

NOTICE

NOTICE is hereby given that the 23rd Annual General Meeting of the members of Nalin Lease Finance Limited will be held on Tuesday, the 24th June, 2014 at 11.00 a.m. at Ground Floor, Gandhi Nursing Home Bldg., Dr. Nalinkant Gandhi Road, Himatnagar- 383 001, to transact the following businesses:-

ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2014, Profit & Loss Account for the year ended on that date together with the Report of Board of Director & Auditors thereon.
2. To appoint Shri Dilipkumar Nalinkant Gandhi (DIN: 0039595) who retires by rotation at this Annual General Meeting and being eligible offers himself for reappointment.
3. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass with or without modification (s) following resolution as an Ordinary Resolution.

“RESOLVED THAT M/s. Deepak R. Soni & Co., Chartered Accountants (Registration No. 102245W) be and are hereby appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the company”

SPECIAL BUSINESS

4. To appoint Shri Narendrakumar Dalsukhbhai Shah (DIN: 00314044) as an independent Director and in this regard 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, Shri Narendrakumar Dalsukhbhai Shah (DIN: 00314044), who appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and its 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 to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019.
5. To consider and if thought fit to pass with or without modification(s), the following resolution as a Ordinary Resolution To appoint Shri Navinchandra Chandulal Soni (DIN: 03123355) as an independent Director and in this regard 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, Shri Navinchandra Chandulal Soni (DIN: 03123355), who appointed as a Director liable to retire by rotation and whose term expires at this 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 to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019.
6. To consider and if thought fit to pass with or without modification(s), the following resolution as a Ordinary Resolution.”RESOLVED THAT in accordance with the provisions of Section 196, 197 and 203 read with Schedule V and all other applicable provisions of the Companies Act, 2013 and the company (Appointment and Remuneration of Managerial Personnel) Rules 2014 including any statutory modification(s) or re-enactment thereof for the time being in force), approval of the Company be and is hereby accorded to change / revise in the remuneration of of Shri Dilipkumar Nalinkant Gandhi, Managing Director on the following terms and conditions: with usual allowances and benefits, amenities and facilities including staff superannuation fund, retiring gratuity and provident fund benefits as applicable to other employees holding analogous posts in the company:
 - (i) The increased remuneration shall take effect from 1 July, 2014.
 - (ii) Total Remuneration (including all allowances, benefits, amenities, facilities, gratuity, provident funds, superannuation fund, etc) shall not exceed Rs. 16,00,000/- (Sixteen Lacs) per annum for the first year and followed by 10% increment every year.
 - (iii) The remuneration will be governed by the Rules and Regulations of the Company as may be applicable to the other non-relative associates of the Company from time to time including change in designation and responsibilities.
 - (iv) The present increase and any further revision in the above remuneration will be effective only after obtaining all necessary approvals in this regard.””FURTHER RESOLVED THAT the Board be and is hereby authorised to do all such acts and deeds that are required to give effect to the above resolution.”
 7. To adopt new Articles of Association of the Company containing regulations in conformity with the Companies Act, 2013 and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution; “RESOLVED THAT pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 and such Companies incorporation Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion of the regulations contained in the existing Articles of Association of the Company: RESOLVED FURTHER THAT the Board of Directors of the Company be nad is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”
 8. To Delist of shares of the Company from the Ahmedabad Stock Exchange (ASE), in this regard to consider and if thought fit, to pass, with or without modification(s), the following

resolution as a Special Resolution; RESOLVED that subject to the provisions of the Companies Act, 2013, Securities Contract (Regulation) Act, 1956 and Securities and Exchange Board of India act, 1992 and the rules framed thereunder, Listing agreement as also Securities, and exchange Board of India (Delisting of Securities) Guidelines, 2003 and all other applicable Laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions which may be agreed to by Board of Directors of the Company (hereafter referred to as (“the Board”), the consent of the Company be and is hereby accorded to the Board, to delist the company’s Equity Shares from The Stock exchange, Ahmedabad at Ahmedabad.” RESOLVED FRUTHER that the Board be and is hereby authorized to take all such actions as may be required with the view to complying with the legal/procedural formalities in connection with delisting of equity Shares of the Company as aforesaid from The Stock Exchange Ahmedabad at Ahmedabad.

9. To Delist of shares of the Company from the Vadodara Stock Exchange (VSE), in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution; RESOLVED that subject to the provisions of the Companies Act, 2013, Securities Contract (Regulation) Act, 1956 and Securities and Exchange Board of India act, 1992 and the rules framed there under, Listing agreement as also Securities, and exchange Board of India (Delisting of Securities) Guidelines, 2003 and all other applicable Laws (including any statutory modification(s) or re-enactment thereof for the time being in force) and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications, as may be prescribed or imposed by any authority while granting such approvals, permissions and sanctions which may be agreed to by Board of Directors of the Company (hereafter referred to as (“the Board”), the consent of the Company be and is hereby accorded to the Board, to delist the company’s Equity Shares from The Stock Exchange, Vadodara at Vadodara” RESOLVED FRUTHER that the Board be and is hereby authorized to take all such actions as may be required with the view to complying with the legal/procedural formalities in connection with delisting of equity Shares of the Company as aforesaid from The Stock Exchange, Vadodara at Vadodara.

Registered Office:

Ground Floor,
Gandhi Nursing Home Bldg,
Dr. Nalinkant Gandhi Road,

Himatnagar-383001.

Date: 20/05/2014

By order of the Board of Directors

NARENDRAKUMAR D. SHAH
(DIN 03123355)

Chairman

STATEMENT PURSUANT TO SECTION 102(1) OF COMPANIES ACT 2013 (“the Act”) ITEM 4 & 5

Shri Narendrakumar Dalsukhdas Shah and Shri Navinchandra Chandulal Soni are Independent Directors of the Company and have held the positions as such for more than 5 (five) years. The Securities and Exchange Board of India (SEBI) has amended Clause 49 of the Listing Agreement inter alia stipulating the conditions for the appointment of independent directors by a listed company.

It is proposed to appoint Shri Narendra D Shah and Shri Navinchandra Soni as Independent Directors under Section 149 of the Act and Clause 49 of the Listing Agreement to hold office for 5 (Five) consecutive years for a term up to the conclusion of the 28th Annual General Meeting of the Company in the calendar year 2019.

Shri Narendra D Shah and Shri Navinchandra Soni are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members alongwith the deposit of requisite amount under Section 160 of the Act proposing the candidatures of each of Shri Narendra D Shah and Shri Navinchandra Soni for the office of Directors of the Company.

The Company has also received declarations from Shri Narendra D Shah and Shri Navinchandra Soni that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Shri Narendra D Shah and Shri Navinchandra Soni fulfill the conditions for appointment as Independent Directors as specified in the Act and the Listing Agreement. Shri Narendra D Shah and Shri Navinchandra Soni are independent of the management.

Brief resume of Shri Narendra D Shah and Shri Navinchandra Soni, nature of their expertise in specific functional areas and names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships 6Notice (continued) between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report. Copy of the draft letters for respective appointments of Shri Narendra D Shah and Shri Navinchandra Soni as Independent Directors setting out the terms and conditions are available for inspection by members at the Registered Office of the Company. This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Shri Narendra D Shah and Shri Navinchandra Soni are interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice with regard to their respective appointments. The relatives of Shri Narendra D Shah and Shri Navinchandra Soni may be deemed to be interested in the resolutions set out respectively at Item Nos. 4 and 5 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board commends the Ordinary Resolutions set out at Item Nos. 4 and 5 of the Notice for approval by the shareholders.

The Board Commends the Ordinary Resolution set out at item no 4 and 5 for the notice for approval by the Share holders.

ITEM 6

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

Considering Shri Dilipkumar Gandhi performance, the Board recommended revision of his remuneration with effect from 1st July 2014 from Rs. 1140000/- to Rs. 1800000/- per annum for the first year and followed by the 10% increment every year.

The Increase in the remuneration needs the members approval and so the resolution is commended for approval by members.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions. The Board commends the Ordinary Resolutions set out at Item No. 6 of the Notice for approval by the shareholders.

The Board Commends the Ordinary Resolution set out at item no 4 and 5 for the notice for approval by the Share holders.

ITEM 7

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice.

The Existing Articles of Association is based on the Companies Act, 1956 and several regulations in the existing AOA contain reference to the Companies Act 1956 and some regulations in the existing AOA are not in the conformity with the Act.

The Act is now largely in force. The Ministry of corporate affairs has notified almost all the sections for implementation except few remaining sections. However, Substantive sections relating to the general working of the company stands notified.

With the coming into force of the Act several regulations of the existing AoA of the Company require alteration or deletions in several articles. Given this position, it is considered expedient to

wholly replace the existing AoA by a new set of Articles. The new AoA to be substituted in place of the existing AoA are based on Table 'F' of the Act which sets out the model articles of association for a company limited by shares.

None of the Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the Special Resolution set out at Item No. 15 of the Notice.

The Board commends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

ITEM 8 & ITEM 9

Voluntary Delisting of equity shares of the Company from ASE and VSE

The Company wants to delist the shares of form ASE and VSE by offering to acquire the public shareholding, pursuant to and in accordance with the Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (the "SEBI Delisting Regulation").

The promoters of the Company propose to consolidate their shareholding in the Company which will provide increased operational flexibility to support the Company's business. Further, the promoters believe that the Offer is in the interest of all stakeholders.

In terms of Regulation 8 (1) (b) of the SEBI Delisting Regulations, the delisting proposal requires the approval of the shareholders of the Company by way of a special resolution passed through a postal ballot. The special resolution shall be acted upon if and only if the votes cast by public shareholders in favour of the proposal amount to at least two times the number of votes cast by public shareholders against it.

The Board of Directors accordingly recommends the resolution of the accompanying Notice for the approval of the Members. Your approval is sought by voting by Postal Ballot in terms of the provisions of Section 192A of the Companies Act, 1956 and all other applicable provisions, if any, of the Companies Act, 2013 read with the provisions of the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.

None of the Directors and Key Managerial personnel of the Company or their relatives is, in any way, deemed to be concerned or interested in the said resolution, except to the extent of their shareholding, if any, in the Company.

The Board Commends the Special Resolution set out at item no 8 and 9 for the notice for approval by the Share holders.



By order of the Board of Directors

Registered Office:

Ground Floor,
Gandhi Nursing Home Bldg,
Dr. Nalinkant Gandhi Road,
Himatnagar-383001.

Date:

NARENDRAKUMAR D. SHAH
(DIN 03123355)
Chairman

Notes :

1. A member entitle to attend and vote at the meeting is entitle to appoint a proxy to attend and vote instead of himself / herself and the proxy need not be a member of the company, proxy in order to be effective must be received by the company not less than 48 hours before the meeting. A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy for any other person or shareholder.
2. Corporate members intending to send their authorized representative to attend the meeting are required to send to the Company a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
3. Brief resume of Directors including those proposed to be appointed/re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships/ chairmanships of Board Committees, shareholding and relationship between directors inter se as stipulated under clause 49 of the listing agreement with the Stock exchanges are provided in the Corporate Governance Report forming part of the Annual Report.
4. Statement pursuant to Section 102(1) of the Companies Act 2013, relating the special business Members are requested to send their queries, if any at least 10 days before the date of the meeting so that to be transacted at the Meeting is annexed hereto.
5. Members are requested to bring their attendance slip along with their copy of Annual Report to the Meeting.
6. In case of Joint holder attending the Meeting, only such joint holder who is higher in the order of names will be entitled to vote.
7. Relevant documents referred to in the accompanying Notice and the Statement are open for inspection by the members at the Registered Office of the Company on all working days, except statudaays during business hours up to the date of the Meeting.

8. Members holding shares in electronic form are requested to intimate immediately any change in their address or bank mandates to their depository Participants with whom they maintaining their demat accounts. Members holding shares in physical form are requested to advise any change in their address or bank mandates immediately to the Company/Link Intime.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) to every participant in securities market. Members holding shares in electronic form are, therefore requested to submit their PAN to their depository participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company/ Link Intime.
10. Members who have not registered their e-mail addresses so far are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
11. The Register of Members and the Share Transfer Books will remain closed from Saturday 21st June, 2014 to Tuesday 24th June, 2014 (Both days inclusive).

Registered Office:

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Himatnagar-383001.

Date : 20/05/2014

By order of the Board of Directors

NARENDRAKUMAR D. SHAH

(DIN 03123355)

Chairman

DIRECTORS' REPORT

To,
The Members,
Nalin Lease Finance Limited

Your Directors have pleasure in presenting to you the 23rd Annual Report together with the audited statement of the Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS

	2013-2014	(Rs. in Lacs) 2012-2013
Gross Profit (PBDT)	97.71	96.36
Less:-Depreciation	4.36	4.17
Profit Before Tax (PBT)	93.35	92.18
Less:-Provision for Taxation & FBT	28.00	27.76
Net Profit (PAT)	65.35	64.18
Add: Balance in Profit & Loss A/C.	8.31	6.97
Balance Available for Appropriation	73.66	71.15
Appropriations:		
Reserves	0	62.84
Balance carried to Balance Sheet	73.66	8.31

Despite of adverse situation and also competition, your Directors have, by making continuous sincere efforts maintained its advances portfolio in auto two wheelers in the area of its operation.

DIVIDEND

The Directors do not recommend dividend for the year 2013 - 2014 with a view to accumulate funds for future requirement and also to strengthen the financial position of the company.

DIRECTORS

In terms of the Articles of Association of the Company and as per the Companies Act, 2013, Shri Dilipkumar N. Gandhi retires by rotation and being eligible for re-appointment.

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.

FIXED DEPOSITS

Our Company is registered as N.B.F.C. with R.B.I. Company has complied with various Guidelines issued by Reserve Bank of India for accepting Public Deposits and the Deposits accepted are within the permissible limits.

- Public Deposits held by the Company as on 31-03-2014 Rs. NIL.
- Matured but not Claimed / Unpaid Public Deposits as on 31-03-2014:- NIL.

AUDITORS AND AUDITORS REPORT

M/s. Deepak R. Soni & Co., Auditors of the Company, retire and hold Office until the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received letter from them to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. The notes to the accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further comments.

PERSONNEL

During the year under review, there was no employee in receipt of any remuneration in excess of the limits prescribed in Section 217 (2A) of the Companies Act, 1956 read with the companies (Particulars of Employees) Rules, 1975 As amended.

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

Information in accordance with the provisions of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 in respect of conservation of energy, technology absorption and foreign exchange earnings and outgo are not applicable to your Company.

REGULATORY GUIDELINES

There being no non-performing assets, no provision is made for the year. Company has fully complied with prudential norms prescribed by Reserve Bank of India. The Company has also complied with the Directions issued by Reserve Bank of India regarding Capital Adequacy, Assets classification etc. During the year as required by NBFC prudential norms (Reserve Bank) directions, 2007 company has made a general provision @ 0.25% amounting to Rs. 145,995/- on outstanding standard assets.

DIRECTORS RESPONSIBILITY STATEMENT

In accordance with the provisions of section 217(2AA) of the companies act, 1956, your director's state:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed and no material departures have been made from the same,
2. That your directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profits of the company for that period,
3. That your directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the act for safeguarding the assets of your company and for preventing and detecting fraud and other irregularities,