

**22<sup>nd</sup>**  
**ANNUAL REPORT**  
**2013 - 2014**

**devki**  
**DEVKI LEASING AND FINANCE LIMITED**

## **DEVKI LEASING & FINANCE LIMITED**

<b>MANAGING DIRECTOR</b>	:	MR. SUDHIR BINDAL
<b>NON EXECUTIVE DIRECTOR</b>	:	MRS. SARITA BINDAL
<b>INDEPENDENT DIRECTORS</b>	:	MR. MANOJ KUMAR SINGH MR. KAMLESH KASLIWAL
<b>CHIEF FINANCIAL OFFICER</b>	:	MR. MURALIDHARAN PILLAI
<b>COMPANY SECRETARY</b>	:	MS. MONIKA RIZWANI
<b>AUDITORS</b>	:	M/s A.B. DOSHI & CO. CHARTERED ACCOUNTANTS 114, M.T.H. Compound Indore (M.P.)
<b>BANKERS</b>	:	DENA BANK, SIYAGANJ BRANCH, INDORE HDFC BANK, TRADE HOUSE BRANCH, INDORE
<b>SOLICITORS AND ADVOCATE</b>	:	PANKAJ BAGDIAO
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	:	LINK INTIME INDIA LIMITED C-13, PANNALAL SILK MILLS COMPOUND LBS MARG, BHANDUP, MUMBAI- 400 078 Tel: 022-25963838 Fax: 022-25946969 saili.lad@linkintime.co.in
<b>REGISTERED OFFICE</b>	:	"VELOCITY", 18-A SCHEME NO 94C RING ROAD INDORE-452010 MADHYA PRADESH www.devkileasing.com. dfliindore@gmail.com Tel: +91-731 4735555 – 69 Fax: +91-731 4735500 CIN: L65921MP1993PLC007522

**NOTICE**

**NOTICE** : is hereby given that Twenty Second Annual General Meeting of the Members of the **DEVKI LEASING & FINANCE LIMITED** will be held on Tuesday, **30th September, 2014 at 10.30 AM** at the registered office of the company at **"Velocity, 18-A Scheme No 94C, Ring Road, Indore** to transact the following business : -

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended March 31, 2014 and the Reports of the Board of Directors and Auditors thereon.
2. **To consider and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:**  
"RESOLVED THAT subject to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, M/s A.B. Doshi & Co., Chartered Accountants (ICAI Firm Registration No. 001577C), the retiring Auditors of the Company be and are hereby re-appointed as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) on such remuneration as may be decided & fixed by the board on the recommendations of the Audit Committee."

**SPECIAL BUSINESS:**

3. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as Ordinary Resolution:**  
"RESOLVED THAT pursuant to the provisions of sections 160 of the Companies Act, 2013 reads with the Companies (Appointment and Qualification of Directors) Rules, 2014, and other applicable provisions, if any, Mrs. Sarita Bindal (DIN- 02194558), who was appointed as an additional director pursuant to the provisions of section 161 of the Companies Act, 2013 by the Board w.e.f. 30th July, 2014 to hold the office of the director till the date of the ensuing annual general meeting and in respect of whom the Company has received a notice in writing from a member proposing her as a candidate for the office of director, be and is hereby appointed as a Non Executive Promoter Director of the Company, liable to retire by rotation."
4. **To consider and, if thought fit, to pass, with or without modification(s), the following resolution, as Special Resolution:**  
"RESOLVED THAT pursuant to the provisions of sections 196, 197, 203 read with the provisions of Schedule V of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of the Managerial Personnel) Rules, 2014 and other applicable provisions if any, of companies act 2013, (including any statutory modifications or re-enactment thereof for the time being enforce), the approval of the members of the Company be and is hereby granted for the re-appointment of and remuneration being paid or provided to Mr. Sudhir Bindal (DIN-00108548) as one of the whole-time Key Managerial Person to be designated as the Managing Director of the Company for a further period of three years commencing from 1st October, 2014, liable to retire by rotation on the following terms and conditions:  
Salary of Rs.31,000 PM which shall be subject to upward revision of 10% per annum.  
Allowances/perquisites: as per Category A Subject to the maximum of Salary.

**CATEGORY: A**

- a. **House Rent:** The Company shall provide House Rent Allowance subject to a maximum of 50% of the salary or house accommodation and 10% of salary shall be recovered by way of rent. Expenditure incurred by the Company on his electricity, water and furnishing shall be evaluated as per Income Tax Rules, 1962 subject to a ceiling of 10% of salary.
- b. **Medical Expenses:** Re-imbursalment of medical expenses of the Executive Director and his family, the total cost of which to the Company shall not exceed one month's salary in the year or three months salary in a block of three years.

- c. **Leave travel assistance:** Expenses incurred for self and family in accordance with the Rules of the Company.
- d. **Club Fees:** subject to a maximum of two clubs, this will not include admission and life membership.
- e. **Personal accident insurance premium:** not exceeding Rs. 24000/- p.a.

**NOTE:** For the purpose of perquisites stated in Category "A" above, "Family" means the spouse, the dependent children and dependent parents of the appointee.

**CATEGORY B- EXEMPTED FROM THE LIMITS PRESCRIBED UNDER THE SCHEDULES:**

- a. **Employers Contribution to PF:** As per the Rules of the Company.
- b. **Gratuity:** As per rules of the Company, subject to a maximum ceiling as may be prescribed under the Payment of Gratuity Act from time to time.
- c. **Leave encashment:** up to 15 days salary for every one year completed service as per the rules of the Company.
- d. Provided that the above said perquisites shall not be counted for the purpose of calculation of the remuneration payable to the Executive Director.

**CATEGORY C- FACILITIES TO PERFORM THE COMPANIES WORK:**

- a. **Car:** The Company shall provide car with driver for the Company's business and if no car is provided, reimbursement of the conveyance shall be made as per actual on the basis of claims submitted by him.
- b. **Telephone, Internet & Cell:** Free use of telephone, internet at his residence and Cell phone, provided that the personal long distance calls on the telephone shall be billed by the Company to the Executive Director.

**RESOLVED FURTHER THAT** in the event of there being loss or inadequacy of profit for any financial year, the remuneration payable to Mr. Sudhir Bindal shall not be in excess with the limit prescribed in the Schedule V of the Companies Act, 2013 as may be applicable from time to time during his tenure.

**RESOLVED FURTHER THAT** Mr. Sudhir Bindal, Managing Director shall also be entitled for the reimbursement of actual entertainment, traveling, boarding and lodging expenses incurred by him in connection with the Company's business and such other benefits/ amenities and other privileges, as may from time to time, be available to other Senior Executives of the Company.

**RESOLVED FURTHER THAT** the Board of directors be and are hereby authorized to do all such acts, deeds, matters and things as in its absolute discretion, may consider necessary, expedient or desirable and to vary, modify the terms and conditions and to settle any question, or doubt that may arise in relation thereto and the Board shall have absolute powers to hold the increments, decide breakup of the remuneration within the above said maximum permissible limit, in order to give effect to the foregoing resolution, or as may be otherwise considered by it to be in the best interest of the Company."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Mr. Kamlesh Kasliwal (DIN- 00457056), who was holding position of the Independent Director liable to retire by rotation and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule IV to the said Act and Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement as may be amended from time to time, Mr.

Manoj Kumar Singh (DIN- 01684132 who was holding position of the Independent Director liable to retire by rotation and in respect of whom the company has received a notice in writing under section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the director of the Company and who has also submitted a declaration confirming that he meets the criteria for independence as provided in section 149(6) of the Act and is eligible for appointment, be and is hereby appointed as an Independent Director of the Company to hold office for a term upto five consecutive years upto 31st March, 2019 and he will not be liable to retire by rotation."

**PLACE :** Indore  
**DATE :** 30.07.2014

By order of the Board of Directors  
**DEVKI LEASING & FINANCE LIMITED**

**Registered Office:**

Velocity", 18-A Scheme No 94 C,  
Ring Road, Indore (M.P.) 452010

**MONIKA RIZWANI**  
COMPANY SECRETARY

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.**
2. A person can act as a proxy on behalf of members not exceeding 50 and holding in aggregating not more than 10% of the total share capital of the Company carry voting rights may appoint a single person as a proxy and such person shall not act as a proxy for any other person or member.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013 is given below and forms part of the Notice.
4. The company has notified closure of register of members and share transfer books form Saturday, September 27, 2014 to Tuesday, September 30, 2014 (both days inclusive).
5. The Members are requested to:
  - a. Intimate changes, if any, in their registered addresses immediately and they must quote their ledger folio number in all their correspondence.
  - b. Hand over the enclosed attendance slip, duly signed in accordance with their specimen signatures registered with the Company for attending the meeting.
  - c. Bring their Annual Report and Attendance Slips with them at the AGM venue.
  - d. Send their Email address to us for prompt communication and update the same with their D.P to receive softcopy of the Annual Report of the company.
6. The report on the Corporate Governance and Management Discussion and Analysis also form part to the report of the Directors.
7. Members seeking any information are requested to write to the Company by email at [dflindore@gmail.com](mailto:dflindore@gmail.com) at least 7 days before the date of the AGM to enable the management to reply appropriately at the AGM.
8. Members are requested to notify immediately any change in their address and E – Mail ID to their respective Depository Participants (DPs) in respect of their electronic share accounts and to the Registrar and Share Transfer Agent of the Company at M/s Link Intime India Pvt. Ltd. C-13, Pannalal Silk Mills Compound, LBS Marg, Bhandup, Mumbai (MH).
9. Electronic copy of the Annual report is being sent to the members whose email IDs are registered with the Company/ Depository Participants unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual report being sent in the permitted mode.

10. Members may also note that the Annual Report for FY 2013-14 will also available for downloading on Company's website [www.devkileasing.com](http://www.devkileasing.com).
11. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.
12. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Saturday, between 11:00 A.M and 1:00 P.M up to the date of the meeting.
13. Voting through electronic means
  - I. In compliance with the provisions of section 108 of the Act and the Rules framed thereunder, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by CDSL, on all resolutions set forth in this Notice.

The instructions for e-voting are as under:

- i. Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- ii. Now click on "Shareholders" to cast your votes
- iii. Now, select "**DEVKI LEASING AND FINANCE LIMITED**" from the drop down menu and click on "SUBMIT"
- iv. Now, fill up the following details in the appropriate boxes:

User-ID	For Members holding shares in Demat Form:- a) For CDSL :- 16 digits beneficiary ID b) For NSDL :- 8 Character DP ID followed by 8 Digits Client ID For Members holding shares in Physical Form:- • Folio Number registered with the Company
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- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first time user follow the steps given below:

PAN*	<p><b>For Members holding shares in Demat Form and Physical Form</b></p> Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.

- viii. After entering these details appropriately, click on "SUBMIT" tab.

- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- x. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- xi. Click on the EVSN for the relevant **DEVKI LEASING AND FINANCE LIMITED** on which you choose to vote.
- xii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xiv. After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xv. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xvii. If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporate.
  - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- II. The voting period begins on Wednesday, 24th September, 2014 at 9.00 AM and ends on Friday, 26th September, 2014 at 5.00 PM. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 22<sup>nd</sup> August, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- III. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- IV. Mr. Ashish Garg (Membership No. 5181 CP no. 4423), Company Secretary in Practice has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
- V. The result of voting shall be declared by the Chairman of the meeting on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.devkileasing.com](http://www.devkileasing.com) and will be communicated to the Stock Exchange i.e MPSE & BSE.
- VI A copy of this notice has been placed on the website of the Company and the website of CDSL.

DETAILS OF THE DIRECTORS SEEKING APPOINTMENT/RE-APPOINTMENT IN THE ENSUING ANNUAL GENERAL MEETING

Name of Directors	Mr. Sudhir Bindal	Mrs. Sarita Bindal
Date of Birth	06.04.1964	14.04.1968
Date of Appointment	15.02.1993	30.07.2014
Expertise / Experience in specific functional areas	Having more than 25 years of experience in handling finance business	Having more than 8 years of experience in business
Qualification	B.COM, DCMA	B.COM
No. & % of Equity Shares held	1, 10,400 (3.15%)	127362 (3.63%)
List of outside Companydirectorship held	Velocity Private Limited	Nautilus Infrastructure Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	<b>Member</b> Stakeholders Relationship Committee	<b>Member</b> * Audit Committee * Nomination and Remuneration Committee
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	NIL	NIL

Name of Directors	Mr. Manoj Kumar Singh	Mr. Kamlesh Kasliwa
Date of Birth	15.07.1973	15.09.1968
Date of Appointment	30.10.2005	30.06.2009
Expertise / Experience in specific functional areas	Having more than 15 years experience in E.D.P & Accounts.	Having more than 20 years experience in business
Qualification	MCA	Commerce Graduate
No. & % of Equity Shares held	NIL	4000 (0.11%)
List of outside Companydirectorship held	Devki Cyber Securities Private Limited	1. Sir Sarupchand Hukamchand Private Limited 2. Hukamchand Rajkumar Singh And Sons Private Limited
Chairman / Member of the Committees of the Board of Directors of the Company	<b>Chairman</b> * Audit Committee * Nomination and Remuneration Committee  * Stake holder Relationship Committee	<b>Member</b> * Audit Committee * Nomination and Remuneration Committee * Stake holder Relationship Committee
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	NIL	NIL



**EXPLANATORY STATEMENT IN TERMS OF SECTION 102 OF THE COMPANIES ACT, 2013.**

**Item No. 2:**

This explanatory statement is provided though strictly not required as per section 102 of the Act.

M/s A.B. Doshi & Co., Chartered Accountants (ICAI Firm Registration No. 001577C), Indore have been the Auditors of the Company since very long.

As per the provisions of section 139 of the Act, no listed company can appoint or re-appoint an audit firm as auditor for more than two terms of five consecutive years. Section 139 of the Act has also provided a period of three years from the date of commencement of the Companies Act, 2013 to comply with this requirement. In view of the above, M/s A.B. Doshi & Co., Chartered Accountants, being eligible for re-appointment and based on the recommendation of the Audit Committee, the Board of Directors has, at its meeting held on 30th July, 2014 proposed the reappointment of M/s A.B. Doshi & Co., Chartered Accountants as the statutory auditors of the Company for a period of three years to hold office from the conclusion of this AGM till the conclusion of the twenty-fifth AGM of the Company to be held in the calendar year 2017 (subject to ratification of their appointment at every AGM).

The Board recommends the Resolution at Item No. 2 for approval by the members as an Ordinary Resolution.

None of the Directors, Key Managerial Personnel (KMP) or their relatives are concerned or interested in any manner in the Resolution.

**Item No. 3**

As per the provisions of section 149(1) of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014, and the Clause 49 of the Listing Agreement, which provides that the Company shall have at least one Women director in the Board. Therefore, the Board of directors at their meeting held on 30th July, 2014 has appointed Mrs. Sarita Bindal as an additional director pursuant to the provisions of section 161 of the Companies Act, 2013 to hold the office of the director till the date of this annual general meeting.

Mrs. Sarita Bindal is a Commerce Graduate, having expertise of more than 8 years in the field of business.

A notice has been received in writing from a member as required under section 160 along with the deposit of requisite amount proposing Mrs. Sarita Bindal as a candidate for the office of Director. In the opinion of the Board, she fulfils the conditions specified in the Companies Act, 2013 and rules made there under for her appointment as a director.

The Board recommends to pass necessary Ordinary resolution as set out in Item No. 3 of the notice.

Mrs. Sarita Bindal, is interested in the resolution to the extent of her appointment. Further that Mr. Sudhir Bindal, Managing Director being her relative may also be deemed as concerned or interested otherwise in the resolution. Except that none of the other directors or Key Managerial Personnel (KMP) or their relatives are concerned or interested in the Resolution.

Mrs. Sarita Bindal hold 127362 Equity shares of Rs. 10/- each consisting of 3.63% of the total paid up capital of the Company.

**Item No. 4**

Mr. Sudhir Bindal is the Managing Director of the Company, having more than 25 years of experience in handling finance business. His experience, commitment and capabilities are playing a crucial role in the growth of the Company. Thus the Board of Directors feel that there is a need for a continuation of suitable plans and program and therefore, it is imminent that they continue in the capacity of Managing Director. However to make the compliance of the provisions of Sec. 152 of the Companies Act 2013, he will be liable to retire by rotation.

Thus upon the recommendation of the Nomination and Remuneration Committee, the Board of directors at their meeting held on 30th July, 2014 has re-appointed him for a further period of three years commencing from 1st October, 2014.

The Board considered that the terms and conditions of the salary and perquisites as given in the Item No. 4 of the notice is commensurate with his high responsibilities, status and image of the Company. The Board recommends to pass special resolution as set out in Item No. 4 of the notice. Mr. Sudhir Bindal is interested in the resolution to the extent of his appointment and remuneration payable to him, and Mrs. Sarita Bindal being his relative may also be deemed as concerned or interested otherwise in the resolution, however none of the other directors & KMP may be deemed as concerned or interested in the aforesaid resolution.

Mr. Sudhir Bindal is holding 110,400 Equity shares of Rs. 10/- each consisting of 3.15% of the total paid up capital of the Company.

**Item No. 5& 6**

The Board of Directors of the Company comprises four Directors out of which Mr. Kamlesh Kasliwal and Mr. Manoj Kumar Singh are Non-Executive Independent Directors of the Company.

Mr. Kamlesh Kasliwal joined the Board of Directors of the Company on 30.06.2009 as Additional Director of the Company. He is a Commerce Graduate. He has experience of 20 years in the field of Business.

Mr. Manoj Kumar Singh joined the Board of Directors of the Company on 30.10.2005 as an Additional Director of the Company. He is having educational qualification of MCA. He is having more than 15 years experience in E.D.P & Accounts and he does not hold by himself, any Equity shares in the Company.

The detailed profile of Directorship and Committee position held by these two Directors in other Companies are included separately in this Notice and report on Corporate Governance forming part of the Annual Report.

As per the provisions of section 149 of the Companies Act, 2013 which was come into force w.e.f. 1st April 2014, an Independent Director shall hold office for a term upto five consecutive years on the Board of a Company and is not liable to retire by rotation. Therefore, it is proposed to appoint them as Independent Directors at the ensuing annual general meeting for a period of 5 years, upto 31st March, 2019.

Both the Independent Directors has given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board both the said directors fulfills the conditions specified in the Act and the Rules made there under as the Clause 49 of the Listing Agreement for their appointment as Independent Directors of the Company.

The Company has received a notice in writing as required under section 160 of the Companies Act, 2013 from members for proposing the appointment of the above said directors.

Both the 'Independent Directors' have expertise in specific functional areas and are eminent personalities in their respective fields .The Board considers that there continued association would be of immense benefit to the Company and it is desirable to continue to avail services of both of these Directors as an Independent Director.

Accordingly, the Board recommends the resolution as set out in the Item No. 5 & 6 as Ordinary Resolutions, Mr. Kamlesh Kasliwal and Mr. Manoj Kumar Singh, who are proposed appointees may be considered as concerned or interested financially in the Resolutions. Except that none of the other Directors nor Key Managerial Personnel or relatives thereof is, in any way, concerned or interested in the Resolutions.

By order of the Board of Directors  
**DEVKI LEASING & FINANCE LIMITED**

**PLACE:** Indore  
**DATE:** 30.07.2014

**MONIKARIZWANI**  
**COMPANY SECRETARY**

**Registered Office:**  
"Velocity", 18-A Scheme No 94 C,  
Ring Road, Indore (M.P.) 452010

## DIRECTORS' REPORT

To

The Members of

**Devki Leasing & Finance Limited,**

The Directors submit the Annual Report of the Company along with the audited financial statements for the financial year ended March 31, 2014.

### FINANCIAL RESULTS

Particulars	(Amount in Lacs)	
	As on 31.03.2014	As on 31.03.2013
Revenue from operations	7.38	10.62
Other Income	0.211	0.08
Operating Expenditure	13.09	19.07
Interest & Depreciation	2.25	2.25
Profit before Tax	-7.74	-10.62
Provisions for Tax	-0.58	-0.32
Profit after Tax	-07.15	-10.30

### COMPANY'S PERFORMANCE & FUTURE OUTLOOK

During the year under review the company has earned the revenue of Rs. 7.38 Lacs. In the financial year 2013-14 the financial sector remain subdued, hence the profit from operations of sale purchase of shares has not been earned. Your directors are taking various initiatives for overall better performance of the company.

The last year was one of worst year and adversely affected due to the slowest growth rate in more than a decade, In the current year also the company is continued to experience sluggish growth and hence revenue growth during this year is also decreased. GDP growth for the financial year 2013-14 is estimated at 4.9% as compared to the growth rate of 4.5% in the previous year. The RBI and the Government have taken notable steps in FY 2013-14 to address the economic headwinds. Your director's also hope for improvement in the performance of the company as the steps for development will be taken by the government which ultimately leads to financial sector reforms in coming days and henceforth implementation of innovative and effective decisions.

### DIVIDEND

Your directors do not recommend any dividend due to losses in current financial year.

### DIRECTOR

The Board in its meeting held on 30th July, 2014 has appointed Mrs. Sarita Bindal as the Additional Director as Non-executive Promoter Director of the Company till the ensuing AGM of the Company. The Company has received notice in writing from the members as required under section 160 of the Companies Act 2013 for proposal for her appointment as Director of the Company liable to retire to rotation at the ensuing Annual General Meeting.

Mr. Rajesh Khandelwal has resigned from the directorship of the Company in the Board Meeting held on 30th July 2014. The Board considered and appreciated valuable guidance and support extended by Mr. Rajesh Khandelwal as Independent Director of the Company.

Mr. Sudhir Bindal has been re-appointed as Managing Director of the Company by the Board for a period of three years commencing from 1st October 2014 subject to approval of the Members in the ensuing AGM, pursuant to the provisions of sections 196, 197, 203 and other applicable provisions if any, of companies act 2013.

Further Mr. Kamlesh Kasliwal and Mr. Manoj Kumar Singh the existing Independent Directors are further proposed to be appointed as Independent Directors for a term of 5 years as per requirement of section 149 of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement to hold the office till 31st March, 2019. The Company has received notice in writing from the members as required under section 160 of the Act for proposal for appointment of both the Independent Directors of the Company at the ensuing Annual General Meeting.

## **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to the requirement of Section 217 (2AA) of the Companies Act, 1956, and based on the representation received from the operating management, the Directors hereby confirm that:

- I. in the preparation of the annual accounts, the applicable accounting standards have been followed and there is no material departures;
- II. they have selected such accounting policies and applied them consistently and made judgments and estimates that have been reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit of the company for the year under review;
- III. They have taken proper and sufficient care to the best of their Knowledge and ability for the maintenance of adequate accounting records in accordance with the provision of this Act. They confirm that there are adequate systems and controls for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities ;
- IV. they have prepared the annual accounts for the financial year ended 31st March, 2014 on a going concern basis;

## **AUDITORS**

M/s A.B. Doshi & Co., Chartered Accountants, Indore, statutory auditors of the Company, hold the office until the ensuing Annual General Meeting. The said Auditors have furnished the Certificate of their eligibility for re-appointment.

Pursuant to the provisions of section 139 and other applicable provisions, if any, of Companies Act, 2013 read with Rule 3 of Companies (Audit and Auditors) Rules, 2014, it is proposed to appoint M/s A.B. Doshi & Co., Chartered Accountants (ICAI Firm Registration No. 001577C), the retiring Auditors of the Company as Statutory Auditors of the Company from the conclusion of this Annual General Meeting (AGM) till the conclusion of the twenty-fifth AGM of the Company to be held in the year 2017 (subject to ratification of their appointment at every AGM) on such remuneration as may be decided & fixed by the board on the recommendations of the Audit Committee.

The Auditors' Report read with relevant notes are self explanatory, except note no. 1.8 and note no. 21 of the notes to accounts read with last Para of the Auditors Report.

Note no. 1.8, specifically relates to retirement benefits as the Company has not provide gratuity, privilege leave and other retirement benefits as the company follows the practice of accounting for the retirement benefits as and when paid. And note no. 21 relates to no provision for interest on the Secured Loan - the Company has not made provision for interest on the Secured Loan given by Dena Bank as the matter is in litigation and the same shall be accounted on the settlement of case.

## **SUBSIDIARY COMPANY**

As on date the Company has no subsidiary Company as the Company has disposed off the shares of its subsidiary company, Devki Cyber Securities Private Limited, on 30.07.2014.

The Ministry of Corporate Affairs, Government of India has issued a Circular No.2 / 2011 dated 8th February 2011 granting general exemption to Companies under section 212 (8) from attaching the documents referred to in section 212 (1) pertaining to its subsidiaries, subject to approval by the Board of Directors of the Company and furnishing of certain financial information in the Annual Report. The Board of Directors of the Company have accordingly accorded approval to the Company dispensing with the requirement of attaching to its Annual Report the annual audited accounts of the Company's subsidiaries. Accordingly, the Annual Report of the Company does not contain the individual financial statements of these subsidiaries, but contains the audited consolidated financial statements of the Company, its subsidiaries and associate.

The Annual Accounts of this subsidiary company as on 31st March 2014 and the related detailed information will be made available to the shareholder seeking such information at any point of time. The annual accounts of the Subsidiary company will also be kept for inspection by any shareholder at its registered / corporate office and that of the concerned subsidiary company. The statement pursuant to the approval under section 212 (8) of the Companies Act, 1956 is annexed together with the Annual Accounts of the Company.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Statements of the Company prepared as per the Accounting Standard AS21 and Accounting AS 23, consolidating the Company's accounts with its subsidiary have also been included as part of this Annual Report.

### **FIXED DEPOSITS**

Your Company has not accepted or invited any deposits from public within the meaning of Section 58A of the Companies Act, 1956 during the year under review and that there is no overdue unpaid/unclaimed deposit as at 31st March, 2014.

### **PARTICULARS OF EMPLOYEES ETC**

Your company did not have any person in employment that, if employed throughout the financial year or part thereof, was in receipt of remuneration, particulars of which are required to be included in this report as per Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975.

### **ENERGY CONSERVATION AND OTHER REPORTING U/S 217(1) (E)**

The provisions of Energy Conservation in terms of section 217 (1)(e) of the Companies Act, 1956, are not applicable on the Company.

Your Company also did not have any foreign exchange earnings or out go your Directors place on record their sincere appreciation for the devoted performance of the employees of the Company at all levels.

### **COMPLIANCE CERTIFICATE**

Your Directors have obtained a Compliance Certificate from Practicing Company Secretary, pursuant to Rule 3 of Companies (Compliance Certificate) Rules, 2001 which is forming part of this report as **Annexure - I**.

### **CORPORATE GOVERNANCE REPORT**

Report on Corporate Governance as required under the Listing Agreements with the Stock Exchanges along with the certificate of the Auditors, M/s. **A.B. Doshi & Co**, confirming compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges are attached to this report as **Annexure II**.

### **MANAGEMENT DISCUSSION AND ANALYSIS STATEMENT**

Management Discussion and Analysis statement as required under the Listing Agreements with the Stock Exchanges are attached to this report as **Annexure – III**.

### **ACKNOWLEDGEMENTS**

Your Directors place on record their gratitude to all the Government and Semi Government Departments and Company's Bankers, for the assistance and co-operation and encouragement they extended to the Company. Your Directors also wish to place on record their sincere thanks and appreciation for the continuing support and unstinting efforts of Customer, Vendors Employees and all other Stakeholders in ensuring an excellent all around operational performance.

For and on behalf of the Board of Directors  
**DEVKI LEASING & FINANCE LIMITED**

**PLACE:** Indore  
**DATE:** 30.07.2014

**SUDHIR BINDAL**  
**CHAIRMAN OF THE MEETING**

**Registered Office:**  
"Velocity", 18-A Scheme No 94 C,  
Ring Road, Indore (M.P.) 452010

**COMPLIANCE CERTIFICATE**  
**[Rule 3 of Companies (Compliance Certificate) Rules, 2001]**

CIN: L65921MP1993PLC007522

Authorized Capital: Rs.3,75,00,000/-

Paid-up Capital: Rs.3,45,18,500/-

To,  
The Members,  
Devki Leasing and Finance Limited  
Indore

I have examined the registers, records, books and papers of Devki Leasing and Finance Limited ("the Company") as required to be maintained under the Companies Act, 1956, read with applicable provisions of the Companies Act 2013 and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2014 (financial year). In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its Directors and officers, I certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Companies Act 1956 and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Companies Act 1956 and the rules made there under.
3. The Company, being a Limited Company, comments is not required.
4. The Board of Directors duly met 5 times in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company being a listed Company closed its Register of Members on 27<sup>th</sup> September, 2013 to 30<sup>th</sup> September, 2013 (both the days inclusive) under Section 154 of the Companies Act 1956.
6. The Annual General Meeting for the financial year ended on 31<sup>st</sup> March, 2013 was held on 30<sup>th</sup> September 2013 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. The Company has not held any Extra-ordinary General Meeting during the financial year under review.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Companies Act 1956 read with section 185 of Companies Act 2013.
9. The Company has not entered into contracts in contravention of the provisions of section 297 of the Companies Act 1956.
10. The Company has complied with the provisions relating to registers maintained under Section 301 of the Companies Act 1956.
11. As there were no instances falling within the purview of Section 314 of the Companies Act 1956, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued the duplicate certificates, if any during the financial year in compliance with the provisions of the Companies Act 1956.
13. The Company has
  - i) delivered all the certificate of securities on transfer/transmission or any other purpose in accordance with the provisions of the Companies Act 1956;
  - ii) Not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.

- iii) Not posted warrants to any member of the Company as no dividend declared during the financial year.
  - iv) was not required to transfer any amount to the Investor Education & Protection Fund as there was no amount due for transfer to the above said account relating to unpaid dividend, application money due for refund, matured deposits, matured debentures and interest accrued thereon as remain unpaid or unclaimed for a period of Seven years.
  - v) Duly complied with the requirements of section 217 of the Companies Act 1956.
14. The Board of Directors of the Company is duly constituted. There was no appointment of additional Directors, alternate Directors and Directors to fill casual vacancies during the financial year.
  15. The Company has not appointed any Managing Director/ Whole Time Director/ Manager during the financial year.
  16. The Company has not appointed any sole selling agents during the financial year.
  17. The Company has not been required to obtain any approval of the Central Government, Company Law Board, Regional Director and/or such authorities prescribed under the various provisions of the Companies Act 1956.
  18. The Directors have disclosed their interest in other firms/companies to the Board of Directors Pursuant to the provisions of the Companies Act 1956 and the rules made there under.
  19. The Company has not issued any Equity Shares during the financial year.
  20. The Company has not bought back any shares during the financial year.
  21. The Company has no preference shares or debentures.
  22. The Company has not declared dividend nor has issued any rights shares and bonus shares.
  23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
  24. No amount has been borrowed by the Company in violation of Section 293(1) (d) of the Companies Act 1956 read with Section 180(1)(c) of the Companies Act 2013 during the financial year.
  25. The Company has not made any loans or advances or given guarantees or provided securities to other bodies corporate in violation of Section 372A of the Companies Act 1956 during the financial year.
  26. The Company has not altered the provisions of Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.
  27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
  28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
  29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the Company during the year under scrutiny.
  30. The Company has not altered its Articles of Association during the financial year.
  31. There was no prosecution initiated against or show cause notices received by the Company, during the financial year, for offences under the Companies Act 1956.
  32. The Company has not received any money as security from its employees during the financial year.
  33. The Company has not constituted any separate Fund for its employees under provisions of Section 418 of the Companies Act 1956.

Place: Indore  
Date: 30.07.2014

Signature :  
Name of the Company Secretary : ASHISH GARG  
F.C.S No. 5181, C.P. No. 4423

**Annexure A**

**Registers as maintained by the Company**

1. Register of Share Transfers.
2. Register of Charges under Section 143.
3. Register of Members under Section 150.
4. Registers & Returns kept at the Registered Office viz Annual Returns under Section 163.
5. Minutes Book of Board Meeting and General Meeting under Section 193.
6. Books of Accounts under Section 209
7. Register of Contracts under Section 301
8. Register of Directors, Managing Director, Manager and Secretary under Section 303
9. Register of Director's Shareholdings under Section 307
10. Register of Inter Corporate Investments.
11. Register of loans and Investments.

**Annexure B**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31<sup>st</sup> March 2013.**

Sr. No.	Form No. / Return	Filed under section	For	Date of filing/ Date of deposit of Challan	Whether filed within prescribed time (Yes/No)	If delay in filing whether requisite additional fees paid (Yes/No)
1.	Compliance Certificate F 66	Sec 383 A	As on 31.03.2013	27/02/2014	No	Yes
2.	Balance Sheet F 23AC-ACA	Sec. 220	As on 31.03.2013	03/03/2014	No	Yes
3.	Annual Return F 20B	Sec. 159	AGM held on 30.09.2013	27/02/2014	No	Yes

Place: Indore  
Date: 30.07.2014

Signature :  
Name of the Company Secretary : ASHISH GARG  
F.C.S No. 5181, C.P. No. 4423





**5. DIRECTORS ATTENDANCE:**

Name of the Director	Category	Attendance at Board meeting	Attendance at AGM/EGM
1. Mr. Sudhir Bindal	Managing Director	5	Yes
2. Mr. Manoj K Singh	Independent Non-Executive	5	Yes
3. Mr. Kamlesh Kasliwal	Independent Non-Executive	4	Yes
4. Mr. Rajesh Khandelwal	Independent Non-Executive	4	Yes

**6. COMMITTEES OF THE BOARD**

**Board has three Committees, viz.**

- a. Audit Committee;
- b. Remuneration Committee;
- c. Shareholders' Grievances Committee;

The above said Committees consist of a majority of Independent Directors. The quorum for the Meetings is either two directors or one third of the members of the Committee, whichever is higher.

**A. AUDIT COMMITTEE**

As a measure of good Corporate Governance and to provide assistance to the Board of directors and to meet the requirement of section 292A of the Companies Act, 1956 and the Clause 49 of the Listing Agreement and in fulfilling the Board's overall responsibilities, an Audit Committee is functioning consisting of only independent directors.

**Composition**

The Audit Committee comprised of three Directors, majority of who are Independent Directors. All these directors possess knowledge of corporate finance, accounts and company law. The composition of the Audit Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2013-14	
		Held	Attended
Mr. Manoj K Singh	Chairman, Non – Executive Independent Director	4	4
Mr. Rajesh Khandelwal	Member, Non – Executive Independent Director	4	4
Mr. Kamlesh Kasliwal	Member, Non – Executive Independent Director	4	4

**Meetings**

During the financial year ended 31st March, 2014, four Audit Committee Meetings were held the Dates on which the Said meetings were held are as follow:

30.05.2013, 30.07.2013, 30.10.2013 and 30.01.2014

**B. REMUNERATION COMMITTEE**

Your company has formed a remuneration committee to consider and approve the remuneration payable to the directors. The Remuneration Committee comprised of three Directors, out of which all the Directors are Independent Directors. The composition of the Committee is given below:

Name	Category
Mr. Manoj K Singh	Chairman, Non – Executive Independent Director
Mr. Rajesh Khandelwal	Member, Non – Executive Independent Director
Mr. Kamlesh Kasliwal	Member, Non – Executive Independent Director

### Remuneration Policy

The Remuneration Policy of the Company for managerial personnel is primarily based on the following criteria:

- Performance of the Company, its divisions and units;
- Track record, potential and performance capacity and capability of individual

### Remuneration to Managing Director

During the financial year, there was only one director Mr. Sudhir Bindal who is in the whole time employment of the company and drawing remuneration and this year there was no change in Remuneration payable to him. Mr. Sudhir Bindal draws the remuneration of Rs. 31000/- p.m.

### C. SHAREHOLDERS' GRIEVANCE COMMITTEE

With view to review all matters connected with security transfers and transmission, redressal of shareholders/ investor complaints like non-transfer of shares, non-receipt of balance-sheet, non-receipt of dividend, etc. a Share Transfer and Shareholders' Grievance Committee has been constituted.

The Committee comprises three members, viz., Mr. Manoj Singh (Chairman), Mr. Sudhir Bindal and Mr. Muralidharan Pillai as members of the Committee.

As of March 31, 2014, all requests, complaints, grievances, if any, have been replied to/resolved within the stipulated period and no such matter was pending.

### 7. COMPLIANCE OFFICER

Mr. Muralidharan Pillai is the general legal compliance officer of the Company.

### 8. GENERAL BODY MEETING

The last three General Meetings were held as per detail below: Date of General Meeting Relevant Venue/location Time of meeting Financial year where held

AGM/EGM	Date	Venue	Time
AGM -2011	12 <sup>th</sup> Sept. 2011	Reg. Off of the Company at Indore	4.30 pm
AGM - 2012	29 <sup>th</sup> Sept. 2012	Reg. Off of the Company at Indore	4.00 pm
AGM - 2013	30 <sup>th</sup> Sept. 2013	Reg. Off of the Company at Indore	4.00 pm

No special resolutions were passed through postal ballot in the last AGM. No special resolutions requiring postal ballot are placed before the shareholders for approval at the forthcoming AGM.

### 9. NOTE ON DIRECTORS APPOINTMENT/ RE-APPOINTMENT

The Board in its meeting held on 30<sup>th</sup> July, 2014 has appointed Mrs. Sarita bindal as the Additional Director as Non-executive Promoter Director of the Company till the ensuing AGM of the Company. The Company has received notice in writing from the members as required under section 160 of the Companies Act 2013 for proposal for her appointment as Director of the Company liable to retire to rotation at the ensuing Annual General Meeting.

Mr. Rajesh Khandelwal has resigned from the directorship of the Company in the Board Meeting held on 30<sup>th</sup> July 2014. The Board considered and appreciated valuable guidance and support extended by Mr. Rajesh Khandelwal as Independent Director of the Company

Mr. Sudhir Bindal has been re-appointed as Managing Director of the Company for a period of three years commencing from 1st October 2014, pursuant to the provisions of sections 196, 197, 203 and other applicable provisions if any, of companies act 2013 Further Mr. Kamlesh Kasliwal and Mr. Manoj Kumar Singh the existing independent directors are further proposed to be appointed as Independent Directors for a term of 5 years as per requirement of section 149 of the Companies Act, 1956 as well as Clause 49 of the Listing Agreement to hold the office till 31<sup>st</sup> March, 2019. The Company has received notice in writing from the members as required under section 160 of the Act for proposal for appointment of both the Independent Directors of the Company at the ensuing Annual General Meeting. The Board recommends the resolutions for approval of members for the above appointments.

Mr. Muralidharan Pillai, existing Compliance officer of the Company has been appointed as the Chief Financial Officer of the Company w.e.f. 1<sup>st</sup> April 2014.

Ms. Monika Rizwani has been appointed as the Company Secretary of the Company w.e.f. 5<sup>th</sup> June 2014.

**10. OTHER DISCLOSURES**

**i. Related Party Transactions**

Details of all material transactions with related parties have been disclosed in the notes to the Accounts in the financial statements of the Company.

**ii. Disclosure of Accounting Treatment**

The company is following the Accounting Standards as applicable to the Company.

**iii. Compliance by the Company**

There has not been any non-compliance by the company and no penalties or strictures imposed on the company by the Stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years.

**11. MEANS OF COMMUNICATION**

i. The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Performa prescribed by Clause 41 of the Listing Agreement within one month of the end of the respective period.

ii. The Quarterly/ Half yearly/ Annual Results of the Company are published in accordance with the Stock Exchange Listing Agreement in newspapers viz. **"Free Press / Hindustan Times"**, (English) and **"Choutha Sansar"** (Hindi).

iii. Management Discussion and Analysis forms part of this Annual Report.

**12. SHAREHOLDER INFORMATION**

**a) REGISTERED OFFICE**

"Velocity", 18-A Scheme No 94C, Ring Road  
Indore-452010, Madhya Pradesh  
Tel: 0731-4735510 Fax:  
dlflindore@gmail.com, www.devkileasing.com

**b) AGM**

22nd AGM of the Company will be held on 30<sup>th</sup> day of September, 2014 at 10.30 AM at the Registered Office of the Company.

**c) Financial Calendar**

**(Tentative)**

Results for the quarter ending 30th June, 2014	:	Last week of July 2014
Results for the quarter ending 30th Sept, 2014	:	Last week of Oct. 2014
Results for the quarter ending 31st Dec, 2014	:	Last week of Jan. 2014
Results for the quarter ending 31st Mar, 2015	:	Last week of May 2015

**d) DATES OF BOOK CLOSURE**

27<sup>th</sup> September, 2014 to 30<sup>th</sup> September, 2014 (both the days inclusive).

**e) Dividend**

Not declared for the financial year.

**f) Listing**

The equity shares of the Company are listed at MPSE and BSE.

**g) Stock Code**

The Company has Scrip Code: - 530765

**h) ISINNO**

The Company has got the ISIN NO: INE 510B01018 (both CDSL and NSDL)

I) STOCK MARKET DATA: Quotes of the Company traded at BSE

Table 1: Monthly highs and lows Quotes at the BSE, 2013-14

Year	High(Rs.)	Low(Rs.)	Close(Rs.)
Mar 2014	1.42	1.35	1.42
Feb 2014	1.56	1.49	1.49
Jan 2014	1.64	1.64	1.64
Dec 2013	.....	.....	.....
Nov 2013	1.80	1.64	1.64
Oct 2013	....	.....	.....
Sep 2013	1.89	1.89	1.89
Aug 2013	1.98	1.98	1.98
Jul 2013	2.08	2.08	2.08
Jun 2013	....	....	....
May 2013	....	....	....
Apr 2013	1.99	1.90	1.99

J) REGISTRARS AND SHARE TRANSFER AGENTS

Link Intime India Pvt Ltd.  
C-13, Pannalala Silk Mills Compound,  
LBS Marg, Bhandup, MUMBAI  
Tel : 022-25963838, Fax : 022-25946969  
E Mail : [saili.lad@linkintime.co.in](mailto:saili.lad@linkintime.co.in)

(k) SHARE TRANSFER SYSTEM

Share Transfers are registered and returned/Demat confirmed within 30 days from the date of receipt, if the documents are in order in all respects. The share transfer committee of the Board of Directors of the Company meets frequently to approve the transfer of shares.

L) Distribution of shareholding as on 31<sup>st</sup> March, 2014

SHAREHOLDING OF NOMINAL SHARES	NUMBER OF SHAREHOLDERS	PERCENTAGE OF TOTAL	SHARE AMOUNT RS.	PERCENTAGE OF TOTAL
1 — 5000	1162	64.6993	3136030	8.9356
5001 — 10000	332	18.4855	2713260	7.7310
10001 — 20000	154	8.5746	2336300	6.6569
20001 — 30000	46	2.5612	1214400	3.4602
30001 — 40000	30	1.6704	1087770	3.0994
40001 — 50000	8	0.4454	369400	1.0525
50001 — 100000	23	1.2806	1723070	4.9096
100001 —*****	41	2.2829	22515770	64.1548
<b>TOTAL</b>	<b>1796</b>	<b>100.0000</b>	<b>35096000</b>	<b>100.0000</b>

M) SHAREHOLDING PATTERN AS ON 31-03-2014

S.	CATEGORY NO.	NO. OF SHARES HELD	PERCENTAGE OF SHAREHOLDING
1.	Promoters & Promoter Group	13,51,245	38.50
2.	Private Corporate Bodies	3,52,650	10.05
3.	Indian Public	18,00,505	51.30
4.	NRIs/OCBs	5200	0.15
	<b>TOTAL</b>	<b>35,09,600</b>	<b>100.00</b>





#### **RISK & CONCERN**

The Company like any other Company is exposed to specific risks that are particular to its business and the environment within which it operates. The Company is exposed to the market risk (including liquidity risk) and also the factors that are associated with capital market, which interalia includes economic/business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk. The Company is confident of managing these risks by maintaining a conservative financial profile, and by following prudent business and risk management practices.

#### **INTERNAL CONTROL SYSTEM AND ITS ADEQUACY**

The Company's internal control system is designed to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance with laws and regulations. The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines. Internal Audit Reports are discussed with the Management and are reviewed by the Audit Committee of the Board which also reviews the adequacy and effectiveness of the internal controls in the Company.

#### **DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE**

The financial performance of the Company under reported circumstances have been directly related to efficiency in all areas of functional management such as marketing, human resources and finance. Continuing trend of deep contraction in the global economy and financial sector has led to a massive reduction in operational output.



## INDEPENDENT AUDITORS' REPORT

To  
The Board of Directors  
Devki Leasing and Finance Limited  
Report on the Financial Statements

We have audited the accompanying consolidated financial statements of Devki Leasing and Finance Limited (referred to as the "holding Company"), and Devki Cyber Securities Private Limited, (referred to as the "Subsidiary Company"), which comprise the consolidated Balance Sheet as at **March 31, 2014**, and the consolidated Statement of Profit and Loss and the consolidated 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 Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. We conducted our audit in accordance with the standards on Auditing issued by 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 consolidated financial statements are free from material misstatements.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risk of material misstatement of the consolidated 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 consolidated 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 consolidated 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 explanation given to us, the consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;

- (a) In the case of consolidated Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) In the case of the consolidated Profit and Loss Account, of the loss for the year ended on that date; and
- (c) In the case of the consolidated Cash Flow Statement, of the cash flows for the year ended on the date.

**For A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460

Place: Indore  
Date: May 30, 2014

CONSOLIDATED BALANCE SHEET AS AT 31st MARCH 2014

Particulars	Note No.	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>A EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	35096000.00	35096000.00
(b) Reserves and surplus	3	-16705735.05	-16083897.31
		<u>18390264.95</u>	<u>19012102.69</u>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	26284879.07	26284879.07
(b) Deferred tax liabilities (net)	5	46382.35	105084.15
(c) Other long-term liabilities	6	37234.03	32200.30
		<u>26368495.45</u>	<u>26422163.52</u>
<b>Current liabilities</b>			
(a) Other current liabilities	7	437030.25	171004.86
(b) Short-term provisions	8	22475.00	4372.00
		<u>459505.25</u>	<u>175376.86</u>
<b>TOTAL</b>		<u>45218265.64</u>	<u>45609643.08</u>
<b>B ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
(i) Tangible assets	9	931747.15	1156685.96
(ii) Intangible assets	9	282775.00	282775.00
(b) Non-current investments	10	36097000.00	36173250.00
(c) Long-term loans and advances	11	120581.62	185256.03
(d) Other non-current assets	12	592002.42	592002.42
		<u>38024106.19</u>	<u>38389969.41</u>
<b>Current assets</b>			
(a) Inventories	13	2588268.12	2588268.12
(b) Cash and Bank equivalents	14	1954403.74	3498149.74
(c) Short-term loans and advances	15	2651487.60	1133255.81
		<u>7194159.46</u>	<u>7219673.67</u>
<b>TOTAL</b>		<u>45218265.64</u>	<u>45609643.08</u>
Significant Accounting Policies & Notes on Accounts	1to21		

As per our report of even date attached

For and on behalf of the Board

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Muralidharan Pillai**  
Chief Financial Officer

**Sudhir Bindal**  
Managing Director

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

**Manoj Kumar Singh**  
Director

Place : Indore  
Dated : May 30, 2014

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2014

Particulars	Note No.	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>INCOME</b>			
Revenue from Operations	16	738902.17	1062571.65
Other Income	17	154028.57	19787.92
<b>Total Revenue</b>		<b>892930.74</b>	<b>1082359.57</b>
<b>EXPENDITURE</b>			
Employee Benefits Expenses	18	1019600.00	987600.00
Depreciation and amortisation expenses	9	224938.81	224938.81
Other Expenses	19	327589.64	932141.33
<b>Total Expenses</b>		<b>1572128.45</b>	<b>2144680.14</b>
Profit /(Loss) Before Tax		-679197.71	-1062320.57
<b>Tax Expenses</b>	20		
Current Tax		1323.11	-1591.07
Deferred Tax		-58701.81	-31523.58
<b>Profit /(Loss) for the Year</b>		<b>-621819.01</b>	<b>-1029205.92</b>
Share of Minorities of Subsidiary		18.73	0.21
		<b>-621837.74</b>	<b>-1029206.13</b>
<b>Earnings per equity share</b>	21		
Basic and Diluted { in Rs.}		-0.18	-0.29
Significant Accounting Policies & Notes on Accounts	1to 21		

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

For and on behalf of the Board

**Muralidharan Pillai**  
Chief Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2013-14

Particulars	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before tax as per Profit and Loss Account	-679197.71	-1062320.57
Adjusted for :		
Depreciation and Amortisation Expenses	224938.81	224938.81
Share of Minorities	-18.73	-0.21
Profit on Sale of Investment	-127490.00	0.00
Other Income	-26538.57	-19787.92
	<u>-608306.20</u>	<u>-857169.89</u>
Operating profit before Working Capital Changes		
Movement in Working Capital		
Increase/(decrease) in other Long term liabilities	5033.73	-8499.79
Increase/(decrease) in other current liabilities	266025.39	-25250.56
Increase/(decrease) in short term provision	18103.00	-3824.00
Increase/(decrease) in long term loan and advance	64674.41	32302.87
Increase/(decrease) in other non current assets	0.00	644954.00
Increase/(decrease) in short term loan and advance	-1518231.79	-987888.95
<b>Cash Generated from operations</b>	<b>-1772701.46</b>	<b>-1205376.32</b>
Income-tax	1323.11	-1591.07
<b>Net Cash from Operating Activities</b>	<b>-1774024.57</b>	<b>-1203785.25</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	19466.03	11655.78
Income -tax Refund	0.00	7913.14
Dividend	297.89	219.00
Proceeding from Sale of Investment	203740.00	0.00
Miscellaneous Income	6774.65	0.00
	<u>230278.57</u>	<u>19787.92</u>
Net Cash (used in ) Investing Activities		
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From long term borrowings	0.00	0.00
Net Cash ( used in)/ from Financing Activities	0.00	0.00
<b>Net increase /(decrease) in cash and cash equivalents [A+B+C]</b>	<b>-1543746.00</b>	<b>-1183997.33</b>
<b>Opening Balance of Cash and cash equivalents</b>	<b>3498149.74</b>	<b>4682147.07</b>
<b>Closing Balance of Cash and cash equivalents</b>	<b>1954403.74</b>	<b>3498149.74</b>

\* The above Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

For and on behalf of the Board

**Muralidharan Pillai**  
Cheif Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

**1. SIGNIFICANT ACCOUNTING POLICIES ON CONSOLIDATED ACCOUNTS**

**a) Basis of Preparation of Consolidation financial Statements**

The consolidated financial statements have been prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the accounting principles generally accepted in India and comply with the mandatory accounting standard issued by the institute of chartered Accountant of India and the provisions of the Companies Act, 1956.

**b) Principals of Consolidation**

The consolidated financial statements include the financial statements of Devki Leasing and Financial Limited, the parent company and its 99.8 % Subsidiary Devki Cyber Securities Private Limited, Indore (M.P.)

**The Consolidated Financial Statements have been prepared on the following basis**

- a) The financial statements of the parent company and the subsidiary company have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. The amount shown in respect of reserves comprise the amount of the relevant reserves as per the balance sheet of the parent company and its share in the post-acquisition increase/decrease in the relevant reserves of the subsidiary.
- b) The consolidated financial statements are presented, to the extent possible, in the same format as that adopted by the parent company for its separate financial statements.
- c) The consolidated financial statements are presented using uniform accounting policies for like transactions and other events in similar circumstances as required by Accounting Standard (AS) 21, 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

**DESCRIPTION OF THE GROUP**

Devki Leasing and Finance Limited ,the parent company hold 99800 share of total 100000 equity share comprised 99.8% holding of its Subsidiary Devki Cyber Securities Private Limited

**For and on behalf of the Board**

**Muralidharan Pillai**  
Cheif Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

## INDEPENDENT AUDITORS' REPORT

To

**The Members**

**Devki Leasing and Finance Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Devki Leasing and Finance Limited** ( " the Company" ), which comprise the Balance Sheet as at **March 31, 2014**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended ,and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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 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 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 misstatements.

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 risk 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 explanation 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 Balance Sheet , of the state of affairs of the Company as at March 31,2014;
- (b) In the case of the Profit and Loss Account, of the 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 the date.

### **Report on Other Legal and Regulatory Requirements**

- 1. As required by the Companies ( Auditor's Report ) Order , 2003 ( " the Order" ) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, We give in the Annexure a statement of the matters specified in Paragraphs 4 and 5 of the Order.
- 2. As required by section 227(3) of the Act, We report that ;
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.

- c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d. In our opinion , the Balance Sheet , Statement of Profit and Loss , and Cash flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ;
- e. On the basis of written representation received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956 ;
- f. In our opinion and to the best of our information and according to the explanation given to us, and subject to;

**Note No. – 1.8 relating to retirement benefits which are accounted for on payment basis. The extent of non compliance of value term is not ascertainable.**

**Note No. - 21 relating to Non Provision of Interest on Secured Loan, resulting in Loss for the year and liability being understated to the extent of said amount of interest.**

**For A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460

Place: Indore  
Date: May 30, 2014

ANNEXURE TO THE INDEPENDENT AUDITORS REPORT

[Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date]

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) None of the substantial part of fixed assets has been disposed off during the year.
2. (a) The stock of shares and securities has been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stock of shares & securities followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company has maintained proper records of inventory and the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. (a) The Company has granted unsecured loans to Sudhir Bindal covered in the register maintained under section 301 of the Companies Act, 1956. The Maximum amount outstanding during the year was Rs. 25.37 Lac and the year- end balance was Rs. 25.37 Lac.  
(b) In our opinion and according to the information and explanations given to us, the rate of interest & other terms and conditions on which the loan have been granted are prima facie, not prejudicial to the interest of the company.  
(c) According to information provided to us, the repayment of said loans is regular.  
(d) According to the information and explanation given to us, the Company has not taken any loans, secured or unsecured from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provision of clause 4(iii) (e) to (g) of the order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us The Company has an adequate internal control procedure commensurate with the size and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. In our opinion and according to the information and explanations given to us all the transactions that need to be entered into the register maintained under section 301 of the act have been properly entered and are made at prices which are reasonable having regard to the prevailing market price at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public as governed by the provision of Section 58A and 58AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has as an Internal Audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, we are of the opinion that no cost records maintenance has been prescribed by the Central Govt. under section 209(1)(b) of the Companies Act, 1956.
9. (a) The company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.



- (b) According to the information and explanations given to us and there is no undisputed amount payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, and cess were in arrears, as at the last day of the financial year concerned 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, custom duty, excise duty, and cess, which have not been, deposited on account of any dispute
10. The Company has accumulated losses and also has incurred cash losses during the financial year concerned by our audit and has incurred cash loss in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has defaulted in repayment of dues to the banks and same has been declared as Non Performing assets by the bank.
12. In our opinion and according to the information and explanations given to us, the company has not granted loans & advances on the basis of security by way of pledge of share, debentures and other securities.
13. As the company is not a Nidhi /Mutual Benefit Fund /Society /Investment Company, the reporting requirement under point no. (xii), (xiii), (xiv) are not applicable to the company.
14. In our opinion the company has maintained proper records of transactions and contracts in securities and other investments. Timely entries have been made in the records. The shares and securities held in investments and stock in trade are held by the company in its own name.
15. According to information and explanations given to us, we are of the opinion that the company has not given any guarantee for loans taken by others from banks & other financial institutes
16. According to the information and explanation given to us, the company has not taken any term loan during the year; hence requirement of this clause is not applicable to the company.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the company, we report that the no funds raised on short-term basis have been used for long term investment.
18. In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued debentures during the year hence the question of creation of securities for debenture dose not arises.
20. The company has not raised any funds by Public issue; clause (xx) of the order is not applicable.
21. In our opinion 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 A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460

Place: Indore  
Date: May 30, 2014

**AUDITORS REPORT ON CORPORATE GOVERNANCE**

To,

The Members,

**Devki Leasing and Finance Limited**

We have examined the compliance of conditions of Corporate Governance by Devki Leasing and Finance Limited for the year ended 31<sup>st</sup> March, 2014 as stipulated in Clauses 49 of the Listing Agreement with the Stock Exchanges.

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the company for ensuring compliance with the conditions of the Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us and based on the representations made by the directors and management, we certify that the company has complied with the conditions of Corporate Governance applicable as aforesaid.

As required by the Guidance Note issued by the ICAI, on the basis of information and explanations given to us, we have to state that no investor grievances were pending for a period of one month.

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

**For A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460

Place: Indore

Date: May 30, 2014

BALANCE SHEET AS AT 31st MARCH 2014

Particulars	Note No.	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>A EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	35096000.00	35096000.00
(b) Reserves and surplus	3	<u>-16788816.72</u>	<u>-16073322.82</u>
		<b>18307183.28</b>	<b>19022677.18</b>
<b>Non-current liabilities</b>			
(a) Long-term borrowings	4	26284879.07	26474929.07
(b) Deferred tax liabilities (net)	5	46382.35	105084.15
(c) Other long-term liabilities	6	<u>35230.00</u>	<u>30215.00</u>
		<b>26366491.42</b>	<b>26610228.22</b>
<b>Current liabilities</b>			
(a) Other current liabilities	7	413430.25	165504.86
(b) Short-term provisions	8	<u>4372.00</u>	<u>4372.00</u>
		<b>417802.25</b>	<b>169876.86</b>
<b>TOTAL</b>		<b>45091476.95</b>	<b>45802782.26</b>
<b>B ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
- Tangible assets	9	931747.15	1156685.95
(b) Non-current investments	10	36935000.00	36935000.00
(c) Long-term loans and advances	11	70581.62	133932.92
(d) Other non-current assets	12	<u>592002.42</u>	<u>592002.42</u>
		<b>38529331.19</b>	<b>38817621.29</b>
<b>Current assets</b>			
(a) Inventories	13	2588268.12	2588268.12
(b) Cash and Bank equivalents	14	1340493.04	3413637.04
(c) Short-term loans and advances	15	<u>2633384.60</u>	<u>983255.81</u>
		<b>6562145.76</b>	<b>6985160.97</b>
<b>TOTAL</b>		<b>45091476.95</b>	<b>45802782.26</b>

Significant Accounting Policies & Notes on Accounts 1to21

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

For and on behalf of the Board

**Muralidharan Pillai**  
Chief Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH,2014

Particulars	Note No.	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>INCOME</b>			
Revenue from Operations	16	738902.17	1062571.65
Other Income	17	21112.57	8132.14
<b>Total Revenue</b>		<b>760014.74</b>	<b>1070703.79</b>
<b>EXPENDITURE</b>			
Employee Benefits Expenses	18	1019600.00	987600.00
Depreciation and amortisation expenses	9	224938.81	224938.81
Other Expenses	19	289671.64	919923.33
<b>Total Expenses</b>		<b>1534210.45</b>	<b>2132462.14</b>
Profit /(Loss) Before Tax		-774195.71	-1061758.35
<b>Tax Expenses</b>			
Current Tax		-	-
Deferred Tax		-58701.80	-31523.58
<b>Profit /(Loss) for the Year</b>		<b>-715493.90</b>	<b>-1030234.77</b>
<b>Earnings per equity share</b>	20		
Basic and Diluted { in Rs.}		-0.20	-0.29
Significant Accounting Policies & Notes on Accounts	1 to 28		

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

For and on behalf of the Board

**Muralidharan Pillai**  
Chief Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

CASH FLOW STATEMENT FOR THE YEAR 2013-14

Particulars	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Loss before tax as per Profit and Loss Account	-774195.71	-1061758.35
Adjusted for :		
Depreciation and Amortisation Expenses	224938.81	224938.81
Other Income	-21112.57	-8132.14
	<u>-570369.47</u>	<u>-844951.68</u>
Operating profit before Working Capital Changes		
Movement in Working Capital		
Increase/(decrease) in other Long term liabilities	5015.00	-8500.00
Increase/(decrease) in other current liabilities	247925.39	-22550.56
Increase/(decrease) in short term provision	0.00	-624.00
Increase/(decrease) in long term loan and advance	63351.30	32197.05
Increase/(decrease) in other non current assets	0.00	644954.00
Increase/(decrease) in short term loan and advance	-1650128.79	-837888.95
	<u>-1904206.57</u>	<u>-1037364.14</u>
<b>Cash Generated from operations</b>	<b>-1904206.57</b>	<b>-1037364.14</b>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received	14040.03	7913.14
Income Tax Refund	6774.65	0.00
Dividend	297.89	219.00
Net Cash (used in ) Investing Activities	21112.57	8132.14
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From long term borrowings	-190050.00	0.00
Net Cash ( used in)/ from Financing Activities	-190050.00	0.00
<b>Net increase /(decrease) in cash and cash equivalents [A+B+C]</b>	<b>-2073144.00</b>	<b>-1029232.00</b>
<b>Opening Balance of Cash and cash equivalents</b>	<b>3413637.04</b>	<b>4442869.04</b>
<b>Closing Balance of Cash and cash equivalents</b>	<b>1340493.04</b>	<b>3413637.04</b>

\* The above Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

**For and on behalf of the Board**

**Muralidharan Pillai**  
Chief Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

Notes forming part of the financial statements

Note : 2

Shareholder's Funds -Share Capital

Particulars	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>Authorised</b>		
3750000 (Previous Year 3750000 ) Equity Shares of Rs.10/-each	37500000.00	37500000.00
	<u>37500000.00</u>	<u>37500000.00</u>
<b>Issued</b>		
3509600 (Previous Year 3509600 ) Equity Shares of Rs.10/- each	35096000.00	35096000.00
	<u>35096000.00</u>	<u>35096000.00</u>
<b>Subscribed &amp; fully Paid up</b>		
3424800 (Previous Year 3424800) Equity Shares of Rs. 10/- each	34248000.00	34248000.00
<b>Subscribed but not fully Paid up</b>		
84800 (Previous Year 84800 ) Equity Shares of Rs. 10/- each	848000.00	848000.00
	<u>848000.00</u>	<u>848000.00</u>
<b>Total</b>	<u>35096000.00</u>	<u>35096000.00</u>

2.1 Reconciliation of the number of shares and amount outstanding is set out below :

Particulars	As at 31 March 2014 [No. of Share ]	As at 31 March 2013 [No. of Share ]
Shares outstanding at the beginning of the year	3509600	3509600
Shares Issued during the year	-	-
Shares bought back during the year	<u>-</u>	<u>-</u>
Shares outstanding at the end of the year	<u>3509600</u>	<u>3509600</u>

2.3 Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of Rs.10 per share. Each holder of equity shares is entitled to one vote per share.

In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

2.4 Disclosure of More than 5% Shareholding

Name of Shareholder	As at 31 March 2014		As at 31 March 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Jupiter Securities & Proprieties Private Limited	180900	5.15%	180900	5.15%

2.5 Details of Allotment Money Pending

Particulars	As at 31 March 2014		As at 31 March 2013	
Equity Shares	No. of Shares held	Amount	No. of Shares held	Amount
Aggregate of calls unpaid				
- by directors	Nil	Nil	Nil	Nil
- by officers	Nil	Nil	Nil	Nil
- by others	84800	577500.00	84800	577500.00

Notes forming part of the financial statements

Note : 3

Particulars	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>Reserves and surplus</b>		
<b>Statutory Reserve Fund</b>		
As per last Balance Sheet	855703.05	855703.05
<b>Surplus/{Deficit} in Statement of Profit &amp; Loss</b>		
Opening Balance	-16929025.87	-15898791.11
Add : - Deficit for the Year Profit & Loss	-715493.90	-1030234.77
Closing Balance	<u>-17644519.77</u>	<u>-16929025.87</u>
Total {A+B}	<u>-16788816.72</u>	<u>-16073322.82</u>

#. Statutory Reserve fund was created as per the direction issued by Reserve bank of India for NBFC's to make provision against standanrd assets .

Note : 4

**Long-Term borrowings**

**Secured**

Dena Bank - Cash Credit Account 26284879.07 26284879.07

**Unsecured**

Loan from related parties 0.00 190050.00

26284879.07 26474929.07

#. 244 Lac of Working capital loan secured against hypothecation of Stock of hire under the Tri party agreement & collateral securities of Immovable property situated at 13-14, RNT Marg Indore & Office at Mumbai owned by relatives of director.

#. Working Capital Loan from Dena Bank has been treated as Long term Borrowing since same is outstanding more then 12 Months and account has been declared as Non Performing Assets by the bank .

#. No Provision for Interest has been made on the secured loan given by the Dena Bank as matter is in litigation and same shall be accounted for on cash basis on settlement of case.

Note : 5

**Deferred Tax Liability**

Related to Fixed assets 46382.35 105084.15

**Total** 46382.35 105084.15

Note : 6

**Other long-Term Liabilities**

Creditor of Expenses 35230.00 30215.00

**Total** 35230.00 30215.00

Note : 7

**Other current Liabilities**

Creditor of Expenses 110756.53 98241.28

Other Payables \* 302673.72 67263.58

**Total** 413430.25 165504.86

\* Other Payable includes Book overdraft

Note : 8

**Short-term Provisions**

Others 4372.00 4372.00

**Total** 4372.00 4372.00

# ≡ Devki Leasing and Finance Ltd. ≡≡≡≡≡≡≡≡ Annual Report 2013 - 2014 ≡≡≡≡≡≡≡≡

NOTE - "9"- FIXED ASSETS

Sr. No.	Description	Rate %	Gross Block			Accumulated Depreciation				Net Block		
			Asat 01.04.2013	Additions/Adjustment	Deduction/Adjustments	Asat 31.03.2014	Asat 01.04.2013	For the Year	Deduction/Adjustments	Upto 31.03.2014	Asat 31.03.2014	As at 01.04.2013
	<b>TANGIBLE ASSETS</b>											
	<b>OWN ASSETS</b>											
1	Air Conditioner	4.75%	14100.00	0.00	0.00	14100.00	6005.73	669.75	-	6675.48	7424.52	8094.27
2	Car	9.50%	583211.00	0.00	0.00	583211.00	521329.60	55405.05	-	576734.64	6476.36	61881.41
3	Furniture & Fixtures	6.33%	2953676.41	0.00	0.00	2953676.41	1991832.38	148405.00	-	2140237.38	813439.03	961844.03
4	Bicycle	9.50%	10575.00	0.00	0.00	10575.00	10574.00	0.00	-	10574.00	1.00	1.00
5	Computer	16.21%	1042788.05	0.00	0.00	1042788.05	1042787.05	0.00	-	1042787.05	1.00	1.00
6	Office Equipments	4.75%	430716.00	0.00	0.00	430716.00	305851.75	20459.01	-	326310.76	104405.24	124864.25
	<b>Total { Rs. }</b>		<b>5035066.46</b>	<b>0.00</b>	<b>0.00</b>	<b>5035066.46</b>	<b>3878380.51</b>	<b>224938.81</b>	<b>-</b>	<b>4103319.31</b>	<b>931747.15</b>	<b>1156685.96</b>
	Previous Year		5035066.46	0.00	0.00	5035066.46	3653441.70	224938.81	-	3878380.51	1156685.96	1381624.76

Note :10

**Non -Current Investments**

{ Long Term Investments }

**Trade Investment**

**In Equity Share of Subsidiary Companies -**

**Unquoted , fully paid up - Face Value Rs. 10 each**

99800 - Devki cyber Securities Private Limited	998000.00	998000.00
'(99800) of Rs.10 each		

<b>Total Trade Investment {A}</b>	<u>998000.00</u>	<u>998000.00</u>
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**Other Investment**

**In Equity Share - Unquoted , fully paid up - Face Value Rs. 10 each**

450000 Velocity Private Limited (450000) of Rs. 10 each	4500000.00	4500000.00
48000 Velocity Private Limited (48000) of Rs. 22 each	1056000.00	1056000.00
156000 Velocity Private Limited (156000) of Rs. 27 each	4212000.00	4212000.00
202500 Velocity Private Limited (202500) of Rs. 30 each	6075000.00	6075000.00
200000 - Design Finance Limited (200000) of Rs. 10 each	2000000.00	2000000.00
150000 -P.J. Credit Capital Limited (150000) of Rs. 10 each	1500000.00	1500000.00
30000 Brahma Builders Limited (30000) of Rs. 10 each	300000.00	300000.00
19600 Kirti Stock Brokers Pvt. Ltd. (19600) of Rs. 15 each	294000.00	294000.00
40000 Krishna Kripa Holdings Private Ltd. (40000) of Rs. 50 each	2000000.00	2000000.00
150000 Sundrop Securities Pvt Ltd (150000) of Rs. 40 each	6000000.00	6000000.00
50000 Alpine Essence Limited (50000) of Rs. 10 each	500000.00	500000.00
62500 Brahma Builders Limited (62500) of Rs. 40 each	2500000.00	2500000.00
125000 Jupiter Securities Pvt Ltd (125000) of Rs. 40 each	5000000.00	5000000.00

<b>Total Trade Investment {B}</b>	<u>35937000.00</u>	<u>35937000.00</u>
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<b>Investment { A+B}</b>	<u>36935000.00</u>	<u>36935000.00</u>
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Unquoted investments	36935000.00	36935000.00
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indicate corresponding figure of Previous year .





**Note :17**

**Other Income**

**Interest**

On Income Tax Refund	14040.03	7913.14
<b>Other Non operating Income</b>		
Dividend	297.89	219.00
Miscellaneous	6774.65	0.00
<b>Total</b>	<u>21112.57</u>	<u>8132.14</u>

**Note :18**

**Employee Benefits Expenses**

Salaries	1019600.00	987600.00
<b>Total</b>	<u>1019600.00</u>	<u>987600.00</u>

#.The company has not provided for gratuity, privilege leave and other retirement benefits as the company follows the practice of accounting for the retirement benefits as and when paid. This is not in accordance with the Accounting standard –15 issued by the Institute of Chartered Accountants of India. The extent of non compliance in value term is not ascertainable and material.

**Note :19**

**Other Expenses**

**Establishment & Administrative**

Advertisement	34992.00	30910.00
Bad Debts	0.00	644954.00
Communication Expenses	0.00	2630.00
Demat & Coustodian Charges	71120.64	82943.31
Electricity	0.00	29162.00
Filing Fee	30500.00	3750.00
Interest Paid on TDS	91.00	13.00
Key Men Insurance	34398.00	34397.00
Legal & Professional Fee	40000.00	22500.00
Listing Fee	30899.00	30899.00
Meeting Expenses	12800.00	5350.00
Payment to Auditors	19045.00	28545.00
Rate & Taxes	2500.00	3870.02
Stationery & Printing	13326.00	0.00
<b>Total</b>	<u>289671.64</u>	<u>919923.33</u>

**19.1 Payment to Auditors as :**

Statutory Audit Fee	19045.00	16545.00
Consultation Fees	0.00	12000.00
<b>Total {Rs.}</b>	<u>19045.00</u>	<u>28545.00</u>

**Note :20**

**Earnings per equity share { EPS }**

1). Net Profit after tax as per Statement of Profit & Loss attributable to Equity Shareholders	-715493.90	-1030234.77
2). Weighted Average number of Equity shares used as denominator for calculating EPS	3509600.00	3509600.00
3). Basis and Diluted Earnings per share	-0.20	-0.29
4). Face Value per equity share	10.00	10.00

DEVKI LEASING AND FINANCE LIMITED

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2014

1. SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS

The accompanying financial statement have been prepared under the historical cost convention, going concern and on the accrual basis of accounting in accordance with the provisions of the Companies Act, 1956 & comply with the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

1.2 ACCOUNTING ESTIMATES

The preparation of the financial statements in accordance with generally accepted accounting principles often requires that Company officials makes estimates & assumption that affect the reported amount of Assets & Liabilities and disclosure of contingent Assets and liabilities as on the date of financial statement & the reported amounts of revenue & expenses. During the reported period Company officials believes that the estimates used in the preparation of the financial statement are prudent & reasonable, actual results could differ from these estimates.

1.3 FIXED ASSETS

Fixed assets are stated at cost less accumulated depreciation.

1.4 DEPRECIATION

Depreciation on fixed assets have been provided on straight-line method and on prorata basis at the rates and in the manner prescribed under Schedule XIV of the Companies Act, 1956.

1.5 INVENTORIES

Inventories are valued at cost or net realizable value, whichever is lower. The cost in respect of the various items of inventory is computed as under.

- **Hire purchase Stock:** At Cost Plus total finance charges and reduced by the installments, which have matured during the relevant period and un-matured finance charges.

The company has filed legal suits against some defaulters, which are classified as non-performing assets as per Reserve Bank of India's guidelines, and provisions for the same are being made in the accounts. However, during the year few of suits filed cases are written –off considering the bleak possibility of their recovery. Any recovery made in the future shall be properly accounted for as receipt.

- **Stock in trade:** The Securities acquired with the intention of short term holding and trading positions are considered as stock in trade. Securities held as stock in trade are valued at cost or net realizable value, whichever is lower.

1.6 REVENUE RECOGNITION

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.. Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

1.7 TAXES ON INCOME

Tax expenses comprises of Current tax and deferred tax. Current Tax Provision, if any, has been made on the basis of reliefs and deduction available under the Income- Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date.

1.8 RETIREMENT BENEFITS

The company has not provided for gratuity, privilege leave and other retirement benefits as the company follows the practice of accounting for the retirement benefits as and when paid.



**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2014 [CONTD.]**

27. Related Party Disclosures have been set out as below. The related parties, as defined by Accounting Standard 18 related party disclosure, issued by Institute of chartered Accountants of India In respect of which the disclosures have been made, have been identified on the basis of information available with the company.

Name of related party	Nature of relationship	Nature of transaction	As at 31st March 2014 [Rs.]		As at 31st March 2013 [Rs.]	
			Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet
Sudhir Bindal	Key Management Personnel	Remuneration	Rs. 372000/-	-	Rs. 372000/-	-
		Interest Received	Rs. 100475/-	-	-	-
		Loan Received back	Rs. 168000/-	-	Rs. 145000/-	-
		Loan granted	Rs.1850000/-	Rs.2537000/-	Rs. 1000000/-	Rs. 855000/-
Devki Cyber Securities Pvt. Ltd	Subsidiary Company	Repayment of Loan	Rs. 190050/-	-	-	Rs. 190050/-

28. These financial Statements have been prepared in the format prescribed by the Revised Schedule VI to the Companies Act, 1956. Previous year figures have been reworked, recast/re-stated to confirm to the classification of the Current year.

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**For and on behalf of the Board**

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

**Muralidharan Pillai**  
Chief Financial Officer

**Sudhir Bindal**  
Managing Director

**Manoj Kumar Singh**  
Director

Place : Indore  
Dated : May 30, 2014

**Devki Cyber Securities Private Limited**

**INDEPENDENT AUDITORS' REPORT**

To

**The Members**

**Devki Cyber Securities Private Limited**

**Report on the Financial Statements**

We have audited the accompanying financial statements of **Devki Cyber Securities Private Limited** ("the Company"), which comprise the Balance Sheet as at **March 31, 2014**, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's Responsibility for the Financial Statements**

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 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 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 misstatements.

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 risk 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 explanation 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 Balance Sheet , of the state of affairs of the Company as at March 31,2014;
- (b) In the case of the Profit and Loss Account, of the Profit for the year ended on that date ; and
- (c) In the case of the Cash Flow Statement, of the cash flows for the year ended on the date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies ( Auditor's Report ) Order , 2003 ( " the Order" ) issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, We give in the Annexure a statement of the matters specified in Paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, We report that ;
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b. In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion , the Balance Sheet , Statement of Profit and Loss , and Cash flow Statement comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956 ;
  - e. On the basis of written representation received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956 ;

**For A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460

Place: Indore  
Date: May 30, 2014

**Devki Cyber Securities Private Limited**

**ANNEXURE TO THE INDEPENDENT AUDITORS REPORT**

**[Referred to in paragraph 1 under the heading of "Report on Other Legal and Regulatory Requirement" of our report of even date]**

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) All the assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification. In our opinion, the frequency of verification is reasonable.  
(c) None of the substantial part of fixed assets has been disposed off during the year.
2. (a) The stock of shares and securities has been physically verified by the management at reasonable intervals during the year. In our opinion the frequency of verification is reasonable.  
(b) In our opinion and according to the information and explanations given to us, the procedure of physical verification of stock of shares & securities followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company has maintained proper records of inventory and the discrepancies noticed on verification between the physical stocks and book records were not material and have been properly dealt with in the books of account.
3. (a) According to the information and explanation given to us, the Company has not granted any loans, secured or unsecured to companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provision of clause 4(iii) (a) to (d) of the order are not applicable to the Company and hence not commented upon.  
(b) According to the information and explanation given to us, the Company has not taken any loans, secured or unsecured from companies, firm or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Accordingly, the provision of clause 4(iii)(e) to (g) of the order are not applicable to the Company and hence not commented upon.
4. In our opinion and according to the information and explanations given to us The Company has an adequate internal control procedure commensurate with the size and nature of its business, for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit we have not observed any continuing failure to correct major weaknesses in internal controls.
5. In our opinion and according to the information and explanations given to us all the transactions that need to be entered into the register maintained under section 301 of the act have been properly entered and are made at prices which are reasonable having regard to the prevailing market price at the relevant time.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposit from the public as governed by the provision of Section 58A and 58 AA of the Companies Act, 1956 and rules framed there under.
7. In our opinion, the Company has as an Internal Audit system commensurate with the size and nature of its business.
8. According to the information and explanations given to us, we are of the opinion that no cost records maintenance has been prescribed by the Central Govt. under section 209 (1) (b) of the Companies Act, 1956.
9. (a) The company is regular in depositing with the appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues applicable to it.  
(b) According to the information and explanations given to us and there is no undisputed amount payable in respect of income tax, sales tax, wealth tax, custom duty, excise duty, and cess were in arrears, as at the last day of the financial year concerned 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, custom duty, excise duty, and cess, which have not been, deposited on account of any dispute

**Devki Cyber Securities Private Limited**

10. The Company has no accumulated losses at the end of the financial year and it has not incurred cash loss during the financial year concerned by our audit and has incurred loss in the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not taken any loan from bank or financial institution. Hence requirement of this clause is not applicable to the company.
12. In our opinion and according to the information and explanations given to us, the company has not granted loans & advances on the basis of security by way of pledge of share, debentures and other securities.
13. As the company is not a Nidhi /Mutual Benefit Fund /Society /Investment Company, the reporting requirement under point no. (xii), (xiii), (xiv) are not applicable to the company.
14. In our opinion the company has maintained proper records of transactions and contracts in securities and other investments. Timely entries have been made in the records. The shares and securities held in investments and stock in trade is held by the company in its own name.
15. According to information and explanations given to us, we are of the opinion that the company has not given any guarantee for loans taken by others from banks & other financial institutes
16. According to the information and explanation given to us, the company has not taken any term loan during the year; hence requirement of this clause is not applicable to the company.
17. According to the information and explanation given to us and on an overall examination of the Balance Sheet of the company, we report that the no funds raised on short-term basis have been used for long term investment.
18. In our opinion and according to the information and explanations given to us, the company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued debentures during the year hence the question of creation of securities for debenture dose not arises.
20. The company has not raised any funds by Public issue; clause (xx) of the order is not applicable.
21. In our opinion 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 A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

Place: Indore  
Date: May 30, 2014

**Ashwini Kumar Doshi**  
Proprietor  
Membership .No. 031460



Devki Cyber Securities Private Limited  
BALANCE SHEET AS AT 31st MARCH 2014

Particulars	Note No.	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>A. EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
(a) Share capital	2	1000000.00	1000000.00
(b) Reserves and surplus	3	83085.70	-10589.19
		<u>1083085.70</u>	<u>989410.81</u>
<b>Current liabilities</b>			
(a) Other current liabilities	4	23600.00	5500.00
(b) Short-term provisions	5	18103.00	0.00
		<u>41703.00</u>	<u>5500.00</u>
<b>TOTAL</b>		<u>1124788.70</u>	<u>994910.81</u>
<b>B. ASSETS</b>			
<b>Non-current assets</b>			
(a) Fixed assets			
- Intangible assets	6	282775.00	282775.00
(b) Non-current investments	7	160000.00	236250.00
(c) Long-term loans and advances	8	50000.00	241373.11
		<u>492775.00</u>	<u>760398.11</u>
<b>Current assets</b>			
(a) Cash and Bank equivalents	9	613910.70	84512.70
(b) Short-term loans and advances	10	18103.00	150000.00
		<u>632013.70</u>	<u>234512.70</u>
<b>TOTAL</b>		<u>1124788.70</u>	<u>994910.81</u>
Significant Accounting Policies & Notes on Accounts	1to18		
As per our report of even date attached			

FOR A.B.DOSHI & CO.  
Chartered Accountants  
Firm Registration No. 001577C

Ashwini Kumar Doshi  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

For and on behalf of the Board  
Devki Cyber Securities Private Limited

Bharat Bindal  
Director

Manoj Kumar Singh  
Director

**Devki Cyber Securities Private Limited**

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014**

Particulars	Note No.	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>INCOME</b>			
Revenue from Operations		0.00	0.00
Other Income	11	132916.00	11655.78
<b>Total Revenue</b>		<b>132916.00</b>	<b>11655.78</b>
<b>EXPENDITURE</b>			
Other Expenses	12	37918.00	12218.00
<b>Total Expenses</b>		<b>37918.00</b>	<b>12218.00</b>
Profit Before Tax		94998.00	-562.22
<b>Tax Expenses</b>	13	<b>1323.11</b>	<b>-1591.07</b>
Current Tax			
<b>Profit for the Year</b>		<b>93674.89</b>	<b>1028.85</b>
<b>Earnings per equity share</b>	14		
Basic and Diluted { in Rs.}		0.94	0.01
Significant Accounting Policies & Notes on Accounts	1to18		

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

For and on behalf of the Board  
Devki Cyber Securities Private Limited

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

**Bharat Bindal**  
Director

Place : Indore  
Dated : May 30, 2014

**Manoj Kumar Singh**  
Director

Devki Cyber Securities Private Limited  
CASH FLOW STATEMENT FOR THE YEAR 2013-14

Particulars	As at 31 March 2014 [Rs.]	As at 31 March 2013 [Rs.]
<b>A: CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before tax as per Profit and Loss Account	94998.00	-562.22
Adjusted for :		
Profit on Sale of Investment	127490.00	0.00
Interest Received	5426.00	11655.78
	<u>-37918.00</u>	<u>-12218.00</u>
Operating profit before Working Capital Changes		
Movement in Working Capital		
Increase/(decrease) in other current liabilities	18100.00	-2700.00
Increase/(decrease) in short term provision	18103.00	-3200.00
Increase/(decrease) in long term loan & advances	191373.11	105.82
Increase/(decrease) in Short term loan & advance	131897.00	-150000.00
<b>Cash Generated from operations</b>	<u>321555.11</u>	<u>-168012.18</u>
Income -tax	1323.11	-1591.07
<b>Net Cash from Operating Activities</b>	<u>320232.00</u>	<u>-166421.11</u>
<b>B: CASH FLOW FROM INVESTING ACTIVITIES</b>		
Interest Received on Fixed Deposit	5426.00	11655.78
Proceeding from Sale of Investment	203740.00	0.00
<b>Net Cash (used in ) Investing Activities</b>	<u>209166.00</u>	<u>11655.78</u>
<b>C: CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From long term borrowings	0.00	0.00
<b>Net Cash ( used in)/ from Financing Activities</b>	<u>0.00</u>	<u>0.00</u>
<b>Net increase /(decrease) in cash and cash equivalents [A+B+C]</b>	<u>529398.00</u>	<u>-154765.33</u>
<b>Opening Balance of Cash and cash equivalents</b>	<u>84512.70</u>	<u>239278.03</u>
<b>Closing Balance of Cash and cash equivalents</b>	<u>613910.70</u>	<u>84512.70</u>

\* The above Cash flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 on Cash Flow Statement

As per our report of even date attached

**FOR A.B.DOSHI & CO.**  
Chartered Accountants  
Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
Proprietor  
Membership No. 031460

Place : Indore  
Dated : May 30, 2014

For and on behalf of the Board  
Devki Cyber Securities Private Limited

**Bharat Bindal**  
Director

**Manoj Kumar Singh**  
Director

**Devki Cyber Securities Private Limited**

**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2014**

**1. SIGNIFICANT ACCOUNTING POLICIES**

**1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The accompanying financial statement have been prepared under the historical cost convention, going concern and on the accrual basis of accounting in accordance with the provisions of the Companies Act, 1956 & comply with the accounting standards issued by the Institute of Chartered Accountants of India to the extent applicable.

**1.2 ACCOUNTING ESTIMATES**

The preparation of the financial statements in accordance with generally accepted accounting principles often requires that Company officials makes estimates & assumption that affect the reported amount of Assets & Liabilities and disclosure of contingent Assets and liabilities as on the date of financial statement & the reported amounts of revenue & expenses. During the reported period Company officials believes that the estimates used in the preparation of the financial statement are prudent & reasonable, actual results could differ from these estimates.

**1.3 FIXED ASSETS**

Fixed assets are stated at cost

**1.4 DEPRECIATION**

The Company has not charged Depreciation on its fixed assets.

**1.5 REVENUE RECOGNITION**

Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection.. Interest Income is recognized on time proportion basis taking into account the amount outstanding and rate applicable.

**1.6 TAXES ON INCOME**

Tax expenses comprises of Current tax and deferred tax. Current Tax Provision, if any, has been made on the basis of reliefs and deduction available under the Income- Tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantively enacted as on the Balance Sheet date. The deferred tax assets is recognised and carried forward only to the extent that there is a reasonable certainty that the assets can be realised in future. However, where there is unabsorbed depreciation or carry forward losses under taxation laws, deferred tax assets are recognized only if there is virtual certainty of realisation of such assets. Deferred tax assets are reviewed as at each Balance Sheet date.

**1.7. CONSISTENCY :**

These Financial statements have been prepared on basis consistent with previous years and accounting policies not specifically referred hereto are consistent with generally accepted accounting principles.

**1.8. IMPAIRMENT OF ASSETS:**

In accordance with the Accounting Standard (As-28 ) in " Impairment of Assets " issued by The Institute of Chartered accountants of India , during the year the company has reassessed its fixed assets and is of the view that no further impairment / reversal is considered to be necessary in view of its expected realizable .

**1.9. SEGMENTAL REPORTING:**

Being the company having only one line of operation and working in a single geographical area and in accordance with the provisions of AS -17. Hence segmental report is not furnished.

**1.10. INVESTMENTS**

Investments that are intended to be held for more than a year, from the date of acquisition, are classified as long term investments and are carried at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

**1.11 CONTINGENT LIABILITIES**

Contingent liability that may arise due to delayed / non-compliance of certain fiscal statutes amount unascertainable.

**DEVKI CYBER SECURITIES PRIVATE LIMITED**  
**NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED ON MARCH 31, 2014 [CONTD.]**

15. Balance of Deposit, Loans & Advances and others are subject to confirmation. However, in the opinion of the management these accounts will fetch the mount as stated in the books of account on realisation in the ordinary course of business.
16. In the opinion of the management and to the best of their knowledge and belief, the aggregate value of the current assets and loans & advances, on realization in the ordinary course of business, will not be less than the amount at which they are stated in the balance sheet.
17. Related Party Disclosures have been set out as below. The related parties , as defined by Accounting Standard 18 related party disclosure, issued by Institute of chartered Accountants of India .In respect of which the disclosures have been made , have been identified on the basis of information available with the company .

Name of related party	Nature of relationship	Nature of transaction	As at 31st March 2014 [Rs.]		As at 31st March 2013 [Rs.]	
			Transaction Value	Outstanding amounts carried in the Balance Sheet	Transaction Value	Outstanding amounts carried in the Balance Sheet
Velocity Private Limited **	Enterprises of Key Management Personnel	Loan Given /Received back	Rs. 150000/-	-	Rs. 150000/-	Rs. 150000/-
Devki Leasing & Finance Ltd.	Holding Company	Loan Received back	Rs. 190050/-	-	-	Rs. 190050/-
Sudhir Bindal #	Relatives of Key Management Personnel	Sale of Investment [Equity Shares]	Rs. 203740/-	-	-	-

\*\* Formerly Known as Velocity Limited

#. Director of Holding company

18. Previous year figures have been reworked, recast/re-stated to confirm to the classification of the Current year

**FOR A.B.DOSHI & CO.**  
 Chartered Accountants  
 Firm Registration No. 001577C

**Ashwini Kumar Doshi**  
 Proprietor  
 Membership No. 031460

Place : Indore  
 Dated : May 30, 2014

**For and on behalf of the Board**  
**Devki Cyber Securities Private Limited**

**Bharat Bindal**  
 Director

**Manoj Kumar Singh**  
 Director

STATEMENT PURSUANT TO EXEMPTION RECEIVED UNDER SECTION 212(3) AND 212(5) OF THE COMPANIES ACT, 1956 RELATING TO SUBSIDIARY COMPANY AS ON 31<sup>ST</sup> MARCH 2014

NAME OF SUBSIDIARY COMPANY	DEVKI CYBER SECURITIES PRIVATE LIMITED
SHARE CAPITAL	
Authorised Capital	10,00,000
Paid up Capital	10,00,000
RESERVES	83085.70
TOTAL ASSETS	1124788.70
CURRENT LIABILITIES	41703
DETAILS OF INVESTMENTS (except in case of investment in the subsidiaries)	160000
TURNOVER	132916
PROFIT BEFORE TAXATION	94998
PROVISION FOR TAXATION	1323
PROFIT AFTER TAXATION	93675
PROPOSED DIVIDEND	NIL

For and on behalf of the Board of  
DEVKI LEASING & FINANCE LIMITED

PLACE: Indore  
DATE: 30.05.2014

SUDHIR BINDAL  
CHAIRMAN OF THE MEETING

**DEVKI LEASING AND FINANCE LIMITED**  
 REG off: "VELOCITY", 18-A Scheme No 94 C, Ring Road, Indore (M.P.) 452010  
 CIN: L65921MP1993PLC007522  
 Email ID- dlflindore@gmail.com Phone no. - 0731-4735555

**PROXY FORM**

Form No. MGT-11

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN : **L65921MP1993PLC007522**  
 Name of the Company : Devki Leasing And Finance Limited  
 Registered office : "VELOCITY", 18-A Scheme No 94 C, Ring Road, Indore (M.P.) 452010  
 Name of the member (s) : \_\_\_\_\_  
 Registered address : \_\_\_\_\_  
 E-mail ID : \_\_\_\_\_  
 Folio No/ Client ID/DP ID : \_\_\_\_\_

I/We, being the member(s) of \_\_\_\_\_ shares of the above named company, hereby appoint:

Name	:	
Address	:	
E-mail Id	:	or failing him

Name	:	
Address	:	
E-mail Id	:	or failing him

Name	:	
Address	:	
E-mail Id	:	or failing him

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the Twenty Second Annual General Meeting of the Company, to be held on Tuesday, the 30th day of September, 2014 at 10:30 AM at the registered office of the company at "VELOCITY", 18-A Scheme No 94 C, Ring Road, Indore (M.P.) 452010, and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Ordinary Business:</b>	
1.	Receive, consider and adopt the audited Balance Sheet as at March 31, 2014, the Statement of Profit & Loss and the Cash Flow Statement for the financial year ended March 31, 2014 and the Reports of the Board of Directors and Auditors thereon.
2.	Appointment of Auditors and fixing their remuneration.
<b>Special Business:</b>	
3.	Appointment of Mrs. Sarita Bindal as Non Executive Promoter Director
4.	Re-appointment of Mr. Sudhir Bindal as Managing Director
5.	Re-appointment of Mr. Kamlesh Kasliwal as Independent Director
6.	Re-appointment of Mr. Manoj Kumar Singh as Independent Director

Affix revenue  
Stamp of Rs.1

Signature of shareholder

Signature of Proxy holder(s)

**Note:**

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. Notwithstanding the above the Proxies can vote on such other items which may be tabled at the meeting by the shareholders present.

**ATTENDANCE SLIP**  
**22nd ANNUAL GENERAL MEETING ON 30TH SEPTEMBER 2014.**

R.F. No. \_\_\_\_\_

Mr./Mrs./Miss \_\_\_\_\_

(Shareholders' name in block letters)

I/We certify that I/We am/are registered shareholder / proxy for the registered shareholder of the company.  
I/We hereby record my/our presence at the 22nd Annual General meeting of the company at the registered office of the company on 30th September, 2014.

(If signed by proxy, his name should be  
Written in block letters)

\_\_\_\_\_  
(Shareholders/proxy's Signature)

**Note :**

1. Shareholders / proxy holders are requested to bring the attendance Slips with them when they come to the meeting and hand over them at the entrance after affixing their signatures on them.
2. If it is intended to appoint a proxy, the form of proxy should be completed and deposited at the Registered Office of the Company at least 48 hours before the Meeting.



Printed Matter

To,

*If undelivered, Please return to :*  
**Devki Leasing and Finance Limited**  
Regd. Office : Velocity Multiplex, 18A, Scheme No. 94-C,  
Ring Road, INDORE - 452 010 (M. P.)

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# Devki Leasing & Finance Limited

Velocity Multiplex, 18-A, Scheme No. 94-C, Ring Road,  
INDORE - 452010 (M.P.) INDIA Tel. : +91-731-473 5555 - 69  
Fax: +91-731-473 5500 E-mail : devki@sancharnet.in




CIN : L65921MP1093PLC007522

PAN : AAAACDS975A

TAN : BPLD 00494E

devki

## FORM B

1.	Name of the Company:	DEVKI LEASING AND FINANCE LIMITED
2.	Annual financial statements for the year ended	31 <sup>st</sup> March 2014
3.	Type of Audit qualification	Qualified
4.	Frequency of qualification	Since 2009
5.	Draw attention to relevant notes in the annual financial statements and management response to the qualification in the directors report:	<p>The Auditors' Report read with relevant notes are self explanatory, except note no. 1.8 and note no. 21 of the notes to accounts read with last Para of the Auditors Report.</p> <p>Note no. 1.8, specifically relates to retirement benefits as the Company has not provide gratuity, privilege leave and other retirement benefits as the company follows the practice of accounting for the retirement benefits as and when paid. And note no. 21 relates to no provision for interest on the Secured Loan - the Company has not made provision for interest on the Secured Loan given by Dena Bank as the matter is in litigation and the same shall be accounted on the settlement of case.</p>
6.	Additional comments from the board/audit committee chair:	NIL
7.	To be signed by-	
a)	Mr. Sudhir Bindal Managing Director	
b)	Mr. Muralidharan Pillai Chief Financial Officer	
c)	A.B.DOSHI & CO. Ashwini Kumar Doshi Proprietor	
d)	Mr. Manoj Kumar Singh Audit Committee Chairman	