

ILD

**28th
Annual Report
2012-2013**

INDIA LEASE DEVELOPMENT LIMITED



Shri Ved Prakash Gupta

(15th August, 1915 - 20th August 2005)

A True Karmayogi.

*Your integrity, values and vision will continue to guide
and inspire us for all our activities and future growth.*

BOARD OF DIRECTORS**SHRI RAJIV GUPTA**

Chairman

SHRI ARUN MITTER

Director

SHRI SHARAD AGGARWAL

Director

SHRI M. K. MADAN

Director

SHRI ROHIT MADAN

Manager & Company Secretary

AUDITORS

M/S S.N. DHAWAN & CO.
CHARTERED ACCOUNTANTS
C-37, CONNAUGHT PLACE,
NEW DELHI-110001

BANKERS

BANK OF INDIA
KOTAK MAHINDRA BANK LTD

REGISTERED OFFICE :

MGF HOUSE, 4/17-B, ASAF ALI ROAD,
NEW DELHI-110002.

PHONE:011- 41519433, 41520070

E-mail : [info @indialease.com](mailto:info@indialease.com)Website : www.indialease.com**REGISTRAR AND SHARE****TRANSFER AGENTS :**

M/S ALANKIT ASSIGNMENTS LIMITED
ALANKIT HOUSE,
2E/21, JHANDEWALAN EXTENSION,
NEW DELHI- 110055.

PHONE: 011-42541953-63

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NOTICE

NOTICE is hereby given that the Twenty Eighth (28th) Annual General Meeting of the Shareholders of India Lease Development Limited will be held at The Executive Club, 439, Village Shahoorpur, P.O.Fatehpur Beri, New Delhi-110030 on Thursday the September 26, 2013 at 12.30 P.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss for the year ended on that date, together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in the place of Shri Rajiv Gupta, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in the place of Shri Arun Mitter, who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Statutory Auditors and to fix their remuneration. M/s S.N.Dhawan & Co., Chartered Accountants, (ICAI Firm Reg. No.000050N) retires and are eligible for re-appointment. Certificate under Section 224(1B) of the Companies Act, 1956, has been obtained from them.

For India Lease Development Limited

Place : **New Delhi**
Date : **May 30,2013**

Rohit Madan
Manager & Company Secretary

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY, IN ORDER TO BE VALID AND EFFCTIVE MUST BE DELIVERED AT THE REGISTERED OFFICE OF THE COMPANY ATLEAST FORTY EIGHT HOURS (48 HOURS) BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Register of Members and Share Transfer Books of the company will remain closed from Monday, the September 23, 2013 to Thursday, the September 26, 2013 (both days inclusive).
3. Trading in the shares of your company is in compulsory demat mode. Members who have not yet got their shares dematerialized are requested to opt for the same in their own interest and send their certificates through Depository Participant(s) with whom they have dematerialised account to the Company Registrars and Transfer Agents, M/s Alankit Assignments Limited, having their office at 2E/21, Alankit House, Jhandewalan Extn, New Delhi-110055.
- 3.a Further Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can also submit their PAN details to the company/Registrars and Transfer Agents.
4. Member(s) holding shares in the identical names in different folios are requested to apply for consolidation of the said folios and send relevant share certificate(s).
5. **REGARDING UNCLAIMED DIVIDEND**
 - (i) All unclaimed dividends declared upto the financial year ended March 31,2000 have been transferred to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (Transfer to the General Revenue Account of the Central Government) Rules,1978.
 - (ii) Pursuant in to provisions of section 205A(5) and 205C of the Companies Act, 1956, the Company has transferred the Unclaimed dividend to unpaid dividends for the financial years ended March 31, 1996 to March 31, 2000 to the Investor Education and Protection Fund the(IEPF) established by the Central Government.

- (iii) To receive faster communication of all shareholder communications, including Annual Report, the shareholders are requested to kindly register/update their email addresses with their respective Depository Participant where shares are held in electronic form. If, however, shares are held in physical form, holders are advised/ requested to register their email address with the company and/ or Registrar and Transfer Agent
6. Member(s) are requested:-
- To bring their copy of annual report and attendance slip at the time of meeting.
 - To quote their registered Folio No(s)/ DPID/Client ID No. in all correspondence.
 - Members who held shares in dematerialised form are requested to bring their DPID/ Client ID numbers for easy identification of attendance at the meeting.
7. The Ministry of Corporate Affairs (MCA), Govt. of India, has undertaken a 'Green Initiative in the Corporate Governance' by allowing paperless compliance by Companies through electronic mode, vide its circulars no. 17/2011 dated April 21, 2011 and 18/2011 dated April 29, 2011. To take part in the above 'Green Initiative', your company proposes to send communications/ documents including Notice for General Meeting(s) and Annual Report from time to time in electronic mode to those members who have registered their email address with the Company/ Depository Participants (DP).
8. The Members who have not yet registered their email address are requested to register/ update their email address in respect of equity shares held by them in demat form with their respective DP's and in the case of physical form with the Company.

By order of the Board of Directors
For India Lease Development Limited

Place : **New Delhi**
Date : **May 30,2013**

Rohit Madan
Manager & Company Secretary

LISTING REQUIREMENTS

As required under Clause 49(vi) of the Listing Agreement, given below are the details of the Director(s) who retire by rotation and are eligible for re-appointment.

(a) **Director being re-appointed by rotation (Resolution at item No.2)**

Name : Shri Rajiv Gupta
Age & Date of Birth : 67 years (13-8-1946)
Qualification : B.E.(IIT,Delhi)

Experience in specific financial areas

Shri. Rajiv Gupta is a Bachelor in Engineering from IIT, Delhi, He has immense business experience and all around knowledge on subjects concerning Hire Purchase, Leasing, Corporate Finance, Taxation and Administration. His continued association with the company is considered absolutely necessary and valuable.

Other Directorships

The Motor & General Finance Ltd. Jayabharat Credit Ltd, Bahubali Services Ltd, Associated Traders & Engineers Ltd, Upper India Hire Purchase Companies Association Ltd, Cards Services India Pvt Ltd. MGF Securities Pvt Ltd, Ram Prakash & Company Pvt Ltd, MGF Estates Pvt Ltd, Local Goods Carriers Pvt Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd.

Committee Membership**India Lease Development Ltd**

Audit Committee

Remuneration Committee

Shareholders Grievance Committee

Jayabharat Credit Ltd.

Audit Committee

Remuneration Committee

Shareholders Grievance Committee

Bahubali Services Ltd.

Audit Committee

Shri. Rajiv Gupta holds 7,79,498 Equity Shares.

b) Director being re-appointed by rotation (Resolution at Item No.3)**Name** : Shri Arun Mitter**Age & Date of Birth** : 51 years (27-11-1962)**Qualification** : B.Com (H), ACA,**Experience in specific financial Areas**

Shri. Arun Mitter is a qualified Chartered Accountant. He has extensive business experience in general and financial management. His continued association with the Company is considered necessary in the interest of the Company.

Other Directorships

The Motor & General Finance Ltd, MGF Development Ltd, Jayabharat Credit Ltd, Grosvenor Estates Pvt Ltd, Gee Gee Holdings Pvt Ltd, Upper India Hire Purchase Co. Assoc Ltd, Bahubali Services Ltd, Paramba International Ltd, Technofab Engineering Ltd, Discovery Holdings Pvt Ltd, Weaving Enterprises Pvt Ltd, Deap Hospitality Pvt Ltd, MGF Auto Sales Pvt Ltd, MGF Vehicles Sales Pvt Ltd, MGF Projects Pvt Ltd, Nanny Infrastructure Pvt Ltd, Ram Prakash & Co. Pvt Ltd, MGF Infotech Pvt Ltd, Cards Services India Pvt Ltd, Dove Promoters and Entertainment Pvt Ltd, Meta Dor Technologies Pvt Ltd, North Delhi Metro Mall Pvt Ltd, MGF Securities Pvt Ltd, MGF Estates Management Pvt Ltd, MGF Promotions and Events Pvt Ltd, Shanti Interior Pvt Ltd, MGF Housing & Infrastructure Pvt Ltd, MGF Promoters Pvt Ltd..

Committee Memberships :**India Lease Development Ltd**

Audit Committee

Remuneration Committee

Shareholders Grievance Committee

The Motor & General Finance Limited

Audit Committee

Remuneration Committee

Shareholders Grievance Committee

SHAREHOLDERS INFORMATION

Head Office & Registered Office	:	MGF House 4/17-B, Asaf Ali Road, New Delhi- 110002
E-mail	:	info@indialease.com
Company's Website	:	www.indialease.com
Telephone Nos.	:	011-41519433 011-41520070
Fax	:	011-41503479
Date of Annual General Meeting	:	September 26, 2013
Time, Day and Venue	:	12.30 P.M. Thursday at The Executive Club 439, Village Shahoorpur, P.O.Fatehpuri Beri, New Delhi- 110 030.
Day and Date of Book Closure	:	Monday the September 23, 2013 to Thursday the September 26, 2013 (both days inclusive)
Shares Listed At	:	The Stock Exchange, Mumbai Phiroz Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001.

The company confirms that it has paid the Annual Listing Fee to the above Stock Exchange for the Year 2013-14.

NOMINATION FACILITY

Shareholders are eligible to file their nominations against shareholdings. Nomination forms are available at the Registered Office i.e. MGF House, 4/17-B, Asaf Ali Road, New Delhi-110 002. Those interested in getting the facility of nomination may write to the Company Secretary for a copy of the prescribed Nomination Form.

DIRECTORS REPORT TO THE MEMBERS

Your Directors present the Twenty Eighth (28th) Annual Report together with the Audited Statement of Accounts of the Company for the year ended March 31, 2013.

FINANCIAL RESULTS

The Financial Results of the Company for the year ended March 31, 2013 are summarised below for your consideration:-

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit / (Loss) before taxation, interest, depreciation and provisions	(29.91)	(19.15)
Depreciation including impairment	(1.26)	(2.72)
Profit / (Loss) before provision for non performing assets & tax	(31.17)	(21.87)
Provision for non performing assets written back	1.59	181.37
Profit / Loss for the year	(29.58)	159.50
Profit / Loss brought forward	(2039.68)	(2167.28)
Accumulated Losses brought forward from MGF Services Limited	-	-
Total Profit / Loss	(2069.26)	(2007.78)
Appropriations		
Transferred to Statutory Reserves u/s 45-1C of the RBI Act, 1934	-	(31.90)
Balance carried forward to Balance Sheet	(2069.26)	(2039.68)

REVIEW OF OPERATIONS

The company is focusing its attention in recovery of the dues from the customers. The management is confident that with the maximum recovery, the funds generated will be deployed to earn better yield on investments.

DIVIDEND

In view of accumulated losses, the Board has not recommended any dividend for the year under review.

COMPANY'S CATEGORY

The company continues to hold the certificate issued by Reserve Bank of India in Category "B" as Non Accepting Deposits Non Banking Finance Company.

COMPLIANCE OF CLAUSE 31(a) OF THE LISTING AGREEMENT.

In terms of clause 31(a) of the listing agreement. Form 'A' duly signed by the Director & CEO, CFO, Chairman Audit Committee & Statutory Auditor of the Co. would be filed with the Stock Exchange alongwith the copy of annual reports.

AUDITORS' REPORT**Auditors' Observations-FORM A****(i) Emphasis of matter in the Independent Audit Report.**

The Company has discontinued fresh hire purchase/ leasing business. The management is of the view that the realization of the assets will be sufficient to pay off its entire liabilities. In view of the above the financial statements have been prepared on the assumption that the Company will continue as a going concern.

Management Comments

It has been suitably explained in Note-21 of Notes on Accounts

(ii) Non Compliance of Prudential Norms

There is non compliance of the provisions of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 with regard to maintenance of Credit Concentration/ Investments Norms in respect of lending to one of the company where these are exceeding the limits.

Management Comments

Although the net worth is positive but on account of accumulated losses this has a consequential effect. There is non -compliance of the provision of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

REPORT ON CORPORATE GOVERNANCE

A detailed report on Corporate Governance together with Management Discussions and Analysis Report has been included separately in Annexure 'A' and 'B' respectively which forms part of the Director's Report.

DIRECTORS' RESPONSIBILITY STATEMENT AS REQUIRED UNDER SECTION 217(2AA) OF THE COMPANIES ACT,1956.

The Directors confirm that:

- i) In the preparation of the annual accounts, the applicable accounting standards have been followed and there are no material departures from the applicable accounting standards;
- ii) The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs for the company as at the end of financial year ended March 31, 2013 and of the Loss of the Company for that period;
- iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act,1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) The statement of accounts for the year ended March 31,2013 have been prepared on a Going Concern Basis.

DIRECTORS

In accordance with the requirements of Section 256 of the Companies Act, 1956 and the Articles of Association of your company, Shri Raiv Gupta, Director and Shri Arun Mitter, Director retire by rotation and being eligible, offer themselves for re-appointment.

PARTICULARS OF EMPLOYEES

There are no employees in receipt of remuneration which, inter-alia, requires the company to furnish the particulars of employees as required by Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees), Rules, 1975.

DEMATERIALISATION

Members who have not yet got their shares dematerialized, are requested to opt for the same in their own interest and send their certificate through Depository Participants(s) with whom, they have dematerialized account, to the Company's Registrar and Transfer Agents, M/s Alankit Assignments Limited, 2E/21, Alankit House, Jhandewalan Extension, New Delhi-110055.

Further The Securities and Exchange Board of India(SEBI) has mandated the submission of Permanent Account Number(PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their Demat Accounts. Members holding shares in physical form can submit their PAN details to the company.

AUDITORS

M/s S.N. Dhawan & Co., Chartered Accountants, Statutory Auditors, retire and are eligible for re-appointment. A certificate under Section 224(1B) of the Companies Act, 1956, has been obtained.

SECRETARIAL AUDIT

Secretarial audit for the year 2012-2013 was carried out by, Practicing Company Secretary. The said secretarial unqualified audit report forms part of this Annual Report.

The secretarial audit report confirms that the company has complied with all the applicable provisions of the Companies Act, 1956, Depositories Act, 1956, Listing Agreements with the Stock Exchanges, Securities Contracts(Regulations) Act, 1956 and all the regulations of SEBI as applicable to the company, including the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 and the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations 1992.

COMPLIANCE BY THE COMPANY

The company has complied with the requirements of the Stock Exchange, SEBI and other statutory authorities on all matters relating to the capital markets during the last three years. No penalties or strictures have been imposed on the company by the Stock Exchange, SEBI or any other statutory authorities relating to the above.

CODE OF CONDUCT FOR DIRECTORS AND SENIOR MANAGEMENT

The Board of Directors of the Company has adopted a Code of Conduct for Directors and Senior Management and the same is available on the website of the Company i.e. www.indialease.com

E-mail ID FOR INVESTOR'S GRIEVANCES

In compliance of sub clause (f) to the Clause 47 of the Listing Agreement, the company has designated an e-mail address i.e. ildcomplaints@indialease.com of the grievance redressal division/compliance offer exclusively for the purpose of registering complaints by Investors.

NOMINATION FACILITY

In case, any of the members wish to avail facility of Nomination, Form (Form 2B) alongwith instructions, they are requested to send the duly completed form to the Registrars of the Company and/or at the Registered Office of the Company.

CEO/CFO CERTIFICATION

The CEO and the CFO of the Company have certified to the Board with regard to the compliance made by them in terms of Clause 49(V) of the Listing Agreement.

CONSOLIDATION OF FOLIOS AND AVOIDANCE OF MULTIPLE MAILING

Members who may have more than one folio in their individual name or jointly with other persons mentioned in the same order, are requested to write to the Registrars and Share Transfer Agents indicating the folio numbers for consolidation of similar holdings under one folio.

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

In terms of the requirements of Clause (e) of sub section (1) of Section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars are given as under:-

- a) Technology Being a finance company, the same is not applicable
- b) Conservation of Energy -do-
- c) Transactions in Foreign Currency -do-

	31.03.13	31.03.12
a) Expenditure in Foreign Currency	-	-
i) Repayment of Foreign Currency Loan	-	-
ii) Interest on Foreign Currency Loan	-	-
iii) Travelling Expenses	-	-
b) Shares held by Non Resident		
Shareholders	9301	9123
No. of Shareholders	14	13

ACKNOWLEDGEMENTS

Directors place on record their thanks for the assistance and co-operation received from Banks and all other customers for their continued support and patronage.

Your Directors also wish to place on record the dedicated and devoted services rendered by all personnel of the Company.

By Order of the Board of Directors
For **India Lease Development Limited**

Place : **New Delhi**
Date : **May 30, 2013**

Rajiv Gupta
Chairman

ANNEXURE 'A' TO THE DIRECTORS REPORT

CORPORATE GOVERNANCE REPORT

1. **Company's Philosophy on Code of Corporate Governance**

Corporate Governance represents the value, ethical and moral framework under which business decisions are taken. The investors want to be sure that not only is their capital handled effectively and adds to the creation of wealth, but the business decisions are also taken in a manner which are not illegal or involving moral hazards.

Your company perceives good corporate governance practices as a key driver of sustainable corporate growth and long term shareholder value creation. The primary objective is to develop and adhere to a corporate culture of harmonious and transparent functioning, increasing employee and customer satisfaction and enhancing shareholders' wealth by developing capabilities and identifying opportunities that best serve the goal of value creation. All actions and strategic plans are directed towards delivering value to all stakeholders, as well as conform to the highest standards of corporate behaviors.

2. **Board of Directors ("Board")**

The composition of the Board of Directors of the company is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchange.

2.1 The Board as on the date of this report comprises of four Directors.

The company has a Non Executive Chairman. All the Directors on the Board are independent Non-Executive Directors who are eminently qualified and experienced professionals in Business, Finance and Corporate Management.

2.2 **Composition of the Board:**

S. No.	Name of Director	Status
1.	Shri Rajiv Gupta	Non-Executive -Independent - Chairman
2.	Shri Arun Mitter	Non-Executive -Independent
3.	Shri Sharad Aggarwal	Non-Executive -Independent
4.	Shri M.K. Madan	Non-Executive -Independent

2.3 **Board Meetings:**

The meetings of the Board of Directors are scheduled well in advance and generally held at Registered Office i.e. MGF House, 4/17-B, Asaf Ali Road, New Delhi. Notice confirming the meeting and the detailed agenda is sent at least seven days in advance to all the Directors.

2.3(a) **Number of Board Meetings:**

During the year ended March 31, 2013, the Board of Directors met five times on the following dates:

S.No.	Date of Meeting	Board Strength	No.of Directors present
1	May 14,2012	4	3
2	August 13, 2012	4	4
3	August 23, 2012	4	4
4	November 9, 2012	4	4
5	February 13,2013	4	4

2.3(b) Attendance of Directors:

S. No.	Name of the Director	No. of Board Meetings held	No. of Board Meetings attended	Attendance at the last Annual General Meeting	No. of Directorships in other Boards as on March 31, 2013	No. of Memberships in all Committees of the Board as on March 31, 2013
1	Shri Rajiv Gupta	5	4	NA*	12	11
2	Shri Arun Mitter	5	5	Present	28	10
3	Shri Sharad Aggarwal	5	5	Present	12	5
4	Shri M.K.Madan	5	5	Present	5	5

* NA- not attended

Includes Directorship in Private and Public Limited Companies

In accordance with Clause 49 of the Listing Agreement with the Stock Exchange Membership/ Chairmanship of only Audit Committee/Shareholders Grievances Committee and the Remuneration Committee of all the companies has been considered.

2.3(c) Remuneration to Directors:

No sitting fees and/or any other remuneration was paid to the Directors for attending Board and/or any Committee Meetings of the company.

3. Committees of the Board:

Non-Executive Directors, including the Chairman, provide guidance to operating management on policy matters as well as in monitoring actions of operating management. This involvement is formalized through constitution of designated committees of the Board. The committees are intended to provide regular exchange of information and ideas between the Directors and the operating management.

S. No.	Name of Members	Audit Committee	Shareholders Grievance Committee	Remuneration Committee
1	Shri Rajiv Gupta Non-Executive Independent- Chairman	Yes	Yes	Yes
2	Shri Arun Mitter Non-Executive Independent -Director	Yes	Yes	Yes
3	Shri Sharad Aggarwal Non-Executive Independent - Director	Yes	No	Yes
4	Shri M.K. Madan Non-Executive Independent- Director	Yes	Yes	Yes

3.1 Audit Committee:

3.1(a) Membership: The composition of Audit Committee members are as given in para (3) above. Sh. Arun Mitter is the Chairman of Audit Committee. Sh. Rohit Madan, Compliance Officer is the convenor of the Audit Committee.

3.1(b) Broad Terms of reference of the Audit Committee:

The Audit Committee is in conformity with Section 292A of the Companies Act, 1956 read with clause 49 of the Listing Agreement. The Audit Committee acts as a link between the statutory auditors and the Board of Directors. It address itself to matters pertaining to adequacy of internal controls, reliability of financial statements/ other management information, adequacy of provisions for liabilities, and whether the audit tests are appropriate and scientifically carried out and that they are aligned with the realities of the business, adequacy of disclosures, compliance with all relevant statutes and other facts of company's operation that are of vital concern to the company. In particular, the role of Audit Committee includes the following:-

- i) Oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are sufficient and credible;

- ii) Recommending the appointment/ re-appointment of Statutory Auditors, fixation of audit fee and approval for payment for any other services.
- iii) Reviewing with the management, the annual financial statements before submission to the Board for approval, with particular reference to:-
 - Matter required to be included in the Directors' Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Compliance with listing and other legal requirements relating to financial statements.
- iv) Ensuring compliance with regulatory guidelines.
- v) Reviewing with the management the adequacy of internal control systems

3.1(c) During the year ended March 31,2013 the Audit Committee met five times on May 14, 2012, August 13, 2012, August 23, 2012, November 9,2012 and February 13, 2013.

3.1(d) Attendance of the Directors in the Audit Committee Meeting:

S. No.	Name of Director	No.of meetings Held	No.of meetings Attended
1	Shri Rajiv Gupta	5	4
2	Shri Arun Mitter	5	5
3	Shri Sharad Aggarwal	5	5
4	Shri. M.K.Madan	5	5

The Company also has Share Transfer Committee.

3.2 Shareholders Grievances Committee:

This Committee is comprising of Sh. Rajiv Gupta, Sh. Arun Mitter, and Sh. M.K.Madan as members. The committee look into the grievances and complaints of the shareholders like transfers/ transmission, splitting, consolidation of shares, non-receipt of balance sheets, non- receipt of dividend etc. and redress the same. There were no pending shares for transfer as on March 31, 2013.

3.2(a) Attendance of Directors in the Shareholders Grievance Committee Meetings:

During the year ended March 31, 2013, the Shareholders' Grievances Committee met five times on May 9, 2012, July 25, 2012, October 22, 2012, January 28, 2013 and March 28, 2013.

Sh. Rohit Madan, Compliance Officer is the convenor of the Shareholders' Grievances Committee.

The attendance for the meetings are as stated below:

S. No.	Name of Director	No.of meetings held	No.of meetings attended
1.	Shri Rajiv Gupta	5	5
2.	Shri Arun Mitter	5	5
3.	Shri M.K.Madan	5	5

3.2(b) Detail of Investors complaints received during the year ended March 31, 2013

S.No	Nature of complaints	Received	Disposed	Pending
1.	Non receipt of dividend warrant(s)	Nil	Nil	-
2.	Non receipt of balance sheet/ notices	3	3	-
3.	Non receipt of share certificates after transfer/demat	Nil	Nil	-
	Total	3	3	-

3.2(c) Number of complaints pending with the Company:

All the shareholders requests/complaints received during the financial year ended March 31, 2013 by the company and/ or registrars i.e. M/s Alankit Assignments Limited were replied/resolved to their satisfaction.

3.3 Remuneration Committee:

3.3(a) Membership: This Committee is comprising of Sh. Rajiv Gupta, as Chairman and Sh. Arun Mitter, Sh. Sharad Aggarwal and Sh. M.K.Madan as members.

3.3(b) Attendance of Directors in the Remuneration Committee meetings:

During the year ended March 31, 2013, the Remuneration Committee met once on March 21, 2013.

Sh. Rohit Madan, Compliance Officer is the convenor of the Remuneration Committee.

The attendance of the members in the aforesaid meeting was as under:-

S. No.	Name of Director	No.of meetings held	No.of meetings attended
1.	Shri Rajiv Gupta	1	1
2.	Shri Arun Mitter	1	1
3.	Shri Sharad Aggarwal	1	1
4.	Shri M.K.Madan	1	1

3.3(c) Broad terms of reference of the Remuneration Committee:

To review remuneration package of 'Manager' and Company Secretary and others and recommend to the Board.

Sh. Rajiv Gupta is the Chairman of the Remuneration Committee.

3.3(d) Remuneration Policy:

The company follows a market linked remuneration policy, which is aimed at enabling the company to attract and retain the best talent. Compensation is also linked to individual and team performance as they support in the achievement of Corporate Goals. The company does not have an Employee Stock Option Policy.

3.3(e) Remuneration paid during the year.

During the year ended March 31, 2013 Sh. Rohit Madan, Manager & Company Secretary, in accordance with the terms & conditions of his appointment was paid remuneration of ₹8,00,640/-.

4. Management:**4.1 Management Discussions and Analysis Report:**

A detailed Management Discussion and Analysis report is annexed in Annexure 'B' forming part of the Director's report.

4.2 Disclosure relating to all material financial and commercial transaction of the management, where they have a personal interest that may have a potential conflict with the interest of the Company at large.

During the year ended March 31, 2013 the company had entered into transactions in the normal course of business with some of the companies in which some of the directors are interested and which have been disclosed adequately in the notes forming part of the accounts. There was no potential conflict of interest with that of the company.

4.3 Recording Minutes of proceedings at Board and Committee meetings

The Company Secretary records the minutes of the proceedings of each Board and Committee meetings. Draft minutes are circulated to all the members of the Board/ Committee for their comments. The minutes are entered in the Minutes Book within 30 days from conclusion of the meeting.

Shareholders'/ Investors' Grievance Committee

The Company, on regular basis, obtains a legal compliance certificate from a Practicing firm of Company Secretaries. The said such certificate(s) forms part of the Annual Report.

5. Particulars of Past three AGMs:

Last three Annual General Meetings were held at The Executive Club, 439, Village Shahoorpur, P.O.Fatehpuri Beri, New Delhi-110030 detailed as under:-

AGM No.	Year	Date	Time	Special Resolutions required for
25 th	2010	Sep 29, 2010	2.00 P.M.	Donation to Charitable Institutions u/s. 293(1) (e) of the Companies Act, 1956.
26 th	2011	Sep 29, 2011	1.00 P.M.	Alteration of Articles of Association
27 th	2012	Sep 27, 2012	1.30 P.M.	Reappointment of Manager

All the resolutions, as set out in the respective notices, were passed by the shareholders.

6. Shareholder Information:

- 6.1 Annual General Meeting : **28th Annual General Meeting**
 Day & Date : **Thursday, the September 26th 2013**
 Time : **12.30 P.M.**
 Venue : **The Executive Club,
 439, Village Shahoorpur,
 P.O. Fatehpur Beri,
 New Delhi – 110 030.**

6.2 Financial Calendar

(Tentative schedule)

- Financial reporting for the quarter ended June 30, 2013 **Second week of August,2013**
- Financial reporting for the half year ended September 30,2013 **Second week of November,2013**
- Financial reporting for the nine months ended December 31,2013 **Second week of February,2014**
- Financial reporting for the year ended March 31, 2014 **Within 60 days of the close of the quarter.**

6.3 Means of Communication:

- Quarterly/Half Yearly Financial Results of the company are forwarded to the stock exchange and generally published in Mahalaxmi and Money Maker newspapers. In addition to the above, the results are also available on the company's website: **www.indialease.com**
- Company has not made any presentations to any institutional investors/Analyst during the year.
- All items required to be covered in the Management Discussion and Analysis have been included in the Annexure 'B' of the Directors' Report to members.
- The Company in compliance of Clause 54 of the Listing Agreements already has its own website namely, **www.indialease.com** which contains the vital information such as details of business, financial information, shareholding pattern, compliance with corporate governance, contact information of the designated officials etc.

6.4 Date of Book Closure

Monday, the **September 23, 2013** to Thursday, the **September 26, 2013** (both days inclusive)

6.5(a) Registrar and Share Transfer Agents:

In compliance with SEBI directions, M/s Alankit Assignments Ltd. Alankit House, 2E/21, Jhandewalan Extension, New Delhi –110055. Ph. 011-42541953-63 are carrying on assignment of both physical and demat mode.

However, keeping in view the convenience of shareholders, documents relating to shares will continue to be received by the company at Registered Office of the Company at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002 Ph. 011-41519433, 41520070, Fax No.- 011-41503479.

6.5(b) Under Demat and Physical Mode:

Alankit Assignments Limited
 2E/21, Alankit House,
 Jhandewalan Extension,
 New Delhi-110 055.
 Ph: 011-42541953-63

6.5(c) Nomination Facility:

Shareholders are eligible to file their nominations against shareholdings. Nomination Forms are available at the Registered Office i.e. MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002. Those interested in getting the facility of nominations may write to the Company Secretary for a copy of the prescribed Nomination Form.

6.6 The under noted officials of the company have been designated for speedy redressal of shareholder's/ investor's requests/ queries.

6.6(a) Compliance Officer:

Shri Rohit Madan, Manager & Company Secretary

6.6(b) Address for Correspondence:

Registered Office: MGF House,
4/17-B, Asaf Ali Road, New Delhi-110002

Ph: 011-41519433, 41520070

Website: www.indialease.com

Email: info@indialease.com

6.7 Listing on Stock Exchange:

The Shares of the company are listed on Bombay Stock Exchange Limited (BSE).

The company confirms that it has paid the annual listing fees for 2013-2014 to the Stock Exchange where the shares of the company were listed during the year.

The Stock Exchange, Mumbai

Phiroze Jee Jee Bhoy Towers

Dalal Street,

Mumbai – 400001

Ph: 022-22721233-34, Fax : 022-22721072

Email id: isc@bse.com.

6.8 Stock Code of the Company:

Bombay Stock Exchange Limited

Electronic Mode: **INE 333C01013**

Scrip Name: INDLEASE

Scrip Code: 500202

6.9 ISIN No. for the Company's

Equity shares in Demat Form:

INE 333C01013

6.10 Depository Connectivity:

NSDL and CDSL

6.11 Market Price Data: (As obtained from BSE)

Month & Year	High	Low
April – 2012	8.35	7.23
May – 2012	8.94	6.65
June – 2012	9.15	6.90
July – 2012	8.45	6.11
August – 2012	9.00	6.51
September – 2012	9.39	7.50
October – 2012	9.63	6.55
November – 2012	9.20	7.37
December – 2012	9.37	7.50
January – 2013	9.40	7.00
February – 2013	8.50	6.15
March – 2013	8.70	7.29

6.12 Categories of Shareholding as on March 31, 2013:

S.No	Category	No. of Shares held	% of Shareholding
A	Promoters	9905049	67.38
B	Non Promoter Holding		
	Mutual Funds and UTI	-	-
	Banks, Financial Institutions, Insurance Companies(Central/State Government Institutions/Non Government Institutions)	743250	5.06
C	Others		
	Private Corporate Bodies	144348	0.98
	Indian Public	3898343	26.52
	NRIs/OCBs	9301	0.06
	Directors and Relatives	-	-
	Trusts	-	-
	Total	14700291	100.00

6.13 Distribution of Company's Shareholding as on March 31, 2013:

Category	Shareholders			No. of Shares (₹ 10/- per share)			Percentage		
	Physical	Demat	Total	Physical	Demat	Total	Physical	Demat	Total
Upto 5000	6195	4030	10225	1125683	1048581	2174264	7.66	7.13	14.79
5001-10000	5	20	25	36000	164260	200260	0.24	1.12	1.36
10001-20000	2	10	12	34350	140681	175031	0.23	0.96	1.19
20001-30000	3	2	5	80250	42500	122750	0.55	0.29	0.84
30001-40000	1	3	4	37650	108200	145850	0.26	0.74	0.99
40001-50000	0	1	1	0	50000	50000	0.00	0.34	0.34
50001-100000	0	1	1	0	75350	75350	0.00	0.51	0.51
100001-Above	0	15	15	0	11756786	11756786	0.00	79.98	79.98
Total	6206	4082	10288	1313933	13386358	14700291	8.94	91.06	100.00

7. Compliance:

A certificate has been obtained from the Statutory Auditors of the company regarding compliance of conditions of Corporate Governance and is attached to this report.

By Order of the Board of Directors
For India Lease Development Limited

Place : **New Delhi**
Date : **May 30,2013**

Rajiv Gupta
Chairman

ANNEXURE 'B' TO THE DIRECTOR'S REPORT

**MANAGEMENT'S DISCUSSION AND ANALYSIS:
NBFC- INDUSTRY STRUCTURE AND BUSINESS DEVELOPMENTS**

Industry Overview:

The business of the Company is that of a Non Banking Finance Company(NBFC).

Non Banking Financial Companies(NBFCs) play a crucial role in broadening access to financial services, enhancing competition and diversification of the financial sector.

NBFCs have an advantage over banks as the business model is relationship-oriented, requires a good geographical spread and survives on thin margins. Banks and NBFCs compete for some similar kinds of business. In spite of strong competition faced by the NBFCs, the inner strength of NBFCs viz local knowledge, credit appraisal, skill, well trained collection machinery, close monitoring of borrowers and personalized attention to each client are catering to the needs of small and medium enterprises in the rural and semi urban area.

Outlook on opportunities, threats, risks and concerns:

The company is consolidating its position and making its best efforts to realize the maximum from the customers by taking recourse of legal remedies where warranted.

Internal control System and adequacy

Your company has an adequate system of Internal control, designed to provide reasonable assurance that assets are safeguarded, transactions are executed in accordance with management's authorization and properly recorded. Accounting records are adequate for preparation of financial statements and other financial information. Besides, the management has put in place system for review and monitoring of non performing assets of the company for effecting recoveries.

Financial

The Financial performance of the Company are given as under:-

(₹ In Lacs)

Particulars	Year ended March 31, 2013	Year ended March 31, 2012
Profit / (Loss) before taxation, interest, depreciation and provisions	(29.91)	(19.15)
Depreciation including impairment	(1.26)	(2.72)
Profit / (Loss) before provision for non performing assets & tax	(31.17)	(21.87)
Provision for non performing assets written back	1.59	181.37
Profit / Loss for the year	(29.58)	159.50
Profit / Loss brought forward	(2039.68)	(2167.28)
Accumulated Losses brought forward from MGF Services Limited	-	-
Total Profit / Loss	(2069.26)	(2007.78)
Appropriations		
Transferred to Statutory Reserves u/s 45-1C of the RBI Act, 1934	-	(31.90)
Balance carried forward to Balance Sheet	(2069.26)	(2039.68)

Risk and Concern

In view of no fresh business exposure, the existing clients sometimes lead to default in repayment which has a cascading effect on other customers for which suitable measures to control this trend are taken.

Human Resources

Your company considers human resources a key element. The company has a competency based performance and potential appraisal systems for identifying and developing managerial talents and is reviewed on an on going basis. Emphasis is laid on providing adequate training to its employees, to meet the attitudinal and cultural values of the organization ethos to achieve customer satisfaction.

Disclaimer

Certain Statements in the Management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc may be understood within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors as such industrial relations and economic developments etc. may further influence the company's operations or performance.

AUDITORS' CERTIFICATE ON THE COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

We have examined the compliance of conditions of Corporate Governance by India Lease Development Limited having its Registered Office at MGF House, 4/17-B, Asaf Ali Road, New Delhi-110002 for the year ended March 31,2013 as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange.

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

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in 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.

For S.N. DHAWAN & CO
Chartered Accountants
FRN No.000050N

S.K. Khattar
Partner
M. No.084993

Place : **New Delhi**
Date : **May 30, 2013**

CERTIFICATION BY CHIEF EXECUTIVE OFFICER AND CHIEF FINANCIAL OFFICER

I, Arun Mitter, Chief Executive Officer (CEO) & Chief Financial Officer (CFO) hereby certify that for the financial year ended March 31, 2013, on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that:-

1. These statements do not contain any materially untrue statement or omit any material fact or contain statement that might be misleading.
2. 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.
3. There are no transactions entered into by the Company during the year ended March 31,2013 which are fraudulent, illegal or in violation of the Company's Code of Conduct.
4. I have accepted responsibility for establishing and maintaining internal controls for financial reporting.
5. I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting.
6. I have disclosed to the Auditors and the Audit Committee, deficiencies of which I am aware in the design or operation of the internal control systems.
7. I have taken the required steps to rectify these internal control deficiencies.
8. I further certify that:
 - a) There have been no significant changes in internal controls over financial reporting during the year.
 - b) There have been no significant changes in accounting policies during the year.
 - c) There have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the company's internal control systems over financial reporting.

For India Lease Development Limited

Place : **New Delhi**
Date : **May 30,2013**

(Arun Mitter)
Director, CEO & CFO

DECLARATION

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Management Personnel have confirmed compliance with the Code of Conduct for the year ended March 31,2013.

For India Lease Development Limited

Place : **New Delhi**
Date : **May 30,2013**

(Arun Mitter)
Director, CEO & CFO

SECRETARIAL AUDIT REPORT

INDIA LEASE DEVELOPMENT LIMITED
 MGF House, 4/17-B,
 Asaf Ali Road,
 New Delhi – 110002

We have examined the registers, records and documents of M/s. India Lease Development Limited (“The Company”) for the financial year ended on 31st March, 2013 according to the provisions of:

- The Companies Act, 1956 and the rules made under the Act,
- The Depositories Act, 1996 and the Regulations and Bye – Laws framed under the Act,
- The Securities and Exchange Board of India (Substantial Acquisition of shares and Takeover) Regulations, 2011,
- The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992
- The Equity Listing Agreements with Bombay Stock Exchange Limited.
- The Securities Contracts (Regulation) Act, 1956 (SCRA) and the rules made under the Act,
- Memorandum & Articles of Association of the Company.

In our opinion, based on test check carried out by us, verification of records produced to us and according to the information furnished to us by the Company and its officers, the Company has complied with provisions of the companies Act, 1956 (“the Act”) and Rules made under the Act and the Memorandum and Articles of Association of the Company with regard to:

- Maintenance of various Statutory Registers and documents and making necessary entries therein.

Statutory Register	Remarks
Section 150 Register of member and index thereof	Maintained
Section 163 File regarding copies of Annual Return	Maintained
Section 193 Minutes of board, general and committee meetings	Maintained
Section 209 Books of accounts.	Maintained
Section 301 Register of contracts in which directors are interested	Maintained
Section 303 Register of directors	Maintained
Section 307 Register of directors shareholding	Maintained
Section 372A Register of Loans, investments and guarantees/securities provided.	Maintained

- Filing of the requisite forms and returns with the Registrar of Companies, NCT Delhi & Haryana and central Government within the time prescribed under the Act and rules made there under.
- Closure of Register of Member and Share Transfer Books of the Company
- Convening and holding of the meetings of Directors and Committees of the Directors including passing the resolutions by Circulation
- Convening and holding of Annual General Meeting on 27th September, 2012.
- Minutes of the proceeding of General Meetings and meetings of the Board and its Committee were properly recorded in loose leaf form, which are being bound in book form at regular intervals.

- Appointment and remuneration of Auditors.
- Transfer / transmission of shares and issue and delivery of original and duplicate certificates of shares are being done in compliance with new listing clause 12A.
- Constitution of the Board of Directors, its appointment, retirement and re – appointment.
- Forms of Balance sheet, statement of Profit & Loss Account and disclosures to be made therein as per revised Schedule VI to the Act issued by the Ministry of Corporate Affairs.
- Investments of the Company including inter corporate loans and investments and loans to others.
- There are no unpaid/unclaimed amounts which are required to be transferred under the Act to the Investor Education and Protection Fund for the year under consideration.

We further state that:

- The Directors have disclose their interest and concerns in contracts and arrangements, share holdings and directorships in other companies and interest in other entities as and when required and their disclosures have been noted and recorded by the board.
- The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the Code of Business Conduct & Ethics for Directors and Management Personnel.
- The Company has obtained all necessary approvals from the statutory bodies required from time to time under the Act.
- There was no prosecution initiated against, or show cause notice received by & the company and no fines or penalties were imposed on the Company under the Companies Act, SEBI Act, SCRA Act, Depositories Act, Listing Agreement and Rules, Regulation and Guidelines framed under these Acts against the Company, its Directors and Officers.

We further report that the company has complied with the provisions of the Depositories Act, 1996 and Bye – Laws framed there under by the Depositories with regard to Dematerialization/rematerialisation of securities and reconciliation of records of dematerialization securities with all securities issued by the Company.

We further report that:

- The company is listed on Bombay Stock Exchange Limited (BSE) and is complying with all the clauses of the listing agreement from time to time.
- The provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 with regard to the disclosure and maintenance of record required under the regulations.
- The provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 with regard to disclosures and maintenance of records required under the Regulations.

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

Place : **New Delhi**
Date : **May 22,2013**

Anjali Yadav
Company Secretary
FCS No. 6628
C.P. No. 7257

INDEPENDENT AUDITORS' REPORT

To the Members of

INDIA LEASE DEVELOPMENT LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of India Lease Development Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matter

Without qualifying our report we draw attention to :

- i) *The Company has discontinued fresh hire purchase / leasing business. The management is of the view that the realization of the assets will be sufficient to pay off its entire liabilities. In view of the above the financial statements have been prepared on the assumption that the Company will continue as a going concern. (Refer Note No. 21)*

- ii) *There is non-compliance of the provisions of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions 1998 with regard to maintenance of Credit Concentration/Investment Norms in respect of lending to one of the Company where these are exceeding the limits. (Refer Note No.22)*

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books and proper returns adequate for the purposes of our audit;
 - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e. On the basis of written representations received from the Directors, as at March 31, 2013 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as at March 31, 2013 from being appointed as a Director under clause (g) of sub section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For S. N. Dhawan & Co.
Chartered Accountants
FRN – 000050N

S. K. Khattar
(Partner)
M. No. 084993

Place : **New Delhi**
Date : **May 30, 2013**

Annexure to Independent Auditor's Report (Referred to in Paragraph 1 under the heading "Report on Other Legal and Regulatory Requirements" of our report of even date on the accounts of India Lease Development Limited for the year ended March 31, 2013)

- i) (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per information and explanations given to us the fixed assets have been physically verified by the management, during the year. In our opinion, the frequency of verification is reasonable and no material discrepancies were noticed.
- (c) The Company has not disposed off a substantial part of its fixed assets during the year.
- ii) The Company does not have any inventory. Therefore, the provisions of clause 4(ii) (a), (b) & (c) of the Order are not applicable.
- iii) (a) The Company has granted Inter Corporate Deposits to one company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year and the year-end balance of such inter corporate deposit given to such party was ₹680 lacs.
- (b) In our opinion, the rate of interest and other terms and conditions of such loans are not, prime facie, prejudicial to the interest of the Company.
- (c) According to the information and explanations given to us, the Inter Corporate Deposit given during the year is repayable on demand. The repayment of interest is regular.
- (d) There is no overdue amount in excess of Rs. One lac in respect of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company has not taken any loan secured or unsecured loan from companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, provisions of clause 4(iii) (e) to (g) of the Order are not applicable.
- iv) 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 purchase of fixed assets. As explained, there was neither purchase of inventories nor sale of goods and services during the year. During the course of our audit we have not come across any continuing failure to correct major weaknesses in the internal control systems.
- v) (a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 of the Companies Act 1956 have been so entered.
- (b) According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and exceeding the value of rupees five lacs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- vi) The Company has not accepted any deposits from the public within the meaning of Sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
- vii) The Company has an in-house internal audit system commensurate with the size and nature of its business.
- viii) According to the information and explanations given to us, the Central Government has not prescribed the maintenance of cost records under Section 209(1) (d) of the Companies Act, 1956.

- ix) (a) According to the information and explanations given to us and according to the records produced before us, the Company is generally regular in depositing, with appropriate authorities the undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Sales Tax, Wealth Tax, Service Tax and any other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax were in arrears as at March 31, 2013 for a period of more than six months from the date they become payable.
- (c) According to the information and explanations given to us, there are no dues of Income Tax, Sales Tax, Wealth Tax and Service Tax which have not been deposited on account of any dispute.
- x) The accumulated losses of the Company are more than 50% of the net worth of the Company. Further the Company has incurred cash losses during the financial year covered by our audit and also in the immediately preceding financial year.
- xi) In our opinion and according to the information and explanations given to us, the Company has no outstanding dues in respect of a financial institution or bank or debenture holders. Therefore, the provisions of clause 4(xi) of the Order are not applicable.
- xii) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Therefore, the provisions of clause 4 (xii) of the Order are not applicable.
- xiii) In our opinion and according to the information and explanations given to us the Company is not a Chit Fund or Nidhi / Mutual Benefit Fund / Society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable.
- xiv) In our opinion the Company is not dealing or trading in shares, securities, debentures or other investments. Therefore, the provisions of clause 4 (xiv) of the Order are not applicable.
- xv) The Company has not given any guarantees for loans taken by others from banks or financial institutions. Therefore, the provisions of clause 4(xv) of the Order are not applicable.
- xvi) The Company has not taken any term loans. Therefore, the provisions of clause 4(xvi) of the Order are not applicable.
- xvii) According to the information and explanations given to us, and an overall examination of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investments.
- xviii) According to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debentures during the year.
- xx) The Company has not raised any money through public issue during the year.
- xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.

For S. N. Dhawan & Co.
Chartered Accountants
FRN – 000050N

S. K. Khattar
(Partner)
M. No. 084993

Place : **New Delhi**
Date : **May 30, 2013**

BALANCE SHEET AS AT 31st MARCH, 2013

(Amount in ₹)

Particulars	Note No.	As at 31.03.2013	As at 31.03.2012
I. EQUITY AND LIABILITIES			
(1) Shareholder's funds			
(a) Share capital	2	147,130,160	147,130,160
(b) Reserves and surplus	3	(62,157,126)	(59,199,208)
(2) Non-current liabilities			
(b) Long term provisions	4	81,381,262	81,524,599
(3) Current liabilities			
(a) Trade payables	5	1,263,898	1,354,813
(b) Other current liabilities	6	16,326,958	19,215,420
(c) Short-term provisions	7	-	101,856
Total		183,945,152	190,127,640
II. ASSETS			
(1) Non-current assets			
(a) Fixed assets	8		
(i) Tangible assets		-	-
(b) Non-current investments	9	18,985,572	18,934,330
(c) Long term loans and advances	10	37,139,171	37,149,513
(d) Other non-current assets	11	3,082,504	3,247,250
(2) Current assets			
(a) Current investments	12	2,975,574	24,578,301
(b) Trade receivables	13	35,851,908	36,012,720
(c) Cash and Bank Balances	14	9,039,923	562,464
(d) Short-term loans and advances	15	74,550,000	67,550,000
(e) Other current assets	16	2,320,500	2,093,062
Total		183,945,152	190,127,640
Summary of significant accounting policies	1		

The accompanying notes 1 to 38 form an integral part of the financial statements

As per our report of even date

For **S.N.Dhawan & Co.**
Chartered Accountants
FRN No.000050N

(S. K. Khattar)
Partner
M. No. 084993

Place : **New Delhi**
Date : **May 30, 2013**

For and on Behalf of the Board of Directors

Rajiv Gupta
Chairman

Arun Mitter
Director

M.K.Madan
Director

Rohit Madan
Manager &
Company Secretary

Sharad Aggarwal
Director

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2013

(Amount in ₹)

Particulars	Note No.	For the year ended 31.03.2013	For the year ended 31.03.2012
Income			
Revenue from operations	17	1,594,061	3,615,162
Other Income	18	5,922,699	8,876,733
Total Income		7,516,760	12,491,895
Expenses			
Employee benefit expenses	19	4,775,357	5,834,990
Other expenses	20	5,732,425	8,572,095
Depreciation and amortization expenses	8 a	125,659	272,558
Total Expenses		10,633,441	14,679,643
Profit/(Loss) before tax		(3,116,681)	(2,187,748)
Excess provision against doubtful/irrecoverable assets written back		(158,763)	(18,137,487)
Tax expenses :			
Current tax		-	-
Deferred tax		-	-
Profit / (Loss) for the year		(2,957,918)	15,949,739
Earning per equity share:(in Rs.) (Face value of Rs. 10/- each)			
(1) Basic		(0.20)	1.08
(2) Diluted		(0.20)	1.08
Summary of significant accounting policies	1		

The accompanying notes 1 to 38 form an integral part of the financial statements

As per our report of even date

For **S.N.Dhawan & Co.**
Chartered Accountants
FRN No.000050N

(S. K. Khattar)
Partner
M. No. 084993

Place : **New Delhi**
Date : **May 30, 2013**

For and on Behalf of the Board of Directors

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Company Secretary

Sharad Aggarwal
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2013

(Amount in ₹)

Particulars	For the Year Ended 31.03.2013	For the Year Ended 31.03.2012
A CASH FLOW FROM OPERATING ACTIVITIES		
Net Profit / (Loss) before Tax	(2,957,918)	15,949,739
Adjustments for :		
Depreciation	125,659	272,558
Lease Equilisation Charges	-	3,920
Provision for Non Performing Assets	(158,761)	(18,137,487)
Interest / Dividend Received - Considered Separately	(641,452)	(2,225,217)
	(674,554)	(20,086,226)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(3,632,472)	(4,136,487)
Adjustments for :		
Increase/(Decrease) in non current liabilities	15,424	102,341
Increase/(Decrease) in current liabilities	(3,081,234)	2,325,875
Increase/(Decrease) in long term loans and advances	10,342	7,468,233
(Increase)/Decrease in other non current assets	164,746	(370,646)
Increase/(Decrease) in trade receivables	160,812	9,994,254
(Increase)/Decrease in short term loans & advances	(7,000,000)	(28,000,000)
(Increase)/Decrease in other current asset	(227,438)	(1,139,437)
CASH GENERATED FROM OPERATIONS	(13,589,820)	(13,755,867)
Direct taxes paid/excess provision written back	-	-
Interest Paid	-	-
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	(13,589,820)	(13,755,867)
B CASH FLOW FROM INVESTING ACTIVITIES		
Addition/Sale of Investments (Net)	21,551,485	(24,459,217)
Purchase of Fixed Assets	-	(16,650)
Sale of Fixed Assets	(125,658)	(259,829)
Interest / Dividend Received	641,452	2,225,217
NET CASH FLOW FROM INVESTING ACTIVITIES (B)	22,067,279	(22,510,479)
C CASH FLOW FROM FINANCING ACTIVITIES		
NET CASH FLOW FROM FINANCING ACTIVITIES (C)	-	-
NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENTS	8,477,459	(36,266,346)
Cash and Cash Equivalents at the Beginning of the Year	562,464	36,828,810
Cash acquired on amalgamation	-	-
Cash and Cash Equivalents at the Close of the Year	9,039,923	562,464
Component of Cash and Cash Equivalents at the Close of the Year		
Cash and Cheques in Hand	31,292	65,166
With Banks in Current Account	8,660,482	175,598
With Banks in Deposit Account	348,149	321,700
	9,039,923	562,464

Note:

1. Previous year's figures have been regrouped/ rearranged wherever considered necessary to compare with this year's figures.

As per our report of even date

For **S.N.Dhawan & Co.**
Chartered Accountants
FRN No.000050N

(S. K. Khattar)
Partner
M. No. 084993

Place : **New Delhi**
Date : **May 30, 2013**

For and on Behalf of the Board of Directors

Rajiv Gupta
Chairman

M.K.Madan
Director

Sharad Aggarwal
Director

Arun Mitter
Director

Rohit Madan
Manager &
Company Secretary

Notes forming part of the financial statements for the year ended 31 March 2013**1. SIGNIFICANT ACCOUNTING POLICIES****i) Accounting Convention**

The financial statements have been prepared under the historical cost convention, as per provisions of the Companies Act, 1956 and after taking into account the applicable guidelines issued by the Reserve Bank of India to Non Banking Financial Companies from time to time and in accordance with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India.

ii) Fixed Assets

Fixed Assets (including assets given on lease upto 31.3.2001) have been stated at cost less accumulated depreciation and impairment, if any. Cost refers to cost of acquisitions.

iii) Investments

Long terms investments are valued at cost. Cost refers to actual cost of acquisition / carrying cost. Provisions for diminution in value, if any, is made if decline is of permanent nature. Current Investments are valued at lower of cost or market value.

iv) Repossessed Vehicles

Repossessed vehicles in hand are valued at the Principal or Principal and Interest amount due from hirers or at net realisable value, whichever is lower.

v) Assets given under finance lease

Assets given under finance lease w.e.f. 1st April, 2001 are recorded as receivables and shown under current assets. Finance income is recognized based on a pattern reflecting a constant periodic rate of return on the net investment outstanding. Initial direct costs incurred are charged to the Profit & Loss Account.

vi) Depreciation

- (a) Depreciation on office equipments and generators, owned by the Company, is provided on written down value method at the rate, as per the Income Tax Act, 1961. Depreciation on other owned assets, are provided on written down value method, at rates prescribed under Schedule XIV to the Companies Act 1956.
- (b) Assets given on lease prior to 31st March, 2001 and included under 'Assets on Lease' in the Fixed Asset Schedule are depreciated on straight line method at rates prescribed under Schedule XIV to the Companies Act 1956 except machinery which is depreciated on written down value method at the rates as per the Income Tax Act 1961.

vii) Classification of Assets and Provisioning

Assets are classified into Performing and Non Performing categories based on their record of recovery as prescribed by the Reserve Bank of India's Prudential Norms and after considering adjustments effected, if any. Provisions are being made as per Reserve Bank of India's Prudential Norms.

viii) Revenue Recognition

- a) Finance Charges on hire purchase/ loans against hypothecation contracts and income from finance lease transactions are computed using Internal Rate of Return Method which ensures a constant periodic rate of return on net finance amount outstanding.
- b) Lease Rentals are accounted for as per terms of lease agreements. However, in compliance of the Guidance Note on "Accounting for Leases" issued by the Institute of Chartered Accountants of India, and applicable to transactions entered into prior to 01.4.2001, the differential between the Capital Recovery Component comprised (based on the Internal Rate of Return Method) in the lease rentals and the depreciation referred to in Para 6(ii) above, (for all assets acquired on or beginning from 1st April, 1995 from accounting year 1995-96 and in respect of

assets acquired upto 1.4.1995 prospectively from the accounting year 1996-97) is carried to "Lease Equalisation" in the Profit & Loss Account.

- c) Income from Non Performing Assets is recognised when realised.
- d) Bill Discounting Charges are accounted for on accrual basis except in case of Non Performing Assets, wherein it is recognised on realisation basis.
- e) Overdue charges from hirers/lessees are accounted for on realisation basis in view of significant uncertainties.
- f) Interest income recognised on accrual basis.
- g) Dividend is accounted for on accrual basis when the right to receive dividend is established.

ix) Retirement Benefits

- a) The liability on account of Gratuity is provided on the basis of actuarial valuation at the year end.
- b) Provident Fund contribution for all employees is charged to revenue each year.

x) Deferred Tax

Deferred Tax is recognised, subject to consideration of prudence, on timing differences, representing the difference between the taxable income/ (loss) and the accounting income/ (loss) that originated in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets and liabilities are measured using tax rates and the tax laws that have been enacted or substantively enacted by the Balance Sheet date. Deferred Tax assets viz. unabsorbed depreciation and carry forward losses are recognised if there is 'virtual certainty' that sufficient future taxable income will be available against which such deferred tax assets can be realised.

xi) Impairment of Assets

The carrying amounts of assets are reviewed at each Balance Sheet date to ascertain impairment based on internal/external factors. An impairment loss is recognised when the carrying amount of an asset exceeds its realisable value. The realisable value is greater of the assets net selling price and value in use.

xii) Provisions, Contingent Liabilities and Contingent Assets

Provisions are recognized for liabilities that can be measured only by using a substantial degree of estimation, if

- a) the Company has a present obligation as a result of past event,
- b) a probable outflow of resources is expected to settle the obligation and
- c) the amount of obligation can be reliably estimated.

Reimbursements expected in respect of expenditure required to settle a provision are recognised only when it is virtually certain that the reimbursement will be received.

Contingent liability is disclosed in the case of

- a) a present obligation arising from the past event, when it is not probable that an outflow of resources will be required to settle the obligation.
- b) a possible obligation, of which the probability of outflow of resources is remote.

Contingent Assets are neither, recognised nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet date.

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
2 : SHARE CAPITAL		
Authorised		
1,50,00,000 (Previous Year 1,50,00,000)		
Equity Shares of ₹ 10 each	<u>150,000,000</u>	150,000,000
Total	<u><u>150,000,000</u></u>	<u><u>150,000,000</u></u>
Issued subscribed & paid-up		
1,47,00,291 (Previous Year 1,47,00,291)		
Equity Shares of ₹ 10 each fully paid up	147,002,910	147,002,910
Add: shares forfeited (fully paid up)	<u>127,250</u>	<u>127,250</u>
Total	<u><u>147,130,160</u></u>	<u><u>147,130,160</u></u>

2.a) The Company has one class of Equity Shares having a par value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

2.b) The reconciliation of the number of shares outstanding is set out below:

Equity Share

Shares outstanding at the beginning of the year
 Shares issued during the year
 Shares bought back during the year
 Shares outstanding at the end of the year

	As at 31st March 2013		As at 31st March 2012	
	No. of shares	Amount in ₹	No. of shares	Amount in ₹
Shares outstanding at the beginning of the year	14,700,291	147,002,910	10,200,300	102,003,000
Shares issued during the year	-	-	4,499,991	44,999,910
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	<u>14,700,291</u>	<u>147,002,910</u>	<u>14,700,291</u>	<u>147,002,910</u>
	No. of shares	%age of holding	No. of shares	%age of holding
2.c) Details of shares held by shareholders holding more than 5% shares at the year end				
The Motor & General Finance Limited	4,608,840	31.35	4,608,840	31.35
Bahubali Services Limited	1,778,870	12.10	1,778,870	12.10
Ram Prakash & Co. Private Limited	1,476,325	10.04	1,444,360	9.83
Punjab National Bank	742,950	5.05	742,950	5.05
Rajiv Gupta	779,498	5.30	-	-
	<u>9,386,483</u>	<u>63.85</u>	<u>8,575,020</u>	<u>58.33</u>

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
3 : RESERVES AND SURPLUS		
Securities premium account		
At the beginning of the year	91,751,750	91,751,750
Add: On issue of Shares	-	-
Less: Utilised for issue of Bonus Shares	-	-
At the end of the year	91,751,750	91,751,750
Statutory reserve		
(U/s 45 1C Reserve Bank of India Act)		
Opening balance	35,422,266	32,232,318
Additions during the year	-	3,189,948
Less : Deduction	-	-
Closing balance	35,422,266	35,422,266
General reserve		
Opening balance	17,595,658	17,595,658
Less : Deduction	-	-
Closing balance	17,595,658	17,595,658
Surplus/(deficit) in the statement of profit and loss		
Balance as at the beginning of the year	(203,968,882)	(216,728,673)
Profit/(Loss) for the year	(2,957,918)	15,949,739
Less : Transfer to statutory reserve	-	3,189,948
Closing balance	(206,926,800)	(203,968,882)
Total	(62,157,126)	(59,199,208)

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
4 : LONG TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	2,017,482	2,002,058
Provision for Non performing assets	79,363,780	79,522,541
Total	81,381,262	81,524,599
5 : TRADE PAYABLES		
Trade payables	1,263,898	1,354,813
Total	1,263,898	1,354,813
6 : OTHER CURRENT LIABILITIES		
Other liabilities*	4,749,146	4,979,720
TDS payable	52,373	48,765
Bank book overdraft	-	2,661,496
Deposits and advances from hirers	85,700	85,700
Deposits and advances from lessors	11,439,739	11,439,739
(*includes Statutory dues and employees dues)		
Total	16,326,958	19,215,420
7 : SHORT TERM PROVISIONS		
Provision for employee benefits		
Provision for gratuity	-	101,856
Total	-	101,856
8 : FIXED ASSETS		
a) Tangible assets		
Assets on lease		
Gross Block	51,934,452	51,934,451
Less: depreciation/impairment	51,934,452	51,934,451
Net Block	-	-
Less: accumulated lease adjustment	-	-
Other fixed assets		
Gross Block	25,164,235	25,924,235
Less: depreciation/impairment	24,812,922	24,687,265
Net Block	351,313	1,236,970
Less: accumulated lease adjustment	351,313	1,236,970
Total	-	-

FIXED ASSETS AS ON 31ST MARCH, 2013

8 a. Details of Fixed assets (Amount in ₹)

Particulars	GROSS BLOCK					DEPRECIATION					NET BLOCK		
	As at 01.04.2012	Additions	Withdrawals and adjustments	As at 31st March, 2013	Upto 01.04.2012	For the year	Withdrawals and adjustments	Impairment	Upto 31st March, 2013	As at 31st March, 2013	As at 31st March, 2012		
Assets on Lease													
Vehicle	51,934,452	-	-	51,934,452	51,934,452	-	-	-	51,934,452	-	-	-	
Machinery	-	-	-	-	-	-	-	-	-	-	-	-	
TOTAL (A)	51,934,452	-	-	51,934,452	51,934,452	-	-	-	51,934,452	-	-	-	
Land	760,000	-	760,000	-	-	-	-	-	-	-	-	760,000	
Electrical Fittings	1,631	-	-	1,631	1,631	-	-	-	1,631	-	-	-	
Airconditioning System	2,285,146	-	-	2,285,146	2,285,146	-	-	-	2,285,146	-	-	-	
Office Equipments	2,044,192	-	-	2,044,192	2,044,192	-	-	-	2,044,192	-	-	-	
Vehicles	5,582,319	-	-	5,582,319	5,120,740	119,503	-	-	5,240,243	342,076	-	461,580	
Computers	12,230,672	-	-	12,230,672	12,215,280	6,156	-	-	12,221,436	9,236	-	15,390	
Furniture & fixture	2,349,794	-	-	2,349,794	2,349,793	-	-	-	2,349,793	-	-	-	
Generator	670,481	-	-	670,481	670,481	-	-	-	670,481	-	-	-	
TOTAL (B)	25,924,235	-	760,000	25,164,235	24,687,263	125,659	-	-	24,812,922	351,312	-	1,236,970	
TOTAL (A) + (B)	77,858,687	-	760,000	77,098,687	76,621,715	125,659	-	-	76,747,374	351,312	-	1,236,970	
Previous Year	93,227,931	16,650	15,385,894	77,858,687	91,568,980	248,177	15,219,824	24,381	76,621,714	1,236,970	-	-	

(Amount in ₹)

Particulars	As at 31st March 2013		As at 31st March 2012	
	At Cost	Market Value	At Cost	Market Value
9 : NON CURRENT INVESTMENTS				
Long Term				
Non - Trade Investments (valued at cost)				
Investment in Equity Instrument (Quoted)	18,965,572	39,402,047	18,914,330	30,995,041
Investment in Equity Instrument (Unquoted)	20,000	-	20,000	-
Total	18,985,572	39,402,047	18,934,330	30,995,041

NAME OF SHARES	Face Value	As On 1st April 12 No(s)	Additions During the year No(s)	Deductions During the year No(s)	As at 31st March 2013	As on 31st March 2013	As on 31st March 2012
Long Term - (at cost)							
Equity Shares fully paid up:							
Quoted non trade							
The Motor & General Finance Limited	10	798,840	1,160	-	800,000	15,837,412	15,786,170
Jayabharat Credit Limited	10	312,401	-	-	312,401	3,128,160	3,128,160
Unquoted non trade							
Micronet Software Services (P) Ltd.	10	2,000	-	-	2,000	20,000	20,000
Total						18,985,572	18,934,330

(Amount in ₹)

Particulars	As at 31st March 2013	As at 31st March 2012
10 : LONG TERM LOANS & ADVANCES		
i) Loans		
Secured - Considered doubtful	15,212,742	15,212,742
(Against Hypothecation of Vehicles, Plant & Machinery etc.)		
Bills discounted recoverable		
- considered doubtful	13,202,364	13,202,364
Advances recoverable in cash or kind		
- considered good	554,209	564,552
- considered doubtful	8,169,856	8,169,856
Total	37,139,171	37,149,513
11 : OTHER NON CURRENT ASSETS		
Unsecured, considered good		
Advance income tax/ tax deducted at source	3,078,704	2,561,410
Sales tax (paid under protest)	3,800	685,840
Total	3,082,504	3,247,250

(Amount in ₹)

Particulars	As at 31st March 2013		As at 31st March 2012	
	At Cost	Market Value	At Cost	Market Value
12 : CURRENT INVESTMENTS				
Investment in Equity Instrument (Quoted)	119,084	119,084	119,084	128,000
Investment in Mutual Funds (Quoted)	2,856,490	2,856,490	24,459,217	24,459,217
	2,975,574	2,975,574	24,578,301	24,587,217

NAME OF SHARES	Face Value	As On 1st April 12 No(s)	Additions During the year No(s)	Deductions During the year No(s)	As at 31st March 2013	As on 31st March 2013	As on 31st March 2012
Investment in Equity Instrument (Quoted)							
Bengal & Assam Company Limited	10	-	2	-	2		
JK Tyre and Industries Limited	10	-	33	-	33		
Indian Hotel Co.Limited	1	2,000	-	-	2,000	119,084	119,084
						119,084	119,084

PARTICULARS	Face Value	As On 1st April 12 No(s)	Additions During the year No(s)	Deductions During the year No(s)	As at 31st March 2013	As on 31st March 2013	As on 31st March 2012
Investment in Mutual Funds (Quoted)							
Religare credit opportunities							
fund institutional	10	1,042,131	-	1,042,131	-	-	10,424,333
HDFC high interest fund	10	341,856	-	341,856	-	-	3,620,877
Religare fixed maturity series							
IX plan F 13	10	250,000	-	250,000	-	-	2,615,150
Kotak hybrid fixed term plan series	10	260,000	-	-	260,000	2,856,490	2,629,354
DWS premier bond fund premium plus	10	513,240	-	513,240	-	-	5,169,503
Total		2,407,227	-	2,147,227	260,000	2,856,490	24,459,217

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
13 : TRADE RECEIVABLES		
i) Hire purchase business		
(Secured by vehicles, plant & machinery under hire purchase agreement)		
Instalments receivables from hirers outstanding for a period exceeding six months		
- Considered doubtful	35,851,908	36,012,720
	35,851,908	36,012,720

(Amount in ₹)

Particulars	As at 31.03.2013	As at 31.03.2012
14 : CASH & BANK BALANCES		
i) Cash & Cash Equivalents		
Cash in hand	31,292	65,166
Balances with Bank		
- In current accounts	8,660,482	175,598
ii) Other Bank Balances		
In fixed deposits (under lien with sales tax department)	348,149	321,700
Total	9,039,923	562,464
15 : SHORT TERM LOANS & ADVANCES		
Inter corporate deposits		
Un-Secured		
- considered good *	68,000,000	61,000,000
- considered doubtful	6,550,000	6,550,000
Total	74,550,000	67,550,000
* given to related party MGF Development Limited	68,000,000	61,000,000
16 : OTHER CURRENT ASSETS		
Interest accrued on inter corporate deposits (recoverable from related party MGF Development Limited)	2,320,500	2,093,062
Total	2,320,500	2,093,062

(Amount in ₹)

Particulars	For the year ended 31st March 2013	For the year ended 31st March 2012
17 : REVENUE FROM OPERATIONS		
Hire Purchase Income	6,618	1,635,045
Lease Income	1,587,443	1,365,761
Interest Income	-	614,356
Total	1,594,061	3,615,162
18 : OTHER INCOME		
Interest income		
- Inter corporate deposits	5,125,833	4,481,250
- Fixed deposits/margin money	47,113	65,378
- Income tax refund	-	9,030
- Others	-	20,490
Dividend income from non current investments	-	1,200,260
Dividend income from current investments	641,452	1,024,957
Bad debts recovered	105,000	2,071,567
Other income	3,301	3,801
Total	5,922,699	8,876,733
19 : EMPLOYEE BENEFIT EXPENSES		
Salaries & allowances	3,995,327	5,199,879
Gratuity	339,770	140,518
Contribution to provident fund and other funds	354,388	409,780
Staff welfare	85,872	84,813
Total	4,775,357	5,834,990
20 : OTHER EXPENSES		
Rent rates and taxes	78,733	126,958
Travelling & conveyance	1,026,126	1,741,518
Printing & stationery	324,768	366,873
Postage & telephone	370,341	477,908
Legal & professional expenses	1,042,737	1,701,162
Repair & maintenance	179,460	215,121
Advertisement expenses	54,675	66,101
Insurance	65,056	69,650
Bank charges	23,824	-
Auditors remuneration		
Audit fee	225,000	225,000
Tax audit fee	30,000	30,000
Certification	60,000	60,000
Service Tax	38,934	-
General expenses	1,844,771	1,850,402
Rebate allowed	-	1,463,228
Loss on sale of fixed assets	368,000	178,174
Total	5,732,425	8,572,095

21. Going Concern

The accumulated losses as at the close of the year amounts to **Rs. 18,93,31,142** (after adjustment of general reserve) against the Paid-Up Capital and other Reserves amounting to **Rs. 274,304,176** which results in positive net worth. The Company had liquidated the entire public deposits liability and made it a debt free company. In view of utilization of funds to liquidate the liabilities there has been no fresh exposure of business undertaken by the Company.

The management is of the considered view that considering the availability of assets and its realization there will be sufficient cushion available to repay all other liabilities. The accounts, as such, have been prepared on a Going Concern basis.

22. The net owned funds (NOF) although have become positive yet the Company could not comply with the Reserve Bank of India guidelines prescribed for Non Banking Financial Companies Prudential Norms (Reserve Bank Directions, 1988), with regard to (i) Maintenance of Minimum Capital Adequacy Ratio, (ii) the credit / investment exposures which have become in excess of prescribed limits.

23. The Company continues to hold the certificate issued by Reserve Bank of India in Category "B" as Non-Accepting Deposits Non Banking Finance Company.

24. Non Current Long Term Investments are to be valued at cost in terms of Accounting Standard-13 "Accounting for Investments" issued by the Institute of Chartered Accountants of India and as recommended by Reserve Bank of India's guidelines, subject to provisions for diminution in value, other than temporary in nature. However, considering the long term nature and other related matters, investments in quoted company amounting to **Rs. 3,128,160** (Previous Year Rs. 3,128,160) have been valued at cost and the temporary short fall of **Rs. Nil** (Previous Year Rs. 332,171) has not been provided for.

25. There is no amount due to the Micro Small and Medium Enterprises in terms of "The Micro Small and Medium Enterprises Development Act, 2006"

26. Current Taxation:-

(a) Provision for Income Tax for the year has not been considered necessary in view of the accumulated carried forward of losses and unabsorbed depreciation available for set off under the Income Tax Act, 1961 and Rules made thereunder.

(b) Income Tax Assessments of the Company have been made up to and including the Assessment Year 2009-10. The Company's appeals for certain years are pending in respect of certain disallowances made. In view of the favorable appellate orders for earlier years, the Company expects decisions in respect of the pending matters in its favour and no provision has, therefore, been made considering the taxes already paid are more than sufficient to meet the liability, if any, upon finalization of assessment.

27. Deferred Taxation:

On a prudent and conservative basis, Deferred Tax Assets, due to timing differences, arising from Unabsorbed Depreciation, Business Loss and Provisions for Non Performing Assets have not been recognised in the absence of any certainty that sufficient future taxable income will be available in the foreseeable future against which the net Deferred Tax Assets can be realised.

28. Managerial Remuneration to Manager:

(Amount in ₹)

Particulars	31.03.2013	31.03.2012
- Salary	691,200	643,200
- Contribution to Provident Fund	51,840	48,240
- Perquisites	57,600	53,600
Total	800,640	745,040

29. Balance in parties accounts whether in debit or in credit are subject to confirmation.

30. Segment Reporting

The Company's business activities predominantly relate to providing finance by way of Hire Purchase and Leasing Operations. Accordingly revenue from financing activities comprises the primary basis of segmental reporting. Hence segmental reporting as defined in Accounting Standard – 17 is not applicable.

31. Related Party Disclosures

Disclosures of details pertaining to related party transactions entered into during the year in terms of Accounting Standard-18 "Related Party Disclosures" issued by The Institute of Chartered Accountants of India:

a) List of Related Parties

(As identified and certified by the management)

(i) Under common control:

 The Motor and General Finance Limited,
 Jayabharat Credit Limited.

(ii) Enterprises over which the key management personnel are able to exercise significant influence:

Bahubali Services Limited,

(iii) Key Managerial Personnel:

 Shri Rajiv Gupta, Chairman,
 Shri Arun Mitter, Director,
 Shri Sharad Aggarwal, Director,
 Shri M.K. Madan, Director
 Shri Rohit Madan, Manager & Company Secretary (relative of Director)

b) Details of transactions entered into with related parties:

Particulars	Under Common Control	Key Managerial Personnel	Enterprises over which the Key Management Personnel is able to exercise significant influence	Relative of Director
Interest received on ICD's	-	-	51,25,833	-
Remuneration Paid - Manager	-	-	-	800,640
Inter Corporate Deposits including interest accrued	-	-	7,03,20,500	-

32. Assets given under Finance Lease from 1st April, 2001 in accordance with the Accounting Standard 19 (AS-19), "Leases", issued by The Institute of Chartered Accountants of India, with contractual maturities in lease financing activities (including hire purchase agreements with an option to the hirer to acquire the assets) are set out below:

(Amount in ₹)

	Gross Investment in finance lease (1)	Unearned finance Income (2)	Present value of Future lease/ Hire Purchase receivables (3) = (1) - (2)
a) Lease Receivables (In respect of transactions after 1.4.2001)	-	-	-
- Not later than one year	-	-	-
- Later than one year but not later than five years	-	-	-
- Later than five years	-	-	-
Total	-	-	-
Less: Provision for uncollectible Lease receivables	-	-	-
Total	0	-	0
b) Hire Purchase Receivables	-	-	-
- Not later than one year	-	-	-
- Later than one year but not later than five years	35,851,908	-	35,851,908
- Later than five years	-	-	-
Total	35,851,908	-	35,851,908
Less: Provision for uncollectible	35,142,324	-	35,142,324
Net	709,584	-	709,584
Grand Total	709,584	-	709,584

33. Lease Rental in respect of offices premises taken on operating lease are charged to the Profit and Loss account on a straight-line basis over the lease term. The rentals charged during the year aggregate to **Rs. 78,733** (Previous Year Rs.126,958).

34. Earnings Per Share(E.P.S.)	31.03.2013	31.03.2012
Calculation of Basic / Diluted E.P.S.		
a) Net Profit for the year attributable To Equity Shareholders	(Rs. 2,957,918)	Rs.15,949,739
b) Weighted Average Number of Equity Shares	14,700,291	14,700,291
c) Basic Earnings per share	(0.20)	1.08
d) Diluted Earnings per share	(0.20)	1.08
e) Nominal Value per share	Rs. 10/-	Rs.10/-

35. Contingent Liabilities & Provisions

a) Details of Provisions' in term of Accounting Standard 29 "Contingent Liabilities & Provisions" issued by The Institute of Chartered Accountants of India are as under.

(Amount in ₹)

Particulars	Opening Balance 01.04.12	Additions/ Movement (Net of Adjustments)	Closing Balance 31.03.13
Provisions for Gratuity (current and non current)	(2,103,914)	(86,432)	2,017,482
Provisions for Non Performing Assets as per RBI guidelines	79,522,541	(158,763)	79,363,780

36. Schedules to the Balance Sheet containing additional particulars as prescribed by the Reserve Bank of India (RBI) in terms of DNBS(PD)CC.No.25/02-02/2002-03 dated 29.3.2003.

	Amount Outstanding	Amount Overdue
(1) Loans and advances availed by the NBFC's inclusive of interest accrued thereon but not paid:		
a) Debentures : Secured	-	-
: Unsecured (other than falling within the meaning of public deposits)	-	-
b) Deferred Credits	-	-
c) Term Loans	-	-
d) Inter-corporate loans and borrowing	-	-
e) Commercial Paper	-	-
f) Public Deposits including accrued interest (includes unclaimed deposits ₹ Nil. Previous Year ₹ Nil)	-	-
g) Other Loans (specify nature) from Banks	-	-

(2)	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid):		
	a) In the form of Unsecured debentures	-	-
	b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security	-	-
	c) Other public deposits (includes unclaimed deposits of ₹ Nil. Previous year ₹ Nil)	-	-
	Assets side :		
(3)	Break-up of Loans and Advances including bills receivables [other than those included in (4) below]	Amount outstanding	
	a) Secured	-	
	b) Unsecured	101,879,433	
(4)	Break up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP activities		
	(i) Lease assets including lease rentals under sundry debtors after reducing net book value of leased assets.	-	
	a) Financial lease	-	
	b) Operating lease	-	
	(ii) Stock on hire including hire charges under sundry debtors:	35,851,908	
	a) Assets on hire	-	
	b) Repossessed Assets	-	
	(iii) Hypothecation loans counting towards EL/HP activities		
	a) Loans where assets have been repossessed	-	
	b) Loans other than (a) above	15,212,742	
(5)	Break-up of Investments : (Net of Provisions)		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity	119,084	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	2,856,490	
	(iv) Government Securities	-	
	(v) Others (Share Application money)	-	
	2. Unquoted :		
	(i) Shares : (a) Equity	-	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of mutual funds	-	
	(iv) Government Securities	-	
	(v) Others (please specify)	-	

	Long Term investments :		
	1. Quoted :		
	(i) Shares: (a) Equity		18,965,572
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
	2. Unquoted :		
	(i) Shares: (a) Equity		20,000
	(b) Preference		-
	(ii) Debentures and Bonds		-
	(iii) Units of mutual funds		-
	(iv) Government Securities		-
	(v) Others (please specify)		-
(6)	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances :		
	Category	Amount	
		Secured	Unsecured
			Total
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	-	-
	(c) Other related parties	-	-
	2. Other than related parties	51,064,650	28,561,034
	Total	51,064,650	28,561,034
		79,625,684	79,625,684
(7)	Investor group-wise classification of all investments (current and non current long term) in shares and securities (both quoted and unquoted):		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties		
	(a) Subsidiaries	-	-
	(b) Companies in the same group	18,965,572	18,914,330
	(c) Other related parties	-	-
	2. Other than related parties	2,995,574	2,995,574
	Total	21,961,146	21,909,904
(8)	Other information		
	Particulars	Amount	
	(i) Gross Non-Performing Assets		
	(a) Related parties	-	
	(b) Other than related parties	79,541,079	
	(ii) Net Non-Performing Assets		
	(a) Related parties	-	
	(b) Other than related parties	79,541,079	
	(iii) Assets acquired in satisfaction of debt	-	

37. Disclosures as required under Accounting Standard-15 (Revised) "Employee Benefits" for Gratuity:

A. Assumptions

Particulars	Gratuity	
	31.03.13	31.03.12
Discount Rate	8.10%	8.70%
Rate of Return on Plan Assets	0.00%	0.00%
Salary Escalation	10.00%	10.00%

B. Changes in Benefit Obligations

Particulars	Gratuity	
	31.03.13	31.03.12
Liability at beginning of the year	2,103,914	1,987,771
Interest Cost	183,041	161,009
Past Service Cost	-	-
Current Service Cost	144,607	154,889
Benefit Paid	(426,202)	-
Actuarial(gain)/ Loss on obligation	12,122	(199,755)
Liability at the end of the year	2,017,482	2,103,914

C. Fair Value of Plan Asset

Particulars	Gratuity	
	31.03.13	31.03.12
Fair Value of Plan Assets at beginning of the year	-	-
Expected Return on Plan Assets	-	-
Contributions	-	-
Benefits Paid	-	-
Actuarial Gain / (Loss) on Plan Assets	-	-
Fair value of Plan Assets at the end of the year	-	-
Funded Status	Unfunded	Unfunded

D. Expenses recognised in the Profit & Loss Account

Particulars	Gratuity	
	31.03.13	31.03.12
Current Service Cost	144,607	154,889
Past Services Cost	-	-
Interest Cost	183,041	161,009
Net Actuarial (gain)/ Loss for the period	12,122	(199,755)
Expenses Recognised in Statement of Profit & Loss	339,770	116,143

E. Balance Sheet Reconciliation

Particulars	Gratuity	
	31.03.13	31.03.12
Opening Net Liability	2,103,914	1,987,771
Expenses charged to Statement of Profit & Loss	339,770	116,143
Benefit Paid	426,202	-
Closing Liability	2,017,482	2,103,914
Non current liability	1,928,505	2,002,058
Current liability	88,977	101,856

38. The assets and liabilities are classified between current and non current considering 12 months period as operating cycle. The Company has regrouped previous year figures wherever considered necessary.

As per our report of even date

For **S.N.Dhawan & Co.**
Chartered Accountants
FRN No.000050N

(S. K. Khattar)
Partner
M. No. 084993

Place : **New Delhi**
Date : **May 30, 2013**

For and on Behalf of the Board of Directors

Rajiv Gupta
Chairman

M.K.Madan
Director

Sharad Aggarwal
Director

Arun Mitter
Director

Rohit Madan
Manager &
Company Secretary

BRANCH OFFICE

SHIMLA

Opp. Hotel Pine Cone,
Sankar Mochan Mandir,
Tara Devi, Shimla,
Himachal Pradesh
Ph: 0177-2832512

NET COPY

INDIA LEASE DEVELOPMENT LIMITED

MGF House, 4/17-B, Asaf Ali Road, New Delhi - 110 002
Telephone Nos.: 41519433, 41520070
E-mail : info@indialease.com
Website : www.indialease.com



ADMISSION SLIP

Folio No.\Client ID No.\DP ID No.

Name of the Member (s)
(in Block Letters)

I/We hereby record my/our presence at the 28th Annual General Meeting of **India Lease Development Limited** on Thursday, the 26th September, 2013 at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 at 12.30 P.M.

SIGNATURE OF THE MEMBER(S)/PROXY

NOTES: 1. Members/proxy holders must bring this Attendance Slip to the meeting and hand over at the attendance counter duly signed.

INDIA LEASE DEVELOPMENT LIMITED

MGF House, 4/17-B, Asaf Ali Road, New Delhi - 110 002
Telephone Nos.: 41519433, 41520070
E-mail : info@indialease.com
Website : www.indialease.com



PROXY FORM

Reference Folio No.....Client ID No.....DP ID No.....

I/We.....,

of.....,

being a Member (s) of **India Lease Development Limited** hereby appoint.....

.....of.....or, failing

him/her.....of.....,

as my /our proxy to attend and vote for me/us on my /our behalf at the 28th Annual General Meeting of the company to be held on Thursday, the 26th September, 2013 at The Executive Club, 439, Village Shahoorpur, P.O. Fatehpur Beri, New Delhi-110030 at 12.30 P.M. and/or at any adjournment thereof.

Signed this.....day of.....2013.

Signature.....

Affix
₹ 1.00
Revenue
Stamp

- Notes: (i) A Proxy in order to be effective must be received at the Registered Office of the Company not less than forty eight hours(48) before the scheduled time of the meeting.
(ii) A Proxy need not be a Member.

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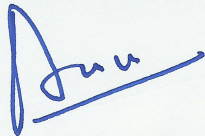
India Lease Development Limited

Regd. Off. : 'MGF House', 4/17-B, Asaf Ali Road,
New Delhi - 110 002.

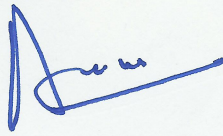
FORM A

1.	Name of the Company	India Lease Development Limited
2.	Annual Financial Statements for the year ended	March 31,2013
3.	Type of Audit observation	Un-qualified/Matter of Emphasis:- i) The Company has discontinued fresh hire purchase/leasing business. The management is of the view that the realization of the assets will be sufficient to pay off its entire liabilities. In view of the above the financial statements have been prepared on the assumption that the company will continue as a going concern.(Refer Note No.21) ii) There is non compliance of the provisions of Non Banking Financial Companies Prudential Norms (Reserve Bank Directions,1998 with regard to maintenance of Credit Concentration/Investments Norms in respect of lending to one of the company where these are exceeding the limits (Ref Note No.22)
4.	Frequency of observation	Both the above Note No.(i) and(ii) appeared first time in the Balance Sheet for the year ended March 31,2008 and continuously appearing every year
5.	To be signed by- - CEO, CFO & Director - Audit Committee Chairman - Auditor of the Company	Sh. Arun Mitter Sh. Arun Mitter M/s S.N. Dhawan & Co, Chartered Accountants

For INDIA LEASE DEVELOPMENT LTD



CEO, CFO & Director



CHAIRMAN
(AUDIT COMMITTEE)

FOR S. N. DHAWAN & CO
CHARTERED ACCOUNTANTS
FIRM NO.000050N



(S.K. KHATTAR)
PARTNER
M No.84993

