)
PARTNER
(M.No. : 071017)

Twentieth Annual Report

BALANCE SHEET AS AT 31ST MARCH, 2014

PARTICULARS	NOTE NO.	As at 31-03-2014 Rs.	As at 31-03-2013 Rs.
I. EQUITY AND LIABILITIES :			
(1) Shareholder's Funds :			
(a) Share Capital	2	32617000.00	32617000.00
(b) Reserves & Surplus	3	10471341.48	10039314.23
(c) Moeny received against Share Warrants		0.00	0.00
(2) Share Application Money Pending allotment		0.00	0.00
(3) Non-Current Liabilities :			
(a) Long -Term Borrowings	4	2613072.60	502488.00
(b) Deferred Tax Liabilities (Net)	5	445593.00	376374.00
(c) Other Long Term Liabilities		0.00	0.00
(d) Long-Term Provisions	6	2419141.00	2409246.00
(4) Current Liabilities :			
(a) Short-Term Borrowings	7	4281.00	1113422.00
(b) Trade Payables	8	210254.70	322478.00
(c) Other Current Liabilities	9	229248.66	226964.66
(d) Short-Term Provisions	10	102476.00	253020.00
TOTAL		49112408.44	47860306.89
II. ASSETS :			
(1) Non-Current Assets :			
(a) Fixed Assets			
(i) Tangible Assets	11	4224672.00	1407493.00
(ii) Intangible Assets		0.00	0.00
(iii) Capital Work-in-Progress		0.00	0.00
(iv) Intangible Assets under development		0.00	0.00
(b) Non-Current Investments	12	24626207.90	24520782.90
(c) Deferred Tax Assets (Net)		0.00	0.00
(d) Long Term Loans & Advances	13	2393140.00	2393140.00
(e) Other Non-Current Assets		0.00	0.00
(2) Current Assets :			
(a) Current Investments		0.00	0.00
(b) Inventories		0.00	0.00
(c) Trade Receivables		0.00	0.00
(d) Cash and Cash Equivalents	14	58895.40	5394739.21
(e) Short-Term Loans & Advances	15	17809493.14	14144151.78
(f) Other Current Assets		0.00	0.00
TOTAL		49112408.44	47860306.89
Significant Accounting Policies	1		
The notes referred above form an integral part of the Balance Sheet.			

In terms of our report of even date.
For **B. L. PAGARIA & Co.**
Chartered Accountants
(FRN : 01821C)

For and on behalf of the Board of Directors

Sd/-

(B. L. PAGARIA)
Partner
(M.No. : 071017)

Sd/-

(L. S. KARNAWAT)
Chairman

Sd/-

(KAILASH KARNAWAT)
Managing Director

Place : Udaipur (Raj.)
Dated : 27th May, 2014

DHURVA CAPITAL SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	NOTE NO.	CURRENT YEAR Rs.	PREVIOUS YEAR Rs.
1. Revenue from Operations	16	1999637.56	2889540.46
2. Other Income	17	293228.17	247847.00
3. Total Revenue (I+II)		<u>2292865.73</u>	<u>3137387.46</u>
4. Expenses			
Cost of Material Consumed		0.00	0.00
Purchases of Stock-in-Trade		0.00	0.00
Changes in inventories of Finished Goods, Work-in-Progress and Stock in Trade		0.00	0.00
Employee Benefits Expenses	18	948866.00	953887.00
Finance Costs	19	198951.78	75039.00
Depreciation and Amortization Exp.	11	282911.00	50551.00
Other Expenses	20	283414.70	741147.00
		<u>1714143.48</u>	<u>1820624.00</u>
5. Profit before Exceptional Items, Extraordinary Items and Tax (III-VI)		578722.25	1316763.46
6. Exceptional Items		0.00	0.00
7. Profit before Extraordinary Items and Tax (V-VI)		578722.25	1316763.46
8. Extraordinary Items		0.00	0.00
9. Profit before Tax (VI-VIII)		578722.25	1316763.46
10. Tax Expenses			
(i) Current Tax		77476.00	238020.00
(ii) Prior Period Tax		0.00	1785.00
(iii) Deferred Tax		69219.00	-673.00
11. Profit/(Loss) for the Period fr. Cont. Op. (VII-VIII)		432027.25	1077631.46
12. Profit/(Loss) from Discontinuing Operations		0.00	0.00
13. Tax Expenses of Discontinuing Operations		0.00	0.00
14. Profit/(Loss) from Discontinuing Operations After Tax (XI-XIV)		0.00	0.00
15. Profit (Loss) for the Period (XI-XIV)		432027.25	1077631.46
16. Earning per Equity Share			
(i) Basic		0.13	0.33
(ii) Diluted		0.13	0.33
Significant Accounting Policies	1		
The notes referred above form an integral part of the P & L A/c.			
In terms of our report of even date. For B. L. PAGARIA & Co. Chartered Accountants (FRN : 01821C)		For and on behalf of the Board of Directors	
Sd/- (B. L. PAGARIA) Partner (M.No. : 071017)	Sd/- (L. S. KARNAWAT) Chairman	Sd/- (KAILASH KARNAWAT) Managing Director	
Place : Udaipur (Raj.) Dated : 27th May, 2014			

NOTES TO THE FINANCIAL STATEMENTS

(1) SIGNIFICANT ACCOUNTING POLICIES :

- (i). (a) The Financial accounts unless otherwise stated are prepared at historical cost under accrual method of accounting.
(b) The accounting policies unless otherwise separately stated are in conformity with generally accepted accounting principles & Accounting Standards as issued by ICAI.
- (ii). REVENUE RECOGNITION :
 - (a) Income of Non performing assets has been recognised as and when received (as per prudential norms of RBI).
 - (b) Income from dividend is recognised on cash basis.
 - (c) Lease rental received (if any) is accounted as income and is not bifurcated in interest income and principal amount repayment as required by Accounting Standards - 19 "Accounting for Lease" of ICAI in respect of Financial Lease as none of the lease agreement have been entered on or after 1.4.2001 when the said Accounting Standard became applicable.
- (iii). INVESTMENT:

Investment is classified into current investment & long term investment.
Long term investments are valued at cost and provision will be made for permanent diminution in value of such investment.
Current investments are valued scripwise at cost or market price whichever is lower.
- (iv). FIXED ASSETS AND DEPRECIATION :
 - (a) Fixed assets are stated at cost (including capitalised interest, if any) less depreciation.
 - (b) Depreciation on owned assets is provided on Straight Line method at the rate prescribed in Schedule XIV of Companies Act, 1956.
 - (c) All assets given on finance lease, on or before 31st March, 2001 are capitalised as fixed assets & depreciation on leases assets is provided on flat rates spread over the lease period as per the lease agreement or at the rate prescribed under Schedule XIV of Companies Act, 1956 whichever is higher.
 - (d) Depreciation on additions made is provided on pro rata basis from the date of their use.
- (v). PROVISION AGAINST LOANS AND OTHER CREDIT FACILITIES :

Provision on Non Performing Assets has been provided as per the prudential norms issued by the RBI.
- (vi). RETIREMENT BENEFITS :

The provision of gratuity are not applicable to the Company.
- (vii). PRIOR PERIOD ADJUSTMENT :

Prior period expenses / income (if any) are shown separately in the Profit & Loss A/c.
- (viii). TAXES ON INCOME :

Current tax is determined in accordance with the provisions of the Income Tax Act 1961, as the amount of tax payable in respect of taxable income for the year.
Deferred tax is recognized for all timing differences. Deferred tax assets are carried forward to the extent it is probable that future taxable profit will be available against which such deferred tax assets can be realized. Deferred tax assets are reviewed at each balance sheet.

DHURVA CAPITAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	As at 31-03-2014 Rs.	As at 31-03-2013 Rs.			
2. SHARE CAPITAL :					
AUTHORISED CAPITAL					
3500000 Equity Shares of Rs.10/- each	<u>35000000.00</u>	<u>35000000.00</u>			
TOTAL :	<u>35000000.00</u>	<u>35000000.00</u>			
ISSUED CAPITAL					
3261700 Equity Shares of Rs. 10/- each	<u>32617000.00</u>	<u>32617000.00</u>			
TOTAL :	<u>32617000.00</u>	<u>32617000.00</u>			
SUBSCRIBED AND PAID UP CAPITAL					
3261700 Equity Shares of Rs. 10/- each	<u>32617000.00</u>	<u>32617000.00</u>			
TOTAL :	<u>32617000.00</u>	<u>32617000.00</u>			
DETAILS OF SHAREHOLDERS HOLDING MORE THAN 5% OF THE TOTAL EQUITY SHARE CAPITAL OF THE COMPANY					
S. No.	NAME OF SHAREHOLDER	As at 31.03.2014 No. of Shares	%	As at 31.03.2013 No. of Shares	%
		HELD		HELD	
1.	MEENA KARNAWAT	651800	19.98%	651800	19.98%
2.	NAKUL BUILDERS & DEV. P. LTD.	644500	19.76%	544500	16.69%
3.	KAILASH KARNAWAT	576200	17.67%	600900	18.42%
4.	KARNAWAT HIRE PURCHASE P. LTD.	198300	6.08%	198300	6.08%
5.	NAKUL KARNAWAT	181800	5.57%	181800	5.57%
3 RESERVES & SURPLUS :					
	Balance as per last Balance Sheet	8129787.94		7267682.77	
	Add : Profit/Loss of the year	432027.25		1077631.46	
	Less : Transferred to special reserve fund	86405.45		215526.29	
	TOTAL (A) :	<u>8475409.74</u>		<u>8129787.94</u>	
	SPECIAL RESERVE FUND Transferred from Reserves & Surplus (u/s 45 IC of RBI Act,1934) [@20% of Net Profit]				
	Balance as per Last Balance Sheet	1909526.29		1694000.00	
	For Financial Year (2011-12)	86405.45		215526.29	
	TOTAL (B) :	<u>1995931.74</u>		<u>1909526.29</u>	
	GRAND TOTAL (A+B) :	<u>10471341.48</u>		<u>10039314.23</u>	
4. LONG TERM BORROWINGS :					
	Margin Money on A/c of Lease/H.P. Assets	502488.00		502488.00	
	TOTAL (A) :	<u>502488.00</u>		<u>502488.00</u>	
	BMW Financial Services Pvt. Ltd. : (Car Loan)	2110584.60		0.00	
	TOTAL (B) :	<u>2110584.60</u>		<u>0.00</u>	
	GRAND TOTAL (A+B) :	<u>2613072.60</u>		<u>502488.00</u>	

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NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	As at 31-03-2014 Rs.	As at 31-03-2013 Rs.
5 DEFERRED TAX LIABILITIES (NET) :		
Op. Balance	376374.00	377047.00
Add : Transferred from Profit and Loss Account	69219.00	-673.00
TOTAL (B) :	<u>445593.00.00</u>	<u>376374.00</u>
6. LONG TERM RPROVISIONS :		
Provision for NPA (Liability)	2380140.00	2380140.00
Contigent Provision Aganist Standard Assets	39001.00	29106.00
TOTAL (C) :	<u>2419141.00</u>	<u>2409246.00</u>
GRAND TOTAL (A to C) :	<u>3367222.00</u>	<u>3288108.00</u>
7. SHORT TERM BORROWINGS :		
Unsecured Loans from Body Corporates (Repayable on Demand) (taken from Related Parties)		
Nakul Builders & Developers Pvt. Ltd.	0.00	650019.00
Circle View Estate Pvt. Ltd.	0.00	61924.00
Kailash Karnawat	4281.00	401479.00
TOTAL (A) :	<u>4281.00</u>	<u>1113422.00</u>
8. TRADE PAYABLES :		
Salary Payable	21800.00	24500.00
Outstanding Expenses	13865.00	18356.00
Big Share Services Pvt. Ltd.	6747.00	11122.00
R.S. Rao & Company	0.00	2500.00
Kailash Karnawat (MD) Salary	67000.00	115000.00
Pushpa Devi Karnawat	60000.00	20000.00
Novergy Energy Solution Pvt. Ltd.	40000.00	40000.00
I.S.J. Securities Pvt. Ltd.	842.00	0.00
Kailash Karnawat & Family HUF (Office Rent)	0.00	86000.00
P. Talesara & Associates	0.00	5000.00
TOTAL (B) :	<u>210254.70</u>	<u>322478.00</u>
9. OTHER CURRENT LIABILITIES :		
Sundry Creditors		
For Capital Goods	0.00	0.00
For Others		
(i) Income Tax Refund (Excess Recd. From Dept.)	194668.66	194668.66
(ii) TDS Payable	34580.00	32296.00
(DUES TO SMALL SCALE INDUSTRIES - NIL)		
TOTAL (C) :	<u>229248.66</u>	<u>226964.66</u>
10.SHORT TERM PROVISIONS :		
Provision for Audit Fees	25000.00	15000.00
Provision for Income Tax	77476.00	238020.00
TOTAL (D) :	<u>102476.00</u>	<u>253020.00</u>
GRAND TOTAL (A to D) :	<u>546260.36</u>	<u>1915884.66</u>

NOTES TO THE FINANCIAL STATEMENTS

11. FIXED ASSETS :

Owned Assets												
DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Rate	Cost As at 01-04-2013	Addition During the Period	Sales/ Transfer	Cost as at 31-03-2014	As at 01-04-2013	For the year	Sales/ Transfer	Prior Period Adjustment	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013
1. Premises	1.63%	1185944.00	—	—	1185944.00	345935.00	19331.00	—	—	365266.00	820678.00	840009.00
2. Vehicles	9.50%	64441.00	3100090.00	—	3164531.00	48807.00	251546.00	—	—	300353.00	2864178.00	15634.00
3. Office Equipments	4.75%	253351.00	—	—	253351.00	185990.00	12034.00	—	—	198024.00	55327.00	67361.00
Total (A) :		1503736.00	3100090.00	0.00	4603826.00	580732.00	282911.00	0.00	0.00	863643.00	3740183.00	923004.00
Prev. Yr. Figures :		1898153.00	0.00	19717.00	1878436.00	917945.00	50551.00	13064.00	0.00	955432.00	923004.00	980208.00

Leased Assets												
DESCRIPTION	GROSS BLOCK					DEPRECIATION					NET BLOCK	
	Cost As at 01-04-2013	Addition During the Period	Sales/ Transfer	Cost as at 31-03-2014	As at 01-04-2013	For the year	Sales/ Transfer	Prior Period Adjustment	As at 31-03-2014	As at 31-03-2014	As at 31-03-2013	
1. Vehicles	1730001.00	—	—	1651001.00	1276512.00	—	—	—	1276512.00	374489.00	453489.00	
2. Plant & Machinery	410000.00	—	—	410000.00	300000.00	—	—	—	300000.00	110000.00	110000.00	
Total (B) :	2140001.00	0.00	0.00	2061001.00	1576512.00	0.00	0.00	0.00	1576512.00	484489.00	484489.00	
Grand Total (A+B) :	3643737.00	3100090.00	0.00	6664827.00	2157244.00	282911.00	0.00	0.00	2440155.00	4224672.00	1407493.00	
Previous Year Figures	4038154.00	0.00	19717.00	3939437.00	2494457.00	50551.00	13064.00	0.00	2531944.00	1407493.00	1464697.00	

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NOTES TO THE FINANCIAL STATEMENTS

12. NON - CURRENT INVESTMENTS :

(A) INVESTMENT EQUITY INSTRUMENTS QUOTED SHARES (At Cost) :(Amount in Rs.)

Description	Face Value(Rs.)	No. of Shares	Value as at 31-03-2014	No. of Shares	Value as at 31-03-2013
Warner Multimedia Ltd.	10.00	1200	18000.00	1200	18000.00
Swasti Vinayaka Synthetics Ltd.	1.00	77000	147412.77	77000	147412.77
Carol Inforservices Ltd.	10.00	250	7500.00	250	7500.00
S.R.F. Ltd.	10.00	250	5312.50	250	5312.50
S.R.F. Polymers Ltd.	10.00	100	—	100	—
Steel Authority of India Ltd.	10.00	31633	272360.13	31633	272360.13
Reliance Capital & Finance Ltd.	10.00	625	64793.75	625	64793.75
Silverline Technologies Ltd.	10.00	10	18240.00	100	18240.00
Silverline Animation Ltd.	10.00	4	—	—	—
Pentamedia Graphics Ltd.	10.00	1732	305644.50	1732	305644.50
Mahindra & Mahindra Ltd.	10.00	275	46535.50	275	46535.50
Kopran Ltd.	10.00	250	23417.50	250	23417.50
IFCI Ltd.	10.00	1250	10062.50	1250	10062.50
GTL Ltd.	10.00	1075	496574.75	1075	496574.75
Glaxo Smithkline Pharma Ltd.	10.00	75	34689.00	75	34689.00
Aptech Ltd.	10.00	240	52236.00	240	52236.00
Hexaware Technologies Ltd.	10.00	160	34824.00	160	34824.00
Madhav Granites Ltd.	30.00	4500	135000.00	4500	135000.00
GTL Infrastructure Ltd.	10.00	2216	11410.00	2216	11410.00
TOTAL (A) :			<u>1684012.90</u>		<u>1684012.90</u>

(Market Value as on 31.03.2014 is Rs. 42,82,133/-).

(B) INVESTMENT IN UNQUOTED SHARES (At Cost) :

Name of the Company	Face Value	No. of Shares	Value as at 31-03-2014	No. of Shares	Value as at 31-03-2013
Karnawat Hire Purchase Pvt. Ltd.	10.00	497500	4975000.00	497500	4975000.00
TOTAL (B) :			<u>4975000.00</u>		<u>4975000.00</u>

(C) INVESTMENT IN PROPERTIES (REAL ESTATE) :

(i) Agriculture Land (Kaliwas-Nathdwara)	818390.00	818390.00
(ii) Agriculture Land (Navratna-Bhuwana)	1255210.00	1255210.00
(iii) Land Purchase (Navratna II)	2335420.00	2335420.00
(iv) Land Purchase (Maruwas)	234860.00	234860.00
(v) Land Purchase (Rama)	13323315.00	13217890.00
TOTAL (C) :	<u>17967195.00</u>	<u>17861770.00</u>

GRAND TOTAL (A to C) : **24626207.90** **24520782.90**

DHRUVA CAPITAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	As at 31-03-2014 Rs.	As at 31-03-2013 Rs.
13. LONG TERM LOANS & ADVANCES :		
(A) SUNDRY DEBTORS - UNSECURED (CONSIDERED GOOD) :		
More than Six Months	2380140.00	2380140.00
TOTAL (A) :	2380140.00	2380140.00
(B) SECURITY DEPOSITS	13000.00	13000.00
TOTAL (B) :	13000.00	13000.00
GRAND TOTAL (A+B) :	2393140.00	2393140.00
14. CASH & CASH EQUIVALENTS :		
Cash in hand	4004.86	6046.86
Balances with Scheduled Banks :-		
In Current Accounts (INDUSIND BANK)	54890.54	31511.18
FDR YES BANK	0.00	5357181.17
TOTAL :	58895.40	5394739.21
15. SHORT TERM LOANS & ADVANCES :		
(1) Secured Advances (Considered Good)	15600523.00	11642451.00
TOTAL (A) :	15600523.00	11642451.00
(2) Unsecured Advances (Considered Good)	2208970.14	2501700.78
TOTAL (B) :	2208970.14	2501700.78
GRAND TOTAL (A+B) :	17809493.14	14144151.78
16. REVENUE FROM OPERATIONS :		
Interest on Loans	1715571.00	1266142.00
Provisions for NPA W/back	0.00	1051760.00
Dividend Income	182024.66	71033.90
Interest on FDR	102041.90	500604.56
	1999637.56	2889540.46
17. OTHER INCOME :		
Profit on Sale of Car	0.00	33347.00
Office Rent income	212500.00	190500.00
Income from sale of grass (RAMA)	40000.00	24000.00
Interest on I. Tax Refund	38928.17	0.00
Other Income	1800.00	0.00
	293228.17	247847.00
18. EMPLOYEE BENEFIT EXPENSES :		
Director's Remuneration	540000.00	540000.00
House Rent (MD)	60000.00	60000.00
Salaries & Wages	297600.00	294000.00
Staff Petrol & Telephone Exp.	12000.00	12000.00
Director's Perquisite Expenses	3529.00	3003.00
Electricity Charges - MD's Residence	35737.00	44884.00
	948866.00	953887.00
19. FINANCE COSTS :		
Bank charges & Bank Commission	6.18	50.00
Interest on Loan	198945.60	74439.00
Interest on TDS	0.00	550.00
	198951.78	75039.00

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NOTES TO THE FINANCIAL STATEMENTS

PARTICULARS	AMOUNT (Rs.) CURRENT YEAR	AMOUNT (Rs.) PREVIOUS YEAR
20. OTHER EXPENSES :		
Audit Fees (including service tax)	25000.00	15000.00
Advertisement Expenses	10100.00	11235.00
Annual Custody Fees	13482.00	13482.00
Computer Expenses	0.00	800.00
Depository Services Expenses	20691.70	21804.00
Director's Sitting Fees	8000.00	4000.00
BAD debts exp	0.00	300760.00
Electricity Expenses	0.00	0.00
Guest Entertainment Exp.	1404.00	3705.00
Legal & Professional Fees	15000.00	188050.00
Listing Fees	16854.00	16854.00
News Papers & Periodicals Expenses	1062.00	1052.00
Office Expenses	7661.00	625.00
Office Rent	96000.00	96000.00
Postage Expenses	1846.00	2369.00
Provision for Standard Assets	9895.00	1235.00
Printing & Stationery Expenses	11500.00	9824.00
Repair & Maintenance (Gen.+Society)	10300.00	20400.00
ROC Filling Charges	6500.00	2000.00
Telephone & Mobile Phone Expenes	10651.00	10903.00
Travelling & Conveyance Expenses	2500.00	10850.00
Typing & Photocopy Expenses	1358.00	400.00
Vehicle Running & Maintenance Expenses	13610.00	9799.75
	<u>283414.70</u>	<u>741147.00</u>
21. CONTINGENT LIABILITY :		
The Company has received excess refund of income tax amounting to Rs. 194668/- on A/c of excess credit of TDS for A.Y. 2006-07, which has been shown as current liabilities.		
22. PROVISION FOR NPA :		
In accordance with the guidelines issued by the RBI, the provision of NPA for current year is Rs. NIL.		
23.	Margin money on account of Leased & Hire Purchase assets represent difference between the purchase value of leased / hire purchase assets and money advanced as loans.	
24. PAYMENT TO DIRECTORS IS AS UNDER :		
	Current Year	Previous Year
(a) Salary	540000.00	540000.00
(b) Sitting Fees	8000.00	4000.00
(c) Director's perquisites	99266.00	107887.00
	<u>647266.00</u>	<u>651887.00</u>

DHRUVA CAPITAL SERVICES LIMITED

NOTES TO THE FINANCIAL STATEMENTS

25. Auditors Remuneration :

	Current Year	Previous Year
(a) For Audit and Tax Audit	15000.00	10000.00
(b) For Taxation Matters and Company law matters	7250.00	3600.00
(c) Service Tax	2750.00	1400.00
	25000.00	15000.00

26. The company has been granted certificate of Registration as provided in section 45 IA of the RBI Act 1934 issued on 1-9-1999 but the same is not valid for accepting deposits.

27. No employee is in employment of the Company throughout the financial year for a remuneration which in aggregate exceeded Rs. 24,00,000/- per annum or employed for remuneration which in aggregate exceeded Rs. 2,00,000/- per month, if employed for part of the year.

28. The Company's operations predominantly comprise only of one segment i.e. financial services which include hire purchase, lease, interest on ICD, loans and advances and hence the figures shown are related to only that segment.

29. Earning per share :

	Current Year	Previous Year
(i) BASIC EARNING PER SHARE		
Earning per share has been calculated as follows :		
Profit / (Loss) after tax	432027.25	1077631.46
a. Profit / (Loss) available for equity shares	432027.25	1077631.46
b. Computation of weighted equity shares		
Opening Balance	3261700	3261700
Adj. of shares issued or existing during the year	NIL	NIL
Weighted average equity shares	3261700	3261700
Earning per share (Basic) (a ÷ b)	0.13	0.33

(ii) **DILUTED EARNING PER SHARE :**

Diluted earning per share is same as Basic Earning per share as the Company does not have any potential equity shares as defined under AS-20 "Earning Per share" issued by ICAI.

30. Related parties disclosures :

1. Relationship :

(a) Key management personal :

Shri L.S. Karnawat	- Chairman
Shri Kailash Karnawat	- Managing Director

(b) Other related parties where control exists :

Pathik Hotel & Motel Ltd.
Karnawat Hire Purchase Pvt. Ltd.
Circle View Estate Pvt. Ltd.
Nakul Builders & Developers Pvt. Ltd.
Vardhman Fincon Pvt. Ltd.
Karnawat Brothers
Sampat Automobiles
Kailash Karnawat & Family (HUF)
Laxman Singh Karnawat & Sons (HUF)
Pushpa Devi Karnawat

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NOTES TO THE FINANCIAL STATEMENTS

(c) Relatives of key management personnel and their enterprises where transaction have taken place :

M/s Nakul Builders & Developers Pvt. Ltd.
M/s Circle View Estate Pvt. Ltd.
M/s Kailash Karnawat & Family (HUF)
Mrs. Pushpa Devi Karnawat
M/s Sampat Automobiles

Note : Related party relationship is as identified by the Company and relied upon by the Auditors.

2. Transaction carried out with related parties in 1 above in ordinary course of business of the Company.

PARTICULARS	Referred in 1 (a) above	Referred in 1 (b) above	Referred in 1 (c) above	TOTAL
Investments :				
(a) Purchased during the year	—	—	—	—
(b) Sold during the year	—	—	—	—
(c) Balance as at 31st March' 14	—	4975000.00	—	4975000.00
Loans & Advances :				
(a) Given during the year	—	5238044.00	—	5238044.00
(b) Returned during the year	—	1160288.00	—	1160288.00
(c) Taken during the year	—	883402.00	—	883402.00
(d) Repaid during the year	—	992783.00	—	1992783.00
(e) Balance as at 31st March' 14	—	4073475.00 DR	—	4073475.00 DR
(f) Interest receivable as at 31-03-2014	—	—	—	—
Current Liability :				
Remuneration Payable / Off. Rent Payable	67000.00	—	—	67000.00
Interest Income	—	354756.00	—	354756.00
Interest Expenses	—	3142.00	—	3142.00
Expenses on Remuneration / Off. Rent	540000.00	96000.00	—	636000.00
Expenses on House Rent of MD	—	60000.00	—	60000.00
Contingent Liability (Guarantee)	—	—	—	—

31. Disclosure as required under Circular No. Ref. DBS. FID. No. C-2 / 01-02-00 / 2003-04, dt. 10-07-2003 has not been made.

In terms of our report of even date.

For **B. L. PAGARIA & Co.**
Chartered Accountants
(FRN : 01821C)

Sd/-
(B. L. PAGARIA)
Partner
(M. No. : 071017)
Place : Udaipur (Raj.)
Dated : 27th May, 2014

For and on behalf of the Board of Directors

Sd/- **Sd/-**
(L.S. KARNAWAT) **(KAILASH KARNAWAT)**
Chairman Managing Director

DHRUVA CAPITAL SERVICES LIMITED

SCHEDULE TO THE BALANCE SHEET OF A NON-BANKING FINANCIAL COMPANY [as required in terms of Para 13 of Non Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007

LIABILITIES SIDE :

(Amount Rs.)

Particulars	Amt. Outstanding	Amt. Overdue
(1) Loans and advances availed by the NBFC 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 —	—	—
(d) Inter-corporate loans and borrowings —	2110584.60	—
(e) Commercial paper —	—	—
(f) Public Deposits * —	—	—
(g) Other Loans (specify nature) (From Director / Unsecured)	4281.00	—
* Please see Note 1 below		

ASSET SIDE :

Particulars	Amt. Outstanding				
(2) Break-up of Loans and Advances including bills receivables (other than those included in (4) below) :					
(a) Secured	15600523.00				
(b) Unsecured	2208970.14				
(3) Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities.					
(i) Leased assets including lease rentals under sundry debtors:					
(a) Financial Lease	2814320.00				
(b) Operating Lease	—				
(ii) Stock on hire including hire charges under sundry debtors					
(a) Assets on hire	68308.00				
(b) Repossessed Assets	—				
(iii) Hypothecation loans counting towards EL/HP activities					
(a) Loans where assets have been repossessed.	—				
(b) Loans other than (a) above	—				
(4) Break-up of Investments :					
S. No.	Particulars	Current Investments	Long Term Investments		
		Quoted	Unquoted	Quoted	Unquoted
(i)	Shares : (a) Equity	—	—	1684012.90	4975000.00
	(b) Preference	—	—	—	—
(ii)	Debentures and Bonds	—	—	—	—
(iii)	Units of Mutual Funds	—	—	—	—
(iv)	Government Securities	—	—	—	—
(v)	Others (Real Estate)	—	—	—	17967195.00

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- (5) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :

***Please See Note 2 below.**

S. No.	Category	Amount net of provisions		
		Secured	Unsecured	Total
(1)	Related Parties **			
	(a) Subsidiaries	—	—	—
	(b) Companies in the same group	—	—	—
	(c) Other related parties	4077756.00	—	4077756.00
(2)	Other than related parties	11522767.00	2208970.44	13731737.10
	TOTAL	15600523.00	2208970.44	17808993.10

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

* Please see Note 3 below.

S. No.	Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provisions)
1	Related Parties**		
	(a) Subsidiaries	—	—
	(b) Companies in the same group	—	—
	(c) Other related parties (Unquoted) ***	6425831.00	4975000.00
2	Other than related parties (Quoted)	4282133.00	1684012.90
	TOTAL	10707964.00	6659012.90

** As per Accounting Standard of ICAI (Please see Note 3).

*** As per Audited Balance sheet dated 31-03-2014.

- (7) Other Information :

S. No.	Particulars	Amount Outstanding	
		Gross Non-Performing Assets	Net Non-Performing Assets
1.	Related parties	—	—
2.	Other than related parties	2380140.00	2380140.00
3.	Assets acquired in satisfaction of debt.	—	—

NOTES :

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

DHURVA CAPITAL SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31-03-2014 Rs.	As at 31-03-2013 Rs.
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit (After Tax) as per Profit & Loss A/c	432027.25	1077631.46
Adjustments for :-		
Depreciation	282911.00	50551.00
Deferred Tax	69219.00	(673.00)
Dividend Income	(18024.66)	(71033.90)
Interest on FDR	(102041.90)	(500604.56)
Profit on Sale of Fixed Assets	0.00	(33347.00)
Operating Profit before working capital changes	500090.69	522524.00
Adjustments for :-		
Trade receivables	0.00	0.00
Loans & Advances	(3665341.36)	(745277.52)
Trade Payables	(112223.30)	(432402.00)
Short Term Borrowings	(1109141.00)	107143.00
Other Current Liabilities	2284.00	26043.00
Provisions	(140649.00)	(865505.00)
Net Cash from Operating Activities (A)	(4524979.97)	(1387474.52)
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Interest on FDR	102041.90	500604.56
Dividend Income	182024.66	71033.90
Purchase / Sale of Fixed Assets / Leased Assets	(3100090.00)	40000.00
Investments in FDR	5357181.17	(356181.17)
Investments in Real Estate	(105425.00)	0.00
Net Cash from Investing Activities (B)	2435732.73	255457.29

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CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014

PARTICULARS	As at 31-03-2014 Rs.	As at 31-03-2013 Rs.
(C) CASH FLOW FROM FINANCING ACTIVITIES :		
Long Term Borrowings	2110584.60	1051760.00
Net Cash from Financing Activities (C)	2110584.60	1051760.00
Net increase in cash & cash equivalents (A+B+C)	21337.36	(80257.23)
Opening Balance of Cash & Cash Equivalents	37558.04	117815.27
Closing Balance of Cash & Cash Equivalents	58895.40	37558.04
Note : Figures in bracket represents cash outflow.		
For and on behalf of the Board of Directors		
	Sd/-	Sd/-
Place : Udaipur	(L. S. KARNAWAT)	(KAILASH KARNAWAT)
Dated : 27 th May, 2014	Chairman	Managing Director

AUDITOR'S CERTIFICATE

To,
The Board of Directors,
Dhruva Capital Services Ltd.,
UDAIPUR (Raj.)

We have examined the cash flow statement of **DHRUVA CAPITAL SERVICES LIMITED** for the year ended 31st March, 2014. The statement has been prepared by the Company in accordance with the requirement of clause 32 of the listing agreement with Stock Exchange and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our report of 27th May, 2014 to the members of the Company.

For **B.L. Pagaria & Co.**
Chartered Accountants
(FRN : 01821C)

Sd/-

Place : Udaipur
Dated : 27th May, 2014

(B.L. PAGARIA)
Partner
(M.No. : 071017)

DHRUVA CAPITAL SERVICES LIMITED



DHRUVA CAPITAL SERVICES LIMITED

Regd. Office:003-A, "Circle View"
169, Fatehpura, Near Sukhadia Circle, Udaipur (Raj.)

PROXY FORM

I/We of being a member/members of the above named Company hereby appoint Shri.....of..... as my/our Proxy to vote for me/us on my/our behalf at the Twentieth Annual General Meeting of the Company to be held on 30-09-2014 at 11.30 A.M. at its Corporate Office situated at First Floor, 60-D, Panchwati, Udaipur-313001 (Raj.).

Signed this the..... day of September, 2014.

Regd. Folio No.
No. of Shares held

Signature _____

Affix
Rs.1/-
Revenue
Stamp

Note: The Companies Act, 2013 lays down that an instrument appointing a proxy shall be deposited at the Company's Registered Office, at least 48 hours before the meeting. The Proxy need not be a member of the Company.



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ATTENDANCE SLIP

Shareholders attending the Meeting in person or by proxy are requested to complete this attendance slip and hand over at the entrance of the meeting hall.

I hereby record my presence at the 20th Annual General Meeting being held on Tuesday 30th day of September, 2014 at 11.30 A.M. at its Corporate Office situated at First Floor, 60 - D, Panchwati, Udaipur-313001 (Raj.).

Full name of the Shareholder

Folio No. No. of Shares held

Full name of the Proxy (In block letters).

.....
Signature

Note: Please sign this attendance slip and hand over at the entrance of the meeting hall.

Twentieth Annual Report

DHRUVA CAPITAL SERVICES LTD.

CIN : L67120RJ1994PLC008593

BOARD OF DIRECTORS :

Mr. L.S. Karnawat	Chairman
Mr. Kailash Karnawat	Managing Director
Mrs. Meena Karnawat	Director
Mr. Lalit Kachhara	Director
Mr. Rajendra Jain	Director
Mr. Kirti Jain	Director

SHARES LISTED AT :

Bombay Stock Exchange Ltd. (BSE), Mumbai

AUDITORS :

B.L. Pagaria & Co.

(Chartered Accountants)

B-4, Babu Bazar, 1st Floor,

Near Bank Circle, Udaipur (Raj.)

BANKERS :

INDUSIND Bank Ltd.

Near Lok Kala Mandal, Panchwati Circle,
Udaipur (Raj.)

REGISTERED OFFICE :

003- 'A' "Circle View", 169, Fatehpura,
Near Sukhadia Circle, UDAIPUR - 313 001
Ph.: 0294-2425555 Fax : 0294-2423150

CORPORATE OFFICE :

First Floor, 60-D, Panchwati,
UDAIPUR-313001 (Raj.).
Ph. : 2424907, 2423150 Fax : 0294-2423150
E-mail : dhruvacapital@gmail.com

REGISTRAR & TRANSFER AGENT :

Bigshare Services Pvt. Ltd.

E-2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400072
Ph. : 022-28470652, 40430200
Fax : 022 - 28475207
E-mail : info@bigshareonline.com

Note : Members are requested to bring their copy of the Annual Report alongwith them at the Annual General Meeting.

If undelivered, please return to :
DHRUVA CAPITAL SERVICES LTD.
First Floor, 60-D, Panchwati, Udaipur-313 001 (Raj.), Phone : 0294-2424907



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