

GDL LEASING  
&  
FINANCE LIMITED

ANNUAL REPORT  
AND ACCOUNTS  
2011-2012

## **AUDITORS REPORT**

The Shareholders,  
GDL Leasing and Finance Ltd.  
New Delhi.

We have audited the attached Balance Sheet of GDL Leasing & Finance Ltd. as at 31st March, 2012 and also the Profit & Loss account for the year ended on that date, annexed there to and Cash Flow Statement for the period ended on that date. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these Financial Statements based on our audit.

We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the Financial Statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annex a statement on the matters specified in paragraph 4 and 5 of the said order.

2. Further to our comments in Annexure referred to in paragraph (1) above, we report that:

A) We have obtained all the information and explanations, which to the best of our knowledge & belief were necessary for the purpose of our audit:

B) In our opinion, proper books of Accounts as required by law have been kept by the Company, so far as appears from our examination of the books of accounts.

C) The Balance Sheet, Profit & Loss Account and Cash Flow Statement referred to in this report are in agreement with the Books of Accounts.

D) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in compliance with Accounting Standards (AS) referred to in Section 211(3C) of the Companies Act, 1956.

E) In our opinion and as per the information and according to the explanations given to us, no director is disqualified from being appointed as director under Section 274(1) (g) of the Companies Act, 1956.

F) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Significant Accounting Policies and other notes thereon give the information required by the Companies act, 1956, in the manner so required, and present a true and fair view in conformity with the accounting principles generally accepted in India:

- i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
- ii) In so far as it relates to the Profit & Loss Account, of the profit of the Company for the year ended on that date: and
- iii) In so far as it relates to the Cash Flow Statement, of the cash flows of the company for the year ended on that date.

Place: New Delhi  
Date: 16.08.2012

For : D.Galhotra & Associates  
Chartered Accountants

Sd/-  
(Darshan Lal Galhotra)  
Proprietor

## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the members of GDL Leasing & Finance Ltd. will be held on Saturday, 29th day of September, 2012 at 09.00 A.M. at A-31, Naraina Industrial Area, Phase-II, New Delhi-110028. to transact the following business.

### ORDINARY BUSINESS

1. To consider, approve and adopt the Audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date and, Auditors Report Directors Report thereon.
2. To appoint Director in place of Mr. Raj Kumar Kukreja who retires by rotation and being eligible offers himself for the re-appointment.
3. To appoint Director in place of Ms. Divya who retires by rotation and being eligible offers herself for the re-appointment.
4. To consider and if thought fit, to pass with or without modification (s) the Following resolution as an ordinary resolution.

Resolved that M/s D. Galhotra & Associates, Chartered Accountants, be and are hereby appointed as Auditors of the company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting.

Resolved further that the Auditors are paid such remuneration as shall be fixed by the Board of Directors, exclusive of travelling & other out of pocket expenses.

Dated: 16.08.2012

Place: New Delhi

## NOTES

1. Explanatory statement as required under section 173 (2) of the Companies Act, 1956 is annexed.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY, A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.
3. The Register of Member and Share transfer Book of the Company shall remain closed from Thursday 27th day of September to Saturday, 29th day of September, 2012 (Both days inclusive).
4. Shareholders/Proxy holders are requested to produce at the entrance the attached admission slip duly completed and signed for admission to the meeting hall.
5. Members who hold shares in dematerialized form are requested to write their Client ID and DP ID numbers and those who hold shares in physical form are requested to write their Folio Number in the attendance slip for attending the meeting.
6. Members requiring any information as regards accounts are requested to write to the company at least ten days in advance at B-3/91, Ashok Vihar, Phase-II, and Delhi-110052. So as to enable the Company to keep the information ready.

By Order of Board

Sd/-  
(Deepak Kumar Gangwani)  
(Director)

## DIRECTOR'S: REPORT

The Members,

Your Directors have pleasure in presenting The Nineteenth Annual Report together with the Audited Accounts of Your Company for the year ended 31st March 2012.

### FINANCIAL HIGHLIGHTS

| PARTICULAR                             | (Rs. In Lacs) | (Rs. In Lacs) |
|--|---------------|---------------|
|  | CURRENT YEAR  | PREVIOUS YEAR |
| INCOME FROM OPERATION                  | 30.74         | 19.73         |
| OTHER INCOME                           | 0.24          | ----          |
| TOTAL EXPENDITURE                      | 29.30         | 17.55         |
| GROSS PROFIT AFTER INTEREST BUT BEFORE | 1.68          | 2.18          |
| DEPRECIATION & TAXATION                |               |               |
| DEPRECIATION                           | 0.22          | 1.28          |
| PROVISION FOR TAXATION                 | 0.45          | 0.45          |
| NET PROFIT                             | 1.01          | 0.45          |
| RESERVE EXCLUDING REVALUTING RESERVE   | 10.42         | 7.63          |

### OPERATIONS

During the year your Company has deployed the funds in various areas viz., Inter Corporate Deposits, Loans to individuals & firms, Primary Market, Secondary Market and Deposit with Banks etc. Since your company mainly concentrated on Loans & Advances to various individuals, firms, corporate etc and earned a handsome interest income but due to losses in bad debts, your company could not achieve the desired results. However the profit before Tax & Depreciation comes to Rs. 1.68 Lacs during the year under review, as compared to Rs. 2.18 Lacs in the previous year.

### PROSPECTS

The Finance Industry during the year under review remained under tremendous pressure but with the Government's continued efforts towards liberalization and Globalization process this area is likely to continue to grow in the years to come. Since finance for Industries is like blood for human Body, without finance Industrialization is not possible. Your company besides continuing the existing activities is contemplating to diversify into financial services Industry to boost its Income.

The Directors are confident that in the coming year the Company will be able to effectively meet Competition and improve its profitability.

### DEPLOYMENT OF FUNDS

|  |        |
|--|--------|
| Fixed Assets   | 0.67   |
| Investment in Primary & Secondary Market                 | 39.16  |
| Intercorporate deposits and loans to Individuals & Firms | 222.93 |
| Other Assets   | 51.23  |

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### DIVIDEND

Due to depressed market condition in Primary and secondary market (which would have been the main sources of Income for the Company) the Company has managed to earn a meager profit and therefore, regret its inability to declare dividend this year.

### MANAGEMENT

Mr. Raj Kumar Kukreja & Ms.Divya Directors of the Company retire by rotation at the Annual General Meeting and being eligible offer themselves for reappointment.

### REGISTRAR

The Company's registrars are M/s Skyline Financial Services Ltd. for DEMAT as well as physical activities. In this way the shareholders do not face any problem while demating their shares or transferring their shares.

### HUMAN RESOURCES

Your Company as ever is essentially a Board managed company and to strengthen it further has the pride to have top-notch professionals by its side. Company's staff is the major source of company's strength in its operations & contributes significantly in terms competitive in the field.

During the year the company didn't have any employees on the payroll whose particulars are required to be disclosed U/s 217 (2A) of the Companies Act read with rules thereunder.

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

The company has no activities in relation to conservation of energy and technological absorption. The company has no outgo of Foreign Exchange earnings during the under review.

## BOARD MEETINGS & COMMITTEES

Board meetings are normally held at Company offices, and typically scheduled about a month in advance. The Board meets at least once a quarter to, inter-alia, review all relevant the Directors, in consultation with the Chairman, prepare matters where necessary and papers are circulated to all Directors in advance. Directors have access to the all information of the Company and are free to suggest inclusion of any matter in the Agenda. In the year under review the Board met 12 times on April 28, 2011, June 30, 2011, July 28 2011, August 12, 2011, September 15, 2011, September 30, 2011, October 28, 2011, December 22, 2011, January 30, 2012, February 18, 2012 March 17, 2012 and March 28,2012 To enable fuller attention to the affairs of the Company the Board delegates specified matters to its committees, which, while preparing the groundwork for decision-making, report to the Board, or requires its explicit approval, is left to the final decision of any committee.

## AUDITORS

M/s D. Galhotra & Associates, Chartered Accountants, Auditors of the Company, retire at the ensuing Annual General Meeting and have offered themselves for reappointment as auditors of the company to hold office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting.

## DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, the Board of Directors hereby state and confirm.

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2012 the applicable accounting standards, have been followed along with proper explanation relating to material departures.
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affair of the Company at the end of the financial year and of the profit or loss of the Company for the year under review.
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors have prepared the annual accounts for the financial year ended 31st March 2012 on a 'going' concern basis.

## AKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and cooperation received from the Banks, Our valued customers and shareholders during the year under review. Your Directors also wish to place on the record their deep appreciation for the contribution of the employees at all levels for the success, growth and development of the company.

PLACE: NEW DELHI  
DATE: 16.08.2012

For and on Behalf of the  
Board of Directors.

Sd/-  
(GOPI CHAND GANGWANI)  
CHAIRMAN

