



*Delta Leasing & Finance Ltd.*

*Annual Report 2012*

## *VISION*

To be a leader and role model in a broad and integrated financial Services business.

## *MISSION*

To develop new ways of doing business with the aim of doubling the size of our company.

## *PURPOSE*

- Help you make informed decisions.
- Help you address your financial security planning needs.

## *VALUES*

- Better & Better
- Initiative
- Honor
- Courage
- Team

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# *CORPORATE INFORMATION*

## **Board of Directors**

Meera Mishra	Executive Director
Subodh Kumar Khandelwal	Executive Director
Pawan Kumar Poddar	Non Executive & Independent Director
Renu Jindal	Non Executive & Independent Director

## **Company Secretary**

Simran Kaur Kharbanda

## **Registered office**

55, F.I.E, Patparganj Industrial Area,  
Delhi -110 092

## **Banker**

ICICI Bank Ltd.  
Model Town-III, Delhi-110 009  
Citi Bank N.A  
Punjabi Bagh,  
Delhi

## **Auditors**

M/s S.K. Singla & Associates  
Chartered Accountants  
107, Mukund House, Commercial Complex,  
Azadpur, Delhi – 110 033

## **Solicitors & Advocates**

Rajiv Goyal & Associates

## **Share Registrars**

Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3<sup>rd</sup> Floor, 99 Madangir  
Behind Local Shopping Center  
Near Dada Harsukhdas Mandir  
New Delhi – 110 062  
Email id : [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

## **Corporate Identification Number (CIN)**

L67120DL1983PLC016990

## **Website**

[www.deltaleasing.in](http://www.deltaleasing.in)



## DLFL Code of Conduct

This comprehensive document serves as the ethical road map for DLFL employees, and provides the guidelines by which the company conducts its businesses.

### **Clause: 1**

#### National interest

DLFL is committed to benefit the economic development of the countries in which it operates. DLFL shall not undertake any project or activity to the detriment of the wider interests of the communities in which it operates.

DLFL management practices and business conduct shall benefit the country, localities and communities in which it operates, to the extent possible and affordable, and shall be in accordance with the laws of the land.

### **Clause: 2**

#### Financial reporting and records

DLFL shall prepare and maintain its accounts fairly and accurately and in accordance with the accounting and financial reporting standards which represent the generally accepted guidelines, principles, standards, laws and regulations of the country in which the company conducts its business affairs.

Internal accounting and audit procedures shall reflect, fairly and accurately all business transactions and disposition of assets, and shall have internal controls to provide assurance to the company's board and shareholders that the transactions are accurate and legitimate. All required information shall be accessible to company auditors and other authorised parties. There shall be no willful omissions of any company transactions from the books.

Any willful, material misrepresentation of and / or misinformation on the financial accounts and reports shall be regarded as a violation of the Code. No employee shall make, authorise, abet or collude in an improper payment, unlawful commission or bribing.

### **Clause: 3**

#### Competition

DLFL shall fully support the development and operation of competitive open markets and shall promote the liberalization of trade and investment in each country and market in which it operates. Specifically, not DLFL nor its employee shall engage in restrictive trade practices, abuse of market dominance or similar unfair trade activities. Any collection of competitive information shall be made only in the normal course of business and shall be obtained only through legally permitted sources and means.

### **Clause: 4**

#### Equal Opportunities Employer

DLFL shall provide equal opportunities to all its employees and all qualified applicants for employment without regard to their race, caste, religion, colour, ancestry, marital status, gender, sexual orientation, age, nationality, ethnic origin or disability.

Human resource policies shall promote diversity and equality in the workplace, as well as compliance with all local labour laws, while encouraging the adoption of international best practices.

### **Clause: 5**

#### Gifts and donations

DLFL and its employees shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations or comparable benefits that are intended, or perceived, to obtain uncompetitive favours for the conduct of its business.

However, DLFL and its employees may, with full disclosure, accept and offer nominal gifts, provided such gifts are customarily given and / or are of a commemorative nature.

### **Clause: 6**

#### Government agencies

DLFL and its employees shall comply with government procurement regulations and shall be transparent in all its dealings with government agencies.

### **Clause: 7**

#### Political non-alignment

DLFL shall be committed to and support the constitution and governance systems of the country in which it operates.

DLFL shall not support any specific political party or candidate for political office. The company's conduct shall preclude any activity that could be interpreted as mutual dependence / favour with any political body or person, and shall not offer or give any company funds or property as donations to any political party, candidate or campaign.

### **Clause: 8**

#### Health, safety and environment

DLFL shall strive to provide a safe, healthy, clean and ergonomic working environment for its people. It shall prevent the wasteful use of natural resources and be committed to improving the environment.

### **Clause: 9**

#### Quality of Products & Services

DLFL shall be committed to supply services of quality standards, the quality standards of the company's goods and services shall meet applicable national and international standards.

### **Clause: 10**

#### Corporate Citizenship

DLFL shall be committed to good corporate citizenship, not only in the compliance of all relevant laws and regulations but also by actively assisting in the improvement of quality of life of the people in the communities in which it operates.

### **Clause: 11**

#### Public Representation of The Company And The Group

DLFL honours the information requirements of the public and its stakeholders. In all its public appearances, with respect to disclosing company and business information to public constituencies the company shall be represented only by specifically authorised directors and employees. It shall be the sole responsibility of these authorised representatives to disclose information about the company.



## Annual Report 2011-12

### Clause:12

#### Third Party Representation

Parties which have business dealings with DLFL but are not members such as consultants, agents, sales representatives, distributors, channel partners, contractors and suppliers, shall not be authorised to represent DLFL without the written permission of the DLFL.

### Clause: 13

#### Shareholders

DLFL shall be committed to enhancing shareholder value and complying with all regulations and laws that govern shareholder rights. The board of directors of DLFL shall duly and fairly inform its shareholders about all relevant aspects of the company's business, and disclose such information in accordance with relevant regulations and agreements.

### Clause: 14

#### Ethical Conduct

Every employee of a DLFL and the board shall exhibit culturally appropriate deportment in the countries they operate in, and deal on behalf of the company with professionalism, honesty and integrity, while conforming to high moral and ethical standards.

Every employee of a DLFL shall preserve the human rights of every individual and the community, and shall strive to honour commitments.

### Clause: 15

#### Regulatory Compliance

Employees of a DLFL, in their business conduct, shall comply with all applicable laws and regulations, in letter and spirit, in all the territories in which they operate. If the ethical and professional standards of applicable laws and regulations are below that of the Code, then the standards of the Code shall prevail.

Directors of a DLFL shall comply with applicable laws and regulations of all the relevant regulatory and other authorities. As good governance practice they shall safeguard the confidentiality of all information received by them by virtue of their position.

### Clause: 16

#### Conflict of Interest

An employee or director of DLFL shall always act in the interest of the company, and ensure that any business or personal association which he / she may have does not involve a conflict of interest with the operations of the company and his / her role therein.

An employee or a director of DLFL shall not engage in any business, relationship or activity which might conflict with the DLFL. A conflict of interest, actual or potential, may arise where, directly or indirectly:

- a) An employee of a DLFL engages in a business, relationship or activity with anyone who is party to a transaction with his / her company.
- b) An employee is in a position to derive an improper benefit, personally or to any of his / her relatives, by making or

influencing decisions relating to any transaction.

If an employee fails to make the required disclosure and the management of its own accord becomes aware of an instance of conflict of interest that ought to have been disclosed by the employee, the management shall take a serious view of the matter and consider suitable disciplinary action against the employee.

### Clause:17

#### Securities Transactions and Confidential Information

An employee of a DLFL and his / her immediate family shall not derive any benefit or counsel, or assist others to derive any benefit, from access to and possession of information about the company or its clients or suppliers that is not in the public domain and, thus, constitutes unpublished, price-sensitive insider information.

An employee of DLFL shall not use or proliferate information that is not available to the investing public, and which therefore constitutes insider information, for making or giving advice on investment decisions about the securities of the company, client or supplier on which such insider information has been obtained.

### Clause: 18

#### Protecting Company Assets

The assets of DLFL shall not be misused; they shall be employed primarily and judiciously for the purpose of conducting the business for which they are duly authorised.

### Clause: 19

#### Integrity of Data Furnished

Every employee of DLFL shall ensure, at all times, the integrity of data or information furnished by him/her to the company. He/she shall be entirely responsible in ensuring that the confidentiality of all data is retained and in no circumstance transferred to any outside person/party in the course of normal operations without express guidelines from or, the approval of the management.

### Clause:20

#### Reporting Concerns

Every employee of DLFL shall promptly report to the management when she / he becomes aware of any actual or possible violation of the Code or an event of misconduct, act of misdemeanor or act not in the company's interest.

Any DLFL employee can choose to make a protected disclosure under the whistleblower policy of the company, providing for reporting to the board of directors or specified authority. Such a protected disclosure shall be forwarded, when there is reasonable evidence to conclude that a violation is possible or has taken place, with a covering letter, which shall bear the identity of the whistleblower.

The company shall ensure protection to the whistleblower and any attempts to intimidate him / her would be treated as a violation of the Code.



## NOTICE TO SHAREHOLDERS

NOTICE IS HEREBY GIVEN THAT THE 28TH ANNUAL GENERAL MEETING OF DELTA LEASING & FINANCE LIMITED WILL BE HELD ON FRIDAY, 27TH SEPTEMBER, 2012 AT 12.30 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 55, F.I.E., PATPARGANJ INDUSTRIAL AREA, DELHI-110 092 TO TRANSACT THE FOLLOWING BUSINESSES:

### **ORDINARY BUSINESS:-**

1. To receive, consider and adopt the Audited Profit and Loss Account for the financial year ended 31st March, 2012, the Balance Sheet as at that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Pawan Kumar Poddar who retires by rotation and is eligible for reappointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to authorize the Board of Directors to fix their remuneration. M/s S.K. Singhla & Associates, Chartered Accountants (Firm Regn. No. 005903N), the retiring Auditors are eligible for reappointment.

### **SPECIAL BUSINESS:-**

4. Appointment of Mrs. Renu Jindal as a Director of the Company  
To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:  
"RESOLVED THAT Mrs. Renu Jindal, who was appointed as an additional director of the Company to hold office till the date of the Annual General Meeting, be and is hereby appointed as a director of the Company and whose office shall be liable for determination through retirement by rotation.

"RESOLVED FURTHER THAT Mrs. Meera Mishra, Director be and is hereby authorized to do all the acts, deeds and things which are necessary to the appointment of aforesaid person as director of the Company."

By Order of the Board

Date: 3rd September, 2012

Place: Delhi

Registered Office:  
55, F.I.E., Patparganj  
Industrial Area,  
Delhi-110 092

Sd/-

Simran Kaur Kharbanda  
Company Secretary

### **NOTES:-**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the company. The proxies to be effective should be deposited at the registered office of the company not later than 48 hours before the commencement of the meeting.
2. The attendance slip and proxy form for the member of the company have been enclosed with the notice.

3. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of Board Resolution authorizing their representatives to attend and vote on their behalf at the meeting.
4. The Register of Members and Share Transfer Books of Company will remain closed on 26<sup>th</sup> September, 2012.
5. Members/Proxies attending the meeting are requested to bring their copy of Annual Report to the Meeting.
6. Queries at the AGM: Queries proposed to be raised at the Annual General Meeting may be sent to the Company at its registered office at least seven days prior to the date of AGM to enable the management to compile the relevant information to reply the same in the meeting.
7. As per the provisions of the Companies Act, 1956, facility for making nominations is available for Members in respect of shares held by them. Nomination Forms can be obtained from the Company's Registrar and Transfer Agents. Members are requested to notify immediately any change in their address, Bank Details, Email etc. to the Company's Registrars and Share Transfer Agent. Shareholders should quote their folio numbers in all their correspondence with the Company and the Registrar and Transfer Agents.
8. Members may please note the contact details of the Company's Registrar and Transfer Agents.  
Beetal Financial & Computer Services (P) Ltd.  
Beetal House, 3rd Floor, 99 Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi - 110062. Tel: 91-11-2996 1281-83 Fax: 91-11-2996 1284  
Email: [beetalrta@gmail.com](mailto:beetalrta@gmail.com)  
Website: [www.beetalfinancial.com](http://www.beetalfinancial.com)
9. Members holding shares in more than one folio in identical order of names are requested to write to Registrar & Transfer Agent enclosing their share certificates to enable them to consolidate the holdings in one folio to facilitate better service.
10. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date, preferably at least seven days prior to the date of Meeting, so as to enable the management to keep the information ready.
11. All documents referred to in the accompanying Notice as well as the other documents as required under the provisions of the Companies Act, 1956 are open for inspection at the Registered Office of the Company on all working days except Saturdays, Sundays and Holidays between 11:00 a.m. to 1:00 p.m. up to the date of ensuing Annual General Meeting.
12. 1. The equity shares of the company are listed at the Delhi Stock Exchange Limited, 3/1, Asaf Ali Road, New Delhi-110 002.  
2. Annual Listing fees for the year 2012-13 have been paid to the Delhi Stock Exchange Limited.
13. The information pursuant to Clause 49 of the Listing Agreement with respect to the details of the directors seeking appointment/re-appointment at the forthcoming Annual General Meeting is annexed to the notice.





14. For the Convenience of the members and for the proper conduct of the meeting, entry to the meeting venue will be regulated by the attendance slip, which is enclosed with Annual Report. Members are requested to sign at the place provided on the attendance slip and handed over at the entrance of the venue.
15. Ministry of Corporate Affairs by vide Circular No. 17/95/2011 CL-V, has taken a green initiative in the Corporate Governance and clarified that service of document (Notices, Annual Reports etc.) to member through electronic mode is in compliance with the relevant provision of Companies Act, 1956. The Company is concerned about the environment and utilizes natural resources in a sustainable way.  
Members are requested to register their email address, through written application, with Company's Registrar and Transfer Agents to enable the Company to send notices, annual reports and other communication via email.
16. Explanatory Statement: Explanatory Statement as required under sec 173(2) of the Companies Act, 1956, in respect of special Business under Item No. 4 is enclosed herewith.

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956:

Mrs Renu Jindal was co-opted on the Board of Directors of the Company as Additional Directors to hold office until the date of ensuing annual general meeting. The Board is proposing to appoint him as ordinary directors in the ensuing AGM whose office shall be liable for determination through retirement by rotation. Accordingly, the resolution is placed before the members for their consideration and approval. The Board recommends the proposed resolution for adoption in the larger interest of the Company.

#### Annexure to the Notice

Details of Directors Seeking Appointment / Re-Appointment at the 26th Annual General Meeting:-

Particulars	Mr. Pawan Kumar Poddar	Mrs. Renu Jindal
Date of Birth	10/07/1959	20/11/1969
Date of Appointment	22/04/2010	27/02/2012
Qualification	Bachelor in Commerce	Bachelor in Commerce
Expertise in Specific Functional Area	General Management	Finance
Directorship Held in other Public Companies (Excluding Foreign and Private Companies)	1	-
Memberships/Chairmanships of Committees in other Public Companies	1	-
Shareholding In DLFL	25	-

Date: 3rd September, 2012

Place: Delhi

**Registered Office:**

55, F.I.E., Patparganj  
Industrial Area,  
Delhi-110 092

By Order of the Board

Sd/-

Simran Kaur Kharbanda  
Company Secretary





## DIRECTORS' REPORT TO SHAREHOLDERS

Your Directors take pleasure in presenting the **Twenty Eighth Annual Report** together with the audited accounts of the Company for the year ended 31st March 2012.

FINANCIAL RESULTS		
	(In Rupees)	
Particulars	2012	2011
Sales and other income	4,29,95,904	22,19,920
Earnings before interest, tax and depreciation	11,01,586	6,96,580
Interest / Finance charges	-	-
Depreciation	-	-
Profit before taxation	11,01,586	6,96,580
Taxation	3,50,836	2,15,805
Profit for the year	7,50,750	4,80,775

### DIVIDEND

The Board of Directors of your Company has decided to retain and plough back the profits into the business of the Company, thus no dividend is being recommended for this year.

### FINANCE

The Company's relationships with its consortium and other bankers continued to be cordial during the year. The Company would like to thank its Bankers for their support.

### CHANGES IN SHARE CAPITAL

During the year, the following changes have occurred in the authorized and the paid-up equity share capital of the Company:

The authorized share capital of the Company changed from Rs. 3.10 crore divided into 31, 00,000 equity shares of Rs. 10/- each to Rs. 12 crores divided into 1, 20, 00,000 equity shares of Rs. 10/- each.

The Company has allotted 92, 81,872 fully paid Bonus Shares to the existing shareholders of the company in proportion of 4 (four) new Equity Shares for every 1 (one) Equity Share held by them on the Record Date.

Hence, the paid-up capital of the Company increased from Rs. 2.32 crore to Rs. 11.60 crore.

### CORPORATE SOCIAL RESPONSIBILITY

The Company supports community welfare initiatives.

## DIRECTORS' RESPONSIBILITY STATEMENT

The Directors confirm that:

In the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same; They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profits of the Company for that period; They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and they have prepared the annual accounts on a going concern basis.

### ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE

Conservation of Energy: Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.

Export Activities: There was no export activity in the Company during the year under review. The Company is not planning any export in the near future as well.

Foreign Exchange Earnings and Outgo: There was no Foreign Exchange earnings and outgo during the year under review.

### FIXED DEPOSITS

The Company has not accepted/renewed any public deposits during the year under review.

### DIRECTORS

**Mr. Deepak Bansal**, Independent Director and Chairman of the Audit Committee of the Company, stepped down from the Board of the Company with effect from 27th February, 2012. The Board acknowledges and places on record its deep appreciation for the contribution made by Mr. Deepak Bansal as an Independent Director and the Chairman of the Audit Committee of the Company.

**Mrs Renu Jindal**, was appointed as an Additional Director on the Board of the Company with effect from 27th February 2012, in accordance with Section 260 and Articles of Association of the Company.

**Mr. Pawan Kumar Poddar**, Director retire by rotation and being eligible and offer himself for re-appointment. The Board recommends his re-appointment as Director subject to approval of the shareholders at the ensuing Annual General Meeting of the company.

### AUDITORS

M/s. S.K. Singhla & Associates, Chartered Accountants, retire as Auditors of the Company at the forthcoming Annual General Meeting and are eligible for reappointment.



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The Company has received confirmation that their appointment, if made, will be within the limits prescribed under Section 224(1B) of the Companies Act, 1956.

The Directors recommend that M/s. S.K. Singhla & Associates, Chartered Accountants be appointed as the Company's auditors to hold office until the conclusion of the next Annual General Meeting.

### PERSONNEL

There are no employees covered under the disclosure requirements as required by the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975 as amended.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

Forms part of Director's Report.

### CORPORATE GOVERNANCE

In terms of Clause 49 of the Listing Agreement with the stock exchanges a Corporate Governance Report is made part of this Annual report. The Company has not adopted the voluntary corporate governance guidelines 2009 issued by the Ministry of Corporate Affairs. However, the company on its own volition has adopted most of the guidelines issued by the Ministry and has been transparent in its dealings with the shareholders in particular and stake holders in general.

In compliance with Section 292A of the Companies Act, 1956 and with the Listing Agreement, an Audit Committee consisting

of two Independent Directors and one executive Director. The Company also has an Investors' Grievance Committee consisting of two Independent Directors and one executive Director. A certificate from the statutory auditors of the Company regarding compliance of the conditions stipulated for Corporate Governance under clause 49 of the Listing Agreement is attached to this report. The declaration by the Director addressed to the members of the Company pursuant to Clause 49 of the Listing Agreement regarding adherence to the Code of Conduct by the Members of the Board.

### APPRECIATIONS & ACKNOWLEDGEMENTS

Your Directors place on record their deep appreciation to employees at all levels for their hard work, dedication and commitment. The enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry.

The Directors also take this opportunity to thank all investors, clients, vendors, banks, regulatory and government authorities and stock exchanges, for their continued support.

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

Date: 3rd September, 2012  
Place: Delhi

Sd/-  
Subodh Kumar Khandelwal  
Director

Sd/-  
Meera Mishra  
Director



## MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT

### INDUSTRY STRUCTURE AND DEVELOPMENTS

#### ECONOMY OVERVIEW

For our Indian economy, this was a year of unfulfilled expectations owing to both domestic and external factors.

This year's performance of the Indian Economy has been disappointing when compared with the trend. A belated policy rate cut by the RBI and subsequent cut in interest rates by commercial banks in the beginning of FY 2012-13 seems unlikely to reverse the deterioration in business sentiment by itself unless the policy interface with the business concerns becomes more alert and responsive than it seems to have been for the last two years.

The financial services space is a rapidly growing one in India. During this period competition has intensified with the entry of several new players with large brands and well capitalized balance sheets as well as smaller ones. The bigger challenge for players is to achieve sustained and consistent returns on their investments, while managing their growth trajectory.

India's Gross Domestic Product (GDP) is estimated to grow by 6.9% in FY 2011-12, after having grown at the rate of 8.4% in each of the two preceding years.

A tight monetary policy which is impacted by investment and consumption growth. Fiscal conditions deteriorated during the year with key deficit indicators crossing the budget targets of FY 2011-12. Apart from sluggishness in tax revenues, Government's non-plan expenditure, particularly subsidies, increased sharply. The slippage in the fiscal deficit has added to inflationary pressures.

The Company's primary function is Leasing and Finance. It offers capital market solutions that include Leasing & Hire Purchase, with cost-effective value-added services for the benefit of our customers.

#### STRENGTH, WEAKNESS, OPPORTUNITY & THREATS ANALYSIS

Our Company has a mix of young and experienced talent which helps DLFL to transform itself with the changing times. Our Company continues to explore possibilities of new business for short term and medium term with the aim of establishing a niche market for itself in various products.

The weak outlook for the world economy and the deceleration in the domestic economy are expected to continue exerting pressure on growth prospects of DLFL. Our Business Performance may also be impacted by increased competition from the local and global players operating in India, regulatory changes and attrition in the employees

Our Company, with its present business model, envisages the deterioration in the business environment and formalization.

In the face of the opportunity that lies ahead, as well as the challenges with respect to the competitive environment, it would be paramount to sustain high paced growth and long-

term viability of the business model. The Company is having an excellent Research and Development Team. The Company is having team of Expert Advisors, who helps the Company in making Good Investment and Financial Decisions. The Company is exposed to all risk & threats.

#### SUBSIDIARY COMPANY

As there are no Subsidiaries of the Company, investment made in subsidiaries is NIL.

#### RISK MANAGEMENT

Managing various types of risks is an integral part of our business. Business and revenue growth have to be viewed in the context of the risks implicit in business strategy. Recognizing this, our Company has continued its endeavour to have in place a risk management framework in line with best practices in the industry.

At the executive level, we have a well qualified Executives which oversees all the risks viz. credit, market, liquidity and operational risks and any other risks, assumed by our Company.

Effective risk management is therefore critical to any organizational success. Globalization, with increasing integration of market, newer and more complex products and transactions and an increasing stringent regulatory framework has exposed organization to a newer risk. As a result, today's operating environment demands a rigorous and integrated approach to risk management. Timely and effective risk management is of prime importance for our continued success.

The sustainability of the business is derived from the following:

#### Risk Identification

- ✦ External and internal risk events, that must be managed and identified in the context of nature and its impact on business. These risk events are assessed by management and prioritized for development of risk mitigation.

#### Risk Mitigation

- ✦ This step comprises developing of a mitigation plan for the risks identified and to be treated on priority.

#### Risk Monitoring and Assurance

- ✦ Key risks are managed through a structure that cascades across the corporate and business. At the corporate level, management is responsible for the risk management process and reviewing the implementation and effectiveness of mitigation plans.

Our Company would continue to work on various initiatives which would not only help develop a more robust risk management framework but also inculcate a strong culture for risk management and awareness in the Company. The steps



taken would streamline the mechanism for effective overall institutional risk management at DLFL.

#### INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an established sound internal control system which contributes to safeguarding the shareholder's investment and company's assets. A sound system of internal control facilitates the effectiveness and efficiency of operations, helps ensure the reliability of internal and external reporting and assists compliance with laws and regulations.

Our Company has in place adequate systems of internal control and the internal audits are being carried out, based on the scope approved by the Audit Committee of Directors (ACD).

The company has an audit committee which regularly reviews the audit finding as well as the information security assurance services is also provided by independent external professionals. Based on their recommendations, the Company has implemented a number of measures both in operational and counting related areas apart from security related measures. All the above business control procedures ensure efficient use and protection of the resources and compliance with the policies, procedures and status.

#### HUMAN RESOURCES

The Company is providing an equal opportunity to all the employees to utilize their full potential and grow with the organization. Over the years we have developed strong HR practices aimed at ensuring that our employees are provided with an enabling environment for growth and higher levels of contribution.

#### CAUTIONARY STATEMENT

This report is describing the company's activities, projections about future estimates, assumptions regards to global economic conditions, government policies, etc it may contain

forward looking statement based on the information available with the company.

Forward looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management.

Hence the company assumes no responsibility in respect of forward looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

Company follows all mandatory accounting standards.

#### DISCLAIMER

Certain Statements in the Management Discussion and Analysis describing the company's views about the industry, expectations, objectives, etc may be understood 'forward looking statement' within the meaning of applicable laws and regulations. Factors like changes in Government regulations, tax laws and other factors such as industrial relations and economic developments etc. may further influence the company's operations or performance. Actual results may differ substantially or materially from those expressed or implied.

For and on behalf of the Board of Directors

Date: 3rd September, 2012  
Place: Delhi

Sd/-  
Subodh Kumar Khandelwal  
Director

Sd/-  
Meera Mishra  
Director



## Corporate Governance Report

### COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

Transparency and accountability are the two basic tenets of Corporate Governance. We, at DLFL, feel proud to belong to a Company whose visionary founders had laid the foundation stone for good governance long back and made it an integral principle of the business, as demonstrated in the words above.

Responsible corporate conduct is integral to the way we do our business. Our actions are governed by our values and principles, which are reinforced at all levels within the Company. We, at DLFL, are committed in doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with the applicable legislation. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices and regulatory compliance. We acknowledge our individual and collective responsibilities to manage our business activities with integrity.

To succeed, we believe, requires highest standards of corporate behaviour towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to sustainable, profitable growth and creating long term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

The Board of Directors ('the Board') of your Company is responsible for and committed to sound principles of Corporate Governance in the Company. The Board plays a crucial role in overseeing how the management serves the short and long term interests of shareholders and other stakeholders. This belief is reflected in our governance practices, under which we strive to maintain an effective, informed and independent Board. We keep our governance practices under continuous review and benchmark ourselves to the best practices across the globe.

### THE BOARD OF DIRECTORS

The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with the requisite powers, authorities and duties.

### COMPOSITION

The Board comprises such number of Non-Executive, Executive and Independent Directors as required under applicable legislation. As on date of this Report, the Board consists of four Directors comprising two Independent Directors and two Executive Directors. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business. The Chairman of the Board is an Executive Director.

During the year, Mr. Deepak Bansal, Independent Director have ceased to be Director of the Company with effect from 27th February, 2012. Mrs. Renu Jindal has been appointed as an Independent Director on the Board of the Company with effect from 27th February, 2012.

### COMPOSITION AND DIRECTORSHIP(S)/ COMMITTEE MEMBERSHIP(S) AS ON 31ST MARCH, 2012

Name	Date Of Joining The Board	Directorship In Other Companies	Membership of Committees of Other Companies	Chairmanship of Committees of Other Companies
Meera Mishra Executive Director & Chairman	19-12-2007	1	-	-
Subodh Kumar Khandelwal Executive Director	16-07-2004	-	-	-
Subodh Kumar Khandelwal Non-Executive Independent Director	16-07-2004	-	-	-
Renu Jindal Non-Executive Independent Director	27-02-2012	-	-	-
Pawan Kumar Poddar Non-Executive Independent Director	22-04-2010	1	1	-
Deepak Bansal* Non-Executive Independent Director	14-07-2004	-	-	-

- ✦ Ceased to be Director w.e.f 27th February, 2012.
- ✦ Excluding Private Limited Companies, Foreign Companies, Section 25 Companies and Alternate Directorships.
- ✦ Includes only Audit Committee and Shareholders' / Investors' Grievance Committee.

### APPOINTMENT & TENURE

The Directors of the Company are appointed by members at the General Meetings. All Directors, step down at the Annual General Meeting each year and, if eligible, offer themselves for re-election, in accordance with the Articles of Association of the Company.

The Executive Directors on the Board serve in accordance with the terms of their contracts of service with the Company.

### NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee meetings are pre-scheduled and a tentative annual calendar of Board and Committee meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. The Company Secretary prepares the agenda and the explanatory notes, in consultation with the Chairman & Directors and circulates the same in advance to the Directors. Every Director is free to suggest inclusion of items on the agenda. The Board meets at least once every quarter inter alia to review the quarterly results. Additional Meetings are held, when necessary. The Minutes of the proceedings of the Meetings of the Board of Directors are noted and the draft Minutes are circulated amongst the members of the Board for their perusal. Comments, if any, received from the Directors are also incorporated in the Minutes in consultation with the Chairman. The Minutes are approved by the members of the Board at the





next Meeting. The Meetings of the Board are generally held at its Registered office at 55, F.I.E., Patparganj, Industrial Area, Delhi-110 092. During the year under review, 12 meetings were held on

BOARD MEETINGS	
01	2 <sup>nd</sup> April 2011
02	26th April 2011
03	10th May 2011
04	5th July 2011
05	1st September 2011
06	6th September 2011
07	10th November 2011
08	31st January 2012
09	10th February 2012
10	27th February 2012
11	26th March 2012
12	31st March 2012

### BOARD BUSINESS

The normal business of the Board includes:

- ❖ Framing and overseeing progress of the Company's annual plan and operating framework;
- ❖ Strategies for shaping of portfolio and direction of the Company and for corporate resource allocation;
- ❖ Quarterly and annual business performance of the Company;
- ❖ Review of the Annual Report and accounts for adoption by the members;
- ❖ The progress of various functions and businesses of the Company;
- ❖ The functioning of the Board and its Committees;
- ❖ Consider and approve declaration/ recommendation of dividend;
- ❖ Details of significant development in human resources;
- ❖ Compliance with all relevant legislations and regulations and review of litigation status, including materially important show cause, demand, prosecution and penalty notices, if any;
- ❖ Corporate Restructuring such as Merger, Acquisition, Joint Venture or Disposals, if any;
- ❖ Recruitment of Directors on the Board;
- ❖ Review Corporate Social Responsibility activities of the Company;
- ❖ Details of risk evaluation and internal controls;
- ❖ Reports on progress made on the ongoing projects;

### BOARD SUPPORT

The Company Secretary is responsible for collation, review and distribution of all papers submitted to the Board for consideration. The Company Secretary is also responsible for the preparation of the agenda and convening of the Board Meetings. The Company Secretary attends all the meetings of the Board and its Committees, advises / assures the Board on Compliance and Governance principles and ensures appropriate recording of minutes of the meetings.

### COMMITTEES OF THE BOARD

The Board Committees play a crucial role in the governance structure of the Company and have been constituted to deal with specific areas / activities which concern the Company and need a closer review. The Board Committees are set up under the formal approval of the Board to carry out clearly defined roles which are considered to be performed by members of the Board, as a part of good governance practice. The Board supervises the execution of its responsibilities by the Committees and is responsible for their action. The minutes of the meetings of all the Committees are placed before the Board for review. The Board Committees can request special invitees to join the meeting, as appropriate.

The Board has constituted the following committees:

- ❖ Audit Committee
- ❖ Shareholder's /Investor Grievance Committee
- ❖ Share Transfer Committee

### AUDIT COMMITTEE

The Company has an Independent Audit Committee, which is headed by **Mr. Deepak Bansal** and comprises of **Mr. Pawan Kumar Poddar & Mrs. Meera Mishra** as members.

During the year, **Mrs Renu Jindal** was appointed as a member of the Audit Committee with effect from 27th February, 2012.

**Mr. Deepak Bansal** ceased to be the Chairman of the Audit Committee of the Company with effect from 27th February, 2012, consequent to his resignation from the Board of Directors.

**Mr. Pawan Kumar Poddar** was appointed as the Chairman of the Audit Committee effective 26th March, 2012. All the current members of the Committee have relevant experience in financial Matters.

The Audit Committee of the Company is entrusted with the responsibility to supervise the Company's internal controls and financial reporting process and inter alia performs the following functions:

- ❖ Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statements are correct, sufficient and credible;
- ❖ Recommending the appointment and removal of external auditors, fixation of audit fee and approval for payment of any other services;
- ❖ Reviewing with management the quarterly financial results before submission to the Board;
- ❖ Reviewing with management the annual financial statements before submission to the Board;
- ❖ Reviewing with management, external auditors and internal auditors, the adequacy of internal control systems;
- ❖ Reviewing the adequacy of internal audit function;
- ❖ Discussing with internal auditors any significant finding



and reviewing the progress of corrective actions on such issues;

- ❖ Reviewing the findings of any internal investigations by the internal auditors in matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and then reporting such matters to the Board;
- ❖ Discussing with external auditors, before the audit commences, on the nature and scope of audit as well as having post-audit discussion to ascertain area of concern, if any;
- ❖ Reviewing the Company's financial and risk management policies;

The Audit Committee also reviews the functioning of the Code of Business Principles and Whistle Blower Policy of the Company and cases reported there under.

The Company Secretary **Ms. Simran Kaur Kharbanda** acts as the Secretary to the Committee. The minutes of each Audit Committee meeting are placed and discussed in the next meeting of the Board.

The Audit Committee met five times during the financial year ended 31st March, 2012 on 10th May 2011, 5th July 2011, 10th November 2011, 10th February 2012 and 27th February 2012

#### SHAREHOLDERS'/INVESTORS GRIEVANCE COMMITTEE

The Shareholders' / Investors' Grievance Committee comprises Mr. Deepak Bansal as Chairman with Mr. Pawan Kumar Poddar and Mr. Meera Mishra as members of the Committee.

During the year, Mrs Renu Jindal was appointed as a member of the Committee with effect from 27th February, 2012.

Mr. Deepak Bansal ceased to be the Chairman of the Audit Committee of the Company with effect from 27th February, 2012.

The Shareholders' / Investors' Grievance Committee stands reconstituted with Mr. Pawan Kumar Poddar chairing the committee and Mrs. Meera Mishra and Mrs. Renu Jindal as the Members of the Committee.

The Committee is entrusted with the responsibility of addressing the shareholders' and investors' complaints with respect to transfer of shares, non-receipt of annual report, non-receipt of declared dividend, etc. and ensuring an expeditious share transfer process in line with the proceedings of the Share Transfer Committee.

The Committee also evaluates performance and service standards of the Registrar and Share Transfer Agent of the Company and also provides continuous guidance to improve the service levels for the investors. During the financial year ended 31st March, 2012, the Committee met five times during the financial year ended 31st March, 2012 on 10th May 2011, 5th July 2011, 10th November 2011, 10th February 2012 and 27th February 2012.

#### SHARE TRANSFER / TRANSMISSION COMMITTEE

The Share Transfer / Transmission Committee is formed as per the requirement of relevant rules and to exclusively look into share transfer and related applications received from

shareholders, with a view to accelerate the transfer procedures.

The Committee comprises three Directors of the Board. The Committee considers applications for transfer, splitting up, consolidating share certificates and to order for cancellation of any share certificate and comply with the provisions in this regard. The Committee is authorised to sign, seal or issue any new share certificate as a result of transfer, consolidation, splitting or in lieu of share certificates lost, defaced or destroyed.

The Committee meets at regular intervals to approve the share transfers and other related matters.

#### ATTENDANCE OF DIRECTORS AT BOARD AND COMMITTEE MEETINGS

The following table shows the attendance of Directors at Board and Committee Meetings for the year ended 31st March, 2012. Attendance is expressed as number of meeting(s) attended out of number of meeting(s) eligible to attend.

Name	Board Meetings	Audit Committee	Shareholders' / Investors' Grievance Committee
Meera Mishra	12 of 12	5 of 5	5 of 5
Subodh Kumar Khandelwal	12 of 12	-	-
Renu Jindal**	2 of 12	1 of 5	1 of 5
Pawan Kumar Poddar	12 of 12	5 of 5	5 of 5
Deepak Bansal*	10 of 12	4 of 5	4 of 5*

\*Ceased to be a Director and Chairman of the Audit Committee & Shareholders'/Investors' Grievance Committee w.e.f. 27.02.2012.

\*\* Appointed as a Director and a Member of the Audit Committee w.e.f. 27.02.2012

The last Annual General Meeting of the Company held on 30th Nov, 2011 was attended by all the members of the Board of Directors.

#### COMPANY POLICIES

##### Code of Conduct

The Code of conduct is the Company's statement of values and represents the standard of conduct which all employees are expected to observe in their business endeavours. The Code reflects the Company's commitment to principles of integrity, transparency and fairness. The Code of Conduct forms part the Annual Report & can be accessed at the website of the Company [www.deltaleasing.in](http://www.deltaleasing.in).





## PREVENTING CONFLICT OF INTERESTS

The Board of Directors is responsible for ensuring that rules are in place to avoid conflict of interest by the Board members. The Board has adopted the Code of Conduct for the members of the Board and Senior Management Team.

The Code provides that members of the Board are required to avoid any interest in contracts entered into by the Company. If such an interest exists, the members of the Board are required to make disclosure to the Board and to abstain from discussion, voting or otherwise influencing the decision on any matter in which the concerned Director has or may have such interest.

## COMPANY POLICIES

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The Code provides that members of the Board are required to avoid any interest in contracts entered into by the Company. If such an interest exists, the members of the Board are required to make disclosure to the Board and to abstain from discussion, voting or otherwise influencing the decision on any matter in which the concerned Director has or may have such interest.

The Code also restricts the Directors from accepting any gifts or incentives in their capacity as Director of the Company, except what is duly authorised under the Company's Gift Policy. A copy of the said Code of Conduct is available on the website of the Company.

## AFFIRMATION AND DISCLOSURE

All the members of the Board and the Committee have a potential conflict with the interests of the Company at large.

All the details relating to financial and commercial transactions where Directors may have pecuniary Interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.

There were no materially significant related party transactions, pecuniary transaction or relationships between the Company and its Directors for the financial year ended 31st March, 2012 that may have a potential conflict with the interests of the Company at large.

All details relating to financial and commercial transactions where Directors may have a pecuniary interest are provided to the Board and the interested Directors neither participate in the discussion nor do they vote on such matters.

## DISCLOSURE OF PENDING CASES / INSTANCES OF NON-COMPLIANCE

There were no instances of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority on any matter related to the capital market during the last three years.

The Company is involved in certain legal cases related to disputes over title to shares arising in the ordinary course of share transfer operations. However, none of these cases are material in nature, which may lead to material loss or expenditure to the Company.

## SECRETARIAL AUDIT REPORT

The Company has also undertaken Secretarial Audit for the year 2011-12 which, inter alia, includes audit of compliance with Companies Act, 1956 and Rules made under the Act, Listing Agreement and Regulations and Guidelines prescribed by the Securities and Exchange Board of India.

## SHAREHOLDER INFORMATION

General Body Meetings Details of last three Annual General Meetings and the summary of Special Resolutions passed therein are as under:



Financial Year Ended	Date and Time	Venue	Special Resolution Passed
31st March, 2009	15 <sup>th</sup> September 2009,2:30pm	88,Baldev Park, Parwana Road, Delhi-110 051	No Special Resolution was passed at this meeting.
31st March, 2010	30 <sup>th</sup> September 2010,2:30pm	88,Baldev Park, Parwana Road, Delhi-110 051	No Special Resolution was passed at this meeting.
31st March, 2011	30 <sup>th</sup> July 2011,12:30pm	55,F.I.E Patparganj Industrial Area,Delhi-110 092	No Special Resolution was passed at this meeting.

#### Annual General Meeting 2012

Date	Thursday, 27th September, 2012
Venue	55, F.I.E., Patparganj Industrial Area, Delhi-110 092
Time	12:30 P.M.
Book Closure Dates	26th September, 2012 to 27 <sup>th</sup> September, 2012
Last Date of receipt of Proxy Forms	Wednesday, 26 <sup>th</sup> September, 2012 before 12.30 p.m. at the Registered Office of the Company

#### Calendar of financial year ended 31st March, 2012

The meetings of Board of Directors for approval of quarterly financial results during the financial year ended 31st March, 2012 were held on the following dates:

First Quarter Results	10th May, 2011
Second Quarter and Half yearly Results	5th July, 2011
Third Quarter Results	10th November, 2011
Fourth Quarter and Annual Results	10th February, 2012

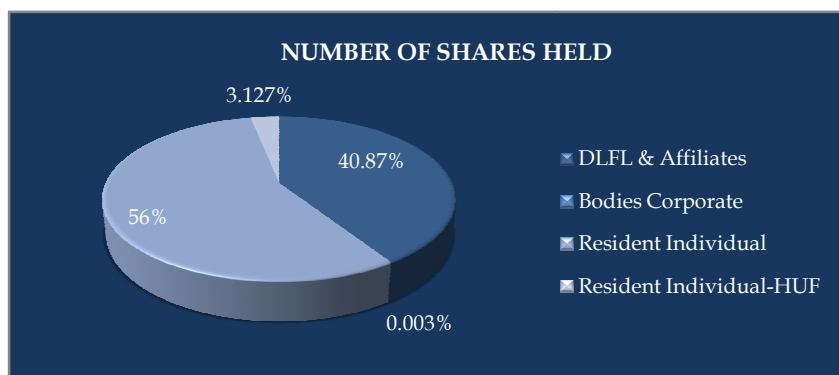
#### DISTRIBUTION OF SHAREHOLDING AS ON 31ST MARCH, 2012

SHARE HOLDING OF NOMINAL VALUE OF RS.	NUMBER OF SHAREHOLDERS	% TO TOTAL	NO. OF SHARES	AMOUNT IN RS.	% TO TOTAL
1 UP TO 5000	2,061	96.35	1,18,970	11,89,700	1.0254
5001 TO 10000	9	0.42	5,875	58,750	0.0506
10001 TO 20000	1	0.05	1,100	11,000	0.0095
20001 TO 30000	2	0.09	5,175	51,750	0.0446
30001 TO 40000	5	0.23	19,250	1,92,500	0.1659



40001 TO 50000	9	0.42	40,300	4,03,000	0.3473
50001 TO 100000	5	0.23	39,995	3,99,950	0.3447
100001 AND ABOVE	47	2.20	1,13,71,675	11,37,16,750	98.0119
<b>TOTAL</b>	<b>2,139</b>	<b>100.0</b>	<b>1,16,02,340</b>	<b>11,60,23,400</b>	<b>100.0</b>

Categories of Shareholders as on 31st March, 2012			
Category of Holdings	No. of folios	Shares Held	%
DLFL & Affiliates	40	47,41,710	40.87
<b>PUBLIC CATEGORY</b>			
Bodies Corporate	8	375	0.003
Resident Individual	2081	64,97,505	56
Resident Individual-HUF	10	3,62,750	3.127
<b>TOTAL</b>	<b>2139</b>	<b>1,16,02,340</b>	<b>100</b>



Top 10 Shareholders as on 31st March, 2012 (Other than promoters)

S.No.	Name	Holdings	%
1.	Vaibhav Jain	21,25,000	18.315
2.	Ritu Jain	4,80,000	4.137
3.	Madhur Jain	4,80,000	4.137
4.	Saurabh Jain	4,80,000	4.137
5.	Surendra Kumar Jain	2,80,000	2.413
6.	Pradeep Kumar Jain	2,80,000	2.413
7.	Narender Kumar Gupta	2,00,000	1.724
8.	Gourav Aggarwal	2,00,000	1.724
9.	Anil Kumar Jain	2,00,000	1.724
10.	Elin Jain	1,60,000	1.379
	<b>Total</b>	<b>48,85,000</b>	<b>42.103</b>



**Listing Details**

Name of Stock Exchange	Scrip Code
Delhi Stock Exchange Limited (DSE)	4039

The listing fee for the financial year ended 2012-13 has been paid to the above Stock Exchanges.

**Share Price Data**

The monthly high and low prices and volumes of shares of the Company At Delhi Stock Exchange Limited (DSE) for the year ended 31st March, 2012 are as under:

Month	High	Low	Closing (Rs.)
Apr-11	Not Traded	-	-
May-11	Not Traded	-	-
Jun-11	Not Traded	-	-
Jul-11	Not Traded	-	-
Aug-11	Not Traded	-	-
Sep-11	Not Traded	-	-
Oct-11	Not Traded	-	-
Nov-11	Not Traded	-	-
Dec-11	Not Traded	-	-
Jan-12	Not Traded	-	-
Feb-12	Not Traded	-	-
Mar-12	Not Traded	-	-

**Mergers / Amalgamation**

Name of the Company	Merger / Demerger	Appointed Date	Effective Date	Date of Allotment	Share Ratio
Euphoria Capital Private Limited	Merger in Delta Leasing and Finance Limited	1-Apr-09	2-Aug-11	1-Sep-11	16:1
Juneja Nagpal Constructions Private Limited					17:1
Modi Commercial Deals Limited					4:1
Ganga Debt Recovery Agency Private Limited					7:1

2272468 Equity Shares of Rs. 10/- each were allotted to the Shareholder of the transferor company as per the Share Exchange Ratio.

**COMMUNICATION TO SHAREHOLDERS**

Effective communication of information is an essential component of corporate governance. It is a process of sharing information, ideas, thoughts, opinions and plans to all stakeholders which promotes management-shareholder relations. The Company regularly interacts with shareholders through multiple channels of communication such as results announcement, annual report, Company's website and subject specific communications.



The quarterly, half yearly and annual results of the Company's performance are published in leading newspapers such as **The Financial Express**, **The Hari Bhoomi**. These results are also made available on the website of the Company [www.deltaleasing.in](http://www.deltaleasing.in).

**DELTA LEASING AND FINANCE  
LIMITED**

**REGISTERED OFFICE:**

55,F.I.E,Patparganj, Industrial Area,  
Delhi-110092

Website : [www.deltaleasing.in](http://www.deltaleasing.in)

**REGISTRAR AND  
SHARE TRANSFER  
AGENT**

Beetal Financial & Computers Services (P)  
Ltd.

Beetal House,3<sup>rd</sup> Floor,99,Madangir,  
Behind Local Shopping Center,  
Near Dada Harsukhdas Mandir,  
New Delhi-110 062

E-mail : [beetalrta@gmail.com](mailto:beetalrta@gmail.com)

**COMPLIANCE OFFICER &  
COMPANY SECRETARY**

Ms Simran Kaur Kharbanda  
Legal Head and  
Company Secretary

[E-mail : simrankaur@deltaleasing.in](mailto:simrankaur@deltaleasing.in)

[Email : cssimrankaur@deltaleasing.in](mailto:cssimrankaur@deltaleasing.in)

Phone : 011-42420164,  
011-2215044



**DECLARATION BY THE DIRECTOR UNDER CLAUSE 49 OF THE LISTING AGREEMENT  
REGARDING ADHERENCE TO THE CODE OF CONDUCT**

In accordance with Clause 49 sub-clause I (D) of the Listing Agreement with the Stock Exchanges, I hereby confirm that, all the Directors and the Senior Management personnel of the Company have affirmed compliance to their respective Codes of Conduct, as applicable to them for the Financial Year ended March 31, 2012.

Date: 03.09.2012  
Place: New Delhi

For Delta Leasing & Finance Limited  
Sd/-  
**Meera Mishra**  
(Director)

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**AUDITORS' CERTIFICATE**  
**(UNDER CLAUSE 49 OF THE LISTING AGREEMENT)**

To

**The Members of Delta Leasing & Finance Ltd.**

We have examined the compliance of conditions of Corporate Governance by M/s Delta Leasing & Finance Ltd., ("the Company") for the year ended on March 31, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange(s).

The Compliance of Conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

Date: 03.09.2012

Place: New Delhi

For **S.K. Singhla & Associates**  
Chartered Accountants

Sd/-  
**Vinod Kumar**  
(Partner)  
M. No. 96532  
Firm Reg No. 005903N

**AUDITORS' REPORT**  
**TO THE MEMBERS OF DELTA LEASING AND FINANCE LIMITED**

1. We have audited the attached Balance Sheet of Delta Leasing and Finance Limited, as at 31st March, 2012, the Profit and Loss Account and the Cash Flow Statement of the Company for the year 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.
2. We conducted our audit in accordance with Auditing Standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test check 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 presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, and as amended by the Company (Auditor's Report) (Amendment) Order, 2004 as issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us we enclose in the Annexure hereto a statement on the matters specified in paragraph 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - (b) In our opinion, proper Books of Accounts as required by law have been kept by the Company so far as appears from our examination of the books;
  - (c) The Balance Sheet, the Profit and Loss account and the Cash Flow Statement dealt with by this report are in agreement with the books of accounts;
  - (d) In our opinion the Balance Sheet, the Profit and Loss Account and the 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;
  - (e) On the basis of written representations received from the Directors as on 31st March, 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 31st March, 2012 from being appointed as a director in terms of clause (g) of sub Section (1) of Section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 present a true and fair view in conformity with the accounting principles generally accepted in India:
  - (a) In the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March, 2012; and
  - (b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.
  - (c) In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

For **S.K. SINGLA & ASSOCIATES**  
**Chartered Accountants**  
**Firm No. 005903N**  
**Sd/-**

**Place: New Delhi**  
**Dated: 03.09.2012**

**(CA VINOD KUMAR)**  
**PARTNER**  
**M.NO. 096532**



ANNEXURE TO AUDITORS' REPORT

**(Referred to in Paragraph 3 of our Report of even date on the accounts of Delta Leasing and Finance Limited, for the year ended on 31st March, 2012)**

- i) (a) The Company has maintained proper records to showing full particulars including quantitative details and situation of fixed assets.  
(b) The Company has a program of physical verification of its fixed assets which in our opinion is reasonable, having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such physical verification.  
(c) As per the information and explanation given to us during the year, the Company has not disposed off substantial part of the fixed assets that would affect the going concern.
- ii) The Company is a service company, primarily engaged in lending and investing activities. Accordingly it does not hold any physical inventories. The paragraph 4(ii) of the Order is not applicable to the Company.
- iii) According to the information and explanations given to us the Company has neither granted nor taken any loan secured/unsecured to/from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. Accordingly provision of clause (iii)(a) to (iii)(g) of paragraph 4 of the Order are not applicable to the Company.
- iv) In our opinion and according to information and explanations given to us there is an adequate internal control system commensurate with the size of the Company and nature of its business with regard to the purchase of fixed assets and also for the sale of the goods and services. Further on the basis of our examination of the books of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across nor have we been informed of any instance of major weaknesses in the aforesaid internal control system.
- v) (a) In our opinion and according to the information and explanations given to us the transactions made in pursuance contracts or arrangements that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.  
(b) In our opinion, and according to information and explanations given to us, the transactions made in pursuance of contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant times.
- vi) The Company has not accepted any deposits from the public hence directive issued by the Reserve Bank of India and the provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act 1956 and the Companies (Acceptance of Deposits) Rules, 1975. Therefore, the provisions of clause 4(vi) of CARO are not applicable to the Company.
- vii) In our opinion, the Company has an internal audit system commensurate with the size & nature of its business.
- viii) According to the information and explanations given to us. The Central Government has not prescribed the maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 in respect of activities carried on by the Company. Hence the provision of clause 4(viii) of the Order is not applicable to the Company.
- ix) (a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Excise Duty, Custom Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities during the year and there are no undisputed statutory dues outstanding as at March 31, 2012 for a period exceeding six months from the date they become payable.

- (b) According to the information and the explanations given to us and as per the books and records examined by us, there are no dues of Income Tax, Sales Tax, Custom Duty, Wealth Tax, Service Tax, Excise Duty and Cess which have not been deposited on account of any dispute.
- x) The Company neither has accumulated losses nor has it incurred any cash losses during the current financial year and in the immediately preceding financial year.
- xi) According to the information and explanations given to us we are of the opinion that the Company has not defaulted in repayment of dues to any bank. The Company has not borrowed any amount from any financial institution or debenture holder.
- xii) According to the information and explanations given to us and based on the documents and records produced to us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii) The provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company as the company is not a chit fund or a Nidhi/mutual benefit fund/ society.
- xiv) In our opinion, the Company has maintained proper records of the transactions and contracts in respect of investments in shares and units and timely entries have been made therein and the shares and units have been held by the company in its own name.
- xv) To the best of our information the Company has not given any guarantee for loans taken by others from bank or financial institutions.
- xvi) To the best of our information and explanations given to us the term loans have been applied for the purpose for which the Company has obtained them.
- xvii) According to the information and explanations given to us and on an overall examination of the books of accounts of the Company, we report that no funds raised on short-term basis have been used for long term investments.
- xviii) The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix) The Company has not issued any debentures during the year.
- xx) The Company has not raised any money by public issues during the year.
- xxi) In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the course of our audit.

For S.K. SINGLA & ASSOCIATES  
Chartered Accountants  
Firm No. 005903N

Place: New Delhi  
Dated: 03.09.2012

Sd/-  
(CA VINOD KUMAR)  
PARTNER  
M.NO.96532

**DELTA LEASING AND FINANCE LIMITED**  
Notes to Financial Statements as at March 31, 2012

**1. Background:**

Delta Leasing and Finance Limited ('the Company') is registered under the provisions of Companies Act, 1956. The company is principally engaged in lending and investing activities.

**2. Significant Accounting Policies:**

**A. Basic of preparation of Financial statements** The accompanying financial statements are prepared and presented under the historical cost convention on the accrual basis of accounting unless otherwise stated and comply with the accounting standard prescribed by the companies (accounting Standards ) Rules, 2006 and the relevant provisions of the companies Act, 1956 to the extent applicable.

The company complies in all material respects, with the prudential norms relating to income recognition asset classification and provisioning for bad and doubtful debts and other matters.

**B. Use of estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period.

Difference between the actual results and estimates are recognized in the period in which the results are known/ materialized.

**C. Revenue Recognition:**

**i) Interest Income:**

Interest income is recognized as it accrues on a time proportion basis taking into account the amount outstanding and the rate applicable except in the case of non performing assets ('NPAs') where is recognized, upon realization.

**ii) Dividend income:**

Dividend income is recognized when the right to received payment is established.

**iii) Income from investments:**

Profit earned from sale of securities is recognized on trade date basis. The cost of securities is computed based on weighted average basis.

**iv) Discount on investments:**

The Difference between the acquisition cost and face value of debt instruments are recognized as interest income over the tenor of the instrument on straight line basis.

**iv) Loan processing fee income:**

Loan processing fee income is recognized as and when it becomes due.

**v) Management fee income:**

Management fee income toward support services is accounted as and when it becomes due on contractual terms with the parties.

**D. Fixed assets**

Fixed assets are stated at cost of acquisition less accumulated depreciation and impairment loss if any. Cost includes all expenses incidental to the acquisition of the fixed assets.

**E. Depreciation:**

Depreciation on straight Line method over the useful life of assets.

**F. Impairment of Assets:**

The company assesses at each balance sheet date whether there is any indication that an asset may be impaired: if any such indication exists. The company estimates the recoverable amount of the asset. If such recoverable amount of the asset is less that the carrying amount. The carrying amount is reduced to its recoverable amount. The reduction is

treated as an impairment loss and is recognized in the statement of profit and loss if at the balance sheet date there is an indication that a previously assessed impairment loss no longer exists the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

**G. Investments:**

Investments are classified as long term or current based on intention of the management at the time of purchase. Current investments are valued scrip wise at cost or fair value whichever is lower.

**H. Repossessed assets:**

Assets repossessed against the settlement of loans are carried in the balance sheet at outstanding loans amount or market value whichever is lower. The difference between the outstanding loan amount and the market value is charged to statement of profit and loss in the year of repossession of assets.

**I. Loan origination/acquisition cost:**

All direct cost incurred for the origination is amortized over the average tenure of the loan.

**K. Borrowing cost:**

Borrowing cost: which are directly attributable to the acquisition/ construction of fixed assets, till the time assets are ready for intended use, are capitalized as part of the cost of the assets. Other borrowing costs are recognized as expenses in the year in which they are incurred. Borrowing cost directly attributable to borrowing are expense over the tenure of the borrowing.

**L. Earning Per Share:**

The basic earning per shares is computed by dividing the net profit/loss attributable to the equity shareholder for the period by the weighted average number of equity shares outstanding during the reported year. Diluted earning per share reflects the potential dilution that could occur if securities or other contract to issue equity shares were exercised or converted during the year. Diluted earning per share is computed by dividing the net profit after tax by weighted average number of equity shares and dilutive potential equity shares outstanding during the year.

In computing dilutive earning per share, only potential equity shares that are dilutive and that reduce profit/increase loss per share are included.

**M. Taxation:**

**i) Current Tax:**

Provision for current tax made after taking into consideration benefit admissible under the provision of the income tax act, 1961. Minimum alternate tax (MAT) credit entitlement is recognized where there is convincing evidence that the same can be realized in future.

**ii) Deferred Tax:**

The deferred tax charge or credit and the corresponding deferred tax liability or assets are recognized using the tax rate that have been enacted or substantively enacted by the balance sheet date. Deferred tax assets are recognized only to the extent there is reasonable certainty that the assets can be realized in future however where there is unabsorbed depreciation or carried forward loss under taxation laws. Deferred tax assets are recognized only if there is virtual certainty or realization of such assets. Deferred tax assets are reviewed as at each balance sheet date and written down or written up to reflect the amount that is reasonably/ virtual certain (as the case may be) to be realized.

3. The financial statement for the period ended March 31, 2012 had been prepared as per the then applicable Schedule VI to the companies act, 1956. Consequent to the notification to the Revised Schedule VI under the companies act, 1956, the financial statement for the period ended march 31, 2012 have been prepared as per Revised Schedule VI. Accordingly the previous year's figures does not impact recognition and measurement principle followed for preparation of financial statement.

# DELTA LEASING AND FINANCE LIMITED

Balance Sheet as at 31st March, 2012

(Figures in Rupees)

	Note No.	As at 31/03/2012	As at 31/03/2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>A Shareholders' Funds</b>			
(i) Share Capital	1	116,023,400	23,204,680
(ii) Reserves and Surplus	2	95,086,950	187,154,920
		<u>211,110,350</u>	<u>210,359,600</u>
<b>B Non-Current Liabilities</b>			
		0	0
		<u>0</u>	<u>0</u>
<b>C Current Liabilities</b>			
(i) Short-term Borrowings	3	0	1,100,000
(ii) Other Current Liabilities	4	393,751	56,110
		<u>393,751</u>	<u>1,156,110</u>
		<u>211,504,101</u>	<u>211,515,710</u>
<b>II. ASSETS</b>			
<b>A Non-Current Assets</b>			
(i) Fixed Assets			
(a) Intangible Assets		0	0
(b) Tangible Assets	5	31,433	0
(ii) Non-Current Investments	6	51,709,860	22,300,000
(iii) Long-term Loans and Advances	7	155,323,224	149,897,645
(iv) Other Non-Current Assets		0	0
		<u>207,064,517</u>	<u>172,197,645</u>
<b>B Current Assets</b>			
(i) Inventories	8	0	36,357,318
(ii) Cash and Bank Balances	9	2,828,280	1,603,313
(iii) Other Current Assets	10	1,611,304	1,357,434
		<u>4,439,584</u>	<u>39,318,065</u>
		<u>211,504,101</u>	<u>211,515,710</u>

See accompanying Notes to the Financial Statements 1-22

As per our report of even date attached

For S.K. SINGLA & ASSOCIATES  
Chartered Accountants  
FRN- 005903N

For and on Behalf of the Board  
DELTA LEASING AND FINANCE LIMITED

Sd/-  
(CA Vinod Kumar)  
PARTNER  
M.NO. 096532

Sd/-  
(Subodh Kumar Khandelwal)  
Director

Sd/-  
(Meera Mishra)  
Director

Sd/-  
(Simran Kaur Kharbanda)  
Company Secretary

Place: Delhi

Dated: 03.09.2012

**DELTA LEASING AND FINANCE LIMITED**  
**Statement of Profit and Loss for the year ended 31st March, 2012**

(Figures in Rupees)

	Note No.	Year ended 31/03/2012	Year ended 31/03/2011
<b>I. REVENUES</b>			
(a) Revenue from Operations	11	6,225,548	2,200,231
(b) Other Income	12	36,770,356	19,689
<b>Total Revenues</b>		<b>42,995,904</b>	<b>2,219,920</b>
<b>II. EXPENSES</b>			
(a) Changes in Inventories	13	36,357,318	0
(b) Employee Benefits Expenses	14	2,776,356	1,044,940
(c) Depreciation and Amortization	15	2,567	0
(d) Other Expenses	16	2,716,638	478,400
(e) Prior Period Items	17	41,439	
<b>Total Expenses</b>		<b>41,894,318</b>	<b>1,523,340</b>
<b>III Profit/ (Loss) before Exceptional and Extraordinary items and Tax</b>		<b>1,101,586</b>	<b>696,580</b>
Exceptional Items		0	-
<b>IV Profit/ (Loss) before Extraordinary items and Tax</b>		<b>1,101,586</b>	<b>696,580</b>
Extraordinary Items		0	-
<b>V. Profit before Tax</b>		<b>1,101,586</b>	<b>696,580</b>
<b>VI Tax Expenses:</b>			
(a) Current Tax	18	350,836	215,805
(b) Deferred Tax		0	0
Profit/ (Loss) for the period from continuing Operations		<b>750,750</b>	<b>480,775</b>
Profit/ (Loss) for the period		<b>750,750</b>	<b>480,775</b>
<b>VI Earnings per Equity Share:</b>			
Basic	19	0.06	0.21
Diluted		0.06	0.21

See accompanying Notes to the Financial Statements 1-22

As per our report of even date attached

For S.K. SINGLA & ASSOCIATES  
Chartered Accountants  
FRN- 005903N

For and on Behalf of the Board  
**DELTA LEASING AND FINANCE LIMITED**

Sd/-  
(CA Vinod Kumar)  
PARTNER  
M.NO. 096532

Sd/-  
(Subodh Kumar Khandelwal)  
Director

Sd/-  
(Meera Mishra)  
Director

Sd/-  
(Simran Kaur Kharbanda)  
Company Secretary

Place: Delhi  
Dated: 03.09.2012

**DELTA LEASING AND FINANCE LIMITED**  
Cash Flow Statement for the year ended 31st March, 2012

(Figures in Rupees)

	Year ended 31/03/2012	Year ended 31/03/2011
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Profit before Extra Ordinary items Tax	1,101,586	696,580
Adjustment for :		
Depreciation and Amortization Expenses	2,567	0
Operating profit before working capital changes	<b>1,104,153</b>	<b>696,580</b>
Changes in working Capital:		
Inventories	36,357,318	0
Trade and other Receivables	-253,870	-69,896,745
Trade and other Payables	-762,359	-13,722,005
Cash generation from Operation	<b>36,445,242</b>	<b>-82,922,170</b>
Payment of Direct Taxes	-350,836	-11,513
<b>Net Cash generated/ (used) - Operating Activities</b>	<b>36,094,406</b>	<b>-82,933,683</b>
<b>B. CASH FLOW FROM INVESTMENT ACTIVITIES</b>		
Purchase of Fixed Assets	-34,000	0
Purchase of Investments	-42,409,860	0
Sale of Investments	13,000,000	80,444,190
<b>Net Cash Generated/ (Used) - Investing Activities</b>	<b>-29,443,860</b>	<b>80,444,190</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of Shares (Net of Expenses)	-	0
Long-term Advances provided	-5,425,579	
<b>Net Cash Generated/ (Used) - Financing Activities</b>	<b>-5,425,579</b>	<b>0</b>
<b>Net Increase/ (Decrease) in Cash and Cash Equivalents (A+B+C)</b>	1,224,967	-2,489,493
Add : Opening Cash and Cash Equivalents	1,603,313	4,092,806
Closing Cash and Cash Equivalents	<b>2,828,280</b>	<b>1,603,313</b>

As per our report of even date attached

For S.K. SINGLA & ASSOCIATES  
Chartered Accountants  
FRN- 005903N

For and on Behalf of the Board  
DELTA LEASING AND FINANCE LIMITED

Sd/-  
(CA Vinod Kumar)  
PARTNER  
M.NO. 096532

Sd/-  
(Subodh Kumar Khandelwal)  
Director

Sd/-  
(Meera Mishra)  
Director

Sd/-  
(Simran Kaur Kharbanda)  
Company Secretary

Place: Delhi  
Dated: 03.09.2012



**DELTA LEASING AND FINANCE LIMITED**  
Notes to the Financial Statements as at 31st March, 2012

		Figures in Rupees	
		As at	As at
		31/03/2012	31/03/2011
<b>1 SHARE CAPITAL:</b>			
<b>A. Authorized, Issued, Subscribed and Paid-up Share Capital</b>			
<b>Authorized:</b>			
12000000 (Previous year 3100000) Equity Shares of Rs. 10/- each.		120,000,000	31,000,000
		<b>120,000,000</b>	<b>31,000,000</b>
<b>Issued:</b>			
11602340 (Previous year 2320468) Equity Shares of Rs. 10/- each.		116,023,400	23,204,680
		<b>116,023,400</b>	<b>23,204,680</b>
<b>Subscribed and Paid-up:</b>			
11602340 (Previous year 2320468) Equity Shares of Rs. 10/- each.		116,023,400	23,204,680
		<b>116,023,400</b>	<b>23,204,680</b>

**B. Reconciliation of Shares outstanding at the beginning and at the end of year are given below:**

	2011-12		2010-11	
	Numbers	Amount	Numbers	Amount
Equity Shares outstanding at the beginning of the year	2,320,468	23,204,680	2,320,468	23,204,680
Add: Bonus Shares Issued during the year	9,281,872	92,818,720	-	-
Add: Allotted due to Amalgamation	0	0	-	-
Equity Shares outstanding at the end of the year	<b>11,602,340</b>	<b>116,023,400</b>	<b>2,320,468</b>	<b>23,204,680</b>

(a). Detail of Equity Shares of ` 10/- each fully paid-up issued/ allotted during the year:	2011-12	2010-11
i. Number of Equity Shares issued and allotted against exercise of Bonus Issue.	9,281,872	-
ii. Number of Equity Shares issued against amalgamation.	-	-
	<b>9,281,872</b>	-

**C. Detail of shareholder holding more than 5 percent shares of the Company as on reporting date are given below:**

Name of shareholder	As at 31/03/2012		As at 31/03/2011	
	Numbers of Shares held	Percentage of Holding	Numbers of Shares held	Percentage of Holding
Vaibhav Jain	2,125,000	18.32%	-	-
	-	-	-	-
Total	-	18.32%	-	-

**D. Detail of shares allotted without payment being received in cash during five years immediately preceding the Balance Sheet date**

	Year ended				
	31/03/2012	31/03/2011	31/03/2010	31/03/2009	31/03/2008
<b>Equity Shares:</b>					
Fully paid up pursuant to contract without					
Fully paid up by way of bonus shares	9,281,872	-	-	-	-
Fully paid up by way of Amalgamation	-	-	-	-	-

		Figures in Rupees	
		As at	As at
		31/03/2012	31/03/2011
<b>2 RESERVES AND SURPLUS:</b>			
Reserves and Surplus consist of the following:			
Special Reserve u/s 45-IC of RBI Act, 1934		168,053	17,903
Securities Premium Account		94,287,500	187,106,220
		<b>94,455,553</b>	<b>187,124,123</b>
Surplus i.e. balance in Statement of Profit and Loss - (b)		631,397	30,797
		<b>95,086,950</b>	<b>187,154,920</b>

(a) Additions and deductions since the last Balance Sheet under each head of Reserve are as under:

		Figures in Rupees			
		As at			As at
		31/03/2011	Additions	Deductions	31/03/2012
Special Reserve u/s 45-IC of RBI Act 1934		17,903	150,150	0	168,053
Securities Premium Account		187,106,220	0	92,818,720	94,287,500
Profit & Loss A/C		30,797	750,750	150,150	631,397
		<b>187,154,920</b>	<b>900,900</b>	<b>92,968,870</b>	<b>95,086,950</b>

(b) Allocations and appropriations in Surplus i.e. balance in Statement of Profit and Loss are as under:

		Figures in Rupees	
		As at	As at
		31/03/2012	31/03/2011
Opening Balance		37,301	-443,474
Add: Profit for the period		750,750	480,775
		<b>788,051</b>	<b>37,301</b>
Less: Tax adjustment related to Previous Years		0	0
Less: Transfer to Special Reserve u/s 45-IC of RBI Act 1934		150,150	0
Closing Balance		<b>637,901</b>	<b>37,301</b>





	Figures in Rupees	
	Year ended 31/03/2012	Year ended 31/03/2011
<b>16 OTHER EXPENSES:</b>		
Other Expenses consist of the following:		
Advertisement Expenses	31,399	31,080
Amalgamation Expenses	20,000	124,938
Auditors' Remuneration - (a)	25,000	20,000
Bank Charges	17,316	10,766
Books & Periodicals	47,159	0
Conveyance	213,116	12,700
Computer Repair & Maintnances	87,420	0
Connectivity Charges	29,143	0
Electricity	77,320	0
Entertainment Expenses	301,340	0
Legal & Professional Charges	529,111	25,500
Annual Listing Fees	27,575	68,309
Miscellaneous Expenses	21,390	0
Office Repair & maintenance	82,968	0
Petrol	94,525	0
Postage Exp.	58,678	36,263
Printing & Stationary	148,075	65,250
Processing fees	33,190	0
R.O.C. Fee	17,800	24,000
Rent	120,000	0
Repair & maintenance	43,755	0
Security & Protection	256,000	0
Telephone Expenses	155,858	59,594
Tours & Travelling Exp.	272,500	0
Website Maintenance Charges	6,000	0
	<b>2,716,638</b>	<b>478,400</b>
(a). Details of Auditors' Remuneration are as follows:		
Statutory Auditors:		
Audit Fees	20,000	20,000
Tax Audit Fees	5,000	0
	<b>25,000</b>	<b>20,000</b>
	Figures in Rupees	
	Year ended	Year ended
<b>17 PRIOR PERIOD ITEMS</b>	31/03/2012	31/03/2011
Income Tax Paid of A.Y. 2008-09	41,439	0
	<b>41,439</b>	<b>0</b>
	Figures in Rupees	
	Year ended	Year ended
<b>18 TAX EXPENSES:</b>	31/03/2012	31/03/2011
<b>Current Tax:</b>		
Tax for the year	350,836	215,805
	<b>350,836</b>	<b>215,805</b>
	Figures in Rupees	
	Year ended	Year ended
<b>19 EARNING PER SHARE (EPS):</b>	31/03/2012	31/03/2011
Profit/ (Loss) for the period (Rupees)	750,750	480,775
	(No. of Shares)	
Opening Nos. of Shares	2,320,468	2,320,468
Shares issued for no consideration in respect of Bonus Shares	9,281,872	0
Shares issued for no consideration in respect of Amalgamation	0	0
Closing Number of Shares	11,602,340	2,320,468
Weighted Average number of Shares	11,602,340	2,320,468
Face value of per share	10	10
Basic EPS	<b>0.06</b>	<b>0.21</b>
Adjusted Basic EPS for Previous Year i.e. 2010-11		<b>0.04</b>
Diluted EPS	<b>0.06</b>	<b>0.21</b>



20. Information related to Micro, Small and Medium Enterprises, as defined in the Micro, Small and Medium Enterprises Development Act, 2006 (MSME Development Act). There is no due to small scale industrial undertaking which are required to be disclosed as per schedule VI to the Companies Act, 1956.

**21. RELATED PARTY DISCLOSURES:**

Details of disclosures as required by "Accounting Standard (AS) - 18 on Related Party Disclosure" are as under:-

a) Names of related parties and description of relationship:

**Key Management Personnel**

Mr. Subodh Kumar Khandelwal, Director

Mrs. Meera Mishra, Director

Mrs. Renu Jindal, Director

Mr. Pawan Kumar Poddar, Director

Ms. Simran Kaur Kharbanda, Company Secretary

b) Related party transactions:

As per the information available it seems that there were no related party transactions.

**Note 22:**

Disclosure of details required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

Amalgamation of M/s Euphoria Capital Private Limited (Being Non-Banking Financial Company), M/s Juneja Nagpal & Constructions Private Limited, M/s Modi Commercial Deals Limited & M/s Ganga Debt Recovery Agency Private Limited (the Transferor Companies No. 1 to 4 respectively) with DELTA LEASING AND FINANCE LIMITED (the Transferee Company) in terms of the Scheme of Arrangement framed under sections 391 and 394 of the Companies Act, 1956, was approved by the Hon'ble High Court of Delhi at New Delhi vide its order dated 04<sup>th</sup> April, 2011.

As per the Hon'ble High Court Order dated 04/04/2011, the Certificate of Registration granted to Transferor Company No. 1 Euphoria Capital Private Limited by the Reserve Bank of India as Non-Banking Financial Company be transferred to and vested in the Transferee Company pursuant to the provision of section 394 of the Act (Refer to Point No. 2 (a.) of the Scheme of Arrangement).

PARTICULARS	Amount outstanding Rupees	Amount overdue Rupees
Liabilities Side:		
(1) Loans and advances availed by the NBFC inclusive of Interest accrued thereon but not paid:		
(a) Debentures: Secured	NIL	NIL
Unsecured (Other than falling within the meaning of public deposits*)		
(b) Deferred Credits	NIL	NIL
(c) Term Loans	NIL	NIL
(d) Inter-corporate loans and borrowing	NIL	NIL
(e) Commercial paper	NIL	NIL
(f) Public Deposits'	NIL	NIL
(g) Other Loans (Specify nature)	NIL	NIL
(2) Break-up of (1)(f) above (Outstanding public deposits Inclusive of interest accrued thereon but not paid) :	NIL	NIL
Assets Side:		
		Amount in Rs. Outstanding
(3) Break-up of Loans and Advances including bills Receivables [other than those includes in (4) below]:		
(a) Secured		---
(b) Unsecured		15,53,23,224
(4) Break-up of leased Assets and stock on hire and hypothecation Loans counting towards EL/HP activities		NIL

(5)	Break-up of Investments:	
	Current Investments:	NIL
	Long Term investments:	NIL
1.	Quoted	
	i) Shares	
	(a) Equity	NIL
2.	Unquoted:	
	i) Shares:	
	a) Equity	5,17,09,860

(6) Borrower group-wise classification of all leased assets, Stock-on-hire and loans and advances:

Category Provisions		Amount (in Rs.)		
		Secured	Unsecured	Total
1.	Related parties	---	---	---
2.	Other than related parties	--	15,53,23,224	15,53,23,224

(7) Investor group-wise classification of all investments (long term) in shares and securities (unquoted)

Category		Market value / Break-up Book value (net Or fair value or NAV Of provisions)
1.	Related Parties**	
	(a) Subsidiaries	NIL
	(b) Companies in the same group.	
	(c) Other related parties	
	b) Other than related parties	5,17,09,860
2.	Total	5,17,09,860

(8) Other Information

Particulars		Amount (in Rs.)
i)	Gross Non-performing assets	
	(a) Related parties	NIL
	(b) Other than related parties	
ii)	Net Non-performing Assets	
	(a) Related Parties	NIL
	(b) Other than related parties	
iii)	Assets acquired in satisfaction of debt	NIL

As per report of even date attached  
For S.K. SINGLA & ASSOCIATES  
CHARTERED ACCOUNTANTS

For DELTA LEASING AND FINANCE LIMITED

Sd/-  
(CA Vinod Kumar)  
PARTNER

Sd/-  
(Subodh Kumar Khandelwal)  
Director

Sd/-  
(Meera Mishra)  
Director

Sd/-  
(Simran Kaur Kharbanda)  
Company Secretary

Firm Reg. No. : 005903N  
M.No. 096532

Place: Delhi  
Dated : 03.09.2012

**DELTA LEASING AND FINANCE LIMITED**

**Registered Office: 55, F.I.E., Patparganj Industrial Area, Delhi-110 092**

**PROXY FORM**

I / We \_\_\_\_\_ of \_\_\_\_\_ being a Member/ members of the above named Company, hereby appoint \_\_\_\_\_ of \_\_\_\_\_ as my/our Proxy to vote for me/ us on my/ our behalf at the Twenty Eight Annual General Meeting of the Company to be held on Thursday Friday , the 27<sup>th</sup> day of September, 2012 at 12.30 p.m.----- and at any Adjournment thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Folio No./ DP ID & Client ID : \_\_\_\_\_ No. of Shares Held \_\_\_\_\_

Signature(s) of Member(s) \_\_\_\_\_



Note:

1. Revenue stamp of 1 re. to be affixed on this form which should then be signed by the shareholder. The form thus be completed before the date fixed for the Annual General Meeting (i.e. on or before 27th day of September 2012, 12:30 p.m.).
2. The Proxy need not be a member.
3. The Proxy form duly signed across the revenue Stamp should reach the at the Registered Office of the company at least 48 hours before the time fixed for the meeting.



**DELTA LEASING AND FINANCE LIMITED**

**Registered Office: 55, F.I.E., Patparganj Industrial Area, Delhi-110 092**

**ATTENDANCE SLIP**

(Please complete this attendance slip and hand over at the entrance of the Meeting Hall)

I hereby record my presence at the Twenty Eighth Annual General Meeting of the Company at \_\_\_\_\_

Name of the Attending Member (in block letters) \_\_\_\_\_

Member's Folio No. / DP ID & Client ID \_\_\_\_\_

Name of Proxy \_\_\_\_\_

(in block letters to be filled in if the Proxy attends instead of Members)

Numbers of shares held \_\_\_\_\_

**Members/ Proxy Signature**

**Note:** Shareholder/ Proxy holder wishing to attend the meeting must bring this Attendance Slip to the meeting and hand over the same at the entrance duly signed.