

# **Sital Leasing And Finance Limited.**



**Annual Report 2013-2014**

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# **CORPORATE INFORMATION**

## **MANAGING DIRECTOR**

Mr. Surender Kumar Jain

## **DIRECTORS**

Mrs. Priti Jain

Mr. Anil Prakash

Mr. Sujan Mal Mehta

Mr. Vivek Kumar

Mr. Vivek Kumar

## **REGISTERED & CORPORATE OFFICE**

Office No. 322, 3rd Floor,  
S. S. Plaza Commercial Complex  
Mayfield Garden, Sector-47  
Gurgaon- 122001

## **LEGAL ADVISOR**

Mr. Vijay Joshi

Add: 8, L.G.F., Humayunpur

Safdarjung Enclave

New Delhi- 110029

## **COMPANY SECRETARY**

Kriti Singh

## **STATUTORY AUDITOR**

Anil Kumar

Chartered Accountant

New Delhi

## **BANKER**

Dena Bank

Branch: Nehru Place

New Delhi

## **REGISTRAR & SHARE TRANSFER AGENT**

Bigshare Services Pvt. Ltd.

4E/8, First Floor,

Jhandewalan Extension,

New Delhi-110055

***Chairman's Letter for the 31st Annual General Meeting of the Company***

***Esteemed Shareholders, my colleagues on the Board, distinguished ladies and gentlemen,***

***Good Morning.***

It is with great pleasure that I welcome you all to the Thirty One Annual General Meeting of your Company "SITAL LEASING AND FINANCE LTD."

At the outset I am happy to state that your Company, which has been at the forefront of leading-edge investing in shares bonds debentures serving key finance essential to economic, social and environmental development of India, retained its market leadership

Last year in my communication, I had said that your Company was moving into a phase of Melding/ fusion/unification after years of growth

There are welcome signals from the RBI that further monetary easing will ensue.

We take pride in stating that, your Company, a market leader in the Indian Finance sector over years of expertise in building the growth opportunities for the country, is at the forefront in meeting today's challenges in energy and the environment.

We are living in interesting times. Change is no longer sporadic and spaced out but regular and continuous. In this constantly changing world, our investors are focusing revenue growth and enhancing the investing stagiest increasing their profits. The entire Globe is their canvas. They are identifying newer growth opportunities and differentiating

In my view, financing opportunity is going to be the KEY enabler for clients to achieve this dual objective of growth and differentiation as they transform themselves.

To conclude, the energy in our leadership team and the high passion levels in our employees give us the confidence that we are well on our way to building a strong and Sustainable business. I would like to thank each and every one of our Investors, employees, Shareholders, partners and supporters for their continued trust in building SITAL for this Exciting future.

Very Sincerely,

Sd/-  
Surender Kumar Jain  
Chairman

## MISSION & OBJECTIVES OF OUR COMPANY

### MISSION

- To facilitate availability of Finance for growth and development.
- To act as a competitive, client-friendly and development oriented organization for financing and promoting.

### OBJECTIVES

In furtherance of the Mission, the main objectives to be achieved by the Corporation are listed below:

- To expand and diversify into other related areas and activities like investing in the shares, stocks, bonds and debentures.
- To mobilize funds from various sources including raising of funds from domestic and international agencies and sanction loans to the State
- To optimize the rate of economic and financial returns for its operations while fulfilling the corporate goals.

## Notice of Annual General Meeting

NOTICE IS HEREBY GIVEN that the 31<sup>st</sup> Annual General Meeting of the Members of Sital Leasing And Finance Limited will be held on Saturday, the 5<sup>th</sup> day of September, 2014 at 04.00 P.M. at the Registered Office of the Company at Office No. 322, 3<sup>rd</sup> Floor, S. S. Plaza Commercial Complex, Mayfield Garden, Sector-47, Gurgaon- 122001 to transact the following business:

### **ORDINARY BUSINESS**

1. To consider and adopt the audited Balance Sheet as at March 31, 2014, the Statement of Profit & Loss for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Sujan Mal Mehta, (holding DIN 01901945) who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and to fix their remuneration.

To consider and, if thought fit, the following resolution, with or without modification as an ordinary resolution

“Resolved that pursuant to provision of Section 139 & 141 and other applicable provisions of Companies Act, 2013 Mr. Anil Kumar, Chartered Accountants, (Membership No. 86223) be and is hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the 36<sup>th</sup> Annual General Meeting subject to ratification by members at each Annual General Meeting to be held hereafter on such remuneration as may be decided by the Board of Directors in consultation with the Auditors.”

### **SPECIAL BUSINESS**

4. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“**RESOLVED that** Mr. Vivek Kumar (holding DIN 03427307), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> January 2014, in terms of Section 260 of the Companies

Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and the applicable provisions of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, pursuant to section 149, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules thereunder, for a consecutive period of five years from 24<sup>th</sup> September, 2014 to 23<sup>rd</sup> September, 2019”

5. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“**RESOLVED** that Mr. Suman Kumar Gupta (holding DIN 06794611), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 1<sup>st</sup> January 2014, in terms of Section 260 of the Companies Act, 1956 [corresponding to Section 161(1) of the Companies Act, 2013] and the applicable provisions of the Articles of Association of the Company and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, pursuant to section 149, schedule IV and other applicable provisions, if any, of the Companies Act, 2013 and the rules thereunder, for a consecutive period of five years from 24<sup>th</sup> September, 2014 to 23<sup>rd</sup> September, 2019”

6. To consider and, if thought fit, to pass, with or without modification, the following resolution which will be proposed as an Ordinary Resolution:-

“Resolved that pursuant to Section 149, Schedule IV and other applicable provisions of Companies Act, 2013, if any, and the rules thereunder approval be and is hereby given for the appointment of Mr. Anil Prakash (DIN- 05187809), Director, in respect of whom the Company has, as required by Section 160 of the Companies Act, 2013 received a notice in writing as an independent Director on the Board of Directors of the Company for a consecutive period of five years from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2019.”

**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/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**

2. Proxies in order to be effective, must be received by the Company, duly filled, stamped and signed, at its Registered Office or at its Administrative Office not less than 48 hours before the Meeting.

3. The relevant Explanatory statement pursuant to Section 102 of the Companies Act, 2013 in respect of the Special Business in the Notice is annexed hereto. Profile of the Directors seeking appointment/ re-appointment, as required in terms of the Listing Agreement entered into with the Stock Exchanges, are furnished below.

4. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are requested to send a duly certified copy of their Board Resolution authorizing their representatives to attend and vote at the 31<sup>st</sup> Annual General Meeting.

5. Members/Proxies/Representatives should bring the enclosed Attendance slip, duly filled in, for attending the Meeting.

6. The Register of Members and Share Transfer Books of the Company shall remain closed from Tuesday 16<sup>th</sup> September, 2014 to Friday 19<sup>th</sup> September, 2014 both days inclusive.

7. Members holding shares in the Dematerialized and Physical mode are requested to intimate all changes pertaining to their Bank details, mandates, nominations, power of attorney, change of address, etc. to the Company's Registrars and Share Transfer Agents - M/s. Bigshare Services Pvt. Ltd. 4E/8, First Floor, Jhandewalan Extension, New Delhi-110055 respectively. Changes intimated to the depository participant will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agents to provide efficient and better service to the Members. Shareholders are hereby intimated that under instructions from the Securities and Exchange Board of India, furnishing of bank particulars by the shareholders has become mandatory.

8. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore



requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrars and Share Transfer Agents, M/s. Bigshare Services Pvt. Ltd.

9. As per the green initiative taken by the Ministry of Corporate Affairs, the shareholders are advised to register their-email address with the RTA, M/s. Bigshare Services Pvt. Ltd. in respect of shares held in physical form and with the concerned Depository Participant in respect of shares held in Demat form to enable the Company to serve documents in electronic form.

10. Details under Clause 49 of the Listing Agreement with the Stock Exchange in respect of the Directors seeking appointment/re-appointment at the Annual General Meeting, forms integral part of the notice. The Directors have furnished the requisite declarations for their appointment/re-appointment.

11. Electronic copy of the Annual Report for 2013 is being sent to all the members whose email IDs are registered with the Company/Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2013 is being sent in the permitted mode.

12. Members may also note that the Notice of the 31<sup>st</sup> Annual General Meeting and the Annual Report for 2013 will also be available on the Company's website [www.sitalleasingfinance.com](http://www.sitalleasingfinance.com) for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office in New Delhi for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [sitalfinance@gmail.com](mailto:sitalfinance@gmail.com).

13. All documents referred to in the accompanying Notice is open for inspection at the Registered Office of the Company on all working days, except Saturdays, between 11 A.M. and 1 P.M. upto the date of the 31<sup>st</sup> Annual General Meeting.

**Explanatory Statement**

As required Section 102 of the Companies Act, 2013 in respect of the items of Special Business mentioned in the Notice.

**Item No. 4**

Mr. Vivek Kumar was appointed as an Additional Director of the Company by the Board of Directors with effect from January 01, 2014. He holds office until the ensuing Annual General Meeting under Section 161(1) of the Companies Act, 2013. It is proposed to appoint Mr. Vivek Kumar as an Independent Director of the Company pursuant to Section 149, Schedule IV, and other applicable provisions of Companies Act, 2013. In respect of proposed appointment, the company has, as required by Section 160 of Companies Act, 2013 received a notice in writing regarding his candidature for the office of the Director. Mr. Vivek Kumar has submitted the declaration of independence, as required pursuant to section 149(7) of Companies Act, 2013 stating that he meets the criteria of independence as provided in subsection (6) and he is not disqualified from being appointed as a director in terms of section 164 of the Act. In the opinion of the Board, the proposed appointment of Mr. Vivek Kumar as independent Director fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed appointment of Mr. Vivek Kumar is independent of the Management.

Brief resume of Mr. Vivek Kumar is given in the annexure of the Notice. The Board of Director is of the opinion that Mr. Vivek Kumar possesses requisite skills, experience, and knowledge relevant to the Company's business and it would be in the interest of the Company to continue to have his association with the Company as Director.

The Board recommends passing of the Ordinary Resolution set out in item no. 4 of the Notice.

None of the Directors, except Mr. Vivek Kumar, key managerial personnel of the Company and their relatives are, concerned or interested, in this resolution, except to the extent of their respective shareholding, if any, in the Company.

**Item No. 5**

Mr. Suman Kumar Gupta was appointed as an Additional Director of the Company by the Board of Directors with effect from January 01, 2014. He holds office until the ensuing Annual General Meeting under Section 161(1) of the Companies Act, 2013. It is proposed to appoint Mr. Suman Kumar Gupta as Independent Director of the Company pursuant to Section 149, Schedule IV,

and other applicable provisions of Companies Act, 2013. In respect of proposed appointment, the company has, as required by Section 160 of Companies Act, 2013 received a notice in writing regarding his candidature for the office of the Director. Mr. Suman Kumar Gupta has submitted the declaration of independence, as required pursuant to section 149(7) of Companies Act, 2013 stating that he meets the criteria of independence as provided in subsection (6) and he is not disqualified from being appointed as a director in terms of section 164 of the Act. In the opinion of the Board, the proposed appointment of Mr. Suman Kumar Gupta as independent Director fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed appointment of Mr. Suman Kumar Gupta is independent of the Management.

Brief resume of Mr. Suman Kumar Gupta is given in the annexure of the Notice. The Board of Director is of the opinion that Mr. Suman Kumar Gupta possesses requisite skills, experience, and knowledge relevant to the Company's business and it would be in the interest of the Company to continue to have his association with the Company as Director.

The Board recommends passing of the Ordinary Resolution set out in item no. 4 of the Notice.

None of the Directors, except Mr. Suman Kumar Gupta, key managerial personnel of the Company and their relatives are, concerned or interested, in this resolution, except to the extent of their respective shareholding, if any, in the Company

## **Item No. 6**

Section 149 of the Companies Act, 2013, which came in to effect from 1<sup>st</sup> April, 2014, requires every listed Company to have one- third of total number of directors as independent Director. As on 31<sup>st</sup> March, 2014, the board is comprised of Anil Prakash, Vivek kumar and Suman Kumar Gupta as independent Directors pursuant to clause 49 of listing agreement. Pursuant to Section 149, Schedule- IV, and other applicable provisions of Companies Act, 2013 Mr. Anil Prakash is appointed as an Independent Director for a consecutive period of five years from 1<sup>st</sup> April, 2014 to 31<sup>st</sup> March, 2019. The said appointment is subject to approval of members. The company has, as required by Section 160 of Companies Act, 2013 received a notice in writing regarding her candidature for the office of the Director. Mr. Anil Prakash has submitted the declaration of independence, as required pursuant to section 149(7) of Companies Act, 2013 stating that he meets the criteria of independence as provided in subsection (6) and he is not disqualified from being

appointed as a director in terms of section 164 of the Act. In the opinion of the Board, the proposed appointment of Mr. Anil Prakash as an independent Director fulfils the conditions specified in the Act and the Rules made thereunder and that the proposed appointment of Mr. Anil Prakash is independent of the Management.

Brief resume of Mr. Anil Prakash is given in the annexure of the Notice. The Board of Director is of the opinion that Mr. Anil Prakash possesses requisite skills, experience, and knowledge relevant to the Company's business and it would be in the interest of the Company to continue to have his association with the Company as Director.

The Board recommends passing of the Ordinary Resolution set out in item no. 4 of the Notice.

None of the Directors, except Mr. Anil Prakash, key managerial personnel of the Company and their relatives are, concerned or interested, in this resolution, except to the extent of their respective shareholding, if any, in the Company.

**Date: 27<sup>th</sup> August, 2014**

**Place: Gurgaon**

**By Order of the Board**

**Sd/-**

**Kriti Singh**

**Company Secretary**

**Details of Directors Retiring by Rotation and Seeking Re-Appointment and Regularization of Director in ensuing AGM**

**(In Pursuance of Clause 49 of the Listing Agreement)**

<b>Particulars</b>	<b>Date of Appointment</b>	<b>Qualifications</b>	<b>No. of Equity Shares held</b>	<b>Expertise in specific Functional areas</b>	<b>Director of other Companies (excluding foreign Companies)</b>
Mr. Sujan Mal Mehta	03.04.2012	Graduate	Nil	Financial Sector	<ol style="list-style-type: none"> <li>1. C Batia &amp; Co Pvt. Ltd.</li> <li>2. Greenfield Pvt. Ltd.</li> <li>3. Kallinugger And Khoreel Tea Co. Ltd.</li> <li>4. Jaipur Investment Limited</li> <li>5. Barduar Tea &amp; Timber Co Ltd.</li> <li>6. Echt Finance Limited</li> <li>7. Transnational Growth Fund Ltd.</li> <li>8. Sri Amarnath Finance Limited</li> <li>9. Sital Leasing And Finance Limited</li> <li>10. Rkg Finvest Limited</li> <li>11. Chandmull Batia (Exports) Pvt. Ltd.</li> </ol>
Mr. Anil Prakash	01.08.2012	Graduate	15300	Financial Sector	<ol style="list-style-type: none"> <li>1. Synergy Finlease Private Limited</li> <li>2. Sri Amarnath Finance Limited</li> <li>3. Shalini Holdings Limited</li> <li>4. Rkg Finvest Limited</li> <li>5. Transnational Growth Fund Ltd.</li> <li>6. Sunshine Capital Limited</li> <li>7. Echt Finance Limited</li> </ol>
Mr. Vivek Kumar	01.01.2014	C.S	Nil	Secretarial matters	<ol style="list-style-type: none"> <li>1. Winkles Consultancy Services Pvt. Ltd.</li> </ol>
Mr. Suman Kumar Gupta	22.01.2014	C.A	Nil	Financial Sector	Nil

## DIRECTORS' REPORT

To the Members of Sital Leasing And Finance Limited your Directors have pleasure in presenting the 31<sup>st</sup> Annual Report and the Audited Accounts for the financial year ended March 31, 2014.

### FINANCIAL HIGHLIGHTS

For the Financial Year ended 31<sup>st</sup> March, 2014.

Particulars	Year ended 31 <sup>st</sup> March, 2014	Year ended 31 <sup>st</sup> March, 2013
Profit/ (Loss) after depreciation	85,70,607.00	29,18,340.00
Less: Current Provisions for standard Assets	59,774.00	232,305.00
Provision for Sub- Standard Assets	(10,27,000.00)	10,27,000.00
Profit/(Loss) before tax	95,37,833.00	16,59,035.00
Less: Provision for Taxation		
Current Tax	27,88,274.00	846,185.00
Earlier Year Tax	(19,576.00)	-
Deferred Tax	(1,02,162.00 )	(5,850.00)
Profit/(Loss) after tax	68,71, 297.00	8,18,700.00
Add: Balance Brought forward from last year	13,25,910.00	6,70,950.00
Surplus available for appropriation	81,97,207.00	14,89,650.00
Less: Appropriation	-	-
Dividend on Equity Shares Paid	-	-
Tax on Dividend paid	-	-
Proposed Dividend	-	-
Tax on proposed Dividend	-	-
Transfer to Reserve Fund u/s 45IC of RBI	13,49,912.00	1,63,740.00
Surplus Carried to Balance Sheet	<b>68,47,295.00</b>	<b>13,25,910.00</b>

## **DIVIDEND**

As the company kept the profits for investment in better projects it regret not to recommend any dividend. But the directors are hopeful better result in ensuring future.

## **SHARE CAPITAL**

### **a. RIGHT ISSUE**

Company Came up with right issue of 400,375 equity shares of Rs. 10 each for cash at par aggregating to Rs. 40,03,750 in proportion of one (1) equity shares for every 2 (two) equity shares held by the Shareholders of the Company. Issue was approved by Board of directors vide its board resolution dated 12.01.2013 which was approved by Shareholders on 12.02.2013.

On 21.05.2013 Board of Directors of the Company accorded its approval on the basis of allotment as finalized by the Registrar and Share Transfer Agent (Big share services Pvt. Ltd.) post successful subscription of the Rights issue which was closed on 10 May, 2013, which was subsequently approved by the Recognized Stock Exchange i.e. Delhi Stock Exchange on 24.05.2013. Company allotted 400,375 equity shares to 13 shareholders and 438 Renounees aggregating total allotment to 451 members. On 25.05.2013 company allotted right shares to the 451 members.

### **b. BONUS ISSUE**

Board of Directors held their meeting on 6<sup>th</sup> November, 2013 and considered and approved issue of 6,00,56,250 Equity bonus shares to the existing shareholders of the Company subject to approval of Shareholders of the Company which was scheduled to be held on 02.12.2013, wherein shareholders approved the resolution for the capitalization of Rs. 60,05,62,500/- (Rupees Sixty Crore Five Lac Sixty Two Thousand Five Hundred only) standing to the credit of the Company's General Reserve. On 20.12.2013 Board of Directors fixed 31st December, 2013 as record date for the issue of Bonus equity shares of the company to the existing shareholders in the ratio of 01:50 (50 Bonus Equity Shares of Rs. 10/- each for every one Fully Paid Equity Share of Rs. 10/- each). On 02.01.2014 Company allotted 6,00,56,250 Equity bonus shares to its 1426 shareholders.

As on 31st March, 2014 the paid-up Share Capital of the Company stood at Rs. 61,25,73,750 consisting of 6,12,57,375 shares of Rs. 10/- each fully paid-up.

**POSTAL BALLOT**

Company conducted postal ballot in accordance with provisions of Section 192A of the Companies Act, 1956 read with the Companies (Passing of Resolution by Postal Ballot) Rules, 2011, for seeking consent of its members for transacting Alteration of Memorandum of Association & Appointment of Mr. Surender Kumar Jain as a Managing Director of the Company. CS Amit Kumar Modi accorded his consent for scrutinizing the ballot in fair and transparent manner. In the meeting of its board held on 24.01.2014 a resolution was passed for Alteration of Memorandum of Association & Appointment of Mr. Surender Kumar Jain as a Managing Director of the Company and postal ballot form and notice was also approved. On 28.01.2014 company dispatched postal ballot notice and form to its 1426 member whose name appeared in the register of members of the company till 24.01.2014. Scrutinizer CS. Amit Kumar Modi prepared scrutinizer's report and submitted same to the chairman of the company on 01.03.2014 who later on announced the result of the postal ballot at 1500 Hours at the registered office of the Company which was approved by the shareholders of the company holding 54.94% shares of the company. Delhi Stock Exchange Ltd. being recognized stock exchange of the company was informed about the result of the postal ballot subsequently.

**GENERAL CORPORATE MATTERS:**

The company is currently engaged in financial services, sale & purchase of share & securities. The year under report has been difficult for the Stock Market as the market behaved with great volatility and Market Index showed movement both upward and downward frequently. Moreover, payment problems affecting Stock Market also caused considerable damage to the investor's confidence in the market. It also affected the overall turnover in the Stock Market. The Stock Market Index as on 31st March 2014 were at low levels as a result of which there was low valuation of stock held by the company at the end of the year. The company also intends to make expansion in providing loans & advances and finance to different persons, firms & corporate bodies.

**MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report, forming part of the Directors' Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is discussed in a separate section of this Annual Report.



## **CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION**

The Company, being a non- banking finance Company, does not have any manufacturing activity. The Directors, therefore, have nothing to report on Conservation Of Energy and Technology Absorption.

## **FOREIGN EXCHANGE**

The Company did not have any expenditure and income in foreign currency during the financial year 2013-2014.

## **FIXED DEPOSITS**

Your Company has not accepted any fixed deposits during the year under review.

## **RBI GUIDELINES**

The Company continues to fulfill all the norms and standards laid down by the Reserve Bank of India for the Non Banking Financial Company.

## **DIRECTORS**

The Board of Sital Leasing and Finance Limited is dully consist of Executives & Non Executives Directors. However Mr. Vivek Kumar & Mr. Suman Kumar Gupta were appointed as additional Directors on 1<sup>st</sup> January, 2014 and 22<sup>nd</sup> January, 2014 respectively. Necessary resolution is being proposed in the notice of ensuing Annual General Meeting for the approval of members for appointment of Mr. Vivek Kumar & Mr. Suman Kumar Gupta as independent Director of the Company for a term of Five years with effect from 24<sup>th</sup> September, 2014 to 23<sup>rd</sup> September, 2019.

As per the provisions of Companies Act, 2013 and applicable provisions of the Article of Association of the Company at least two- third of total number of Directors (excluding Independent Directors) shall be retire by rotation. Mrs. Priti Jain & Mr. Sujan Mal Mehta, Directors of the Company, are liable to retire by rotation.

Mr. Sujan Mal Mehta, Directors of the Company, are liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Board of Directors recommends their re-appointment.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, based on the representation received from the operating management, with respect to the Balance Sheet of the Company as at March 31, 2014 and the

Profit & Loss Statement for the year ended on that date (hereinafter collectively referred to as the 'Annual Accounts') your Directors confirm that –

- (i) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
- (ii) appropriate accounting policies have been selected and applied consistently and judgments and estimates are made prudently and reasonably so as to give a true and fair view of the state of affairs of the Company and of the loss of the Company;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the aforesaid Act, for safeguarding the Assets of the Company and for preventing and detecting fraud and other irregularities; and
- (iv) the Annual Accounts have been prepared on a 'going concern' basis.

## **PRESENTATION OF FINANCIAL STATEMENTS**

The Financial statements of the Company for the year ended 31<sup>st</sup> March, 2014 as in the previous year, have been disclosed as per the revised schedule of VI to the Companies Act, 1956.

## **CORPORATE GOVERNANCE REPORT**

Pursuant to Clause 49 of the Listing Agreement, a separate section on Corporate Governance forming part of the Directors' Report and the Certificate from the Company's Auditors confirming compliance of Corporate Governance norms are included in the Annual Report.

## **LISTING WITH STOCK EXCHANGES**

Your Company continues to remain listed with Delhi Stock Exchange and listing fee for the current financial year to exchange has been paid by the Company.

## **EXPOSURE TO REAL ESTATE:**

Exposure to Real Estate is NIL

## **AUDITOR'S OBSERVATION**

Observations of the Auditors, read together with the relevant Notes to the Accounts and Accounting Policies, are self explanatory, as such, no further clarifications/explanations are required.

## **AUDITORS**

The Statutory Auditors Anil Kumar, Chartered Accountant, of the Company shall retire at the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

Accordingly, it is proposed to re-appoint them as Statutory Auditors of the Company to hold office until conclusion of the next Annual General Meeting. The retiring auditors have, under section 139(1) of the Companies Act, 2013, furnished certificate of their eligibility for the reappointment, they are not disqualified for reappointment within the meaning of Section 141 of the said Act.

The operations of the Company do not require audit of cost accounts, in terms of the provisions of the Companies Act, 1956 read with the Rules made thereunder.

## **STATUTORY DISCLOSURES**

1. None of the employees of the Company were in receipt of remuneration during the year ended March 31, 2014 in respect of whom particulars are required to be furnished under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.
2. Information as prescribed under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, as amended, is annexed hereto and forms part of this report.

## **ACKNOWLEDGEMENT**

Your Directors wish to convey their gratitude and appreciation to all employees and business associates for their valuable contribution during the year. Your Directors also wish to thank the members, investors, bankers, government authorities, dealers, suppliers for their co-operation and support.

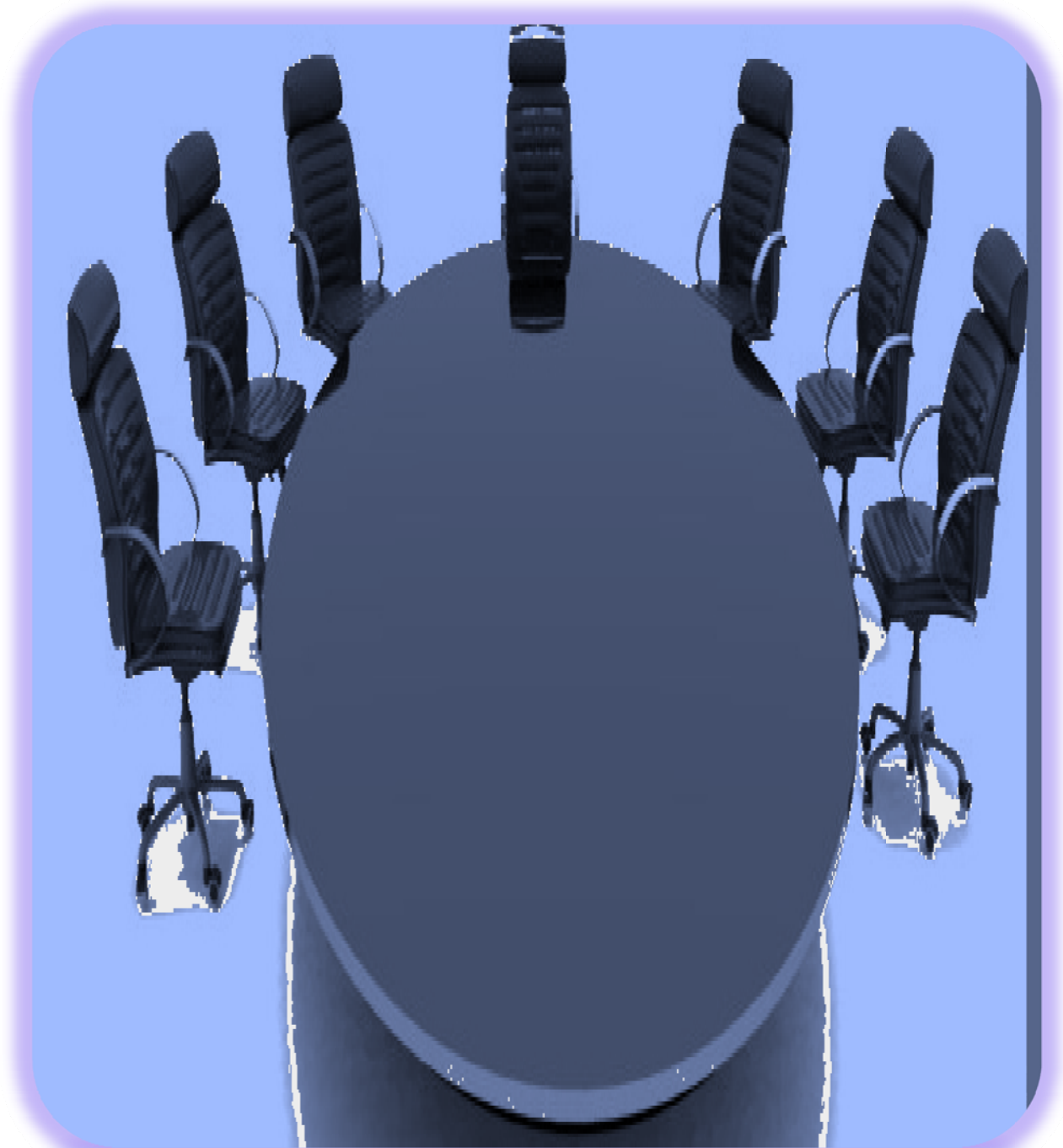
**For and on behalf of the  
Board of Directors**

**Sd/-  
Surender Kumar Jain  
Managing Director  
DIN-00530035**

**Date: 27.08.2014**

**Place: Gurgaon**

# MANAGEMENT DISCUSSION AND ANALYSIS REPORT :-



## **ECONOMIC**

The long-term fundamentals of the Indian economy continue to be strong due to rising incomes and large investments. These growth drivers are expected to sustain over a long period of time. At the same time, there are some concerns due to uncertain global economic environment and slow recovery in developed markets.

## **OVERVIEW**

The company is engaged in trading in shares, financial services and investment activities where the outlook of the business seems to be encouraging over and above we have been diversified into different businesses ranging from third party product distributions (lowest balance sheet risk) to originating unsecured personal loans, corporate loans (highest balance sheet risk). We believe that we are well placed to leverage on the growth opportunities in the economy.

## **FINANCIAL PERFORMANCE**

The Company has achieved a turnover of Rs. **411,348,807.00** during the year with net profitability of Rs. **6,871,297.00/-**. The company's income from operations primarily includes income from trading and distributions of financial products such as Interest income from Inter-Corporate Loan and Long Term Investments

## **SEGMENT REPORTING**

Accounting Standard 17 regarding Segment-wise Reporting does not apply to the Company since revenues are derived from only one Segment i.e. Finance Activity.

## **OPPORTUNITIES & THREATS**

### **OPPORTUNITIES**

- Increase in Income levels will aid greater penetration of financial products.
- Positive regulatory reforms.
- Increase in corporate growth & risk appetite.
- Greater efficiency in debt market operations which will also help greater penetration.
- Increased securitization.
- Focus on selling new product/services.

**THREATS**

- Inflation could trigger increase in consumer price inflation, which would dampen growth.
- Increased competition in both local & overseas markets.
- Unfavorable economic development.
- Market risk arising from changes in the value of financial instruments as a result of changes in market variables like interest rate and exchange rates.

**RISK MANAGEMENT**

Your company operates in the Financial Services Sector, which is affected by variety factors linked to economic development in India and globally which, in turn, also affected global fund flows. Any economic event across the globe can have direct or indirect impact on your company. To Mitigate this, Company has diversified its revenue stream across multiple verticals. Your Company's risk management system is a comprehensive and integrated framework comprising structured reporting and stringent controls. Through its approach it strives to identify opportunities that enhance organizational values while managing or mitigating risks that can adversely impact the company's future performance. Within the organization, every decision taken, is after weighing the pros and cons of such a decision making taking note of the risk attributable. The Company has effective system in place for achieving efficiency in operations, optimum and effective utilization of resources, monitoring thereof and compliance with applicable laws. The board has also constituted an Audit Committee which meets periodically inter-alia to review the financial results, and the accuracy of financial records.

**HUMAN RESOURCES/ INDUSTRIAL RELATION**

The company believes that the success of an organization largely depends on the quality of its workforce. Employee relations remained cordial and peaceful throughout the year.

**SOCIAL RESPONSIBILITY**

Sital Leasing & Finance Ltd being a socially responsible corporation continues to contribute towards the economic, social and environmental well being of the society at large. The Company has integrated the Corporate Social Responsibility objectives with business objectives by way of conducting the business activities in the most ethical, transparent and accountable manner. Corporate Social Responsibility has always been an integral part of the vision of the Sital Leasing & Finance Ltd and has been the foundation of the core value of good corporate citizenship.

### **CAUTIONARY NOTE**

This report contains certain “forward-looking statements” within the meaning of applicable laws and regulations. Actual results may vary significantly from the statements contained in this document due to various risks and uncertainties. The Company do not undertake to update these statements.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The company has proper and adequate system of internal control to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transaction are authorized, recorded and reported correctly.

### **FUTURE OUTLOOK**

The future outlook of the Company is very prospective and it urges to diversify the various areas related to financial markets. Besides continuing aggressively in the existing growth areas, there are certain specifics initiatives that we would like to highlight which the company would be undertaking in the financial year 2013-14. The Company is effectively putting together a growth strategy in the area of Debt Syndication, Private Placement, Corporate / Personal Loan, Advisory Services, Arranger, Distributions of Mutual Fund & Liaison for Financial Products.

**ANNEXURE TO THE DIRECTORS' REPORT**  
**CORPORATE GOVERNANCE REPORT FOR THE YEAR 2013-14**

**(As required under Clause 49 of the Listing Agreements entered into with  
the Stock Exchanges)**

**I. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:**

The Company constantly endeavors to ensure adoption of best Corporate Practices and the accountability of persons in- charge of the Company's operations and is therefore committed to good Corporate Governance which is a key to sustainable industrial growth and long term value creation and trust. The Company believes in the principles of transparency, fairness and accountability in its dealings thereby maintaining high standards of business ethics. This report mirrors the various obligations as required to be fulfilled by the company as per the listing agreement with the stock exchanges.

**II. BOARD OF DIRECTORS:**

i) Composition:

As on March 31, 2014, the Board comprises of six Directors including one Executive Chairman and Managing Director, two executive directors and three Non-Executives & Independent Directors which is in conformity with the requirement of Clause 49 of the Listing Agreement with the Stock Exchanges. None of the Directors on the Board is a member of more than 10 committees and Chairman of more than 5 committees in any Company [as per Clause 49(1)(c)(ii)] across all the Companies in which he is a Director. All the Directors have made the requisite disclosures regarding Committee positions held by them in other Companies. The Independent Directors are professionals with high credentials who actively contribute to the decision making and strategic management aspects of the Board.

The Composition of the Board, category of Directors and their attendance at the Board Meetings (BMs) during the year and at last Annual General Meeting (AGM), as also the number of Directorships in Indian Public Companies are given below :-



Name of the Directors	Category	Attendance Particulars at the		No. of Directorships in other public limited Companies
		BM	BM Last AGM (08.06.13)	
Surender Kumar Jain	Executive & Non Independent	17	Yes	7
Priti Jain	Non -Executive & Non-Independent	17	Yes	6
Sujan Mal Mehta	Non Executive & Non-Independent	16	Yes	8
Anil Prakash	Non Executive & Independent	17	No	6
Vivek Kumar	Non Executive & Independent	4	No	2
Suman Kumar Gupta	Non Executive & Independent	4	No	2

**ii) Board Meetings held during the year:**

The Board of Directors met seventeen times during the financial year ended March 31, 2014 on the following dates:

29.04.2013, 08.05.2013, 13.05.2013, 21.05.2013, 24.05.2013, 25.05.2013, 24.06.2013, 12.08.2013, 06.11.2013, 25.11.2013, 19.12.2013, 20.12.2013, 01.01.2014, 02.01.2014, 22.01.2014, 24.01.2014, 05.02.2014

The gap between any two meetings did not exceed four months in compliance with the requirement of listing agreement.

Mr. Sujan Mal Mehta is liable to retire by rotation and being eligible, offered himself for re appointment. Information as required under Clause 49(VI) of the Listing Agreement is appended to the Notice for the 31<sup>st</sup> Annual General Meeting.

**iii) Code of conduct for Directors & Senior Management:**

The Board has framed a code of conduct for all Board members and senior management personnel of the Company focusing transparency, accountability and ethical expression in all acts and deeds. A certificate of affirmation in this regard is appended.

**III) AUDIT COMMITTEE (AC):**

The Company has an Independent Audit Committee. The composition, role / functions of the committee comply with the requirements of Section 177 of the Companies Act, 2013 and Clause 49 (II) (A) of the Listing Agreement. The Committee comprises of experts specializing in accounting/financial management. The Chairman of the Audit Committee is an Independent Director.

**i) The Terms of Reference are briefly enumerated hereunder:**

- a) Overseeing the Company's financial reporting process and the disclosure of its financial information, to ensure that the financial statements are correct, sufficient and credible.
- b) Recommending the appointment / removal of external auditors, fixing audit fees and approving payments for any other services.
- c) Reviewing with management the periodic financial statements before submission to the Board, focusing primarily on:
  - Any changes in accounting policies and practices;
  - Major accounting entries based on exercise of judgment by management;
  - Qualifications in draft audit report;
  - Significant adjustments arising out of audit;
  - The going concern assumption;
  - Compliance with accounting standards;
  - Compliance with stock exchange and legal requirements concerning financial statements;
  - Any related party transaction i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives etc. that may have a potential conflict with the interests of the Company at large;
- d) Reviewing with the management, external and internal auditors, the adequacy of internal control systems.
- e) Reviewing the adequacy of internal audit function.
- f) Discuss with internal auditor any significant findings and follow-up thereon.
- g) Discussing with external auditors before the audit committees, the nature and scope of audit as well as conduct post-audit discussions to ascertain any area of concern.
- h) Reviewing the Company's financial and risk management policies.

**ii) Constitution & Re-constitution of the Audit Committee and their attendance at the meeting:**

Name of Members	Category/Designation	No. of Meetings	
		Held	Attended
Mr. Anil Prakash	Chairman	4	4
Mr. Vivek Kumar <sup>1</sup>	Member	4	1
Mr. Suman Kumar Gupta <sup>2</sup>	Member	4	1
Mrs. Priti Jain	Member	4	3
Mr. Surendra Kumar Jain <sup>3</sup>	Member	4	3
Mr. Sujan Mal Mehta <sup>4</sup>	Member	4	3

1. Became a member w.e.f. Jaunary 01, 2014.
2. Became a member w.e.f. Jaunary 22, 2014.

The Audit Committee was re-constituted once during the year on January 22, 2014, wherein Mr. Surendra Kumar Jain<sup>3</sup> & Mr. Sujan Mal Mehta<sup>4</sup> ceased to be member of the Committee.

**iii) Meetings of the Committee:**

The Committee met 4 times *on June 13, 2013, August 12, 2013, November 6, 2013 and February 05, 2014* during the financial year ended March 31, 2014.

The Minutes of the Meetings of the Audit Committee are discussed and taken note by the board of directors.

The Statutory Auditor and Executive Directors/Chief Financial Officer are invited to the meeting as and when required. The Company Secretary acts as the Secretary of the Audit Committee. The Chairman of the Audit Committee attended the last Annual General Meeting as held on June 8, 2013.

**iv) Remuneration Policy:**

While considering and approving the remuneration, the Committee takes into account the following considerations:

- a) Financial position of the Company;
- b) Present trends in the industry;
- c) Qualification, experience and past performance of the appointee.

The Committee also takes into consideration and ensures the compliance of the provisions under Schedule XIII of the Companies Act, 1956 for appointing and fixing remuneration of Managing Directors and other Whole-time Directors.

The Non-Executive Directors do not receive any remuneration from the Company except for the Sitting fees for attending the board

meetings/committee meetings within the permissible limits as prescribed under law.

## **V) SHAREHOLDERS' GRIEVANCE COMMITTEE (SGC):**

### **i) Constitution of Shareholders' Grievance Committee and their attendance at the meetings :**

The composition, number of meeting of the above Committee and the attendance of Directors during the year under review were as follows:

Name of Members	Designation	Category	No. of Meetings	
			Held	Attended
Mr. Anil Prakash	Chairman	Independent	1	1
Mr. Vivek Kumar	Member	Independent	1	1
Mr. Suman Kumar Gupta	Member	Independent	1	1

### **ii) Meetings held during the year:**

The Investors' Grievance Committee members met once during the year under review on January 22, 2014

### **iii) Terms of Reference:**

The Company has formed an Investors' Grievance Committee with the following terms of reference:

- a) To investigate into other investor's complaints and take necessary steps for redressal of same.
- b) To deal with various shareholder's queries like non-receipt of annual reports, share certificates duly transferred, dividend payments, issue of duplicate certificates, transmission (with and without legal representation) of shares and other miscellaneous complaints.
- c) To oversee the performance of M/s. Big Shares Services Pvt. Ltd., the Registrars and Share Transfer Agents of the Company and recommend measures to improve the level of investor related services.
- d) All the share transfer/transmission cases approved by the Registrars are reported to the Committee. The Committee also keeps a close watch on disposal status of all complaints/grievances of shareholders.

**iv) Compliance Officer of the Company in terms of Clause 47(a) of the Listing Agreement:**

<b>Name, designation and address :</b>	Kriti Singh Company Secretary Office No. 322, 3 <sup>rd</sup> Floor, S.S.Plaza Commercial Complex, Mayfield garden, Sector-47, Haryana- 122001
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**v) E-mail ID earmarked for redressing investors queries in terms of Clause 47 (f) of the Listing Agreement:**

[sitalfinance@gmail.com](mailto:sitalfinance@gmail.com)

**vi) Complaints Disposal System:**

The Company and Bigshare Services Pvt. Ltd. (Registrar & Share Transfer Agent) attend to all grievances of the investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs, Registrar of Companies, etc. Barring certain cases pending in Courts/Consumer Forums, relating to disputes over the title to shares, in which either the Company has been made a party or necessary intimation thereof has been received by the Company, all the investor grievances/correspondence have been promptly attended to from the date of their receipt. Continuous efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors.

**VI) Asset Liability Management Committee (ALCO):**

The ALCO is a decision making unit responsible for balance sheet planning from risk return perspective including the strategic management of interest rate and liquidity risks. The business and risk management strategy of the company will ensure that the company operates within the limits / parameters set by the Board. The business issues that an ALCO would consider, inter alia, will include product pricing for both deposits and advances, desired maturity profile and mix of the incremental assets and liabilities, prevailing interest rates offered by other peer NBFCs for the similar services/product, etc. In addition to monitoring the risk levels of the company, the ALCO should review the results of and progress in implementation of the decisions made in the previous meetings.

The ALCO would also articulate the current interest rate view of the company and base its decisions for future business strategy on this view. In respect of the funding policy, for instance, its responsibility would be to decide on source and mix of liabilities or sale of assets. Towards this end, it will have to develop a view on future direction of interest rate movements and decide on funding mixes between fixed vs. floating rate funds, wholesale vs retail deposits, money market vs capital market funding, domestic vs foreign currency funding, etc.

The frequency of holding their ALCO meetings will be bi-monthly. However, if the need be for a meeting at a short notice, the ALCO meet at a shorter notice. Successful implementation of the risk management process would require strong commitment on the part of the senior management in the company, to integrate basic operations and strategic decision making with risk management. The Board of Directors lead by Chairman and Managing Director will have overall responsibility for management of risks and should decide the risk management policy of the NBFC and set limits for liquidity, interest rate and equity price risks.

b) The Asset - Liability Committee (ALCO) consisting of following members should be responsible for ensuring adherence to the limits set by the Board as well as for deciding the business strategy of the company (on the assets and liabilities sides) in line with the company's budget and decided risk management objectives.

- |                        |   |                              |
|------------------------|---|------------------------------|
| 1. Surendra Kumar Jain | - | Chairman & Managing Director |
| 2. Priti Jain          | - | Director                     |
| 3. Sujan Mal Mehta     | - | Director                     |
| 4. Anil Prakash        | - | Director                     |

## **VII. SUBSIDIARY COMPANY:**

Clause 49 defines a 'material non-listed Indian subsidiary' as an unlisted subsidiary, incorporated in India, whose turnover or net worth (i.e. paid-up capital and free reserves) exceeds 20% of the consolidated turnover or net worth respectively, of the listed holding company and its subsidiaries in the immediately preceding accounting year.

Company does not have any such subsidiary during the accounting year under review.

## **VIII. RISK MANAGEMENT**

The Company has in place a Risk Management policy, which lays down a robust and dynamic process for identification and mitigation of risks. This policy has been adopted by the Audit Committee as well as the Board of Directors of the Company. The Audit Committee reviews the risk management and mitigation plan from time to time.

**IX. GENERAL BODY MEETINGS:**

a) Details of venue, date and time of the General Meetings held during the last three Financial Years are briefed hereunder:

<b>Year</b>	<b>AGM/EGM</b>	<b>Venue</b>	<b>Day</b>	<b>Date &amp; Time</b>
2012-2013	AGM	555, Double Storey, New Rajinder Nagar, New Delhi-110060	Saturday	08.06.2013 12:00 p.m.
2011-2012	AGM	555, Double Storey, New Rajinder Nagar, New Delhi-110060	Saturday	29.09.2012 11.00 a.m.
2010-2011	AGM	555, Double Storey, New Rajinder Nagar, New Delhi-110060	Friday	30.09.2011 11.00 a.m.

None of the businesses proposed to be transacted in the ensuing Annual General Meeting require passing a special resolution through Postal Ballot.

**X. OTHER DISCLOSURES:**

a) Disclosures on materially significant related party transactions i.e. transactions of the Company of material nature, with its promoters, the Directors or the management, their subsidiaries or relatives etc. that may have potential conflict with the interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interests of the Company at large.

b) With regard to matters related to capital markets, the Company has complied with all requirements of the Listing Agreement entered into with the Stock Exchanges as well as SEBI Regulations and Guidelines. No penalties were imposed or strictures passed against the Company by the Stock Exchanges, SEBI or any other statutory authority during the last three years in this regard.

c) The Company does not have a formal Whistle blower policy. However, no person has been denied access to the Audit Committee.

d) The Company has a Remuneration Committee (non-mandatory) and has complied with all the mandatory requirements of Clause 49 of the Listing Agreement.

#### **XI. MEANS OF COMMUNICATION:**

<b>a.</b>	Whether half-yearly report sent to each household of shareholders	No
<b>b.</b>	Quarterly Results :	
	(i) Which newspapers normally published in :	Mahalaxmi Bhagyodai (Hindi News Paper) and Money Maker (English News Paper)
	(ii) Any Website displayed :	<a href="http://www.sitalleasingfinance.com">www.sitalleasingfinance.com</a>
<b>c.</b>	Whether Website also displays official news releases	No
<b>d.</b>	Whether presentations made to institutional investors or to the analysts	No
<b>e.</b>	Whether MD&A is a part of Annual Report or not	Yes

#### **XII. GENERAL SHAREHOLDER INFORMATION**

<b>a.</b>	<b>Annual General Meeting :</b>	<b>Date :</b> 5 <sup>th</sup> September, 2014 <b>Time:</b> 04:00 P.M. <b>Venue :</b> Office No. 322, 3rd Floor, Plaza Commercial Complex Mayfield Garden, Sector-47 Gurgaon- 122001
<b>b.</b>	<b>Financial Calendar</b> The Financial Results for the year 2014-15 will be announced as per the following tentative schedule	
	<b>FINANCIAL REPORTING</b>	<b>DUE DATE</b>
	For the quarter ending June 30, 2014	On or before Mid August, 2014
	For the quarter ending September 30, 2014	On or before Mid November, 2014
	For the quarter ending December 31, 2014	On or before Mid February, 2015
	For the year ending March 31, 2015	On or before the end of May, 2015
	Annual General Meeting for the year ending March 31, 2015	Last week of September, 2015



<b>c.</b>	<b>Book closure period</b>	4 <sup>th</sup> September, 2014.
<b>d.</b>	<b>Dividend Payment Date</b>	As the company kept the profits for investment in better projects it regret not to recommend any dividend. But the directors are hopeful better result in ensuring future.

<b>e.</b>	<b>Listing on Stock Exchanges</b>	The Company's securities are Listed at:  Delhi Stock Exchange Limited  Note: The Company has paid Listing fees to the Stock Exchange.
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<b>f.</b>	<b>Custodial Fees to depositories</b>	The annual custodial fees for the Financial year 2013-14 has been paid to National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL).
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<b>g.</b>	<b>Share Holding Pattern as on 31.03.2014 :</b>		
	<b>Name of the Shareholder</b>	<b>No. of Shares Held</b>	<b>% Holding</b>
	Promoter & Promoter Group	28,854,270	47.10%
	FII's	0	0
	NRI's and OBC's	0	0
	Mutual Funds	0	0
	FI's/Insurance Cos./Banks	0	0
	Bodies Corporate	2,83,80,990	46.33%
	General Public	40,22,115	6.57%

<b>h.</b>	<b>Distribution of Share Holdings as on 31.03.2014 :</b>				
	<b>Range of Ordinary Shares</b>	<b>No. of Shares</b>	<b>% to Capital</b>	<b>No. of Holders</b>	<b>% of Holders</b>
	001 -500	30308	0.0495	85	5.5052
	5001- 1000	14370	0.0235	21	1.3601
	1001- 2000	14260	0.0233	9	0.5829
	2001- 3000	91750	0.1498	36	2.3316
	4001 - 5000	53160	0.0868	11	0.7124
	5001 – 10000	4014680	6.5538	777	50.3238
	10001 - 999999999	57038847	93.1134	605	39.1839
	<b>Total</b>	<b>612573750</b>	<b>100.0000</b>	<b>1544</b>	<b>100.0000</b>

<b>i.</b>	<b>Registrar &amp; Share Transfer Agents</b>	<b>Big Shares Services Pvt. Ltd.</b> 4E/8, First Floor, Jhandewalan Extension, New Delhi-110055
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<b>j.</b>	<b>Share Transfer System :</b>	<p>Shares lodged for transfer at the Registrar's address are normally processed within 15 days from the date of lodging, if the documents are clear in all respects. All requests for dematerialization of shares are processed and the confirmation is given to the depositories within 15 days.</p> <p>Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates on half-yearly basis, have been issued by a Company Secretary in practice.</p>
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<b>k.</b>	<b>Dematerialization of Shares &amp; Liquidity :</b>	The company shares are traded in dematerialized form and have been delivered in the dematerlised form to the stock exchange.
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<b>l.</b>	<b>Secretarial Audit :</b>	In compliance with Regulation 55A of SEBI (Depositories & Participants Regulations) 1996, a qualified Practicing Company Secretary carried out a Secretarial Audit to reconcile the total admitted capital with NSDL & CDSL and the total issued and listed capital. The audit confirms that the total issued/paid up capital is in agreement with the aggregate of the total number of shares in physical form and that in dematerialized form (held with NSDL & CDSL).
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<b>m.</b>	<b>Correspondences : General Correspondences :</b>	Office No. 322, 3rd Floor, S.S. Plaza Commercial Complex, Mayfield garden, Sector - 47, Gurgaon, Haryana-122001 e-mail :sitalleasing83@gmail.com
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**CEO CERTIFICATION**  
**CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION**

I, Surender Kumar Jain, Chairman & Managing Director of Sital Leasing & Finance Limited to the best of my knowledge and belief, certify that:

1. We have reviewed Balance Sheet and Profit & Loss Account and all the Schedules and Notes on Accounts, as well as Cash Flow Statements and Director's Report for Financial Year ended on March 31, 2014;
2. Based on our knowledge and information, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
3. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
4. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct;
5. We are responsible for establishing and maintaining internal controls, and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
6. We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors:
  - a) any deficiencies in the design or operation of internal controls, that could adversely affect the company's ability to record, process, summarize and report financial data, and any material weaknesses in the internal controls over financial reporting including any corrective actions with regard to deficiencies;
  - b) significant changes in internal controls during the year;

- c) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
- d) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal controls system.

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

**Place: Gurgaon  
Date: 27<sup>th</sup> August, 2014**

**Sd/-  
Surender Kumar Jain  
Managing Director  
DIN-00530035**

## **AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**Sital Leasing & Finance Limited**

1. We have examined the compliance of the conditions of Corporate Governance by Sital Leasing & Finance Limited for the year ended 31st March 2014 as stipulated in clause 49 of the listing agreement of the said company with the Stock Exchanges in India.
2. The compliance condition of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementations thereof, adopted by the company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of the financial statements of the company.
3. In our opinion and to the best of our information and 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 in respect of Investor Grievances received during the year ended 31st March 2014, no investor grievance was received against the company as per the record maintained by the companies which are presented to Investor Grievance Committee.

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

**CA. Anil Kumar**  
**Chartered Accountant**

**Place: New Delhi**  
**Dated: 27.08.2014**

**Anil Kumar**  
**M. No.: 86223**

**Declaration regarding compliance by Board Members and Senior Management Personnel with the Company's Code of Conduct.**

This is to confirm that the Company has adopted a Code of Conduct for its employees including the Managing Director and Whole-time director. In addition, the Company has adopted a Code of Conduct for its Non-Executive Directors.

I confirm that the Company has in respect of the year ended March 31, 2014, received from the Senior Management Team of the Company and the Members of the Board a declaration of compliance with the Code of Conduct as applicable to them.

I further confirm that the rules of Insider Trading Regulation has been duly complied with.

For the purpose of this declaration, Senior Management Team means the employees in the Executive cadre and the Company Secretary as on March 31, 2014. The said Code of Conduct has also been uploaded by the Company in its website [www.sitalleasingfinance.com](http://www.sitalleasingfinance.com)

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

**Place: Gurgaon**

**Date: 27<sup>th</sup> August, 2014**

**Sd/-  
Surender Kumar Jain  
Managing Director  
DIN-00530035**

**SITAL LEASING AND FINANCE LIMITED**

**Regd. Office** - Office No. 322, 3rd Floor, Plaza Commercial Complex Mayfield Garden, Sector-47, Gurgaon- 122001

**PROXY FORM**

(Pursuant to section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies (Management & Administration) Rule, 2014)

Name of the Member(s):

Registered Address:

Email ID:

Folio No. / Client Id:

I/We being the member(s) of \_\_\_\_\_ shares of the above named company hereby appoint:

- 1) Name:
- 2) Address:
- 3) Email Id:
- 4) Signature:

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company to be held on Friday, 5<sup>th</sup> September, 2014 at 04:00 P.M. at Office No. 322, 3rd Floor, Plaza Commercial Complex Mayfield Garden, Sector-47, Gurgaon- 122001 and at any adjournment thereof in respect of such resolutions as are indicated below:

<b>Sr. No.</b>	<b>Resolutions</b>
1.	Adoption of Audited Financial Statements for the year ended March 31, 2014
2.	Appointment of a Director in place of Mr. Sujan Lal Mehta, who retires by rotation and being eligible, seeks reappointment
3.	Appointment of <b>Anil Kumar</b> , Chartered Accountant, and fix their remuneration
4.	Appointment of Mr. Vivek Kumar as Independent Director
5.	Appointment of Mr. Suman Kumar Gupta as Independent Director
6.	Appointment of Mr. Anil Prakash as Independent Director

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

Signature of the shareholder:

Signature of the Proxy Holder(s):

Notes:

Affix Revenue Stamp not less than Re` 0.15
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1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting

2. A person can act as a proxy on behalf of members up to and not exceeding Fifty and holding in the aggregate no more than ten percent of total share capital of the company

3. Please complete all details including details of member(s) in the above box before submission

**SITAL LEASING AND FINANCE LIMITED**

**Regd. Office** - Office No. 322, 3rd Floor, Plaza Commercial Complex Mayfield Garden, Sector-47, Gurgaon- 122001

**ATTENDANCE SLIP**

Regd. Folio No. \_\_\_\_\_

DP. Id. No.\* \_\_\_\_\_

Client Id No.\* \_\_\_\_\_

Mr./Ms. \_\_\_\_\_

Father's/Husband's Name \_\_\_\_\_

I certify that I am a registered Shareholders/Proxy for the registered Shareholder of the Company.

I hereby record my presence at the 31<sup>st</sup> Annual General Meeting of the Company at at Office No. 322, 3rd Floor, Plaza Commercial Complex Mayfield Garden, Sector-47, Gurgaon- 122001, on Friday the 5<sup>th</sup> September, 2014

\_\_\_\_\_  
 Members'/Proxy's Name in BLOCK Letters  
 Signature

\_\_\_\_\_  
 Members'/Proxy's  
 Signature

**Note:** 1) Please fill in this attendance slip and hand it over at the entrance of the Meeting Hall.

2) Member's Signature should be in accordance with the specimen signature registered with the Company.

3) Please bring your copy of the Annual Report for reference at the Meeting.

\* Applicable for investors holding shares in electronic form.