



*Mudit
Finlease Ltd.*



"MUDIT SQUARE"

**25th Annual Report
2012-2013**



Board of Directors	Shri Pavel Garg - Promoter Managing Director Smt. Poonam Garg - Non-Executive Promoter Director Shri Y.Hari Shankar - Non-Executive Independent Director Shri Sushil Chandra Mehrotra - Non-Executive Independent Director Shri Shrichand Mittal - Non-Executive Independent Director
Company Secretary	Chandra Kishore Aggarwal
Auditors	M/s. G. K. Kedia & Co. Chartered Accountants (FRN : 013016N) 914, Naurang House, 21, Kasturba Gandhi Marg, New Delhi – 110001
Bankers	Punjab National Bank, Syndicate Bank, Axis Bank Ltd.
Registered Office	CSC-5, Unit No. 2, 1st Floor, DDA Gole Market, Sector-9, Rohini, Delhi-110 085 Tel. No. 011-27553028 email: mudit_finlease@rediffmail.com / investors_mfl@rediffmail.com Website : www.muditfinlease.com
Corporate Office	"Mudit Square", Plot No. 24, Sector-32, Gurgaon-122001 (Haryana)
Registrar & Share Transfer Agent	Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre Near Dada Harsukhdas Mandir, New Delhi - 110 062 Phone # 29961281, 29961282 Fax : 011-29961284 E-mail: beetal@rediffmail.com Website : www.beetalfinancial.com
ISIN Number (NSDL & CDSL)	INE 220D01010
BSE Scrip Code	531919
BSE Scrip ID	MUDITFN

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NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the **Twenty Fifth Annual General Meeting** of the Members of **Mudit Finlease Limited** will be held on:

Day : Monday

Date : 30th September 2013

Time : 10.00 A.M

Venue : CSC-5, Unit No. 2, First Floor, DDA Gole Market, Sector-9, Rohini, Delhi-110085 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March 2013 and Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Y. Hari Shankar, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Sh. Shrichand Mittal, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint M/s. G. K. Kedia & Co., Chartered Accountants, New Delhi, having Firm Registration No.013016N, as Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration in consultation with Auditors.

“Resolved further that the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary or desirable and to execute all such deeds and documents as may be considered necessary and expedient to give effect to the above said resolutions.”

By Order of the Board

Place: New Delhi
Dated: 29th May, 2013

CHANDRA KISHORE AGGARWAL
Company Secretary

Registered Office : CSC-5, Unit No.2, First Floor,
DDA Gole Market, Sector-9, Rohini, Delhi-110085

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. The appointment of proxy in order to be effective must be received at the Registered Office of the Company not less than forty eight hours before the commencement of the meeting.
2. Corporate Members are requested to send at the Registered Office of the Company, a duly certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorizing their representatives to attend and vote at the Meeting.
3. Members/proxies should bring the attendance slip, which is annexed to the Annual Report, duly filled in and signed for attending the Meeting.
4. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of names shall be entitled to vote.
5. Members, who hold shares in the dematerialized form, are requested to bring their depository account number (Client ID & DP ID) to the meeting for identification.
6. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday, the 28th September 2013 to Monday 30th September 2013 (both days inclusive) for the purpose of the Meeting.



7. Shareholders desirous of obtaining any information/clarification concerning the accounts and operations of the Company are requested to address their queries in writing to the Company Secretary at least 7 days prior to the meeting so as to enable the Management to reply at the Meeting.
8. Members are requested to kindly bring their copy of Annual Report to the Meeting
9. Members who hold shares in physical form are requested to kindly notify any change in their address(es) to the Company so as to enable the Company to address future communications to their correct address(es). Members holding shares in electronic form are requested to notify any change in their address(es) to their respective Depository Participant.
10. The Company has designated an exclusive email ID viz. *investors_mfl@rediffmail.com* to enable investors to post their grievances, if any, and monitor its redressal.
11. Members desirous of making nomination in respect of their shareholding in the Company, as permitted under section 109A of the Companies Act, 1956 are requested to submit their nomination in the prescribed Form 2B for the purpose to the Company.
12. As a part of its Green initiative in Corporate Governance and Circulars issued by Ministry of Corporate Affairs allowing paperless compliances through electronic mode, soft copy of the Annual Report for 2012-13 will be sent along with the Notice to all the members whose email address is registered with the Company/Depository Participant(s) unless any member requests for a hard copy of the same. For members who have not registered their email addresses, the Annual Report 2012-13 along with the Notice will be sent in physical. All those members, who have not yet registered, are requested to register their email address with the Company/Depository Participant.
- The Notice of the 25th Annual General Meeting and the Annual Report 2012-13 will also be available on the Company's website *www.muditfinlease.com* for download by the members. The physical copies of the aforesaid documents will also be available at the Company's Registered Office at New Delhi for inspection during business hours. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon receipt of request for the same, by post/courier free of cost.
13. Brief profile of the Directors proposed to be re-appointed, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is provided hereunder:-
Brief Profile of the Directors seeking re-appointment at the ensuing Annual General Meeting, vide Items No. 2 & 3 of the Notice, (Pursuant to Clause 49 of the Listing Agreement with the stock exchanges in India) are given hereunder:

PARTICULARS	Sh. Y. Hari Shankar	Sh. Shrichand Mittal
Date of Birth	16.08.1942	29.08.1952
Educational Qualifications	M.A. (Eco.) from Delhi School of Economics, Diploma in Management (U.K.)	B. Sc. (Punjab University), C.A.I.I.B - I (Indian Institute of Bankers)
Date of Appointment on the Board	31.07.2009	11.10.2005
Category of the Director	Independent – Non-Executive	Independent – Non-Executive
Experience	44 Years	37 Years
Names of other Public Limited Companies in which the director also holds directorships	NIL	NIL
Memberships of Committees	1. Shareholders/Investors Grievance Committee (Member) (in Mudit Finlease Limited)	1. Shareholders/Investors Grievance Committee (Chairman) (in Mudit Finlease Limited)
No. of Shares held	NIL	NIL

By Order of the Board

Place: New Delhi

Dated: 29th May, 2013

Registered Office:

CSC-5, Unit No. 2, First Floor, DDA Gole Market, Sector-9, Rohini, Delhi-110085

CHANDRA KISHORE AGGARWAL

Company Secretary

**MUDIT FINLEASE LIMITED**

Registered Office: CSC-5, Unit No. 2, First Floor, DDA Gole Market, Sector-9, Rohini, Delhi-110085

Dear Shareholder,

Sub: Green Initiative

Ministry of Corporate Affairs ("MCA") has launched a "Green Initiative" in the Corporate Governance by allowing paperless compliances by the Companies. MCA has issued circular no. 17/2011 dt. 21.04.2011 stating that the service of notice/document by a company to its shareholders can now be made through electronic mode. In view of the above, your company proposes to henceforth send Annual Report (Audited Financial Statements, Directors Report, Auditors Report, etc.) and all communications/documents such as the Notice of the Annual General Meeting, to the shareholders in Electronic Form to the email address registered with their Depository Participants.

In order to join the initiative and to receive the documents in electronic form, kindly comply with the following:

For Shareholders holding shares in Demat Form

To receive the aforesaid documents in electronic mode, kindly update your e-mail ID in the Demat Account by contacting your Depository Participant. E-mail ID updated in the demat account would be used to send documents through electronic mode. If you have already registered your e-mail ID earlier, please ignore this request.

TO BE SENT DIRECTLY TO DEPOSITORY PARTICIPANT

(i.e. Address where you have opened your Demat Account)

DP ID/Client ID: _____ Name: _____

E-mail ID: _____ Signature: _____ PAN: _____

For Shareholders holding shares in Physical Form

To receive the aforesaid documents in electronic mode in lieu of Physical mode, kindly update your e-mail ID with our Registrar and Share Transfer Agent, **Beetal Financial & Computer Services (P) Ltd.**, by mailing your E-mail ID with the following details to beetal@rediffmail.com

TO BE SENT DIRECTLY TO REGISTRAR AND SHARE TRANSFER AGENT

Folio/Share Cert. No.: _____ Name: _____

E-mail ID: _____ Signature: _____ PAN: _____

For registering your e-mail address with us, you are requested to forward us this page duly filled up along with self-attested copy of your PAN Card.

Members who have not yet dematerialized their shares are requested to get their shares dematerialized at the earliest.

We appreciate the .Green Initiative taken by MCA and trust you would help implementing the e-governance initiatives of the Government.

Thanking you,

Yours faithfully,

For Mudit Finlease Limited

CHANDRA KISHORE AGGARWAL

Company Secretary

**DIRECTORS' REPORT**

To the Members,

Your directors take pleasure in presenting the Twenty Fifth Annual Report of the Company along with the Audited Statement of Accounts for the year ended 31st March 2013.

FINANCIAL RESULTS

(Rs. in Lacs)

PARTICULARS	CURRENT YEAR (2012-2013)	PREVIOUS YEAR (2011-2012)
Total Revenue	4306.03	3995.14
Profit before Depreciation and Finance Charges	67.64	44.17
Less: Depreciation	29.61	31.61
Finance Charges	<u>41.73</u> (<u>71.34</u>)	<u>44.93</u> (<u>76.54</u>)
Profit/ Loss before Tax		
Add: Profit b/f from Previous Year	(3.70)	(32.37)
<u>APPROPRIATIONS BALANCE AVAILABLE FOR</u>	84.88	93.86
Provision for Taxation	4.45	5.27
Proposed Dividend	NIL	NIL
Balance Carried Forward	80.43	88.59

DIVIDEND

It is endeavor of your Company to make optimum use of its funds for ongoing setup, Expansion and Working Capital requirements. Keeping in mind the aforesaid factors your Directors have decided not to recommend any Dividend for the year ended 31st March 2013.

CURRENT YEAR WORKING

During the year your Company registered a total revenue of Rs. 4306.03 Lacs compared to previous year's revenue of Rs. 3995.14 Lacs.

Depreciation was lower at Rs. 29.61 Lacs (Previous year Rs. 31.61 Lacs). The provision for taxation during the year was Rs. 4.45 Lacs. Loss before tax was Rs. 3.70 Lacs.

The Net Worth of the Company as at 31st March, 2013 stood at Rs. 589.52 Lacs as against Rs. 597.68 Lacs on 31st March, 2012.

DIRECTORS

Shri Y. Hari Shankar and Sh. Shrichand Mittal, Directors of the Company, being longest in the office retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

None of the Directors of the Company is disqualified from being appointed as a Director as specified under Section 274 of the Companies Act, 1956.

CORPORATE GOVERNANCE

Your Company has been practising the principles of sound corporate governance. In addition to this, the Board lays strong emphasis on transparency, accountability and integrity.

A report on Corporate Governance and Management Discussion and Analysis along with a certificate from the Auditors of the Company regarding the compliance of Corporate Governance as per clause 49 of the Listing Agreement is annexed to and forms part of this report.

**AUDITORS**

M/s. G. K. Kedia & Co., Chartered Accountants, New Delhi retires at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the provisions of Section 217 (2AA) of the Companies Act, 1956 the Directors of your Company give hereunder the Directors' Responsibility Statement relating to the accounts of the Company.

- a) All the applicable accounting standards have been followed in the preparation of the accompanying accounts.
- b) The directors 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 on 31st March 2013 and of the Statement of Profit and Loss of the Company for the said period.
- c) The directors 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
- d) The Directors have prepared the Annual Accounts on a going concern basis.

FIXED DEPOSITS

Your Company has not accepted any public deposits during the year under review within the meaning of Section 58A of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

As on 31st March, 2013, none of the employees were in receipt of remuneration in excess of the limits prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Amendment Rules, 1975 as amended.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

Since the Company is in Finance Sector and does not do any manufacturing activity, the information required to be disclosed under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, particulars regarding Conservation of Energy and Technology Absorption not applicable to the Company.

There has been no foreign exchange earnings and outflow during the year under report.

ACKNOWLEDGEMENT

Your Directors acknowledge with deep sense of appreciation the encouragement, support and co-operation received by the Company from its Bankers, shareholders and esteemed customers and look forward to their continued support in the future. The Board of Directors also express their sincere gratitude the devoted services rendered by the Bankers, staff and executives.

For and on behalf of the Board

Place: New Delhi
Dated: 29th May, 2013

PAVEL GARG
Managing Director

S. C. MITTAL
Director



**REPORT ON CORPORATE GOVERNANCE
DISCLOSURE (AS PER CLAUSE 49 OF LISTING AGREEMENT)**

INTRODUCTION

The Securities and Exchange Board of India has introduced a Code of Corporate Governance (Code) by way of amendments to the listing agreement with the Stock Exchanges. The Company has complied with the mandatory requirements of the Code.

1. PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The fundamental objective of Mudit Finlease Limited is enhancement of the long-term shareholder value while at the same time protecting the interests of other stakeholders and adopting a methodology which enhance effectiveness, better utilization of resources, transparent and harmonious relations between various interest groups.

2. BOARD OF DIRECTORS

(a) Composition

The Board of Mudit Finlease Limited is comprised of 5 Directors of which 1 is Executive. In terms of Clause 49 of the listing agreement 3 Directors are independent. None of the Directors of the Company is a member in more than 10 Committees or Chairman of more than 5 Committees (as specified in Clause 49 of the listing agreement). The Board is primarily responsible for the over all management of Company's business. The composition of Board during the year is as under:

Sr. No.	Name of Director	Category of Directors	Number of Directorship in other Public Ltd. Companies	Number of committee position in other Public Ltd. Companies
1.	Mr. Pavel Garg	Promoter & Executive	----	----
2.	Mrs. Poonam Garg	Promoter & Non-Executive	----	----
3.	Mr. Y. Harishankar	Independent & Non-Executive	----	----
4.	Mr. Sushil Chandra Mehrotra	Independent & Non-Executive	----	----
5.	Mr. Shrichand Mittal	Independent & Non-Executive	----	----

(b) Board Procedure

A detailed agenda folder is sent to each director in advance of Board and Committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefs the Board at every meeting on the overall Company performance. A detailed functional report is also placed at every Board Meeting.

The functions performed by the Board include review of:-

1. Annual operating plans and budgets and any updates;
2. Capital Budgets and any updates;
3. Quarterly, Half Yearly and Annual financial results;
4. Minutes of the Annual General Meetings/Extraordinary General Meetings/Board Meetings/Meetings of Audit and other Committees of the Board;
5. Show cause, demand, prosecution notices and penalty notices, which are materially important;
6. Any material default in financial obligations to and by the Company, or substantial non-payment for goods sold by the Company.



7. Any issue which involves possible public or product liability claims of substantial nature, including any judgment or order which may have passed strictures on the conduct of the Company or taken an adverse view regarding another enterprise that can have negative implications on the Company.
8. Non-compliance of any regulatory, statutory nature or listing requirements and shareholders services such as non-payment of dividend, delay in transfer etc.

(c) Meetings:

During the year 2012-2013, the Board of Directors met 9 times on the following dates:-

14th April 2012, 15th May 2012, 07th July 2012, 13th August 2012, 06th October 2012, 15th November 2012, 05th January 2013, 14th February 2013 and 09th March 2013.

Sr. No.	Name of Director	Attendance in Board Meeting held during the year/tenure	Whether Attended AGM held on 10th September, 2012
1.	Mr. Pavel Garg	9	Yes
2.	Mrs. Poonam Garg	6	Yes
3.	Mr. Y. Harishankar	5	Yes
5.	Mr. S. C. Mehrotra	5	Yes
6.	Mr. Shrichand Mittal	9	Yes

A. MATERIALLY SIGNIFICANT RELATED PARTY TRANSACTION

There have been no materially significant related party transactions, pecuniary transaction or relationship between Mudit Finlease Ltd. and its Directors for the year ended 31st March 2013.

E. REMUNERATION OF DIRECTORS: SITING FEES, SALARY, PERQUISITES AND COMMISSION

Name of Director	Sitting Fees	Commission on Profits	Salary & Allowances	Contribution to Provident Fund	Total
Mr. Pavel Garg	Nil	Nil	480000.00	Nil	480000.00
Mrs. Poonam Garg	Nil	Nil	Nil	Nil	Nil
Mr. Y. Harishankar	Nil	Nil	Nil	Nil	Nil
Mr. Shrichand Mittal	Nil	Nil	Nil	Nil	Nil
Mr. Sushil Chandra Mehrotra	Nil	Nil	Nil	Nil	Nil

F. COMMITTEES OF THE BOARD**AUDIT COMMITTEE**

The Audit Committee of Mudit Finlease Ltd. performs the following functions:-

- Overseeing the Company's financial reporting process and disclosure of financial information to ensure that the financial statement is correct, sufficient, and credible.
- Recommending the appointment and removal of external auditor, fixation of audit fees and approval of payment of any other services.
- Reviewing with management the annual financial statements before submission to the Board.
- Reviewing with management, external and internal auditors, the adequacy of internal control system.
- Reviewing the adequacy of the internal audit function.
- Discussing with internal auditors on any significant finding and follow up on such issues.
- Discussing with the external auditors before the audit commences on the nature and scope of audit, as well as having post audit discussion to ascertain any area of concern.
- Reviewing the Company's financial and risk management policies.

The list of the members of Audit Committee and their attendance in the meetings is as follows:



Name of Director	Attendance Particulars (No. of meetings held – Four)
Pavel Garg (Chairman)	4
Poonam Garg	3
Sushil Chandra Mehrotra	4

REMUNERATION COMMITTEE

There were no instances requiring the formation of Remuneration Committee.

SHAREHOLDERS/INVESTORS GRIEVANCES COMMITTEE

This committee is vested with the requisite power and authorities to specifically look into the redressal of shareholders' and investors' grievances.

No. of Investor Queries /complaints received in the year 2012-2013	Pending at the end of the year	No. of pending share transfer
NIL	NIL	NIL

The list of members of the committee along with the meetings attended by them during the year.

Name of Director	Attendance Particulars(No. of meetings held – Four)
Shrichand Mittal (Chairman)	4
Yegnanarayanan Hari Shankar	2
Pavel Garg	4

3. MANAGEMENT

- A. The Management Discussion and Analysis Report
The annual report contains a detailed chapter on Management Discussion and Analysis Report.
- B. Disclosures by Management to the Board
All details relating to the financial and commercial transactions where Directors may have a potential interest are provided to the Board.

4. SHAREHOLDER INFORMATION**A. Disclosures regarding appointment or reappointment of Directors**

According to the Section 255 read with Section 256 of the Companies Act, 1956, not less than two third of the total number of directors shall be persons whose period of office is liable to determination by retirement of Directors by rotation, Mr. Y. Hari Shankar and Mr. Shrichand Mittal, are retiring by rotation and being eligible, offer themselves for re-appointment.

B. Means Of Communication

The Company has published its Annual Results for the year ended 31st March 2013 in Hindi and English newspapers in the month of May 2013 and will publish its future quarterly, half yearly and annual results regularly in Hindi and English newspapers.

C. Investor Grievances

As mentioned earlier, the Company has duly constituted Shareholders/Investors Grievances Committee for redressing shareholders' and investors' complaints. The status of compliance is reported to the Board of Directors through the minutes of the committee meetings of the Shareholders/Investors Grievances Committee.

D Registrar and Share Transfer Agent

The Registrar and Share Transfer Agent is:-
Beetal Financial & Computer Services (P) Ltd.,



BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110 062, Phone # 29961281, 29961282 Fax : 011-29961284, E-mail: beetal@rediffmail.com

E Details of Non-Compliance by the Company, Penalties and Strictures Imposed on the Company by Stock Exchange or SEBI or any Statutory Authority or any matter relating to capital market.

Nil

F General Body Meetings

The last three Annual General Meetings of the Company were held at the Registered Office of the Company on 10th September 2010, 10th September 2011 and 10th September 2012 respectively.

G Additional Shareholders Information

Financial year : 1st April 2012 to 31st March 2013

Results	For the year ended 31st March 2013 were announced on	For the year ending on 31st March 2014 will be announced latest by
Un-audited financial results for First Quarter ending on 30th June	13th August 2012	14th August 2013
Un-audited financial results for Second Quarter ending on 30th September	15th November 2012	15th November 2013
Un-audited financial results for third Quarter ending on 31st December	14th February 2013	15th February 2014
Audited financial results for the year ending on 31st March	29th May 2013	31st May 2014

Stock Market Data

High / Low of market price of the Company's shares traded on The Bombay Stock Exchange Ltd. during each month in the financial year ended 31st March, 2013 is as under :

Months	High (Rs.)	Low (Rs.)	Total No. of Shares Traded
April, 2012	122.75	111.00	700
May, 2012	115.00	84.40	3,54,200
June, 2012	84.40	80.50	5,001
July, 2012	84.50	63.00	5,860
August, 2012	60.00	54.50	2,34,800
September, 2012	63.60	60.60	17,802
October, 2012	93.80	66.75	1,04,256
November, 2012	152.45	98.45	22
December, 2012	248.15	160.05	182
January, 2013	238.65	228.45	235
February, 2013	235.05	221.25	10,200
March, 2013	305.90	228.00	1,99,400

Dematerialisation of Shares as on March 31, 2013

S. No.	Electronic/Physical	No. of Shares	% of Total
1.	NSDL	42,67,529	83.83
2.	CDSL	5,39,671	10.60
3.	Physical	2,83,700	5.57
Total		50,90,900	100.00



Distribution of Shareholding as on March 31, 2013				
Shareholding of Nominal Value of Rs.	No. of Shareholders	% to Total	No. of Shares	% of Total
Upto 5000	301	49.18	1,19,232	2.34
5001 to 10000	239	39.05	1,68,200	3.30
10001 to 20000	2	0.33	3,200	0.06
20001 to 30000	-	-	-	-
30001 to 40000	-	-	-	-
40001 to 50000	4	0.65	20,000	0.39
50001 to 100000	15	2.45	1,17,251	2.30
100001 and above	51	8.33	46,63,017	91.60
Total	612	100.00	50,90,900	100.00

The Company has not issued any GDRs / ADRs or any convertible instrument.

Distribution of Shareholding Pattern as on March 31, 2013		
Category	No. of Shares	% of Total
A. Promoters Holding		
a. Indian Promoters	29,64,795	58.24
b. Foreign Promoter	0	0.00
B. Non Promoters Holding		
a. Foreign Institutional Investors	0	0.00
b. Mutual Fund	0	0.00
c. Bodies Corporate	7,29,618	14.33
d. Individual Shareholders holding nominal share capital upto Rs.1 Lakh	3,75,466	7.38
e. Individual Shareholders holding nominal share capital in excess of Rs. 1 Lakh	9,42,570	18.51
f. HUF	78,401	1.54
g. Non Resident Indians	0	0.00
h. Clearing Members	50	0.00
TOTAL	50,90,900	100

Book Closure : Book closure period is from 28th September 2013 to 30th September 2013 (Both days Inclusive).

Listing on Stock Exchange: The Company's Equity Shares are listed on BSE Limited (Formerly the Bombay Stock Exchange Ltd.) and The Delhi Stock Exchange Ltd. The ISIN Number of Mudit Finlease Limited on NSDL & CDSL is **INE 220D01010**.

Shares held in Physical and Dematerialisation Form: As on 31st March 2013, out of the total shares of the Company 48,07,200 shares are in dematerialized form (94.43%) and 2,83,700 shares are in physical form (5.57%).

Addresses for Correspondence

Registrars and Share Transfer Agents (For share transfer and related queries)
Beetal Financial & Computer Services (P) Ltd.,
 BEETAL HOUSE, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi – 110 062, Phone # 29961281, 29961282 Fax : 011-29961284, E-mail: beetal@rediffmail.com

Company (for general assistance)

Mudit Finlease Limited,
 CSC-5, UNIT NO. 2, IST FLOOR, DDA GOLE MARKET SECTOR-9, ROHINI,
 DELHI- 110 085 PH. NO.: 011-27553028 email: mudit_finlease@rediffmail.com

**ANNEXURE TO DIRECTORS' REPORT****MANAGEMENT DISCUSSION AND ANALYSIS REPORT****MACRO-ECONOMIC ENVIRONMENT**

The Financial Year 2012-13 saw Gross Domestic Product (GDP) growth falling to 5.0% from 6.2% in the previous year. Persisting high inflation, macro-economic imbalances, including fiscal and current account deficits resulted in a tight monetary policy stance for much part of the fiscal. Investment dropped sharply due to high interest rates and project implementation bottlenecks resulting in the growth slowdown. A decline in the country's exports – the result of declining domestic competitiveness and a slowing global economy, together with high imports has led to deterioration in the Current Account Deficit (CAD). Reduced capital inflows also led to a sharp depreciation of the Rupee.

Subsidies rose to 2.6% in F. Y. 2012-13 from 1.4% of GDP in the previous year, with both the fiscal deficit and inflation remaining at elevated levels. As part of the process of reforms and with a view to restoring investor confidence, the government has taken a number of measures since September 2012 including the partial de-regulation of diesel prices, capping of subsidies of LPG and liberalisation of FDI in multi-brand retail and aviation. The government has made fiscal discipline a key objective and the deficit for fiscal 2013-14 has been budgeted at 4.8% of GDP, lower than 5.2% declared for the previous year.

Credit growth fell to less than 15% and in the absence of fresh investments and monetary policy easing in fiscal 2013-14 may slow down further. Deposit growth in the banking sector, which remains the primary channel of financial intermediation, also witnessed a slowdown in fiscal 2012-13. Aggregate deposits outstanding were '67.51 lac crores as on 22nd March 2013 growing 14.3% year-on-year while non-food bank credit grew 14% to '51.66 lac crores.

Future Prospects for 2013-14

Moderate global economic recovery and measures to revive domestic growth are likely to improve economic conditions and sentiment in India in next year 2013-14. Core inflation is likely to decline gradually and remain range-bound thereafter. India's Current Account Deficit (CAD) is likely to reduce gradually as a result of the measures initiated by the government and the RBI. Improvement in exports will act as a further impetus to domestic growth. The steps taken to revive investment, including monetary policy easing and liquidity infusion and progressive infrastructure de-bottlenecking is likely to increase capacity expansion. Recent measures by the government, including actions by the Cabinet Committee on Investments (CCI) and prospective award of road contracts is likely to boost the projects being implemented. As a result, GDP may potentially rise to around 6% in fiscal 2013-14.

With households re-allocating their savings from physical to financial assets and with improvement in financial performance by corporates, higher foreign capital inflows as well as better cash management by the government, it is hoped that there will be an increase in financial savings that would support deposit growth and improve systemic liquidity. For fiscal 2013-14, we expect deposit growth to be 14-15% and non-food bank credit to be around 15-16%. The challenging conditions have enabled Indian corporates to become more competitive and efficient that will help them benefit from a cyclical upturn.

RISKS AND CONCERNS

The Company is mainly exposed to market risk (including liquidity risk), interest risk and credit risk. However prudent business and risk management practices followed by the company over the years help it to manage the normal industry risk factors, which inter-alia includes economic / business cycle, fluctuations in the stock prices in the market, besides the interest rate volatility, and credit risk.



The Company is confident of managing these risks by observing a conservative financial profile in investment and trading of securities business.

INTERNAL CONTROL SYSTEM & THEIR ADEQUACY

The internal control systems are commensurate with the size, scale and nature of operation of the Company. The adequacy of the control system is examined by the management at regular intervals and also by the internal auditors. The internal auditors carry out audit at regular intervals to identify the weakness, if any, of the system and suggest improvements for better functioning. The issues raised by the internal auditors on the operation of the Company are regularly discussed at the audit committee meetings.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

For the year under review, your Company registered a total revenue of Rs. 4306.03 Lacs (Rs. 3995.14 Lacs in previous year) and Loss for the year was Rs. 8.16 Lacs (Loss of Rs. 37.64 Lacs in previous year).

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING THE NUMBER OF PEOPLE EMPLOYED

The Company has a number of employees and cordial relations were maintained with all of them throughout the year. The Board of the Company wishes to place on record its appreciation to all the employees for their sustained efforts in improving the capacity utilization and operational efficiency.

The Company has initiated many steps in career and personality development of the employees belonging to different departments. The employees attended seminars and other training programs to enhance their skills and knowledge.

To motivate and to get the best results from the employees, the Company has the performance based incentive scheme for its entire management & office cadre.

CAUTIONARY STATEMENT

Statement in this report describing the Company's position and expectations may be "forward statements" within the meaning of applicable securities laws or regulations. Actual result could differ materially from those expressed or implied. Important factors that could make the difference to the Company's operations include, among others, economic condition affecting demand/supply and the price condition in the market in which the Company operates, changes in the Government regulations, Tax laws and other statutes and incidental factors.

DECLARATION FOR COMPLIANCE OF CODE OF CONDUCT

The Board of Directors and Senior Management have affirmed the compliance with the Code of Conduct for the period ended 31st March 2013 & duly noted by the Board of Directors.

For and on behalf of the Board

Place: New Delhi
Dated: 29th May, 2013

Pavel Garg
Managing Director

S. C. Mittal
Director



CERTIFICATE PURSUANT TO CLAUSE 49 V OF THE LISTING AGREEMENT

I, Pavel Garg, Managing Director of Mudit Finlease Limited (“the Company”) do hereby certify to the Board that :-

- a) I have reviewed the Financial Statements and the Cash Flow Statement for the year ended on 31st March, 2013 and that to the best of my knowledge and belief :
 - (i) the said statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) the said statements together present a true and fair view of the Company’s affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) To the best of my knowledge and belief, no transactions entered into by the Company during the year ended March 31, 2013 are fraudulent, illegal or violative of the Company’s Code of Conduct.
- c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- d) During the year : -
 - (i) there has not been any significant change in internal control over financial reporting;
 - (ii) there have not been any significant changes in accounting policies; and
 - (iii) there have been no instances of significant fraud of which I am aware that involve management or other employees having significant role in the Company’s internal control system over financial reporting .

Place: New Delhi
Date: 29th May, 2013

Pavel Garg
Managing Director



G. K. Kedia & Co.

Chartered Accountants

914, Naurang House,
21, Kasturba Gandhi Marg,
New Delhi-1. Tel: 46259900

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To

The Members

Mudit Finlease Limited

Delhi

We have examined the compliance of conditions of Corporate Governance by **MUDIT FINLEASE LIMITED, New Delhi** for the year ended 31st March, 2013, as stipulated in Clause 49 of the Listing Agreement of the Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was carried out in accordance with the guidance note on certification of Corporate Governance (as stipulated in Clause 49 of the Listing Agreement), issued by Institute of Chartered Accountants of India and was limited to the 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 Clause 49 of the Listing Agreement.

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

For **M/s. G. K. Kedia & Co.**

Chartered Accountants

FRN : 013016N

Sd/-

Gopal Kumar Kedia

(Partner)

(Membership No: 054629)

Place: New Delhi

Date: 29th May, 2013

**INDEPENDENT AUDITORS' REPORT**

To the members of

MUDIT FINLEASE LIMITED,

We have audited the accompanying financial statements of **MUDIT FINLEASE LIMITED** which comprise the Balance Sheet as at March 31, 2013 and the Statement of Profit and Loss Account for the year ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statement

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the companies Act, 1956 "the Act". This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit involves performing Procedures to obtain audit evidence about the amounts and disclosures in the financial Statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) In the case of Balance sheet, of the state of the affairs of the company as at March 31, 2013;
- (b) In the case of the statement of profit & Loss, of loss for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required by section 227(3) of the Act, we report that:
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - (b) In our opinion books of accounts as required by the law have been kept by the Company so far as appears from our examination of those books.
 - (c) The Balance Sheet and Statement of Profit and Loss dealt with by this Report, are in agreement with the books of accounts.
 - (d) In our opinion the Balance Sheet Statement of Profit & Loss comply with the Accounting Standards referred to in Sub Section 3(c) of Section 211 of the Companies Act, 1956;
 - (e) On the basis of written representation received from the directors as on 31st March 2013 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2013 from being appointed as a director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

For M/s. G. K. KEDIA & CO.
(Chartered Accountants)
Firm Registration No. : 013016N

Gopal Kumar Kedia
(Partner)
M.No. 054629

Place: New Delhi
Dated: 29.05.2013



ANNEXURE TO THE AUDITORS' REPORT

1. (a) The company has maintained proper records showing particulars including quantitative details and situation of fixed assets.
(b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.
(c) No substantial part of fixed assets have been disposed off during the year, and it has not affected the going concern.
2. (a) According to the information and explanation given to us, the stock-in-trade (securities) are kept in demat and physical form. The same are reconciled/ verified with the demat account statements and physical stock by the management at the reasonable intervals.
(b) Procedures for verification of inventory followed by the management is reasonable and adequate in relation to the size of the company and the nature of its business. There are no inadequacies in such procedures that should be reported.
(c) Company is maintaining proper records of inventory. According to the information and explanation given to us, no material discrepancies were noticed on verification.
3. (a) The company has not granted unsecured loans to any person covered in the register maintained u/s 301 of the companies Act, 1956, during the year.
(b) The terms and conditions of unsecured loans granted by the company in the earlier year and received back in current year, are prima facie not prejudicial to the interest of the company.
(c) The payment of the principal amount and interest are regular.
(d) The company has taken/accepted unsecured loan from the parties covered in the register maintained u/s 301 of the Companies Act, 1956. The maximum amount outstanding was Rs. 2,57,44,679/- during the year and one party was involved during the year.
(e) The terms and condition of loans taken by the company, secured or unsecured, are prima facie not prejudicial to the interest of the company.
(f) The terms related to payment of the principal amount are not stipulated.
4. In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with the size of the company and the nature of its business, for the purchase of inventory (securities) and fixed assets and for the sale of goods. During the course of audit, We have not observed continuing failure to correct major weaknesses in internal control system.
5. (a) According to the information and explanations given to us, the particulars of contracts or arrangements with the parties referred to in Section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
(b) The transactions made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. According to the information and explanations given to us, no deposits within the meaning of Sections 58A and 58AA or any other relevant provision of the Act and rules framed thereunder has been accepted by the company.
7. In our opinion, the Company has an internal audit system commensurate with its size and nature of business.



8. The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Act.
9. According to the information and explanations given to us, the company was regular in paying the applicable statutory dues. There are no undisputed statutory dues payable in respect of provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues which was outstanding as at the last day of the financial year for a period of more than six months from the date they became payable. The clause ix(b) of the paragraph 4 of the order is not applicable to the company.
10. The company does not have any accumulated losses at the end of the financial year and has not incurred any cash loss in the current financial year, but, company had incurred a cash loss of Rs. 76,231/- in the immediately preceding financial year.
11. The company had neither taken any loan from the financial institutions nor from banks nor issued any debentures, hence, there is no question of repayment of dues to financial institution or a bank.
12. The company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi or mutual benefit fund/society. Therefore the provisions of clause 4(xiii) of the Order are not applicable to the company.
14. According to information and explanations given to us, the company has kept proper records of its transactions and contracts in dealing in or trading in shares, securities, debentures and other investments and the timely entries have, generally, been made therein. The shares, securities, debentures and other investments have been held in the name of the company.
15. On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not given guarantees for loans taken by other from banks or financial institutions.
16. According to information and explanations given to us, the company has not taken any term loans during the year.
17. Based on an overall examination of the Balance Sheet of the company for the year, we report that no funds raised on short-term basis have been used for long-term investment.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained u/s 301 of the Companies Act, during the year.
19. The company has not issued any debentures during the year. Therefore provisions of clause 4(xix) of the Order are not applicable to the company.
20. The company has not raised any money from the public during the year under audit.
21. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For M/s. G. K. KEDIA & CO.
(Chartered Accountants)
Firm Registration No. : 013016N

Gopal Kumar Kedia
(Partner)

M.No. 054629

Place: New Delhi
Dated: 29.05.2013



BALANCE SHEET AS AT 31ST MARCH, 2013					
PARTICULARS	NOTE NO.		AS AT 31.03.2013 Rs.	AS AT 31.03.2012 Rs.	
I. EQUITY AND LIABILITIES					
1. Shareholders' Funds					
(a) Share Capital	2	50,909,000	50,909,000		
(b) Reserve & Surplus	3	<u>8,043,433</u>	58,952,433	<u>8,859,029</u>	59,768,029
2. Non Current Liabilities					
(a) Deferred Tax Liabilities (Net)	4		993,208		547,938
3. Current Liabilities					
(a) Short-term borrowings	5	68,830,352		75,426,053	
(b) Trade payables		1,253,631		--	
(c) Other current liabilities	6	464,097		1,445,780	
(d) Short-term provisions	7	<u>79,307</u>	<u>70,627,387</u>	<u>75,825</u>	<u>76,947,658</u>
Total			<u>130,573,028</u>		<u>137,263,625</u>
II. ASSETS					
1. Non-Current Assets					
(a) Fixed Assets					
Tangible Assets	8	64,449,335		67,345,651	--
(b) Long-term loans and advances	9	<u>13,688,846</u>	78,138,181	<u>16,188,846</u>	83,534,497
2. Current Assets					
(a) Inventories	10	19,821,090		14,220,430	
(b) Trade receivables	11	--		2,122,094	
(c) Cash and cash equivalents	12	335,659		6,746,591	
(d) Short-term loans and advances		31,722,901		30,329,790	
(e) Other current assets	13	<u>555,197</u>	<u>52,434,847</u>	<u>310,223</u>	<u>53,729,128</u>
Total			<u>130,573,028</u>		<u>137,263,625</u>
The accounting policies and notes form an integral part of these financial statement					
In terms of our report of even date attached.					
For G. K. Kedia & Co.			For and on behalf of the Board		
Chartered Accountants Firm Registration No. 013016N					
Gopal Kumar Kedia Partner Membership No. 054629		Pavel Garg Managing Director		Poonam Garg Director	
Place : New Delhi Date : 29.05.2013		S.C. Mittal Director		Chandra Kishore Aggarwal Company Secretary	



PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2013			
PARTICULARS	NOTE NO.	For the Year ended March 31, 2013 Rs.	For the Year ended March 31, 2012 Rs.
I. Revenue from operations	14	430,307,354	399,292,112
II. Other Income	15	296,101	221,440
III. Total Revenue (I + II)		430,603,455	399,513,552
IV. Expenses:			
Purchases of Stock-in-Trade		425,207,830	395,412,485
Changes in inventories of Stock-in-Trade	16	(5,600,660)	(4,849,741)
Employee benefit expenses	17	2,147,944	2,499,864
Finance cost	18	4,173,493	4,493,331
Depreciation and amortization expenses	19	2,960,716	3,160,983
Other expenses	20	2,084,457	2,033,845
Total expenses		430,973,781	402,750,767
V. Profit before exceptional and extraordinary items and tax (III - IV)		(370,325)	(3,237,215)
VI. Exceptional items		-	-
VII. Profit before extraordinary items and tax (V - VI)		(370,325)	(3,237,215)
VIII. Extraordinary items		-	-
IX. Profit before tax (VII - VIII)		(370,325)	(3,237,215)
X. Tax expenses:			
(1) Current tax		-	-
(2) MAT Credit		-	-
(3) Previous Year		-	(12,740)
(4) Deferred tax		445,270	539,461
XI. Profit/(Loss) for the period from continuing operations (IX - X)		(815,595)	(3,763,936)
XII. Profit/(Loss) from discontinuing operations		-	(12,740)
XIII. Tax expenses of discontinuing operations		-	(12,740)
XIV. Profit/(Loss) from Discontinuing operations (after tax) (XII - XIII)		-	-
XV. Profit/(Loss) for the period (XI + XIV)		(815,595)	(3,763,936)
XVI. Earnings per equity share:			
(1) Basic		(0.16)	(0.74)
(2) Diluted		(0.16)	(0.74)
The accounting policies and notes form an integral part of these financial statement			
In terms of our report of even date attached.			
For G. K. Kedia & Co.		For and on behalf of the Board	
Chartered Accountants			
Firm Registration No. 013016N			
Gopal Kumar Kedia	Pavel Garg	Poonam Garg	
Partner	Managing Director	Director	
Membership No. 054629			
Place : New Delhi	S.C. Mittal	Chandra Kishore Aggarwal	
Date : 29.05.2013	Director	Company Secretary	

**NOTES ANNEXED TO AND FORMING PART OF FINANCIAL STATEMENTS AS AT 31st MARCH, 2013****Note No. 1 : SIGNIFICANT ACCOUNTING POLICIES****1.i Basis of preparation of Financial Statements**

The financial statements are prepared and presented under the historical cost convention on accrual basis of accounting in accordance with the generally accepted accounting principles in India ("GAAP"), applicable Accounting Standards issued by The Institute of Chartered Accountants of India and under the historical cost convention, on accrual basis.

1.ii Revenue Recognition

Revenue is being recognized in accordance with the guidance Note on Accrual Basis of Accounting issued by The Institute of Chartered Accountants of India. Accordingly wherever there are uncertainties in the realization of income, the same is not accounted for till such time the uncertainty is resolved.

Income from sale of shares is recognized on the execution of transaction on the stock exchange. Income from jobbing operation and from F&O Activities is recognized on the settlement date. Income from interest on loan given is recognized on a time proportion basis at the time of squared up of interest bearing loan accounts or at the end of financial year, whichever is earlier. Dividend income is recognized on receipt basis.

1.iii Treatment of Expenses

All expenses are accounted for on accrual basis.

1.iv Fixed Assets

Fixed Assets are stated at historical cost, less depreciation. Costs of fixed assets include taxes, duties, freight and other expense incidental and related there to the construction, acquisition, and installation of respective assets.

1.v Borrowing Cost

Borrowing costs that are allocated to the acquisition or construction of qualified assets are capitalized as part of cost of such assets. A qualifying asset in one that necessarily takes substantial period of time to get ready for intended use. All other borrowing costs are charges to revenue.

1.vi Depreciation

Depreciation is provided on fixed assets on the basis of written down value method on pro-rata basis at the rates prescribed in schedule XIV to the Companies Act, 1956.

1.vii Inventories

Stock-in-trade (quoted) is valued at cost (on first-in-first-out (FIFO) basis) or market prices, whichever is lower.

1.viii Taxation

Provision for current income tax has been made as per the provisions of the Income Tax Act.

Deferred tax is recognized, subject to the consideration of prudence, on timing difference, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

1.ix Employees Benefits

Provision of Gratuity has not been made, as presently no employee is eligible for the same. Provisions of provident fund and ESI have not been made, as the provisions of the same are yet not applicable to the company. The company is not paying leave encashment benefits to its employees as per the rules of the company.

1.x Leases

The company has taken office building on lease, which is classified as an Operating Lease.

1.xi Earnings Per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

1.xii Contingent liabilities

Contingent liabilities are not provided for in the accounts but are disclosed in notes to accounts.

NOTES TO THE FINANCIAL STATEMENT	AS AT 31.03.2013 (Rs.)	AS AT 31.03.2012 (Rs.)
2. SHARE CAPITAL		
Authorised		
60,00,000 Equity shares of Rs. 10/- each (Pr. Yr. 60,00,000 Equity shares of Rs. 10/- each)	60,000,000	60,000,000
Issued, Subscribed and Paid-up		
50,90,900 Equity shares of Rs. 10/- (Pr. Yr. 50,90,900 Equity shares of Rs. 10/- each fully subscribed and paid-up)	50,909,000	50,909,000
	<u>50,909,000</u>	<u>50,909,000</u>



Outstanding Share reconciliation (Nos.)		As at 31.3.2013		As at 31.3.2012							
Particulars		Equity Shares		Equity Shares							
Opening at the beginning of the year		5,090,900		5,090,900							
Add: Issued during the year		--		--							
Less: Buy back during the year		--		--							
Less: redemption during the year		--		--							
Closing as on 31st March, 2013		5,090,900		5,090,900							
Shareholders holding more than 5% of total issued and paid up Equity Share Capital											
		As at 31.3.2013		As at 31.3.2012							
Name	% of Holding	No. of Shares Held	% of Holding	No. of Shares Held							
Pavel Garg	29.93	15,23,560	29.93	15,23,560							
Poonam Garg	10.49	5,34,200	10.49	5,34,200							
Adroit Fin. Serv. Pvt. Ltd.	1.59	81,027	5.23	2,66,300							
3. RESERVE & SURPLUS											
Surplus (balance in Statement of Profit & Loss):											
Opening Balance	8,859,029		12,622,964		8,859,029						
Add: Profit/(Loss) for the year	(815,595)	8,043,433	(3,763,936)		8,859,029						
		8,043,433			8,859,029						
4. DEFERRED TAX LIABILITIES (NET)											
Timing difference between depreciable asset		993,208			547,938						
		993,208			547,938						
5. SHORT-TERM BORROWINGS											
Unsecured:											
(a) Loan and advances payable on demand from :											
- Directors	25,744,679		18,244,679								
- Others	43,085,673	68,830,352	57,181,374		75,426,053						
		68,830,352			75,426,053						
6. OTHER CURRENT LIABILITIES											
(a) Statutory due to Revenue Authorities											
- TDS/ TCS		385,396			451,175						
(b) Expenses payable		77,701			101,514						
(c) Other payables		1,000			893,091						
		464,097			1,445,780						
7. SHORT TERM PROVISIONS											
Provision on Standard Assets		79,307			75,825						
Provision for Taxation		--			--						
		79,307			75,825						
8. SUMMARY OF HEADS IN TANGIBLE FIXED ASSETS											
Amount in Rs.											
PARTICULARS	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Opening	Additions	Disposals	Closing	Opening	Additions	Reversal	Closing	WDV as on 31.03.2013	WDV as on 31.3.2012
(a) Land											
Plot (HUDA)	0%	24,885,335	-	-	24,885,335	-	-	-	-	24,885,335	24,885,335
(b) Buildings	5%	36,784,462	-	-	36,784,462	1,830,212	1,747,713	-	3,577,925	33,206,537	34,954,250
(c) Office Equipments											
Air Conditioner	13.91%	230,327	-	-	230,327	32,038	27,582	-	59,620	170,707	198,289
Fire Extinguisher	13.91%	22,851	-	-	22,851	2,772	2,793	-	5,565	17,286	20,079
Generator	13.91%	619,934	-	-	619,934	86,233	74,238	-	160,471	459,463	533,701
Lift/Escalators	13.91%	2,735,151	-	-	2,735,151	371,127	328,836	-	699,963	2,035,188	2,364,024
Panels	13.91%	1,759,249	-	-	1,759,249	244,712	210,672	-	455,384	1,303,865	1,514,537
Pump/Meters	13.91%	216,126	-	-	216,126	30,063	25,881	-	55,944	160,182	186,063
Transformers	13.91%	557,404	-	-	557,404	77,535	66,750	-	144,285	413,119	479,869
Mobile	13.91%	31,848	-	-	31,848	16,402	2,149	-	18,551	13,297	15,446
Water Purifier	13.91%	9,000	-	-	9,000	4,685	600	-	5,285	3,715	4,315
Computer	40%	362,952	64,400	-	427,352	341,710	33,622	-	375,332	52,020	21,242
(d) Furniture and Fixtures											
Electricals Equipments & Fittings	18.10%	1,803,997	-	-	1,803,997	326,523	267,423	-	593,946	1,210,051	1,477,474
Water Tank	18.10%	101,095	-	-	101,095	18,298	14,986	-	33,284	67,811	82,797
(e) Vehicles											
Motor Cycle	25.89%	36,367	-	-	36,367	17,371	4,918	-	22,289	14,078	18,996
Car	25.89%	706,714	-	-	706,714	117,480	152,553	-	270,033	436,681	589,234
TOTAL (Current Year)		70,862,812	64,400	-	70,927,212	3,517,161	2,960,716	-	6,477,877	64,449,335	67,345,651
TOTAL (Previous Year)		69,427,742	1,435,070	-	70,862,812	356,178	3,160,983	-	3,517,161	67,345,651	



NOTES TO THE FINANCIAL STATEMENT	AS AT 31.03.2013 (Rs.)	AS AT 31.03.2012 (Rs.)
9. LONG-TERM LOANS & ADVANCES		
(a) Capital Advance	13,196,200	15,696,200
(b) Security Deposit	492,646	492,646
	13,688,846	16,188,846
10. INVENTORIES		
(a) Stock-in-trade - Stock of share (quoted) (Stock of shares are valued at cost or market price whichever is lower)	19,821,090	14,220,430
	19,821,090	14,220,430
11. TRADE RECEIVABLES		
(a) Outstanding for a period exceeding six months	--	--
(b) Others (Unsecured, considered good) (No amount is due from Directors, Officers and Firm / Company of Directors)	--	2,122,094
	--	2,122,094
12. CASH AND CASH EQUIVALENTS		
(a) Balances with banks in Current accounts	196,273	53,499
(b) Cheques, drafts on hand	--	6,600,110
(c) Cash in hand	139,386	92,982
	335,659	6,746,591
13. OTHER CURRENT ASSETS		
(a) Tax Deducted at Sources	123,052	117,136
(b) Refunds with Revenue Department	117,136	--
(c) Prepaid expenses	236,312	114,390
(d) MAT Credit Entitlement	78,697	78,697
	555,197	310,223
NOTES TO THE FINANCIAL STATEMENT	For the year ended March 31,2013 Rs.	For the year ended March 31,2012 Rs.
14. REVENUE FROM OPERATIONS		
Revenue from Sales of Shares	422,168,782	390,998,447
Revenue from NBFC Activity	3,214,056	3,813,107
Jobbing/F&O Trading Income	4,924,516	4,480,558
	430,307,354	399,292,112
15. OTHER INCOME		
Interest on Income Tax Refund	-	5,197
Dividend Income	296,101	216,243
	296,101	221,440
16. CHANGES IN INVENTORIES		
Opening stock of shares (quoted)	14,220,430	9,370,689
Closing stock of shares (quoted)	19,821,090	14,220,430
	(5,600,660)	(4,849,741)
17. EMPLOYEES BENEFITS EXPENSES		
Directors Remuneration	480,000	780,000
Salaries and wages	1,528,329	1,574,435
Allowances	93,600	93,600
Staff Welfare Expenses	46,015	51,829
	2,147,944	2,499,864
18. FINANCE COST		
Interest Expenses	4,173,493	4,493,331
	4,173,493	4,493,331
19. DEPRECIATION AND AMORTIZATION		
Depreciation	2,960,716	3,160,983
	2,960,716	3,160,983
20. OTHER EXPENSES		
- Advertisement	48,498	34,183
- Auditors payment	22,472	22,472



NOTES TO THE FINANCIAL STATEMENT	For the year ended March 31,2013 Rs.	For the year ended March 31,2012 Rs.
- Bank Charges	24,515	15,434
- Books and periodicals	8,344	7,800
- Business promotion	42,009	46,681
- Electricity / fuel	1,020,269	1,019,198
- Fees & Subscription	73,284	71,695
- House Tax	3,735	3,167
- Insurance	12,372	2,387
- Legal and professional expenses	133,560	25,240
- Office Expenses	43,172	86,899
- Office Repair & Maintenance	6,730	6,508
- Postage and courier	29,029	38,385
- Printing and Stationery	38,209	39,842
- Provision on Standard Assets @0.25%	3,482	75,825
- Record maintenance charges	15,169	13,236
- Rent	180,000	180,000
- Repairs & Maintenance - Building	233,839	262,022
- Repairs & Maintenance - Others	60,080	19,774
- Telephone & Internet expenses	24,201	31,886
- Vehicle Running and Maintenance expenses	27,445	28,150
- Water expenses	23,044	3,061
- Website Designing & Maintenance expenses	11,000	-
	2,084,457	2,033,845
NOTES TO THE ACCOUNTS FORMING PART OF FINANCIAL STATEMENTS AS AT	31st MARCH, 2013	
21. Contingent Liabilities	Current year	Previous year
Estimated amount of contingent liability	Nil	Nil
22. Payment made to Directors includes:	Current year	Previous year
Managerial Remuneration	4,80,000/-	7,80,000/-
23. Payments to Auditors includes:	Current year	Previous year
Audit Fees	22,472/-	22,060/-
24. Change in Accounting Policies:	The company has not made any changes in its accounting policy and are same as were in previous year.	
25. Segmental Reporting:	The company is an investing and financing company and most of the revenue of the company arise from investing activities. As all the investment and finances made by the company are subject to same risk and return, hence, there is only one segment of business.	
26. Deferred Tax	Consequent to the issuance of Accounting Standard (AS) 22, "Accounting For Taxes on Income" issued by The Institute of Chartered Accountants of India, the Company has recognised deferred tax liability of Rs.9,93,208/-for the period up to 31st March, 2013 on account of difference in depreciation rates prescribed as per the Companies Act, 1956 and as per Income Tax Act, 1961.	
27. Operating Lease	The company has taken head office building on lease which is classified as an Operating Lease. The information as per Accounting Standard (AS) 19, "Leases" issued by The Institute of Chartered Accountants of India is as follows:-	
(a) The total of future minimum lease payments payable for each of the following periods:-		
(i) not later than one year		Rs. 1,80,000/- P.A.
(ii) later than one year and not later than five years		Rs. 1,80,000/- P.A.
(iii) later than five years		Rs. Nil



- (b) Lease payment recognized in the statement of profit and loss for the year Rs. 1,80,000/- P.A.
- (c) (i) The company has taken head office building on lease for 3 years, which can be increased as mutually decided by both the parties to the lease agreement.
- (ii) If both the parties agreed to increase the lease period, the lease rental after three years will increase by such % as mutually decided by both the parties.

28. Dealing in Securities:

Quantitative information in respect of dealing in securities:	As at March 31, 2013		As at March 31, 2012	
	Quantity(Nos.)	Amount(Rs.)	Quantity(Nos.)	Amount(Rs.)
Opening Stock	204000	1,42,20,430	41894	93,70,689
Purchases	2418167	42,52,07,830	2397453	39,54,12,485
Sales	2390767	42,21,68,782	2235347	39,09,98,447
Closing Stock	231400	1,98,21,090	204000	1,42,20,430

29. Related Party Disclosures:

- a. List of related parties and their relationship (as recognized by the management):

- (i.) Shri Pavel Garg (Key Management Personnel) (ii.) Smt. Poonam Garg (Key Management Personnel)
- (iii.) Shri Shri Chand Mittal (Key Management Personnel) (iv.) Combitic Global Caplet (P) Ltd. (Associates)

- b. Related Parties Transactions:

The details of transactions between the Company and the related party, as defined in the Accounting Standard- 18, are given below:

(Figures in brackets relate to the previous year)

(Rs. in Lacs)

Sl. No.	Nature of transactions	Key Management Personnel & their relatives	Associates	Closing Balance as on 31-3-2013
1.	Remuneration / salary	4.80 (7.80)	-- (--)	-- (--)
2.	Unsecured Loan:	75.00	--	257.45
	Received	(201.00)	(--)	(182.45)
	Paid Back	--	--	--
		(25.00)	(--)	(--)
3.	Interest Paid	-- (7.16)	-- (--)	-- (--)

Note: In opinion of board, non-executive directors are not key management personnel for AS-18.

30. Earnings/ (Loss) Per Share (EPS):

	Current year	Previous year
Profit after tax attributable to Equity shareholders (Numerator used for calculating basic EPS)	(-) 8,15,595	(-) 37,63,935
Weighted average number of equity share outstanding during the year (Denominator used for calculating basic EPS)	50,90,900	50,90,900
Nominal value of share	10	10
Basic Earning/ (Loss) per share	(-) 0.16	(-) 0.74
Diluted Earning/ (Loss) per share	(-) 0.16	(-) 0.74



31. On the basis of above information available with the company, there are no amounts payable to micro and small enterprises as at 31.03.2013 (Pr. Yr. - Nil). However, the status of all the undertakings is presently not known to the company.
32. Earning/Expenditure in foreign currency: Rs. Nil (Pr. Yr. Nil)
33. Debit and credit balances with the parties are subject to their confirmations by the parties.
34. In the opinion of board of directors, the current assets, loans & advances shall have a value on realization in the ordinary course of business at least equal to the amount at which they are stated in the balance sheet and provisions for all the known current liabilities have been made in the balance sheet.
35. Schedule to the Balance Sheet as required in terms of Paragraph 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998, and Additional information pursuant to the provisions of part IV of Schedule VI to the Companies Act, 1956, Balance Sheet Abstract and Company's General Business Profile- are enclosed herewith by way of separate annexures.
36. Previous year figures have been regrouped or rearranged wherever considered necessary to make it comparable with the figures of the current year.
37. The company has kept equity shares of companies in margin account with broker M/s Maheshwari Technical & Financial Services Limited as margin. Details of share in margin for the year ending is as under :

Shares	Current year (No.)	Previous Year (No.)
HDIL	10000	10000
IFCI Ltd.	36000	36000
Liquid Bees	3400	—
NHPC	40000	—
SJVN	100000	100000

In terms of our report of even date attached.

For G. K. Kedia & Co.

Chartered Accountants

Firm Registration No. 013016N

Gopal Kumar Kedia

Partner

Membership No. 054629

Place : New Delhi

Date : 29.05.2013

Pavel Garg

Managing Director

S.C. Mittal

Director

For and on behalf of the Board

Poonam Garg

Director

Chandra Kishore Aggarwal

Company Secretary



CASH FLOW STATEMENT		(Amount in Rs.)
PARTICULARS	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax	(370,325)	(3,237,215)
Adjustments for :		
Depreciation	<u>2,960,716</u>	<u>3,160,983</u>
Operating Profit before working capital changes	2,590,391	(76,232)
Increase / Decrease in :		
- Inventories (Increase) / Decrease	(5,600,660)	(4,849,741)
- Sundry Debtors (Increase) / Decrease	2,122,094	(96,089)
- Sundry Creditors (Decrease) / Increase	1,253,631	-
- Current Liabilities (Decrease) / Increase	(978,201)	911,323
- Non-current Liabilities (Decrease) / Increase	445,270	539,461
- Other Current Assets (Increase) / Decrease	<u>(244,974)</u>	<u>(89,165)</u>
Cash Generated from operation before Income Tax	(412,450)	(3,660,443)
Income Tax / MAT / Deferred Tax	445,270	526,721
Cash generated from operating activities (A)	<u>(857,720)</u>	<u>(4,187,164)</u>
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Fixed Assets	(64,400)	(1,435,070)
Long term loans & advances (Increase)	<u>2,500,000</u>	<u>(853,000)</u>
Net Cash used from investing activities (B)	<u>2,435,600</u>	<u>(2,228,070)</u>
CASH FLOW FROM FINANCING ACTIVITIES:		
Short Term borrowings received / (re-payment)	(6,595,701)	(36,072,990)
Short term Loans & Advances (Given) / received back	(1,393,111)	48,624,314
Net Cash flow from financing activities (C)	<u>(7,988,812)</u>	<u>12,551,324</u>
Net increase/(Decrease) in cash & cash equivalents (A+B+C)	<u>(6,410,932)</u>	<u>6,076,090</u>
Cash and cash equivalent at beginning of the year	6,746,590	670,500
Cash and cash equivalent at the end of the year	335,659	6,746,590
Note :- Previous year figures have been regrouped wherever necessary		
In terms of our report of even date attached		
For G. K. Kedia & Co.		For and on behalf of the Board
Chartered Accountants		
Firm Registration No. : 013016N		
Gopal Kumar Kedia	Pavel Garg	Poonam Garg
Partner	Managing Director	Director
Membership No. 054629		
Place : New Delhi	S.C. Mittal	Chandra Kishore Aggarwal
Date : 29.05.2013	Director	Company Secretary
Auditors' Report		
We have examined the above cash flow statements of Mudit Finlease Limited for the year ended 31st March, 2013. The statement has been prepared by the Company in accordance with the requirement of the listing agreements with the Stock Exchange and is based on and in agreement with the corresponding statement of profit & loss account and balance sheet of the company covered by our report of 29.05.2013, to the members of the company.		
For G. K. Kedia & Co.		
Chartered Accountants		
Firm Registration No.: 013016N		
Place : New Delhi	Gopal Kumar Kedia	
Date : 29.05.2013	Partner	
	Membership No. 054629	



(ii) Debenture and Bonds	NIL	
(iii) Units of Mutual Funds	NIL	
(iv) Governments Securities	NIL	
(v) Others (please specify)	NIL	
2. Unquoted :		
(i) Shares : (a) Equity	NIL	
(b) Preference	NIL	
(ii) Debenture and Bonds	NIL	
(iii) Units of Mutual Funds	NIL	
(iv) Governments Securities	NIL	
(iii) Others (Please specify)	NIL	
6 Borrower group-wise classification of all leased stock-on-hire and loans and advances : Please see Note 2 below		
Category	Amount net of provisions	
	Secured	Unsecured
1. Related Parties "	NIL	NIL
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	NIL	317
Total	NIL	317
7 Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted): Category	Market Value / Break-up or Fair value or NAV	Book Value (Net of Provisions)
1. Related Parties "	NIL	NIL
(a) Subsidiaries	NIL	NIL
(b) Companies in the same group	NIL	NIL
(c) Other related parties	NIL	NIL
2. Other than related parties	199	198
Total	199	198
"As per Accounting Standard of ICAI (Please see Note 3)		
8 Other Information		Amount
Particulars		
(i) Gross Non-Performing Assets		NIL
(a) Related parties		NIL
(b) Other than related parties		NIL
(ii) Net Non-Performing Assets		NIL
(a) Related parties		NIL
(b) Other than related parties		NIL
(iii) Assets acquired in satisfaction of debt		NIL
Notes :		
1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.		
2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.		
3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break-up/fair value/ Nav in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.		
For G. K. Kedia & Co. Chartered Accountants FRN : 013016N		For and on behalf of the Board
Gopal Kumar Kedia Partner Membership No. 054629	Pavel Garg Mg. Director	Poonam Garg Director
Date : 29/05/2013 Place : New Delhi	S.C. Mittal Director	(Chandra Kishore Aggarwal) Company Secretary



MUDIT FINLEASE LIMITED	
Registered Office : CSC-5, Unit No. 2, (1st Floor), DDA Gole Market, Sector-9, Rohini, Delhi-110085	
ATTENDANCE SLIP	L.F. No.
	DP ID
	Account ID
	No. of Shares Held
I/We hereby record my/our presence at the Twenty Fifth Annual General Meeting of the Company to be held on Monday the 30th day of September, 2013 at 10.00 A.M. at the Registered Office of the Company at, CSC-5, Unit No. 2, (1st Floor), DDA Gole Market, Sector-9, Rohini, New Delhi-110085	
Name of the Shareholder (In Block Letters)	
Signature of the Shareholder	
Name of the Proxy (In Block Letters)	
Signature of the Proxy	
Notes : 1) You are requested to sign and handover this slip at the entrance. 2) If you are attending the meeting in person or by proxy, your copy of the Annual Report may please be brought by you/your proxy for reference at the meeting.	
MUDIT FINLEASE LIMITED	
Registered Office : CSC-5, Unit No. 2, (1st Floor), DDA Gole Market, Sector-9, Rohini, Delhi-110085	
PROXY FORM	L.F. No.
	DP ID
	Account ID
	No. of Shares Held
I/We of	
..... being a member/members of MUDIT FINLEASE LIMITED hereby appoint	
..... of	
.....or failing him/her	
of	
..... as my/our proxy to vote for me/us on my/our behalf at	
the Twenty Fifth Annual General Meeting of the Company to be held on Monday, the 30th day of	
September 2013, at 10.00 A.M. or any adjournment thereof.	
Signed this day of 2013.	
<div style="border: 1px solid black; padding: 5px; width: fit-content; margin-left: auto;"> Please Affix Rupee One Revenue Stamp </div>	
Note : This form in order to be effective should be stamped, completed and signed and must be lodged at the Registered Office of the Company not less than 48 hours before meeting.	

BOOK-POST

If undelivered please return to :



**Mudit
Finlease Ltd.**

CSC-5, Unit No. 2, 1st Floor, DDA Gole Market
Sector-9, Rohini, Delhi-110 085 Ph. No. 011-27553028
email : mudit_finlease@rediffmail.com



Mudit Finlease Ltd.






Regd. Office : CSC-5, UNIT NO.2 (1ST FLOOR)
DDA GOLE MARKET, SECTOR-9, ROHINI, DELHI-110085
TEL. : 011-27553028, 9312200930
E-mail : mudit_finlease@rediffmail.com

Ref. No.....

Dated...29.05.2013.

FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	MUDIT FINLEASE LIMITED
2.	Annual financial statements for the year ended	31 st March 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	<u>Signed by:-</u>	
	<ul style="list-style-type: none"> CEO / Managing Director 	 (PAVEL GARG) 
	<ul style="list-style-type: none"> CFO 	Not Appointed
	<ul style="list-style-type: none"> Auditors of the Company 	 
	<ul style="list-style-type: none"> Audit Committee Chairman 	 (PAVEL GARG) 