

**SHREEVATSA FINANCE AND
LEASING LIMITED**

Annual Report

2012-2013

Annual Report 2012-2013

NOTICE

Notice is hereby given that Annual General Meeting of the Company will be held on Thursday, 27th day of September 2013 at 12:30 P.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 31.03.2013, 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. Manohar Lal, who retires by rotation and being eligible offers himself for re-appointment.

Place: Kanpur
Dated: 02.09.2013

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 21.09.2013 to 27.09.2013 (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

DIRECTORS' 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, 2013.

STATE OF COMPANY'S AFFAIRS:

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

(Amt in Rs.)

PARTICULARS	YEAR ENDED 31.03.2013	YEAR ENDED 31.03.2012
Profit Before Taxation and Depreciation	29,421,686.95	(3,210,708.68)
Depreciation	6,767	8,375
Profit Before Taxation	29,414,919.95	(3,219,083.68)
Current Tax	5,989,019	-
Less: MAT Credit Entitlement	892,497	-
Net Current Tax	5096522	-
Deferred Tax written Back	(899)	(1188)
Profit after Taxation	24,319,296.95	(6,361,651.68)
Add: - Balance Brought forward from Previous Year	18,569,767.80	25,177,809.23
Profit available for Appropriation	42,889,064.75	18,816,157.55

DIVIDEND

The depression in the domestic market and increasing global competition has compelled the company to conserve the resources as retained earnings. Hence, the Board of Directors does not recommend any dividend for the year 2012-13.

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.

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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

During the period under review, Mrs. Rekha Chawla has resigned from the Board of Directors w.e.f 06.03.2013, which was reluctantly accepted by the Board in the meeting, held on 07th March, 2013. Mr. Sanjay Mehrotra has joined the Board w.e.f 06.03.2013.

Mr. Manohar Lai, 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 UP. Stock Exchange, Kanpur, Bombay Stock Exchange Limited, Mumbai and Ahemdabad Stock Exchange, Ahemdabad. Trading in equity shares of the company has been suspended. The management is taking all the necessary steps in order to revoke the suspension of trading in the equity shares of the company

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.

SHREEVATSA FINANCE AND LEASING LIMITED

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 31.03.2013, 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.

MANAGEMENT DISCUSSION AND ANALYSIS THE SCENARIO

The Company is mainly in the finance business. There is stiff competition amongst major companies as of today, but the history & background of your company has helped in retaining old customers and securing new ones. Despite the adverse market conditions, the company has managed to conserve its profitability, which is due to timely adoption of prudent business strategies, measures taken to reduce cost of funds and cost of operations, improved fund management and effective steps taken to maintain the level of the company.

OPPORTUNITIES, RISKS, & CONCERNS:

According to the management, the company has been financing reliable & loyal clients who have good potential to generate returns. Further, there is a general concern regarding the interest rate fluctuations, fiscal & monetary policies, which might affect the profitability of the company. However your company remains upbeat about the India economic growth, especially the finance sector. The company will anticipate & counter the economic fluctuations to the best of its capacity.

The company which are in such business always faces the risk of default or non-payment. The company so far has managed to keep its NPA at zero, and will work to keep it that way. Your company will continue to adopt strategies to register significant increase in business volumes.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The company has a proper independent and adequate system of internal controls to ensure that all the assets are protected against loss from unauthorized use or unauthorized disposal, and such transactions are properly authorized, recorded and reported correctly. The internal controls systems are designed in such a way to ensure that financial and other records are reliable for reporting financial statements and other data and for safeguarding assets.

MATERIAL DEVELOPMENTS IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER OF PEOPLE EMPLOYED.

The company maintained cordial industrial relations during the year.

CAUTIONARY STATEMENT

The statements made and figures given in various sections of "Management Discussion and Analysis" are keeping in mind the Company's objectives, estimates and expectation. The actual results may differ from those expected depending upon the economic conditions, change in Govt. Regulations, and amendments in tax laws and other internal and external factors.

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.

SHREEVATSA FINANCE AND LEASING LIMITED

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

Sd/-

Praveen Kumar Arora
(Chairman)

Dated: 02.09.2013

Place: Kanpur

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 endeavors 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

COMPOSITION OF THE BOARD:

Name	Category
Praveen Kumar Arora	Non Independent – Executive Director
Rekha Chawla*	Independent – Non Executive Director
Manohar Lai	Independent – Non Executive Director
Deepak Kumar	Independent – Non Executive Director
Sanjay Mehrotra**	Independent – Non Executive Director

* Resigned with effect from March 6, 2013.

** Appointed with effect from March 6, 2013

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.

SHREEVATSA FINANCE AND LEASING LIMITED

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 2012-13, 7 (Seven) Board Meetings were held on

- 1) 06th April, 2012
- 2) 04th May, 2012
- 3) 31st July, 2012
- 4) 30th August, 2012
- 5) 30th October, 2012
- 6) 01st February, 2013
- 7) 30th March, 2013

The last AGM was held on 27th September 2012.

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, 2013 is:-

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 :-

Name of Director/s	Category of Directorship	Designation	Attendance Record		No. of other Committee memberships/Chairmanships	
			Board Meetings	Last AGM	Committee Memberships	Committee Chairmanships
Praveen Kumar Arora	Executive - Non Independent	Managing Director	4	Yes	1	Nil
Rekha Chawla	Independent - Non Executive	Director	4	Yes	1	Nil
Manohar Lai	Independent - Non Executive	Director	4	Yes	1	2
Deepak Kumar	Independent - Non Executive	Director	3	Yes	1	Nil

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.

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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 2012-13, the Audit Committee met four times as per the Paragraph II of Clause 49 of the Listing Agreement on the following dates:

- 1) 04th May, 2012
- 2) 31st July, 2012
- 3) 30th October, 2012
- 4) 01st February, 2013

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 **Sh. Manohar Lai** (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:

SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

Name	Status	No. of Meetings Held	No. of Meetings attended
Sh. Manohar Lai	Chairman	2	2
Sh. Praveen Kumar Arora	Member	2	2
Sh. Deepak Kumar	Member	2	2

SHREEVATSA FINANCE AND LEASING LIMITED

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, 2013.

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 Lai 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 Lai 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 **Sh. Manohar Lai Bajaj** (Chairman of the Committee), **Sh. Deepak Kumar & Smt. Rekha Chawla** and one executive Director **Sh. Praveen Kumar Arora**. No meeting of Committee was held during the year.

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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 Lai 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 Meeting held & attended
Sh. Manohar Lai Bajaj	Chairman	1
Sh. Praveen Kumar Arora	Member	1
Sh. Deepak Kumar	Member	1
Smt. Rekha Chawla	Member	1

DETAILS OF REMUNERATION PAID TO DIRECTORS FOR THE YEAR 2012 - 13.

Mr. Praveen Kumar Arora, Managing Director, was paid a salary of Rs. 1,00,000/- (Rupees One Lacs only) during the Year 2012-13 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	27 th September, 2012	120/500 (10), Lajpat Nagar, Kanpur-208005.	11:30 A.M.
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.

SHREEVATSA FINANCE AND LEASING LIMITED

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 2012-13.

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, 2013
Day : Friday
Time : 12:30 P.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:

21.09.2013 to 27.09.2013 (both days inclusive).

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Listing of Shares:

The equity shares of the Company is listed at

- 1) The UP. Stock Exchange Limited, Padam Towers, 14/113, Civil Lines, Kanpur-208001.
- 2) Ahemadabad Stock Exchange, Kamdhenu Complex Opp. Sahjanand College, Panjarapole, Ahmedabad-380015
- 3) Bombay Stock Exchange Limited, Phiroze Jeejeebhoy Towers, Dalai Street, Mumbai - 400001.

Share Price Data:-

There has been no trading of shares at the The U.P. Stock Exchange Limited, Ahemadabad Stock Exchange and Bombay Stock Exchange Limited during the last financial year. Hence no data is available.

Share Transfer System:-

M/s. Maheshwari Datamatics Private Limited is acting as the Registrar and Transfer Agent of the Company. Share transfer requests are processed within 30 days of receipt by Registrar and Transfer Agent.

In compliance with the listing guidelines, every six months, the share transfer system is audited by a practicing Company Secretary and certificates to that effect are issued by him.

SHARE HOLDING PATTERN AS ON 31ST MARCH, 2013

Category	No. Of shares Held	% of share holding
Indian Promoters & associates	9051300	89.62
Body Corporates	663680	6.57
General Public	385020	3.81
	10100000	100.00

Distribution of Shareholding:-

No. of Shares	No. of Shareholders	%of Shareholders	No. of Shares Held	%of Shareholding
Upto 5000	42	68.9	49820	.50
5001-10000	1	1.6	9000	.09
10001-20000	6	9.8	95200	.94
20001-30000	2	3.3	59000	.59
30001-40000	2	3.3	77500	.77
40001-50000	NIL	NIL	NIL	NIL
50001-100000	3	4.9	211480	2.09
100001 Above	5	8.2	9598000	95.02
	61	100	10101000	100

SHREEVATSA FINANCE AND LEASING LIMITED

Dematerialization:

The Company has entered into necessary agreements with NSDL and CDSL (Depositories) for dematerialization of shares held by the investors.

Demat ISIN No. in NSDL & CDSL: Equity Shares - INE98IC01019

As on 31st March 2013, 89.61% shares are dematerialized.

Address for correspondence:

Company Office : Ashish Thakur
Company Secretary
120/500 (10), Lajpat Nagar, Kanpur-208005
Email: - investors.svfl@rediffmail.com

Registrar & Transfer Agent : Maheshwari Datamatics Private Limited
6, Mangoe Lane, IInd Floor, Kolkata -700001

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, 2013 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

Sd/-
Mahendra Nath (Partner)
M.No. 72826 14/75, Civil Lines, Kanpur
Place: Kanpur Date: 02.09.2013

ANNEXURE TO THE DIRECTORS REPORT

DECLARATION TO CODE OF CONDUCT

To,
The Members,
Shreevatsaa Finance & Leasing Limited,

Declaration by Managing Director of the Company on code of conduct as prescribed under clause 49 of the listing Agreement.

All the members of the Board and senior management personnel have affirmed compliance with the Company's Code of Conduct.

DECLARATION BY THE DIRECTOR

It is hereby declared that all the Board Members and Senior Management Personnel have affirmed compliance of code of conduct, pursuant to Corporate Governance provisions, for the year ended 31st March 2013.

Sd/-
(Praveen Kumar Arora)
Managing Director
Place: Kanpur Date: 02.09.2013

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, 2013 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: 02.09.2013

FORM - A

Format of covering letter of the annual audit report to be filed with the Stock Exchange:

1.	Name of the Company	SHREEVATSAA FINANCE AND LEASING LIMITED
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by	
	<ul style="list-style-type: none"> Managing Director 	<p>For Shreevatsaa Finance and Leasing Limited</p> <p> Praveen Kumar Arora (Managing Director)</p> <p></p>
	<ul style="list-style-type: none"> Audit Committee Chairman 	<p>For Shreevatsaa Finance and Leasing Limited</p> <p> Manohar Lal (Director & Chairman of Audit Committee)</p> <p></p>
	<ul style="list-style-type: none"> Auditors of the Company 	<p>For Tandon & Mahendra Chartered Accountants (FRN. 003747C)</p> <p>  (Saurabh Shukla) Partner M. No. 405240</p>

INDEPENDENT AUDITOR'S REPORT

To,
The Members of
Shree Vatsaa Finance & Leasing Limited.,

Report on the Financial Statements

We have audited the accompanying financial statements of Shree Vatsaa Finance & Leasing Limited ("the Company"), which comprise the Balance Sheet as at March 31st, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31st, 2013;
- b) in the case of the Profit and Loss Account, of the loss for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

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Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
 - e) on the basis of written representations received from the directors as on March 31st, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31st, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For Tandon & Mahendra
Chartered Accountants
FRN: 003747C

Sd/-
(Mahendra Nath)
(Partner)
M. No. 072826

Place: Kanpur
Date : 27.05.2013

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 Company is dealing in shares and securities which has been verified by the management from time to time from the demat account and other records of the company.
- (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 four parties listed in the register maintained under section 301 of the Companies Act, 1956, to whom the Company has granted Loan. The maximum amount involved during the year was Rs. 415.00 Lacs (P.Y. 116.67 Lacs) and the yearend balance of such loan was Rs. 387.00 Lacs (P.Y 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.

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- 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 31.03.2013 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 not incurred cash losses during the financial year covered by our audit but 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.

SHREEVATSA FINANCE AND LEASING LIMITED

BALANCE SHEET AS AT MARCH 31, 2013

AMOUNT (Rs.)

Particulars	Note No	As At 31st March 2013	As At 31st March 2012
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	52,051,207.80	27,801,160.85
(2) Non-Current Liabilities			
(a) Deferred Tax Liabilities (Net)	4	5,385.00	6,284.00
(b) Long Term Provision	5	315,640.00	246,390.00
(3) Current Liabilities			
(a) Other Current Liabilities	6	647,033.81	598,633.00
(b) Short Term Provisions	7	5,989,019.00	-
Total		<u>159,958,285.61</u>	<u>129,602,467.85</u>
II. ASSETS			
(1) Non-current Assets			
(a) Fixed Assets			
(i) Tangible Assets	8	40,143.00	46,910.00
(b) Non-current Investments	9	22,924,400.00	26,424,900.00
(c) Long Term Loans and Advances	10	126,256,167.00	98,556,167.00
(2) Current Assets			
(a) Inventories	11	2,417,900.00	2,678,552.00
(b) Cash and Cash Equivalents	12	1,488,277.81	1,437,686.31
(c) Short Term Loans and Advances	13	6,823,943.00	456,157.00
(d) Other Current Assets	14	7,454.80	2,095.54
Total		<u>159,958,285.61</u>	<u>129,602,467.85</u>

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

Sd/-
(Mahendra Nath)
PARTNER
Mem No. 72826

**For and on behalf of the Board
For Shree Vatsaa Finance & Leasing Ltd.**

Praveen Kumar Arora
Director

Manohar Lal
Director

Ashish Thakur
Company Secretary

PLACE : Kanpur
DATE : 27.05.2013

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STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2013 AMOUNT (Rs.)

Particulars	Note No	As At 31st March 2013	As At 31st March 2012
I REVENUE :			
Revenue From Operations	15	31,939,139.38	1,847,729.01
Other Income	16	31,984,677.50	255,564.00
Total Revenue		63,923,816.88	2,103,293.01
II EXPENSES :			
Purchases of Stock-in-trade	17	31,831,199.27	5,708,769.93
Change in Inventories of Stock-in-trade	18	260,652.00	(2,678,552.00)
Employee Benefit Expenses	19	2,034,379.00	1,904,300.00
Depreciation and Amortization Expenses	8	6,767.00	8,375.00
Other Expenses	20	375,899.66	379,482.67
Total Expenses		34,508,896.93	5,322,375.60
III PROFIT BEFORE EXTRAORDINARY ITEMS AND TAX FROM CONTINUING OPERATIONS		29,414,919.95	(3,219,082.59)
Extraordinary Items	21	-	3,143,756.84
IV PROFIT BEFORE TAX FROM CONTINUING OPERATIONS		29,414,919.95	(6,362,839.43)
(There is no discontinuing operation)			
Less : Tax Expenses :			
1) Current Tax		5,989,019.00	-
2) Less: MAT Credit Entitlement		892,497.00	-
3) Net Current Tax		5,096,522.00	-
4) Deferred Tax written back		(899.00)	(1,188.00)
V PROFIT FOR THE YEAR		24,319,296.95	(6,361,651.43)
VI BASIC & DILUTED EARNING PER SHARE (in Rs.)			
(a) Basic		2.41	(0.63)
(b) Diluted		2.41	(0.63)

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

Sd/-

(Mahendra Nath)

PARTNER

Mem No. 72826

Praveen Kumar Arora
Director

Manohar Lal
Director

Ashish Thakur
Company Secretary

For and on behalf of the Board
For Shree Vatsaa Finance & Leasing Ltd.

PLACE : Kanpur

DATE : 27.05.2013

SHREEVATSA FINANCE AND LEASING LIMITED

Cash Flow Statement For the Year Ended on 31st, March, 2013

Particulars	Amount (Rs.) Current Year	Amount (Rs.) Previous Year
A Cash Flow from Operating Activities	29,414,919.95	(3,219,082.59)
Net Profit Before Tax		
Adjustments For:	6,767.00	8,375.00
Depreciation	(452,887.00)	(98,851.00)
Interest Income	(32,290.50)	(42,488.00)
Dividend Income	-	-
Profit on Sale of Short Term Investments	(31,499,500.00)	-
Profit on Sale of Long Term Investments	(2,562,990.55)	(3,352,046.59)
Operating Profit before Working Capital Changes		
Adjustments For:	260,652.00	(2,678,552.00)
(Increase)/Decrease in Inventories	(26,807,503.00)	(1,600,000.00)
(Increase)/Decrease in Long Term Loans & Advances	(6,367,786.00)	438,069.00
(Increase)/Decrease in Short Term Loans & Advances	(5,359.26)	196,677.64
(Increase)/Decrease in Other Current Assets	48,400.81	31,741.00
Increase/ (Decrease) Other Current Liabilities	(35,434,586.00)	(6,964,110.95)
Cash Generated from Operations		
Adjustments For:	-	-
Income Tax Paid		
Provisions for Taxes	(35,434,586.00)	(6,964,110.95)
Cash Flow Before Extraordinary Items		
Adjustments For:	-	3143756.84
Extraordinary Items	(35,434,586.00)	(10,107,867.79)
Net Cash From Operating Activities (A)		
B Cash Flow From Investing Activities		
Purchase of Tangible Fixed Assets	-	-
Sale of Tangible Fixed Assets	-	-
Net Sale/(Purchase) of Non Current Investments	35,000,000.00	7027540.44
Interest Received	452,887.00	98,851.00
Dividend Received	32,290.50	42,488.00
Net Cash From Investing Activities (B)	35,485,177.50	7,168,879.44
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)	50,591.50	(2,938,988.35)
Cash & Cash Equivalents at the beginning of the year	1,437,686.31	4,376,674.66
Cash & Cash Equivalents at the end of the year	1,488,277.81	1,437,686.31
Notes:(1) Figures in Brackets represents outflows.	(0.00)	-

For and on behalf of the Board
For Shree Vatsaa Finance & Leasing Ltd.

PLACE : Kanpur
DATE : 27.05.2013

Praveen Kumar Arora
Director

Manohar Lal
Director

Ashish Thakur
Company Secretary

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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, 2013. 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.

For **Tandon & Mahendra**
Chartered Accountants

Sd/-
(Mahendra Nath)
Partner
Memb. No. 72826

PLACE:KANPUR
DATED : 27.05.2013

NOTES TO FINANCIAL STATEMENTS

Note:1 SIGNIFICANT ACCOUNTING POLICIES

1.1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS

A. 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.

B. 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. Although these estimates are based upon management's best knowledge of current events and actions, actual result could differ from these estimates.

C. CONSISTENCY :

Accounting Policies have been consistently applied by the Company and are consistent with those used in the previous year.

1.2. FIXED ASSETS

Fixed Assets are stated at their original cost of acquisition/installation (net of cenvat credit availed) net of accumulated depreciation, amortization and impairment losses.

1.3. DEPRECIATION

Depreciation is provided on written down value/straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956. Assets costing below Rs.5000/- are depreciated at 100%.

1.4. OPERATING INCOMES:

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.

1.5. INVENTORIES :

Inventories of the company consisting of shares and securities are valued by the management at cost or market value whichever is lower.

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1.6. INVESTMENTS :

Non Current and Unquoted Current Investments are stated at cost & 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.

On disposal of an investment, the difference between its carrying amount and net disposal proceeds is charged or credited to the Statement of Profit and Loss. Profit or Loss on sale of investments is determined on a first-in-first-out (FIFO) basis.

1.7. 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 each financial year. The deferred 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.

1.8. 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.

1.9. 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 from time to time.

1.10. 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.

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

SHREEVATSA FINANCE AND LEASING LIMITED

(Amount in Rs.)

Particulars	As at 31 March 2013	As at 31 March 2012
Note:2		
SHARE CAPITAL		
AUTHORISED :		
1,09,00,000 (P.Y. 1,09,00,000) Equity Shares of Rs.10/- each	109,00,000.00	109,00,000.00
10,000 (P.Y. 10,000) Preference Shares of Rs.100/- each	1,00,000.00	1,00,000.00
ISSUED, SUBSCRIBED AND PAID UP :		
10,10,00,000 (P.Y. 10,10,00,000) Equity Shares of Rs.10/- each fully paid up	101,00,000.00	101,00,000.00
Less:- Calls in Arrears	50,000.00	50,000.00
TOTAL	100,950,000.00	100,950,000.00

2.1 Reconciliation of the number of shares and amount outstanding at the beginning and at the end of reporting period	As at 31 March 2013		As at 31 March 2012	
	Number of shares	Amount (Rs.)	Number of shares	Amount (Rs.)
Equity Share of Rs.10/- each fully paid up:-				
Opening Balance	10,10,00,000	101,00,00,000	10,10,00,000	101,00,00,000
Closing Balance	10,10,00,000	101,00,00,000	10,10,00,000	101,00,00,000

2.2 Details of shares held by shareholders holding more than 5% shares Class of shares/Name of shareholders	As at 31 March 2013		As at 31 March 2012	
	Number of shares held	holding %	Number of shares held	holding %
Equity Share of Rs.10/- each fully paid up:-				
(1) Mr. Praveen Kumar Arora	8002000	79.22	8,00,20,000.00	79.22
(2) Agarni Leasing & Finance Pvt. Ltd.	1049300	10.39	1,04,93,000.00	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. Preference shares do not carry any voting rights.

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

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(Amount in Rs.)

Particulars	As at 31 March 2013	As at 31 March 2012
Note:3		
<u>Reserves and Surplus:</u>		
(a) Special Reserve Fund		
As per last Balance Sheet	9,231,393.05	9,231,393.05
Add : Transferred from Statement of Profit & Loss	4,850,000.00	-
Less : Utilised during the year	-	-
Closing balance	14,081,393.05	9,231,393.05
(b) Profit & Loss Account - As per account annexed		
As per last Balance Sheet	18,569,767.80	25,177,809.23
Add-Profit for the year	24,319,296.95	(6,361,651.43)
	42,889,064.75	18,816,157.80
Less-Appropriations		
Contingent provision against Standard Assets	69,250.00	246,390.00
Transfer to special reserve	4,850,000.00	-
Closing balance	37,969,814.75	18,569,767.80
TOTAL	52,051,207.80	27,801,160.85

Particulars	As at 31 March 2013	As at 31 March 2012
Note:4		
<u>Deferred Tax Liabilities (Net)</u>		
Deferred Tax Liabilities		
Difference between Written Down Value of fixed assets as per the books of accounts and Income Tax Act, 1961	5,385.00	6,284.00
TOTAL	5,385.00	6,284.00

Particulars	As at 31 March 2013	As at 31 March 2012
Note:4		
<u>Deferred Tax Liabilities (Net)</u>		
Deferred Tax Liabilities		
Difference between Written Down Value of fixed assets as per the books of accounts and Income Tax Act, 1961	5,385.00	6,284.00
TOTAL	5,385.00	6,284.00

SHREEVATSA FINANCE AND LEASING LIMITED

(Amount in Rs.)

Particulars	As at 31 March 2013	As at 31 March 2012
Note:5 Long Term Provision Contingent provision against Standard Assets	315,640.00	246,390.00
TOTAL	315,640.00	246,390.00

Particulars	As at 31 March 2013	As at 31 March 2012
Note:6 Other Current Liabilities Outstanding Liabilities for Expenses	647,033.81	598,633.00
TOTAL	647,033.81	598,633.00

Particulars	As at 31 March 2013	As at 31 March 2012
Note:7 Short Term Provisions Current Tax	5,989,019.00	-
TOTAL	5,989,019.00	-

NOTE: 8 TANGIBLE ASSETS

PARTICULARS	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	As at 31.03.12	Additions	Transfer	As at 31.03.13	Up To 31.03.12	For the year	Adjustment	Up To 31.03.13	As at 31.03.13	As at 31.03.12
Tangible Assets										
Air Conditioner	20,040.00	-	-	20,040.00	13,715.00	880.00	-	14,595.00	5,445.00	6,325.00
Computers	181,175.00	-	-	181,175.00	180,410.00	306.00	-	180,716.00	459.00	765.00
EPABX System	26,330.00	-	-	26,330.00	22,369.00	551.00	-	22,920.00	3,410.00	3,961.00
Fax Machine	13,500.00	-	-	13,500.00	11,416.00	290.00	-	11,706.00	1,794.00	2,084.00
Furniture	9,631.00	-	-	9,631.00	8,631.00	181.00	-	8,812.00	819.00	1,000.00
Office Equipment	16,450.00	-	-	16,450.00	12,856.00	500.00	-	13,356.00	3,094.00	3,594.00
Photostate	128,800.00	-	-	128,800.00	103,092.00	3,576.00	-	106,668.00	22,132.00	25,708.00
Refrigerator	8,310.00	-	-	8,310.00	6,683.00	226.00	-	6,909.00	1,401.00	1,627.00
Tea Machine	11,880.00	-	-	11,880.00	10,034.00	257.00	-	10,291.00	1,589.00	1,846.00
TOTAL	416,116.00	-	-	416,116.00	369,206.00	6,767.00	-	375,973.00	40,143.00	46,910.00
PREVIOUS YEAR	416,116.00	-	-	416,116.00	360,831.00	8,375.00	-	369,206.00	46,910.00	55,285.00

NOTE:9

PARTICULARS	QUANTITY (NOS.)		AMOUNT (In Rs.)	
	AS AT 31.03.2013	AS AT 31.03.2012	AS AT 31.03.2013	AS AT 31.03.2012
Non Current Investment (at cost)				
A. 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/-	0	70010	0.00	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
	TOTAL (A)		8,998,900.00	12499400.00
C. Property				
Property at H-89, South Extension Part 1, New Delhi			13925500.00	13925500.00
	TOTAL (B)		13,925,500.00	13925500.00
	TOTAL (A+B)		22924400.00	26424900.00

SHREEVATSA FINANCE AND LEASING LIMITED

(Amount in Rs.)

Particulars	As at 31 March 2013	As at 31 March 2012
Note: 10 Long Term Loans and Advances (Unsecured, Considered Good)		
(a) Other Loans & Advances - Advances recoverable in cash or in kind or for value to be received	126,256,167.00	98,556,167.00
TOTAL	126,256,167.00	98,556,167.00
TOTAL	5,989,019.00	-

Particulars	As at 31 March 2013	As at 31 March 2012
Note: 11 Inventories - (At cost or net realisable Value whichever is lower) Trading Items (Shares)		
	2,417,900.00	2,678,552.00
TOTAL	2,417,900.00	2,678,552.00

Particulars	As at 31 March 2013	As at 31 March 2012
Note:12 Cash & Cash Equivalent Cash & Bank Balances:		
(a) Cash in hand and in transit	307,382.10	450,393.10
(b) Balances with Scheduled Banks		
(i) In Current Accounts:		
Axis Bank A/c	1,157,835.11	957,968.61
Axis Bank A/c	23,060.60	29,324.60
TOTAL	1,488,277.81	1,437,686.31

Particulars	As at 31 March 2013	As at 31 March 2012
Note:13 Cash & Bank Balances:		
(a) Cash in hand and in transit	307,382.10	450,393.10
Short Term Loans and Advances (Unsecured Considered Good)		
Other Loans & Advances		
Advance Income Tax, Tax Deducted at Source and MAT Credit	6,367,786.00	9,886.00
Income Tax Refund Due	456,157.00	446,271.00
TOTAL	6,823,943.00	456,157.00

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(Amount in Rs.)

Particulars	As at 31 March 2013	As at 31 March 2012
Note:14 Other Current Assets		
Other Receivables	7,454.80	2,095.54
TOTAL	7,454.80	2,095.54

Particulars	As at 31 March 2013	As at 31 March 2012
Note:15 Revenue from Operations		
(a) Sale of Shares	31,939,139.38	1,847,729.01
TOTAL	31,939,139.38	1,847,729.01

Particulars	As at 31 March 2013	As at 31 March 2012
Note:16 Other Income		
(i) Dividend Income	32,290.50	42,488.00
(ii) Interest on Income Tax Refund	-	114,225.00
(iii) Interest Earned on Bank Deposits	452,887.00	98,851.00
(iv) Profit on sale of shares (see note 28)	31,499,500.00	-
TOTAL	31,984,677.50	255,564.00

Particulars	As at 31 March 2013	As at 31 March 2012
Note:17 Purchases of Stock-in-trade		
Purchases of Shares	31,831,199.27	1,824,986.33
Conversion of Investment into Stock in Trade	-	3,883,783.60
TOTAL	31,831,199.27	5,708,769.93

Particulars	As at 31 March 2013	As at 31 March 2012
Note:18 Changes in Inventories of Stock-in-trade		
Opening Stock : (Trading Items - Shares)	2,678,552.00	-
Closing Stock: (Trading Items - Shares)	2,417,900.00	2,678,552.00
Changes in Inventories of Stock-in-trade	260,652.00	(2,678,552.00)

SHREEVATSA FINANCE AND LEASING LIMITED

(Amount in Rs.)

Particulars	As at 31 March 2013	As at 31 March 2012
Note:19		
<u>Employee Benefit Expenses</u>		
Director's Remuneration	1,200,000.00	1,200,000.00
Salaries to Staff	812,844.00	684,000.00
Staff welfare and Other Expenses	21,535.00	20,300.00
TOTAL	2,034,379.00	1,904,300.00

Particulars	As at 31 March 2013	As at 31 March 2012
Note:20		
<u>Other Expenses</u>		
Advertisement	34,399.00	25,588.00
Auditor's Remuneration	31,465.00	30,333.00
Bank Charges	-	55.15
Books & Periodicals	5,600.00	4,595.00
D-Mat Charges	11,344.83	915.52
Intt.charges	203.19	936.00
Legal Expenses	16,779.00	1,240.00
Listing Fees	163,582.00	160,430.00
Miscellaneous Expenses	6,040.64	7,375.00
Office Maintenance	20,035.00	19,955.00
Other Expenses	-	10.00
Printing & Stationery	19,510.00	15,550.00
Postage & Telegram	2,312.00	1,606.00
Professional Charges	13,483.00	108,191.00
Security Transaction Tax	51,146.00	2,703.00
TOTAL	375,899.66	379,482.67

Particulars	As at 31 March 2013	As at 31 March 2012
Note:21		
<u>Extraordinary Items</u>		
Loss on Conversion of Shares into Stock in Trade	-	3,143,756.84
TOTAL	-	3,143,756.84

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Note : 21

CONTINGENT LIABILITIES :-

As per the management estimate and belief there is no contingent liability as at 31.03.2013 (Previous Year Nil).

Note : 22 **PAYMENTS TO AUDITORS :**

Particulars	As at 31 March 2013	As at 31 March 2012
(a) As Auditors	18539.00	18200.00
(b) For Income tax Matters	6180.00	6066.00
(c) For Company Law Matters	6180.00	6067.00
(d) Out of pocket expenses	566.00	0.00

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 :	Relationship
(A) Key Management Personnel & their Relatives : 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 2013	As at 31 March 2012
(a) Profit after tax (Profit attributable to Equity Shareholders)	24319296.95	-6361651.43
(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.)	2.41	-0.63
(e) Diluted Earning per Equity Share (in Rs.)	2.41	-0.63

SHREEVATSA FINANCE AND LEASING LIMITED

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 31.03.2013	For the year ended 31.03.2012
Opening Balance	246390.00	0.00
Addition during the year	69250.00	246390.00
Closing Balance	315640.00	246390.00

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 31.03.2013	Year ended 31.03.2012
Fixed Assets	5385.00	6284.00
Carry Forward Losses	Nil	Nil
	5385.00	6284.00

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

PROFIT ON SALE OF SHARES

The company has sold 70010 shares of M/s PSS Agro & Investments Pvt. Ltd. Which were held as non-current investment. The shares have been sold for a total sale consideration of Rs. 3.50 Crores and the resulting profit thereon amounting to Rs. 3,14,99,500/- has been transferred to Profit & Loss A/c. Though the transaction forms part of ordinary activities of the company, being NBFC, but the sale consideration as well as profit derived from the sale is an exceptional item for the company.

Note:29

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.

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Note: 30

Disclosure regarding quantitative details of traded goods (shares) is as follows;

Particulars	Quantity For the year ended 31.03.2013	Quantity For the year ended 31.03.2012
Shares:		
Stock at the beginning of the year	123512.00	Nil
Purchase during the year	168642.00	18315.00
Conversion of shares into stock	Nil	134207.00
Sale during the year	263613.00	29010.00
Stock at the end of the year	28541.00	123512.00

Note: 31

Expenditure in foreign currency: Nil

Note: 32

Earning in foreign currency: Nil

Note: 33

Balances of the parties are subject to confirmation and reconciliation, if any.

Note: 34

In the opinion of the Board, the Current assets, loans and advances are approximately of the value stated, if realized in the ordinary course of business and provision for all known liabilities are made.

Note: 35

Loans and advances include Rs. 387.00 Lacs (P.Y Rs. 116.67 Lacs) advances to a company in which the director of the company is a director.

Note: 36

As per the information available with the company no amount is due to Micro, Small and Medium Enterprise as defined under the Micro, Small and Medium Enterprise Development Act, 2006.

Note: 37 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

Sd/-

(Mahendra Nath)

PARTNER

Mem No. 72826

PLACE : Kanpur

DATE : 27.05.2013

For and on behalf of the Board
For Shree Vatsaa Finance & Leasing Ltd.

Praveen Kumar Arora
Director

Manohar Lal
Director

Ashish Thakur
Company Secretary

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Shreevatsaa Finance and Leasing Limited
Regd. Office : 120/500 (10), Lajpat Nagar, Kanpur - 208 005.

FORM OF PROXY

Ledger Folio No.
No. of Shares held

I / We of

being a member / members of **Shreevatsaa Finance and Leasing Limited** hereby appoint _____ of _____ or falling him _____ of _____ as my / our proxy to vote for me / us on my / our behalf at the Annual General Meeting of the Company to be held on Thursday, 27th day of September 2013 at 12:30 P.M. at 120/500 (10), Lajpat Nagar, Kanpur - 208 005 or at any adjournment thereof.

Signed this _____ day of _____ 2013

Affix
Revenue
Stamp of
Re 1.

NOTES:

(Signature)

The Proxy in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the aforesaid meeting. The Proxy need not be a member of the Company.

Shreevatsaa Finance and Leasing Limited
Regd. Office : 120/500 (10), Lajpat Nagar, Kanpur - 208 005.

ATTENDANCE CARD

(Please present this slip at the entrance of the Meeting Venue)

Ledger Folio No. _____
No. of Shares held _____

I / We hereby record my / our presence at the ANNUAL GENERAL MEETING of the Company held on Thursday, 27th day of September 2013 at 12:30 P.M. at 120/500 (10), Lajpat Nagar, Kanpur - 208 005.

NAME OF THE SHARE HOLDER (IN BLOCK LETTERS)




NAME OF THE PROXY* (IN BLOCK LETTERS)

SIGNATURE OF THE SHAREHOLDER / PROXY*

*Strike out whichever is not applicable.

FORM - A

Format of covering letter of the annual audit report to be filed with the Stock Exchange:

1.	Name of the Company	SHREEVATSAA FINANCE AND LEASING LIMITED
2.	Annual financial statements for the year ended	31 st March, 2013
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by	
	<ul style="list-style-type: none"> Managing Director 	<p>For Shreevatsaa Finance and Leasing Limited</p> <p> Praveen Kumar Arora (Managing Director)</p> <p></p>
	<ul style="list-style-type: none"> Audit Committee Chairman 	<p>For Shreevatsaa Finance and Leasing Limited</p> <p> Manohar Lal (Director & Chairman of Audit Committee)</p> <p></p>
	<ul style="list-style-type: none"> Auditors of the Company 	<p>For Tandon & Mahendra Chartered Accountants (FRN. 003747C)</p> <p>  (Saurabh Shukla) Partner M. No. 405240</p>