

**P.K.LEASING & FINANCE LIMITED**

**ANNUAL REPORT  
2013-2014**

## P K LEASING & FINANCE LIMITED

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Board of Director

Mr. Nand Kishore Agarwal  
Mr. Anil Kumar Agarwal  
Mr. Deepak Kumar Agarwal  
Mr. Uttam Shaw  
Mr. Bikram Chakraborty  
Mr. Amiya Mukherjee  
Mr. Partha Das  
Mrs Ruchi Agarwal

Bankers

Bank of India

Auditors

Indrajit Chattopadhyay  
Chartered Accountants

Registered Office

P 36, India Exchange Place 4<sup>th</sup> Floor  
Kolkata-700 001

Registrars and Share Transfer  
Agents

Niche Technologies (P) Ltd  
71, B R B Basu Road  
D-511, Bagree Market  
Kolkata-700001

## Notice

NOTICE is hereby given that Twenty Second Annual General Meeting of the share Holders of P K Leasing & Finance Ltd will be held at the registered office of the Company at P-36, India Exchange Place, 4<sup>th</sup> Floor, Kolkata-700 001 on Friday 26<sup>th</sup> September 2014 from 11 A.M to transact the following business.

### ORDINARY BUSINESS

- 1) To receive, consider and adopt the Twenty Second Annual Report of the Director's Balance sheet as at 31<sup>st</sup> March 2014 and the profit and Loss Account financial year ended on that date and the reports of the Auditors thereon.
- 2) To appoint a Director in the place of Mr. Mr.Anil Kumar Agarwal who retires by rotation and being eligible offers himself for re-appointment.
- 3) To appoint auditors and to fix their remuneration and in this regard 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 section 139 of the Companies Act, 2013, Indrajit Chattopadhyay,Chartered Accountants, 14, RMC Lahiri Bhadur Street, Serampore-712204, Hooghly, West Bengal (Firm Registration No 050955) the retiring Auditors, be and are hereby appointed as Statutory Auditors of the Company for a period of three years commencing from the conclusion of this Annual General Meeting to conclusion of the forth Annual General Meeting, on such remuneration as may be determined by the Board of Directors of the Company."

### SPECIAL BUSINESS

- 4) To appoint Smt. Ruchi Agarwal (DIN: 06942318) as a Director in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT Smt. Ruchi Agarwal (DIN: 06942318), who was appointed as an Additional director of the company by the board of directors with effect from 6<sup>th</sup> August 2014 and who holds office up to the date of this Annual General Meeting, 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 her candidature for the office of Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation

- 5) To appoint Mr. Uttam Kumar shaw (DIN: 00315718) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Uttam Kumar shaw (DIN: 00315718), who was appointed as an Independent Director pursuant to the provisions of Listing Agreement, be and is hereby appointed as an Independent Director of the Company to hold office for 5

(five) consecutive years for a term up to the conclusion of 27<sup>th</sup> Annual General Meeting in the calendar year 2019.”

- 6) To appoint Mr. Amiya Mukherjee (DIN: 00326546) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, , Mr. Amiya Mukherjee (DIN: 00326546) , who was appointed as an Independent Director pursuant to the provisions of Listing Agreement, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 27<sup>th</sup> Annual General Meeting in the calendar year 2019 .”

- 7) To appoint Mr. Bikram Chakraborty (DIN: 00822069) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Bikram Chakraborty (DIN: 00822069), who was appointed as an Independent Director pursuant to the provisions of Listing Agreement, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 27<sup>th</sup> Annual General Meeting in the calendar year 2019.”

- 8) To appoint Mr. Partha Das (DIN: 03556329) as an Independent Director and in this regard to consider and, if thought fit, to pass, with or without modification the following resolution as an Ordinary Resolution:

“RESOLVED THAT pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Partha Das (DIN: 03556329), who was appointed as an Independent Director pursuant to the provisions of Listing Agreement, be and is hereby appointed as an Independent Director of the Company to hold office for 5 (five) consecutive years for a term up to the conclusion of 27<sup>th</sup> Annual General Meeting in the calendar year 2019.”

**Registered office:-**

**P-36 India Exchange Place  
Kolkata-700 001**

**Dated: 01/09/2014**

**By order of the Board**

**Anil Kumar Agarwal  
(Director)  
(DIN: 00315722)**

## Notes

- a) A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need to be a member of the company. Proxies in order to be effective must be received by the Company not less than 48 hours before the Meeting.
- b) The Register of Members and share Transfer Books of the Company shall remain close from Friday 19<sup>th</sup> September 2014 to Friday 26<sup>th</sup> September 2014 (both days inclusive)
- c) Members holding shares in physical form are requested to notify and change in their address to its shares transfer agent VIZ. M/s Niche Technologies (P) Ltd. 71, BRB Basu Road, D-511 Bagree Market, Kolkata- 700 001 and in case their shares are held in dematerialized form his information should be passed on directly to their respective Depository participants.
- d) Information regarding Director retiring by rotation.

Details of the Directors seeking re-appointment in the Twenty First Annual General Meeting pursuant to Clause 49 of Listing Agreement of Stock Exchanges

Name of Director	Mr.Anil Kumar Agarwal
Date of Birth	27 <sup>th</sup> July 1974
Date of Appointment	24 <sup>th</sup> May 2000
Expertise in specific functional area	Business and Corporate Advisory, Indian Taxation, Financial Consultancy etc.
Qualification	B.com
No of Equity shares held in the company	11600
List of committees of the Board of Directors (across all companies)in which Chairmanship/Membership is held	1.Devarata Traders Pvt Ltd 2.Shreesaya Traders Pvt Ltd

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 5 to 8 of the accompanying Notice:

### **Item No.3**

Indrajit Chattopadhyay, Chartered Accountants has been the Auditors of the Company since FY 2007-2008 and have completed a term of Seven years. 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 Act to comply with this requirement.

In view of the above, Indrajit Chattopadhyay, 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 May 31, 2014, proposed the appointment of Indrajit Chattopadhyay, 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 year 2017 (subject to rustication of their appointment at every AGM).

The Board commends the Resolution at Item No. 3 for approval by the Members.

None of the Directors or Key Managerial Personnel (KMP) or relatives of Directors and KMP is concerned or interested in the Resolution at Item No. 3 of the accompanying Notice.

### **Item No. 4**

As per the provisions of Section 149(1) of the Act and amended Clause 49 of the Listing Agreement, the Company should have at least one woman director.

Keeping in view the above legal requirements and in deference to Company's shareholders' wishes, the Board of Directors have proposed that Smt. Ruchi Agarwal be appointed as a Director of the Company

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Smt. Ruchi Agarwal for the office of Director of the Company

Smt. Ruchi Agarwal is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director.

She holds 39,000 equity shares in the Company.

### **Brief resume of Smt. Ruchi Agarwal**

Smt Ruchi Agarwal (DIN: 06942318) is proposed to be a Executive director of the company pursuant to the provisions of section 149 (1) of the companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and the rules made there under including any statutory modifications or re enactments thereof for the time being in force read with Chapter XI to the companies Act, 2013.

Smt Ruchi Agarwal is a Graduate (B.Com) and she presently working as Teacher in Private school without remuneration from last 1 Years and service in an Advisory company.

Smt Ruchi Agarwal is proposed to be appointed as an independent Director/Additional director for five consecutive years from the date of this meeting. A notice has been received from a member proposing her as a candidature for the office of the Independent Director/Additional Director of the company.

In the opinion of the Board, Smt Ruchi Agarwal fulfils the conditions specified in section 149 (6) of the Companies Act, 2013 and Rules mad there under for his appointment as an independent Director /Additional Director of the Company and is independent/Additional of the management.

The draft letter for appointment of Smt. Ruchi Agarwal as an Independent Director setting out terms and conditions would be available for inspection without any fee by the members at the registered office of the Company during normal business hours on any working day.

Except Smt. Ruchi Agarwal being an appointee, none of the directors and Key managerial persons of the Company and their relatives is concerned or interested, financial or otherwise in the resolution set out at Item No. 7. The explanatory statement may also be regarded as a disclosure under clause 49 of the listing agreement with the stock exchange

#### **Item No 5 to 8**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Uttam Kumar Shaw, Mr Bikram Chakraborty, Mr Amiya Mukherjee and Mr. Partha Das, as Independent Directors at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of section 149 of the Act, which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as independent directors, who are not liable to retire by rotation.

The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement *inter alia* stipulating the conditions for the appointment of independent directors by a listed company.

The Nominations Committee has recommended the appointment of these directors as Independent Directors from September 10, 2014 Mr. Uttam Kumar Shaw, Mr Bikram Chakraborty, Mr Amiya Mukherjee and Mr. Partha Das, non-executive directors of the Company, have 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, each of these directors fulfil the conditions specified in the Act and the Rules framed there under for appointment as Independent Director and they are independent of the management.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday

None of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions

The Board commends the Ordinary Resolutions set out at Item Nos. 5 to 8 of the Notice for approval by the shareholders.



## **To the Members,**

Your directors have pleasure in presenting the Twenty Second Annual Report together with the Audited Accounts of your Company for the year ended 31<sup>st</sup> March 2014.

### **FINANCIAL RESULTS**

The financial results of your Company are as under: - (Rs in Lacs)

	2013-2014	2012-2013
Operation Profit/(Loss) before Interest, Depreciation and Tax	1.02	1.66
Depreciation	0.40	0.44
Profit/(Loss) before Tax	0.62	1.22
Provision for tax	0.12	0.27
Provision for Standard Assets	0.45	0.69
Profit /(Loss) for the year	0.05	0.27

### **DIVIDEND**

This year the Directors have decided not to distribute any dividend which in the long turn will strengthen the net-worth of the company.

### **OPERATIONAL PERFORMANCE**

During the year under review, the Company could generate a total business of Rs 8.00 lacs, which resulted in net profit of Rs 0.62 lacs before tax and contingent provisions for standard assets. Barring unforeseen circumstances your directors view the performance of the Company during the current year with optimism.

### **FIXED DEPOSITS**

Your Company has not accepted or invited any deposits from public.

### **DIRECTORS RESPONSIBILITY STATEMENT**

Pursuant to subsection (2AA) of section 217 of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that:

- i) In the preparation of Annual accounts, applicable accounting standards have been followed.
- ii) The Directors has selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company for that period.
- iii) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance of the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) The Directors had prepared the annual accounts on a going concern basis.

## RBI REGULATIONS COMPLIANCE

The company continues to comply with the prescriptions of RBI as applicable, including the Prudential Accounting Norms for income recognition, assets classification, provisioning for risk assets etc.

## DIRECTORS

In accordance with the requirements of the Act and the Articles of Association of the Company, Mr Anil Agarwal retires by rotation and is eligible for re-appointment.

The Company has, pursuant to the provisions of Clause 49 of the Listing Agreements entered into with Stock Exchanges, appointed Mr. Uttam Kumar Shaw, Mr Bikram Chakraborty, Mr Amiya Mukherjee and Mr. Partha Das as Independent Directors of the Company. The Company has received declarations from the said Independent Directors of the Company confirming that they meet the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under the said Clause 49. In accordance with the provisions of Section 149(4) and proviso to Section 152(5) of the Companies Act 2013, these Directors are being appointed as Independent Directors to hold office as per their tenure of appointment mentioned in the Notice of the forthcoming AGM of the Company

After the conclusion of Twenty First annual general meeting Sri Suryakant Agarwal has resigned from the directorship of the company and the board of Directors do place on record his appreciation for the valuable services rendered by him during his tenure as director of the company and Smt Ruchi Agarwal was appointed as Additional Director who would act as Additional Director till the ensuing Annual General Meeting wherein resolution for her appointment as director would be placed

## CORPORATE GOVERNANCE

The Company has taken adequate steps to ensure compliance with the provisions of Corporate Governance as prescribed under the listing Agreement with Stock Exchange. A separate report on Corporate Governance along with the certificate of the Auditors M/s Indrajit Chattopadhyay, confirming compliance with the conditions of Corporate Governance as stipulated under clause 49 of the Listing Agreement entered into with the stock exchange is annexed.

## CEO/CFO CERTIFICATION

In terms of Clause 49 of the Listing Agreement, the certification by the Managing Director & CEO and Executive Director & CFO on the financial statements and internal controls relating to financial reporting has been obtained.

## AUDITORS AND AUDITOR'S REPORT

Indrajit Chattopadhyay, Chartered Accountants, 14, RMC Lahiri Bhadr Street, Serampore-712204, Hooghly, West Bengal (Firm Registration No 050955) retire at the ensuing Annual General Meeting and being eligible, have expressed their willingness to continue, if so appointed. As required under the provisions of section 139(1) of 2013 Act & the Companies (Audit & Auditors) Rules 2014, your Company has obtained a written certificate from the Auditors proposed to be re-appointed to the effect that, if the appointment is made it shall be in accordance with the conditions as may be prescribed. The Board hereby requests the

members to reappoint Indrajit Chattopadhyay,Chartered Accountants, 14, RMC Lahiri Bhadur Street, Serampore-712204, Hooghly, West Bengal (Firm Registration No 050955) as the Auditors for period of three years from the conclusion of this Annual General Meeting till the Annual General Meeting to be held in 2017. Notes of Accounts referred to in the Auditors Report are self explanatory and therefore, do not call for any further comments.

INFORMATION PURSUANT TO SECTION 27 (1) (e)

Information pursuant to section 217 (1) (e) of then Companies Act, 1956 are not applicable.

DISCLOSURE UNDER SECTION 217 (2A) OF THE COMPANIES ACT, 1956

The Companies (particulars of employees) Rules, 1975 are not applicable.

ACKNOWLEDGEMENT

The Board of Directors wish to place on record their appreciation of the support received from investors, Banks and all those associated with Company during the year under review. We also thank the shareholders for the confidence reposed by them in the Company.

**Registered office**

**P-36 India Exchange Place  
Kolkata-700 001**

**Dated: 01<sup>st</sup> September 2014**

**For and on behalf of the Board of Directors**

**Anil Kumar Agarwal**  
(Director)

## Annexure to Directors' Report

Report on Corporate Governance

### Mandatory Requirements

#### 1. Company's philosophy on corporate governance

The company believes in adopting the best corporate governance practices and protecting rights and interests of shareholders. The company further believes that the shareholders have the right to know complete information on the Board of Directors and the Management, their interests in the organization as well as governance practices followed by them.

#### 2. Board of Directors

(i) Composition:

The Board of Directors Comprises:

- Four non-promoter, executive director.
- Four independent, non executive directors.

In the following table, the composition of the Board of Directors has been given in addition to the number of other Boards or Boards Committees of which Director is a member /Chairperson:

Name of Director	Category	No of other Directorship (Excluding Private Companies)	No of Membership of other Board Committees	No of Board Committees for which chairperson
Mr Nand Kishore Agarwal	Non-Promoter Executive Chairman/MD	Nil	Nil	Nil
Mr Anil Kumar Agarwal	Executive Director	Nil	Nil	Nil
Mr Deepak Kumar Agarwal	Executive Director	Nil	Nil	Nil
Mrs Ruchi Agarwal	Executive Director	Nil	Nil	Nil
Mr Bikram Chakroborty	Independent-Non Executive	Nil	Nil	Nil
Mr Uttam Shaw	Independent-Non Executive	Nil	Nil	Nil
Mr Amiya Mukherjee	Independent-Non Executive	Nil	Nil	Nil
Mr Partha Das	Independent-Non Executive	Nil	Nil	Nil

**(ii) Attendance of Each Director At The Board Meetings and At The Last Annual General Meeting/Extra ordinary General Meeting:**

During the financial year ended 26.04.2013, 31.05.2013, 17.06.2013, 11.07.2013, 30.07.2013, 13.08.2013, 07.10.2013, 12.11.2013, 04.01.2014, 14.02.2014 and 31.03.2014 In the following table we have highlighted the attendance of each Director at the respective Board meetings and at the last annual general meeting (AGM).

<b>Names(s) of Directors</b>	<b>No. of Board Meetings attended</b>	<b>Attendance at the last AGM held on 15<sup>th</sup> July 2013</b>
Mr. Nand Kishore Agarwal	10	Yes
Mr. Anil Kumar Agarwal	10	Yes
Mr. Deepak Kumar Agarwal	10	Yes
Mr. Suryakant Agarwal	10	Yes
Mr. Bikram Chakraborty	11	Yes
Mr. Uttam Shaw	9	Yes
Mr. Amiya Mukherjee	8	Yes
Mr. Partha Das	10	Yes

**3. Audit Committee**

During the year the audit Committee was duly constituted and Mr. Anil Kumar Agarwal was included in the Committee. At present the Audit Committee comprises of following directors

1. Mr. Bikram Chakraborty
2. Mr. Amiya Mukherjee
3. Mr. Anil Kumar Agarwal

The managing director and statutory auditors are permanent invitees at the committee meetings.

**Board Term of Reference**

The Audit Committee is expected to review the Companies financial reporting process and its financial statements, review the accounting and financial policies and practices, review the efficacy of internal control mechanism and monitor the management of this, review policy adopted by the Company and ensure compliance with regulatory guidelines.

**Meetings And Attendance**

Committee met 4 times on 17.05.2013, 13.08.2013, 12.11.2013 and 14.02.2014 during the financial year 2013-14 and the attendances of the member of the Committee were as follows:

**No. of Meetings**

<b>Name of the Directors</b>	<b>Held</b>	<b>Attended</b>
Mr. Bikram Chakraborty	4	4
Mr. Anil Kumar Agarwal	4	2
Mr. Amiya Mukherjee	4	4

The Minutes of the Audit Committee Meetings are noted by the Board of Directors at the subsequent Board Meeting.

#### 4. Nomination and Remuneration Committee

The remuneration committee of the board was reconstituted and renamed as Nomination and Remuneration Committee complying with the requirements of the provisions of the Companies Act 2013 and the rules framed there under. The remuneration committee of the Board has been constituted and it comprises of Mr. Bikram Chakraborty, Mr. Amiya Mukherjee and Mr. Suryakant Agarwal. All the members are non executive directors.

The Committee would review the remuneration payable to the Directors and Senior Management of the Company.

During the financial year ended 31<sup>st</sup> March 2014 the Committee met twice on 17.05.2013 and 12.11.2013.

The attendance of the members of the above committee meeting was as follows:

Name	Status	No. of Meetings Attended
Mr. Suryakant Agarwal	Chairman	2
Mr. Bikram Chakraborty	Member	2
Mr. Amiya Mukherjee	Member	2

The details of Remuneration paid to the Directors, for the year ended 31<sup>st</sup> March 2014 is given below:

(Rs in Lacs)

Name	Salary & Allowances	Sitting Fees/Perquisites	Commission	Contribution to PF/Superannuation	Total
Mr. Nand Kishore Agarwal	1.20	NIL	NIL	NIL	1.20
Mr Anil Kumar Agarwal	NIL	NIL	NIL	NIL	NIL
Mr. Deepak Kumar Agarwal	2.10	NIL	NIL	NIL	2.10
Mr. Suryakant Agarwal	NIL	NIL	NIL	NIL	NIL
Mr. Partha Das	NIL	NIL	NIL	NIL	NIL
Mr. Bikram Chakraborty	NIL	NIL	NIL	NIL	NIL
Mr Uttam Shaw	NIL	NIL	NIL	NIL	NIL
Mr. Amiya Mukherjee	NIL	NIL	NIL	NIL	NIL

## **5. Share /Debenture Transfer Allotment & Shareholders Grievances Committee:**

### **A. Terms of Reference:-**

The Company has formed a shareholders/ Investor Grievances Committee with the following terms of reference:

A. Ensure redressal of the shareholders and investors complaints relating to transfer of shares, non receipts of balance sheet etc. redressal of investors, complaints in respect of non-receipt of dividends/interest/payments on redemption of preference shares, debentures, bonds or such other instruments which are redeemable.

### **B. Composition of the Committee (As on March 31, 2014):-**

The committee comprised Mr. Suryakant Agarwal, Mr. Amiya Mukherjee and Mr. Anil Kumar Agarwal. The board appointed Mr. Anil Kumar Agarwal as the Compliance Officer under Listing Agreement.

### **C. MEETINGS AND ATTENDANCE:-**

Committee met 4 times on 17.05.2013, 13.08.2013, 12.11.2013 and 14.02.2014 during the financial year 2013-14 and the attendances of the member of the Committee were as follows:

#### **No. of Meetings**

Name of the Directors	Held	Attended
Mr. Suryakant Agarwal	4	4
Mr. Amiya Mukherjee	4	2
Mr. Anil Kumar Agarwal	4	4

D. During the year under review there was no investor complaints received. The Company did not have any investor's complaints pending on March 31, 2014.

## **6. Code of Conduct**

As required under the Listing Agreement, the Board of Directors of the Company have laid down a Code of Conduct applicable for all Board Members and Senior Management Personnel of the Company. In this regard a declaration signed by the Chairman is reproduced below:

"I hereby confirm that all the Members of the Board and Senior Management Personnel to whom the Code of Conduct was applicable have confirmed compliance of the above code for the year ended 31<sup>st</sup> March, 2014."

## **7. General Body Meetings**

Financial Year	Date	Time	Venue
2010-2011	10.07.2011	11.00 A.M	Registered Office of the Company
2010-2011	11.07.2011	11.00 A.M	Registered Office of the Company
2011-2012	02.01.2012	11.00 A.M	Registered Office of the Company
2011-2012	11.09.2012	11.00 A.M	Registered Office of the Company
2012-2013	23.02.2013	03.00 P.M	Registered Office of the Company
2012-2013	15.07.2013	11.00 A.M	Registered Office of the Company

### **Special Resolution passed through Postal Ballot**

No special resolution was passed through postal ballot during the Financial Year 2013-14. None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through postal ballot

### **8. Disclosure on materially significant related party transactions, i.e. the Company's transactions that are of material nature, with its Promoters, Directors and the management, their relatives or subsidiaries, among others that may have potential conflict with the Company's interests at large**

None of the transactions with any of related parties were in conflict with the Company's interest all related party transactions are negotiated on arms length basis, and are intended to further the Company's interests

### **Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchanges or SEBI, or any other statutory authority, on any matter related to capital markets during last three years.**

There has been no instance of non-compliance by the Company on any matter related to capital markets during last three years, and hence, no penalties or strictures have been imposed on the Company by Stock Exchanges or SEBI or any other statutory authority. The Company has not established any mechanism as referred under Whistle Blower policy

### **9. Means of Communication**

The quarterly, half-yearly and yearly financial results of the company are sent to the Stock Exchange immediately after the Board approves them. These results are published in prominent daily newspapers viz BENGAL LEADER (Edition- English) and in DAINIK LIPI (Edition-Bengali).

### **10. General Shareholders Information**

(i)	<b>Audited results for the year ending March 31,2014</b>	Within prescribed period under the Companies Act.1956
(ii)	<b>Annual General Meeting (Date ,Time &amp; Venue)</b>	26 <sup>th</sup> September 14 at 11.00 a.m at the Registered office of the Company
(iii)	<b>Date of Book Closure</b>	19 <sup>th</sup> September '14 to 26 <sup>th</sup> September'14 (both days inclusive)
(iv)	<b>Listing of Equity Shares on Stock Exchanges</b>	The Calcutta Stock Exchange Association Ltd (Stock Code 10022186)
(v)	<b>Listing Fees</b>	Annual listing fee for the year 2013-14 & 2014-2015 has paid by the Company to CSE.



(vi)	<b>Share Transfer System</b>	<p>Shares are normally transferred by the Company's Registrar within 15 days from the date of receipt and demat confirmed within 20 days</p> <p>The Company transfers shares and provides depository services through:</p> <p><b>Niche Technologies Pvt Ltd</b>  <b>71, B.R.B Basu Road,</b>  <b>D-511 Bagree Market</b>  <b>Kolkata-700001</b>  <b>Phone: 2235-7270/7271/2234-3576</b>  <b>Fax: 2215-6823</b></p>
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(vii) **Distribution of Shareholding as on 31<sup>st</sup> March 2014**

No of Equity Shares Held	No of Shareholders	% of Shareholders	No of Shareholders	% of Shareholding
Upto 500	32	16.33	7,950	0.26
501 to 1000	8	4.08	7,610	0.24
1001 to 5000	55	28.06	1,88,800	6.07
5001 to 10000	48	24.49	3,42,050	11.00
10001 to 50000	43	21.94	10,62,880	34.17
50001 to 100000	5	2.55	3,75,850	12.08
100001 and above	5	2.55	11,25,260	36.18
Totals	196	100.00	31,10,400	100.00

(viii) **Pattern of Shareholders as on 31<sup>st</sup> March, 2014.**

Profile of Shareholders	No of Shares	% of Holding
Promoters	3,50,000	11.25
Financial Institutions, Banks and Mutual Funds etc.	NIL	NIL
NRI, FIIS etc	NIL	NIL
Private Corporate Bodies	10,47,450	33.68
Indian Public	17,12,950	55.07
Others	NIL	NIL
Total	31,10,400	100

**(ix) De materialization of shares and liquidity**

The equity shares of the Company are compulsorily traded in dematerialized form as per the notification issued by SEBI. As on 31<sup>st</sup> March 2014, 28, 91,800 (i.e. 92.97% of the company's total shares) equity shares have been dematerialized with NSDL and CDSL.

As on 31<sup>st</sup> March 2014 about 92.97 % of the company's total shares were held in dematerialized form with NSDL and CDSL.

**(x) Outstanding GDRs/ADRs/Warrants or any convertible instruments conversion date and likely impact on equity**

No GDRs/ADRs/Warrants or any convertible instruments have been issued by the Company and hence there would not be any impact on the equity.

**Stock Code:**

Name of the Stock Exchange	Stock Code
The Calcutta Stock Exchange	10026186

**(xi) Stock Market price date for the year 2013-14:**

Price in CSE

Month	Year	High	Low
April	2013	76.55	76.55
May	2013	76.55	76.55
June	2013	76.55	76.55
July	2013	76.55	76.55
August	2013	76.55	76.55
September	2013	76.55	76.55
October	2013	76.55	76.55
November	2013	76.55	76.55
December	2013	76.55	76.55
January	2014	76.55	76.55
February	2014	76.55	76.55
March	2014	76.55	76.55

**(xii) Address for correspondence:**

P-36, India Exchange Place  
4<sup>th</sup> Floor,  
Kolkata= 700 001  
Ph No = 2225-3123

## **Non- Mandatory requirements**

### **a) Chairman of the Board**

The requirement of maintenance of an office for the Non-executive Chairman and the reimbursement of expenses to him are not applicable to the company presently as the company has an Executive Chairman

### **b) Tenure of Independent Directors**

No specific tenure has been specified for the independent directors. However, from Financial Year 2014-15, the Board of Directors have recommended the appointment of Mr. Uttam Kumar Shaw (DIN : 00315718), Mr Bikram Chakraborty(DIN : 00822069), Mr Amiya Mukherjee (DIN : 00326546) and Mr. Partha Das (DIN : 03556329) as Independent Directors u/s 149 of the Companies Act, 2013, for the period of five years. These Directors shall not be counted for determination of Directors liable to retire by rotation

### **c) Remuneration Committee**

The Company has constituted 'Human Resources, Nomination and Remuneration Committee' meeting the requirements of Clause 49 of the Listing Agreement and the Companies Act, 2013.

### **d) Shareholders Rights**

As the company's quarterly results are published in English newspapers having circulation all over india and also in local newspaper widely circulated in west Bengal hence the financial results are not being sent individually to the shareholders.

### **e) Postal Ballot**

The provisions relating to postal ballot will complied with in respect of matters where mandatorily applicable.

### **e) Training of Members**

The Company has not yet adopted any system of training for its Board members or performance evaluation of its Non-Executive Directors.

## **MANAGEMENT DISCUSSIONS AND ANALYSIS REPORT**

### **OVERVIEWS:**

With the liberalization of the finance sector the business opportunity of NBFCs have changed phenomenally in the past few years. Such liberalization have narrowed the difference between NBFCs, Development Financing Institutions and Commercial Banks. Consequent to such changes the DFIs, Foreign and Indian Banks have made aggressive foray into retail finance segment, which has resulted in reduction of the number of players in the NBFC industry resulting in the opportunities being available only for the prudent and the fittest.

It gives immense satisfaction in mentioning that P K Leasing has overwhelmingly responded to the emerging trends of competitive environment by building on its core strengths of distribution, focused customer services, effective and efficient collection mechanism apart from being cost conscious.

### **DISTRIBUTION AND MARKETS:**

P K Leasing has visualized the emerging scenario of the past few years in terms of liberalization and competition and with this foresight in the background positioned itself as a company that is innovative and customer friendly, resulting in P K Leasing creating a network of its operation primarily in the local markets.

### **INTERNAL CONTROL SYSTEM**

The company reviews its operations at regular intervals based on the annual audit plan.

### **OPERATIONAL OVERVIEW:**

Commercial Vehicle:

The Companies main area of operations is in the field of financing Commercial vehicle. The overall performance of the company was affected by poor market conditions in the current year, but the Company is optimistic about its future performance.

### **HUMAN RESOURCE**

The director wish to place on record the excellent cooperation and contribution made by the employees at all the levels of the organization. Keeping in view the competitive environment, the company attaches significant importance to the development of Human Resources with a view to provide customer satisfaction. Your Company has also an objective performance appraisal system which is designed to identify management talents and to ensure appropriate rewards to stellar performance.

### **CAUTIONARY STATEMENT:**

Statement in the Management Discussion and Analysis describing Company's objective, projections, estimates, expectations may be "forward looking statement" within the meaning of applicable laws and regulations. Actual results could differ from those expressed or implied. Important factors that could make a difference to the Company's operation include changes in the Government regulations, tax laws and other incidental factors.

**P K LEASING & FINANCE LIMITED**

**Registered office: P-36 India Exchange Place, 4<sup>th</sup> Floor, Kolkata-700001**

**PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRYRANCE OF THE MEETING HALL  
JOINT SHAREHOLDERS MAY OBTAIN ADDITIONAL SLIP AT THE ENTRANCE OF THE MEETING**

**ATTENDANCE SLIP**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

Name & Address of Shareholder / Proxy holder

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I certify that I am a registered Shareholder / Proxy for the registered Shareholder of the Company. I hereby record my presence at the 22<sup>nd</sup> Annual General Meeting of the Company held on Friday, the 26<sup>th</sup> September 2014 at 11.00am at the Registered Office of the Company at P-36 India Exchange Place, 4th Floor, Kolkata-700001

Member's / Proxy's Signature

(Shareholder attending the meeting in person or by proxy is requested to complete the attendance slip and handover at the entrance of the Meeting Hall)

**P K LEASING & FINANCE LIMITED**

**Registered office: P-36 India Exchange Place, 4<sup>th</sup> Floor, Kolkata-700001**

**PROXY FORM**

DP ID.	
CLIENT ID	

FOLIO NO.	
NO. OF SHARES	

I / We \_\_\_\_\_ of \_\_\_\_\_

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Being a Member / Members of \_\_\_\_\_ Limited hereby appoint Mr. / Ms. \_\_\_\_\_

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as my / our Proxy to attend and vote for me / us and on my / our behalf at the 22<sup>nd</sup> Annual General Meeting of the Company held on Friday, the 26<sup>th</sup> September 2014 at 11.00am at the Registered Office of the Company at P-36 India Exchange Place, 4th Floor, Kolkata-700001 and at any adjournment(s) thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2014

Affix Re.1/- Revenue Stamp	Proxy form must reach company's registered office not later than 48 hours before the commencement of the meeting
Signature(s)	FOR OFFICE USE ONLY
	DATE OF RECEIPT

**AUDITORS' CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

To,  
The Members,  
P.K.Leasing & Finance Ltd  
P-36, India Exchange Place, 4th Floor,  
Kolkata-700001

We have examined the compliance of conditions of Corporate Governance by P.K.Leasing & Finance Limited for the year ended 31<sup>st</sup> March 2014 as stipulated in clause 49 of Listing Agreement of the said Company with Stock Exchanges.

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

In our opinion and to the best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement, subject to payment of Listing fees as was payable as per listing agreement till the date of our audit.

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

**For Indrajit Chattopadhyay  
Chartered Accountants**

**Kolkata, 31st day of May 2014**

**I. Chattopadhyay  
Proprietor  
Membership no. 050955**

**P.K. LEASING & FINANCE LIMITED  
INDEPENDENT AUDITOR'S REPORT**

To  
The Shareholders

**REPORT ON THE FINANCIAL STATEMENTS**

We have audited the accompanying financial statements of the P.K. Leasing & Finance Ltd, which comprise the Balance Sheet as at 31st March, 2014 and the Statement of Profit and Loss and the 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**

The Company's 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 notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. 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.

**AUDITORS' RESPONSIBILITY**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the

appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

## **OPINION**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid 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:

- (i) in the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2014;
- (ii) in the case of the Profit and Loss Account of the Profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of cash flows for the year ended on that 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 Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by Section 227(3) of the Act, we report that:
  - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
  - c. The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - d. In our opinion, the Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement comply with Accounting Standards notified under the Act read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013.
  - e. On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1)(g) of the Act.

**For Indrajit Chattopadhyay**  
**Chartered Accountants**

### **I. Chattopadhyay**

Proprietor  
Membership no. 050955  
Place of Signature: Kolkata



## ANNEXURE TO THE AUDITORS' REPORT

1. In respect of its fixed assets :
  - a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed asset(s).
  - b. Fixed assets have been physically verified by the management during the year, which in our opinion is reasonable having regard to the size of the Company and the nature of its fixed assets and no material discrepancies between the book records and physical inventory has been noticed.
  - c. There was no disposal of fixed assets during the year, which would affect the going concern of the Company
2. Inventories at the yearend are recorded at cost price of procurement anticipating no permanent diminishing effect on realizable value.
3. The Company has not granted any loans, secured or unsecured to Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956, according to the information and explanations given to us
4. The Company has not received any loans, secured or unsecured from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
5. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business of financing and for sale of shares. During the course of our audit we have not observed any major weakness in internal control system.
6. We are of opinion that the particulars of contracts or arrangements referred to Sec. 301 of the Companies Act 1956 that need to be entered into the register maintained under the above section have been so entered.
7. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of Rs. Five lacs entered into during the financial year are at prices which are reasonable having regard to the prevailing market prices at the relevant time.
8. The Company has not accepted any deposit from public within the meaning of Section 58A and 58AA of the Act and the rules framed there under.
9. In our opinion, the company has an internal audit system in the form of Audit Committee commensurate with the size and nature of its business.
10. Maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 has not been prescribed in the case of the company.

11. According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including income-tax, wealth-tax, service tax , education Cess and other statutory dues applicable to it.
12. According to the information and explanations given to us no undisputed amounts payable in respect of income-tax, wealth-tax, service tax, education cess and excise duty were outstanding, as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they became payable.
13. According to the records of the company, there are no dues of income-tax, wealth tax and service tax which have not been deposited on account of any dispute.
14. The accumulated losses as at 31.03.2014 of the Company are Rs.36,95,688.08/- which is less than fifty percent of its net worth and it has not incurred any cash losses during the current financial year.
15. Based on our audit procedure and as per information and explanations given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to the financial institution or bank .
16. According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
17. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute applicable to chit fund and nidhi / mutual benefit fund / societies.
18. It is explained that the investment made by the company in quoted and unquoted shares are for long term strategic purposes. Therefore, the diminution in value between cost of investment and market/breakup value has not been considered in accounts. However the permanent diminution in valuation of shares has not been dealt in the accounts.
19. Subject to above In our opinion and according to the information and explanations given to us, proper records have been maintained of the transactions and contracts relating to dealing / tradings in shares and other investments and timely entries have been made therein. The shares and other investments have been held by the Company, in its own name.
20. The company has not made any provision for Gratuity or for Leave encashment in pursuance to Accounting Standard AS-15.
21. According to the information and explanations given to us, the company has not given any guarantee for loans taken by its associates or subsidiaries from bank or financial institutions.
22. There are no term loans outstanding as at the end of the year.

23. On the basis of information received from the management and based on our examination of the balance sheet of the Company as at March 31, 2014 we find that the fund raised on a short-term basis have not been used for long-term investment.
24. The company has not made any preferential allotment of shares to parties or Companies covered in the register maintained under Section 301 of the Companies Act., 1956, during the year.
25. The Company has not issued any debentures till date and therefore creation of charge does not arise.
26. The Company has not raised any money through a public issue during the year.
27. Based on information and explanations furnished by the management, which have been relied upon by us, there were no frauds on or by the Company noticed or reported during the year.

**For Indrajit Chattopadhyay**  
**Chartered Accountants**

**I. Chattopadhyay**

**Proprietor**

**Membership no. 050955**

Place of Signature: Kolkata

Date of Report: 31<sup>st</sup> May 2014

**P.K. LEASING & FINANCE LIMITED**  
**P-36,INDIA EXCHANGE PLACE,4TH FLOOR,KOLKATA=700 001**  
**BALANCE SHEET AS AT 31ST MARCH 2014**

	Note	As at 31.03.2014 (in Rs.)		As at 31.03.2013 (in Rs.)	
<b>I. EQUITY &amp; LIABILITIES</b>					
<b>1. Shareholders' Funds</b>					
a) Share Capital	2.1	31,104,000.00		31,104,000.00	
b) Reserves & Surplus	2.2	<u>(3,695,688.08)</u>	27,408,311.92	<u>(3,700,605.27)</u>	27,403,394.73
<b>3. Current Liabilities</b>					
(a) Trade Payables	2.3.1	109,858.00		110,185.00	
(b) Other Current Liabilities	2.3.2	-		7,970,000.00	
(c) Short Term Provision	2.3.3	<u>194,700.00</u>	304,558.00	<u>149,292.00</u>	8,229,477.00
			<u><b>27,712,869.92</b></u>		<u><b>35,632,871.73</b></u>
<b>II. ASSETS</b>					
<b>1. Non-Current Assets</b>					
(a) Fixed Assets-Tangible Assets	2.4	678,322.00		718,610.00	
(b) Non Current Investment	2.5	<u>7,096,720.00</u>	7,775,042.00	<u>7,096,720.00</u>	7,815,330.00
<b>2. Current Assets</b>					
(a) Inventory	2.6	67,734.40		67,734.40	
(b) Cash & Bank Balances	2.7	1,385,073.52		124,707.33	
(c) Short Term Loans & Advances	2.8	<u>18,485,020.00</u>	19,937,827.92	<u>27,625,100.00</u>	27,817,541.73
			<u><b>27,712,869.92</b></u>		<u><b>35,632,871.73</b></u>
			-		-
<b>Significant Accounting Policies</b>	1.1-1.11				
<b>Notes on Accounts</b>	2.1-2.12				

Signed in terms of our report of even date  
**For Indrajit Chattopadhyay**  
Chartered Accountants

**For and on behalf of the Board**

**NAND KISHORE AGARWAL**  
Director

(Indrajit Chattopadhyay)  
Proprietor  
M No. : 050955  
Kolkata, the 31st day of May ,2014

**ANIL KUMAR AGARWAL**  
Director

**P.K. LEASING & FINANCE LIMITED**  
**P-36,INDIA EXCHANGE PLACE,4TH FLOOR,KOLKATA=700 001**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

	Notes	Year ended 31.03.2014 (in Rs.)	Year ended 31.03.2013 (in Rs.)
<b>I. Revenue from Operations</b>	2.9	797,388.54	2,826,723.87
<b>II. Other Income</b>			
Other Income	2.10	2,656.00	24.00
<b>III. TOTAL (A)</b>		<b>800,044.54</b>	<b>2,826,747.87</b>
<b>IV. Expenses</b>			
Purchase of Shares		-	2,081,696.10
Change in Inventory		-	(67,734.40)
Employee Benefit Expenses		195,000.00	210,000.00
Depreciation		40,288.00	43,598.00
Administration & Other Expenses	2.11	502,931.35	436,316.10
Contingent provision for Standard Assets		45,408.00	68,736.00
<b>TOTAL (B)</b>		<b>783,627.35</b>	<b>2,772,611.80</b>
<b>V Profit Before Tax</b>		<b>16,417.19</b>	<b>54,136.07</b>
<b>VI Tax Expenses</b>			
-Current Tax		11,500.00	27,000.00
-Previous Year		-	9.10
<b>VII Profit/(Loss) for the period</b>		<b>4,917.19</b>	<b>27,126.97</b>
<b>VIII Appropriation</b>			
Transferred to Special Reserve		983	5,425
Basic and Diluted earning per share	2.12.16		
<b>Significant Accounting Policies</b>	1.1-1.11		
<b>Notes on Accounts</b>	2.1-2.12		

Signed in terms of our report of even date  
**For Indrajit Chattopadhyay**  
Chartered Accountants

For and on behalf of the Board

**NAND KISHORE AGARWAL**  
Director

(Indrajit Chattopadhyay)  
Proprietor  
M No. : 050955  
Kolkata, the 31st day of May ,2014

**ANIL KUMAR AGARWAL**  
Director

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNT**

**1 Significant Accounting Policies**

**1.1 Basis of Accounting :**

The financial statements have been prepared on the basis of going concept, under the historic cost convention on accrual basis in accordance with the generally accepted accounting norms & to comply in all material aspect with applicable accounting principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and relevant provisions of Companies Act, 1956, and norms issued by the Reserve Bank of India as applicable.

**1.2 Revenue Recognition :**

Both income and expenditure items are recognized on accrual and prudent basis, except as otherwise stated.

**1.3 Fixed Assets :**

Fixed Assets are stated at cost. Cost comprises of cost of acquisition and cost of improvement and any attributable cost of bringing the asset to in

**1.4 Depreciation :**

Depreciation is provided on "Written down Value Method", at the rates prescribed in Schedule XIV of the Companies Act, 1956.

**1.5 Inventories :**

Inventories are stated at cost or net realizable value, whichever is lower.

**1.6 Investments :**

Investments are classified into current and long-term investments. Current investments and Long term investments are stated at cost. Though provision for diminution is not made to recognize a decline other than temporary, in the value of investments.

**1.7 Retirement Benefits :**

- (i) As explained to us no provision has been made for Gratuity since none of the employees is entitled to the benefit.  
(ii) As explained to us no provision is considered necessary for leave encashment, as the employees are required to avail of leave within due time and no carry forward of leave is permitted as per the policy of the Company.

**1.8 Taxation :**

Current Tax is determined as the amount of tax payable in respect of taxable income for the year. Deferred Tax, resulting from 'timing differences' between Book and Taxable profit, is accounted for by using applicable tax rates as on the balance sheet date. The Deferred Tax Asset is recognized and

**1.9 Impairment of Assets :**

An asset is treated as impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the profit and loss account in the year in which an asset is identified as impaired. The impairment loss recognized in earlier years is reversed if there is any change in the

**1.10 Borrowing Cost :**

Borrowing Cost directly related to the acquisition or construction of an asset is capitalized as part of the cost of the asset. Other borrowing costs are

**1.11 Contingent Liabilities and Provisions :**

The company recognizes a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably not, require an outflow of resources. When there is a possible obligation or present obligation that the

**2. NOTES ON ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2014**

	<u>As at 31.03.2014</u> (in Rs.)	<u>As at 31.03.2013</u> (in Rs.)
<b>2.1. <u>SHARE CAPITAL</u></b>		
<u>Authorised :</u>		
35,00,000 ( P.Y:-35,00,000)		
Equity Shares of Rs 10/ Each	<u>35,000,000.00</u>	<u>35,000,000.00</u>
 <u>Issued, Subscribed &amp; Paid up</u>		
31,10,400 ( P.Y:-31,10,400)		
Equity Shares of Rs 10/ Each	<u>31,104,000.00</u>	<u>31,104,000.00</u>

**2.1.1 Details of shares held by each shareholder holding more than 5% shares:**

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
ZOOM SYSTEMS PRIVATE LIMITED	270,900	8.709	270,900	8.709
ASHOK KUMAR KAYAN			157,650	5.068
MAHESH KUMAR MITTAL	491,210	15.793	491,210	15.793

**2.1.2 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:**

Particulars	Opening Balance	Fresh issue	Bonus	ESOP	Conversion	Buy back	Other changes (give details)	Closing Balance
<b>Equity shares with voting rights</b>								
Year ended 31 March, 2014								
- Number of shares	3,110,400	NIL	NIL	NIL	NIL	NIL	NIL	3,110,400
- Amount (')	31,104,000	NIL	NIL	NIL	NIL	NIL	NIL	31,104,000
Year ended 31 March, 2013								
- Number of shares	3,110,400	NIL	NIL	NIL	NIL	NIL	NIL	3,110,400
- Amount (')	31,104,000	NIL	NIL	NIL	NIL	NIL	NIL	31,104,000

**2.1.3 Details of shares held by Holding Company or by Promoter & Promoter Group**

Class of shares / Name of shareholder	As at 31 March, 2014		As at 31 March, 2013	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
Promoter & Promoter Group	350,000	11.25%	186,200	5.99%

**2.1.4 The Company is having one Class of Equity Share with equal voting rights and having paid up value of Rs 10 each**

**2.2 RESERVES & SURPLUS**

**Special Reserve**

Balance as per last Balance Sheet	5,425.00		-	
Add: Transfer from Profit & Loss account	983.00	6,408.00	5,425.00	5,425.00

**Profit & Loss Account**

Opening Balance	(3,706,030.27)		(3,727,732.24)	
Add: Profit for the Year	3,934.19		21,701.97	
Closing Balance		(3,702,096.08)		(3,706,030.27)
		(3,695,688.08)		(3,700,605.27)

**CURRENT LIABILITIES**

**2.3.1 Trade Payable**

- Due to Micro, Small & Medium Enterprises	-		-	
- Others				
Creditor for Services	108,500.00		108,611.00	
Creditor for Expenses	1,358.00	109,858	1,574.00	110,185

**2.3.2 Other Current Liabilities**

Accounts Payable		-		7,970,000.00
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\* As per information available with the company, there are no suppliers covered under Micro, Small & Medium Enterprise Development Act, 2006. As a result, no interest provision / payment have been made by the company to such creditors, if any, and no disclosure thereof is made in this financial statements. The amount amount due to Micro, Small and Medium Enterprises ` Nil ( ` Nil).

**2.3.3 Short Term Provision**

For Contingent Provisions against Standard Assets	194,700.00	194,700.00	149,292.00	149,292.00
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**2.4 FIXED ASSETS**

**Net Block of Tangible Assets**

( As per Annexure)		678,322.00		718,610.00
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**2.5 Non Current Investment**

(Long Term - At cost) :

	No. of Shares	Face Value	Value (Rs.)		No. of Shares	Value (Rs.)
<b>Quoted Fully (Paid-up)</b>						
Chemox Chemical Ind Ltd	200.00	Rs10	14,700.00		200.00	14,700.00
Kabsons Industries Ltd	100.00	Rs10	1,100.00		100.00	1,100.00
Presidency Shoes International Ltd	200.00	Rs10	4,250.00		200.00	4,250.00
NEPC Textiles Ltd	312.00	Rs10	2,940.00		312.00	2,940.00
Northland Sugar Complex Ltd	500.00	Rs10	5,150.00		500.00	5,150.00
Sunil Industries Ltd	300.00	Rs10	9,500.00		300.00	9,500.00
Tina Industries Ltd	200.00	Rs10	2,080.00		200.00	2,080.00
Orissa Lumineries Ltd	900.00	Rs10	36,000.00		900.00	36,000.00
Indo Dutch Proteins Ltd	200.00	Rs10	2,150.00		200.00	2,150.00
Goldwon Textiles Ltd	400.00	Rs10	4,150.00		400.00	4,150.00
Shree Karthik Papers Ltd	600.00	Rs10	6,300.00		600.00	6,300.00
Crest Paper Mills Ltd	400.00	Rs10	4,200.00		400.00	4,200.00
Ind Euro Pharma Ltd	200.00	Rs10	4,200.00	96,720.00	200.00	4,200.00
						96,720.00
<b>Un-Quoted Fully (Paid-up)</b>						
Atlanta Dealmark Pvt Ltd	18,250.00	Rs10	1,825,000.00		18,250.00	1,825,000.00
Surya Agro Products Pvt Ltd	75,000.00	Rs10	5,175,000.00	7,000,000.00	75,000.00	5,175,000.00
						7,000,000.00
Total				7,096,720.00		7,096,720.00

	As at 31st March, 2014			As at 31st March, 2013		
	Book Value	Market Value		Book Value	Market Value	
Quoted Investment	96,720.00	4,060.00	-	96,720.00	4,060.00	
Unquoted Investment	7,000,000.00	-		7,000,000.00	-	
	7,096,720.00	4,060.00	-	7,096,720.00	4,060.00	

**2.6 Inventory**

Closing stock of Shares	67,734.40	67,734.40
(Taken and valued at cost by Management)		

**2.7 Cash & Bank Balances**

-Cash & Cash Equivalents		
Balances with Scheduled Banks		
- Bank of India(Kolkata Main branch)-Current A/c	1,372,081.52	58,630.33
Cash in Hand	12,992.00	66,077.00
	1,385,073.52	124,707.33

**2.8 Short Term Loans & Advances**

(Unsecured, unless otherwise stated Considered good)		
Loan to Parties	18,163,341.00	27,494,249.00
Tax Deducted at Source(Net of Provision)	321,679.00	130,851.00
	18,485,020.00	27,625,100.00



**P.K.LEASING & FINANCE LIMITED**  
**SCHEDULES TO PROFIT & LOSS ACCOUNT**

	Year ended 31.03.2014 (in Rs.)	Year ended 31.03.2013 (in Rs.)
<b>2.9 Revenue From Operations</b>		
Interest Received	2,613,198.00	2,065,787.00
Loss on Derivative Transactions	(1,815,809.46)	-
Sale of Shares	-	760,936.87
	<b>797,388.54</b>	<b>2,826,723.87</b>
<b>2.10 Other Income</b>		
Dividend	2,656.00	24.00
	<b>2,656.00</b>	<b>24.00</b>
<b>2.11 Administration &amp; Other Expenses</b>		
Audit Fees		
-Statutory Audit	6,000.00	6,000.00
-Other Matters	2,500.00	2,500.00
Advertisement	3,483.00	9,250.00
Bank Charges	457.00	494.41
Business Promotion	2,450.00	-
Car Running & Maintenance Expenses	24,305.00	18,936.00
Directors Remuneration	330,000.00	258,000.00
Demat Accounting Charges	622.25	252.81
Security Transaction Charges	-	2,843.00
Filing Fees	4,050.00	2,550.00
Insurance	1,794.00	1,630.00
Printing & Stationery	8,783.00	9,419.00
Postage	80.00	10,644.00
Listing Fees	10,500.00	10,500.00
Office Expenses	37,759.00	37,563.00
Rates & Taxes	6,639.80	7,532.01
Service Charges	33,075.30	32,497.87
Telephone Expenses	25,146.00	17,937.00
Trade Licence Fees	1,850.00	1,850.00
Travelling & Conveyance	3,437.00	5,917.00
	<b>502,931.35</b>	<b>436,316.10</b>

**P.K.LEASING & FINANCE LIMITED**  
**SCHEDULES TO BALANCE SHEET**

**Annexure To Note-2.4**

**FIXED ASSETS**

(Figures in Rs.)

PARTICULARS	G R O S S B L O C K			D E P R E C I A T I O N					N E T B L O C K	
	Cost as at 01.04.2013	Additions during the Year	Sale during the year	Cost as at 31.03.2014	As at 01.04.2013	For the Year	Sale during the Year	Upto 31.03.2014	As at 31.03.2014	As at 31.03.2013
Computer	159,683	-	-	159,683	159,683	-	-	159,683	-	-
Vechile	223,723	-	-	223,723	216,399	1,896	-	218,295	5,428	9,882
Office Equipments	77,842	-	-	77,842	70,985	952	-	71,937	5,905	7,965
Furniture & Fixture	248,647	-	-	248,647	231,685	3,068	-	234,753	13,894	20,711
Building	1,469,565	-	-	1,469,565	782,098	34,372	-	816,470	653,095	723,650
<b>Total</b>	<b>2,179,460</b>	<b>-</b>	<b>-</b>	<b>2,179,460</b>	<b>1,460,850</b>	<b>40,288</b>	<b>-</b>	<b>1,501,138</b>	<b>678,322</b>	<b>762,208</b>
Previous Year	2,179,460	-	-	2,179,460	1,417,252	43,598	-	1,460,850	718,610	

2.12	Notes on Accounts :	2013-14	2012-13
		(Rs)	(Rs)
2.12.1	Contingent Liabilities – claims not acknowledged as debts.	NIL	NIL
2.12.2	Capital Expenditure Commitments not provided for – (Net of Advance).	NIL	NIL
2.12.3	Expenditure incurred on Employees – u/s 217 (2A) of the Companies '1956	NIL	NIL
2.12.4	Deferred Tax Liabilities	NIL	NIL
2.12.5	Expenditure on Research & Development – (charged to Profit & Loss A/c.)	NIL	NIL
2.12.6	Earning / Expenditure in Foreign Currency & Amount of Exchange difference as per AS-11	NIL	NIL
2.12.7	Balance at year end payable to Small Scale Industrial Undertakings for more than 30 days as identified by the management.	NIL	NIL
2.12.8	Outstanding amount for more than 45 days payable at the Balance Sheet date to the Enterprises as defined under Micro, Small and Medium Enterprises Development Act, 2006 as identified by the Management.	NIL	NIL
2.12.9	Managerial / Directors Remuneration paid / payable-(In INR)	330,000.00	258,000.00
	Salary & Allowances		
	<u>Auditors Remuneration</u>		
	Audit Fees	6,000.00	6,000.00
	In other Capacity	2,500.00	2,500.00
2.12.10	Details of Products manufactured for Sales, Purchase of Goods for Resale / Export Stock, Processing Charges and Raw Material consumed etc.	NA	
2.12.11	C.I.F. Value of Imports.	NIL	NIL
2.12.12	Employees Benefits under Accounting Standard – 15 (Revised)		
	Defined contribution & Benefit Plan : –		
	Contribution to defined contribution & benefit plan are charged off for the year as under		
	Provident Fund	NIL	NIL
	Gratuity Fund	NIL	NIL
	Leave salary encashment	NIL	NIL
2.12.13	Market value of all shares shown as 'Quoted Shares' under 'Investment' vide note 2.5 could not be verified due to non availability of proper information during the course of audit. No provision has been made by the Company for permanent diminution in value of investments, if any, during the year.		
2.12.14	Balances of Loans & Advances and Trade Payables as on 31 <sup>st</sup> March 2014 are subject to confirmation.		
2.12.15	As explained to us and as per the documents made available us the Company is treating the loan to parties of Rs 1,81,63,341 as shown under note no 2.8 of reporting accounts as "Standard Assets" and has provided "Contingent Provision on Standard Assets" @ .25% in pursuance to the directives of Reserve Bank of India as applicable for Non - Banking Finance Companies.		
2.12.16	Earning per share	As on 31.03.14	As on 31.03.13
	Profit & Loss after Tax (Rs)	3,934.19	27,126.97
	No. of Equity Shares (Nos)	3,110,400	3,110,400
	Nominal Value of shares (Rs)	10.00	10.00
	Basic / Diluted EPS (Rs.)	0.001	0.009
2.12.17	Segment Reporting as per AS – 17	NIL	NIL

2.12.18 Related Party Disclosure  
Disclosure in respect of related parties pursuant to AS-18

**A.Key Managerial Personal:**

Mr. Nand Kishore Agarwal  
Mr. Deepak Kumar Agarwal  
Mr. Anil Kumar Agarwal  
Mr. Suryakant Agarwal  
Mr. Bikram Chakroborty  
Mr. Uttam Shaw  
Mr. Amiya Mukherjee

**B.Enterprises owned or significantly influenced by Key Management Personnel or their Relatives:**

M/s Anil Agarwal & Sons (HUF)

**C. Transaction with related parties**

Key Management Personnel/Relatives  
of Management Personnel/Associates/

Name	Opening Balance	Net -Transactions	Closing Balance
Anil Agarwal(HUF)	Nil	-	Nil
Deepak Kumar Agarwal-Directors Remuneration	Nil	210,000	Nil
Nand Kishore Agarwal -Directors Remuneration	Nil	120,000	Nil

2.12.19 Previous year's figures have been regrouped and rearranged wherever necessary

**P.K.LEASING & FINANCE LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 2014**

<b>Cash flows from operating activities:</b>		<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>	<b>Amount</b>
Net Profit before Tax as per Profit & Loss Account			16,417			54,136	
Adjustments:							
Add:	Depreciation	40,288				43,598	
	Profit on Sale of Fixed Assets	-				-	
	(Increase)/Decrease in Investments	-				-	
	(Increase)/Decrease in Inventory	-				-67734.4	
	(Increase)/Decrease in Advances	9,140,080				(8,140,046)	
	Increase/(Decrease) in Borrowings	-				-	
	Increase/(Decrease) in other Liabilities & Provisions	(7,924,919)				7,779,196	
	Income Tax (paid)/refund-Earlier Year	(11,500)	1,243,949	1,260,366		(27,009)	(411,996)
	<b>Net Cash Flow from operating activities</b>						<b>(357,860)</b>
<b>Cash flows from Investment activities:</b>							
	Purchase of Fixed Assets		-			-	
	Sale of Fixed Assets		-			-	
	<b>Net Cash Flow from Investment activities</b>						
<b>Cash flows from financing activities:</b>							
	Issue of Shares					-	
<b>Net Increase in Cash &amp; Cash Equivalents</b>				<b>1,260,366</b>			<b>(357,860)</b>
Cash & Cash Equivalents at the beginning of the year				124,707			482,567
<b>Cash &amp; Cash Equivalents at the end of the year</b>				<b>1,385,074</b>		<b>-</b>	<b>124,707</b>