

ANNUAL REPORT 2012 – 2013

VIRAT LEASING LIMITED

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Corporate Information

BOARD OF DIRECTORS

Sri Rajeev Kothari	Managing Director
Sri Pradeep Kumar Agarwal	Director
Sri Jitendra Kumar Goyal	Director

COMPANY SECRETARY

CS Sangita Agarwal

BANKERS

IDBI BANK
Brabourne Road
Kolkata – 700 001

AUDITORS

M/S. S. K. Rungta & Co.
Chartered Accountants
1, Jagmohan Mallick Lane,
Kolkata – 700 007

REGISTRAR & TRANSFER AGENTS

Niche Technologies Private Limited
D511, Bagree Market, 5th Floor
71, B.R.B. Basu Road, Kolkata – 700001
Phone No. : 91 33 2235 7270/7271
Fax : 91 33 2215 6823
Email : nichetechpl@nichetechpl.com

REGISTERED OFFICE

Mercantile Building,
Block-E, 2nd Floor,
9/12, Lalbazar Street,
Kolkata – 700 001
Tel : 91 33 2248 5664
Fax : 91 33 2243 9601
Website: www.vll.co.in

VIRAT LEASING LIMITED

NOTICE

TO THE SHAREHOLDERS

NOTICE is hereby given that the 29th Annual General Meeting of the Company will be held at the Registered Office of the Company at Mercantile Building, Block-E, 2nd Floor, 9/12, Lalbazar Street, Kolkata – 700 001, on Monday, the 30th September, 2013 at 3.00 P.M. to transact the following business:

Ordinary Business:

1. To receive and adopt the Audited Accounts of the Company for the year ended 31st March, 2013 along with Director's and Auditor's report thereon.
2. To appoint Director in place of Sri Jitendra Kumar Goyal, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint retiring Auditors, M/s S.K. Rungta & Co., Chartered Accountants, Kolkata to hold office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and authorize the Board of Directors to fix their remuneration.

Registered Office:
Mercantile Building, Block-E, 2nd Floor,
9/12, Lalbazar Street,
Kolkata – 700 001
Dated: The 5th September, 2013

By Order of the Board
Virat Leasing Limited

Sangita Agarwal
Company Secretary

NOTE:

1. A member of the Company entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote and the proxy need not be a member of the Company. The instrument appointing proxies in order to be effective must be received by the Company at the registered office, not less than 48 hours before the scheduled time of the meeting.
2. The Register of members and Share Transfer Books of the Company will remain closed from 25th September, 2013 to 30th September, 2013 (both days inclusive).
3. Members holding shares in physical form are requested to intimate changes in their registered office mentioning full address in block letters with Pin Code of the Post Office, Bank particulars and Permanent Account Number (PAN) to the Company's Registrar and the Share Transfer Agent and in case of members holding their shares in electronic form, this information should be given to their Depository Participants immediately.
4. Pursuant to Section 109A of the Companies Act, 1956, shareholders are entitled to make nomination in respect of shares held by them in physical

VIRAT LEASING LIMITED

form. Shareholders desirous of making nominations are requested to collect form (Form 2B) from Company's office and send their request in Form 2B in duplicate to the R & T Agent.

5. Members are requested to send their queries, if any on the accounts or operations of the company, to reach the Compliance Officer at the Company's Registered Office, at least 7 (seven) working days prior to the meeting, so that the information can be complied in advance.
6. Members are requested to mention their Folio Number in all their correspondence with the Company in order to facilitate response to their queries promptly.
7. Members/Proxies are requested to kindly take note of the following:
 - (i) copies of Annual Report will not be distributed at the venue of the meeting;
 - (ii) attendance slip, as sent herewith, is required to be produced at the venue duly filled in and signed, for attending the meeting;
 - (iii) entry to the hall will be strictly on the basis of produce of duly completed and signed Attendance Slips; and
 - (iv) in all correspondences with the company and/or the R&T Agent, Folio No. must be quoted.
8. Members who are holding shares in identical order of names in more than one folio are requested to write to the Company enclosing their share certificate to enable the Company to consolidate their holdings in one folio.
9. In case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
10. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
11. Niche Technologies Pvt. Ltd. is the Registrar and Share Transfer Agent of the Company. All investor related communication may be addressed to the following address:

Niche Technologies Pvt. Ltd.
D-511 Bagree Market
5th Floor
71, B.R.B. Basu Road
Kolkata – 700001
Phone No. : 033 22357270

VIRAT LEASING LIMITED

12. Information about Director proposed to be re-appointed at the Annual General Meeting as stipulated under Clause 49 of the Listing Agreement entered into with the Stock Exchanges

Name of Director	Mr. Jitendra Kumar Goyal
Date Of Birth	3 rd November, 1963
Date of Appointment	22 nd August, 2002
Qualification	B.Com
Directorship in other public limited Companies	4
Membership of Committees in public limited companies	9
Shareholding of Director in the Company	NIL

Registered Office:
Mercantile Building, Block-E, 2nd Floor,
9/12, Lalbazar Street,
Kolkata – 700 001
Dated: The 5th September, 2013

By Order of the Board
Virat Leasing Limited

Sangita Agarwal
Company Secretary

VIRAT LEASING LIMITED

DIRECTORS' REPORT

**To
The Members**

Your Directors have pleasure in submitting their 29th Annual Report together with the audited accounts for the year ended on March 31, 2013.

FINANCIAL RESULTS

	2012 – 2013 (Rupees)	2011 – 2012 (Rupees)
Total Revenue	8565455	4396711
Less: Total Expenditure	6810080	4383103
Profit before Tax	1755376	13608
Taxation	334697	4206
Profit after Tax	1420679	9402
Transfer to Statutory Reserve	284136	1880
Transfer to Contingent Provisions against Standard Assets	106579	106907
Balance brought forward from Previous Year	(297575)	(198190)
Balance transferred to Balance Sheet	732388	(297575)

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, 2013.

OPERATION OF THE COMPANY

During the year under review the Companies Total Income has increased from Rs. 4396711/- to Rs. 8565455/-. 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 Jitendra Kumar Goyal, Director, retires by rotation and being eligible offers himself for re-appointment.

AUDITORS

The Statutory Auditors of the Company, M/s. S. K. Rungta & 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 : 30.05.2013

**Rajeev Kothari
Managing Director**

**Jitendra Kumar Goyal
Director**



MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure

The financial year 2012-13 continued to be a challenging year for the Indian economy. The Indian economy further slowed down during the financial year due to higher interest rates, policy constraints, stalling projects and drying of new investments. The high level of Fiscal and Current Account deficit had an equally dampening effect on the Indian economy.

The headline inflation measured by the wholesale price index fall to 6% by the end of the year, however the consumer price index remained in double digit through most of the year.

Reserve Bank of India keeping in view the overall inflation trend revised its policy rates three times between July, 2012 to May, 2013 reducing Repo rates from 8% to 7.25% to revive growth in the industrial sector. In order to redress the liquidity problem, Reserve Bank of India reduced the Cash Reserve Ratio (CRR) by 75 basis points (from 4.75% to 4%) between July, 2012 to May, 2013 and Statutory Liquidity rates by 100 basis points from 24% to 23% in July, 2012.

Opportunities and Threats

The prospect of Indian Economy is uncertain during the current Financial Year. The forecast of GDP growth rate for 2013-14 is between 6.1% to 6.7% as compared to 5% in 2012-13. With the various steps taken by the government to revive investment and growth in the economy the industrial growth is likely to improve from the second half of current financial year which may create new opportunity for the company. However continuing uncertainty in the global market, higher trade deficit, weakening of Rupee vis-à-vis major foreign currency may impact the financial market.

The company is taking various steps to withstand the uncertainty in the Financial Market.

Outlook

The Index of Industrial production has been on a decline. The index of industrial production was lower at 1.1% in this year compared to 2.9% in the previous year.

There is considerable slowdown in growth, moderating inflation and uncertain outlook. However you company will continue to strive for meaningful growth, focusing as always on superior credit quality, a balance portfolio mix and efficient cost management in order to sustain profitability.

The government has taken various steps to kick start investment. Policy rate cuts by Reserve Bank of India and improving business sentiment could also support revival in investment.

Your company is fully aware that the opportunities in the infrastructure and real estate will be many and diverse in nature. While this provides impetus for our sustainable growth, your company is also duly careful that from amongst the multiple choices of attractive businesses available we always make the right choice. Your company's business model and its risk management policies and mechanisms are being constantly reviewed and upgraded to ensure this.

**Risks and Concerns**

Risks to a varying degree, is inevitable in all business transactions in an organization which is in financial services. Your Company, being in the business of financing and investment has to manage various risks. These risks include credit risk, liquidity risk, interest rate risk and operational risk. Hence, strong risk management capabilities are critical for a growing company operating in a rapidly changing environment. The Asset Liability Management Committee reviews and manages the risks at periodic intervals.

The risk management framework of the Company is driven by the following fundamentals:-

- Identification of key risks faced by the company
- Evaluating the probability of their occurrences and their impact.
- Set an appropriate balance between risk and reward in order to maximize share holder return.
- Set tolerance limits and establish adequate review mechanisms to monitor and control the risks.
- Incorporate robust reporting mechanism and adoption of appropriate mitigation processes.

The Company manages credit risk through stringent credit norms established through several years of experience in this line of business and continues to follow the time tested practices of personally assessing every borrower, before committing to a credit exposure. This process ensures that the expertise in lending operations acquired by the Company over the period is put to best use and acts to mitigate credit risks. Liquidity risk and interest risk arising out of maturity mismatch of assets and liabilities are managed through regular monitoring of the maturity proceeds.

Human Resource Development

The Company continues to give priority to its human assets. The company provides a fair and equitable work environment to all its employees. The Company is working continuously working to create and nurture an atmosphere which is highly motivated and result oriented.

Financial performance

The financial performance of the company for the year under review is discussed in detail in the Directors Report.

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

Place: Kolkata
Date: 30/05/2013

**Rajeev Kothari
Managing Director**

**Jitendra Kumar Goyal
Director**