

19TH ANNUAL REPORT 2011-2012

ADHARSHILA CAPITAL SERVICES LTD.

Regd. Office:

109, Choudhary Complex,
9, Veer Savarkar Block, Shakarpur, Delhi – 110 092

ADHARSHILA CAPITAL SERVICES LTD.

Board of Directors:

1. Shri Rajendra Kumar Khanna
2. Shri Joginder Singh Dhikkar
3. Shri Harnand Tyagi
4. Shri Sanjay Monga

Company Secretary:

Mr. Pradeep Kumar Sharma

Auditors:

M/s B.K. Kapur & Company
17, Navyug Market,
Ghaziabad (U.P.)

Bankers:

State Bank of India
SIB, Navyug Market,
Ghaziabad (U.P.)

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NOTICE OF 19th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Nineteenth Annual General Meeting of the Members of the Company will be held on Saturday, the 29th day of September, 2012 at 10.30 a.m. at "Shree Agrasen Bhawan" Vivek Vihar, Delhi – 110 095 to transact the following business(s) :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012 and Profit and Loss Statement for the year ended on that date and the Reports of Directors and Auditors thereon.
2. To appoint a director in place of Mr. Harnand Tyagi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a director in place of Mr. Rajendra Kumar Khanna, who retires by rotation and being eligible, offers himself for re-appointment.
4. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:
"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s B. K. Kapur & Co., Chartered Accountants, the retiring Auditors, be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the next Annual General Meeting of the Company at the remuneration to be decided by the Board of Directors of the Company."

SPECIAL BUSINESS:

5. To consider and if thought fit, to pass with or without modification, the following resolution as an **ORDINARY RESOLUTION**:

APPOINTMENT OF MR. SANJAY MONGA AS DIRECTOR

"RESOLVED THAT Mr. Sanjay Monga, who was appointed under section 260 of the Companies Act, 1956 as an Additional Director of the Company w.e.f. 03.10.2011 and who holds office till this Annual General Meeting and in respect of whom the Company has received a notice under Section 257 of the Companies Act, 1956 proposing his candidature for the office of Director, be and is hereby appointed as

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Director of the Company, whose period of office is liable to retire by rotation."

**By Order of the Board
For ADHARSHILA CAPITAL SERVICES LIMITED**

**Place: Ghaziabad
Dated: 03.09.2012**

**SD/-
(PRADEEP KUMAR SHARMA)
COMPANY SECRETARY**

Notes:

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THIS ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument appointing a proxy should, however, be deposited at the registered office of the company not less than 48 hours before the commencement of this meeting. A proxy shall not vote except on a poll.

Corporate Members intending to send their authorized representatives are requested to send a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
- 2. Pursuant to Section 154 of the Companies Act, 1956, the Share Transfer Books and the Register of Members of the company will remain closed from 27th September to 29th September, 2012 (both days inclusive).**
- 3. In terms of notification issued by Securities and Exchange Board of India, Equity Shares of the Company are under compulsory demat trading by all investors w.e.f. 2nd January, 2002. Shareholders are, therefore, advised to dematerialize their shareholding to avoid inconvenience in future.**
- 4. Members desiring any information regarding Accounts of the Company are requested to write to the Company at least one week in advance so as to enable the management to keep the information ready, as far as possible, at the Meeting.**
- 5. Members are requested to bring their copies of Annual Report to the Meeting.**
- 6. Members are informed that in the case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.**
- 7. Members are requested to always quote their Folio No. / Client ID & DP ID in all correspondence with the Company's registrar and the Company. Members are**

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requested to notify any change of address to the Company or its Registrar i.e. M/s Skyline Financial Services Pvt. Ltd. D-153A, 1st Floor, Okhla Industrial Area Phase-1, New Delhi - 110 020.

8. Members / Proxies are requested to bring the attendance slip sent with Annual Report duly filled in for attending the meeting.
9. Explanatory Statement setting out all material facts relating to special businesses contained in item No. 5 as required under Section 173(2) of the Companies Act, 1956 is annexed hereto.

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 (2) OF THE COMPANIES ACT, 1956

ITEM NO. 5.

Mr. Sanjay Monga was appointed as an Additional Director w.e.f.03.10.2011, pursuant to provisions of Section 260 and Articles of Association of the Company, by the Board of Directors at its meeting held on October 03, 2011.

As per the provisions of the Article and Section 260 of the Companies Act, 1956, Mr. Sanjay Monga holds the post of directorship till this Annual General Meeting. The Company has received a notice from a member signifying his intention to propose the appointment of Mr. Sanjay Monga as a Director of the Company. The said notice is accompanied by a deposit of Rs. 500 as required by law.

The resolution is recommended for the approval of the Members.

None of the Directors except Mr. Sanjay Monga may be deemed as concerned or interested in the resolution.

Disclosure pursuant to Clause 49 of the Listing Agreement with respect to the Directors seeking re-appointment/appointment at the forthcoming Annual General Meeting

1. Mr. Harnand Tyagi

Mr. Harnand Tyagi, aged 60 years, is a Law Graduate. He has an overall experience of over 36 years in the field of Finance, Accounts and Legal.

Directorship held in other Companies

1. New Castle Finance and Leasing Private Limited
2. Pariksha Fin-Invest-Lease Limited

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Membership in committees in other Companies

Member of Audit Committee of Pariksha Fin-Invest-Lease Limited

Number of Shares held in the Company

NIL

Relationships between Director inter-se

Mr. Harnand Tyagi is not related to any other directors of the Company.

2. Mr. Rajendra Kumar Khanna

Mr. Rajendra Kumar Khanna, aged 55 years, he has done Diploma in Mechanical Engineering. He has an overall experience of over 31 years in the field of general Administration and Management.

Directorship held in other Companies

1. Uttam Car Wash Private Limited
2. Shubham Sugars Limited

Membership in committees in other Companies

Nil

Number of Shares held in the Company

Nil

Relationships between Director inter-se

Mr. Rajendra Kumar Khanna is not related to any other directors of the Company.

3. Mr. Sanjay Monga

Mr. Sanjay Monga, aged 46 years, he is graduate. He has an overall experience of over 26 years in the field of Finance, Accounts and general Administration.

Directorship held in other Companies

1. New Castle Finance & Leasing Private Limited

Membership in committees in other Companies

Nil

Number of Shares held in the Company

Nil

Relationships between Director inter-se

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Mr. Sanjay Monga is not related to any other directors of the Company.

**By Order of the Board
For ADHARSHILA CAPITAL SERVICES LIMITED**

**Place: Ghaziabad
Dated: 03.09.2012**

**SD/-
(PRADEEP KUMAR SHARMA)
COMPANY SECRETARY**

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DIRECTORS' REPORT

TO THE MEMBERS

The Directors have pleasure in presenting the Nineteenth Annual Report and the Audited Statements of Accounts of your Company for the year ended 31st March 2012.

FINANCIAL RESULTS

	(In Rupees)	
	Year Ended	Year Ended
	<u>31.03.12</u>	<u>31.03.11</u>
Revenue from Operations	18,25,932	23,97,114
(Loss)/Profit Before Depreciation & Tax	(6,24,882)	7,64,509
<u>Less:</u>		
a) Depreciation	41,816	37,183
b) Prior Period Items(Net)	-----	16,003
<u>Less:</u> Provision for tax:-		
-Current Tax	-----	2,35,000
-Earlier Year	26,934	(15,714)
-Deferred Tax	(1,75,940)	(3,925)
(Loss)/Profit after Taxation	<u>(5,17,692)</u>	<u>4,95,962</u>
Amount Transfer to Reserve Fund	-----	99,200
Balance Brought Forward	34,49,956	30,53,195
Surplus carried to Balance Sheet	<u>29,32,264</u>	<u>34,49,957</u>

The working of your company for the year under review resulted in operating loss of Rs. 6,66,698/- as against profit of Rs. 7,27,326/- in the previous year.

DIVIDEND

In the absence of Profits in the current Financial Year, your Directors have not recommended any dividend for the Financial Year 2011-12.

FIXED DEPOSITS

Your Company has not accepted any deposit within the meaning of Section 58A of the Companies Act, 1956 and rules made thereunder.

DIRECTORS

Mr. Harnand Tyagi and Mr. Rajendra Kumar Khanna are retiring by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Your Directors recommend their re-appointment at the ensuing Annual General Meeting.

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Mr. Sanjay Monga was appointed as Additional Director of the Company w.e.f. 03.10.2011 and holds office till forthcoming Annual General Meeting. However, the Company has received a notice under section 257 of the Companies Act, 1956 from a Shareholder proposing his candidature for the office of Director. A resolution is being placed before the members for approval.

Further Mr. Rajendar Kumar, Director of the Company has resigned from the office of Directorship w.e.f. 04.10.2011. The Board places on record its deep appreciation for the services rendered by him during his tenure.

DIRECTORS RESPONSIBILITY STATEMENT

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement pursuant to the requirement u/s 217(2AA) of the Companies Act, 1956:

- (i) that in the preparation of annual accounts, the applicable accounting standards have been followed;
- (ii) that appropriate accounting policies have been selected and applied consistently and judgements and estimates that are reasonable and prudent have been made so as to give a true and fair view of the state of affairs of the company as at March 31, 2012 and of the losses of the Company for the year ended on the date;
- (iii) that proper and sufficient care has been taken 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;
- (iv) that the annual accounts have been prepared on a going concern basis.

AUDITORS

M/s B. K. Kapur & Company, Chartered Accountants, retire at the conclusion of forthcoming Annual General Meeting and being eligible, offer themselves for reappointment. Your Directors recommend their reappointment. The Auditors have also furnished the certificate to the effect that their reappointment, if made, will be within the limits specified in Sub-section (1B) of Section 224 of the Companies Act, 1956.

LISTING OF COMPANY SECURITIES

Your company's shares are currently listed on the Delhi Stock Exchange Ltd. However, there is no trading activity on the Delhi Stock Exchange Ltd. The Company has already paid listing fees to the Delhi Stock Exchange for the financial year 2012-13.

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DEMATERIALISATION OF SECURITIES

As informed in the last year's Director's Report, the shares of your Company were included in the compulsory list of trading in dematerialisation form with effect from 2nd January, 2002 and your company had entered into necessary agreement with depository NSDL (National Securities Depository Limited). It is, therefore, advisable to trade in the securities of the Company in dematerialisation form, which is convenient and safe.

CORPORATE GOVERNANCE

In terms of clause 49 of the Listing Agreement, a Report on Corporate Governance along with a certificate from Company Secretary in Whole Time Practice on the Compliance of the condition of Corporate Governance is provided elsewhere in the Annual Report.

PARTICULARS OF EMPLOYEES

Particulars of employees as required u/s 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules 1975 and Amendment Rules 2011 may be taken as NIL since no employee of the Company was in receipt of remuneration in terms of limits specified under the said Rules.

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

Since the company is a Finance and Investment Company and has no manufacturing or other operations, the Companies (Disclosure of Particulars in the Report of Board of directors) Rules, 1988 are not applicable. There were no foreign exchange earnings or outgoing during the financial year ended 31st March, 2012.

ACKNOWLEDGEMENTS

Your Directors wish to acknowledge their gratitude to the business Associates and Stock Exchange authorities for their continued patronage, assistance and guidance.

**By Order of the Board
For ADHARSHILA CAPITAL SERVICES LIMITED**

**SD/-
(RAJENDRA KUMAR KHANNA)
CHAIRMAN OF THE BOARD**

**Place : Ghaziabad
Dated : 03.09.2012**