

DIRECTORS' REPORT

Dear Members,

We have pleasure in presenting the Annual General Meeting of the Company along with the audited statements of Accounts for the year ended 31st March, 2011.

Financial Performance

Financial Results	2010-11	2009-10
Profit / (Loss) before Depreciation, & Taxation	(185771)	(101485)
Depreciation	12179	13757
Profit Before Taxation	(173592)	(87728)
Prior Period Items	243162	0.00
Provision for Taxation including Deferred Tax	0.00	0.00
Profit / (Loss) After Tax	(416754)	(87728)

Operations

During the year under review Company has not carried out any commercial activities and therefore, Company has incurred a loss of Rs. 4,16,754 as compared to loss of Rs. 87,728/- for the previous year. Your directors are hopeful of getting better results in the forthcoming year.

Dividend

Since Company has incurred a loss in the current financial year therefore your directors are unable to recommend any dividend.

Deposits

The Company has not accepted any Deposits from the public within the meaning of Section 58 A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.

Directors

At the ensuing Annual General Meeting Mr. Pankhil Desai, retires by rotation and being eligible offers himself for reappointment.

There being no other changes in directorship of the Company.

Directors Responsibility Statement

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, which requires company to give a Directors Responsibility Statement, your directors hereby confirm –

That in preparation of annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departure.

That Company has selected Mercantile 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 profit or loss of the company for that period.

That the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for the safeguarding the assets of the company and for preventing and detecting fraud and other regulations.

That the directors had prepared the Annual accounts on a going concern basis for the year ending on 31st March, 2011.

Auditors

The Auditors M/s. B. S. Rajput & Associates, Chartered Accountants retire at the ensuing Annual General Meeting and offer themselves for reappointment. The Auditors have stated that if appointed their appointment would be within the limit stated in Section 224 of the Companies Act, 1956.

Comment on Auditors' Report

There is no adverse comment in the Auditors' Report which requires any further explanation under Section 217 (3) of the Companies Act, 1956.

Particulars of Employees and Others

The Company does not have any employee receiving remuneration of Rs. 5,00,000/- per month or Rs. 60,00,000/- per annum and therefore no particulars are required to be furnished under Section 217 (2A) of the Companies Act, 1956

Information on Energy Conservation, Technology Absorption and Foreign Exchange Earnings

As the Company is not engaged in any manufacturing activities, Particulars regarding conservation of energy, Technology up gradation and Foreign Exchange earnings and outgo, pursuant of Companies (Disclosure of particulars in the report of Board of directors) Rules, 1988 is Nil.

Appreciation

The Company places on record its deep appreciation for all those who are associated with the company and have continued their support towards the growth and stability of the company.

Place: Ahmedabad
Date: 03/08/2011

For and on behalf of
PANKHIL FINLEASE LIMITED



DIRECTOR

REPORT ON CORPORATE GOVERNANCE

(1) COMPANY'S PHILOSOPHY

As a measure of good corporate governance the company adheres to all laws, rules, regulations, procedures. The Company is striving to provide its members all the necessary and materially important information wherever and whenever possible in the Annual Report of the Company.

(2) BOARD OF DIRECTORS

Composition and category of directors of March 31, 2011 is as follows.

Category	No. of directors	%
Promoter directors	3	100
Non-executive, independent directors	NIL	N.A.
Total	3	100

(3) DETAILS OF BOARD MEETINGS & ATTENDANCE RECORD OF THE MEMBERS OF PRESENT BOARD OF DIRECTORS (Since Last Annual General Meeting) IS AS UNDER:

Sr. No.	Name of Director(s)*	No. of Meeting Attended		
		Board Meeting	Audit Committee	S / I G* Committee
1	Shri Dinesh N Desai	6	6	1
2	Shri Mayur N Desai	6	6	1
3	Shri Pankhil D Desai	6	6	1

* - S / I G Committee: - Shareholders / Investors' Grievances Committee.

None of the Directors on the Board holds the office of Director in more than 15 Companies or memberships in committees or Chairmanship in committees across all companies in which they are Directors.

Six board meetings were held during the year. The dates on which the meetings were held are as follows:

On 30th April, 2010, 28th July, 2010, 4th August, 2010, 26th October, 2010, 12th January, 2011 and 12th March, 2011.

None of the non-executive directors of the company have any pecuniary relationships or transactions with the company.

There is no compensation package for non-executive directors and Company has an executive chairman.

4) AUDIT COMMITTEE:

Company has formed audit committee but since Company has no independent directors in the Board, the audit committee comprising of Promoter Directors. The audit committee meetings are held prior to the meeting of Board of Directors approving the provisional / un-audited results of the Company and audited results.

Composition, name of members

The Audit Committee met 5 times during the year On 30th April,2010, 28th July,2010, 4th August,2010, 26th October,2010 and 12th January, 2011 and the attendance of members at the meeting was as follows:

Name of the Member	Status	No. of Meetings attended
Mr. Mayur N Desai	Chairman	5
Mr. Dinesh N Desai	Member	5
Mr. Pankhil D Desai	Member	5

Brief description of terms of reference

The audit committee is looking at effective supervision of the financial reporting process and ensuring financial and accounting controls. The committee periodically interacts with the statutory auditors and Head accounts & finance to discuss internal control and financial reporting issues. The committee provides the overall direction on the risk management policies, including the focus of management Audit. The committee has full access to financial data and to members of the company's staff. The committee reviews the annual and half yearly financial statements before they are submitted to the board. The committee also monitors proposed changes in accounting policies, reviews internal audit functions and discusses the accounting implications of Major transactions.

(5) INFORMATION REGARDING PAYMENT OF REMUNERATION TO DIRECTORS:

During the Year under review Company has not paid any remuneration to it's directors.

(6) SHAREHOLDERS / INVESTORS GREIVANCE COMMITTEE:

Company has formed Investor grievance committee. The committee oversees the share transfers as well as takes care of investor grievances.

The Committee met on 26th October, 2010 and the attendance of members at the meeting was as follows:

Name of the Member	Status	No. of Meetings attended
Mr. Mayur Desai	Chairman	1
Mr. Dinesh N Desai	Member	1
Mr. Pankhil Desai	Member	1

Name and designation of compliance officer:

Dinesh N Desai, Managing Director

(7) SHAREHOLDERS' / INVESTORS' COMPLAINTS:

No. of Total Complaints Received During the Year	Resolved / action taken	Pending as on 31.03.2011
Nil	Nil	Nil

(8) CHANGE IN THE DIRECTORSHIP:

There being no change in directorship of the Company during the year under review.

(9) VENUE AND TIME OF THE LAST THREE GENERAL BODY MEETINGS:

Sr. No.	Date	Category	Venue	Time
1.	30/09/2010	AGM	201, 2nd Floor, Maulik Arcade, Above Karnavati Pagarkha Bazar, Mansi Cross Road, Vastrapur Ahmedabad- 380015	11.00 A.M.
2.	30/09/2009	AGM	B-1, Surbhi Complex, Behind Navrangpura Telephone Exchange, Ellisbridge, Ahmedabad - 380009	11.00 A.M.
3.	30/09/2008	AGM	B-1, Surbhi Complex, Behind Navrangpura Telephone Exchange, Ellisbridge, Ahmedabad - 380009	11.00 A.M.

Disclosures :

None of the transactions with any of the related parties were in conflict with the interest of the Company.

Details of non-compliance by the company, penalties, and strictures imposed on the company by stock exchange or SEBI or any statutory authority, or any matter related to capital markets, during the last three years.

None

(10) MEANS OF COMMUNICATION:

Quarterly Provisional Financial Results subject to a limited review of the Company are submitted to Stock Exchanges

(11) GENERAL SHAREHOLDERS INFORMATION:**Annual General Meeting:**

Date	Day	Time	Venue
30/09/2011	Friday	11.00 A.M.	201, 2nd Floor, Maulik Arcade, above Karnavati Pagarkha Bazar, Mansi Cross Road, Vastrapur Ahmedabad- 380015

Financial Year / Calendar Year: 1st April, 2010 to 31st March, 2011

Book Closure: Book Closure: 23rd Day of September, 2011 to 30th Day of September, 2011.
(Inclusive of Both the days)

Listing on Stock Exchanges (where listed);

1. The Stock Exchange, Ahmedabad,
2. The Stock Exchange, Vadodra,
3. The Stock Exchange, Pune

Registrar & Transfer Agent: N.A.

Company has not appointed Registrar and Transfer Agent.

Share Transfer System:

All the requests lodged with the Company for the transfer of Shares in physical form are processed and Transfer of them registered and returned within a period of 25 to 30 days from the date of receipt, provided the documents filed with the Company with this respect are complete, properly filled with the information required in that respect and the shares for transfer are not under dispute.

Share holding Pattern: (As on 31-03-2011)

Category	No. of Shares held	% of holding
Promoters	2,113,600	60.39
Mutual Funds	-	-
Banks and Financial Institutions	-	-
Insurance Companies	-	-
Foreign Institutional Investors	-	-
Private Bodies Corporate	2,51,900	7.20
Indian Public	1098600	31.38
NRIs/OCBs	35,900	1.03
GDR/ADR	-	-
Grand Total	35,00,000	100.00

Distribution of Shareholding: (As on 31-03-2011)

No. of Equity Shares	No. of Shareholders	% to Total	No. of Shares	% Share Holding
1 to 500	473	66.95	113900	3.25
501 to 1000	170	24.01	154000	4.40
1001 to 2000	17	2.41	30400	0.87
2001 to 3000	9	1.27	23700	0.68
3001 to 4000	2	0.28	6900	0.19
4001 to 5000	1	0.14	4500	0.13
5001 to 10000	11	1.55	104500	2.99
10001 to *****	24	3.39	3062100	87.49
Total	707	100	3500000	100

Stock Market Data: