

17<sup>th</sup>

# ANNUAL REPORT

2011-12

**ABHISHEK FINLEASE LTD.**

402 , Wall Street-1 , Opp. Orient Club, Nr. Gujarat College, Ellisbridge,  
Ahmedabad-380006

# ABHISHEK FINLEASE LIMITED

17<sup>th</sup> Annual Report – 2011-12

## BOARD OF DIRECTORS

Shri Mahendra M. Shah	Chairman
Shri Vasantbala M. Shah	Director
Shri Sanket M. Shah	Director

### : REGISTERED OFFICE :

402, Wall Street-1, Opp. Orient Club,  
Nr. Gujarat College, Ellisbridge,  
Ahmedabad-380006.

### : AUDITORS:

Bhagat & Co.  
Ahmedabad

### : BANKERS:

Central Bank of India  
Mithakali Branch, Ahmedabad.

Note : Members are requested to bring their copy of Annual Report. As a measure of economy, Annual Reports will not be distributed at the venue of A.G.M.

# **ABHISHEK FINLEASE LIMITED**

## **NOTICE**

Notice is hereby given that the 17<sup>th</sup> Annual General Meeting of the Members of Abhishek Finlease Limited will be held on Tuesday, 25<sup>th</sup> September, 2012 at 10.00 a.m. at the Registered Office of the Company at 402, Wall Street - I, Opp. Orient Club, Nr. Gujarat College, Ellisbridge, Ahmedabad - 380006 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2012 and Statement of Profit & Loss for that year together with the Reports of the Directors & Auditors thereon.
2. To appoint a Director in place of Mrs. Vasantbala M. Shah who retires by rotation and being eligible, offers herself for reappointment.
3. To appoint M/s. Bhagat & Co. Chartered Accountants, as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

**By Order of the Board of Directors**

**Mr. Mahendrabhai M. Shah**  
**Chairman and Managing Director**

**Place: Ahmedabad**  
**Date: 09/08/2012**

### **NOTES:**

- (a) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (b) ALL THE DOCUMENTS REFERRED TO IN THIS NOTICE ARE AVAILABLE FOR INSPECTION BY ANY MEMBER OF THE COMPANY DURING WORKING HOURS EXCEPT SUNDAYS AND PUBLIC HOLIDAYS AT THE REGISTERED OFFICE OF THE COMPANY UP TO THE CONCLUSION OF THIS ANNUAL GENERAL MEETING.

## DIRECTORS' REPORT

To  
The Members,

Your Directors are pleased to present 17<sup>th</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31<sup>st</sup> March, 2012.

### Financial Results

The summarized financial results for the year ended 31<sup>st</sup> March, 2012 are as under:

Particular	31 <sup>st</sup> March, 2012 Amount in Rs.	31 <sup>st</sup> March, 2011 Amount in Rs.
Profit /(Loss) before Dep. & taxation	210031	259244
Depreciation	133002	144202
Profit /(Loss) before taxation	77029	115042
Provision for Taxation	40000	34000
Profit /(Loss) after taxation	37029	81042
Prior Period expenses and Adjustments	--	--
Balance available for appropriation	37029	81042
Transferred to General Reserve	23613	--
Balance carried to Balance sheet	13416	81042

### Dividend:

Due to insufficient profits, your Directors do not recommend any dividend for the year under review.

### Directors:

Mrs. Vasantbala M. Shah, Director of the company who is liable to retire by rotation, being eligible for reappointment, offers herself for reappointment.

### Directors' Responsibility Statement:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. the Directors had selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. the Directors had 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.

4. the Directors had prepared the Annual Accounts on a going concern basis.

### **Management Discussion and Analysis Report**

The NBFC sector in India is integral to the financial framework of the country. The market conditions is very weak and many companies have given up with the weak situation of the market. We have tried to overcome from this bad scenario of the market. The NBFCs continue to play a key role in the development of the country by being present in under-banked and unbanked regions and participating in inclusive growth.

Your company, Abhishek Finlease Limited is an Investment and Financial Consultant committed to provide the best financial services to our clients. We strongly believe in building a strong financial community. Our goal is to apply the best risk adjusted return which we achieve through diversified investment style.

With the Indian Market continuing to expand and presenting a host of opportunities in the financial services sector, there are many players who are venturing in this business therefore there is threat of even more competition to the Company.

### **Corporate Governance**

A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are annexed to this Report.

### **Disclosures under Section 217(1)(d) of the Companies Act, 1956:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

### **Transfer to Reserves in terms of Section 217(1)(b) of the Companies Act, 1956:**

For the financial year under review, the Company has not transfer any sum to Reserves except as per the RBI Norms.

### **Particulars of Employees:**

There are no employees in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

### **Auditors :**

The Statutory Auditors of the Company, M/s. Bhagat & Co, retire at the conclusion of the ensuing Annual General Meeting, and are eligible for re-appointment. The retiring Auditors have furnished a certificate of their eligibility for re-appointment under section 224 (1B) of the Companies Act, 1956 and have indicated their willingness to continue. The Board of Directors recommend the reappointment as Statutory Auditors of M/s. Bhagat & Co, Chartered Accountants for the financial year 2012-13 for shareholder's approval.

## Corporate Governance Report for the year 2011-12

### 1. Company's Philosophy on code of governance

ABHISHEK FINELEASE LIMITED has over the years followed the good business practices. The Company believes that good corporate governance is essential to achieve long term corporate goals and to enhance shareholders' value. In the pursuit, the Company is committed to conducting business in accordance with the legal and ethical standards.

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. The Company recognizes that strong Corporate Governance is indispensable for safeguarding the interest of shareholders and other stakeholders.

### 2. Listing of the Company's shares in Stock Exchanges

The Company's Shares were listed on 'Ahmedabad Stock Exchange Limited'

### 3. Board of Directors

The business of the Company is conducted by the management under the directions of the Board. Composition and Memberships of the Directors in other Boards and in Board Committees are as under:

Name of Director	Category of Directorship	Directorship in other Companies	Details of Committee	
			Chairman	Member
Mr. Mahendra M. Shah	Promoter & Executive Director	NIL	NIL	NIL
Mr. Sanket M. Shah	Promoter & Executive Director	NIL	NIL	NIL
Mrs. Vasantbala M. Shah	Promoter & Executive Director	NIL	NIL	NIL

Other directorship do not include alternate directorship, directorship of Private Limited companies and of companies incorporated outside India. Chairmanship/ Membership of Board Committees include membership of Audit and Shareholders / Investors Grievance Committees.

#### a) Composition of the Board

The Board is constituted of Three Executive Directors. The Board is looking forward to have an optimum combination of Executive and Non-Executive Independent Directors.

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

The particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

**Acknowledgements :**

We thank our Shareholders, bankers and Business associates at all levels for the continuing support during the year. Our consistent growth was made possible by their hard work, solidarity, cooperation and support.

**By Order of the Board of Directors**

**Mr. Mahendrabhai M. Shah  
Chairman and Managing Director**

**Place: Ahmedabad  
Date: 09/08/2012**

**b) Board Procedure**

Board met Six times during the year under review on 30<sup>th</sup> April, 2011, 30<sup>th</sup> July, 2011, 5<sup>th</sup> August, 2011, 31<sup>st</sup> October, 2011, 31<sup>st</sup> January, 2012 and 12<sup>th</sup> March, 2012.

During the financial year 2011-12, Six meetings of Board of Directors were held, the information to be made available to the Board as per Annexure IA forming part of Clause 49 has been complied with. The Board Meetings are generally held at the Registered Office of the Company. Calendar of the Board Meeting is fixed in advance for each year. The Board meets at least once a quarter with the gap between two meetings not exceeding four months. The Directors also have access to all the information about the company and are free to recommended inclusion of any matter in the agenda for discussion.

The attendance of each director at the Board Meetings and last Annual General Meeting are as under:

Name of Director	Meetings		Attendance at last AGM
	Held	Attended	
Mr. Mahendra M. Shah	6	6	Yes
Mr. Sanket M. Shah	6	6	Yes
Mrs. Vasantbala M. Shah	6	-	Yes

**c) Code of Conduct:**

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance of the Code of Conduct.

**e) Disclosures regarding appointment/ re-appointment of Directors**

Mrs. Vasantbala M. Shah is Director retiring at the ensuing Annual General Meeting and being eligible, have offered themselves for re-appointment.

The Board has recommended the re-appointment of the retiring Director.

**4. Committees of the Board**

**A) Audit Committee**

**a) Constitution & Composition of Audit Committee:**

The Audit Committee of the Company was constituted as per the provision of the prevailing law. The Audit Committee comprise of two Director of the Company.

The composition of the Audit Committee and details of meetings attended by the members of the Audit Committee are given below:

Name	Category
Mr. Mahendra M. Shah	Executive Director
Mr. Sanket M. Shah	Executive Director

Meeting of Audit Committee was held 4 times during the financial year.

b) **Broad Terms of reference:**

1. Overseeing the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending the appointment and re-appointment of the statutory auditor and the fixation of their remuneration.
3. Reviewing and discussing with the management, the annual financial statements before submission to the board with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of section 217 of the Companies Act, 1956
  - b) Changes, if any, in accounting policies and practices and reasons for the same
  - c) Major accounting entries involving estimates based on the exercise of judgment by management
  - d) Significant adjustments made in the financial statements arising out of audit findings
  - e) Compliance with listing and other legal requirements relating to financial statements
  - f) Disclosure of any related party transactions
  - g) Qualifications in the draft audit report.
4. Reviewing the Quarterly and Half yearly financial results and the Annual financial statements before they are submitted to board.
5. Reviewing and discussing with the management.
6. Discussing with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
7. Looking into the reasons for substantial defaults in the payment to depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors, if any.
8. Reviewing the Management discussion and analysis of financial condition and results of operations.

9. Reviewing and discussing the Statement of significant related party transactions (as defined by the audit committee), submitted by management.

c) **Remuneration Policy:**

To review the remuneration package of the Executive Director including Perquisites & Allowances and commission payable were within the limits prescribed under the law.

d) **Details of remuneration to the Directors:**

ii) **Executive Directors**

Details of remuneration paid to Chairman & Managing Director during the financial year 2011-12 is as under:

Name	Salary	(In Rs.)	
		Perquisites & Allowances	Commission
Mr. Mahendra M. Shah	1,92,000	-	-

iii) **Details of shares of the Company held by Directors as on 31<sup>st</sup> March, 2012 are as under:**

Name	No. of shares held
Mr. Mahendra M. Shah	1233000
Mr. Sanket M. Shah	97400

B) **Shareholders/Investors Grievance Committee**

a) **Constitution & Composition of Shareholders/Investors Grievance Committee:**

The composition of the Shareholders/Investors Grievance Committee is given below:

Name	Category
Mr. Mahendra M. Shah	Executive Director
Mr. Sanket M. Shah	Executive Director

Meeting of Shareholders/Investors Grievance Committee was held 1 times during the financial year.

b) **Brief terms of reference:**

To specially look into redressal of shareholders and investors complaints like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividend, revalidation of dividend warrant or refund order etc., if any.

c) Details of complaints received and redressed:

Received during the period 01.04.2011 to 31.03.2012	Resolved during period 01.04.2011 to 31.03.2012	Closing Balance
0	0	0

5. General Body Meetings

a) The last three Annual General Meetings were held as under:

Financial Year	Date	Location of Meeting	Time	No. of special Resolutions passed
2008-09	25.09.2009	402 Wall Street -1, Opp. Orient Club, Nr. Gujarat College Ellisbridge Ahmedabad - 380 006	11:00 A.M.	-
2009-10	28.09.2010	402 Wall Street -1, Opp. Orient Club, Nr. Gujarat College Ellisbridge Ahmedabad - 380 006	11:00 A.M.	-
2010-11	27.09.2011	402 Wall Street -1, Opp. Orient Club, Nr. Gujarat College Ellisbridge Ahmedabad - 380 006	10:00 A.M.	-

Extra Ordinary General Meeting

No Extra Ordinary General Meeting of the Company was held during last 3 years.

b) Whether special resolutions were put through postal ballot last year, details of voting pattern:

No

c) Person who conducted the postal ballot exercise:

N. A.

d) Whether any resolutions are proposed to be conducted through postal ballot

No Special Resolution requiring a Postal Ballot is being proposed at the ensuing Annual General Meeting of the Company.

e) **Procedure for postal ballot**

Prescribed procedure shall be complied with whenever necessary.

7. **Disclosures**

i) **Related Party Transactions**

There have been no materially significant related party transactions and pecuniary transactions that may have potential conflict with the interest of the Company at large.

Audit Committee reviews periodically significant related party transactions i.e. transactions of the company, which are of material nature, with its directors, or relatives or the management that may have potential conflict with the interest of the Company at large. The details of Related Party Transactions are disclosed in financial section of this Annual Report.

ii) **Disclosure of Accounting Treatment**

In the preparation of the financial statements, the Company has followed the Accounting policies and practices as prescribed in the Accounting Standards and there is no change in the accounting treatment during the year under review.

iii) **Board Disclosures – Risk Management**

The Company have laid down procedure to inform the Board Members about the risk assessment and minimization procedure covering the entire gamut of business operations of the company and the same have been reviewed by the Board during the year.

iv) **Management**

a) **Management Discussion and Analysis Report**

Management Discussion and Analysis Report is set out in a separate section included in this Annual Report and forms part of this Report.

b) **Disclosure of material Financial and Commercial Transaction**

The designated Senior Management Personnel of the company have disclosed to the Board that no material, financial and commercial transactions have been made during the year under review in which they have personal interest, which may have a potential conflict with the interest of the Company at large.

v) **Compliance by the Company**

There has been no instance of non-compliance by the Company on any matter related to capital markets during the last three years and no penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any statutory authority.

vi) **CEO/ CFO Certification**

The CEO (Chairman & Managing Director) and the CFO have furnished a Certificate to the Board for the year ended on 31<sup>st</sup> March 2012 in compliance with Clause 49 of Listing Agreement.

vii) **Secretarial Audit**

A qualified practicing company secretary carried out a secretarial audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The Secretarial audit report confirms that the total issued/paid-up capital of the Company is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL.

8. **Means of Communication**

Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges and published in the news papers as per requirement of the Listing Agreements. These results are not sent individually to the shareholders.

9. **General Shareholders Information**

a) **Date, time and venue of the 17<sup>th</sup> Annual General Meeting**

Monday, the 25<sup>th</sup> September, 2012 at 10:00 a.m. at the Registered office of the company situated at 402 Wall Street -1, Opp. Orient Club, Nr. Gujarat College, Ellisbridge, Ahmedabad - 380006.

b) **Financial Year**

Financial year is 1<sup>st</sup> April 2012 to 31<sup>st</sup> March 2013 and financial result will be declared as per the following schedule.

Particulars	:	Tentative Schedule
Quarterly Results		
Quarter ending on June 30, 2012		Last week of July 2012
Quarter ending on September 30, 2012	:	Last week of October 2012
Quarter ending on December 31, 2012	:	Last week of January 2013
Annual Result of 2012-13	:	Last week of June 2013

c) **Book closure date:**

The Register of Members and Share Transfer Books of the Company will be closed from 15.09.2012 to 25.09.2012' (both days inclusive) for the purpose of 17<sup>th</sup> Annual General Meeting.

d) **Listing on Stock Exchange**

The Company's shares are listed on the following Ahmedabad Stock Exchange.

Name of Stock Exchange	Address	Code
Ahmedabad Stock Exchange Limited	Kamdhenu Complex, Opp. Sahajanand College, Panjra pole, Ahmedabad - 380015	01033

Annual Listing Fees for the year 2012-13 has been paid by the Company to Ahmedabad Stock Exchange Limited.

e) **Registrar & Transfer Agents:**

Name & Address : MCS Limited  
21/22 Ground Floor,  
Kashiram Jamnadas Building,  
5, P. D. mello Road,  
Ghadiyal Godi, Mumbai - 400 009  
Tel. : 022-2372 6252,6253,6254,6255  
Fax. : 022-2362 6256  
E-mail : mcspanvel@yahoo.co.in

f) **Share Transfer Procedure**

M/s MCS Limited has been acting as the Depository Registrar for establishing connectivity with NSDL and CDSL for Demat Segment and for physical segment as well. M/s MCS Limited uses Computerized share transfer system for processing transfer of shares. On the basis of periodic report on various requests received from the shareholders, share transfer and other requests are placed for approval of Shareholders' Grievances Committee.

g) **Shareholding (as on 31<sup>st</sup> March, 2012)**

a. Distribution of Shareholding as on 31<sup>st</sup> March, 2012

No. of shares	No. of Shareholders	% to Shareholders
1-500	827	81
501-1000	48	5
1001-5000	68	6.63
5001-10000	29	2.82

10000-100000	42	4.09
100000 & above	11	1.07
<b>Total</b>	<b>1025</b>	<b>100.61</b>

b. Shareholding Pattern as on 31<sup>st</sup> March, 2012:

Category	No. of Shares	% of Holding
<b>Promoter Group Holding(including Director &amp; Relatives)</b>		
Individual / HUF	2245100	52.65
Body Corporate	252000	5.91
Mutual Funds/UTI	-	-
Banks / FI/ Central Govt. / State Govt. & Insurance Companies	-	-
Foreign Institutional Investors	-	-
Trusts	-	-
NRI/ OCBs	-	-
Foreign Companies	-	-
Other Corporate Bodies	268500	6.30
Clearing Member	-	-
Other Indian Public	1498300	35.14
<b>Total</b>	<b>4263900</b>	<b>100.00</b>

h) **Dematerialization of Shares and Liquidity:**

Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE723C01015.

i) **Outstanding GDRs/ ADRs/Warrants or any convertible instrument, conversion and likely impact on equity:**

N. A.

j) **Plant location:**

N. A.

k) **Address of Correspondence:**

i) For transfer/ dematerialization of shares, change of address of members and other queries.

Mr. Mahendra M. Shah  
402 Wall Street -1,  
Opp. Orient Club,  
Nr. Gujarat College,  
Ellisbridge, Ahmedabad – 380006.

**CERTIFICATE**  
**ON CORPORATE GOVERNANCE**

To,  
The members of  
Abhishek Finlease Limited :

We have examined the compliance of Corporate Governance by Abhishek Finlease Limited ("the Company") for the year ended on 31<sup>st</sup> March, 2012 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of procedures and implementations thereof adopted by the Company for ensuing compliance of 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, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the Clause 49 of the above mentioned Listing Agreement.

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

Place : Ahmedabad  
Date : 09.08.2012

For Bhagat & Co.,  
Chartered Accountants

Sankar Prasad Bhagat  
Memb. No. 052725  
(Firm Reg. No. 127250W)

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**CEO / CFO CERTIFICATE**  
**TO WHOMSOEVER IT MAY CONCERN**

We Certified to the Board that:

- a) We have reviewed financial statement and the cash flow statement for the year and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls and that we have evaluated the effectiveness of the internal control systems of the Company and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the auditors and the Audit Committee:-
  - (i) significant changes in internal control during the year;
  - (ii) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - (iii) instances of significant fraud of which they have become aware and the involvement therein, if any of the management or an employee having a significant role in the company's internal control system.

For Abhishek Finlease Limited

Place : Ahmedabad  
Date : 09.08.2012

Managing Director

## AUDITORS' REPORT

To,  
The Members of  
ABHISHEK FINLEASE LTD.

1. We have audited the attached Balance Sheet of **ABHISHEK FINLEASE LTD.** As at March 31,2012 and also the Profit and Loss account for the year ended on that date annexed thereto. 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.
2. 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in Terms of sub-section (4A) of Section 227 of the Companies Act,1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order
4. Further to our comments in the Annexure referred to above, we report that,
  - i) We have obtain all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books;
  - iii) The balance sheet and profit and loss account and cash flow dealt with by this report are in agreement with the books of account;
  - iv) In our opinion, The Balance-Sheet, Profit and Loss account and cash flow statement dealt with the report comply with the accounting standard referred in sub-section (3c) of section 211 of Companies Act, 1956.
  - v) On the basis of the written representations received from the Directors as on March 31,2012 and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2012 from being appointed as a Director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act,1956.



**BHAGAT & Co.**  
**CHARTERED ACCOUNTANTS**

24, Laxmi Chamber, Navjivan Press Road, Income tax, Ahmedabad-380014

vi) In our opinion the said accounts to the best of our information and according to the explanations given to us and subject to :-

1. Notes no. (B) 2. B (9), B (10) of Schedule -21, and.
2. In respect of assets stated in schedules 12 to the balance sheet, we have relied upon the management about their perception treating that assets standard assets, and read with other notes thereon given the information required by the Companies Act, 1956, in the manner so required and, give a true and fair view :

a) In the case of Balance Sheet, of the state of affairs of the Company as at March 31,2012;

And

b) In the case of the Profit and Loss account, of the Profit for the year ended on that date.



FOR, BHAGAT & CO.,  
CHARTERED ACCOUNTANTS,

*Shankar Prasad Bhagat*  
(SHANKAR PRASAD BHAGAT)

Memb. No.052725

Firm Reg No.127250W

Place: Ahmedabad

Date :09/08/2012

ANNEXTURE REFERED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

- 1) (i) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.  
  
(ii) All the assets have been physically verified by the management during the year as per the regular programme of verification which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.  
  
(iii) There was no disposal of fixed assets during the year.
- 2) (i) The management has conducted physical verification of Shares & Securities at reasonable intervals.  
  
(ii) The procedures of physical verification of Shares & Securities followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.  
  
(iii) the Company is maintaining proper records of Shares & Securities and explained to us, no material discrepancies were noticed on physical verification.
- 3) The company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered in the register maintain u/s.301 of the Companies Act, 1956. Accordingly, clause 4(iii)(a), to (iii)(g) of Companies (Auditors Order)2003 are not applicable.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business, with regard to purchases of inventory, fixed assets and with regard to sale of goods and Securities, During the course of our audit, no major weakness has been noticed in internal controls.
- 5) Based on the audit procedures applied by us and according to the information and explanations provided by by the management, we are of the opinion that there are no transactions that need to be entered into the register maintained under section 301 of the Companies Act,1956.
- 6) The company has not accepted any deposits from the public.
- 7) The company has internal audit system commensurate with its size and nature of its business.



24, Laxmi Chamber, Navjivan Press Road, Income tax, Ahmedabad-380014

- 8) According to the information and explanation given to us, the maintenance of cost records are not prescribed by the Central Government under clause (d) of sub section (1) of Section 209 of the Act.
- 9) (i) According to the records of the company, the Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service tax, Excise Duty, cess and other material statutory dues applicable to it with the appropriate authorities.  
  
(ii) According to the information and explanations given to us, there are no dues outstanding of Provident Fund, Sakes tax, Income tax, Wealth tax, Excise duty or cess on account of any dispute.
- 10) In our opinion the company does not have accumulated losses of more than 50% of its networth, However the Company has not incurred cash losses during the financial year under report as well as in the preceding financial year.
- 11) The Company has no outstanding dues to financial institution or bank or debenture holders, accordingly clause 4(xi) of Companies (Auditors Report) order 2003, is not applicable to the Company.
- 12) In our opinion and according to the information and explanations given to us, the Company has maintained adequate documents and records in cases where the company has granted loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13) In our opinion the company is not a chit fund or a nidhi/mutual benefit funds/society. Therefore, clause 4(xiii) of the Companies (Auditor's Report) Order 2003 is not applicable to the Company.
- 14) The Company has maintained proper records of transaction and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein. All shares, debentures and other securities have been held by the company in its own name except to the Company.
- 15) According to the information and explanations given to us, the Company has not given any guarantee for loans taken by its subsidiaries and associates and from bank or financial institutions.



**BHAGAT & Co.**

**CHARTERED ACCOUNTANTS**

*24, Laxmi Chamber, Navjivan Press Road , Income tax , Ahmedabad-380014*

- 16) The Company has not taken any term loan during the current financial year hence clause 4(xvi) of the Companies (Auditors' Report) Order 2003 is not applicable to the assessee company.
- 17) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that during the current financial year company has not borrowed any short term or long term funds.
- 18) During the year , the Company has not made preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act,1956.
- 19) The Company did not have any outstanding debentures during the year.
- 20) The Company has not raised any money through a public issue during the year.
- 21) Based upon the audit procedures performed and information and explanations given by the management, we report that no fund on or by the Company has been noticed or reported during the course of our audit.



Place: Ahmedabad

Date :09/08/2012

FOR, BHAGAT & CO.,  
CHARTERED ACCOUNTANTS,

*Shankar*  
(SHANKAR PRASAD BHAGAT)

Memb. No.052725

Firm Reg No.127250W

ANNEXTURE – I REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE

3(A). The company is engaged in the business of non-banking financial institution and has obtain a certificate of registration from Reserve Bank of India under section 451a of the Reserve Bank of India Act, 1934 and the company is entitled to continue to hold such certificate of Registration in terms of its assets/income pattern as on 31<sup>st</sup> March, 2012.

3(C)[i] The Board of Director of the Company has passed a resolution for non-acceptance of any public deposits.

[ii] During the year, the company has not accepted any public deposit.

[iii] The company has complied with the prudential norms relating to income recognition, accounting standards, assets, classification and provisioning for bad and doubtful debts as applied to it.



FOR, BHAGAT & CO.,  
CHARTERED ACCOUNTANTS,

*Shankar Prasad Bhagat*  
(SHANKAR PRASAD BHAGAT)

Memb. No.052725

Firm Reg No.127250W

Place : Ahmedabad

Date : 09/08/2012

**ABHISHEK FINLEASE LTD**

**Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2012**

**Note : 13 Revenue from Operations**

Sr. No	Particulars	2012	2011
1	Sale of shares & Securities	828496	1,281,469
2	Profit on sale of Investments	-	-
3	Share Dividend	114,030	158,210
4	Interest On Short Term Finance	1,842,205	1,670,082
	<b>Total in `</b>	<b>2,784,731</b>	<b>3,109,761</b>

**Note : 14 Other Income**

Sr. No	Particulars	2012	2011
1	F.D.Interest	262,141	192,177
2	Excess Provision Made In Early Year	-	8,250
3	Other Income	21,075	-
4	Court Transfer Fees	4,767	-
	<b>Total in `</b>	<b>287,983</b>	<b>200,427</b>

**Note : 15 Cost of Material Consumed**

Sr. No	Particulars	2012	2011
a)	<b>PURCHASES OF RAW MATERIALS AND STORES</b>		
1	Purchase of Shares & Securities	480455	771,005
2	Pig Iron & Iron Scrap	-	-
3	Fabrication Raw Material	-	-
4	Stores & Consumables	-	-
	<b>Sub-total (a)</b>	<b>480,455</b>	<b>771,005</b>

**Note:16 Change in Inventories**

Sr.No	Particulars	2,012	2,011
1	Opening Stock	4,641,640	4,791,185
2	Closing Stock	4,326,147	4,641,640
	<b>Total in `</b>	<b>315,493</b>	<b>149,545</b>

**Note : 17 Employment Benefit Expenses**

Sr. No	Particulars	2,012	2,011
1	Salaries, Bonus, PF & ESIC	196,836	226,774
2	Directors Remuneration	192,000	144,000
	<b>Total in `</b>	<b>388,836</b>	<b>370,774</b>

**ABHISHEK FINLEASE LTD**

**Notes Forming Part of the Profit & Loss Accounts as at 31st March, 2012**

**Note :18 Financial Cost**

Sr. No	Particulars	2012	2011
1	Bank Charges	1,719	1,991
2	Bank Interest	15,288	13,397
	<b>Total in `</b>	<b>17,007</b>	<b>15,388</b>

**Note : 19 Depreciation & Amortised Cost**

Sr. No	Particulars	2012	2011
1	Depreciation	133,002	144,202
	<b>Total in `</b>	<b>133,002</b>	<b>144,202</b>

**Note : 20 Other Administrative Expenses**

Sr. No	Particulars	2012	2011
1	Audit expenses	12,500	13,750
2	Advertisement expenses	13,648	-
3	Boni expenses	8,009	6,400
4	Books & Periodicals	5,529	1,680
5	Computer repairing & Maintanance expenses	26,100	14,850
6	Conveyance expenses	39,263	34,097
7	Consultancy expenses	13,500	9,500
8	Demate Charges	28,315	27,137
9	Electric expenses	22,494	20,050
10	Flat Maintanance	16,800	29,750
11	Income tax matter fees	16,500	16,500
12	Insurance expenses	6,748	12,256
13	Mobile recharge expenses	20,673	15,622
14	Munuciple Tax	14,556	35,330
15	Petrol expenses for Scooter	21,850	24,500
16	Petrol expenses for Car	60,620	68,980
17	Postage expenses	35,136	21,000
18	Printing expenses	-	14,050
19	Reparing & Maintanance expense	24,870	-
20	Service Tax	127	342
21	Stamp expenses	-	186
22	Stock exchange fees	16,854	16,545
23	Office Expenses	65,197	62,126
24	ROC expenses	1,500	2,000
25	STT expenses	109	2,143
26	Tea & Refreshment expenses	36,170	20,215
27	T.O Charges	-	64
28	Travelling expenses	29,824	26,321
29	Vatav & Kasar	43,022	108,035
30	Vakil Fees	62,250	51,000
31	Vehicale Repairing & Maintanance	19,309	26,056
32	Xerox & Stationery expenses	56,064	32,385
	<b>Total in `</b>	<b>717,537</b>	<b>712,870</b>

**ABHISHEK FINLEASE LTD**  
**BALANCE SHEET AS AT 31ST MARCH, 2012**

Particulars	Note No.	2012	2011
<b><u>(1) Shareholder's Funds</u></b>			
(a) Share Capital	1	42,637,500	42,637,500
(b) Reserves and Surplus	2	6,060,583	6,097,612
(c) Money received against share warrants		-	-
<b><u>(2) Share Application money pending allotment</u></b>			
		-	-
<b><u>(3) Non-Current Liabilities</u></b>			
(a) Long-Term Borrowings		-	-
(b) Deferred Tax Liabilities (Net)		-	-
(c) Other Long Term Liabilities		-	-
(d) Long Term Provisions		-	-
<b><u>(4) Current Liabilities</u></b>			
(a) Short-Term Borrowings	3	998	60,300
(b) Trade Payables	4	91,493	77,845
(c) Other Current Liabilities			
(d) Short-Term Provisions	5	2,665,635	2,387,745
<b>Total Equity &amp; Liabilities</b>		<b>39,335,043</b>	<b>39,065,778</b>
<b>II.ASSETS</b>			
<b><u>(1) Non-Current Assets</u></b>			
<b><u>(a) Fixed Assets</u></b>			
	6		
(i) Gross Block		2,546,838	2,423,838
(ii) Depreciation		2,110,012	1,977,010
(iii) Net Block		436,826	446,828
(b) Non-current investments	7	1,144,052	580,302
(c) Deferred tax assets (net)		-	-
(d) Long term loans and advances			
(e) Other non-current assets			
<b><u>(2) Current Assets</u></b>			
(a) Current investments	8	500	576,124
(b) Inventories	9	4,326,147	4,641,640
(c) Trade receivables	10	1,195,601	2,092,559
(d) Cash and cash equivalents	11	4,296,846	3,362,042
(e) Short-term loans and advances	12	27,935,071	27,366,283
(f) Other current assets		-	-
<b>Total Assets</b>		<b>39,335,043</b>	<b>39,065,778</b>

**NOTES TO ACCOUNTS**

21

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*Schedules referred to above and notes attached there to form an integral part of Balance Sheet*

*This is the Balance Sheet referred to in our Report of even date.*

**FOR , BHAGAT & CO.**

**FOR ABHISHEK FINLEASE LIMITED**

**CHARTERED ACCOUNTANTS**

(DIRECTOR)

(DIRECTOR)

**(CA. SHANKAR PRASAD BHAGAT)**

**Membership No. : 052725**

**Firm Reg. No.: 127250W**

**PLACE: AHMEDABAD**

**DATE:09/08/2012**

**ABHISHEK FINELEASE LTD**

**Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012**

**Note : 1 Share Capital**

Sr. No	Particulars	2012	2011
1	<b>AUTHORIZED CAPITAL</b> 5,000,000 Equity Shares of Rs. 10/- each.	50,000,000	50,000,000
		50,000,000	50,000,000
2	<b>ISSUED , SUBSCRIBED &amp; PAID UP CAPITAL</b> <b>To the Subscribers of the Memorandum</b> 4263900 Equity Shares of Rs. 10/- each, Fully Paid up Share capital by allotment Less:- Calls in arrears	42,639,000  1,500	42,639,000  1,500
	<b>Total in `</b>	<b>42,637,500</b>	<b>42,637,500</b>

**Note : 2 Reserve & Surplus**

Sr. No	Particulars	2012	2011
1	Capital Reserve		
	a) Gasifier Subsidy	-	-
2	Capital Redemption Reserve	-	-
3	Securities Premium reserve	-	-
4	Debenture Redemption Reserve		
5	Revaluation Reserve		
6	Shares Option Outstanding Account		
7	Other Reserve (Special Reserve)	23,613	
8	Surplus (Profit & Loss Account)		
	Balance brought forward from previous year	- 6,097,612	- 6,178,654
	Less: Tax on Regular Assessment Paid	-	-
	Less: Transfer to Profit and Loss A/c	-	-
	Add: Profit for the period	13,416	81,042
	<b>Total in `</b>	<b>- 6,060,583</b>	<b>- 6,097,612</b>

**Note : 3 Short Term Borrowings**

Sr. No	Particulars	2012	2011
	<b>Total in `</b>	<b>998</b>	<b>60,300</b>

**Note : 4 Trades Payable**

Sr. No	Particulars	2012	2011
	<b>Total in `</b>	<b>91,493</b>	<b>77,845</b>

**Note : 5 Short Term Provisions**

Sr. No	Particulars	2012	2011
1	<b>Provision For Employees Benefit</b>		
2	<b>Others</b>		
	Provision for Bad Debts & Doubtful Debts	2,402,973	2163833
	Stock Exchange Fee ( Provision)	51412	51412
	Unpaid Audit Fee	20750	22,000
	Unpaid Income-tax matter Fees	16500	16,500
	Provision For Taxation 08-09	25,000	25,000
	Taxation Provision ( MAT) (11-12)	34,000	34000
	Provision For Taxation 07-08	75,000	75000
	Taxation Provision ( MAT) (12-13)	40,000	
	<b>Total in `</b>	<b>2,665,635</b>	<b>2,387,745</b>

**Note : 7 Non Current Investment**

Sr. No	Particulars	2012	2011
	<b>Total in `</b>	<b>1,144,052</b>	<b>580,302</b>

**Note :8 Current Investment**

Sr. No	Particulars	2012	2011
	<b>Total in `</b>	<b>500</b>	<b>576,124</b>

**Note : 9 Inventories**

Sr. No	Particulars	2012	2011
	<b>Total in `</b>	<b>4,326,147</b>	<b>4,641,640</b>

**ABHISHEK FINELEASE LTD**

*Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012*

**Note : 10 Trade Recievables**

<b>Sr. No</b>	<b>Particulars</b>	<b>2012</b>	<b>2011</b>
		-	
	<b>Total in `</b>	<b>1,195,601</b>	<b>2,092,559</b>

**Note : 11 Cash & Cash Equivalent**

<b>Sr. No</b>	<b>Particulars</b>	<b>2012</b>	<b>2011</b>
1	<b>Cash-in-Hand</b>	450,751	393,430
2	<b>Bank Balance</b>	3,846,095	2,968,612
	<b>Total [ A + B + C ]</b>	<b>4,296,846</b>	<b>3,362,042</b>

**Note :12 Short Terms Loans and Advances**

<b>Sr. No</b>	<b>Particulars</b>	<b>2012</b>	<b>2011</b>
1	Loans & Advances from related parties		
	a) Secured, Considered Good :		
	<b>ADVANCE TO OTHERS :</b>		
	(A)	1,190,807	1,290,807
	(B)	20,770,748	19,379,938
	Other Advances	715,770	408,889
	<b>PAYMENT AGAINST CAPITAL GOODS</b>		
	Abhishek Corporation	-	502,603
	<b>CAPITAL GOODS RECEIVED AGAINST AMOUNT</b>		
		4,540,477	4,540,477
	<b>INTEREST RECEIVABLE</b>		
		713,269	1,239,569
	<b>DEPOSITS</b>		
	Telephone Deposit	4,000	4,000
	<b>Total</b>	<b>27,935,071</b>	<b>27,366,283</b>

## PROFIT &amp; LOSS STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2012

Sr. No	Particulars	Note No.	2012	2011
I	Revenue from operations	13	2,784,731	3,109,761
II	Other Income	14	287,983	200,427
III	<b>III. Total Revenue (I +II)</b>		<b>3,072,714</b>	<b>3,310,188</b>
IV	<b>Expenses:</b>			
	Cost of materials consumed	15	480,455	771,005
	Purchase of Stock-in-Trade		-	-
	Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	16	315,493	149,545
	Employee Benefit Expense	17	388,836	370,774
	Financial Costs	18	17,007	15,388
	Depreciation and Amortization Expense	19	133,002	144,202
	Other Administrative Expenses	20	717,537	712,870
	Trading Loss		704,215	815,562
	<b>Total Expenses (IV)</b>		<b>2,756,545</b>	<b>2,979,346</b>
V	Profit before exceptional and extraordinary items and tax	(III - IV)	<b>316,169</b>	<b>330,842</b>
VI	Exceptional Items		-	-
	NPA Provisions		239,140	215,800
VII	Profit before extraordinary items and tax (V - VI)		<b>77,029</b>	<b>115,042</b>
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII - VIII)		<b>77,029</b>	<b>115,042</b>
X	<b>Tax expense:</b>			
	(1) Current tax MAT Provision		40,000	34,000
	(2) Deferred tax		-	-
XI	Profit(Loss) from the perid from continuing operations	(IX-X)	<b>37,029</b>	<b>81,042</b>
XII	Profit/(Loss) from discontinuing operations		-	-
XIII	Tax expense of discounting operations		-	-
XIV	Profit/(Loss) from Discontinuing operations (XII - XIII)		-	-
XV	Profit/(Loss) for the period (XI + XIV)		<b>37,029</b>	<b>81,042</b>
	Less:- Transfer to reserve		23,613	-
	Less: Proposed Dividend		-	-
	Less: Tax on Dividend		-	-
	<b>Balance Carried Forward to Balance Sheet</b>		<b>13,416</b>	<b>81,042</b>
XVI	Earning per equity share:			
	(1) Basic		0.01	0.02
	(2) Diluted		0	0

## NOTES TO ACCOUNTS

21

*Schedules referred to above and notes attached there to form an integral part of Profit & Loss Statement*

*This is the Profit & Loss Statement referred to in our Report of even date.*

FOR , BHAGAT &amp; CO.

FOR ABHISHEK FINLEASE LIMITED

CHARTERED ACCOUNTANTS

(DIRECTOR)

(DIRECTOR)

(CA. SHANKAR PRASAD BHAGAT)

Membership No. :052725

PLACE: AHMEDABAD

Firm Reg. No.: 127250W

DATE:09/08/2012

ABHISHEK FINLEASE LTD

Notes Forming Integral Part of the Balance Sheet as at 31st March, 2012

Note : 6 Fixed Asset

I. Fixed Assets

Sr. No	Particulars	Rate	Gross Block				Depreciaton			Net Block	
			Value at the beginning	Addition during the year	Deduction during the year	Value at the end	Value at the beginning	For the year	Value at the end	WDV as on 31.03.2012	WDV as on 31.03.2011
1	AIR COOLER	13.91%	4400	0	0	4400	3674	101	3775	625	726
2	AIR CONDITIONER	13.91%	114400	0	0	114400	70329	6130	76459	37941	44071
3	CAR	25.89%	1256695	0	0	1256695	1021367	60926	1082293	174402	235358
4	COMPUTER	40.00%	406670	41000	0	447670	351794	34362	386156	61514	54876
5	COMPUTER SOFTWARE	40.00%	61200	0	0	61200	57631	1427	59058	2142	3569
6	CYCLE PURCHASE	13.91%	2130	0	0	2130	942	165	1107	1023	1188
7	EPBX	13.91%	9425	0	0	9425	8425	139	8564	861	1000
8	FAX	13.91%	18000	0	0	18000	16363	228	16591	1409	1637
9	FURNITURE	18.10%	412970	82000	0	494970	336370	23922	360292	134678	76600
10	KINETIC ACTIVA	25.89%	38837	0	0	38837	35036	984	36020	2817	3801
11	LUNA	25.89%	20936	0	0	20936	20241	180	20421	515	695
12	MOBILE PHONE	13.91%	21160	0	0	21160	14708	897	15605	5555	6452
13	MOTOR CYCLE	25.89%	45465	0	0	45465	35511	2577	38088	7377	9954
14	FREEZ	13.91%	6000	0	0	6000	2736	454	3190	2810	3264
15	LG TCL TV	13.91%	5550	0	0	5550	1883	510	2393	3157	3667
<b>Total [A + B + C + D] (Current Year)</b>			<b>2,423,838</b>	<b>123,000</b>	<b>-</b>	<b>2,546,838</b>	<b>1,977,010</b>	<b>133,002</b>	<b>2,110,012</b>	<b>436,826</b>	<b>446,858</b>
<b>(Previous Year)</b>			<b>2,362,368</b>	<b>61,470</b>		<b>2,423,838</b>	<b>1,832,808</b>	<b>144,202</b>	<b>1,977,010</b>	<b>446,828</b>	<b>529,560</b>

**ABHISHEK FINLEASE LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2012**

Particulars	2011-2012		2010-2011	
<b>A) CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit before tax as per Profit & Loss A/c		13416		81042
Adjustments :				
Depreciation	133002		144203	
Transfer to Reserve	23613		0	
Provision of Income Tax	40000		34000	
Provision for NPA	239140		215800	
Dividend	(114030)		(158210)	
Provision Written Back	0		0	
		321725		235793
Operating Profit before working capital		335141		316835
Adjusted for :				
i) Other Non - Current Receivables	1219287		(1635615)	
ii) Other Current & Non - Current Liabilities	(46904)	1172383	(126500)	(1762115)
		1507524		(1445280)
Less : Tax Paid		0		0
Cash generated from Operations		1507524		(1445280)
<b>NET CASH USED FROM OPERATING ACTIVITIES (A)</b>		<b>1507524</b>		<b>(1445280)</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	(123000)		(61470)	
Purchase of Investment	(563750)		0	
Sale of Investment			297601	
Dividend Income	114030		158210	
Interest on Finance Cost	0		0	
<b>NET CASH USED FROM INVESTING ACTIVITIES (B)</b>		<b>(572720)</b>		<b>394341</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>				
Loans and Advances	0		0	
Borrowing of Funds	0		26281	
Repayment of Borrowings	0		0	
Movement in Lending	0		0	
<b>NET CASH FLOW FROM FINANCING ACTIVITIES (C)</b>		<b>0</b>		<b>26281</b>
<b>Net Increase in Cash &amp; Cash Equivalents (a+b+c)</b>		<b>934804</b>		<b>(1024658)</b>
Opening Balance of Cash & Cash Equivalents		3362042		4386700
Closing Balance of Cash & Cash Equivalents		4296846		3362042
<b>Net Increase/(Decrease) in Cash &amp; Cash Equivalents</b>		<b>934804</b>		<b>(1024658)</b>

This is the Balance Sheet referred to in our Report of even date.

FOR BHAGAT & CO.  
 CHARTERED ACCOUNTANTS  
 Firm Reg. No.: 127250W

FOR AND ON BEHALF OF THE BOARD,

CA. SHANKAR PRASAD BHAGAT  
 Proprietor  
 Membership No. : 052725  
 PLACE: AHMEDABAD  
 DATED:09/08/2012

(Director)

(Director)

PLACE: GANDHINAGAR  
 DATED:09/08/2012

## AUDITOR'S CERTIFICATE

We have examined the attached Cash Flow Statement of Abhishek Finlease Ltd. For the year ended on 31<sup>st</sup> March 2012. The Statement has been prepared by the Company in accordance with the requirements of clause 32 of listing agreement with the Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance sheet of the Company for the Year ended on 31<sup>st</sup> March 2012, covered by our Report dated 9<sup>th</sup> August, 2012

For, BHAGAT & CO.

CHARTERED ACCOUNTANTS

[SHANKAR PRASAD BHAGAT]

PROPRIETOR

Memb. No. 052725

Frn No. 127250W

Date : 09/08/2012

Place: Ahmedabad



**ABHISHEK FINLEASE LTD.**  
 402, Wall Street-1, Opp. Orient Club, Nr. Gujarat College, Ellisbridge,  
 Ahmedabad-380006.

Regd. Folio/DPID-Client Id No. \_\_\_\_\_  
 No. of Shares held. -----

I/We \_\_\_\_\_ resident  
 of \_\_\_\_\_ being Member /  
 Members of Abhishek Finlease Ltd. hereby appoint \_\_\_\_\_ resident of

\_\_\_\_\_ (or failing him/her as my proxy to  
 vote for me/ us, and on my / our behalf at the 17<sup>th</sup> Annual General Meeting of the Company to be held at  
 10.00 A.M on 25<sup>th</sup> September, 2012 at 402, Wall Street-1, Opp. Orient Club, Nr. Gujarat College,  
 Ellisbridge, Ahmedabad.

Signed this \_\_\_\_\_ day Of \_\_\_\_\_ 2012

Name & Signature of Proxy/s \_\_\_\_\_

For OFFICE USE ONLY

Proxy No. \_\_\_\_\_  
 Folio/DPID-Client ID No. \_\_\_\_\_  
 No. of Shares \_\_\_\_\_

Afix  
 100 paisa  
 Revenue  
 Stamp

-----  
 Signature of first/sole holder

- Notes:
- a) The Form should be signed across the stamp as per specimen signature.
  - b) The proxy form duly completed must be deposited at the Registered Office of the Company within not less than 48 hours before the time fixed for holding the aforesaid meeting.

**ABHISHEK FINLEASE LTD.**  
 402, Wall Street-1, Opp. Orient Club, Nr. Gujarat College, Ellisbridge,  
 Ahmedabad-380006.

(ATTENDANCE SLIP to be filled in and handed over at the entrance of the meeting hall)

Full Name of the attending member. -----

Reg. Folio/DPID-ClientID No. \_\_\_\_\_

No. of shares held \_\_\_\_\_

Full Name of Proxy/s (in BLOCK LETTERS) \_\_\_\_\_  
 I hereby record my presence at the 17<sup>th</sup> Annual General Meeting held at 10.00 a.m. on Tuesday, 25<sup>th</sup>  
 September, 2012 at 402, Wall Street-1, Opp. Orient Club, Nr. Gujarat College, Ellisbridge, Ahmedabad-  
 380006

PROXIES PRESENT.

\_\_\_\_\_  
 SIGNATURE OF THE MEMBER(S) OR PROXY

SCHEDULE FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31.03.2012.

SCHEDULE – 21

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

[A] SIGNIFICANT ACCOUNTING POLICIES

1. BASIS OF ACCOUNTING :-

- a) The financial statements have been prepared under historical cost concept and on accrual basis, unless otherwise stated.
- b) All the purchase of shares and securities by the company are with a view of trading except Shares purchased for investment purpose.

2. REVENUE :-

- a) Interests on Loans granted are accounted for on accrual basis. However interest on loans treated as NPA, Substandard & Doubtful recognised only if and when it is actually realised.
- b) The income in respect of dividend from shares is accounted for on cash basis.
- c) Expenses incurred on legal proceedings for recovery of loans and for realisation of security for loans are charged to revenue account.

3. INVESTMENTS :-

Long Term investments are stated at cost.

4. FIXED ASSETS & DEPRECIATION :-

Fixed assets are stated at their cost of acquisition including cost of installation and related cost. The depreciation has been provided on written down value method ( W.D.V. ) at the rates specified in Schedule XIV to the Companies Act, 1956. On additions, pro-rata depreciation has been provided.

5. INVENTORIES :-

Stock in trade of shares and securities is valued at cost or market value whichever is lower (where market value is available) however market quotation/values of some of the stock of shares and securities is not available therefore such shares and securities have been valued at cost and other have been valued at net realizable value estimated by the management without verification there of.

[B] OTHER NOTES :-

1. Debtors and Creditors balances as appearing in the Balance Sheet are subject to confirmation by the respective parties.
2. (i) The company has classified loans and advances amounting to Rs.1919400/- as a sub-standard assets and has made provision in accordance with the Non- Banking Financial Companies Prudential Norms (Reserve Bank ) Direction 2007, and Rs.713000/- has been recovered during the year out of sub-standard assets hence, effect has been given accordingly.
- (ii) In respect of loans amounting to Rs.4504077/- the Company has resorted to avail legal remedies, Civil and Criminal as advised, therefore parties has already given possession of immovable properties for the said loans and hence, no provision has been required for such amounts in accordance with the Non Banking Financial Companies Prudential Norms(Reserve Bank) Directions 2007. The management is in the process of recovering the dues by disposing off the security so offered, and received and in possession.
- (iii) In respect of loans and advances of Rs. 996162/-, against which company has filed suit and recovery if any will be credited to the said accounts as per court's order. The company has not made any provision in accordance with Non – Banking Financial Companies Prudential Norms ( Reserve Bank ) Direction 2007.
3. NO Provision for Income-Tax has been made due to available carried forward unabsorbed depreciation and carried forward business loss and MAT provision is made as per rules of Income -Tax Act .
4. The company has carried forward losses and unabsorbed depreciation under the Tax Laws. In absence of virtual certainty of sufficient future taxable income, net deferred tax assets has not been recognised by way of prudence in accordance with Accounting Standard (AS)22 - "Accounting for Taxes on Income" issued by the Institute of Chartered Accountants of India.
- 5 Related Party disclosures :-

(Rs. in lacs)

Sr. No.	Name of the Related Parties	Nature of Relationship With Company	Nature of Transaction with Related Parties	Volume of Transaction		Balance at the end Of the year	
				2011-12	2010-11	2011-10	2010-11
1	Mahendra M. Shah	Chairman	Director Salary	1.92	1.44	-	-
			Loan Accepted	6.71	4.88	0.02	0.60

The particulars given above have been identified on the basis of information available with the Company.

6. Earning per share ( EPS ), the numerators and denominators used to calculate Basic & Diluted Earning per Share.

Particulars		(Rs. in lacs)	
		31/03/2012	31/03/2011
Profit / ( Loss ) attributable to the shareholder			
- after exceptional item	A	0.14	0.81
- before exceptional item	B	0.14	0.81
Basic / Weighted average number of Equity Shares outstanding during the year	C	4263750	4263750
Normal value of Equity Shares ( Rs. )		10	10
Basic / Diluted Earning per share ( Rs. )			
- after exceptional item	A / C	0.01	0.02
- before exceptional item	B / C	0.01	0.02

7. The Company does not anticipate any gratuity liability because the Gratuity Act, 1972 is not applicable to the Company and therefore no provision is made for gratuity.
8. The previous year's figures have been reworked, regrouped and reclassified wherever necessary.
9. The stock in trade has been physically verified by the management as on the last day of the year. The value of the closing stock has been stated in the accounts as certified by the management.
10. The cash on hand on the last day of the accounting year has been physically verified by the management and the cash on hand has been taken as found and certified by the management.

11. QUANTITATIVE DETAILS :-

Particulars	Op. Stock		Purchases		Bonus /Conversion		Sales/Conversion		Closing Stock	
	Qty	Amt	Qty	Amt	Qty	Amt	Qty	Amt	Qty	Amt
Shares	347779	4641641	5730	480455	2120	--	41319	828496.20	314310	4326147

12. Shares stock closing value :4326147-

13. List of Shares & Securities received by the Company under Pledge as on 31.03.2012

Name of Company	No.of Shares
ABC Heavy Industries Ltd	50
Gujarat Siddhi Cement	5500
Mazda Limited	440
Piramal Life Science Ltd	23
Radhe Developers	200
Ravigoan Sugar	5
Shalibhadra Info	300
Tata Teleservices	200
Reliance Capital	100
Fero Allooys	1000
Essar Steel Pre	9
Back India	200
Eveready	100
Havells' India	400
Hindustan Spining	1000
Hyderabad Industries	125
HDFC Bank	24
ISMT Ltd	900
Jindal Saw	250
Maharashtra Seamless	200
Nicolas Piramal	238
Net Worth stockbroking Ltd	1250
Ranbaxy Laboratories	200
Reliance Industries	68
Shree Cement	50
State Bank of India	60
Synganta India	50
Tata Power	15
Thomas Cook Ltd	340

This shares are held by the company as security by way of pledge of shares against loans outstanding from defaulting parties. As and when the shares are sold the proceeds thereof shall be credited to the account of parties concerned.

14. Auditor's Remuneration :-  
Audit Fees

12500

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12500

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SIGNATURE TO SCHEDULE 1 TO 21

For, BHAGAT & CO.,  
CHARTERED ACCOUNTANTS

FOR, ABHISHEK FINLEASE LTD.

[SHANKAR PRASAD BHAGAT]  
PROPRIETOR  
Memb.No.052725  
Firm No.127250W  
Date: 09/08/2012  
Place: Ahmedabad

DIRECTOR

Date: 09/08/2012  
Place: Ahmedabad