

ADHARSHILA CAPITAL SERVICES LIMITED

Regd. Off.: 109, Choudhary Complex

9, Veer Savarkar Block, Shakarpur, Delhi – 110 092

**20th Annual Report
2012-2013**

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.)

Regd. Office:

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

NOTICE OF 20th ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twentieth Annual General Meeting of the Members of the Company will be held on Monday, the 19th day of August, 2013 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, 2013 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. Joginder Singh Dhikkar, who retires by rotation and being eligible, offers himself for re-appointment.
3. 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."

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

**Place: Ghaziabad
Dated: 22.07.2013**

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

Registered Office:

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

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 17th August to 19th August 2013, (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 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.

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. Joginder Singh Dhikkar

Mr. Joginder Singh Dhikkar, aged 64 years, he has done Diploma in Mechanical Engineering. He has an overall experience of over 44 years in the filed of general Administration and Management.

Directorship held in other Companies

- a) Deepjyoti Electronics Pvt. Ltd.
- b) Param Hi-Tech Private Limited

Membership in committees in other Companies

Nil

Relationship between Directors (inter-se)

Mr. Joginder Singh Dhikkar is not related to any other Director of the Company.

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

**Place: Ghaziabad
Dated: 22.07.2013**

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

DIRECTORS' REPORT**TO THE MEMBERS**

The Directors have pleasure in presenting the Twentieth Annual Report and the Audited Statements of Accounts of your Company for the year ended 31st March 2013.

FINANCIAL RESULTS

	(In Rupees)	
	Year Ended	Year Ended
	<u>31.03.13</u>	<u>31.03.12</u>
Revenue from Operations	18,16,130	18,25,932
(Loss)/Profit Before Depreciation & Tax	(4,39,832)	(6,24,882)
<u>Less:</u>		
Depreciation	29,783	41,816
<u>Less:</u> Provision for tax: -		
-Earlier Year	(167)	26,934
-Deferred Tax	19,199	(1,75,940)
(Loss)/Profit after Taxation	<u>(4,88,647)</u>	<u>(5,17,692)</u>
Balance Brought Forward	29,32,264	34,49,956
Surplus carried to Balance Sheet	<u>24,43,617</u>	<u>29,32,264</u>

The working of your company for the year under review resulted in operating loss of Rs. 4,69,615/- as against loss of Rs. 6,66,698/- 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 2012-13.

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. Joginder Singh Dhikkar is retiring by rotation at the ensuing Annual General Meeting and being eligible offer himself for reappointment. Your Directors recommend his re-appointment at the ensuing Annual General Meeting.

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, 2013 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 2013-14.

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, 2013.

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 : 22.07.2013**

CORPORATE GOVERNANCE REPORT 2012-2013

1. PHILOSOPHY ON CORPORATE GOVERNANCE

The Board of Directors and the Management of Adharshila Capital Services Limited ensure that it endeavour to adopt the best practices on corporate Governance. In this intensive competitive environment, the management and employees of the company are committed to uphold the core values of transparency, integrity, honesty and accountability. The company will continue to focus its resources, strengths and strategies to safeguard the shareholders' wealth and at the same time protect the interests of all its shareholders.

2. BOARD OF DIRECTORS

A. Composition & Attendance at Board Meeting and last AGM and details of membership of Directors in other Boards and Board Committees:

The Board of Directors of the Company headed by a non-executive and independent Chairman, consisted of the following Directors:-

Directors	Category	Attendance Particulars		Chairman ship/ Director ships In other Public Ltd. Co.	Committee Membership	
		Board Meeting	Last AGM		Member	Chairman
Sh. R. K. Khanna	Director	4	Yes	1	4	4
Sh. J. S. Dhikkar	Director	7	Yes	-	3	-
Sh. H.N. Tyagi	Director	6	Yes	1	3	-
Sh. Sanjay Monga	Director	4	No	-	2	-

B. Details of Board Meetings held during the year 2012-2013:

S. No.	Date of Meeting	No. of Directors Present
1	27.04.2012	3
2	10.05.2012	3
3	13.08.2012	3
4	03.09.2012	3
5	07.11.2012	2
6	07.02.2013	3
7	25.03.2013	4

- The time gap between any two meetings did not exceed four months.
- The last AGM was held on 29.09.2012

3. **SITTING FEES** : The details of sitting fees paid to the Directors for attending the meetings of the Board and/or committees thereof for the year ended March 31, 2013 are given below :-

S. NO.	NAME	SITTING FEE (RS.)
1.	Sh. R.K. Khanna	5,000
2.	Sh. J.S. Dhikkar	6,000
3.	Sh. H.N. Tyagi	3,000
4.	Sh. Sanjay Monga	4,000

4. **REMUNERATION OF DIRECTORS**

The Company's Remuneration committee presently comprising of three members viz. Mr. R. K. Khanna, Mr. Sanjay Monga and Mr. H. N. Tyagi to look into the matter relating to payment of remuneration to the Directors. Mr. R. K. Khanna has been elected as Chairman.

All the members of Remuneration Committee have good exposure to finance as well as general management.

During the year, no meeting of Remuneration Committee was held.

5. **NON-MANDATORY REQUIREMENTS**

The Company has not adopted the Non-Mandatory requirements except setting-up of Remuneration Committee.

6. **APPOINTMENT/ REAPPOINTMENT OF DIRECTORS:-**

Name of Director	Brief Particulars	Details of Directorships in other Public Limited Company	No. of other Committees in which Chairman /member other than this Company	
			Chairman	Member
Sh. Joginder Singh Dhikkar	He is Non-Executive Independent Director	Nil	NIL	Nil

7. **AUDIT COMMITTEE**

(i) Terms of reference: -

The Audit Committee has been mandated with the same terms of reference as specified in clause 49 of the Listing Agreements with Stock Exchange. The Terms of reference also fully conform to the requirement of section 292A of the Companies Act, 1956, besides other terms as may be referred to by the Board of Directors.