

ANNUAL REPORT 2011 – 2012

VIRAT LEASING LIMITED

VIRAT LEASING LIMITED

BOARD OF DIRECTORS

SRI RAJEEV KOTHARI

SRI PRADEEP KUMAR AGARWAL

SRI JITENDRA KUMAR GOYAL

MANAGING DIRECTOR

DIRECTOR

DIRECTOR

BANKERS

IDBI BANK

BRABOURNE ROAD BRANCH

KOLKATA – 700 001

AUDITORS

M/s. S. K. RUNGTA & CO.

CHARTERED ACCOUNTANTS

1, JAGMOHAN MALLICK LANE,

KOLKATA – 700 007

REGISTERED OFFICE

MERCANTILE BUILDING, BLOCK-E, 2ND FLOOR,

9/12, LALBAZAR STREET,

KOLKATA – 700 001

CONTENTS

NOTICE

DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE

AUDITORS CERTIFICATE ON CORPORATE GOVERNANCE

AUDITORS' REPORT

ANNUAL ACCOUNTS

STATEMENT U/S 212 OF THE COMPANIES ACT

CONSOLIDATED AUDITORS' REPORT

CONSOLIDATED ANNUAL ACCOUNTS

VIRAT LEASING LIMITED

DIRECTORS' REPORT

To
The Members

Your Directors have pleasure in submitting their 28th Annual Report together with the audited accounts for the year ended on March 31, 2012.

FINANCIAL RESULTS

	2011 – 2012	2010-2011
	(Rupees)	(Rupees)
Total Revenue	4396711	2964520
Less: Total Expenditure	4383103	2956160
Profit before Tax	13608	8360
Taxation	4206	13467
Profit/(Loss) after Tax	9402	(5107)
Transfer to Statutory Reserve	1880	-
Transfer to Contingent Provisions against Standard Assets	106907	55591
Balance brought forward from Previous Year	(198190)	(137492)
Balance transferred to Balance Sheet	(297575)	(198190)

DIVIDEND

Your Directors have decided to retain the profits of the Company and therefore, do not recommend any dividend for the Financial Year ended on March 31, 2012.

OPERATION OF THE COMPANY

During the year under review the Companies Total Income has increased from Rs. 2964520/- to Rs. 4396711/-. Your Directors feel that barring unforeseen circumstances the Capital Market and money market should improve and accordingly the performance of the Company should be better.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

Your Company being a Investment Company, the disclosure of above information is not applicable.

FOREIGN EXCHANGE EARNINGS & OUTGO

There is no foreign exchange earnings and outgo during the year under review

VIRAT LEASING LIMITED

DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- i) that in the preparation of the Annual Accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any;
- ii) that the directors have 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;
- iii) that the directors have 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;
- iv) that the directors have prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

There is no employee falling under the Provisions of Section 217(2A) of the Companies Act, 1956.

DIRECTORS

Sri Pradeep Kumar Agarwal, Director, retires by rotation and being eligible offers himself for re-appointment.

AUDITORS

The Statutory Auditors of the Company, M/s. S. K. Runpta & Co., retire at the conclusion of the ensuing Annual General Meeting. The Statutory Auditors have confirmed their eligibility and willingness to accept the office on re-appointment for the next term.

RBI GUIDELINES FOR NON-BANKING FINANCIAL COMPANIES

The Company has observed all the prudential norms prescribed by the Reserve Bank of India. The Schedule as required in terms of Paragraph 13 of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007 is annexed herewith.

ACKNOWLEDGEMENT

The Board of Directors would like to thank the Company's Clients, Employees, Shareholders, Bankers and all others associated with the Company for their continued Support.

**By Order of the Board of Directors
for Virat Leasing Limited**

Place : Kolkata
Date : 30.06.2012

Jitendra Kumar Goyal
Director

Rajeev Kothari
Managing Director

VIRAT LEASING LIMITED

REPORT OF THE DIRECTORS ON CORPORATE GOVERNANCE:

In accordance with Clause 49 of the Listing Agreement with the Delhi Stock Exchange Limited, the report containing the details of corporate governance systems.

COMPANY'S PHILOSOPHY:

Corporate Governance refers to set of systems and practices that enable an organization to perform business efficiently with the highest levels of accountability and transparency in all its transactions. It has become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the interrelationship among board of directors, audit committee, accounting and auditors.

We believe in the adoption of most relevant and practical practices for good Corporate Governance in its totality to boost up the image of the Company by adhering to be fair to all the Shareholders. Transparency in day-to-day affairs, full disclosure, independence, long term approach, growth in absolute terms and Social welfare had been the essence of the management of the Company.

BOARD OF DIRECTORS:

An active, informed and independent Board is necessary to ensure highest standards of Corporate Governance. The main role of Board is to take right decision to safeguard and enhance shareholders value.

Composition of the Board:

The Board presently consists of three Directors, of which two are non-executive. Management of the Company is vested in Sri Rajeev Kothari, the Managing Director, subject to general supervision, control and direction of the Board.

Name of the Director	Category	Financial Year 20011-2012		Attendance at the Last AGM	No. of Directorship in other Public Companies incorporated in India	Committee held in other Companies	
		Board Meeting held	Board Meeting attended			Chairman	Member
Sri Rajeev Kothari	Managing Director	12	12	Yes	04	Nil	Nil
Sri Jitendra Kumar Goyal	Non-Executive	12	12	Yes	04	Nil	03
Sri Pradeep Kumar Agarwal	Non-Executive	12	12	Yes	Nil	Nil	Nil

During the Year under review Twelve Board Meetings were held on 07.04.2011, 13/05/2011, 30.06.2011, 28.07.2011, 13/08/2011, 01/09/2011, 05/09/2011, 01/10/2011, 01.11.2011, 14/11/2011, 14.02.2012 and 31.03.2012.

Appointment and Tenure:

The Directors of the Company are appointed by the shareholders at the General Meeting. All Directors except the Managing Director are subject to retirement by rotation and at every General Meeting, one third of such Directors, if eligible, offer themselves for re-appointment.

Board Meeting and procedure:

The Board meets atleast once in every quarter to review the quarterly financial results and operation of the Company. Apart from above additional Board Meeting are convened to as per the requirement of the Company. The Executive Director in consultation with other Directors finalizes the Agenda and other related matters for the Board Meeting. The Board Meeting is held at the registered office of the Company.

All the relevant information as enumerated in Clause 49 of the Listing Agreement is placed before the Board. The draft minutes of each meeting are circulated to all Directors for their comments before being recorded in the minutes book. The important decisions taken at board meetings are communicated to the concerned departments promptly.

CODE OF CONDUCT:

The Code of Conduct is in line with the provisions of Clause 49 of the Listing Agreement has been framed /adopted by the Board and is applicable to all the members of the Board and Senior Management Executives. This Code forms an integral part of the Company's Governance policy. The Company adheres to the highest Standards of business ethics, compliance with the Statutory and legal requirements and commitment to transparency in business dealings.

Declaration affirming compliance of Code of Conduct

A declaration by the Managing Director affirming compliance of Board members and senior Management Personnel to the Code is mentioned herewith:

Declaration signed by the Managing Director

As provided under Clause 49 of the Listing Agreement with the Stock Exchanges, the Board Members and the Senior Personnel have confirmed compliance with the Code of Conduct for the year ended 31st March, 2012.

COMMITTEES OF THE BOARD:

The Board of Directors of the Company has constituted two Committee viz, Audit Committee, Shareholders'/Investors' Grievances Committee. The minutes of the Committee Meetings are noted by the Board. The role and Composition of the aforesaid Committees, including the number of meetings held and the related attendance of the members are given below:

A. Audit Committee

The Board of Directors has in accordance with the requirements of Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956, constituted an Audit Committee for overseeing the accounting, auditing and overall financial reporting process of the Company. The Committee's purpose is to oversee quality and integrity of accounting, auditing and financial reporting process. The Committee also oversees the appointment, performance and remuneration of the statutory auditors.

1. Power of Audit Committee

As enumerated in clause 49 of the Listing Agreement, the Audit Committee has following powers:

- To investigate any activity within its terms of reference;
- To seek information from any employee;
- To obtain outside legal or other professional advice

2. Term of Reference

The terms of reference as stipulated by the Board to the Audit Committee include:

1. Oversight of the Companies financial reporting process and disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
2. Recommending to the Board, the appointment, re-appointment and if required, the replacement or removal of the Statutory Auditor and the fixation of audit fees.
3. Reviewing with the Management, the annual financial statement before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Directors Responsibility Statement in the Directors Report in terms of clause (2AA) of section 217 of the Companies Act, 1956
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualification in the draft audit report, if any.

VIRAT LEASING LIMITED

4. Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
5. Reviewing with the management, performance of auditors, and adequacy of internal control systems.
6. Discussion with auditors before the audit commences, about the nature and scope of the audit as well as post audit discussion to ascertain any area of concern.
7. To review the functioning of Whistle Blower Mechanism.
8. Carrying out any other function as is mentioned in the terms of reference of the audit Committee.

3. Composition, Meetings and Attendance

The Audit Committee of the Board comprises of three members. Except Sri Rajeev Kothari, all members are independent and non executive Directors. The majority of the Audit Committee members possess accounting and financial management expertise.

During the year under review, four meetings of the committee were held during the year ended 31.03.2012. on 12.05.2011, 12.08.2011, 12.11.2011 and 13.02.2012. The composition of the committee and attendance at its meeting is given below:

Names of the members	No. of Meetings Attended	No. of Meetings Attended
Sri Rajeev Kothari	4	4
Sri Jitendra Kumar Goyal	4	4
Sri Pradeep Kumar Agarwal	4	4

Sitting fee has been waived and no sitting fee is presently paid to any director or any member of any committee of Directors.

B. Shareholders'/Investors'

The shareholders'/Investors' Grievance committee of the Board has been constituted to look into complaints like transfer of shares, non-receipt of dividend etc. The committee is headed by Sri Rajeev Kothari, as Chairman (Managing Director) and as a Compliance Officer and other members are Sri Pradeep Kumar Agarwal, Non-Executive Director. No Complaint had been received during the Financial Year.

C. Remuneration Committee

There is no Remuneration Committee.

Sitting fee has been waived and no sitting fee is presently paid to any director or any member of any committee of Directors.

SUBSIDIARY COMPANY:

The Subsidiaries of the Company are managed by its Board while the Company monitors performance of the subsidiaries in the following manner:-

- The Financial Statements are regularly presented by the subsidiary Companies;
- All major investments/transactions are reviewed on quarterly basis and / or as and when need arises.

The Minutes of the subsidiary companies as well as statement of significant transactions and arrangements entered into by the subsidiary companies are placed before the Board Meeting for their review.

VIRAT LEASING LIMITED

GENERAL BODY MEETINGS:

Location and time of last three Annual General Meetings:

AGM for the Financial Year	Date	Time	Venue for all the three AGMs
2008-2009	30.09.2009	3.00 P. M.	268A, B. B. Ganguly Street, Kolkata – 700 012
2009-2010	30.09.2010	3.00 P.M.	Mercantile Building, Block-E, 2 nd Floor, 9/12, Lalbazar Street, Kolkata – 700 001
2010-2011	30.09.2011	3.00 P. M.	Mercantile Building, Block-E, 2 nd Floor, 9/12, Lalbazar Street, Kolkata – 700 001

No Special Resolution was passed during the year.

None of the Resolution proposed at the General Meeting held was required to be passed by postal ballot.

DISCLOSURES

- a. There were no materially significant related party transactions i.e. transactions of the Company of material nature, which its promoters, the Directors of the Management, their subsidiaries or relatives etc., that may have potential conflict with the interest of the Company at large. The related party transactions have been duly disclosed in the “Notes on Accounts” to the Balance Sheet.
- b. There were no cases of non-compliance by the Company and no penalties / strictures imposed on the Company by any Statutory Authority on any matter.

COMPLIANCE CERTIFICATE

Compliance Certificate on Corporate Governance from the Auditors of the Company is annexed with this Report.

MEANS OF COMMUNICATION:

The Quarterly and Half Yearly results are published normally in Financial Express and Vartamaan. The results are not sent individually to the shareholders.

There were no presentations made to the institutional investors or analysis during the year.

VIRAT LEASING LIMITED

GENERAL SHAREHOLDERS INFORMATION:

Annual General Meeting	
Date and Time	: 29 th September, 2012 at 3.00 P.M.
Venue	: Registered office of the Company at : Mercantile Building, Block-E, 2 nd Floor, 9/12, Lalbazar Street, Kolkata – 700 001
Financial Calender (Tantative) for the Financial Year 2012-2013	1 st April, 2012 to 31 st March, 2013 First Quarter Results 2nd week of August, 2012 Second Quarter Results 2nd week of November, 2012 Third Quarter Results 2nd week of February, 2013 Fourth Quarter Results 2nd week of May, 2013
Date of Book Closure	: 27 th September, 2012 to 29 th September, 2012 (both days inclusive)
Dividend payment date	: No dividend is being recommended
Listing on stock exchanges and Stock Code	: The Delhi Stock Exchange Ltd.
The Company has paid listing fees as applicable to the stock exchange.	

The ISIN Number of the Company on NSDL and CDSL are INE347L01014. All the shares of the Company were in the physical form only as on 31.03.2012.

MARKET PRICE DATA:

There has been no trading of shares during the Financial Year 2011-2012

REGISTRAR & SHARE TRANSFER AGENT:

M/s Niche Technologies Pvt. Ltd.
D-511, Bagri Market, 71, B.R.B.B. Road,
Kolkata – 700 001

SHARE TRANSFER SYSTEM:

The Authority to approve Share transfers has been delegated by the Board of Directors to the Share Transfer Committee. Requests received for transfer of Shares are processed within thirty days of receipt. Since all the Shares of the Company are still in physical form only, Share Certificates are sent by Registered Post.

VIRAT LEASING LIMITED

DISTRIBUTION OF SHAREHOLDING (AS ON 31ST MARCH 2012):

Category	No. of Shares	%
Promoters	NIL	NIL
Financial Institutions	NIL	NIL
Nationalised Banks	NIL	NIL
Non Resident Indians	NIL	NIL
Mutual funds and FIIs	NIL	NIL
Domestic Companies	5848800	45.06
Indian Public	7131700	54.94
Others (Clearing Members)	NIL	NIL
	12980500	100.00

DISTRIBUTION OF SHAREHOLDINGS:

SRL	No. of Shares	No. of Shareholders	% to Total	Total Shares	% to Total
1.	UPTO 500	-	-	-	-
2.	501 1000	-	-	-	-
3.	1001 5000	22	16.54	88700	0.68
4.	5001 10000	24	18.04	168707	1.30
5.	10001 50000	10	7.52	177200	1.36
6.	50001 100000	54	40.60	3911700	30.14
7.	100001 AND ABOVE	23	17.30	8634193	66.52
	TOTAL	133	100.000	12980500	100.000

DEMATERIALIZATION OF SHARES:

As on 31st March 2012, 100% of the total equity capital of the company was held in physical form.

OUTSTANDING GDR/ADR/WARRANTS OR ANY CONVERTIBLE INSTRUMENTS, CONVERSION DATE AND IMPACT ON EQUITY:

The Company has not issued any GDR/ADR/Warrants.

ADDRESS FOR CORRESPONDENCE:

“Mercantile Building”, Block-E, 2nd Floor,
9/12, Lalbazar Street, Kolkata – 700 001.

ADOPTION OF NON-MANDATORY REQUIREMENTS