

Certified to be True Copy  
for RGF CAPITAL MARKETS LTD

  
Director

RGF CAPITAL MARKETS LIMITED  
ANNUAL REPORT - 2002 - 2003



Director

RGF CAPITAL MARKETS LIMITED  
NOTICE OF THE ANNUAL GENERAL MEETING

NOTICE is hereby given that the TWENTIETH ANNUAL GENERAL MEETING of the Members of RGF CAPITAL MARKETS LIMITED will be held on TUESDAY, 30th September, 2003 at 10.00 A.M. at its Registered Office at 2, Clive Ghat Street, 2nd floor, Unit: 16, Kolkata - 700 001 to transact the following business.

1. To Consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2003 and the Reports of Directors and Auditors thereon.
2. To elect a director in place of Shri CHHEDILAL AGARWAL who retires by rotation but being eligible offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

Regd. Office:

-----  
SAGAR ESTATE  
2nd Floor, Unit : 16,  
2, Clive Ghat Street,  
Kolkata - 700 001

By Order of the Board

Sagarmal Nahata  
DIRECTOR

Dated: 30/6/2003

NOTES:

1. A member entitled to attend and vote at the above meeting is entitled to appoint a proxy to attend and vote on a poll on his behalf. The proxy need not be a member of the Company. Proxies to be effective must be received at the Registered Office of the Company not less than 48 hours before the commencement of the meeting .
2. The Register of Members and Share Transfer Book shall remain closed from 23/09/2003 to 30/09/2003 (both days inclusive).

RGF CAPITAL MARKETS LIMITED

DIRECTORS' REPORT

Certified to be True Copy  
for RGF CAPITAL MARKETS LTD

*[Signature]*  
Director

To:  
The Members,

Your Directors have pleasure in submitting the 20th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2003.

FINANCIAL RESULT:	2002-2003	2001-2002
	Rs.	Rs.
Total Income	10,17,500	8,91,006
Profit (Loss) before Depre. & Tax	1,30,415	1,32,605
Less Depreciation	1,26,913	1,23,986
Profit/(Loss) after Depreciation	3,502	8,610
Less Provision for Taxation	--	--
Profit/(Loss) After Tax	3,502	8,610
Balance brought forward - Profit/(Loss)	(36,30,982)	(36,39,591)
BALANCE TO BE CARRIED TO BALANCE SHEET	(36,27,480)	(36,30,981)

Dividend:

In view of inadequate Profit the Board has decided not to recommend any dividend for the year ended 31st March, 2003.

Performance & Prospects:

The slow down of the Indian economy in 2002-03 impacted several segments of Industry and the Capital Market was also constrained by the sluggish trend/crisis in the Asian Economy. Industry Analysts view the trend in 2002-2003 as an aberration, and continue to be optimistic about the future prospects.

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DirectorCurrent year out look:

With positive steps taken by the Board to expand the activities of the company it is expected that the earning of the company will be increased considerably.

DIRECTORS:

Mr. Chhedilal Agarwal director retires by rotation and being eligible offers himself for reappointment.

PARTICULARS OF EMPLOYEES:

The provisions of Section 217(2A) of the Companies Act, 1956 and the rules framed there under for furnishing the particulars of employees are not applicable to this company as there is no such person drawing remuneration in excess of the specified limit.

AUDITORS OBSERVATIONS:

The Auditors have referred to certain matters in their Report. The respective Notes to the Accounts are self explanatory in respect of the comments of the Auditors.

AUDITORS:

The Company's Auditors M/s. Kamal Kumar Agarwal, Chartered Accountant retire at the conclusion of ensuing Annual General Meeting and are eligible for reappointment. A letter has been received from them stating that if re-appointed, the appointment will be in accordance with the provisions of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE:

There rules are not applicable for the company, but it still lays emphasis on conservation of energy, and its facility has been designed to minimise use of energy and to adopt latest technologies and for conservation of environment.

DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 217(2AA) of the Companies Act, the Directors hereby confirm that :-

- i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed alongwith proper explanation relating to material departures;
- ii) the Directors have selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs for the Company at the end of the financial year and of the Profit of the Company for the period;

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Director

- 3 -

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

iv) the Directors have prepared the Annual Accounts on a Going Concern basis.

AUDIT COMMITTEE:

Pursuant to the provisions of Section 292A of the Companies Act, 1956, your Directors have constituted an Audit Committee comprising of three Directors, Shri Sagar Mal Nahata, Shri Sardul Singh Jain and Shri Chhedilal Agarwal. The role, terms of reference and powers of the Audit Committee are in conformity with the requirements of the Companies Act, 1956.

APPRECIATION:

We wish to place on record our appreciation of the devoted services of staff and executives of the Company which have largely contributed to its efficient management.

Regd. Office:

"SAGAR ESTATE"  
2, Clive Ghat Street,  
Kolkata - 700 001.

Dated: 30/06/2003

By Order of the Board

Sagarmal Nahata

DIRECTOR

RGF CAPITAL MARKETS LTD.

REPORT ON CORPORATE GOVERNANCE

1. Company's Philosophy on code of Governance.

The Company believes in and practices good Corporate Governance. The Company creates an environment to enable the management for the efficient conduct of the business and to meet its obligations to all shareholders.

2. Board of Directors.

Name of Directors	No. of Board Meeting attended	Last AGM attended	No. of outside Director-Ship	No. of membership/ Chairmanship outside committee
Mr. Sagarmal Nahata	5	Yes	5	1
Mr. Sardul Singh Jain	3	Yes	3	4
Mrs Chhedilal Agarwal	4	Yes	4	Nil

3. Audit Committee :

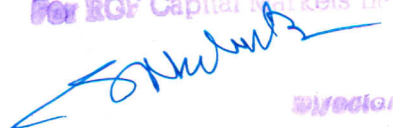
The Audit Committee consists of

Mr. Sagarmal Nahata	Chairman
Mr. Sardul Singh Jain	Member
Mrs Chhedilal Nahata	Member

The Audit Committee has been vested with the following responsibilities.

- a) To investigate any activity within its terms of reference.
- b) Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- c) Recommending the appointment and removal of external auditor fixation of Audit fees and approval for payment for any other services.
- d) Reviewing with management the annual financial statements before submission to the Board.
- e) Reviewing with the management, external and internal auditors the adequacy of internal control system.
- f) Discussion with the Auditors regarding any significant finding and follow up of the same.
- g) Reviewing the Company's financial and risk management policies.

For RGF Capital Markets Ltd



Director

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4. Remuneration Committee ( Non mandatory requirement).

The Company does not pay any remuneration to its directors committee is yet to formed.

5. Share holders Grievances Committee.

The Shareholders/Investors Grievances Committee consists of Directors

Mr. Sagarmal Nahata	Chairman
Mr. Sardul Singh Jain	Member
Mrs Chhedilal Agarwal	Member

During the year no complain letter received from Shareholders hence no pending complain from the Shareholders as on 31.03.2003. No request for transfer of Shares and demat of shares are pending.

6. Annual General Meeting :-

Year ----	Venue -----	Time -----	Date -----
2001-2002	2, Clive Ghat Street, 2nd Floor, R. No. 16 Kolkata - 700 001.	10.00 A.M	30/9/2002
2000-2001	-do-	10.00 A.M	24/9/2001
1999-2000	-do-	10.00 A.M	28/9/2000

7. DISCLOSURE :-

There were no transaction of material nature with related parties that were in conflict with the interest of the company at large. Company is making all efforts to banchmark itself with the guidelines issued by Securities and Exchange Board of India from time to time.

8. Means of Communication

The Annual results are submitted to the Stock Exchange.

9. General Share-holder information :-

- i) AGM : Date, Time and Venue.  
30th September, 2003 10.00 A.M. 2, Clive Ghat Street,  
Sagar Estate  
2nd Floor, R. No. 16  
Kolkata - 700 001.

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For RGF Capital Markets Ltd

  
Director

ii) Financial Calendar

1st Quarterly Results ending June 30, 2003	: End of July, 2003
2nd	Sept. 30, 2003 : End of Octo, 2003
3rd	Dec. 31, 2003 : End of Jan, 2004
4th	March. 31, 2004 : End of April 2004.

Annual General Meeting for year under 31st March, 2004-End of Sept. 2004

iii) Date of Book Closure 23rd Sept. to 30th Sept. 2003  
(both days inclusive)

iv) Dividend payment date : No Dividend is being recommended

v) Listing on Stock exchange at

- A) The Calcutta Stock Exchange Association Ltd.
- B) Inter-Connected Stock Exchange.

vi) Stock Code :

Calcutta Stock Exchange Association Ltd.  
Demat ISIN Number in NSDL and CDSL : INE684D01017

vii) Stock Market Data :

High/Low during each month for the year ended 31/3/2003

Month	High	Low
-----	-----	-----
April	99.00	73.50
May	111.00	96.00
June	126.50	103.50
July	106.00	97.00
August	105.00	95.00
September	121.50	104.25
October	103.50	92.00
November	99.75	85.00
December	101.00	83.00
January	85.00	83.00
February	53.50	22.50
March	17.50	2.90

viii) Registrar and Share Transfer Agent :

Maheshwari Datamatics (P) Ltd.  
6, Mangoe Lane,  
2nd Floor,  
Kolkata - 700001.

For BGF Capital Markets Ltd

  
Director



ix) Share Transfer Systems : Share Transfer documents complete in all respect are registered and /or share transfer under objections are returned within stipulated time period  
The Company offer transfer-cum-demat facility.

x) Distribution of Share-holding as on 31st March, 2003.

A) Category	No. of Shares	% of Share Holding
Promoters	16500	0.34
Corporate Bodies	2520650	50.38
Mutual Fund	--	--
Financial Institutions	--	--
Banks	--	--
Indian Public	2465250	49.28
NRI/OCBs	--	--
Total :	5002400	100.00

B) Distribution of Shareholding as at 31/03/2003					
Share holding	No. of Shareholders	%	Value of Shares	%	
0 - 500	995	83.68	94,500	1.88	
501 - 1000	16	1.35	13,700	0.27	
1001 - 2000	22	1.85	32,600	0.70	
2001 - 3000	10	0.85	33,800	0.67	
3001 - 4000	9	0.75	34,500	0.68	
4001 - 5000	31	2.61	2,59,540	5.18	
5001 - 10000	44	3.70	4,24,600	8.48	
10001- above	62	5.21	41,09,160	82.14	
Total :	1189		50,02,400	100.00	

C) Details of Demat Shares as at 31/03/2003

Particulars	No. of Shares	%
NSDL	3656900	73.10
CDSL	10000	0.20
Physical	1335500	26.70
Total :	5002400	100.00

For and on behalf of the Board of Directors

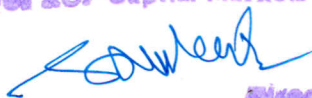
Sagarmal Nahata

Place : Kolkata  
Date : 30/06/2003

DIRECTOR

For BGF Capital Markets Ltd

8



Director

CORPORATE GOVERNANCE COMPLIANCE REPORT  
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To  
The Memebers of RGF Capital Markets Ltd.

We have examined the compliance of conditions of Corporate Governance of RGF Capital Markets Ltd. for the year ended 31st March, 2003 as stipulated in clause 49 of the listing Agreement of the said Company with the Stock Exchanges in India.

The compliance of conditions of corporate Governance is a responsibility of the Company's Management. Our examination was limited to procedures and implementation thereof, adopted by the Company to ensure compliance with the conditions of 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 explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that in respect of investor grievances received on during the year no investor grievances are pending for a period exceeding on month as per the records maintained by the Company.

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

For KAMAL KUMAR AGARWAL  
Chartered Accountants

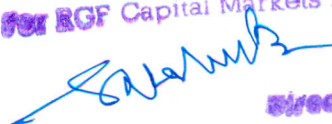
30/A/70, Dr.P.T.Laha Street,  
Bangur Park, Rishra - 712 248  
Hooghly (West Bengal)

Kamal Agarwal

(KAMAL KUMAR AGARWAL)

PROPRIETOR

For RGF Capital Markets Ltd

  
Director

Place : Kolkata  
Date : 30/06/2003

RGF CAPITAL MARKETS LIMITED  
AUDITORS' REPORT

  
Director

To the Members,

We have audited the attached Balance Sheet of RGF CAPITAL MARKETS LIMITED as at 31st March, 2003 and the Profit and Loss Account and the cash Flow Statement for the year ended on that date, annexed hereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements.

An audit also includes assessing the Accounting Principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1) As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate we further report that :-

a) We have obtained all the informations 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 Accounts as required by law have been kept by the company so far as it appears from our examination of those books.

c) The Company's Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Accounts.

d) In our opinion, the Profit and Loss Account and the Balance Sheet comply with the Accounting Standards referred to in Sub - Section 3C of Section 211 of the Companies Act, 1956.

e) On the basis of written representation received from the directors and taken on record by the Board of Directors, we report that none of the directors is disqualified as on the Balance Sheet date from being appointed as director in terms of Section 274 (1)(g) of the Companies Act, 1956.

f) Subject to foregoing in our opinion and to the best of our information and according to the explanations given to us the said Accounts subject to and read with the Notes appearing thereon give information required by the Companies Act, 1956 in the manner so required and give a true and fair view :

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Director

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i) In the case of Balance Sheet of the state of affairs of the Company as at 31st March, 2003. and

ii) In the case of the Profit & Loss Account of the Profit of the Company for the year ended on 31st March, 2003

iii) In case of Cash Flow statements, of the Cash Flows of the Company for the year ended on that date.

2: The Company has maintained proper records to show full particulars including quantitative details and situation of fixed assets. The fixed assets has been physically verified by the Management and no discrepancies between the book records and physical inventory have been noticed.

3. None of fixed assets has been revalued during the year.

4. The Parties (including staff) to whom loans and advances in the nature of loan have been given by the company are repaying the principal amount as and when required and are also regular in payment of interest where applicable.

5. The company deals in shares and proper records have been maintained and timely entries have been made therein of the transactions, contracts entered into during the year. The shares are held by the company in its own name or by virtue of deed of transfers pending registration. With effect from 01/04/97 all shares held as Stock-in-trade have been treated as investment.

6. The Company has not accepted any deposit from public.

7. The Company has an Internal Audit System commensurate with the size and nature of its business.

8. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Custom Duty, Sales Tax and Exices Duty were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

9. During the course of our examination of Books of Account carried out in accordance with the generally accepted Auditing Practices, we have not come across any personal expenses which have been charged to Revenue Account other than those payable under contractual obligations or in accordance with generally accepted business practice.

10. The Company is not a sick industrial company within the meaning of clause (O) of Section 3(1) of the Sick Industrial Companies (Special Provisions) Act, 1985.

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11. All other clauses of the said Order are either not applicable to the Company or do not require our report thereon.

As required by the Non-Banking Financial Companies Auditor's Report (Reserve Bank) Directions, 1998 and on the basis of such checks as we considered appropriate, we further state that :-

i) The Board of Directors of the Company has passed a resolution for the Non-acceptance of any Public Deposits.

ii) The Company has not accepted any public deposits during the year under audit.

iii) The Company has complied with the prudential norms relating to Income Recognition, Accounting Standards, Asset Classification and Provisioning for Bad and Doubtful debts as applicable to it.

For KAMAL KUMAR AGARWAL  
Chartered Accountants

30/A/70, Dr.P.T.Laha Street  
Bangur Park, Rishra- 712 248  
Hooghly(West Bengal)

Kamal Agarwal  
(Kamal Kumar Agarwal)  
Proprietor

Place : Kolkata

Data : 30/06/2003

RGF CAPITAL MARKETS LTD

  
Director

BALANCE SHEET AS AT 31ST MARCH, 2003

Schedules	31/03/2003 (Amount in Rs)	31/03/2002 (Amount in Rs)
<u>SOURCE OF FUNDS:</u>		
<u>Shareholders' Funds:</u>		
Share Capital	1	5,00,15,750
	5,00,15,750	5,00,15,750
	5,00,15,750	5,00,15,750
<u>APPLICATION OF FUNDS:</u>		
<u>Fixed Assets:</u>		
Gross Block	2	95,27,165
Less: Depreciation		94,79,465
		89,05,861
Net Block		4,94,391
INVESTMENTS:	3	4,12,44,760
		3,84,99,760
<u>CURRENT ASSETS, LOANS AND ADVANCES:</u>		
Sundry Debtors	4	--
Cash and Bank Balances	5	1,20,098
Loans and Advances	6	43,61,686
	(A)	44,81,784
<u>LESS: CURRENT LIABILITIES &amp; PROVISIONS:</u>		
Liabilities	7	12,700
Provisions	8	26,770
	(B)	39,470
NET CURRENT ASSETS (A-B)		44,42,314
MISCELLANEOUS EXPENDITURE (To the extent not written off)	9	2,06,805
		2,75,741
PROFIT AND LOSS A/C		36,27,480
		5,00,15,750
NOTES ON ACCOUNTS	13	5,00,15,750

As per report of even date  
For KAMAL KUMAR AGARWAL  
Chartered Accountants

DIRECTORS

Sagarmal Nahata

Place: Kolkata  
Date : 30/6/2003

Kamal Agarwal  
Kamal Kumar Agarwal  
Proprietor

Chhedilal Agarwal

*S. Nehru*  
Director

RGF CAPITAL MARKETS LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2003

Schedule	31/03/2003 (Amount in Rs)	31/03/2002 (Amount in Rs)
<b>INCOME:</b>		
Income from Operation	10,17,500	8,91,006
	10,17,500	8,91,006
<b>EXPENDITURE:</b>		
Administrative Expenses	5,09,215	4,68,668
Employees Remuneration	3,08,934	2,20,806
Depreciation	1,26,913	1,23,986
Share Issue Expenses (W/off)	68,936	68,936
	10,13,998	8,82,396
Profit/(Loss) before Tax	3,502	8,610
Provision for Tax	--	--
Profit/(Loss) After Tax	3,502	8,610
Balance Brought forward from last year	(36,30,981)	(36,39,591)
Balance Carried to Balance Sheet	(36,27,480)	(36,30,981)

NOTES ON ACCOUNTS: 13

As per report of even date

For KAMAL KUMAR AGARWAL  
Chartered Accountants

Kamal Agarwal  
Kamal Kumar Agarwal  
Proprietor

DIRECTORS

Sagarmal Nahata

Chhedilal Agarwal

Place : Kolkata

Date : 30/6/2003

  
Director

RGF CAPITAL MARKETS LTD  
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SCHEDULE TO THE ACCOUNTS :	31/03/2003		31/03/2002	
-----	-----		-----	
SCHEDULE : 1	Rs.		Rs.	
-----	-----		-----	
SHARE CAPITAL				
-----				
Authorised:				
-----				
55,00,000 Equity shares of Rs.10/- each	5,50,00,000		5,50,00,000	
-----	-----		-----	
Issued Subscribed and Paid up:				
-----				
50,02,400 Equity shares of Rs.10/- each issued for payment in cash	5,00,24,000	5,00,24,000		
-----	-----			
Less: Allotment Money Due from others	8,250	5,00,15,750	8,250	5,00,15,750
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SCHEDULE : 2

FIXED ASSETS :

Particulars	GROSS BLOCK			DEPRECIATION				NET BLOCK			
	As at	Addition/Deduction		As at	As at	For the	Deduction	As at	As at	As at	
	31/3/02	02-2003	02-2003	31/3/2003	31/3/02	Year	02-03	2002-2003	31/3/2003	31/3/2003	31/3/02
	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.	Rs.
Furniture & Fixtures	509665	--	--	509665	306373	32262	--	338635	171030	203292	
Office Equipment	122777	--	--	122777	76313	8680	--	84993	37784	46464	
Typewriter	23156	--	--	23156	14832	1637	--	16469	6687	8324	
Fax	25883	--	--	25883	16581	1830	--	18411	7472	9302	
EPABX	14025	--	--	14025	7598	991	--	8589	5436	6427	
Computer	206080	19700	--	225780	149855	32267	--	182122	43658	56225	
Motor Car	504379	--	--	504379	260809	47916	--	308725	195654	243570	
Lease Assets	8073500	--	--	8073500	8073500	--	--	8073500	--	--	
Air Condition	--	28000	--	28000	--	1330	--	1330	26670	--	
-----											
Total	9479465	47700	--	9527165	8905861	126913	--	9032774	494391	573604	
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Previous Year:	9415265	64200	--	9479465	8781875	123986	--	8905861	573604	633390	
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RGF CAPITAL MARKETS LIMITED

  
Director

SCHEDULE : 3

STOCK OF INVESTMENT:

A) QUOTED SHARES & DEBENTURES FULLY/PARTLY PAID UP (AT COST)

	31/03/2003		31/03/2002	
	No. of Shares	Value (in Rs)	No. of Shares	Value (in Rs.)
Akai (India) Limited	23150	46,300	23150	46,300
Best & Crompton Engg. Ltd.	25	250	25	250
J.K. Synthetics Ltd.	87	1,695	87	1,695
Vegpro Foods and Feeds Ltd.	100	1,000	100	1,000
Mahavira Foods Ltd. (Partly Paid)	40000	2,00,000	40000	2,00,000
Harpratap Steel Ltd. (Partly Paid)	57000	1,19,700	57000	1,19,700
J.K. Synthetics Ltd. ( 12.5% Deb.)	30	4,575	30	4,575
Raymond Synthetics Ltd.	200	11,650	200	11,650
Sellaids Publication Ltd.	1200	12,225	1200	12,225
Benchmark Limited.	900	9,000	900	9,000
Swad Industries Ltd.	2370	23,700	2370	23,700
Shree Synthetics Ltd.	1000	14,500	1000	14,500
Prudential Moulisugar Ltd.	500	14,990	500	14,990
GEC Alsthoms Ltd.	500	51,375	500	51,375
Malvika Steels Ltd.	1400	14,000	1400	14,000
Sarigam steels Ltd.	2000	1,23,500	2000	1,23,500
Sathvahana Ispat Ltd.	5300	53,000	5300	53,000
Ankit Yarn Ltd.	2080	20,800	2080	20,800
Electro Flame Ltd.	3000	30,000	3000	30,000
Lunawat Auto Finance Ltd.	--	--	58000	17,40,000
Bothra Motor Finance Ltd.	--	--	65000	19,50,000
Manoj Auto Finance Ltd.	--	--	70000	21,00,000
<b>TOTAL (A) :</b>	<b>140842</b>	<b>7,52,260</b>	<b>333842</b>	<b>65,42,260</b>

B) UNQUOTED SHARES (FULLY PAID):

	31/3/2003		31/3/2002	
	No of Shares	Value	No of Shares	Value
RGF Holiday Resorts (P) Ltd.	--	--	2600	2,60,000
Shantiniketan Financial Services (P) Ltd.	--	--	1700	1,70,000
RGF Fincon (P) Ltd.	--	--	5000	5,00,000

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*[Signature]*  
Director

## 2 ##

RGF CAPITAL MARKETS LIMITED

	31/03/2003		31/03/2002	
Profitline Securities (P) Ltd.	--	--	11030	4,03,000
HDC Polytech India (P) Ltd	70000	7,00,000	70000	7,00,000
RNCP Finance Ltd	--	--	4820	4,82,000
B.K.Investment & Services Pvt Ltd	--	--	38000	19,00,000
Nishraj Traders Pvt Ltd	--	--	10000	5,00,000
Pintech Distributors Pvt Ltd	--	--	20000	10,00,000
Commitment Finance Pvt Ltd	--	--	6000	3,00,000
Priya Commercial Co Pvt Ltd	--	--	20000	10,00,000
Imperial Tubes Pvt Ltd	4250	42,500	211250	21,12,500
Victory Auto Agency Pvt Ltd	--	--	60000	6,00,000
Datum Securities Pvt. Ltd.	--	--	20000	2,00,000
Brilliant Devices Pvt. Ltd.	--	--	10000	5,00,000
North East Enterprise Pvt. Ltd.	40000	4,00,000	100000	10,00,000
Mangalam Enterprise Pvt. Ltd.	40000	4,00,000	80000	8,00,000
Intensive Soft Share Pvt. Ltd.	30000	15,00,000	10000	5,00,000
Lianer Distributors Pvt. Ltd.	--	--	14000	7,00,000
Mackels Vinicom Pvt. Ltd.	--	--	20000	10,00,000
Jalarashi Marketing Pvt. Ltd.	--	--	79600	39,80,000
Cindrela Traders Pvt. Ltd.	--	--	22000	11,00,000
Propart Vinicom Pvt. Ltd.	--	--	19000	9,50,000
Dastor Ceramics Pvt. Ltd.	--	--	20000	10,00,000
Intensive Fiscal Securities Pvt. Ltd.	28000	14,00,000	28000	14,00,000
Kruti Vinimoy Pvt. Ltd.	--	--	19000	9,50,000
G.S.P. Projects Pvt. Ltd.	--	--	6000	6,00,000
Creative Hobbies Moulding Pvt. Ltd.	--	--	10000	5,00,000
Janta Furnishing Pvt. Ltd.	20000	2,00,000	50000	5,00,000
Shree Ganesh Steel Rolling Mkts. Ltd.	28000	28,00,000	25000	25,00,000
Bhavsagar Vinimoy Pvt. Ltd.	--	--	10000	10,00,000
Manav Commodities Pvt. Ltd.	--	--	17000	8,50,000
Everblue Travin Pvt. Ltd.	--	--	40000	20,00,000
Jai Bhawani Steel Enterprise	52000	52,00,000	--	--
Arihant International Ltd.	167500	1,00,50,000	--	--
Shanti Fiscal Pvt. Ltd.	50000	5,00,000	--	--
Sarat Chatterjee Int. Pvt. Ltd.	100000	10,00,000	--	--
Vimat (India) Pvt. Ltd.	7500	7,50,000	--	--
Shivan Polymats Pvt. Ltd.	5000	2,00,000	--	--
Oscar Sealing Systems Pvt. Ltd.	1000	5,00,000	--	--
Ganpati Fishinglines Pvt. Ltd.	25000	25,00,000	--	--
Klene Paks Ltd.	12000	12,00,000	--	--
Hanuman Filaments Pvt. Ltd.	100000	10,00,000	--	--
Suchitra Silk Mills Pvt. Ltd.	20000	10,00,000	--	--
Torrent Merchandice Pvt. Ltd.	10000	5,00,000	--	--
Lupin Comodeal Pvt. Ltd.	10000	5,00,000	--	--
Vipul(Agarwal) Tax Paints Pvt. Ltd.	100000	10,00,000	--	--

Contd ..... 3

Certified to be True Copy

For RGF CAPITAL MARKETS LTD.

## 3 ##

*[Signature]*  
Director

RGF CAPITAL MARKETS LIMITED

	31/03/2003		31/03/2002	
Esteem Infrastructure Pvt. Ltd.	120000	12,00,000	--	--
Flint Commercial & Leasing Pvt. Ltd.	25000	2,50,000	--	--
Giltedge Vinicom Pvt. Ltd.	150000	15,00,000	--	--
Dhanwanti Commodities Pvt. Ltd.	100000	10,00,000	--	--
Hindustan Window Mktg. Co. Pvt. Ltd.	20000	2,00,000	--	--
Elate Investments & Holding Pvt. Ltd.	20000	20,00,000	--	--
Diamention Mercantile Pvt. Ltd.	10000	10,00,000	--	--
<b>TOTAL (B)</b>	<b>1365250</b>	<b>4,04,92,500</b>	<b>990000</b>	<b>3,19,57,500</b>
<b>GRAND TOTAL (A + B)</b>	<b>1496092</b>	<b>4,12,44,760</b>	<b>1323842</b>	<b>3,84,99,760</b>

	AS AT 31/03/2003		AS AT 31/03/2002	
AGGREGATE VALUE OF INVESTMENT	COST	MARKET VALUE	COST	MARKET VALUE
Quoted Shares & Debentures :	7,52,260	2,39,344	65,42,260	8,88,793
Unquoted Shares (At cost) :	4,04,92,500	--	3,19,57,500	--
	4,12,44,760		3,84,99,760	

SCHEDULE : 4

	31/3/2003	31/3/2002
SUNDRY DEBTORS	Rs.	Rs.
(Unsecured Considered Good)		
Over Six months	--	4,98,489
Others	--	--
	--	4,98,489

SCHEDULE : 5

CASH AND BANK BALANCES:

Cash in hand	19,474	42,809
Balance with Scheduled Banks in Current Account)	1,00,624	6,886
	1,20,098	49,695

*[Signature]*  
 Director

RGF CAPITAL MARKETS LIMITED

SCHEDULE : 6

	31/03/2003	31/03/2002
LOANS AND ADVANCES: (Unsecured Considered Good)		
Loans	31,17,130	45,94,963
Advance recoverable in cash or in kind or for value to be received	59,298	27,798
Deposit	9,90,000	18,50,000
Advance Income Tax and TDS	1,95,258	1,76,459
	<u>43,61,686</u>	<u>66,49,220</u>

SCHEDULE : 7

Current Liabilities:		
Sundry Creditors	2,700	1,34,970
	<u>2,700</u>	<u>1,34,970</u>

SCHEDULE: 8

Provisions:		
Provision for Taxation	26,770	26,770
	<u>26,770</u>	<u>26,770</u>

SCHEDULE: 9

Miscellaneous Expenditure:		
(to the extent not written off)		
Public Issue Expenses	2,06,805	2,75,741
	<u>2,06,805</u>	<u>2,75,741</u>

SCHEDULE: 10

Income from Operations:		
Interest on Loan (including T.D.S 30,814/-) (Previous Year 42,713/-)	2,88,500	4,58,581
Commission Received	--	4,32,425
Profit from sale of Shares	7,29,000	--
	<u>10,17,500</u>	<u>8,91,006</u>

*[Signature]*  
Director

RGF CAPITAL MARKETS LIMITED

SCHEDULE: 11

	31/03/2003	31/03/2002
Administrative Expenses:		
Travelling and Conveyance	10,417	24,601
Maintenance Expenses	66,733	53,154
Telephones Expenses	1,07,516	1,12,333
Printing and Stationery	13,058	6,626
Filing Fees	6,500	4,015
Listing Fees	27,500	42,500
Postage	8,717	5,840
Rent	84,000	42,000
Legal and Professional Charges	3,800	3,130
Motor Car Insurance	9,836	
Bank Charges	8,141	13,161
N S D L Charges	7,500	--
General Expenses	42,678	42,127
Motor Car Expenses	79,602	93,545
Mobile Phone Expenses	17,190	9,519
Other Expenses	13,326	13,617
Audit fees	2,700	2,500
	5,09,215	4,68,668

SCHEDULE: 12

Employees Remuneration and Benefits		
Salaries	2,90,452	2,13,200
Bonus	18,482	7,606
	3,08,934	2,20,806

  
Director

RGF CAPITAL MARKETS LIMITED  
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SCHEDULE - 13  
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ACCOUNTING POLICIES AND NOTES ON ACCOUNT:  
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- i) Method of Accounting: The Company is following mercantile System of Accounting.
- ii) Revenue Recognitions: Sales of Shares and Debentures are accounted for on contract for sale and delivery of the script. Interest income is recognised on accrual basis when the right to receive is established.
- iii) Fixed Assets: Fixed Assets are stated at cost less accumulated depreciation.
- iv) Depreciation: Depreciation is provided on straight line method at the rate specified in schedule XIV of the Companies Act, 1956. Depreciation on Lease Assets has been provided on the expected life of the lease assets which is estimated at 5 years.
- v) Investment: Investment in shares and debentures are valued at cost.
- vi) Share Issue Expenses are written off in equal instalment over a period of 10 years.
- vii) Previous year figures are regrouped/rearranged wherever necessary to confirm with current year's classifications.

As per report of even date

For KAMAL KUMAR AGARWAL  
Chartered Accountants

Kamal Agarwal  
Kamal Kumar Agarwal  
Proprietor

DIRECTORS

Sagarmal Nahata  
Chhedilal Agarwal

30/A/70, P.T Laha Street  
Rishra- 712 248  
Hooghly

Dated : 30/6/2003

  
Director

AUDITORS CERTIFICATE  
-----

We have verified the attached cash flow statement of RGF CAPITAL MARKETS LIMITED derived from the Audited Financial Statements for the year ended 31st March, 2003, and found the same drawn in accordance therewith and also with the requirements of clause 32 of the listing agreement with Stock Exchange.

For Kamal Kumar Agarwal  
Chartered Accountants

30/A/70, Dr. P.T.Laha Street,  
Bangur Park, Rishra- 712 248  
Hooghly (West Bengal)

Kamal Agarwal  
(Kamal Kumar Agarwal)  
Proprietor

Place : Kolkata

Date : 30/06/2003

RGF CAPITAL MARKETS LIMITED  
CASH FLOW STATEMENT

For the year ended For the year ended  
31/03/2003 (Rs) 31/03/2002 (Rs)

A. CASH FLOW FROM OPERATING ACTIVITIES:

Net Profit/(Loss) before tax and extraordinary items	3,502	8,610
------------------------------------------------------	-------	-------

ADJUSTMENT FOR:

Depreciation	1,26,913	1,23,986
Amortisation	68,936	68,936

	-----	-----
	1,95,849	1,92,922

Operating profit before working capital changes	1,99,351	2,01,532
-------------------------------------------------	----------	----------

Adjustment for:

Trade and other receivables	27,86,023	39,15,172
-----------------------------	-----------	-----------

Trade Payable	(1,22,270)	48,470
---------------	------------	--------

Cash (used)/generated from operations	26,63,753	39,63,642
---------------------------------------	-----------	-----------

Direct Taxes	--	--
--------------	----	----

Net cash (used)/generated in operating activities	28,63,104	41,65,174
---------------------------------------------------	-----------	-----------

B. CASH FLOW FROM INVESTING ACTIVITIES:

Sale/(Purchases) of Investments (Net)	27,45,000	(41,83,500)
---------------------------------------	-----------	-------------

Purchase of Computer	(19700)	(64,200)
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Purchase of Air Condition	(28000)	
---------------------------	---------	--

Net Cash (used)/generated in investing activities	(27,92,700)	(42,47,700)
---------------------------------------------------	-------------	-------------

C. CASH FLOW FROM FINANCING ACTIVITIES:

Proceeds from issue of share capital	--	11,250
--------------------------------------	----	--------

Net cash (used)/generated in financing activities	--	11,250
---------------------------------------------------	----	--------

Net increase/(decrease) in cash equivalents (A+B+C)	70,404	(71,296)
-----------------------------------------------------	--------	----------

Opening Balance of cash & cash Equivalents	49,695	1,20,971
--------------------------------------------	--------	----------

Closing Balance of cash & cash equivalents	120,098	49,695
--------------------------------------------	---------	--------

Net Inflow/(Outflow)	70,404	(71,276)
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For and on behalf of the Board

Sagarmal Nahata

DIRECTORS

Place: Kolkata

Dated: 30/6/2003



*[Signature]*  
Director

RGF CAPITAL MARKETS LIMITED

PROXY

Registered Office:  
"SAGAR ESTATE" 2, CLIVE GHAT STREET, KOLKATA - 700 001

I/We ..... Folio No.....  
of..... Being a Member/Members of  
RGF CAPITAL MARKETS LTD. hereby appoint .....  
of falling him .....  
as my/our proxy to attend and vote for me/us and on my/our behalf of the  
Twenty Annual General Meeting of the Company to be held on 30th September,  
2003 and at any adjournment thereof.

Signed this ..... day of ..... 2003

\*\*\*\*\*

\* Please affix\*

\* 30 paise \*

Signed by the said..... \* Revenue \* .....

\* stamp here \*

\*\*\*\*\*

NOTE: The Proxy must be deposited at the Registered Office of the Company at  
"Sagar Estate" 2, Clive Ghat Street, Kolkata - 700 001, not less than 48 hours  
before the time of holding the meeting

-----TEAR HERE-----

ATTENDANCE SLIP

RGF CAPITAL MARKETS LIMITED

Registered Office:

"Sagar Estate" 2 Clive Ghat Street, Kolkata - 700 001

Please complete this attendance slip and hand it over at the entrance. Joint  
Shareholder may obtain additional Attendance Slip at the entrance .

Shareholder's Name :

Folio No:

I hereby record my presence at the Twenty Annual General Meeting at  
"Sagar Estate" 2, Clive Ghat Street, Kolkata - 700 001 on 30th September,  
2003

Member's/Proxy's Name : .....

Signature of the member or the proxy :.....