

**19<sup>th</sup>**  
**ANNUAL REPORT**

**2013-2014**

**ABHISHEK FINLEASE LTD.**

402,Wall Street-1 ,Opp.Orient Club ,Nr.Gujarat College ,Ellisbridge,

Ahmedabad-380006

**ABHISHEK FINLEASE LIMITED**

**19<sup>th</sup> Annual Report -2013-14**

**BOARD OF DIRECTORS**

Shri Mahendra M Shah      Chairman

Shri Sanket M Shah          Director

Shri Dharmesh K Lakhani    Director

Smt Lata D Lakhani          Director

**:REGISTERED OFFICE:**

402, Wall Street -1,Opp.Orient Club,  
Nr.Gujarat College, Ellisbridge,  
Ahmedabad -380006.

**:AUDITORS:**

Bhagat & Co.  
Ahmedabad

**:BANKERS:**

Central Bank of India  
Mithakhali Branch, Ahmedabad.

**Note:**

1. Members are requested to bring their copy of Annual Report.As a measure of economy,Annual Reports will not be distributed at the venue of A.G.M.
2. Members are requested to send their queries,if any,relating to the annual accounts and reports at least one week prior to the date of meeting to facilitate computation of information.
3. Members/their proxies/representatives are advised to bring their Attendance slip duly filled in for attending the meeting.An Attendance slip and Proxy form are attached with the Notice.

# **ABHISHEK FINLEASE LIMITED**

## **NOTICE**

Notice is hereby given that the 19<sup>th</sup> Annual General Meeting of the Members of Abhishek Finlease Limited will be held on Monday, 21<sup>st</sup> July, 2014 at 10.00 a.m. at the Registered Office of the Company at 402, Wall Street - I, Opp. Orient Club, Nr. Gujarat College, Ellisbridge, Ahmedabad – 380006 to transact the following business:

### **ORDINARY BUSINESS**

1. To receive, consider and adopt the audited Balance Sheet as at 31<sup>st</sup> March, 2014 and Statement of Profit & Loss for the year ended 31<sup>st</sup> March, 2014 together with the Reports of the Directors & Auditors thereon.
2. To appoint a Director in place of Mr. Mahendrabhai M. Shah who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. Bhagat & Co. Chartered Accountants, as Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### **SPECIAL BUSINESS**

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Dharmesh K. Patel, (DIN 06887705), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company."

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

**"RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Prashant N. Barot, (DIN 06890612), who was appointed as an Additional Director pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company and who holds office up to the

date of ensuing Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company."

**By Order of the Board of Directors**

**Place: Ahmedabad**  
**Date: 05<sup>th</sup> June, 2014**

**Mr. Mahendrabhai M. Shah**  
**Chairman & Managing Director**

**NOTES:**

- (a) THE EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013 SETS OUT ALL MATERIAL FACTS RELATING TO THE BUSINESS MENTIONED UNDER ITEM NO. 4 AND 5 IS ANNEXED HERETO.
- (b) A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
- (c) ALL THE DOCUMENTS REFERRED TO IN THIS NOTICE AND EXPLANATORY STATEMENT ARE AVAILABLE FOR INSPECTION BY ANY MEMBER OF THE COMPANY DURING WORKING HOURS EXCEPT SUNDAYS AND PUBLIC HOLIAYS AT THE REGISTERED OFFICE OF THE COMPANY UP TO THE CONCLUSION OF THIS ANNUAL GENERAL MEETING.

**EXPLANATORY STATEMENT PURSUANT TO THE PROVISIONS OF SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 4 & 5:**

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

Mr. Dharmesh K. Patel and Mr. Prashant N. Barot were appointed as Additional Directors of the Company by the Board of Directors with effect from 5<sup>th</sup> June, 2014 under Section 161 of the Companies Act, 2013. They hold office till the conclusion of the ensuing Annual General Meeting.

The Board has recommended the appointment of aforesaid Directors as Independent Directors. Mr. Dharmesh K. Patel and Mr. Prashant N. Barot, Non-executive Directors of the Company have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfil the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

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

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

Except Mr. Dharmesh K. Patel and Mr. Prashant N. Barot, being an appointee, none of the Directors and key managerial personnel, are concerned / interested in the resolution except to the extent of they are member of the Company.

Name of Director	Dharmesh Kiranbhai Patel
Date of Birth	17/01/1988
Date of Appointment on Board	05/06/2014
Expertise in specific functional area	Company Law and SEBI
Qualifications	B.com, LLB, CS
Directorship in other Companies	NIL
Membership in committees	NIL
Shareholding of Director in the Company	NIL

Name of Director	Prashant N. Barot
Date of Birth	30/03/1982
Date of Appointment on Board	05/06/2014
Expertise in specific functional area	Administration and services of finance
Qualifications	Under Graduate
Directorship in other Companies	NIL
Membership in committees	NIL
Shareholding of Director in the Company	NIL

**By Order of the Board of Directors**

**Place: Ahmedabad**  
**Date: 05<sup>th</sup> June, 2014**

**Mr. Mahendrabhai M. Shah**  
**Chairman & Managing Director**

## **DIRECTORS' REPORT**

To  
The Members,

Your Directors are pleased to present 19<sup>th</sup> Annual Report of your Company together with the Audited Statement of Accounts and the Auditors' Report of your company for the financial year ended, 31<sup>st</sup> March, 2014.

### **Financial Results**

The summarized financial results for the year ended 31<sup>st</sup> March, 2014 are as under:

<b>Particular</b>	<b>31<sup>st</sup> March, 2014 Amount in Rs.</b>	<b>31<sup>st</sup> March, 2013 Amount in Rs.</b>
Profit /(Loss) before Dep. & taxation	883818	391579
Depreciation	231240	152856
Profit /(Loss) before taxation	652578	238723
Provision for Taxation	103000	68000
Profit /(Loss) after taxation	549578	170723
Prior Period expenses and Adjustments	--	--
Balance available for appropriation	549578	170723
Transferred to General Reserve	109915	34145
Balance carried to Balance sheet	439663	136578

### **Dividend:**

Due to insufficient profits Your Directors do not recommend any dividend for the year under review.

### **Directors:**

After the closure of the year, pursuant to the provisions of Section 161(1) of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Dharmesh K. Patel and Mr. Prashant N. Barot were appointed as Additional Directors designated as Independent Directors w.e.f. 05<sup>th</sup> June, 2014 and they shall hold office up to the date of the ensuing Annual General Meeting. The Company has received requisite notice in writing from a member proposing them for appointment as an Independent Director.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Companies Act, 2013 and under Clause 49 of the Listing Agreement with the Stock Exchanges.

After closure of the year, Mr. Dharmesh K. Lakhani and Mrs. Lataben D. Lakhani, Non-executive Directors of the Company have resigned from the Directorship of the Company w.e.f. 05<sup>th</sup> June, 2014. The Board places on record its gratitude for the services rendered by Mr. Dharmesh Lakhani and Mrs. Lataben Lakhani during their tenure as members of the Board.

Mr. Mahendrabhai M. Shah, Director of the company who is liable to retire by rotation, being eligible for reappointment, offers himself for reappointment.

## **Management Discussion and Analysis Report**

The NBFC sector in India is integral to the financial framework of the country. The market conditions is very weak and many companies have given up with the weak situation of the market. We have tried to overcome from this bad scenario of the market. The NBFCs continue to play a key role in the development of the country by being present in under-banked and unbanked regions and participating in inclusive growth.

Your company, Abhishek Finlease Limited is an Investment and Financial Consultant committed to provide the best financial services to our clients. We strongly believe in building a strong financial community. Our goal is to apply the best risk adjusted return which we achieve through diversified investment style.

With the Indian Market continuing to expand and presenting a host of opportunities in the financial services sector, there are many players who are venturing in this business therefore there is threat of even more competition to the Company.

## **Corporate Governance**

A Report on Corporate Governance along with a Certificate from the Statutory Auditors of the Company regarding the compliance of conditions of Corporate Governance as stipulated under Clause 49 of the Listing Agreement are annexed to this Report.

## **Directors' Responsibility Statement:**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed that:

1. in preparation of the Annual Accounts, the applicable accounting standards have been followed.
2. the Directors had selected such Accounting Policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. the Directors had prepared the Annual Accounts on a going concern basis.

## **Disclosures under Section 217(1)(d) of the Companies Act, 1956:**

Except as disclosed elsewhere in this report, there have been no material changes and commitments which can affect the financial position of the Company occurred between the end of the financial year of the Company and date of this report.

**Transfer to Reserves in terms of Section 217(1)(b) of the Companies Act, 1956:**

For the financial year ended 31<sup>st</sup> March, 2014, the Company has not transfer any sum to Reserves except as per the applicable norms of RBI. Therefore, your Company proposes to transfer the entire amount of profit to Profit and Loss Accounts of the Company.

**Particulars of Employees:**

There is no employee in the Company whose particulars are required to be given under section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended.

**Auditors :**

M/s. Bhagat & Co., Chartered Accountants, having its office at Ahmedabad, will retire at the ensuing Annual General meeting of the Company and being eligible offer themselves for re-appointment. Your directors recommends their re-appointment as Statutory Auditors of the Company for the next financial year.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

The particulars as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 in respect of conservation of energy and technology absorption have not been furnished considering the nature of activities undertaken by the company during the year under review. Further during the year under review, the Company has neither earned nor used any foreign exchange.

**Acknowledgements :**

Your Directors place on record their gratitude for the continuing support of Shareholders, bankers and Business associates at all levels.

**By Order of the Board of Directors**

**Place: Ahmedabad  
Date: 05<sup>th</sup> June, 2014**

**Mr. Mahendrabhai M. Shah  
Chairman & Managing Director**



## **Corporate Governance Report for the year 2013-14**

### **1. Company's Philosophy on code of governance**

ABHISHEK FINELEASE LIMITED has over the years followed the good business practices. The Company believes that good corporate governance is essential to achieve long term corporate goals and to enhance shareholders' value. In the pursuit, the Company is committed to conducting business in accordance with the legal and ethical standards.

Corporate Governance is an integral part of the philosophy of the Company in its pursuit of excellence, growth and value creation. The Company recognizes that strong Corporate Governance is indispensable for safeguarding the interest of shareholders and other stakeholders.

### **2. Listing of the Company's shares in Stock Exchanges**

The Company's Shares were listed on 'Ahmedabad Stock Exchange Limited'

### **3. Board of Directors**

The business of the Company is conducted by the management under the directions of the Board. Composition and Memberships of the Directors in other Boards and in Board Committees are as under:

Name of Director	Category of Directorship	Directorship in other Companies	Details of Committee	
			Chairman	Member
Mr. Mahendra M. Shah	Promoter & Executive Director	NIL	NIL	NIL
Mr. Sanket M. Shah	Promoter & Executive Director	NIL	NIL	NIL
**Mr. Dharmesh K. Lakhani	Independent & Non Executive Director	1	NIL	NIL
**Mrs. Lataben D. Lakhani	Independent & Non Executive Director	1	NIL	NIL
*Mr. Dharmesh Patel	Independent & Non Executive Director	NIL	NIL	NIL
*Mr. Prashant N. Barot	Independent & Non Executive Director	NIL	NIL	NIL

Other directorship do not include alternate directorship, directorship of Private Limited companies and of companies incorporated outside India. Chairmanship/ Membership of Board Committees include membership of Audit and Shareholders / Investors Grievance Committees.

\* Appointed as Additional and Independent Director w.e.f. 05.06.2014

\*\* Resigned as Director w.e.f. 05.06.2014

**a) Composition of the Board**

The Composition of the Board of Directors, with reference to the number of Executive and Non-Executive Directors, meets the requirement of Code of Corporate Governance. The Board is headed by the Executive Chairman. The Board of Directors of the Company has an optimum combination of 2 Executive Directors, 2 Non-Executive Independent Directors who have in depth knowledge in their areas of specialization.

**b) Board Procedure**

Board met Six times during the year under review on 1<sup>st</sup> April, 2013, 30<sup>th</sup> April, 2013, 30<sup>th</sup> July, 2013, 5<sup>th</sup> August, 2013, 30<sup>th</sup> October, 2013 and 30<sup>th</sup> January, 2014.

During the financial year 2013-14, Six meetings of Board of Directors were held, the information to be made available to the Board as per Annexure IA forming part of Clause 49 has been complied with. The Board Meetings are generally held at the Registered Office of the Company. Calendar of the Board Meeting is fixed in advance for each year. The Board meets at least once a quarter with the gap between two meetings not exceeding four months. The Directors also have access to all the information about the company and are free to recommended inclusion of any matter in the agenda for discussion.

The attendance of each director at the Board Meetings and last Annual General Meeting are as under:

Name of Director	Meetings		Attendance at last AGM held on 29 <sup>th</sup> September, 2013
	Held	Attended	
Mr. Mahendra M. Shah	6	6	Yes
Mr. Sanket M. Shah	6	6	Yes
**Mr. Dharmesh K. Lakhani	6	6	Yes
**Mrs. Lataben D. Lakhani	6	6	Yes
*Mr. Dharmesh Patel	N. A.	N. A.	N. A.
*Mr. Prashant N. Barot	N. A.	N. A.	N. A.

\* Appointed as Additional and Independent Director w.e.f. 05.06.2014

\*\* Resigned as Director w.e.f. 05.06.2014

**c) Code of Conduct:**

Company's Board has laid down a Code of Conduct for all the Board Members and Senior Management of the Company. All Board Members and Senior Management personnel have affirmed compliance of the Code of Conduct.