

17th Annual Report

2008- 2009



Devki Leasing and Finance Ltd.

Devki Leasing And Finance Limited

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BOARD OF DIRECTORS

BARMANAND BINDAL

NON EXECUTIVE CHAIRMAN

SUDHIR KUMAR BINDAL

MANAGING DIRECTOR

SUNIL KUMAR JAIN

INDEPENDENT DIRECTOR

MANOJ K SINGH

INDEPENDENT DIRECTOR

RAJESH KHANDELWAL

INDEPENDENT DIRECTOR

KAMLESH KASLIWAL

INDEPENDENT DIRECTOR

AUDITORS

A.B.DOSHI & CO.
Chartered Accountants
68. A.RADHA NAGAR COLONY
INDORE – (M.P.)

CONSULTING COMPANY SECRETARY

A. MEHTA & CO.
3-D, "PADM-PRABH"
11/3, MANORAMAGANJ
NEAR GEETA BHAWAN SQUARE,
INDORE – 452 001

BANKER

DENA BANK
SIYAGANJ BRANCH,
INDORE

SOLICITORS AND ADVOCATE

PANKAJ BAGDIA

REGISTRAR & SHARE TRANSFER AGENT

LINK INTIME INDIA LIMITED
Formerly Intime Spectrum Registry Limited
C-13, PANNALAL SILK MILLS COMPOUND
LBS MARG, BHANDUP,
MUMBAI– 400 078

REGISTERED OFFICE

"Velocity", 18-A Scheme No 94C
Ring Road
Indore-452001
Madhya Pradesh

NOTICE

NOTICE is hereby given that 17th Annual General Meeting of the Members of the **DEVKI LEASING & FINANCE LIMITED** will be held on **Wednesday, the 30th September 2009 at 3:00 P.M. 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 31st March 2009 attached with the Cash Flow Statement and Profit and Loss Account for the year ended that day together with the reports of the Auditors and Directors thereon.
2. To appoint a person in place of Shri Sunil Kumar Jain, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider re-appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

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

"RESOLVED THAT pursuant to section 260 of the Companies Act, 1956 and Article of Association of the Company, Shri Rajesh Khandelwal, who was appointed as an Additional Director with effect from June 30, 2009 and who holds office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature as a Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

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

"RESOLVED THAT pursuant to section 260 of the Companies Act, 1956 and Article of Association of the Company, Shri Kamlesh Kasliwal, who was appointed as an Additional Director with effect from June 30, 2009 and who holds office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956, proposing his candidature as a Director of the Company, be and is hereby appointed as a Director of the Company liable to retire by rotation."

6. To consider and if thought fit, to pass, with or without modifications, the following as an Special Resolution:

RESOLVED THAT pursuant to the provisions of Section 269, 309, 310, Schedule XIII and other applicable provisions of the Companies Act, 1956, consent of the members of the Company be and is hereby accorded to re-appoint Shri Sudhir Kumar Bindal as the Managing Director of the Company for a further period of five years commencing from the 1st October, 2009 on the following terms and conditions:

- a. His monthly remuneration shall be Rs.31,000/- (Thirty One Thousand only) which shall be subject to upward revision of 10% per annum in compliance with the applicable provisions of the Companies Act subject to that however the Board in mutual agreement with Shri Sudhir Kumar Bindal, may pay any lesser remuneration than mentioned herein

- b. He will be entitled for furnished housing accommodation which will be restricted to a sum equivalent to 50% of his salary as above. However, he will be entitled to house rent allowance of equal value if company does not provide him with the furnished housing accommodation.
- c. He will be entitled to reimbursement of expenditure to be incurred by him on gas, electricity; water and furnishing etc provided however that the sum payable herein will be restricted to 10% of his salary.
- d. He will be entitled for reimbursement of medical expenditure for self and family upto a maximum amount equivalent to one months' salary. Family shall include wife, dependent children and dependent parents.
- e. He will be entitled for leave travel concession once in one year for self and family. Family herein shall have the same meaning as in (d) above.
- f. He will be entitled to annual fee for one club.
- g. He will be entitled to personal accident insurance, the premium of which shall be payable by the company up to Rs. 1000/- per annum.
- h. He will be entitled for free use of company's chauffeur driven car, a mobile telephone and telephone at residence for his official workings.
- i. All other terms and conditions such as relating to Provident Fund, Gratuity, Superannuation, Annuity and Earned Leave shall continue unchanged subject however that they might be revised upward under policy of the company in its ordinary course of business.

RESOLVED FURTHER THAT the aforesaid remuneration and perquisite package shall remain in force irrespective of Company incurring any loss or profits remaining inadequate in any year.

AND RESOLVED THAT the Board be and is hereby authorized to do all the needful acts, deeds, matters and things to give effect to this resolution.

By order of the board of
DEVKI LEASING & FINANCE LIMITED

PLACE: INDORE
DATE: 31ST July, 2009

BARMANAND BINDAL
CHAIRMAN

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. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
- 2. 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.
- 3. Explanatory Statement is attached to the Notice as per Section 173 of the Companies Act, 1956.
- 4. The Register of Members and Share Transfer Books of the company shall remain closed from 28th September, 2009 to 30th September, 2009 (all the days inclusive).
- 5. The Management Discussions and Analysis together with the report under Corporate Governance requirements are attached to the report of the Directors as Annex -1 & 2.
- 6. Members seeking any information are requested to write to the company at least 10 days before the date of the AGM to enable the management to reply appropriately.
- 7. Members, who are holding physical shares in more than one folio, are requested to intimate to the Company/Registrar and Share Transfer Agent the details of all their folio numbers for consolidation into single folio.

8. 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.

By order of the board of
DEVKI LEASING & FINANCE LTD

Place: Indore
Date: 31st July, 2009

BARMANAND BINDAL
CHAIRMAN

Explanatory Statement

Item No. 4 & 5

Shri Rajesh Khandelwal and Shri Kamlesh Kasliwal, were appointed as Additional Directors by the Board of Directors of the Company for the optimum combination of Promoter, Professional and Independent Directors as per Clause 49 of the Listing Agreement. In terms of Section 260 of the Companies Act, 1956 both of them shall hold office up to the date of this Annual General Meeting of the Company. The Company has received valid notices and requisite deposits from members of the Company under Section 257 of the Companies Act, 1956 proposing their candidature for office of Director. Brief resume of Shri Rajesh Khandelwal and Shri Kamlesh Kasliwal is set out in the "Information about Directors seeking appointment/ reappointment at the Annual General Meeting as required under the Code of Corporate Governance Clause of Listing Agreement."

Your Directors recommend the resolution for approval of the members.

Shri Rajesh Khandelwal and Shri Kamlesh Kasliwal are interested in the resolution as it relates to their appointment. None of the other Directors of the Company are, in any way, concerned or interested in the said resolution.

Item No. 6

Shri Sudhir Kumar Bindal has been the Managing Director of the company for more than a decade and has proved to be an invaluable asset for the company. Considering his sincerity, commitment, hard work, devotion and concern about the company and its growth, the Board feels it absolutely necessary to re-appoint him as the Managing Director of the company for another period of five years.

In view of the above your Directors recommend this resolution for your approval. Shri Sudhir Kumar Bindal and Shri Barmanand Bindal as a father of Shri Sudhir Kumar Bindal are interested in the resolution to the extent of his appointment and remuneration payable to him, none other than the above Directors may be deemed as concerned or interested in the aforesaid resolution.

By order of the board of
DEVKI LEASING & FINANCE LTD

Place: Indore
Date: 31st July, 2009

BARMANAND BINDAL
CHAIRMAN

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

Name of Directors	SUDHIR KUMAR BINDAL	RAJESH KHANDELWAL	KAMLESH KASLIWAL	SUNIL KUMAR JAIN
Date of Birth	06.04.1964	21.07.0965	15.09.1968	05.07.1970
Date of Appointment	15.02.1993	30.06.2009	30.06.2009	31.03.2003
Expertise / Experience in specific functional areas	Having 25 years experience in handling an manufacturing and finance business	Having 10 years experience in handing of commercial activities	Having more than 15 years experience in businesses	Having more than 12 years experience in commercial activities
Qualification	Commerce Graduate	Commerce Post graduate	Commerce Graduate	Diploma holder
No. of Equity Shares held	110400	NIL	3500	NIL
List of outside Company directorship held	Nil	NIL	NIL	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	Chairman Share Transfer Committee	Member Audit Committee Remuneration Committee	Member Audit Committee Remuneration Committee	Member Audit Committee
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	NIL	NIL	NIL	NIL

DIRECTORS' REPORT

To
The Members of,
Devki Leasing & Finance Limited, Indore

Your directors have pleasure in presenting their sixteenth Annual Report of your company together with audited accounts for the year ended on 31st March, 2009.

State of Company's Affairs:**Financial Results****Amount (Rs in Lakhs)**

<u>Particulars</u>	<u>31st March, 2009</u>	<u>31st March 2008</u>
Total Income	37.98	85.69
Depreciation	2.62	2.62
Interest & Fin Charges	38.66	37.40
Other Total Expenditure	30.82	32.96
Profit before Tax	-34.12	12.71
Tax provisions	-0.09	6.77
Net Profit for the year	-34.03	5.94
Balance brought forward	42.79	36.84
Carried to Balance Sheet	8.76	42.79

Operations and Future Outlook:

The Indian economy, after exhibiting strong growth during the second quarter of 2008-09, has experienced moderation in the wake of the global economic slowdown. A number of factors inimical to growth have intensified in 2008 such as a sharp elevation in global inflation rates specially crude oil, tightening in credit and equity markets and global slowdown in growth. India did not remain unscathed. Overall, economic growth slows down. Financial markets in India, which, by and large, remained orderly from April 2008 to mid-September 2008, witnessed heightened volatility subsequently reflecting the knock-on effects of the disruptions in the international financial markets and the uncertainty that followed. The pressure on financial markets mounted with the credit spreads widening to record levels and equity prices crashing to historic lows leading to widespread volatility across the market spectrum. The turmoil transcended from credit and money markets to the global financial system more broadly. Added to this, there was a significant deterioration in the global economic outlook

In view of the current scenario due to the factors mentioned above the Company's performance was being hit which led to the decrease in the total income of the Company from Rs.85.69 Lacs to Rs.37.98 Lacs and bottom line has turned into negative and incurred net loss of Rs.34 lacs as compared to profit of Rs.5.94 Lacs approx.

Dividend:

Owing to inadequacy of profit, your directors do not recommend any dividend for this financial year.

Directors Responsibility Statement:

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, we confirm that:

01. in the preparation of the annual accounts, the applicable accounting standards have been followed;
02. the directors had 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 loss of the company for the year under review ;

03. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities
04. the directors had prepared the annual accounts for the financial year ended 31st March, 2009 on a "going concern" basis ;

Directorate:

Shri Sunil Kumar Jain retires by rotation and being eligible offers himself for re-appointment. Shri Sudhir Bindal completed his term of five years as the Managing Director of the Company, your Directors proposes for his reappointment as the Managing Director of the Company subject to approval of the shareholders in the ensuing AGM, for a further period of five years. Shri Rajesh Khandelwal and Shri Kamlesh Kasliwal were appointed as Additional Directors on 30th June, 2009. They will hold office up to the date of ensuing Annual General Meeting. Notice under Section 257 of the Companies Act, 1956 have been received from the members proposing candidature of Additional Directors along with Fees of Rs 500 each for appointment as Directors of the Company. There are no other changes in the composition of the Board of the Company.

Auditors:

M/s. A.B.DOSHI & CO., Chartered Accountants, Indore, the Statutory Auditors of the Company are retiring at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Auditors' Report, read with relevant Notes is self explanatory and needs no further clarification.

Corporate Governance & Management Discussion and Analysis:

In terms of Clause 49 of the Listing Agreement, Board Report on Corporate Governance is forming part of this Balance Sheet. Management Analysis and Discussion report is also annexed herewith by the Board.

Subsidiary Company:

In terms of Sec 212 of the Companies Act, 1956, the full annual accounts of Devki Cyber Securities Private Limited are annexed herewith.

Public Deposits:

Your company has not accepted or invited any deposits from public within the meaning of Section 58 A of the Companies Act, 1956.

Particulars of Employees etc:

Your company did not have any person in employment who was in receipt of remuneration, whose particulars are to be included here under Sec 217 (2A) of the Companies Act 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. Almost entire project technology in the company is indigenous, which needs no adaptation. 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.

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

Place: INDORE
Date: 31st July, 2009

BARMANAND BINDAL
CHAIRMAN

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure & Developments

The company is a non-banking finance company, a segment, where scope for growth always exists, but for large size companies having bigger infrastructure and deeper pockets because demand for finance would always have an upward trend. However, the small size companies shall not be able to reap such benefits because of lesser opportunities. This seems to continue, however, appropriate risk calculation and management is the key factor in designing and maintaining finance portfolio and earning profits under limited resources.

Segment- wise & Product – wise performance

The company belongs only to one segment; however, it has been deploying its resources into hire-purchase, securities trading, loans and advances. The company's management has made regular endeavors for improving operating efficiencies despite of breakdown of financial system globally during the year under review

Outlook

As competition gets tougher amid a slow business environment, company's management carves out survival strategies to stay afloat. The company's management has adopted due measures in cutting the expenditure account. The company is adopting various vital measures which is aimed to ensure a policy regime that will enable the company to recoup growth; to continuously monitor global and domestic conditions and respond swiftly and effectively through internal measures so as to minimize the impact of the adverse developments and reinforce the effect of the positive developments and rebuild the confidence of the investors.

Risk & Concern

The primary risk for financial company is rapid and large shifts in exchange rates and uncertainty over interest rates besides tough competition prevailing in the market. Weekend investment capacity counts for concern for the industry.

Internal Control System and its adequacy

The company has adequate internal control procedures in commensuration with its size and nature of business at all desired levels.

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.

CORPORATE GOVERNANCE REPORT**(Forming part of the Directors' Report of Devki Leasing & Finance Limited, Indore)**

The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability, transparency and equity with stakeholders. The provisions of Clause 49 of Listing Agreement are applicable on the company and accordingly, the following report is submitted.

1. Company's Philosophy

The company firmly believes and has consistently practiced good corporate governance. The company's policy is reflected by the very values of transparency, professionalism and accountability. The company constantly strives towards betterment of these aspects and thereby perpetuate it into generating long term economic value for its shareholders, customers, employees, other associated persons and the society as a whole. The company has outlined the procedures and practices as per the requirements of the corporate governance and steps have been taken to ensure transparency and accountability. The company would continue to follow the same with keeping objective of development on continuous basis.

2. Board of Directors

The Board of Directors of the company consists of persons with considerable entrepreneurial professional expertise and experience of trade, commerce and industry. The present composition is of two promotor directors and two independent professional directors. Out of this only one is executive in the company and working as the Managing Director. The particulars of the Board with their interest in other concern are presented before you in the following table:

Name of the Director	Interested in	Nature of interest
1. Shri Barmanand Bindal	Nil	Nil
2. Shri Sudhir Bindal	Nil	Nil
3. Shri Manoj Kumar Singh	Nil	Nil
4. Shri Sunil Kumar Jain	Nil	Nil

3. Board Procedure

The Board generally meet to resolve upon or to review company's matters pertaining to planning, organizing, staffing, directing, co-coordinating and controlling but ensures to meet at least once in a calendar quarter. All major functional areas of management of the company i.e., finance, investment, human resources, marketing and internal administration find place in the deliberations amongst directors. Notice and agenda papers are sent to the directors reasonably in advance. The Board met seven times during the year review on 30.07.2008, 30.10.2008, 30.12.2008, 30.01.2009, 30.04.2009, 30.01.2009, 30.06.2009.

4. Directors Attendance:

Name of the Director	Attendance at the Board Meetings	Attendance at the General Meetings
1. Shri Barmanand Bindal	7	Yes
2. Shri Sudhir Bindal	7	Yes
3. Shri Sunil Kumar Jain	3	No
4. Shri Manoj K Singh	7	Yes

5. Board Committees

The company has formed two committees viz., Audit Committee and Share Transfer Committee. The composition and other information about the committees and their meetings are as under:

Audit Committee

This composition of the committee during the year has been as under:

- | | | |
|-------|-----------------------|------------|
| (i) | Shri Manoj K Singh | - Chairman |
| (ii) | Shri Sunil Jain | - Member |
| (iii) | Shri Barmanand Bindal | - Member |

The Committee met 4 times during the year for the quarters of 30/06/2008, 30/09/2008, 31/12/2008 31/03/2009

Share Transfer Committee

This composition of the committee during the year has been as under:

- | | | |
|-------|--------------------|------------|
| (i) | Shri Sudhir Bindal | - Chairman |
| (ii) | Shri G. M. Pillai | - Member |
| (iii) | Smt T. Manoj | - Member |

The committee met eleven times during the year on 30.10.2008, 30.11.2008, 31.12.2008, 30.01.2009,, 25.02.2009, 30.3.2009, 30.4.2009, 31.5.2009, 30.06.2009, 25.7.2009, 25.08.2009.

6. Compliance Officer

Shri G. M. Pillai is the general legal compliance officer of the company.

7. Shareholders' Grievances

The company has not received any shareholder grievance during the year under review.

8. General Body Meeting

Location and time where last three years General Meetings were held:

AGM/EGM	Date	Location of the Meeting	Time
AGM - 2006	25.09.2006	Reg. Off of the Company at Indore	3.00 pm
AGM - 2007	29.09.2007	Reg. Off of the Company at Indore	3.00 pm
AGM - 2008	29.09.2008	Reg. Off of the Company at Indore	3.00 pm

9. Other Disclosures

Your company does not have any pending litigation with SEBI, Stock Exchange, Shareholders and ROC nor it does have any other material reportable information.

10. Means of Communication

- The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the proforma prescribed by Clause 41 of the Listing Agreement within one month of the end of the respective period.
- The Quarterly/ Half yearly/ Annual Results of the Company are published in accordance with the Stock Exchange Listing Agreement in newspapers viz. "Free Press", (English) and "Choutha Sansar" (Hindi).
- Management Discussion and Analysis forms part of this Annual Report.

11. Shareholder Information

a) Registered Office

"Velocity", 18-A Scheme No 94C
Ring Road
Indore-452001
Madhya Pradesh

b) AGM

17th AGM of the Company will be held on 30th day of September, 2009 at 3:00 P.M. at the Registered Office of the company

c) Financial Calendar

- (i) Results for the quarter ending 30-06-2009: July, 2009
- (ii) Results for the quarter ending 30--09-2009: October, 2009
- (iii) Results for the quarter ending 31-12-2009: January, 2010
- (iv) Results for the quarter ending 31-03-2010: May/ June, 2010

d) Dates of Book Closure

28th September, 2009 to 30th September, 2009 (both the days inclusive).

e) Dividend

Not declared for the financial year.

f) Listing

The equity shares of the company are listed at MPSE, BSE and ASE.

g) Market quotes of stocks

Table 1 gives the monthly high and low quotations as well the volume of shares traded at Bombay Stock Exchange during 2008-09.

Table 1: Monthly highs and lows and volumes traded at the BSE, 2008-09

Year	High	Low	Close	P/E High	P/E Low	P/E Close	Mkt Cap.
Mar 09	4.52	3.65	3.65	27.79	21.33	21.33	1.28
Feb 09	4.12	3.41	4.12	24.17	20.00	24.17	1.45
Jan 09	4.10	3.25	3.25	25.96	19.00	19.00	1.14
Dec 08	3.85	3.50	3.85	22.50	20.50	22.50	1.35
Nov 08	3.67	3.50	3.67	21.50	20.50	21.50	1.29
Oct 08	4.20	3.81	3.85	25.73	21.33	22.50	1.35
Sep 08	4.04	4.00	4.00	23.84	23.33	23.33	1.40
Aug 08	3.85	3.20	3.85	22.50	17.78	22.50	1.35
Jul 08	5.00	3.53	3.53	31.47	20.67	20.67	1.24
Jun 08	5.19	4.43	4.43	30.33	25.83	25.83	1.55
May 08	4.55	3.00	4.55	26.67	15.91	26.67	1.60
Apr 08	3.30	2.73	3.16	21.27	14.51	18.50	1.11

(h) Registrars and Share Transfer Agents

Link Intime India Limited
Formerly - Intime Spectrum Registry Limited
C-13, Pannalal Silk Mills Compound
LBS Marg, Bhandup, MUMBAI – 400

(g) 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.

(h) DISTRIBUTION OF SHAREHOLDING AS ON 31-03-2009

No. of Shares Held		SHAREHOLDERS		SHARES	
		Numbers	%	Shares in Amount	%
Upto	2500	579	31.28	748230	2.13
2501	5000	594	32.09	2501720	7.13
5001	10000	361	19.51	2977940	8.49
10001	20000	162	8.75	2508790	7.15
20001	30000	51	2.76	1343860	3.83
30001	40000	30	1.62	1086820	3.10
40001	50000	11	0.59	503070	1.43
50001	100000	23	1.24	1716520	4.89
100001	ABOVE	40	2.16	21709050	61.85
TOTAL		1851	100.00	35096000	100.00

(I) SHAREHOLDING PATTERN AS ON 31-03-2009

Sr. No.	Category	No. of Shares Held	Percentage of Shareholding
1.	Promoters	1237101	35.25
2.	Private Corporate Bodies	448101	12.77
3.	Indian Public	1819198	51.84
4.	NRIs/OCBs	5200	0.14
	Total	3509600	100

(j) DEMATERIALISATION OF SHARES AND LIQUIDITY

Total number of Dematted shares with NSDL	1754131
Total number of Dematted shares with CSDL	267749

Declaration by the Managing Director under Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct

In accordance with Clause 49 (I) (D) of the Listing Agreement, I hereby declare that all the Directors and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct applicable to all the Directors and Senior Management, for the year ended March 31, 2009.

Shri Sudhir Bindal
Managing Director

CERTIFICATE

To,
The Board of Directors,
DEVKI LEASING & FINANCE LTD
Indore (M.P.)

Dear Sirs

- (a) We have reviewed the Balance Sheet, Profit and Loss Account and all its Schedules and Notes on Accounts, as well as the cash flow statement as at 31st March 2009 and that to the best of their knowledge and belief:
- (1) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (2) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) We further certify that, to the best of their knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) We have indicated to the Auditors and the Audit Committee that there is
- (i) No significant change in internal control over financial reporting during the year
 - (ii) No significant change in accounting policies during the year under review and
 - (iii) No instance of any fraud in the company in which the management has any role.

Place: Indore
Date: 31st July, 2009

Shri Sudhir Bindal
Managing Director

AUDITORS REPORT ON CORPORATE GOVERNANCE

To,
The Members,

We have examined the compliance of conditions of Corporate Governance by Devki Leasing and Finance Limited for the year ended 31st March, 2009 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.

Place: Indore
Dated: 31st July, 2009

**For A. B. Doshi & Co.
Chartered Accountants**

**Ashwini Kumar Doshi
Proprietor**

AUDITOR'S REPORT

TO,
THE BOARD OF DIRECTORS,
DEVKI LEASING AND FINANCE LTD.

We have audited the attached Consolidated Balance Sheet of DEVKI LEASING AND FINANCE LTD. (holding Company), and Devki Cyber securities private limited, (subsidiary company), as at 31ST March 2009 and also the Consolidated Profit & Loss Account and Consolidated Cash Flow Statement for the year ended as 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 have conducted our audit in accordance with the generally accepted auditing standards in India. Those standard require that we plan and perform the audit to obtain reasonable assurance 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 the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the company's management in accordance with the requirement of accounting standard (AS 21), 'Consolidated Financial Statements' issued by the Institute of Chartered Accountants of India.

In our opinion and to the best of our information and according to the explanations given to us and on the consideration of separate audit reports on individual audited financial statements of the company and its subsidiary company and other financial information of components, the consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India: -

Devki Leasing & Finance Limited

- I. In the case of the Consolidated Balance Sheet, of the state of affairs of the company and its subsidiary, as at March 31 2009.
- II. In the case of the Consolidated Profit and Loss Account of the company and its subsidiary, for the year ended on that date.
- III. In the case of the Consolidated Cash Flow Statement, of the company and its subsidiary, for the year ended on that date.

PLACE : INDORE
DATED : June, 30th 2009

For A..B.DOSHI & CO
Chartered Accountants

(Ashwini Kumar.Doshi)
Proprietor

DEVKI LEASING AND FINANCE LIMITED
CONSOLIDATED BALANCE SHEET AS ON 31st MARCH 2009

	31.03.2009	31.03.2008
SOURCES OF FUNDS		
SHAREHOLDER'S FUNDS		
(a) Share Capital	34518500.00	34518500.00
(b) Reserves & Surplus	863758.27	4265975.65
LOAN FUNDS		
Secured Loan	24494087.25	24453863.56
Minority Interest	1984.66	1984.74
DEFERRED TAX LIABILITY	185754.13	220816.13
TOTAL	60064084.31	63461140.08
APPLICATION OF FUNDS		
FIXED ASSETS		
(a) GROSS BLOCK	4433041.46	4433041.46
Less: Depreciatioion	2972998.62	2710601.98
NET BLOCK	1460042.84	1722439.48
INVESTMENTS	20298250.00	20253250.00
CURRENT ASSETS		
Sundry Debtors	35487288.50	38902712.25
Stock in Trade	2649165.74	2646079.85
Cash and Bank Balances	848536.05	1121687.94
Loans and Advances	1857584.02	1285025.17
	40842574.31	43955505.21
LESS:- CURRENT LIABLITIES & PROVISION	2539269.84	2473787.60
NET CURRENT ASSETS	38303304.47	41481717.61
MISCELLANEOUS EXPENDITURES	2487.00	3733.00
(to the extent not written off or adjusted)		
TOTAL	60064084.31	63461140.09

NOTES TO CONSOLIDATED ACCOUNTS "A"

As per our report of even date attached
FOR A.B.DSOHI & CO
Chartered Accountants

For and on behalf of the Board

B.N.BINDAL

Chairman

SUDHIR BINDAL

Managing Director

Ashwini Kumar Doshi
Proprietor

Place: Indore
Date : 30.06.2009

DEVKI LEASING AND FINANCE LIMITED

CONSOLIDATED PROFIT & LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2009

	<u>31.03.2009</u>	<u>31.03.2008</u>
INCOME		
Income from Operations	3802475.72	8573478.65
Profit on Share Trading	0.00	46073.85
	<u>3802475.72</u>	<u>8619552.50</u>
EXPENDITURE		
Establishment & Administrative	2614536.86	2831729.58
Interest	3866483.98	3740314.04
Other Expenses	380994.71	373310.48
	<u>6862015.55</u>	<u>6945354.10</u>
Cash Profit for the Year	-3059539.83	1628124.55
Depreciation	262396.65	262396.65
Preliminary expenses written off	1246.00	1246.00
Provision for N.P.Assets	87363.00	94227.00
Total Non-Cash Expenditure	351005.65	357869.65
Profit/(Loss) Before Taxation	-3410545.48	1270254.90
Income tax related earlier period	0.00	527909.90
Fringe Benefit Tax	26354.00	29996.00
Deffered Tax Liability	-35062.00	-16410.00
Provision for Taxation	380.00	135000.00
General Reserve	-3402217.48	475007.20
Statutory Reserve	0.00	118751.80
Share of Minorities in loss of Subsidiary	-0.08	-0.80
Balance Brought forward	4265975.65	3672217.45
Balance carried to Balance Sheet	<u>863758.09</u>	<u>4265975.65</u>

NOTES FORMING PART OF ACCOUNTS A

As per our report of even date attached
FOR A.B.DOSHI & Co.
Chartered Accountants

For and on behalf of the Board

B.N.BINDAL

Chairman

Ashwini Kumar Doshi

SUDHIR BINDAL

Managing Director

Place: Indore

Date : 30/06/2009

DEVKI LEASING AND FINANCE LIMITED
CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR 2008-09

S.No. PARTICULARS	Current Year Amt 31.03.2009	Previous Year Amt 31.03.2008
CASH FLOW FROM OPERATING ACTIVITIES		
A. Net Profit Before Tax & Extra Ordinary Item	-3710545.48	1270254.90
Adjustment for:		
Depreciation	262396.65	262396.65
Preliminary & Pre-operative Expenses W/off	1246.00	1246.00
Interest	3866483.98	3740314.04
Operating Profit Before Working Capital Changes	419581.15	5274211.59
Adjustments for		
Tarde & Other Receivables	3715423.75	-4976687.15
Inventories / Stock in Trade	-3085.89	2183894.00
Trade Payable	65482.24	-174170.10
Loans and Advances	-572558.85	2166279.45
Change in working Capital	3205261.25	-800683.80
Cash Genrated From Operations	3624842.40	4473527.70
Interest Paid	-3866483.98	-3740314.04
Direct Taxes	-26734.00	-692905.90
	-3893217.98	-4433219.94
Net Cash from Operating Activities (A)	-268375.58	40307.94
B. Cash flow from financing Activities		
Net Cash used in Investment Activities	-45000.00	571000.00
	-45000.00	571000.00
C. Cash Flow From Investment Activities		
Proceeds from Long Term Borrowings [C]	40223.69	-448659.34
Net Increase in Cash & Cash Equivalents (A+B+C)	-273151.89	162648.60
Cash and Cash Equivalents at the beginning of year	1121687.94	959039.34
Cash and Cash Equivalents at the end of year	848536.05	1121687.94

For and on behalf of the Board

Place :Indore
Date :30.06.2009

Barmanand Bindal
Chairman

Sudhir Bindal
Managing Director

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of DEVKI LEASING AND FINANCE LTD. for the year ended 31st-March, 2009 and 31st March, 2008. The Statement has been prepared by the Company in accordance with the requirements of clause 32 of the listing Agreement with the Bombay Stock Exchange and is based on and in Agreement with corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30th June,2009 at the members of the Company

Place :Indore
Date: 30.06.2009

FOR A.B.DOSHI & CO
Chartered Accountants

AshwniKumar Doshi
Proprietor

SCHEDULE "A" OF NOTES TO CONSOLIDATED ACCOUNTS

a) BASIS OF PREPARATION OF CONSOLIDATED 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 principals 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 Finance 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 which is a company organized under the law of India, holds 99800 Shares out of total 100000 equity shares comprises 99.8 % holding of its Subsidiary Devki Cyber Securities Private Limited, which is also a company organized under the law of India.

AUDITORS REPORT

**TO,
THE SHAREHOLDERS,
DEVKI LEASING AND FINANCE LIMITED,
INDORE.**

We have audited the attached Balance Sheet of DEVKI LEASING AND FINANCE LIMITED, INDORE (M.P.) as at 31ST March 2009 and also the Profit & Loss Account of the company for the year ended on that date annexed thereto. and the cash flow statement for the year 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 have conducted our audit in accordance with the auditing standards generally accepted in India. Those standard 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 the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) order 2003 (As amended by (Amendment) order 2004) issued by the Central Government in terms of section 227 (4A) of the companies Act, 1956, we enclosed in the annexure a statement specified in the said order.

Further to our comments in the Annexure referenced to above, we report that: -

- (a) We have obtained all the information & explanation 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 examinations of such books.
- (c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account.

- (d) In our opinion, the Balance Sheet, Profit & Loss A/C and Cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956, to the extent applicable, subject to note no.3 of schedule-15, regarding treatment of retirement benefits (Accounting standard-15)
- (e) On the basis of written representations received from the Directors as on 31st March 2009 and taken on record of the Board of Directors, we report that none of the directors is disqualified as on March 31,2009, from being appointed as a 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 explanations given to us and subject to-
- (a) Note No.-4 of schedule - N relating to retirement benefits which are accounted for on payment basis. The extent of non compliance of value term is not ascertainable.
- (b) Note No.-10 of schedule – N relating to third party balance Confirmation and Others;

The said Balance Sheet and Profit and Loss Account read together with the significant accounting policies and notes thereon, , give the information required by the Companies Act, 1956, 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 March 31 2009.
- ii) In the case of the Profit & Loss Account of the Loss for the year ended as that date.
- iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date

PLACE : INDORE
DATED : June, 30th 2009

For A..B.DOSHI & CO
Chartered Accountants

(Ashwini Kumar.Doshi)
Proprietor

DEVKI LEASING AND FINANCE LIMITED, INDORE
ANNEXURE TO THE AUDITORS REPORT

Annexure referred to in paragraph 3 of the report of the Auditors to the members on the Accounts of DEVKI LEASING AND FINANCE LIMITED, INDORE. For the period ended on March 31, 2009.

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 not taken any loans, secured or unsecured to / from companies, firms or parties covered in the register maintained under section 301 of the act.
 - (b) The Company has granted loans of Rs. 8.00 lacs to one party covered in the register maintained under section 301 of the act. The balance outstanding as at 31st march was Rs. 7.19 Lacs.
 - (c) The parties to whom loans and or advances in the nature of loans have been granted, are generally repaying the principal and interest, where stipulated.

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 58 A 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
10. The Company has no accumulated losses and also has incurred cash losses during the financial year concerned by our audit and has not incurred any cash loss the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institution and banks.

Devki Leasing & Finance Limited

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 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. No long-term funds have been used to finance short-term assets except permanent working capital.
17. 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.
18. The company has not issued debentures to raise the fund during the year.
19. The company has not raised any funds by Public Issue during the year.
20. 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.

PLACE : INDORE
DATED : June, 30th 2009

For A..B.DOSHI & CO
Chartered Accountants

(Ashwini Kumar.Doshi)
Proprietor

DEVKI LEASING AND FINANCE LIMITED
BALANCE SHEET AS ON 31st MARCH 2009

	Sch.	31-03-2009	31.03.2008
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
(a) Share Capital	A	34518500.00	34518500.00
(b) Reserves & Surplus	B	875438.53	4278521.89
LOAN FUNDS			
Secured Loan	C	24494087.25	24453863.56
Deferred Tax		185754.13	220816.13
TOTAL		60073779.91	63471701.58
APPLICATION OF FUNDS			
FIXED ASSETS			
(a) GROSS BLOCK	D	4150266.46	4150266.46
Less: Depreciatioon		2972998.62	2710601.98
NET BLOCK		1177267.84	1439664.48
INVESTMENTS	E	20935000.00	20935000.00
CURRENT ASSETS			
Sundry Debtors	F	35256288.50	38626712.25
Stock in Trade	G	2649165.74	2646079.85
Cash and Bank Balances	H	785583.55	1062226.44
Loans and Advances	I	1807584.02	1235025.17
		40498621.81	43570043.71
LESS:- CURRENT LIABILITIES & PROVISION	J	2537108.84	2473006.60
NET CURRENT ASSETS		37961512.97	41097037.11
		60073780.81	63471701.59
NOTES FORMING PART OF ACCOUNTS			
	N		

As per our report of even date attached
FOR A.B.DOSHI & Co.
Chartered Accountants

ASHWINI KUMAR DOSHI
(PROPRIETOR)

Place: Indore
DATE:30.06.2009

For and on behalf of the Board

B.N.BINDAL

Chairman

SUDHIR BINDAL

Managing Director

DEVKI LEASING AND FINANCE LIMITED

PROFIT & LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2009

	Sch.	31.03.2009	31.03.2008
INCOME			
Income from Operations		3798251.72	6560162.80
Profit on Sales Short term Investments			1962560.00
Profit on Share Trading		0.00	46073.85
		<u>3798251.72</u>	<u>8568796.65</u>
EXPENDITURE			
Establishment & Administrative	K	2612803.86	2827893.58
Interest	L	3866483.98	3740314.04
Other Expenses	M	380994.71	373310.48
		<u>6860282.55</u>	<u>6941518.10</u>
Cash Profit for the Year		-3062030.83	1627278.55
Depreciation	D	262396.65	262396.65
Provision for N.P.Assets		87363.00	94227.00
Total Non-Cash Expenditure		349759.65	356623.65
Profit/(Loss) Before Taxation		-3411790.48	1270654.90
Income Tax Relates to Earlier Period		0.00	527909.90
Fringe Benefit Tax		26354.00	29996.00
Deffered Tax Liability		-35062.00	-16410.00
Provision for Taxation		0.00	135000.00
Profit/(Loss) After Taxation		-3403082.48	594159.00
Balance Brought forward		4016976.94	3422817.94
		<u>613894.46</u>	<u>4016976.94</u>
Balance carried to Balance Sheet		613894.46	4016976.94

NOTES FORMING PART OF ACCOUNTS

N

As per our report of even date attached

FOR A.B.DOSHI & Co.

Chartered Accountants

For and on behalf of the Board

B.N.BINDAL

ASHWINI KUMAR DOSHI

(PROPRIETOR)

SUDHIR BINDAL

Place: Indore

DATE:30.06.2009

DEVKI LEASING AND FINANCE LIMITED

SCHEDULES TO ACCOUNTS: 31st MARCH, 2009

	CURRENT YEAR 31.03.2009	PREVIOUS YEAR 31.03.0208
SCHEDULE "A"		
SHARE CAPITAL		
Authorised		
3750000 Equity Shares of Rs.10/-each	37500000.00	37500000.00
	<u>37500000.00</u>	<u>37500000.00</u>
Issued, Subscribed and Paid-up		
3509600 Equity Shares of Rs.10/- each	35096000.00	35096000.00
LESS :-Allotment money in arrears	577500.00	577500.00
	<u>34518500.00</u>	<u>34518500.00</u>
SCHEDULE "B"		
Reserve and Surplus		
Reserve and Surplus	19735.48	3422817.94
Statutory Reserve fund	855703.05	855703.95
	<u>875438.53</u>	<u>4278521.89</u>
SCHEDULE "C"		
SECURED LOANS :		
a) Dena Bank - Cash Credit Account		
(Secured against hypothecation of Lease Rental and Stock on Hire and Personal gaurantee of Directors)	24494087.25	24401073.86
b) ICICI Bank		
(Secured by Hypothecation of specified vehicle)	0.00	52789.70
	<u>24494087.25</u>	<u>24453863.56</u>

M/S DEVKULEASING & FINANCE LIMITED**SCHEDULE TO ACCOUNTS :31ST MARCH 2009****SCHEDULE:D****FIXED ASSETS**

Sr. No.	PARTICULARS	RATE %	GROSS BLOCK				DEPERICATION				NET BLOCK	
			AS ON 01.04.2008 Rs.	ADDITION DURING THE YEAR	SOLD DURING THE YEAR	AS ON 31.03.2009	UP TO 01.04.2008 Rs.	FOR THE YEAR RS.	WRITTEN OFF	UP TO 31.03.2009	AS ON 31.03.2009 Rs.	AS ON 31.03.2008 Rs.
1	AIR CONDITIONER	4.75%	14100.00	0.00	0.00	14100.00	2656.98	669.75	0.00	3326.73	10773.27	11443.02
2	CAR	9.50%	583211.00	0.00	0.00	583211.00	244304.36	55405.05	0.00	299709.41	283501.60	338906.64
3	FURNITURE & FIXTURES.	6.33%	2120876.41	0.00	0.00	2120876.41	1263960.90	134251.48	0.00	1398212.38	722664.03	856915.51
4	BICYCLE	9.50%	10575.00	0.00	0.00	10575.00	8970.12	1004.63	0.00	9974.75	600.25	1604.88
5	COMPUTER	16.21%	990788.05	0.00	0.00	990788.05	987152.91	50606.74	0.00	1037759.65	-46971.60	3635.14
6	OFFICE EQUIPMENTS	4.75%	430716.00	0.00	0.00	430716.00	203556.70	20459.01	0.00	224015.71	206700.29	227159.30
	TOTAL		4150266.46	0.00	0.00	4150266.46	2710601.97	262396.65	0.00	2972998.62	1177267.84	1439664.49
	PREVIOUS YEAR		4150266.46	0.00	0.00	4150266.46	2448205.33	262396.65	0.00	2710601.98	1439664.48	1702061.13

DEVKI LEASING AND FINANCE LIMITED
SCHEDULES TO ACCOUNTS: 31st MARCH, 2009

	Face	Nos	CURRENT YEAR	CURRENT YEAR
			31.03.2009	31.03.2008
			Rs.	Rs.
SCHEDULE "E"				
INVESTMENTS :				
UNQUOTED SHARES				
DESIGN FINANCE LTD	10	200000	2000000.00	2000000.00
VELOCITY LIMITED	10	450000	4500000.00	4500000.00
P.J.CREDIT CAPITAL LTD	10	150000	1500000.00	1500000.00
VELOCITY LIMITED	22	48000	1056000.00	1056000.00
VELOCITY LIMITED	27	156000	4212000.00	4212000.00
BRAHMA BUILDERS LTD	10	30000	300000.00	300000.00
DEVKI CYBER SECURITIES PVT.LTD	10	99800	998000.00	998000.00
VELOCITY LIMITED	30	202500	6075000.00	6075000.00
KIRTI STOCK BROKERS PVT LTD	15	19600	294000.00	294000.00
TOTAL			20935000.00	20935000.00
CURRENT ASSETS				
SCHEDULE "F"				
SUNDRY DEBTORS				
More than six months			7291258.00	2343797.00
Others			27965030.50	36282915.25
			35256288.50	38626712.25
SCHEDULE "G"				
STOCK IN TRADE (SHARES)				
(As certify by the Management)				
Valued at Cost			2649165.74	2646079.85
			2649165.74	2646079.85
SCHEDULE "H"				
CASH AND BANK BALANCES				
(a) Cash in Hand			177938.04	241483.68
(b) Balances with SCHEDULE Bank				
1. Current Account			67701.51	257716.04
2. Short Term Deposit Account			539944.00	563026.72
			785583.55	1062226.44
SCHEDULE "I"				
LOANS AND ADVANCES				
(Unsecured Considered good)				
Loans			1003140.23	643571.68
Other Deposits			48680.00	48680.00
Staff Loans			37188.00	42238.36
Other Advances (Recoverable in Cash or in Kind)			718575.79	500535.13
			1807584.02	1235025.17
			40498621.81	43570043.71

DEVKI LEASING AND FINANCE LIMITED
SCHEDULES TO ACCOUNTS: 31st MARCH, 2009

	CURRENT YEAR 31.03.2009	PREVIOUS YEAR 31.03.2008
SCHEDULE "J"		
CURRENT LIABILITIES AND PROVISIONS		
Sundry Creditors	396366.84	414789.29
Other Liabilities	41832.00	46670.31
Provision for Income Tax(2007-2008)	310000.00	310000.00
Provision for Income Tax(2008-09)	135000.00	135000.00
Provision for N.P.Assets	1653910.00	1566547.00
	2537108.84	2473006.60
SCHEDULE "K"		
ESTABLISHMENT AND ADMINISTRATIVE EXPENSES		
Directors remuneration	372000.00	372000.00
Employee Remuneration and Benefits	1473383.00	1501024.00
Travelling and Conveyance	116155.00	114190.88
Communication Expenses	183760.94	221072.71
Stationery & Printing	18503.15	20078.25
Legal & Professional	66745.00	128415.61
Repairs & Maintenance- Others	1970.00	18642.00
Vehicle Running & Maintenance	32844.00	48740.92
Advertisement	24200.00	20967.00
Electricity	237279.00	246353.00
Computer Expenses	72513.77	69561.21
Recovery Charges Etc.	13450.00	66848.00
	2612803.86	2827893.58
SCHEDULE "L"		
INTEREST		
Interest on Working Capital	3863533.00	3731762.00
Interest on Car Loan	2950.98	8552.04
	3866483.98	3740314.04
SCHEDULE "M"		
OTHER EXPENSES		
Fee & Subscription	0.00	17799.00
Bank Charges	148655.24	93376.25
Audit Fees	15500.00	17360.00
Insurance	13922.00	13742.00
Listing Fee	10000.00	10000.00
Office Expenses	14265.00	31989.00
Diwali Expenses	10218.00	0.00
Business Promotion	28230.38	14934.00
Books & Periodicals	20440.09	13916.00
Professional Tax	2500.00	2500.00
Demate Expenses	47593.77	59354.47
Rent, Rates and Taxes	69670.23	72089.76
Consultancy Charges	0.00	26250.00
	380994.71	373310.48

**SCHEDULE "N" OF NOTES FORMING PART OF THE N ACCOUNTS
OF THE FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31,2009**

(1) SIGNIFICANT ACCOUNTING POLICIES

1.1 BASIS OF ACCOUNTING

THE financial statements have been prepared on the historical cost basis and are in conformity with the statutory provisions and practices prevailing in the industry are in accordance with the generally accepted accounting principals and the provisions of the Companies Act, 1956.

1.2 INCOME AND EXPENSES

- a) The Company recognizes income and expenditure in accordance with the guidelines issued by the Institute Of Chartered Accountants of India.
- b) Hire charges arising out of hire purchase contracts are apportioned equally over the term of contract and taken into account on the date hire charges falls due.
- c) In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis. Delayed payment charges are accounted on Cash basis.
- d) These Financial Statements are prepared on going concern basis.

1.3 FIXED ASSETS:

In respect of fixed assets, the assets are valued as per Accounting Standard 10 prescribed by the institute of Chartered Accounts of India

1.4 DEPRECIATION:

The depreciation in respect of these assets is provided of on a Straight line method (SLM) at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

1.5.HIRE PURCHASE STOCK

- a) Hire purchase stock is stated at cost plus total finance charges and reduced by the installments, which have matured during the relevant period and un-matured finance charges.
- b) The Company has filed legal suits against some defaulters, which are classified as non-performing assets as per the Reserve Bank of India's guidelines, and provisions for the same are being made in the accounts. However, during the year few of such 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.

1.6 STOCK IN TRADE AND INVESTMENTS:

a) The Securities acquired with the intention of short – term holding and trading positions are considered as stock in – trade and shown as current assets. Other securities acquired with the intention of long –term holdings are considered as Investments..

b) In respect of investments as well as stock-in-trade ,brokerage and stamp duty payable are considered to arrive at the cost..

c) The securities held as stock –in trade under current assets are valued at cost or market, whichever is lower.

1.7 TAXES ON INCOME: - Provisions for taxation for the year comprises of current tax and deferred tax. Current tax is the amount of income tax determined to be payable in respect of taxable income for the year. Deferred tax is recognized, subject to the consideration of prudence in respect of deferred tax liabilities / assets, on timing difference, being the difference between taxable income and accounting income that originate in one or more period and are being capable of reversal in one or more subsequent periods.

a) Fringe Benefits tax: - Fringe Benefit Tax(FBT) payable under the provisions of Section 115 of the Income Tax Act 1961 is in accordance with the guide-line note on accounting for Fringe Benefits Tax by the ICAI regarded as an additional Income –Tax considered in determination of the Profit and loss for the year.

1.8 PROVISION FOR DOUBTFUL LOANS AND ADVANCES :

The policy of provisioning for non-performing Loans and Advances has been decided by the management considering prudential norms prescribed by the Reserve Bank of India.

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, the company has only one reportable segment consisting of its finance operations. Hence segmental report is not furnished.

1.10 RETIREMENT BENEFITS: - Retirement benefits in form of Provident Fund, E.S.I.C. Etc whether in pursuance of law or otherwise is accounted on accrual basis and charged to profit & loss account of the year.

1.11 Consistency: - These Financial statements have been prepared in the basis of consistent with previous years and accounting policies not specifically referred here to are consistent with generally accepted accounting principal.

1.12 Impairment of Assets: - In accordance with the account statement (AS -28) in "Improvement of Asset" issued by ICAI. During the year the Company reassessed its fixed assets and is of the view that no impairment/reversal is considered to be necessary in view of its value realizable

2 NOTES ON ACCOUNTS

1. The Company has generally complied with the directions issued by the Reserve Bank of India and provisions of section 58A of the Companies Act, 1956.
2. Contingent Liabilities :nil (Previous Year - NIL)
3. Contingent Liabilities that may arise due to delayed/non Compliance of certain fiscal statuaries amount un ascertainable .
4. 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.

5. Managerial Remuneration:

	<u>2008-2009</u>	<u>2007-2008</u>
Salary	3,72,000/-	3,72,000/-
Monetary value of perquisites	-	-
Total Rs.	3,72,000/-	3,72,000/-

6. EARNING PER SHARE:

	<u>31-3-2009</u>	<u>31-3-2008</u>
Net profit available for Equity Shareholders	(3403082)	594159/-
Weighted average number of Equity Share outstanding	3509600	3509600
Basic and diluted earning per equity share of face value of Rs. 10/- each	(0.97)	0.17

7. Additional information pursuant to part II of Schedule VI of the Companies Act, 1956: -

QUANTITATIVE DETAILS

Particulars	Current Year (2008-2009)		Previous Year (2007-2008)	
	Shares	Value Rs.	Shares	Value Rs.
Opening Stock	21,51,575	26,45,080/-	21,65,350	48,29,974
Shares Sales	-	-	16,025	19,78,116
Shares Purchased	600	4086/-	2,250	1,25,782/
Closing Stock	21,52,175	26,49,166/-	21,51,575	26,45,080
Expenses in Foreign Currency	Nil	NIL	NIL	Nil

8. Related Party Transactions: -

S. No.	Name of Person / Enterprises	Nature of payment	Amount (Rs.)
1.	Mr. Bramanand Bindal	Lease Rent	36000/-
		Loan	NIL
2.	Mr. Sudhir Bindal	Remuneration	3,72,000/-
		Loan	7,18,576/-
3.	Devki Cyber Securities Pvt. Ltd.	Control over enterprises	

9. 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.

10. Balances under the head Sundry Debtors, Creditors, Loans & Advances and other are subject to confirmation with respective parties and necessary adjustments and/or proper classification thereof, if any, will be made on its reconciliation and/or settlement.

11. Payment made to the auditors for the period ended as on 31.03.2009 for Rs. 15500/- (2007-2008 Rs. 17360/- inclusive of service tax).

12. Previous year's figures have been regrouped and rearranged, wherever considered necessary so as to make them comparable.

As per our report of even date attached.

For A.B.DOSHI & CO
Chartered Accountants

ASHWINI KUMAR DOSHI
Proprietor

Place:Indore
Date:30.06.2009

FOR AND ON BEHALF OF BOARD

B.N.BINDAL
Chairman

SUDHIR BINDAL
Managing Director

PART IV

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFIL

I. Registration Details

Registration No.

1 0 - 0 7 5 2 2 - 1 9 9 3

State Code

1 0

Balance Sheet Date

3 1 - 0 3 - 2 0 0 9

II. Capital rasied during the year (Amount in Rs.Thousand)

Public Issue

N I L

Right Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

III. Position of Mobilisation and Deveploment of Funds (Amount in Rs.Thousand)

Total Liabilities

6 0 0 7 4

Total Assets

6 0 0 7 4

Sources of Funds

Paid-up Capital

3 4 5 1 9

Reserves & Surplus

8 7 5

Secured Loans

2 4 4 9 4

Unsecured Loans

0

Application of Funds

Net Fixed Assets

1 1 7 7

Investments

2 0 9 3 5

Net Current Assets

3 7 9 6 2

Misc. Expenditure

0

Accumulated Losses

N I L

IV. Performance of Company (Amount in Rs.Thousands)

Turn Over

3 7 9 8

Total Expenditure

7 2 1 0

Profit before Tax

- 3 7 1 2

Profit after Tax

- 3 7 0 3

Earning per share (Rs.)

- 0 9 7

Dividend Rate %

-

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code No.

(ITC Code)

Product Description

Not Applicable

Financial Services

As per our Report of even date attached

FOR A.B.DOSHI & CO.

Chartered Accountants

FOR AND ON BEHALF OF BOARD

B.N.BINDAL

Chairman

Ashwini Kumar Doshi

SUDHIR BINDAL

Managing Director

Place: Indore

Date : 30th JUNE 2009

DEVKI LEASING AND FINANCE LIMITED**CASH FLOW STATEMENT for the Financial Year 2008-09**

S.No. PARTICULARS	Current Year Amt 31.03.2008	Previous Year Amt 31.03.2008
CASH FLOW FROM OPERATING ACTIVITIES		
A. Net Profit Before Tax & Extra Ordinary Item	-3411790.48	1270654.90
Depreciation	262396.65	262396.65
Interest	3866483.98	3740314.04
Operating Profit Before Working Capital Changes	717090.15	5273365.59
Adjustments for		
Tarde & Other Receivables	3370423.85	-4700687.15
Inventories / Stock in Trade	-3085.89	2183894.00
Trade Payable	64102.24	-174170.10
Loans and Advances	-572558.85	2166279.45
Change in working Capital	2858881.35	-524683.80
Cash Genrated From Operations	3575971.50	4748681.79
Interest Paid	-3866483.98	-3740314.04
Direct Taxes	-26354.00	-692905.90
B. Net Cash from Operating Activities (A)	-3892837.98	-4433219.94
Cash flow from Investing Activities		
Net Cash used in Investment Activities	0.00	300000.00
C. Net Cash used in Investment Activities (B)	0.00	300000.00
Cash Flow From Financing Activities		
Proceeds from Long Term Borrowings [C]	40223.69	-448659.35
Net Increase in Cash & Cash Equivalents (A+B+C)	-276642.79	166802.50
Cash and Cash Equivalents at the beginning of year	1062226.34	895423.84
Cash and Cash Equivalents at the end of year	785583.55	1062226.34

For and on behalf of the Board

Place :Indore

Date :30.06.2009

Barmanand Bindal
Chairman

Sudhir Bindal
Managing Director

AUDITORS CERTIFICATE

We have examined the attached Cash Flow Statement of DEVKI LEASING AND FINANCE LTD. for the year ended 31st March, 2009 and 31st March, 2008 The Statement has been prepared by the Company in accordance with the requirements of clause 32 of the listing Agreement with the The Bombay Stock Exchange and is based on and in Agreement with corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 30th June,2009 at the members of the Company

Place :Indore

Date :30.06.2009

FOR A.B.DSOHI & Co
Chartered Accountants

Ashwinikumar Doshi
Proprietor

NOTICE

NOTICE is hereby given that 9th Annual General Meeting of the Members of the **Devki Cyber Securities Private Limited** will be held on **Wednesday, 30th September, 2009 at 2.00 pm** at the registered office of the company to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2009 attached with the Cash Flow Statement and Profit and Loss Account for the year ended that day together with the reports of the Auditors and Directors thereon.
2. To appoint Statutory Auditors and to fix their remuneration.

By order of the board of
DEVKI CYBER SECURITIES PVT LIMITED

Place: Indore
DATE: 31st July, 2009

BHARAT BINDAL
DIRECTOR

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. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Members are requested to:
 - a. Intimate changes, if any, in their registered addresses immediately.
 - b. Quote their ledger folio number in all their correspondence.

DIRECTORS' REPORT

To
The Members
Devki Cyber Securities Private Limited
Indore

Your directors have pleasure in presenting the Ninth Annual Report of your company together with the audited accounts for the year ended on 31st March, 2009

State of Company's Affairs:**A. Financial Results**

Particulars	Amount in (Rs.)	
	31st March, 2009	31st March 2008
Income	4224	4682
Expenditure	1733	3836
Net Profit (Loss)	1245	(400)
Balance brought forward	(12562)	(12162)
Carried to Balance Sheet	(11696)	(12562)

B. Operations and Future Outlook

During the year under review also, your company did not carry out any commercial activity.

Dividend:

Your directors do not recommend any dividend for the year.

Directorate:

There is no other change in the composition of the Board of the Company.

Directors Responsibility Statement:

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, we confirm that:

- 01 in the preparation of the annual accounts, the applicable accounting standards have been followed
- 02 the directors had 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 loss of the company for the year under review ;
- 03 he directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
04. the directors had prepared the annual accounts for the financial year ended 31st March, 2009 on a "going concern" basis ; and

Auditors:

M/s. A.B.Doshi & Co., Chartered Accountants, the statutory auditors, retire at the end of ensuing annual general meeting and being eligible offer themselves for re-appointment as statutory auditors of the company. The auditors' report read with notes to accounts is self explanatory and needs no further clarification.

Secretarial Compliance Certificate:

Your directors have obtained a secretarial compliance certificate as per Companies (Compliance Certificate) Rules, 2001 and have annexed the same with this report.

Public Deposits:

Your company has not accepted or invited any deposits from public within the meaning of Section 58 A of the Companies Act, 1956.

Particulars of Employees etc:

Your company did not have any person in employment who, 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 outgo.

Place: Indore

Date: 31st July, 2009

For and on behalf of the board of
DEVKI CYBER SECURITIES PVT LTD

**BHARAT BINDAL
DIRECTOR**

COMPLIANCE CERTIFICATE

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

To,
The Members,
Devki Cyber Securities Private Limited
INDORE.

I have examined the registers, records, books and papers of Devki Cyber Securities Private Limited ("the Company") as required to be maintained under the Companies Act, 1956 ("the Act") 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 31st March, 2009. In my opinion, to the best of my information, according to the examination carried out and explanations furnished by the company, its directors and officers, I certify that in respect of the aforesaid financial year:-

1. The company has kept and maintained registers as stated in Annexure – 'A' to this certificate, as per respective provisions and rules made there under and all entries there in have been recorded.
2. The company has filed forms and returns as stated in Annexure – 'B' to this certificate, with the Registrar of Companies within the time prescribed under the Act and the rules made there under.
3. The company has the minimum prescribed paid up capital and its maximum number of members are not more than 50. There are no present and past employees members in the company and during the year under scrutiny, the company :
 - a. has not invited public to subscribe for its shares or debentures; and
 - b. has not invited or accepted any deposits from any persons including its members, directors or their relatives.
4. The Board of Directors met 4 (four) times, in respect of which meetings, notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The company being a closely held private company has opted not to close its Register of Members in terms with the provisions of Sec 154 of the Act.
6. The Company has held its last Annual General Meeting on 29th September, 2008 for the financial year ended 31st March, 2008.
7. The company has not held any Extra Ordinary General Meeting.
8. The company has not advanced loans to its directors and/or persons firms or companies referred in Section 295 of the Act.
9. The company has not entered into contracts in contravention of the provisions of Sec. 297 of the Act, 1956.
10. The company has complied with the provisions relating to register maintained under Section 301 of the Act.
11. The company has not been required to obtain approval from members and previous approval of the Central Government pursuant to Section 314 of the Act.

12. The Board of Directors has not issued duplicate share certificates during the financial year under scrutiny.
13. The Company :
 - i) not required to deliver any certificate of securities on lodgment thereof transfer/transmission or any other purpose in accordance with the provisions of the Act;
 - 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.
 - iv) duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted and the appointments of directors have been duly made.
15. The provisions of Section 269 and Schedule XIII of the Act are not applicable on the company.
16. No appointment of sole-selling agents was made in the company.
17. The company has not been required to obtain any approval of the Central Government, Company Law Board, Regional Director, Registrar of other authorities as prescribed under the various provisions of the Act.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued or allotted shares during the financial year.
20. The company has not bought back any shares during the financial year.
21. The company has no debentures and it has not redeemed any preference shares.
22. The company has not declared dividend nor has issued any right shares and bonus shares.
23. The company has complied with the provisions of Sec. 58A and 58AA read with Companies (Acceptance of Deposits) Rules, 1975/the applicable directions issued by Reserve Bank of India/any other authority as the company has not accepted any deposits within the meaning of the Act.
24. The company has not made any borrowing during year.
25. The company has not made loans nor given guarantees nor provided securities to other bodies corporate nor made investments in other bodies corporate.
26. The company has not altered the provisions of the 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.
31. No prosecution has been initiated against the company nor any show cause notices have been received by the company for any offence under the Act.
32. The company has not received any amount as security from its employees during the year under certification.
33. The provisions relating to contribution to Provident Fund are not applicable on the company.

Place: Indore

Date: 31st July, 2009

(ASHOK MEHTA)

FCS No.2566

CP No. 2028

ANNEXURE – 'A'

REGISTERS AS MAINTAINED BY THE COMPANY

1. Register of Share Transfers
2. Register of Charges Under Section 143
3. Minutes book of Board Meeting & General Meeting.
4. Register of Members u/s 150
5. Register of Directors u/s 303
6. Register & Returns kept at Registered office viz Annual Returns
7. Register of Director's Share holding u/s 307
8. Register of Contracts u/s 301
9. Register of Directors Attendance

ANNEXURE – 'B'

FORMS & RETURNS FILED BY THE COMPANY WITH THE REGISTRAR OF COMPANIES DURING FINANCIAL YEAR ENDING 31st MARCH, 2009

1. Annual Return for the Annual General Meeting held on 30th September, 2008
2. Balance sheet with prescribed annexure for the financial year ended 31 March, 2009
3. Compliance certificate for 31st March 2009 under section 383A

Place: Indore

Date: 31st July, 2009

(ASHOK MEHTA)

F.C.S. No.2566

C.P. NO. 2028

AUDITORS REPORT

TO,
THE SHAREHOLDERS,
DEVKI CYBER SECURITIES PRIVATE LIMITED,
INDORE.

We have audited the attached Balance Sheet of DEVKI CYBER SECURITIES PRIVATE LIMITED, INDORE (M.P.) as at 31ST March 2009 and also the Profit & Loss Account of the company for the period ended on that date annexed thereto. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We have conducted our audit in accordance with the auditing standards generally accepted in India. Those standard 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 the management, as well as evaluating the overall financial statement presentations. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditors Report) order 2003 (As amended by (Amendment) order 2004) issued by the Central Government in terms of section 227 (4A) of the companies Act, 1956, we enclosed in the annexure a statement specified in the said order.

Further to our comments in the Annexure referenced to above, we report that: -

- (a) We have obtained all the information & explanation, 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 examinations of such books.
- (c) The Company's the Balance Sheet and the Profit & Loss A/C referred to in this report are in agreement with the books of account.

DEVKI CYBER SECURITIES PVT LTD

- (d) In our opinion, the Balance Sheet and the Profit & Loss A/C comply with the Accounting Standards notified in sub-section (3C) of section 211 of the Companies Act, 1956.
- (e) On the basis of written representation received from the Directors and taken on records by Board of Directors, we report that none of the director is disqualified as on March 31, 2008, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (f) The company has not made any provision on account of any diminution in the value of its investment amounting to Rs. 3,61,250/- made in Quoted Equity Shares. We are unable to form an opinion on the value of these investments in view of uncertainties involved.
- (g) Subject to above, In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and the Profit and Loss account read with the notes there on, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India: -
- i) In case of the Balance Sheet, of the state of affairs of the company as at March 31 2009.
- ii) In case of the Profit & Loss Account of the Profit for the year ended as that date.

PLACE : INDORE
DATED : June, 30th 2009

For **A..B.DOSHI & CO**
Chartered Accountants

(Ashwini Kumar Doshi)

Proprietor

DEVKI CYBER SECURITIES PRIVATE LIMITED, INDORE-42
ANNEXURE TO THE AUDITORS REPORT

Annexure referred to in paragraph 3 of the report of the Auditors to the members on the Accounts of DEVKI CYBER SECURITIES PRIVATE LIMITED, INDORE, for the period ended on March 31, 2009.

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. As the Company is finance company, the provision of sub clause (ii) a, b and c of the order is not applicable to the Company.
3. The Company has not either granted or taken any loans, secured or unsecured to / from companies, firms or parties covered in the register maintained under section 301 of the Companies act, 1956.
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 58 A and 58 AA of the Companies Act, 1956 and rules framed there under.
7. The Company does have internal audit system.

DEVKI CYBER SECURITIES PVT LTD

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 the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institution and banks.
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.

DEVKI CYBER SECURITIES PVT LTD

16. 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. No long-term funds have been used to finance short-term assets except permanent working capital.
17. 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.
18. The company has not issued debentures to raise the fund during the year.
19. The company has not raised any funds by Public Issue during the year.
20. 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.

PLACE : INDORE
DATED : June, 30th 2009

For A..B.DOSHI & CO
Chartered Accountants

(Ashwini Kumar Doshi)
Proprietor

DEVKI CYBER SECURITIES PRIVATE LIMITED

BALANCE SHEET AS ON 31st MARCH 2009

	Sch.	31.03.2009	31.03.2008
SOURCES OF FUNDS			
SHAREHOLDER'S FUNDS			
(a) Share Capital	A	1000000.00	1000000.00
TOTAL		<u>1000000.00</u>	<u>1000000.00</u>
APPLICATION OF FUNDS			
FIXED ASSETS	B	282775.00	282775.00
INVESTMENTS	C	361250.00	316250.00
CURRENT ASSETS, LOANS & ADVANCES			
Sundry Debtors		231000.00	276000.00
Cash and Bank Balances	D	62952.50	59461.50
Loans and Advances	E	50000.00	50000.00
		<u>343952.50</u>	<u>385461.50</u>
LESS:- CURRENT LIABLITIES AND PROV	F	<u>2161.00</u>	<u>781.00</u>
Net Current Assets		341791.50	384680.50
MISCELLANEOUS EXPENDITURES (to the extent not written off or adjusted)	G	2487.00	3733.00
PROFIT & LOSS ACCOUNT		11696.50	12561.50
		<u>1000000.00</u>	<u>1000000.00</u>
ACCOUNTING POLICIES NOTES FORMING PART OF ACCOUNTS	I		

As per our report of even date attached
FOR A.B.DSOHI & CO
Chartered Accountants

Ashwinikumar Doshi
Proprietor

Place: Indore
Date:30.06.2009

For and on behalf of the Board

BHARAT BINDAL Director

MANOJ SINGH Director

DEVKI CYBER SECURITIES PRIVATE LIMITED

PROFIT & LOSS ACCOUNT FOR YEAR ENDED 31ST MARCH, 2009

	Sch.	31.03.2009	31.03.2008
INCOME			
Interest on FDR		4224.00	4682.00
TOTAL		4224.00	4682.00
EXPENDITURE			
Administrative Expenses	H	1733.00	3836.00
TOTAL		1733.00	3836.00
Profit / (Loss) for the year		2491.00	846.00
Preliminary Exp.written off		1246.00	1246.00
Profit / (Loss) Before Tax		1245.00	-400.00
Provision for Tax		380.00	0.00
Profit / (Loss) After Tax		865.00	-400.00
Balance Brought forward		-12561.50	-12161.50
Balance carried to Balance Sheet		-11696.50	-12561.50

ACCOUNTING POLICIES

I

NOTES FORMING PART OF ACCOUNTS

As per our report of even date attached

FOR A.B.DOSHI & Co

Chartered Accountants

Ashwini Kumar Doshi

Proprietor

Place: Indore

Date : 30.06.2009

For and on behalf of the Board

BHARAT BINDAL DIRECTOR

MANOJ SINGH DIRECTOR

DEVKI CYBER SECURITIES PRIVATE LIMITED

SCHEDULES TO ACCOUNTS: 31st MARCH, 2009

	CURRENT YEAR		PERVIOUS YEAR		
	31.03.2009		31.03.2008		
SCHEDULE "A"					
SHARE CAPITAL					
Authorised					
100000 Equity Shares of Rs.10/-each	1000000.00		1000000.00		
	1000000.00		1000000.00		
Issued, Subscribed and Paid-up					
100000 Equity Shares of Rs.10/- each fully paid up	1000000.00		1000000.00		
	1000000.00		1000000.00		
SCHEDULE "B"					
FIXED ASSETS					
M.P.Stock Exchange Membership Card	200000.00		200000.00		
Add :- Preoperative/Incidental Expenses	82775.00		82775.00		
	282775.00		282775.00		
SCHEDULE "C"					
INVESTMENTS : NON TRADE- QUOTED (AT COST)					
	Face Value	Qty.	Amount	Face Value	Amount
EQUITY SHARES -A					
Endolabs Limited	10.00	1000	10000.00	1000	10000.00
Goyal Finance Limited	3.00	5000	15000.00	5000	15000.00
Woo Yang Electronics	6.25	12200	76250.00	12200	76250.00
Velocity Limited	10.00	14000	140000.00	14000	140000.00
M..P.S.E.LTD	10.00	1000	10000.00	1000	10000.00
BIRALA SUNLIFE S.S.FUND			25000.00		25000.00
J.M.ENGINEERING LEADERS FUND			60000.00		15000.00
RELIANCE NATURAL RESOURCES			25000.00		25000.00
TOTAL			361250.00		316250.00

DEVKI CYBER SECURITIES PRIVATE LIMITED
SCHEDULES TO ACCOUNTS: 31st MARCH, 2009

	CURRENT YEAR 31.03.2009	PERVIOUS YEAR 31.03.2008
CURRENT ASSETS, LOANS AND ADVANCES :		
SCHEDULE "D"		
CASH AND BANK BALANCES		
(a) Cash in Hand	2055.00	2705.00
(b) Balances with schedule Bank		
1. Dena Bank, Current Account	10897.50	6756.50
2. Dena Bank Term Deposit (under lien of M.P. Stock Exchange)	50000.00	50000.00
	<u>62952.50</u>	<u>59461.50</u>
SCHEDULE "E"		
LOANS AND ADVANCES		
M.P. Stock Exchange Deposit	50000.00	50000.00
	<u>50000.00</u>	<u>50000.00</u>
SCHEDULE "F"		
CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors		
I.T. Provision	601.00	221.00
A.B. Doshi & Co	1560.00	560.00
	<u>2161.00</u>	<u>781.00</u>
SCHEDULE "G"		
MISCELLANEOUS EXPENSES		
Preliminary Expenses	3733.00	4979.00
Written off	1246.00	1246.00
	<u>2487.00</u>	<u>3733.00</u>
SCHEDULE "H"		
Administrative Expenses		
Bank Charges	83.00	124.00
Audit Fees	1000.00	560.00
Filing Fee	650.00	3152.00
	<u>1733.00</u>	<u>3836.00</u>

SCHEDULE " I " OF NOTES ON ACCOUNTS

1.SIGNIFICANT ACCOUNTING POLICIES

BASIS OF ACCOUNTING

- i) Unless otherwise stated hereunder, the financial accounts have been prepared on historical cost convention, in accordance with the generally accepted accounting principles and the provisions of the Companies Act, 1956.
- ii) In respect of other heads of income, the company follows the practice of accounting of such income on accrual basis.
- iii) These Financial Statements are prepared on going concern basis.

FIXED ASSETS: - Fixed assets are stated at cost.

DEPRECIATION: - The company has not charged Depreciation on its fixed assets.

INVESTMENT: - Investments are valued at cost.

MISCELLANEOUS EXPENDITURE: -Preliminary expenditure is being written off over a period of 10 years.

2.NOTES ON ACCOUNTS

- 1) Contingent liabilities that may arise due to delayed / non-compliance of certain fiscal statutes amounts are unascertainable
- 2) The Company has generally complied with the directions issued by the Reserve Bank of India and provisions of Section 58A of the Companies Act, 1956.
- 3) 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.
- 4) Balances under the head Sundry Debtors, Creditors, Loans & Advances and others are subject to confirmation & reconciliation with respective parties.
- 5) Payment made to the auditors is Rs.1000/- (2008- Rs. 560/- inclusive of service tax).
- 6) Previous year's figures have been regrouped and rearranged, wherever considered necessary so as to make them comparable.
- 7) Other additional information pursuant to the provisions of Para 3 and 4 of part-II and part-IV of schedule VI of the Companies Act, 1956 is not applicable to the company.

FOR A.B.DOSHI & CO.
CHARTERED ACCOUNTANTS

ASHWINI KUMAR DOSHI
PROPRIETOR

FOR AND ON BEHALF OF BOARD

BHARAT BINDAL Director

MANOJ SINGH Director

Place : Indore
Dated : 30.06.2009

PART IV**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFIL****I. Registration Details**

Registration No.

1 0 - 1 4 1 0 9 - 2 0 0 0

State Code

1 0

Balance Sheet Date

3 1 - 0 3 - 2 0 0 9

II. Capital raised during the year (Amount in Rs.Thousand)

Public Issue

N I L

Right Issue

N I L

Bonus Issue

N I L

Private Placement

N I L

III. Position of Mobilisation and Deveploment of Funds (Amount in Rs.Thousand)

Total Liabilities

1 0 0 0

Total Assets

1 0 0 0

Sources of Funds

Paid-up Capital

1 0 0 0

Reserves & Surplus

0

Secured Loans

N I L

Unsecured Loans

N I L

Application of Funds

Net Fixed Assets

2 8 3

Investments

3 6 1

Net Current Assets

3 4 2

Misc. Expenditure

0 2

Accumulated Losses

0 1 1

IV. Performance of Company (Amount in Rs.Thousands)

Turn Over

0 0 4

Total Expenditure

0 0 3

Profit before Tax

0 0 1

Profit after Tax

0 0 1

Earning per share (Rs.)

-

Dividend Rate %

-

V. Generic Names of Three Principal Products/Services of Company (As per monetary terms)

Item Code No.

(ITC Code)

Product Description

Not Applicable

Share Trading

FOR AND ON BEHALF OF BOARD
BHARAT BINDAL DIRECTOR

Indore : 30.06.2009

MANOJ SINGH DIRECTOR

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