

SHREEVATSA FINANCE AND LEASING LIMITED

120/500 (10), Lajpat Nagar, Kanpur-208005

NOTICE

Notice is hereby given that Annual General Meeting of the Company will be held on Thursday, 27th day of September 2012 at 11:30 A.M. at the registered office of the Company at 120/500 (10), Lajpat Nagar, Kanpur-208005 to transact the following business:-

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31.03.2012, the Profit & Loss Account for the year ended on that date and the reports of Auditors and Directors thereon.
2. To appoint M/s Tandon & Mahendra, Chartered Accountants as auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the company and fix their remuneration.
3. To appoint a Director in place of Mr. Deepak Kumar, who retires by rotation and being eligible offers himself for re-appointment.

Place: Kanpur
Dated: 30.08.2012

By Order of the Board

Sd/-
Praveen Kumar Arora
(Managing Director)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and that a proxy so appointed need not be a member of the Company.
2. The proxy form duly completed and executed should reach the Company's Registered office or Head Office atleast 48 (Forty Eight) hours before the commencement of the meeting.
3. The Register of Members and Transfer Books of the Company shall remain close from 20.09.2012 to 27.09.2012 (both days inclusive).
4. Detail under Clause 49 of listing agreement with the stock exchange in respect of directors seeking appointment/reappointment at the meeting is being separately annexed hereto.

SHREEVATSA FINANCE AND LEASING LIMITED

120/500 (10), Lajpat Nagar, Kanpur-208005

DIRECTOR'S REPORT

To the members of **Shreevatsaa Finance and Leasing Limited**

Your Directors feel pleasure in presenting their Annual Report of the business and operations together with Annual Accounts of the company for the period ended 31st March, 2012.

STATE OF COMPANY'S AFFAIRS:

The summary of the financial position of the Company is given hereinbelow: -

PARTICULARS	YEAR ENDED 31.03.2012	YEAR ENDED 31.03.2011
<i>Profit Before Taxation and Depreciation</i>	(3,210,708.68)	(3,777,929.17)
Depreciation	8,375	9,649
<i>Profit Before Taxation</i>	(3,219,083.68)	(3,787,578.17)
Provision for Taxation for current Year	-	-
Add/(less) Deferred Tax	(1,188)	(1,333)
Add/(less) MAT Credit Availed	0	58,229
<i>Profit after Taxation</i>	(6,361,651.68)	(3,728,016.17)
Add: - Balance Brought forward from Previous Year	25,177,809.23	28,905,825.40
<i>Profit available for Appropriation</i>	18,816,157.55	25,177,809.23

DIVIDEND

The Company has incurred a net loss of Rs. 63,61,651.68/- (Rupees Sixty Three Lac Sixty One Thousand Six Hundred Fifty One and Sixty Eight Paise Only) in the current financial year, henceforth Board of Directors does not recommended any dividend for the year 2011-12.

OPERATIONS:

During the year review the overall performance of the Company was steady and satisfactory. The Company has been mainly carrying on the business of sale and purchase of shares, securities and units. It also earned interest income on FDR's, jobbing profits from shares and interest and dividend from units and mutual funds.

The Company continues to focus its main attention on cost reduction, Assets/Liability – Management and collection. Your company managed to carry out all its business and commercial obligations in time and with dignity.

Your Directors shall continue to put in all efforts to increase the business of the Company and are confident of even better and brighter prospects of the Company.

The Company is considering various possibilities for optimizing the present business activities and also other business proposals, keeping in view the profitability and stability of business of the Company. The Company is also pursuing the possibility into other related activities.

There have not been any material changes and commitments affecting the financial position of the Company between the end of the financial year of the Company and the date Board's Report.

DIRECTORS

Since the date of last Annual General Meeting there has been no change in the constitution of the Board. Mrs. Deepak Kumar, retire by rotation at the ensuing Annual General Meeting and being eligible have respectively offered themselves for reappointment.

AUDITORS:

The Statutory Auditors, M/s Tandon & Mahendra, Chartered Accountants, hold office upto and retire at the conclusion of ensuing Annual General Meeting and being eligible and have expressed their willingness for being re-appointed. The matter relating to their re-appointment has been appropriately included in the notice of the ensuing Annual General Meeting.

AUDITORS REMARK:

The Auditor's Report is self-explanatory and contains no adverse remarks or qualifications and hence no explanation thereof is being given.

LISTING AGREEMENT:

The equity shares of the Company are listed at the U.P. Stock Exchange, Kanpur, Bombay Stock Exchange Limited, Mumbai and Ahemadabad Stock Exchange, Ahemdabad.

The cash flow statement pursuant to Clause 32 of the Listing Agreement is being annexed herewith.

AUDIT COMMITTEE:

Pursuant to the provisions contained in Section 292 A of the Companies Act, 1956 and clause 49 of Listing Agreement, an Audit Committee of the Company has been constituted. The committee is fully aware of its rights and obligations and has been since its constitution closely monitoring the affairs of the company so far as they affect the company's financial reporting process and the disclose of its financial information to ensure that the financial statement is correct and credible.

NBFC STATUS:

The Company is duly registered with Reserve Bank of India as an NBFC, not accepting public deposits.

Since the Company has neither accepted any deposit nor it intends to accept any deposit hence it has duly been passing appropriate resolution in each financial year.

PARICULAR OF EMPLOYEES:

None of the employees of the company are in receipt of remuneration in excess of the limits as stated in sub-section (2A) or Section 217 of the Companies Act, 1956, and hence no particulars of any employees are being given.

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

Companies (Disclosure of Particulars in the report of Directors) Rules, 1988 do not apply to the company; however the following information is being set out under this head:

(i) Conservation of Energy:

The operations of the Company are not energy intensive yet, but besides that all possible measures shall be taken to conserve the energy in all related areas.

(ii) Technology Absorption & Research And Development:

The Company has not imported any technology, and has not established any separated research and development unit, however the Company shall always kept itself updated with latest technological innovations by way of constant communications and personal discussions with the experts.

(iii) Foreign Exchange Earning And Outgo:

During the year under review there was no foreign exchange earning or outgo.

CHANGE IN THE NATURE OF THE COMPANY'S BUSINESS ETC.:

There has not been any change in the nature of the Company's business or in the class of the business in which the company has an interest. Company has no subsidiary.

BUY BACK:

The Company has not bought back any shares during the financial year.

DIRECTOR'S RESPONSIBILITY STATEMENT:

Pursuant to sub section (2AA) of Section 217 of the Act the Directors declare as under,

1. That in the preparation of Annual Accounts for the year ended 31.03.2012, the applicable Accounting Standards have been followed and there was no departure has been made therefrom.
2. That the 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 profit or loss of the company for the same period.
3. That the 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 the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on a going concern basis.

Directors have exercised their responsibility for the accuracy of the financial statements based on the accounting systems, policies and procedures designed to provide reasonable assurance of the reliability of financial records. Such controls based on established policies and procedures are implemented by the trained and skilled personnel of the Company.

CORPORATE GOVERNANCE:

As per the requirement of clause 49 Listing Agreement of the Company has to necessarily comply with the Corporate Governance norms as per the said clause. Accordingly the company has duly complied with the Corporate Governance norms to the extent and in the manner as set out in the Report on Corporate Governance annexed herewith which forms part of this report.

SECRETARIAL AUDIT REPORT

In Compliance with the directives issued by the Securities and Exchange Board of India (SEBI), Secretarial Audit Report by a practicing company secretary at specified periodicity and the reports are being submitted to Stock Exchange.

DEMATERIALISATION OF EQUITY SHARES:

The equity shares of the Company may be dealt in dematerialized form. The shareholders are requested to send their share certificate through their depository participants for having their shares in electronic form.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation and thanks for the cooperation, support and assistance extended by shareholders, employees, associates, customers, Bankers, Government Agencies and all other concerns.

For and on behalf of Board of Directors

Dated: 30.08.2012
Place: Kanpur

Sd/-
Praveen Kumar Arora
(Chairman)

ANNEXURE TO THE DIRECTORS REPORT

REPORT ON CORPORATE GOVERNANCE

Corporate Governance is the application of best management practices, compliance of law and adherence to ethical standards to achieve the Company's objective of enhancing shareholders' value and discharge of social responsibility. The Corporate Governance structure in the company assigns responsibilities and entrust authority among different participants in the organisation viz. the Board of Directors, the Senior management, Employees, etc. The Company has adopted Corporate Governance and disclosure practices even before these were mandated legislations.

Keeping in view the Company's corporate traditions, we are fully committed to follow the procedures and practices in conformity with the clause 49 of the listing agreement of the Stock Exchanges, as applicable. Your Directors present the Company's report on Corporate Governance as under: -

Mandatory Requirements

COMPANY'S PHILOSOPHY ON THE CODE OF GOVERNANCE

The Company's essential character revolves around values based on transparency, integrity, professionalism and accountability. At the highest level, the company continuously endeavours to improve upon these aspects on an ongoing basis and adopts innovative approaches for leveraging resources, converting opportunities into achievements. Our philosophy on Corporate Governance envisages attainment of absolute transparency, accountability and equity in all facets of its operations and in all its interactions with shareholders, employees and Government departments.

BOARD OF DIRECTORS

The company has optimum combination of Executive, Non executive Directors and Independent directors to ensure the independent functioning of the Board.

The functions of the Board include formulation of strategic business plans, budgets, setting up of goals and evaluation of performance, approving corporate philosophy and mission, monitoring corporate performance against strategic business plans, overseeing operations, recruitment of senior management personnel, review of material investment and fixed assets transactions, ensuring compliance with laws and regulations, keeping shareholders informed regarding plans, strategies and performance of the Company and other important matters.

The Board has constituted one Audit committee as per clause 49 of the Listing Agreement which is chaired by Non – Executive Director.

During the financial year 2011-12, Nine Board Meetings were held on

- 1) 07th April, 2011
- 2) 29th April, 2011
- 3) 29th July, 2011
- 4) 23rd August, 2011
- 5) 03rd September, 2011
- 6) 29th October, 2011
- 7) 30th January, 2012
- 8) 31st March, 2012

The last AGM was held on 30th September 2011.

The composition of Board of Directors, their attendance at the Board Meetings held during the year and at last Annual General Meeting as also number of directorships and chairmanships/ memberships of committee of each director held in various Companies as at March 31st, 2012 is:-

Name of Director/s	Category of Directorship	Designation	Attendance Record		No. of other directorships/ Committee memberships/ Chairmanships		
			Board Meetings	Last AGM	Other Directorships	Committee Memberships	Committee Chairmanships
Praveen Kumar Arora	Executive – Non Independent	Managing Director	9	Yes	14	1	Nil
Rekha Chawla	Independent – Non Executive	Director	8	Yes	1	1	Nil
Manohar Lal Bajaj	Independent – Non Executive	Director	9	Yes	2	2	2
Deepak Kumar	Independent – Non Executive	Director	9	Yes	18	1	Nil

AUDIT COMMITTEE

The Audit Committee has been constituted as per Section 292-A of the Companies Act, 1956 and the guidelines set out in the Listing Agreement with Stock Exchanges. The Audit Committee inter-alia provides assurance to the Board on the existence and adequacy of an effective internal control system. The terms of reference of the Audit Committee include the following: -

- To hold discussion with Auditors periodically about:
 - Internal control system and compliance thereof.
 - Scope of audit including observations of the auditors.
 - Review of the quarterly, half yearly and annual financial statements before submission to the Board.
 - Any other matter as may be referred by the Board.
- The Audit Committee is further responsible for: -
 - Overseeing the Company’s financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Reviewing with the management the annual financial statements with primary focus on accounting policies and practices, compliance with accounting standards and guidelines of stock exchange(s), major accounting entries, qualifications in draft audit reports, related party transactions & the going concern assumption.
 - Holding discussions with external auditors to ascertain any area(s) of concern.

- Reviewing the Company's financial and risk management strategies.

The statutory auditors of the Company are invited to attend the meetings whereat the Audit committee holds discussion with the statutory auditors on the quarterly account subjected to their Limited Review, yearly audit plan, matters relating to compliance with Accounting standards, their observations on matter arising out of annual audit and other related matters.

During the financial year 2011-12, the Audit Committee met four times as per the Paragraph II of Clause 49 of the Listing Agreement on the following dates:

- 1) 29th April, 2011
- 2) 29th July, 2011
- 3) 29th October, 2011
- 4) 31st January, 2012

All the members of Audit Committee attended the committee meeting.

SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE

(a) Terms of Reference:

The Committee has been formed to look into redressal of shareholders / Investors complaints relating to transfer of shares, non receipt of balance sheet, non receipt of dividend and credit of shares in connection with the recent Public Issue of the Company or any other matters, as also to approve requests requiring issue of new share certificates.

(b) Composition:

The Committee comprises of Two Non Executive Directors namely **Smt. Rekha Chawla** (Chairman of the Committee) & **Sh. Deepak Kumar** and one executive Director **Sh. Praveen Kumar Arora**. The Committee met two times during the year and the attendance of the members at the meeting was as follows:

Name of the Members	Status	No. of Meetings Held	No. of Meetings attended
Smt. Rekha Chawla	Chairman	2	2
Sh. Praveen Kumar Arora	Member	2	2
Sh. Deepak Kumar	Member	2	2

During the year, the Company had not received any complaints relating to transfer/transmission of shares, dematerialization of shares, issue of duplicate share certificates, non receipt of shares certificate after endorsement, non- receipt of Dividend allotment of shares, Refunds etc. from the shareholders/investors which were replied / resolved. There was no transfer of shares pending as on 31st March, 2012.

COMMITTEE OF DIRECTORS

(a) Terms of reference

The Committee has been constituted to take decisions in all matters in relation to the management of the Company except the matters required to be considered and approved by the Board of Directors under the provisions of the Companies Act, 1956.

(b) Composition :

The Committee comprises of One Executive Director **Sh. Praveen Kumar Arora** and Three Non Executive Directors namely **Sh. Deepak Kumar, Smt. Rekha Chawla & Sh. Manohar Lal Bajaj**. The Committee met one time during the year and the attendance of Members at the Meeting was as follows: -

Name of the Members	Status	No. of Meeting held & attended
Smt. Rekha Chawla	Chairman	1
Sh. Praveen Kumar Arora	Member	1
Sh. Deepak Kumar	Member	1
Sh. Manohar Lal Bajaj	Member	1

DISINVESTMENT COMMITTEE

(a) Terms of reference

The Committee has been constituted to take decisions about disinvestment such as number of shares to be sold and to negotiate the price and other terms and conditions for sale of such investment and to take necessary steps in relation to the sale of investment.

(b) Composition:

The Committee comprises of Three Non Executive directors namely **Smt. Rekha Chawla** (Chairman of the Committee), **Sh. Deepak Kumar & Sh. Manohar Lal Bajaj** and one executive Director **Sh. Praveen Kumar Arora**. No meeting of Committee was held during the year.

REMUNERATION COMMITTEE

(a) Terms of reference:

The Committee has been constituted to exercise all powers specified in the Companies act, 1956 and the listing agreement with the Stock Exchange in relation to the appointment and remuneration of executive Directors.

(b) Composition:

The Committee Comprises of Three Non Executive Directors namely **Smt. Rekha Chawla, Sh. Deepak Kumar & Sh. Manohar Lal Bajaj** and one executive director **Sh. Praveen Kumar Arora**.

The Committee met one time during the year and the attendance of members at the meeting was as follows: -

Name of the Members	Status	No. of Meetings attended
Smt. Rekha Chawla	Chairman	1
Sh. Praveen Kumar Arora	Member	1
Sh. Deepak Kumar	Member	1
Sh. Manohar Lal Bajaj	Member	1

DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR 2011 – 12.

Mr. Praveen Kumar Arora, Managing Director, was paid a salary of Rs. 1,00,000/- (Rupees One Lacs only) during the Year 2011-12 and no other remuneration was paid to any other Non – executive director.

REMUNERATION POLICY

Remuneration of employees consists of basic salary and perquisites. Remuneration to employees is based on their qualification, experience, responsibilities held and their performance.

The objective of the remuneration policy is to motivate employees to excel in their Performance, recognize their contribution, retain talent in the organization and reward Merits.

GENERAL BODY MEETINGS

Details of location, time and date of the General Body Meetings held during the last three years is as follows: -

Nature of the Meeting.	Meeting Date	Location	Time
AGM	30 th September, 2011	120/500 (10), Lajpat Nagar, Kanpur-208005.	09:30 A.M.
AGM	30 th September, 2010	120/500 (10), Lajpat Nagar, Kanpur-208005.	02:00 P.M.
AGM	30 th September, 2009	120/500 (10), Lajpat Nagar, Kanpur-208005.	09:30 A.M.

No resolution has been passed through postal ballot.

DISCLOSURES

- a) There were no transactions of material nature with the promoters, directors or the management of their subsidiaries or relatives etc. potentially conflicting with company's interest at large, during the year. The register of contracts containing the transactions in which directors are interested is placed before the Board regularly for its approval.
- b) There were no instances of non-compliance by the Company on any matter related to capital markets during the last four years.

The Company did not get any qualification from its Auditors for its accounts for the year 2011-12.

CEO / CFO CERTIFICATION

The Board has laid down the code of conduct for all Board members and senior management of the company. All Board members and senior management personnel shall affirm compliance with the code of conduct. As required under the Listing Agreement, a Certificate duly signed by Shri Praveen Kumar Arora, Managing Director was placed before the Board of Directors.

MEANS OF COMMUNICATION

The Company ensures that its quarterly and annual financial results are sent to the concerned Stock Exchange immediately after the same have been considered and taken on record by the Board of Directors. The company also ensures that its quarterly financial results are normally published in Swatantra Bharat.

GENERAL SHAREHOLDER INFORMATION

Annual General Meeting:

Date : 27th September, 2012
Day : Friday
Time : 11:30 A.M.
Venue : 120/500 (10), Lajpat Nagar, Kanpur-208005

Financial Calendar

Financial year of the Company is 1st April to 31st March every year

Compliance Certificate on Corporate Governance

As required under the Listing Agreement, a certificate from the Statutory Auditors of the Company regarding compliance of conditions of Corporate Governance by the Company has been obtained which is annexed to this Report.

Book Closure Period: - 20.09.2012 to 27.09.2012 (both days inclusive).

Listing of Shares:

The equity shares of the Company is listed at

- 1) The U.P. Stock Exchange Limited, Padam Towers, 14/113, Civil Lines, Kanpur – 208001.
- 2) Ahemadabad Stock Exchange, Kamdhenu Complex Opp. Sahjanand College, Panjarapole, Ahmedabad – 380 015
- 3) Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai - 400001.

ANNEXURE TO THE DIRECTORS REPORT

AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To the members of Shreevatsaa Finance & Leasing Limited,

We have examined the compliance of conditions of Corporate Governance by Shreevatsaa Finance & Leasing Limited for the year ended March 31, 2012 as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange in India.

The Compliance with the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedure and implementation thereof, adopted by the company for ensuring compliance with the conditions of the corporate governance as stipulated in the said clause.

It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and the representations made by the Directors and the Management, we certify that the company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement.

We further state that such compliance is neither an assurance as to future viability of the company nor the efficiency or effectiveness with which the management has conducted the affairs of the company.

For Tandon & Mahendra
Chartered Accountants

Place: Kanpur
Date: 30.08.2012

Sd/-
Mahendra Nath
(Partner)
M.No. 72826
14/75, Civil Lines,
Kanpur

ANNEXURE TO THE DIRECTORS REPORT

DECLARATION TO CODE OF CONDUCT

To,

The Members,
Shreevatsaa Finance & Leasing Limited,

Declaration by the Managing Director on code of conduct under clause 49 of the Listing Agreement.

I hereby confirm that all Board Members and Senior Management personnel have conveyed their acceptance to the “Code of Business Conduct and Ethics for Board Members and Senior Management”.

Sd/-
(Praveen Kumar Arora)
Managing Director

Place: Kanpur
Date: 01.09.2011

ANNEXURE TO THE DIRECTORS REPORT

MANAGING DIRECTOR'S CERTIFICATION

To,

The Board of Directors,
Shreevatsaa Finance & Leasing Limited

I, the undersigned, in my capacity as Managing Director of the Shreevatsaa Finance & Leasing Limited ('the Company'), to the best of my knowledge and belief certify that:

- a) I have reviewed the financial statements and the cash flow statement for the year ended on March 31, 2012 and based on our knowledge and belief, I state that:
 - 1) these statements do not contain any materially untrue or omit any material fact or contain any statement that might be misleading;
 - 2) these statements together present a true and fir view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) I further state that to the best of my knowledge and belief, there are no transactions entered into by the Company during the year, which are fraudulent, illegal or violative of the Company's Code of Conduct.
- c) I am responsible for establishing and maintaining internal controls and for evaluating the effectiveness of the same over the financial reporting of the company and have disclosed to the Auditors and the Audit Committee, deficiencies in the design and operation of internal controls, if any, of which I am aware and the steps taken or propose to be taken to rectify these deficiencies.
- d) I have indicated to the Auditors an Audit committee that:
 - 1) There have not been any significant changes in internal control over financial reporting during the year under reference.
 - 2) There has not been any significant changes in accounting policies during the year requiring disclosure in the notes to the financial statements; and
 - 3) I am not aware of any material instances during the year of significant fraud and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Sd/-
(Praveen Kumar Arora)
Managing Director

Place: Kanpur
Date: 30.08.2012

AUDITORS' REPORT

To,
The Members
Shree Vatsaa Finance & Leasing Limited

1. We have audited the attached Balance Sheet of M/s Shree Vatsaa Finance & Leasing Ltd. as at 31st March, 2012, the related Profit & Loss Account and Cash Flow Statement for the year ended on that date and annexed thereto, which we have signed under reference to this report. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 issued by the Central Government in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks as we considered appropriate and according to the information and explanation given to us, we enclose in the annexure a statement on the matters specified in the paragraph 4 and 5 of the said order.
4. Further to our comments in the annexure referred to above, we report that:
 - i) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - ii) In our opinion, proper books of accounts, as required by law, have been kept by the Company, so far as appears from the examination of those books;
 - iii) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
 - iv) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the applicable Accounting Standards referred to in Sub-Section (3C) of Section 211 of the Companies Act, 1956;
 - v) On the basis of written representation received from the Directors, as on 31st March, 2012 and taken on record by the Board of Directors of the Company, we report that none of the Directors' is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of Sub-section (1) of section 274 of the Companies Act, 1956.
 - vi) In our opinion and to the best of our information and according to the explanation given to us, the Balance Sheet, Profit & Loss Account and Cash Flow Statement together with the notes thereon and attached thereto give in the prescribed manner the information required by the Companies Act, 1956 give a true and fair view in conformity with the accounting principles generally accepted in India:
 - a) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012.
 - b) In the case of Profit & Loss Account, of the Loss of the company for the year ended on that date.
 - c) In the case of Cash Flow Statement, of the Cash Flow during the year ended on that date.

Date : 30.08.2012
Place : Kanpur

For Tandon & Mahendra
Chartered Accountants
(FR No. 003747C)



(Mahendra Nath)
Partner
Mem. No. 72826

Shree Vatsaa Finance & Leasing Ltd.
Financial Year 2011-12

ANNEXURE TO THE AUDITORS' REPORT

- 1 (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year and there is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) According to the information and explanation provided and on examination of Books of Accounts, the company has not disposed off any part of fixed assets during the year.
- 2 (a) The inventory of shares has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) The company is maintaining proper records of inventory. There were no discrepancies noticed on verification between the physical stocks and the book records.
- 3 (a) There are three parties covered U/s 301 of the Companies Act, 1956 to which the company has granted loan. The maximum amount involved during the year was Rs. 116.67 Lacs and year end balance of such parties was Rs. 105.00 Lacs.
- (b) In our opinion, the rate of interest and other terms and conditions on which loan has been granted to party listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) The party is repaying the loan as stipulated but as the loan has been given on interest free basis therefore there is no question of repayment of interest.
- (d) There is no overdue amount of loans granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (e) The Company has not taken any Loans Secured or Unsecured from the other companies listed in the register maintained under section 301 of the Companies Act, 1956, hence clause iii (e) to (g) of paragraph 4 of the Companies (Auditors' Report) Order 2003 as amended by Companies (Auditors' Report) Order 2004 are not applicable.
- 4 In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods and services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- 5 (a) According to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts of arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6 As per the information and explanation given to us and as per our examination of books of accounts, the company has not taken any deposit, hence there is no contravention of the provisions of Section 58A, 58AA or any other relevant provisions of the Companies Act, 1956.
- 7 In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- 8 The Central Government has not prescribed the maintenance of cost records in respect of the



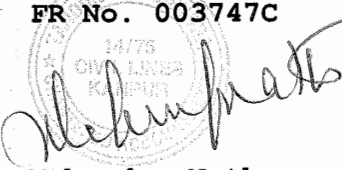
Company under section 209 (1) (d) of the Companies Act, 1956.

- 9 (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, service tax, custom duty, excise duty and Cess were in arrears, as at 31.03.2012 for a period of more than six months from the date they became payable.
- 10 In our opinion, the company does not have any accumulated losses as at the year end. The company has incurred cash losses during the financial year covered by our audit and had incurred cash losses in the immediately preceding financial year too.
- 11 In our opinion and according to the information and explanations given to us, the company has not taken any loan from the financial institution, bank or debenture holders.
- 12 According to the information and explanations given to us, the company has not granted loan and advances on the basis of security by way of pledge of shares, debentures and other securities.
- 13 In our opinion, the company is not a chit fund or a Nidhi/ mutual benefit fund/society. Therefore, the provisions of clause xiii (a) to (d) of the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report) (Amendment) Order, 2004 are not applicable to the company.
- 14 The company is dealing in shares, securities, debentures and other investments. All the records for the transactions and contracts with proper entries, have been made. All the shares, securities, debentures and other investments have been held by the company, in its own name.
- 15 As per the Explanation and as per the records of the company, no guarantee has been given by the company for loans taken by others.
- 16 In our opinion and as per the records of the company, the company has not taken any term loans.
- 17 According to the information and explanations given to us, and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long term investments.
- 18 According to the information and explanations given to us and as per the records of the company, no allotment of preferential shares have been made during the year to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- 19 During the period covered by our audit report, the company has not issued any debentures requiring report under this clause.
- 20 No public issue has been made by the company during the financial year.
- 21 According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

Dated : 30st August, 2012

Place : Kanpur

**For Tandon & Mahendra
Chartered Accountants
FR No. 003747C**


**Mahendra Nath
Partner
Mem No. 72826**

SHREEVATSA FINANCE & LEASING LIMITED

BALANCE SHEET AS AT 31st MARCH, 2012

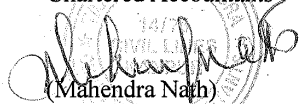
PARTICULARS	NOTE	AMOUNT	
		As at 31 March 2012	As at 31 March 2011
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	2	100,950,000.00	100,950,000.00
(b) Reserves and Surplus	3	27,801,160.60	34,409,202.28
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	6,284.00	7,472.00
(b) Long Term Provision	5	246,390.00	-
(3) Current Liabilities			
(a) Other Current Liabilities	6	598,633.00	566,892.00
Total		129,602,467.60	135,933,566.28
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	7	46,910.00	55,285.00
(b) Non-current Investments	8	26,424,900.00	33,452,440.44
(c) Long Term Loans and Advances	9	98,556,167.00	96,956,167.00
(2) Current Assets			
(a) Inventories	10	2,678,551.75	-
(b) Cash and Cash Equivalents	11	1,437,686.31	4,376,674.66
(c) Short Term Loans and Advances	12	456,157.00	894,226.00
(d) Other Current Assets	13	2,095.54	198,773.18
Total		129,602,467.60	135,933,566.28
Significant Accounting Policies	1	-	-
Notes are an integral part of the financial statements.	2-33		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For TANDON & MAHENDRA

Firm Regn NO- 003747C

Chartered Accountants


(Mahendra Nath)

PARTNER

Mem No.. 72826


PLACE : Kanpur

DATE : 30.08. 2012

For and on behalf of the Board

For Shree Vatsaa Finance & Leasing Ltd.


Praveen Kumar Arora — Manohar Lal
Director Director


Ashish Thakur
Company Secretary

Membership no. 25019



SHREEVATSAA FINANCE & LEASING LIMITED

STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2012

PARTICULARS	NOTE	AMOUNT (Rs.)	
		As at 31 March 2012	As at 31 March 2011
I REVENUE :			
Revenue From Operations	14	1847729.00	0.00
Other Income	15	255564.00	89559.00
Total Revenue		2103293.00	89559.00
II EXPENSES :			
Purchases of Stock-in-trade	16	5708771.00	0.00
Change in Inventories of Stock-in-trade	17	-2678552.00	0.00
Employee Benefit Expenses	18	1904300.00	1583019.00
Depreciation and Amortization Expenses	7	8375.00	9649.00
Other Expenses	19	379482.68	2284469.17
Total Expenses		5322376.68	3877137.17
III PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS FROM CONTINUING OPERATIONS		-3219083.68	-3787578.17
Extraordinary Items	20	3143756.00	0.00
IV PROFIT BEFORE TAX AND EXTRAORDINARY ITEMS FROM CONTINUING OPERATIONS		-6362839.68	-3787578.17
(There is no discontinuing operation)			
Less : Tax Expenses :			
1) Current Tax		0	0
2) Deferred Tax written back		-1188.00	-1333.00
3) MAT Credit Available		0.00	58229.00
V PROFIT FOR THE YEAR		-6361651.68	-3728016.17
VI BASIC & DILUTED EARNING PER SHARE (in Rs.)			
(a) Basic		Nil	Nil
(b) Diluted		Nil	Nil
Significant Accounting Policies	1		
Notes are an integral part of the financial statements.	2-33		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For TANDON & MAHENDRA

Firm Regn NO. 003747C

Chartered Accountants

Mahendra Nath
(Mahendra Nath)

PARTNER

Mem. No.. 72826

PLACE : Kanpur

DATE : 30.08. 2012

For and on behalf of the Board

For Shree Vatsaa Finance & Leasing Ltd.

Praveen Kumar Arora
Praveen Kumar Arora
Managing Director

Manohar Lal
Manohar Lal
Director



Ashish Thakur

Ashish Thakur
Company Secretary

Membership no. 25019

SHREEVATSAA FINANCE & LEASING LTD.

NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

BASIS OF PREPARATION OF FINANCIAL STATEMENTS

SYSTEM OF ACCOUNTING :

The Financial statements are prepared under the historical cost convention on accrual basis of accounting, in accordance with Generally Accepted Accounting Principles in India, the Accounting Standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956.

USE OF ESTIMATES :

The preparation of financial statements in conformity with Generally Accepted Accounting Principles (GAAP) in India requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of income and expenses during the period.

PRESENTATION AND DISCLOSURES IN FINANCIAL STATEMENTS :

For the year ended 31st March, 2012, the revised Schedule VI notified under the Companies Act, 1956, is applicable to the Company, for presentation and disclosures in financial statements. The Company has reclassified the previous year's figures in accordance with the revised Schedule VI as applicable in the current year.

FIXED ASSETS AND DEPRECIATION

Depreciation is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Depreciation on addition/deletion of assets during the year is provided on pro-rata basis.

INVENTORIES :

Inventories of shares is valued at cost or market price whichever is lower. Inventories have been taken, valued and certified by the management

INVESTMENTS :

Non-Current and Unquoted Current Investments are stated at cost and Quoted Current Investments at lower of cost or Market price. Provision for diminution in the value of Non-Current Investments is made only if such a decline is other than temporary in the opinion of the management.

REVENUE RECOGNITION:

Sales are recognised on execution of contracts by the broker, net of all expenses, if any. Dividend income is recognised when the right to receive payment is established. Interest income is recognised on the time proportion basis.

PROVISION FOR TAXATION :

Current Tax:

Provision is made for income tax, under the tax payable method, based on the liability as computed after taking credit for allowances and exemptions. Adjustments in books are made only after the completion of the assessment. In case of Matters under appeal, due to disallowances or otherwise, full provision is made when the said liabilities.

Deffered Tax:

The tax effect is calculated on the accumulated timing differences at the end of an tax assets are recognised only if there is reasonable certainty that they will be realised and are reviewed for the appropriateness of their respective carrying at each balance sheet date.

PROVISIONS AND CONTINGENCIES :

The Company creates a provision when there exists a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not require an outflow of resources. When there is a possible obligation or a present obligation in respect of which likelihood of outflow of resources is remote, no provision or disclosure is made.

EARNINGS PER SHARE :

The Basic and Diluted Earnings Per Share ("EPS") is computed by dividing the net profit after tax for the year by weighted average number of equity shares outstanding during the year.

IMPAIRMENT OF ASSETS:

An Impairment asset is charged for when the asset is identified as impaired. The impaired loss recognized in the prior accounting period is reversed if there has been a change in the estimate of recoverable amount.

The policies not specifically mentioned above are in agreement with the Accounting Standards issued by the institute of Chartered Accountants of India.



Handwritten signature.

Handwritten initials 'ML'.

SHREE VATSAA FINANCE & LEASING LTD.

Particulars		(Amount in Rs.)	
		As at 31 March 2012	As at 31 March 2011
Note:2	SHARE CAPITAL		
	AUTHORISED :		
	1,09,00,000 (P.Y.1,09,00,000) Equity Shares of Rs. 10/- each	109,000,000.00	109,000,000.00
	10,000(P.Y. 10,000) Preference Shares of Rs. 100/- each	1,000,000.00	1,000,000.00
	ISSUED, SUBSCRIBED AND PAID UP :		
10,10,000(P.Y. 10,10,000) Equity Shares of Rs. 10/- each fully paid up	101,000,000.00	101,000,000.00	
Less:- Calls in Arrears	50,000.00	50,000.00	
TOTAL	100950000	100950000	

2.1	Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period	As at 31st March, 2012		As at 31st March, 2011	
		Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
	Equity Share of Rs.10/- each fully paid up:-				
	Opening Balance	10100000	101,000,000	10100000	101,000,000
	Closing Balance	10100000	101000000	10100000	101000000

2.2	Details of shares held by shareholders holding more than 5% shares	As at 31st March, 2012		As at 31st March, 2011	
		held	holding %	held	holding %
	Equity Share of Rs.10/- each fully paid up:-				
	(1) Mr. Praveen Kumar Arora	8002000	79.22	8002000	79.22
	(2) Agarni Leasing & Finance Pvt. Ltd.	1049300	10.39	1049300	10.39

2.3 The company has only two class of shares referred to as equity shares and preference shares having a par value of Rs. 10/- and Rs.100/- respectively. Each holder of equity shares is entitled to one vote per share.

2.4 Each holder of equity shares is entitled to one vote per share.

Particulars		(Amount in Rs.)	
		As at 31 March 2012	As at 31 March 2011
Note:3	Reserves and Surplus:		
	(a) Special Reserve Fund		
	As per last Balance Sheet	9231393.05	9231393.05
	Add : Transferred from Statement of Profit & Loss	0.00	0.00
	Less : Utilised during the year	0.00	0.00
	Closing balance	9231393.05	9231393.05
	(b) Profit & Loss Account - As per account annexed		
	As per last Balance Sheet	25177809.23	28905825.40
	Add-Profit for the year	-6361651.68	-3728016.17
		18816157.55	25177809.23
	Less-Appropriations		
	Contingent provision against Standard Assets	246390	0
	Closing balance	18569767.55	25177809.23
	TOTAL	27801160.60	34409202.28

J. K. Arora

ML

Anish



SHREE VATSAA FINANCE & LEASING LTD.

Particulars		(Amount in Rs.)	
		As at 31 March 2012	As at 31 March 2011
Note:4	Deferred Tax Liabilities (Net)		
	Deferred Tax Liabilities		
	Difference between Written Down Value of fixed assets as per the books of accounts and Income Tax Act, 1961	6284	7472
	TOTAL	6284	7472

Particulars		As at 31 March 2012	As at 31 March 2011
Note:5	Long Term Provision		
	Contingent provision against Standrd Assets	246390.00	-
	TOTAL	246390.00	0.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note:6	Other Current Liabilities		
	Out Standing Liabilities for Expenses.	598633	566892
	TOTAL	598633	566892

[Handwritten Signature]

ML

[Handwritten Signature]

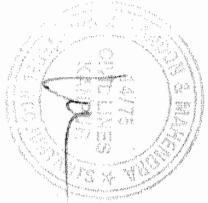


SHREE VATSAA FINANCE & LEASING LIMITED

NOTE:7 FIXED ASSETS

(Amount in Rs.)

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	As at 31.03.11	Additions	Transfer	As at 31.03.12	Up To 31.03.11	For the year	Adjustment	Up To 31.03.12	As at 31.03.12	As at 31.03.11
Tangible Assets										
Air Conditioner	20,040.00	-	-	20,040.00	12,693.00	1,022.00	-	13,715.00	6,325.00	7,347.00
Computers	181,175.00	-	-	181,175.00	179,900.00	510.00	-	180,410.00	765.00	1,275.00
EPABX System	26,330.00	-	-	26,330.00	21,729.00	640.00	-	22,369.00	3,961.00	4,601.00
Fax Machine	13,500.00	-	-	13,500.00	11,079.00	337.00	-	11,416.00	2,084.00	2,421.00
Furniture	9,631.00	-	-	9,631.00	8,410.00	221.00	-	8,631.00	1,000.00	1,221.00
Office Equipment	16,450.00	-	-	16,450.00	11,927.00	929.00	-	12,856.00	3,594.00	4,523.00
Photostate	128,800.00	-	-	128,800.00	98,938.00	4,154.00	-	103,092.00	25,708.00	29,862.00
Refrigerator	8,310.00	-	-	8,310.00	6,419.00	264.00	-	6,683.00	1,627.00	1,891.00
Tea Machine	11,880.00	-	-	11,880.00	9,736.00	298.00	-	10,034.00	1,846.00	2,144.00
TOTAL	416,116.00	-	-	416,116.00	360,831.00	8,375.00	-	369,206.00	46,910.00	55,285.00
PREVIOUS YEAR	416,116.00	-	-	416,116.00	351,182.00	9,649.00	-	360,831.00	55,285.00	64,934.00



HL

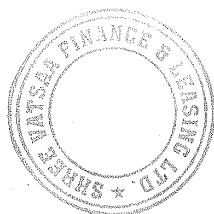
Shiv

SHREE VATSAA FINANCE & LEASING LIMITED

PARTICULARS	QUANTITY (NOS.)		AMOUNT (In Rs.)	
	AS AT 31.03.2012	AS AT 31.03.2011	AS AT 31.03.2012	AS AT 31.03.2011
NOTE:8 Non Current Investment (at cost)				
A. Quoted - Non Trade				
I. Equity Shares, Each, Fully Paid-up				
Balasure Alloys Ltd. of Rs.5/-	-	40000	-	1013967.65
Firstsource Solutions Ltd. of Rs.10/-	-	2000	-	118524.44
GTL Infrastructure Ltd. of Rs.10/-	-	13000	-	1180802.00
Jhagadia Copper Ltd. of Rs.10/-	-	20000	-	225619.91
Reliance Power Ltd. of Rs.10/-	-	3761	-	1393523.69
GMR Infrastructure Ltd. of Rs.1/-	-	1000	-	77314.02
NHPC Ltd. of Rs.10/-	-	54010	-	2350740.03
Reliance Industries Ltd. of Rs.10/-	-	436	-	667048.70
Aggregate Cost		TOTAL (A)	-	7027540.44
Aggregate Market Value				1440950.00
B. Unquoted Non Trade				
Equity Shares, Each, Fully paid up.				
Adonis Travels Pvt Ltd of Rs.10/-	19650	19650	196500.00	196500.00
Dream Buildcon Private Ltd. of Rs.10/-	150000	150000	1500000.00	1500000.00
PSS Agro & Investments Private Ltd. of Rs.10/-	70010	70010	3500500.00	3500500.00
Shivansh Land Developers Private Ltd. of Rs.10/-	5000	5000	50000.00	50000.00
Tapasya Projects Ltd. of Rs.10/-	507800	507800	4662400.00	4662400.00
Wellgrow Infotech Pvt. Ltd. of Rs.10/-	254000	254000	2540000.00	2540000.00
Yashi Buildcon Private Ltd. of Rs.10/-	5000	5000	50000.00	50000.00
C. Property				
Property at H-89, South Extension Part 1, New Delhi			13925500.00	13925500.00
		TOTAL (B)	26424900.00	26424900.00
		TOTAL (A+B)	26424900.00	33452440.44



ML

		(Amount in Rs.)	
Particulars		As at 31 March 2012	As at 31 March 2011
Note:9	Long Term Loans and Advances (Unsecured, Considered Good)		
	(a) Other Loans & Advances		
	-- Advances recoverable in cash or in kind or value to be received	98556167.00	96956167.00
	TOTAL	98556167.00	96956167.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note:10	Inventories - (At cost or net realisable Value whichever is lower)		
	Trading Items (Shares)	2678551.75	0
	TOTAL	2678551.75	0

Particulars		As at 31 March 2012	As at 31 March 2011
Note:11	Cash & Cash Equivalent		
	Cash & Bank Balances:		
	(a) Cash in hand and in transit	450393.10	659014.10
	(b) Balances with Scheduled Banks		
	(i) In Current Accounts:		
	U.T.I. Bank A/c	957968.61	3703551.96
	Axis Bank A/c	29324.60	14108.60
	TOTAL	1437686.31	4376674.66

Particulars		As at 31 March 2012	As at 31 March 2011
Note:12	Short Term Loans and Advances (Unsecured Considered Good)		
	Tax Deducted at Source	9886.00	3201.00
	Income Tax Refund Due	446271.00	891025.00
	TOTAL	456157.00	894226.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note:13	Other Current Assets		
	Other Receivables	2095.54	198773.18
	TOTAL	2095.54	198773.18

Particulars		As at 31 March 2012	As at 31 March 2011
Note:14	Revenue from Operations		
	(a) Sales of Shares	1847729.00	0.00
	TOTAL	1847729.00	0.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note:15	Other Income		
	(I) Dividend Income (Gross)	42488.00	57558.00
	(ii) Interest on Income Tax Refund	114225.00	0.00
	(iii) Interest Earned on Bank Deposits	98851.00	32001.00
	TOTAL	255564.00	89559.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note:16	Purchases of Stock-in-trade		
	Purchases of Shares	1824987.00	0.00
	Conversion of Investment into Stock in Trade	3883784.00	0.00
	TOTAL	5708771.00	0

J. K. Kulkarni

ML

Abhishek



		(Amount in Rs.)	
Particulars		As at 31 March 2012	As at 31 March 2011
Note: 17	Changes in Inventories of Stock-in-trade		
	Opening Stock : (Trading Items - Shares)	0.00	0.00
	Closing Stock: (Trading Items - Shares)	2678552.00	0.00
	Changes in Inventories of Stock-in-trade	2678552.00	0.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note: 18	Employee Benefit Expenses		
	Director's Remuneration	1200000.00	1200000.00
	Salaries to Staff	684000.00	364259.00
	Staff welfare and Other Expenses	20300.00	18760.00
	TOTAL	1904300.00	1583019.00

Particulars		As at 31 March 2012	As at 31 March 2011
Note: 19	Other Expenses		
	Advertisement	25588.00	25588.00
	Auditor's Remuneration	30333.00	30333.00
	Bank Charges	55.15	551.50
	Books & Periodicals	4595.00	4175.00
	D-Mat Charges	915.53	2633.13
	Fee & Subscription	0.00	750.00
	Intt.charges	936.00	173.65
	Legal Expenses	1240.00	4740.00
	Listing Fees	160430.00	148320.00
	Loss on Settlement of Transaction	0.00	11355.00
	Loss on Sale of Investments	0.00	1979179.26
	Miscellaneous Expenses	7375.00	5540.00
	Office Maintenance	19955.00	19990.00
	Other Expenses	10.00	24675.63
	Printing & Stationery	15550.00	16151.00
	Postage & Telegram	1606.00	1498.00
	Professional Charges	108191.00	0.00
	Security Transaction Tax	2703.00	8816.00
	TOTAL	379482.68	2284469.17

Particulars		As at 31 March 2012	As at 31 March 2011
Note: 20	Extraordinary Items		
	Loss on Conversion of Shares into Stock in Trade	3143756.00	-
	TOTAL	3143756.00	0

(Handwritten Signature)

(Handwritten Initials)

(Handwritten Signature)



SHREE VATSAA FINANCE & LEASING LTD.

Note:21	CONTINGENT LIABILITIES :- As per the management estimate and belief there is no contingent liability as at 31.03.2012 (Previous Year Nil)..		
Note:22	PAYMENTS TO AUDITORS :		
	Particulars	As at 31st March 2012	As at 31 March 2011
	(a) As Auditors	18200.00	18200.00
	(b) For Income tax Matters	6066.00	6066.00
	(c) For Company Law Matters	6067.00	6067.00
Note:23	RELATED PARTY DISCLOSURE : Related Party Disclosures in accordance with the Accounting Standards (AS-18) 'Related Party Disclosure', issued by the Institute of Chartered Accountants of India are as under :		
	(i) Names of related parties and description of relationship :		
	(A) Key Management Personnel & their Relatives :	Relationship	
	Praveen Kumar Arora	Key Management Personnel/Director	
	The Company took the following transactions with the related party during the year:		
	Name of the Party	Transaction	Amount (Rs.)
	Praveen Kumar Arora	Directors Remuneration	12.00 Lacs (P. Y Rs. 12.00 Lacs)
Note:24	EARNING PER SHARE :		
	Particulars	As at 31 March 2012	As at 31 March 2011
	(a) Profit after tax (Profit attributable to Equity Shareholders)	-6361651.68	-3787578.17
	(b) Weighted average nos. of Equity Shares for Basic / Diluted EPS	10100000	10100000
	(c) Nominal Value of Equity Share (in Rs.)	10.00	10.00
	(d) Basic Earning per Equity Share (in Rs.)	Nil	Nil
	(e) Diluted Earning per Equity Share (in Rs.)	Nil	Nil
Note:25	A contingent provision against standard assets has been created at @0.25%of the outstanding standard assets in terms of RBI circular.		
	Particulars	For the year ended 31.03.2012	For the year ended 31.03.2011
	Opening Balance	0	0
	Addition during the year	246390.00	0.00
	Closing Balance	246390.00	0.00
Notes 26	Consequent to the Accounting Standard-22 on "Accounting for Taxes on Income", the deferred tax credit of Rs.1188/-Cr (P.Y.1333/-Cr) is recognized in the Profit & Loss in the Profit & Loss Account. Deferred Tax Assets and Liabilities (As shown in the brackets below) comprises of following tax effects:		
	Particulars	Year Ended 31.03.2012	Year Ended 31.03.2011
	Fixed Assets	6284	7472
	Carry Forward Losses	Nil	Nil
		6284	7472
Note:27	CONVERSION OF INVESTMENT INTO STOCK IN TRADE All the Quoted Investment standing in the books as on 31.03.2011 have been converted into Stock in Trade at the fair market value as at 01.04.2011. Resulting in an overall loss of Rs. 3143756/- which has been shown as extra ordinary item in the Statement of profit & loss..		
Note:28	AS-17 SEGMENT REPORTING : The company is predominantly engaged in NBFC business. There is no other business or geographical segments with in the meaning of Accounting Standard - 17 issued by the institute of Chartered Accountants of India.		
Note:29	Balances are subject to confirmation and reconciliation , if any.		
Note:30	Gratuity liability is not provided, as none of the employees have completed the qualifying period of service.		
Note:31	Loans and advances include Rs. 116.67 Lacs (P.Y Rs. 105.00 Lacs) advances to a company in which the director of the company is a director.		
Note:32	There is no amount due to Micro Enterprises and Small Enterprises, based on the records and the information received from suppliers.		
Note:33	The figures of Previous year have been regrouped/recast wherever consider necessary to make them comparable with those of current year.		

AS PER OUR REPORT OF EVEN DATE ATTACHED

For TANDON & MAHENDRA

Firm Regn NO: 003747C

Chartered Accountants

(Mahendra Nath)

Partner

Mem. No. 72826

PLACE : Kanpur

DATE : 30.08. 2012

For and on behalf of the Board

For Shree Vatsaa Finance & Leasing Ltd.

Praveen Kumar Arora

Managing Director

Manohar Lal

Director

Ashish Thakur

Company Secretary

Membership No. 25019



Shree Vatsaa Finance & Leasing Limited

Cash Flow Statement For the Year Ended on 31st, March, 2012

Particulars	Amount (Rs.) Current Year	Amount (Rs.) Current Year
A Cash Flow from Operating Activities		
Net Profit Before Tax	(3,219,083.68)	(3,787,578.17)
Adjustments For:		
Depreciation	8,375.00	9,649.00
Interest Income	(98,851.00)	(32,001.00)
Dividend Income	(42,488.00)	(57,558.00)
Profit on Sale of Short Term Investments	-	(120,852.58)
Profit on Sale of Long Term Investments	-	2,100,031.84
Operating Profit before Working Capital Changes	(3,352,047.68)	(1,888,308.91)
Adjustments For:		
(Increase)/Decrease in Inventories	(2,678,551.75)	-
(Increase)/Decrease in Long Term Loans & Advances	(1,600,000.00)	(1,100,000.00)
(Increase)/Decrease in Short Term Loans & Advances	438,069.00	7,108.00
(Increase)/Decrease in Other Current Assets	196,677.64	(196,329.30)
Increase/ (Decrease) Other Current Liabilities	31,741.00	(56,728.00)
Cash Generated from Operations	(6,964,111.79)	(3,234,258.21)
Adjustments For:		
Income Tax Paid	-	65,319.00
Provisions for Taxes	-	-
Cash Flow Before Extraordinary Items	(6,964,111.79)	(3,299,577.21)
Adjustments For:		
Extraordinary Items	3,143,756.00	-
Net Cash From Operating Activities (A)	(10,107,867.79)	(3,299,577.21)
B Cash Flow From Investing Activities		
Purchase of Tangible Fixed Assets	-	-
Sale of Tangible Fixed Assets	-	-
Net Sale/(Purchase) of Non Current Investments	7,027,540.44	2,854,861.07
Interest Received	98,851.00	32,001.00
Dividend Received	42,488.00	57,558.00
Net Cash From Investing Activities (B)	7,168,879.44	2,944,420.07
C Cash Flow From Financing Activities		
Proceeds from Issuance of Share Capital	-	-
Proceeds from Long Term Borrowings	-	-
Repayment of Long Term Borrowings	-	-
Interest Paid	-	-
Dividend Paid	-	-
Net Cash From Financing Activities (C)	-	-
Net Increase in Cash & Cash Equivalents (A+B+C)	(2,938,988.35)	(355,157.14)
Cash & Cash Equivalents at the beginning of the year	4,376,674.66	4,731,831.80
Cash & Cash Equivalents at the end of the year	1,437,686.31	4,376,674.66

Notes:(1) Figures in Brackets represents outflows.

PLACE:KANPUR
DATED : 30.08.2012



For Shree Vatsaa Finance & Leasing Ltd.

Praveen Kumar Arora
Managing Director

Manohar Lal
Director

Ashish Thakur
Company Secretary

Auditor's Certificate

We have examined the attached Cash Flow Statement of M/s Shree Vatsaa Finance & Leasing Ltd. for the year ended 31st March, 2012. The Statement has been prepared by the Company in accordance with the requirements of the Listing Agreement Clause 32 with Guwahati Stock Exchange and is based on and in and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company covered by our Report to the members of the Company.

PLACE:KANPUR
DATED : 30.08.2012

For Tandon & Mahendra
Chartered Accountants

(Mahendra Nath)
 Partner
 Memb. No. 72826

Membership no. 25019