

**21ST ANNUAL REPORT**  
**2011-2012**

**JAGSONPAL**  
FINANCE & LEASING LTD.

# **JAGSONPAL**

FINANCE & LEASING LTD.

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# JAGSONPAL

FINANCE & LEASING LTD.

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## Board of Directors

J.S. Kochhar - Chairman  
K.P.S. Kochhar - Managing Director  
Davinder Bir Kochhar  
Gurmeet Singh  
Gurpreet Singh  
Om Prakash Tiwari

## Company Secretary

Sumit Kumar Ghosh

## Bankers

Dena Bank  
Punjab & Sind Bank  
Canara Bank  
Vijaya Bank  
Axis Bank

## Statutory Auditors

P.P. Thukral & Co.  
Chartered Accountants  
42, GF, World Trade Centre  
Babar Road  
New Delhi-110001

**NO GIFT WILL BE DISTRIBUTED TO ANY SHARE-HOLDER EITHER AT THE VENUE OF THE A.G.M. OR AT THE REGISTERED OFFICE OF THE COMPANY.**

## Regd. Office:

REGD. OFFICE: D-45, GROUND FLOOR  
PAMPOSH ENCLAVE, GREATER KAILASH PART-I  
NEW DELHI- 110048

**Website:** [www.jagsonpal.co.in](http://www.jagsonpal.co.in)

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# JAGSONPAL

FINANCE & LEASING LTD.

## NOTICE

Notice is hereby given that the 21st Annual General Meeting of the Members of Jagsonpal Finance & Leasing Ltd, will be held on Saturday, 29th September, 2012 at 9:00 A.M. at Khasra No. 498/499, Village Ghitorni, New Delhi - 110 030, to transact the following business:

## ORDINARY BUSINESS

1. To consider and adopt the Audited Balance Sheet as at 31st March 2012 and the Profit & Loss Account for the year ended on that date, Auditors' Report and Director's Report there-on.
2. Mrs. Davinder Bir Kochhar, Director of the Company retires at the ensuing Annual General Meeting who offers herself for re-appointment.
3. Mr. Gurmeet Singh, Director of the Company retires at the ensuing Annual General Meeting who offers himself for re- appointment.
4. To appoint Auditors and fix their remuneration. M/s. P.P. Thukral & Co., Chartered Accountants, Statutory Auditors of the Company, retire at this Annual General Meeting and being eligible, offer themselves for re-appointment.

By Order of the Board

**(J.S. KOCHHAR)**

Chairman

Place : New Delhi

Date : 30.05.2012

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN

FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.

2. Shareholders/Proxyholders are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
3. Members desiring any information as regards accounts are requested to write to the Company at an early date at D-45, Ground Floor, Pamposh Enclave, Greater Kailash - I, New Delhi - 110048, so as to enable the Management to keep the information ready.
4. The Register of Members will remain closed from 22nd September to 29th September 2012 (both days inclusive).
5. Profile of Mrs. Davinder Bir Kochhar, the Director retiring by rotation. Mrs. Davinder Bir Kochhar is MBA from Bucknell, USA University. She has considerable experience in this business. Mrs. Davinder Bir Kochhar is a member of the Audit Committee of the Company. None of the Directors except Mrs. Davinder Bir Kochhar is interested in the resolution. Directors recommend passing of the ordinary resolution.
6. Profile of Mr. Gurmeet Singh, the director retiring by rotation. Mr. Gurmeet Singh, Director joined the Board on 29.9.2005. Mr. Gurmeet Singh is a graduate from Delhi University. He has vast experience in this business.. Mr. Gurmeet Singh is a member of Audit Committee and other committees of the company. None of the Directors except Mr. Gurmeet Singh is interested in this resolution. Director recommend passing of the ordinary resolution.

By Order of the Board

**(J.S. KOCHHAR)**

Chairman

Place : New Delhi

Date : 30.05.2012

Regd. Office : D-45, Ground Floor, Pamposh Enclave, Greater Kailash, Part - I, New Delhi - 110 048.

# JAGSONPAL

FINANCE & LEASING LTD.

## DIRECTORS' REPORT

Your Directors present the 21st Annual Report of the Company together with Audited Accounts for the year ended on 31st March, 2012.

## FINANCIAL RESULTS:

	(Rs. Lacs)	
	<i>Current Year</i>	<i>Previous Year</i>
Gross Income	(13.86)	9.84
Gross Profit/(Loss)	(21.59)	(1.54)
Depreciation & Impairment	0.26	0.26
Profit/(Loss) before tax	(35.71)	(1.80)
Profit/(Loss) after tax	(35.71)	(1.80)
Brought forward from the previous year	(328.93)	(327.37)
Profit available for appropriation	(364.64)	(328.93)

## REVIEW OF PERFORMANCE AND BUSINESS PROSPECTS

During the year, the Company has incurred/ suffered a loss of Rs. 35.71 lacs before tax as against the loss of Rs. 1.80 lacs in the previous year. Efforts are also being made to improve the performance by exploring new avenues of business which are likely to arise with the passage of time.

## DIVIDEND

Directors recommended no dividend.

## FIXED DEPOSITS

During the year, the Company has neither accepted nor invited any deposits and there are no deposits which are either overdue or unclaimed as on March 31st, 2012.

## DIRECTOR

Mrs. Davinder Bir Kochhar, Director retires at the ensuing Annual General Meeting and board recommends her appoint/re-appointment.

Mr. Gurmeet Singh, Director retires at the ensuing Annual General Meeting and board recommends his appoint/re-appointment.

## DIRECTORS RESPONSIBILITY STATEMENT 217(2AA)

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, Your Directors state:

- (i) That in the preparation of the annual accounts year ended March 31, 2012, the applicable accounting standards have been followed;
- (ii) That Your Directors have selected such accounting policies and applied them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on March 31, 2012 and of the profit or loss of the Company for the year ended on that date;
- (iii) That your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That your Directors have prepared the annual accounts for the financial year ended March 31, 2012 on a going concern basis.

The Audit Committee of your company meets periodically to review the performance, functions and scope of statutory auditor's functions etc

## AUDITORS & AUDITORS' REPORT

M/s. P.P. Thukral & Co., Chartered Accountants, Auditors of the Company, retire at the conclusion of the ensuing Annual General Meeting. The Company has received confirmation from M/s. P.P. Thukral & Co., Chartered Accountants, to the

effect that their appointment, if made, will be within the limits as prescribed in Section 224 (1B) of the Companies act, 1956. Members attention is invited on Notes on Accounts forming part of Report & Balance Sheet. The Notes are self explanatory.

**PARTICULARS OF ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOING**

Information to be given pursuant to section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars) rules, 1988 are not applicable since there is no such activity being followed by the Company.

Foreign Exchange Earnings	Rs. Nil
Foreign Exchange Outgo	Rs. Nil

**PERSONNEL**

This information as required by section 217(2A) of the Companies Act, 1956, read with Companies

(Particulars of Employees) Rules, 1975, as amended, be taken as nil and complied with.

**CORPORATE GOVERNANCE**

A separate report on Corporate Governance forms a part of Annual Report along with the Auditors Certificate on its compliance of the conditions of Corporate Governance as also a Management Discussion & Analysis Report Pursuant to Clause 49 of the Listing Agreement are annexed hereto.

**.ACKNOWLEDGEMENT**

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Bankers, our Valued customers, and Shareholders during the year under review.

for and on behalf of the  
Board of Directors

**(J. S. KOCHHAR)**  
Chairman

Place : New Delhi  
Date : 30.05.2012

**CORPORATE GOVERNANCE REPORT**

**As per the requirement for providing a Report on Corporate Governance Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange, your Directors present the Company's Report on Corporate Governance as under :**

**1) Philosophy on Code of Governance**

The Board of Directors believe in managing the Company's affairs efficiently and in a responsible manner. The Company envisages the attainment of a high level of transparency and accountability in the functioning of the Company and the conduct of its business internally and externally.

**2) Board of Directors**

The business of the Company is managed by the Board of Directors. The Board formulates the strategy and regularly reviews the performance of the Company against previously agreed objectives. The Chairman and Managing Director along with the senior executives manage the day to day operations of the Company.

The Current Board Comprises of Six Directors including a Chairman, (Promoter) Managing Director (Promoter) and four Non-Executive Directors (out of which one is relative of the Promoter). Thus as required under the Listing Agreement with Stock Exchanges, more than one third of the Directors are independent.

None of the Directors holds Chairmanship of more than 5 Committees or membership in more than 10 Committees of Public Limited Companies.

# **JAGSONPAL**

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The constitution of the Board and the number of Directorships and Committee Memberships held in other companies as on date are given below :-

Name of Director	Category	No. of Directors in other Companies	No. of Committee held in other Companies Chairman/Member
Jagmohan Singh Kochhar Chairman	Promoter & Executive Director	2	Nil/1
Kanwarpal Singh Kochhar Managing Director	Promoter & Executive Director	Nil	Nil
Gurmeet Singh	Non-promoter Independent Non-Executive Director	Nil	Nil
Gurpreet Singh	Non-Promoter Independent Non-Executive Director	Nil	Nil
O P Tiwari	Non-Promoter Independent Non-Executive Director	Nil	Nil
Davinder Bir Kochhar	Promoter Non-Independent Non-Executive Director	Nil	Nil

#### **Attendance Record of the Directors**

The Board of Directors met six times during the financial year 2011-2012. The interval between any two successive meetings did not exceed four months. Board Meetings were held on 30.04.11, 10.06.2011, 28.06.2011, 30.07.11, 31.10.11 & 31.01.12. The attendance record of all Directors at Board meetings and the last Annual General Meeting (AGM) during the year 2011-12 is as under :-

Name of Director	No. of Board Meeting Attended	Attendance at Last AGM held on 30.9.2011
Jagmohan Singh Kochhar Chairman	5	Yes
Kanwarpal Singh Kochhar Managing Director	6	Yes
Davinder Bir Kochhar	6	Yes
Gurmeet Singh	6	Yes
Gurpreet Singh	6	Yes
Om Parkash Tiwari	6	Yes

## INFORMATION PLACED BEFORE THE DIRECTORS

The Company has laid down procedures to inform Board Members about the risk assessment and minimization procedures. The Board also periodically reviews compliance reports of all laws applicable to the company, prepared by the Company as well as steps taken by the Company to rectify instances of non-compliances. All information, which required to be placed before the Board of Directors under Clause 49 of the listing agreements with stock exchanges, has been duly placed before the Board of Directors during the year.

## Audit Committee

The Committee consists of four Non-Executive Independent Directors viz. Mr. Gurmeet Singh, Mr. Gurpreet Singh, Mr. Om Parkash Tiwari & Mrs. Davinder Bir Kochhar. The Chairman of the Committee is Mr. Gurmeet Singh. These members have the requisite financial, accounting, administrative and management expertise. Senior Manager (Internal Audit) along with the Internal Auditors, Statutory Auditors and the respective unit heads and the unit finance chiefs are invitees at the meetings of the Committee.

The powers and role of the Audit Committee are as specified in clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956. However, the board terms of reference of the Committee including:

- to review the company's financial reporting process and its financial statements.
- to review the accounting and financial policies and practices and compliance with applicable accounting standards.
- to review the efficacy of the internal control mechanism, monitor risk management policies adopted by the company and its units and ensure compliance with regulatory guidelines.
- to review reports furnished by the internal and statutory auditors and ensure that suitable action is taken.
- to examine the accounting and disclosure aspects of all significant transactions.
- to review with management the annual, quarterly & half yearly financial statements including review of qualifications, if any, in the audit report before submission to the Board.
- to recommend appointment of external and internal auditors and fixation of audit fees.
- to seek legal or professional advice, if required.

## Meetings & Attendance

The Audit Committee met five times during the financial year 2011-2012 on 30.04.11, 28.06.11, 30.07.11, 31.10.11 & 31.01.12. The attendance of each Audit Committee Member is as under :

Name of the Member	No. of Meetings Attended
Mr. Gurmeet Singh	5
Mr. Gurpreet Singh	5
Mr. Om Parkash Tiwari	5
Mrs. Davinder Bir Kochhar	3

## RISK MANAGEMENT

The Company has devised a formal Risk Management Framework for risk assessment and minimisation. Further, the Company assesses the risk management framework every year. The scope of the Audit Committee includes review of Company's financial and risk management policies.

## POSTAL BALLOT

The provisions related to postal ballot will be complied as per the provisions of the Companies Act, 1956 as and when situation may arise.



**COMPLIANCE WITH LAWS**

As required under clause 49 of the listing agreement, for the financial year 2011-12, the Company has submitted to the BSE, DSE, LSE & ASE, quarterly compliance reports signed by the Compliance Officer of the Company, confirming compliance with the mandatory requirements of the said Clause.

**CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING**

In compliance with the Securities & Exchange Board of India (Prevention of Insider Trading) Regulations, 1992, the company has framed a code of conduct for prevention of insider trading by Company insiders in line with other.

**4) Share Transfer/Transmission Committee**

The Committee consists of three Non-Executive Independent Directors viz. Mr. Gurmeet Singh, Mr. Gurpreet Singh and Mr. Om Parkash Tiwari. Mr. Om Parkash Tiwari is acting as Chairman of the Committee. Mr. Sumit Kumar Ghosh, Company Secretary has been designated as the Compliance Officer. The Committee is responsible for approval of share transfer/transmission, approval of requests for dematerialisation/rematerialisation of shares and other related activities.

**Meetings & Attendance**

The Share Transfer/Transmission/rematerialised Committee met five times during the financial year 2011-2012 on 16.05.2011, 30.05.2011, 15.10.2011, 29.02.2012, 30.03.2012. The attendance of each Committee Member is as under :

<b>Name of the Member</b>	<b>No. of Meetings Attended</b>
Mr. Gurmeet Singh	5
Mr. Gurpreet Singh	5
Mr. Om Parkash Tiwari	5

**5) Investors' Grievance Committee**

The Committee consists of two Non-Executive Independent Directors viz. Mr. Gurmeet Singh and Mr. Gurpreet Singh. Mr. Gurmeet Singh is acting as Chairman of the Committee. Mr. Sumit Kumar Ghosh, Company Secretary has been designated as the Compliance Officer. The Committee is responsible for redressal of shareholders and investors grievances such as non-receipt of transferred/transmitted share certificates/balancesheet etc. There is no grievance pending for any transfer/transmission.

**6) Remuneration Committee**

No remuneration is being paid to any of Directors and to Audit Committee Members.

**7) General Body Meetings**

The details of Annual General Meetings held in last 4 years are as under :-

<b>A. G. M.</b>	<b>DAY &amp; DATE</b>	<b>VENUE</b>
17th	Monday, 29th September, 2008	Ghitorni, New Delhi.
18th	Tuesday, 29th September, 2009	Ghitorni, New Delhi.
19th	Thursday, 30th September, 2010	Ghitorni, New Delhi.
20th	Friday, 30th September, 2011	Ghitorni, New Delhi

**8) Disclosures :**

There is no, significant or material, related party transaction.

There were no instances on non-compliance and that no penalties or strictures were imposed on the Company by any Stock Exchange, SEBI or any statutory authorities or any matter related to capital market.

Trading of the Company's shares have been re-listed w.e.f. 15<sup>th</sup> February, 2012 on Bombay Stock Exchange vide their notice no. 20120209-13 dated 9.2.2012.

**Code of Conduct for Directors and Senior Executives**

In line with the amended Clause 49 of the Listing Agreement which came into effect from 1st January, 2006 and amended, the Company adopted a Code of Conduct for its Directors and Senior Executives.

**MD/CFO certification**

As required by the Clause 49 of the Listing Agreement, the Managing Director certifies the financial statement and the cashflow statement for the period ended 31.3.2012 are enclosed at the end of this report.

**9) Means of Communication**

Quarterly/yearly results are normally published into Financial Express and Jansatta (Hindi) newspapers. The audited annual account are posted to every member of the Company. Quarterly shareholding distribution and quarterly/yearly results submitted to the Stock Exchanges are posted on the website of the Company [www.jagsonpal.co.in](http://www.jagsonpal.co.in).

**10) General Shareholder Information**

**Annual General Meeting**

Day, Time & Time	Saturday, 29th September 2012 at 9.00 A.M.
Venue	Khasra No. 498/499, Village Ghitorni, New Delhi-110030
Dates of Book Closure	22nd September, 2012 to 29th September 2012 (both days inclusive)

**Listing on Stock Exchanges**

The Company's entire equity share capital comprising of 5500400 equity shares of Re.10 each is listed at the following Stock Exchanges :

<b>Sl. No.</b>	<b>Name of Stock Exchanges</b>
1.	Mumbai Stock Exchange
2.	Delhi Stock Exchange
3.	Ludhiana Stock Exchange
4.	Ahmedabad Stock Exchange

The Company has paid listing fees for the Financial Year 2011-2012 to the above aforesaid Stock Exchanges.

# JAGSONPAL

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**Stock Price Data/Stock Performance: Year 2011-2012****Market Price Data (Rs.)****STOCK CODE (BSE) - 530601 Value in Rs.**

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Month	Bombay Stock Exchange (BSE)		
	High	Low	Volume No. of Shares
April, 2011	Nil	Nil	Nil
May, 2011	Nil	Nil	Nil
June, 2011	Nil	Nil	Nil
July, 2011	Nil	Nil	Nil
August, 2011	Nil	Nil	Nil
September, 2011	Nil	Nil	Nil
October, 2011	Nil	Nil	Nil
November, 2011	Nil	Nil	Nil
December, 2011	Nil	Nil	Nil
January, 2012	Nil	Nil	Nil
February, 2012	29.00	4.41	12,116
March, 2012	5.14	4.66	671

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Nil means no transaction during the period.

**Registered Office**

JAGSONPAL FINANCE & LEASING LTD, D-45, Ground Floor, Pamposh Enclave, Greater Kailash -I, New Delhi - 110 048.

**Share Transfer Agents**

Mas Services Ltd.

T-34, 2nd Floor Okhla Industrial Area Phase-II, New Delhi-110020

Tel : (011) 26387281, 26387282, 26387283, Fax : (011) 26387384, Email : info@masserv.com, www.masserv.com

All dematerialization requests and other communications regarding change of address, and queries related to investor services may be sent at the above address to Mr. Swarn Mangla.

**Share Transfer System**

The share transfer/transmission committee of the Board does the approval of transfer of shares in the physical mode. The committee meets frequently for approving share transfers and other related activities. The shares for transfer received in physical mode, are transferred expeditiously. The share certificates duly endorsed are returned immediately to the shareholders. Confirmation in respect of the requests for dematerialisation of shares is sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

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## Distribution of Schedule as on 31.03.2012 Nominal Value of each share Rs. 10

Numbers of Shareholders	% to Total	Share Holding of Nominal Value of Rs.	No. of Shares	Amount in Rs.	% to Total
4725	90.639	1 TO 5000	680316	6803160	12.368
228	4.374	5001 TO 10000	183144	1831440	3.330
119	2.283	10001 TO 20000	174787	1747870	3.178
48	0.921	20001 TO 30000	122146	1221460	2.221
16	0.307	30001 TO 40000	56370	563700	1.025
11	0.211	40001 TO 50000	53100	531000	0.965
23	0.441	50001 TO 100000	175225	1752250	3.186
43	0.825	100001 AND ABOVE	4055312	40553120	73.728
5213	100.000	TOTAL	5500400	55004000	100.000
TOTAL SHARE HOLDERS IN NSDL		860	TOTAL SHARES IN NSDL		3577553
TOTAL SHARE HOLDERS IN CDSL		309	TOTAL SHARES IN CDSL		105008
TOTAL SHARE HOLDERS IN PHY		4049	TOTAL SHARES IN PHY		1817839
TOTAL SHARE HOLDERS		5218	TOTAL SHARES		5500400

(5 Holders are common in demat and physical)

### Shareholding Pattern (as on 31.3.2012) :

Category	No. of Shares	% Holding
* PROMOTERS/DIR/RELATIVES	3077010	55.941
BANKS	1600	0.029
NRIS	500100	9.092
BODIES CORPORATE	50194	0.912
PUBLIC	1871496	34.026
Total	5500400	100.000

\* Associates not related to promoters but shown in above clause.

### Dematerialisation of Shares & Liquidity :

The Company's equity shares are compulsorily traded in the demat form with effect from 26.02.2001. The Company entered into an Agreement with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) for dematerialisation of shares. As on 31.03.2012, 66.95% of total equity share capital of the Company had been dematerialised. The ISIN allotted by NSDL/CDSL is INE582C01015.

### Green Initiative

As a part of Green Initiative in Corporate Governance undertaken by the Ministry of Corporate Affairs (MCA), Government of India through its circular Nos. 17/2011 & 18/2011 dated April 21 & 29, 2011 respectively, has allowed Companies to send official documents to their shareholders in electronic form.

Recognizing the said circular issued by MCA and also as an active partaker to reduce carbon footprint, your Company proposes to send the Annual Report for the year ended March 31, 2012 in electronic form to the email address provided by you through the Depositories.

Following the MCA directives, the Annual Report in an easily accessible format will be made available on your Company website, [www.jagsonpal.co.in](http://www.jagsonpal.co.in). We will also notify the date of Annual General Meeting and the date of uploading of the Annual Report in the Company's website in National and regional newspapers.

We are confident that you would appreciate the "Green Initiative" taken by MCA and your Company's desire to participate in such Initiative.

# **JAGSONPAL**

**FINANCE & LEASING LTD.**

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## **Address for Correspondence**

Please contact the Compliance officer of the company at the following address regarding any questions or concerns:

Mr. Sumit Kumar Ghosh, Compliance Officer & Company Secretary  
Jagsonpal Finance & Leasing Ltd., D-45, Ground Floor,  
Pamposh Enclave, Greater Kailash - I, New Delhi - 110 048.  
Tel : 011- 41633812, Fax : 011- 26238849  
Email Id : jagfin@airtelmail.in, Website: www.jagsonpal.co.in

## **MD/CFO CERTIFICATION UNDER CLAUSE 49(V) OF THE LISTING AGREEMENT**

To : The Board of Directors of Jagsonpal Finance & Leasing Ltd., Delhi

I, Kanwarpal Singh Kochhar, Managing Director of Jagsonpal Finance & Leasing Ltd. have reviewed the financial statements and cash flow statement for the year ended 31st March, 2012 and to the best of our knowledge and belief, certify that:

1. Based on information and knowledge, these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
2. Based on our knowledge and information, the financial statements, and other financial information included in this report, present in all material respects, a true and fair view of the company's affairs, and are in compliance with the existing accounting standards and/or applicable laws and regulations;
3. To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of company's code of conduct;
4. The undersigned is responsible for establishing and maintaining internal controls, and we have disclosed to the auditors and Audit Committee, deficiencies in the design or operation of internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
5. We have disclosed based on our most recent evaluation, wherever applicable, to the company's auditors and the audit committee of the company's Board of Directors:
  - a) significant changes in internal controls during the year.
  - b) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) instances of significant fraud of which we are aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system.

Place : New Delhi  
Dated : 30.05.2012

**Kanwarpal Singh Kochhar**  
Managing Director

**AUDITOR'S CERTIFICATE ON COMPLIANCE WITH THE CONDITION OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT.**

We have examined the compliance of conditions of Corporate Governance by Jagsonpal Finance & Leasing Ltd for the period ended on 31.3.2012 as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of corporate governance. 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 according to the explanations given to us, we certify that the company has complied with the conditions of corporate governance as stipulated in the above mentioned listing agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the shareholders/investors Grievance Committee.

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

for P. P. THUKRAL & CO.  
Chartered Accountants

**(Suresh Sethi)**  
Partner  
Membership No.:089318  
F.R.N: 000632N

**DECLARATION BY THE CHAIRMAN**

To,  
The Members of  
Jagsonpal Finance & Leasing Ltd.

In compliance with the requirements of Clause 49 of the Listing Agreement with the Stock Exchanges relating to Corporate Governance, I confirm that, on the basis of confirmations/declarations received, all the Directors and senior management personnel of the company have complied with the Code of Conduct framed by the Company.

For Jagsonpal Finance & Leasing Ltd.  
**(J.S. Kochhar)**  
Chairman

Place : New Delhi  
Date : 30.05.2012

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### INDUSTRIES STRUCTURE & DEVELOPMENT

Due to the present business scenario it has become extremely competitive & difficult to carry on with business associated with NBFC's Companies in any significant manner. The Management is looking for the appropriate time to re enter this business as soon as the business climate & economy improve.

### Opportunities & Threats

The Company is facing tough competition in its lending business from large NBFC's & Banks. It is difficult to continue with leasing & Hire Purchase activity. The Company's main Income is from stock market related operations and since the market is extremely volatile it offer ample opportunities to make meaningful Investments/profits. However returns on these Investments are intricately related with external factors and market conditions.

### SegmentWise or Product wise Performance

The Company main activity is sale & purchase of equity and trading in commodities and has negligible lending /hire purchase business and performance is as per market conditions.

### OUTLOOK

With the world economy looking up , and the recession receding, India is poised for rapid growth over the next decade, which augurs well for the economy in general and would likewise benefit the Company.

### RISKS AND CONCERNS

The Company faces no extraordinary risk of bad debts, however, the returns on investments are dependent on overall market conditions.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of Internal control to ensure accuracy of accounting records, compliance with all laws & regulations and Compliance with all rules & guidelines prescribed by management. The Audit Committee of Board reviews the scope and observations of the internal audit on regular basis.

### PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

(Rs. Lacs)

	<i>Current Year</i>	<i>Previous Year</i>
Gross Income	(13.86)	9.84
Gross Profit/(Loss)	(21.59)	(1.54)
Depreciation & Impairment	0.26	0.26
Profit/(Loss) before tax	(35.71)	(1.80)
Profit/(Loss) after tax	(35.71)	(1.80)
Brought forward from the previous year	(328.93)	(327.37)
Profit available for appropriation	(364.64)	(328.93)

This year the Company has managed not to make a profit and has suffered a loss.

### HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Company has adequate competent staff to carry out the day to day operations. In addition in order to ensure greater accountability efficiency the company imparts regular training to its employees.

## AUDITORS' REPORT

The Shareholders,  
JAGSONPAL FINANCE & LEASING LTD,  
New Delhi.

1. We have audited the attached Balance Sheet of JAGSONPAL FINANCE & LEASING LTD ("the Company") as at 31st March, 2012 and also the Profit & Loss Account and the Cash Flow Statement for the period ended on that date both annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We carried out our examinations 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 also includes examining, on a 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 statement presentation. We believe that our audit provides a reasonable basis for my opinion.
3. As required by the Companies (Auditor's Report) Order, 2003, Issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956. We enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order, to the extent applicable.

Further to our comments in the Annexure referred to in paragraph 3, we report that:

- i) 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.
- ii) In our opinion, proper Books of Account as required by law have been kept by the Company so far as it appears from our examination of those books.
- iii) The Balance Sheet and Profit & Loss Account and cash flow statement is in agreement with the Books of Account.
- iv) In our opinion, the Balance Sheet and Profit & Loss Account and cash flow statement dealt by this report comply with the Accounting Standards under sub section (3C) of section 211 of the Companies Act, 1956.
- v) None of Directors is disqualified as on March 31, 2012 from being appointed as a Director in terms of clause (g) of sub section (1) of section 274 of the Companies Act, 1956; and

- vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts comply and give the information required by the Companies Act, 1956 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 Company's state of affairs as on 31st March, 2012, and,
  - b) In the case of the Profit & Loss Account, of the loss of the company for the period ended as on that date; and
  - c) In the case of Cash flow statement, of the cash flows for the period ended on that date.

**for P. P. THUKRAL & CO.**  
Chartered Accountants

Place : New Delhi  
Dated : 30<sup>th</sup> May, 2012

**(Suresh Sethi)**  
Partner  
Membership No.:089318  
F.R.N. 000632N

## ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (3) of our report of even date)

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - b) As explained, the fixed assets except leased assets have been physical verified by the management during the year at reasonable intervals and no material discrepancies were noticed on such verification.
2. As explained to us the company is not having inventory, therefore provisions on relating to physical verification of inventory and record maintenance are not applicable.
3. In our opinion, the company has neither granted nor taken any loans, secured or unsecured from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956. As the Company has not granted/taken any loans, secured or unsecured, to/from parties listed in the registers maintained under Section 301 of the Companies Act, 1956 clauses iii(b), iii(c) and iii(d) of paragraph 4 of the order are not applicable.
4. In our opinion and according to 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. In our opinion and according to the information and explanations given to us, there is no continuing failure to correct major weakness in internal control.
5. As explained to us there has not been any transaction during the year that need to be entered in the register maintained under section 301 of the Companies Act



- 1956 and exceeding during the year to Rs. 5,00,000 or more in respect of each such party.
6. In our opinion, and according to the information and explanations given to us, the Company has not accepted any public deposit therefore the provisions of Sections 58 A and 58 AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975 are not applicable to the company.
  7. In our opinion, the internal Audit system is commensurate with the size of the company and the nature of its business.
  8. As per explanations the provision of section 209 (1) (d) regarding maintenance of cost records are not applicable to the company.
  9. According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, which are outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
  10. (a) The Company has been in existence since 20.2.91  
(b) The accumulated losses of the company are more than half of its net worth.  
(c) The company made a cash loss of Rs. 35.71 lacs during current year as against a cash loss of Rs. 1.80 lacs during the proceedings financial year.
  11. According to the information and explanations given to us the company has not defaulted in repayment of dues to any financial institutions or bank or debenture holder during the year.
  12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  13. The provisions of any special statute as specified under clause (xiii) of paragraph 4 of the order are not applicable to the company.
  14. The Company has kept adequate records of its transactions and contracts in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other investments, are held in the name of the company or are in process of being transferred in the company's name.
  15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
  16. The company has not obtained any term loans that were not applied for the purpose for which these were raised.
  17. Based on the information and explanations given to us, and on an overall examination of the balance sheet of the company, in our opinion, there are no funds raised on a short term basis which have been used for long term investment, and vice versa.
  18. According to the information and explanations given to us no preferential allotment of shares has been made by the company to companies, firms or other

- parties listed in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures. Hence the requirements of clause (xix) of paragraph 4 of the Order is not applicable to the company.
  20. The company has not raised any money by public issue during the year.
  21. According to the information and explanations given to us, during the year, no fraud by the company has been noticed or reported.

**for P. P. THUKRAL & CO.**  
Chartered Accountants

Place : New Delhi  
Dated : 30<sup>th</sup> May, 2012

**(Suresh Sethi)**  
Partner  
Membership No.:089318  
F.R.N. 000632N

**AUDITORS' REPORT AS PER NON-BANKING FINANCIAL COMPANIES AUDITOR'S REPORT (RESERVE BANK) DIRECTIONS, 1998**

As required by Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998 issued by Reserve Bank of India, Department of Financial Companies in exercise of the powers conferred by Sub Section (1A) of Section 45MA of the Reserve Bank of India Act, 1934, we hereby report on the matters specified in paragraphs 3 and 4 of the said Directions :-

- 1) The Company has been granted registration as per section 45IA of the Reserve Bank of India Act, 1934.
- 2) During the year the company has neither invited nor accepted public deposit and Board resolution have been passed to this effect.
- 3) As there are no deposits with company and matter of any non payment/overdue does not arise.
- 4) The Company has complied with the prudential norms on income recognition, accounting standards, asset classification, provisioning for bad and doubtful debts, and concentration of credit/investments as specified in the directions issued by the Reserve Bank of India in terms of the Non-Banking Financial Companies prudential Norms (Reserve Bank) Directions, 1998 except for the norms for valuation of long term investments.
- 5) The company has furnished to the Reserve Bank of India, within the stipulated period the relevant returns and statements as applicable to it.
- 6) The rest of the matters as specified in Sub-Paragraph (C) & (D) of Paragraph 3 of the Non Banking Financial Companies Auditor's Report (Reserve Bank), Directors, 1998 are not applicable.

**for P. P. THUKRAL & CO.**  
Chartered Accountants

Place : New Delhi  
Dated : 30<sup>th</sup> May, 2012

**(Suresh Sethi)**  
Partner  
Membership No.: 089318  
F.R.N. 000632N

**BALANCE SHEET AS AT 31ST MARCH, 2012**

	NOTE	AMOUNT (RS.) AS AT 31.03.12	AMOUNT (RS.) AS AT 31.03.11
<b>I. Equity and Liabilities</b>			
<b>(1) Shareholder's Funds</b>			
(a) Share Capital	3	5,50,04,000.00	5,50,04,000.00
(b) Reserves and Surplus	4	(3,47,28,682.27)	(3,11,57,419.75)
<b>(2) Current Liabilities</b>			
(a) Trade payables	5	6,95,512.14	56,106.00
(b) Other current liabilities	6	2,98,648.00	2,94,606.00
(c) Short-term provisions	7	24,59,366.38	24,45,520.38
<b>Total</b>		<b>2,37,28,844.25</b>	<b>2,66,42,812.63</b>
<b>II. Assets</b>			
<b>(1) Non-current assets</b>			
(a) Fixed assets	8		
Tangible assets		14,165.06	40,559.59
(b) Non-Current Investments	9	1,95,396.62	1,95,396.62
(c) Long term loans and advances	10	57,70,193.00	58,41,982.90
<b>(2) Current assets</b>			
(a) Inventories	11	1,60,47,538.97	1,88,58,169.32
(b) Cash and cash equivalents	12	11,22,482.60	8,02,636.20
(c) Trade receivables	13	5,62,914.00	5,87,914.00
(d) Short-term loans and advances	14	16,154.00	3,16,154.00
<b>Total</b>		<b>2,37,28,844.25</b>	<b>2,66,42,812.63</b>
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the financial statements.  
As per our report of even date attached.

For **P.P. THUKRAL & CO.**  
Chartered Accountants

**Suresh Sethi**  
Partner  
Membership No. : 089318  
Firm No.: 000632N  
Place : New Delhi  
Date: 30-05-2012

**J.S. KOCHHAR**  
Chairman

**OM PRAKASH TIWARI**  
Directors

**SUMIT KUMAR GHOSH**  
Company Secretary

**K.P.S. KOCHHAR**  
Managing Director

**DAVINDER BIR KOCHHAR**  
Director

**GURMEET SINGH**  
Director  
**GURPREET SINGH**  
Director

# JAGSONPAL

FINANCE & LEASING LTD.

## PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2012

	NOTE	AMOUNT (RS.) YEAR ENDED 31.03.12	AMOUNT (RS.) YEAR ENDED 31.03.11
I. Revenue from operations	15	(15,00,680.93)	7,12,245.94
II. Other Income	16	1,14,548.79	2,72,467.10
<b>III. Total Revenue (I +II)</b>		<b>(13,86,132.14)</b>	<b>9,84,713.04</b>
<b>IV. Expenses:</b>			
Employee benefit expense	17	7,07,976.00	7,08,828.00
Financial costs	18	639.73	2,520.43
Depreciation and amortization expense	19	26,394.53	26,394.53
Other expenses	20	4,84,995.12	4,26,692.54
<b>V. Total Expenses</b>		<b>12,20,005.38</b>	<b>11,64,435.50</b>
VI. Profit/(Loss) before exceptional and extraordinary Items and tax (III-V)		<b>(26,06,137.52)</b>	<b>(1,79,722.46)</b>
VII. Exceptional items	21	9,65,125.00	-
VIII. Profit/(Loss) before tax (VI-VII)		<b>(35,71,262.52)</b>	<b>(1,79,722.46)</b>
<b>XI. Tax expense:</b>			
(1) Current tax		-	-
(2) Deferred tax		-	-
X Profit/(Loss) for the period (VIII - XI)		<b>(35,71,262.52)</b>	<b>(1,79,722.46)</b>
<b>XI. Earning per equity share:</b>			
(1) Basic		(0.65)	(0.03)
(2) Diluted		(0.65)	(0.03)
Significant Accounting Policies	2		

The accompanying Notes are an integral part of the financial statements.  
As per our report of even date attached.

For **P.P. THUKRAL & CO.**  
Chartered Accountants

**Suresh Sethi**  
Partner  
Membership No. : 089318,  
Firm No.: 000632N  
Place : New Delhi  
Date: 30-05-2012

**J.S. KOCHHAR**  
Chairman

**OM PRAKASH TIWARI**  
Directors

**SUMIT KUMAR GHOSH**  
Company Secretary

**K.P.S. KOCHHAR**  
Managing Director

**DAVINDER BIR KOCHHAR**  
Director

**GURMEET SINGH**  
Director  
**GURPREET SINGH**  
Director

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012**

	<i>Amount (As at)</i> <i>31-03-2012</i>	<i>Amount (As at)</i> <i>31-03-2011</i>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit/(Loss) before tax, extraordinary and prior period items	(35,71,262.52)	(1,79,722.46)
Adjustments for :		
Depreciation and amortisation	26,394.53	26,394.53
Loss on sale of investment	-	3,11,431.00
Operating profit/(Loss) before working capital changes	<u>(35,44,867.99)</u>	<u>1,58,103.07</u>
Changes in working capital :		
Inventories	28,10,630.35	(55,13,930.00)
Trade receivables	25,000.00	24,73,893.00
Short term loans and advances	3,00,000.00	-
Long term loans and advances	71,789.90	-
Trade payable	6,39,406.14	14,685.00
Other current liabilities	4,042.00	-
Short term provisions	13,846.00	54,807.13
Income tax paid	-	(41,359.00)
Net Cash from/(used) in Operating Activities before extraordinary and prior period items	<u>3,19,846.40</u>	<u>(28,53,800.80)</u>
Extraordinary Items	-	-
Net Cash from/(used) in Operating Activities after extraordinary items and prior period items (A)	<u>3,19,846.40</u>	<u>(28,53,800.80)</u>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of fixed assets	-	-
Sale of fixed assets	-	-
Purchase of investment	-	(76,00,000.00)
Sale of investment	-	92,88,569.00
Net Cash from/(used) in Investing Activities (B)	<u>-</u>	<u>16,88,569.00</u>
<b>C. Cash Flow from Financing Activities</b>		
Proceeds/(Payment) of Long term borrowings	-	-
Proceeds/(Payment) of short term borrowings	-	-
Net Cash from/(used) in Financing Activities (C)	<u>-</u>	<u>-</u>
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C)	<u>3,19,846.40</u>	<u>(11,65,231.80)</u>
Opening Cash and Cash equivalents	8,02,636.20	19,67,868.00
<b>CLOSING CASH AND CASH EQUIVALENTS</b>	<u>11,22,482.60</u>	<u>8,02,636.20</u>

AS per our report of even date attached  
For **P.P. THUKRAL & CO.**  
Chartered Accountants

**(SURESH SETHI)**  
Partner  
M. NO. 89318, F. R. NO. 000632N  
Place : NEW DELHI  
Date : 30.05.2012

**J.S. KOCHHAR**  
Chairman

**OM PRAKASH TIWARI**  
Directors

**SUMIT KUMAR GHOSH**  
Company Secretary

**K.P.S. KOCHHAR**  
Managing Director

**DAVINDER BIR KOCHHAR**  
Director  
**GURMEET SINGH**  
Director  
**GURPREET SINGH**  
Director

**NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2012**

**1. Nature of Business**

Jagsonpal Finance & Leasing Ltd.(the Company) is registered as a Non-Banking Financial Company (NBFC) as defined under Section 45-IA of Reserve Bank of India Act, 1934. The company is engaged in the business of Finance, Leasing & Trading of shares and commodities.

**2. Significant accounting policies**

**2.1 Basis of Preparation of Financial Statements**

The financial statements of the company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) and the provisions of the Companies Act, 1961. The company has prepared these financial statements to comply in all material respects with the accounting standards notified under the Companies (Accounting Standards) Rules, 2006, (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on an accrual basis and under the historical cost convention

**2.2 Use of Estimates**

The preparation of financial statements requires the management to make estimates and assumptions considered in the reported amounts of assets and liabilities as on the date of the financial statements and the reported income and expenses during the reporting period. The estimates and assumptions used in the financial statements are based upon the Management's evaluation of the relevant facts and circumstances as on the date of financial statements. Management believes that the estimates used in the preparation of the financial statements are prudent and reasonable. Future results may vary from these estimates.

**2.3 Stock in Trade**

The Company has valued its Closing Stock of Shares/Debentures at "Cost Price" instead of "Scrip wise lower of Cost or Market Price".

Particulars	Current Year			Previous Year	
	Units	Qty.	Amount	Qty.	Amount
a)Opening Stock	No.	342126	188.58	262420	133.44
b)Purchases*	No.	3000	2.87	96506	83.30
c)Closing Stock	No.	310426	160.48	342126	188.58
d)Sales	No.	34700	30.97	16800	28.16

\* Includes Bonus, Merger, Split of shares etc.

**2.4 Revenue Recognition**

- a) Revenue is being recognized in accordance with the Guidance Note on accrual basis of accounting issued by the Institute of Chartered Accountants of India. As per the Prudential Norms prescribed by the Reserve Bank of India with regard to Income Recognition (as amended till 31.1.98) no Income has been recognized on Non Performing Assets as defined in the said guidelines.
- b) Income from dividends on shares is accounted for on receipt basis.
- c) Casual & Incomes of Non-recurring nature are accounted for on Receipt Basis.
- d) FIFO method has been adopted with regard to valuations and Income of shares and securities.

## 2.5 Fixed Assets

Fixed Assets are stated at cost net of recoverable taxes and includes amounts added on revaluation less accumulated depreciation. The carrying amount of fixed assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. There is no impairment of assets during the year as stated by management.

## 2.6 Depreciation and Amortization

Depreciation is charged on assets on straight line method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956. Leasehold Assets are not amortized.

## 2.7 Investments

Investments in quoted securities are classified as long term or short term depending upon the intention to be sold the same. In terms of the prudential norms of the Reserve Bank of India, the long term investments are valued at cost. Provision for diminution in the value of long term investments is made only if such a decline is other than temporary.

## 2.8 Employee Benefits

Short-term employee benefits are recognized as an expense at the undiscounted amount in the profit and loss account of the year in which the related service is rendered. The company recognizes termination benefits as a liability and an expense when the enterprise has a present obligation as a result of a past event. The provision for the gratuity has been made in the books of accounts as per gratuity act.

## 2.9 Earning Per Share (EPS)

In determining earnings per share (EPS), the Company considers the net profit after tax and includes the post tax effect of any extra-ordinary / exceptional item. In absence of any dilutive effect of equity shares the basic and diluted EPS are calculated on the same basis. The number of shares used in computing basic and diluted earnings per share is the weighted average number of shares outstanding during the period

## 2.10 Cash Flows

Cash flows are reported using the indirect method, whereby net profit before tax is adjusted for the effects of transactions of a non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from regular revenue generating, investing and financing activities of the Company are segregated.

### NOTE 3: SHARE CAPITAL

PARTICULARS	Amount (As at) 31-03-2012	Amount (As at) 31-03-2011
1 <b>Authorized Capital</b> 75,00,000 Equity Shares of Rs. 10/- each.	7,50,00,000.00	7,50,00,000.00
	<u>7,50,00,000.00</u>	<u>7,50,00,000.00</u>
2 <b>Issued, Subscribed and Paid-up Capital</b> 55,00,400 Equity Shares of Rs. 10/- each, Fully Paid up	5,50,04,000.00	5,50,04,000.00
<b>Total</b>	<u>5,50,04,000.00</u>	<u>5,50,04,000.00</u>

# JAGSONPAL

FINANCE & LEASING LTD.

## NOTE 4: RESERVES AND SURPLUS

1	General Reserve	17,36,000.00	17,36,000.00
2	Surplus / (Deficit) in Statement of Profit and Loss Opening Balance	(3,28,93,419.75)	(3,27,13,697.29)
3	Add: Profit / (Loss) during the year	(35,71,262.52)	(1,79,722.46)
	<b>Total</b>	<b>(3,47,28,682.27)</b>	<b>(3,11,57,419.75)</b>

## NOTE 5: TRADES PAYABLE

1	Trade Creditors	6,95,512.14	56,106.00
	<b>Total</b>	<b>6,95,512.14</b>	<b>56,106.00</b>

## NOTE 6: OTHER CURRENT LIABILITIES

1	Expenses Payable	1,18,535.00	1,14,493.00
2	Lease Deposit	1,80,113.00	1,80,113.00
	<b>Total</b>	<b>2,98,648.00</b>	<b>2,94,606.00</b>

## NOTE 7: SHORT TERM PROVISIONS

1	Provision for Doubtful Debts	22,51,674.38	22,51,674.38
2	Provision For Gratuity	2,07,692.00	1,93,846.00
	<b>Total</b>	<b>24,59,366.38</b>	<b>24,45,520.38</b>

## NOTE 8 : FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	Openings as at 1-04-2011	Additions	Deletions	Closing as at 31-03-2012	Accumulated upto 1-04-2011	During the year	Accumulated upto 1-04-2011	Closing as at 31-03-2012	As at 31-03-2011
<b>OWN ASSETS</b>									
Building									
Plant & Machinery	4,98,725.80	-	-	4,98,725.80	4,98,725.80	-	4,98,725.80	-	-
Furnitures & fixtures	4,23,668.20	-	-	4,23,668.20	3,83,108.61	26,394.53	4,09,503.14	14,165.06	40,559.59
Computers	2,91,650.00	-	-	2,91,650.00	2,91,650.00	-	2,91,650.00	-	-
<b>LEASED ASSETS</b>									
Motor Vehicle	22,98,505.61	-	-	22,98,505.61	22,98,505.61	-	22,98,505.61	-	-
As per Balance Sheet	35,12,549.61	-	-	35,12,549.61	34,71,990.02	26,394.53	34,98,384.55	14,165.06	40,559.59
Previous year	35,12,549.61			35,12,549.61	34,45,595.49	26,394.53	34,71,990.02	40,559.12	-

# JAGSONPAL

FINANCE & LEASING LTD.

PARTICULARS	Amount (As at) 31-03-2012	Amount (As at) 31-03-2011
<b>NOTE 9: NON-CURRENT INVESTMENTS</b>		
<b>1 Trade Investments</b>		
Unquoted shares	25,625.00	25,625.00
Quoted shares	1,69,771.62	1,69,771.62
<b>Total</b>	<b>1,95,396.62</b>	<b>1,95,396.62</b>
<b>NOTE 10: LONG TERM LOANS AND ADVANCES</b>		
Unsecured, Considered Good :		
Loans	14,46,353.00	14,76,353.00
Capital Advances	43,23,840.00	43,65,629.90
<b>Total</b>	<b>57,70,193.00</b>	<b>58,41,982.90</b>
<b>NOTE 11: INVENTORIES</b>		
1 Stock-in-Trade(Shares)	1,60,47,538.97	1,88,58,169.32
<b>Total</b>	<b>1,60,47,538.97</b>	<b>1,88,58,169.32</b>
<b>NOTE 12: CASH &amp; CASH EQUIVALENTS</b>		
1 Cash Balance in-Hand	37,024.02	23,749.02
<b>Sub Total (A)</b>	<b>37,024.02</b>	<b>23,749.02</b>
2 Balance with Scheduled Bank:		
Current Account	10,85,458.58	7,78,887.18
<b>Sub Total (B)</b>	<b>10,85,458.58</b>	<b>7,78,887.18</b>
<b>Total [A + B]</b>	<b>11,22,482.60</b>	<b>8,02,636.20</b>
<b>NOTE 13: TRADE RECEIVABLES</b>		
1 <u>Outstanding for more than six months</u>		
Unsecured, Considered Good	5,62,914.00	5,87,914.00
<b>Total</b>	<b>5,62,914.00</b>	<b>5,87,914.00</b>



# JAGSONPAL

FINANCE & LEASING LTD.

PARTICULARS	Amount (As at) 31-03-2012	Amount (As at) 31-03-2011
<b>NOTE 14: SHORT TERM LOANS AND ADVANCES</b>		
<u>Unsecured, Considered Good :</u>		
1 Advance Taxes	16,154.00	16,154.00
2 Staff Advances	-	3,00,000.00
<b>Total</b>	<b>16,154.00</b>	<b>3,16,154.00</b>
<b>NOTE 15: REVENUE FROM OPERATIONS</b>		
1 Profit / (Loss) on operations	(15,00,680.93)	7,12,245.94
<b>Total</b>	<b>(15,00,680.93)</b>	<b>7,12,245.94</b>
<b>NOTE 16: OTHER INCOME</b>		
1 Dividend Received	1,14,548.79	2,26,109.10
2 Misc. Income	-	46,358.00
<b>Total</b>	<b>1,14,548.79</b>	<b>2,72,467.10</b>
<b>NOTE 17: EMPLOYMENT BENEFIT EXPENSES</b>		
1 Salary	4,52,500.00	4,25,000.00
2 House Rent Allowances	1,13,000.00	1,05,000.00
3 Special Grade Allowance	72,000.00	69,000.00
4 Gratuity	13,846.00	54,807.00
5 Bonus	43,708.00	41,166.00
6 Staff Welfare	12,922.00	13,855.00
<b>Total</b>	<b>7,07,976.00</b>	<b>7,08,828.00</b>
<b>NOTE 18: FINANCIAL COST</b>		
1 Bank Charges	639.73	2,520.43
<b>Total</b>	<b>639.73</b>	<b>2,520.43</b>

# JAGSONPAL

FINANCE & LEASING LTD.

PARTICULARS	Amount (As at) 31-03-2012	Amount (As at) 31-03-2011
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#### NOTE 19: DEPRECIATION AND AMORTISED COST

1 Depreciation	26,394.53	26,394.53
<b>Total</b>	<b>26,394.53</b>	<b>26,394.53</b>

#### NOTE 20: OTHER EXPENSES

1 Advertisement	33,305.00	32,899.00
2 Annual Listing Fees	93,327.00	92,558.00
3 Payment to Auditors :		
Audit Fees	10,000.00	10,000.00
Tax Audit Fees	10,000.00	10,000.00
Certification Charges	10,000.00	10,000.00
4 Annual General Meeting Expenses	48,539.00	48,661.00
5 Travelling & Conveyance	52,687.00	52,557.00
6 Depository Expenses	39,418.97	36,810.83
7 Fees & Taxes	15,103.92	10,776.04
8 Misc. Expenses	-	1,350.00
9 Printing & Stationery	2,901.00	3,269.00
10 Professional Charges	18,273.00	6,618.00
11 Office Maintenance	17,963.00	8,659.00
12 Telephone and Postage Expenses	78,596.28	60,533.00
13 Security Transaction Tax	54,880.95	42,001.67
<b>Total</b>	<b>4,84,995.12</b>	<b>4,26,692.54</b>

#### NOTE 21: EXCEPTIONAL ITEM

1 Legal Expenses	9,65,125.00	-
<b>Total</b>	<b>9,65,125.00</b>	<b>-</b>

#### NOTE 22: EARNING PER SHARE

Particulars	As at 31, March 2012	As at 31, March 2011
Profit attributable to equity shareholders (Rs)	(3571262.52)	(179722.46)
Number of Equity Shares	5500400	5500400
Par Value of Share (Rs.)	10	10
Basic Earnings Per Share – (Rs)	(0.65)	(0.03)
Basic Earnings Per Share – (Rs)	(0.65)	(0.03)

# JAGSONPAL

FINANCE & LEASING LTD.

**NOTE 23:** Disclosure of details as required in terms of paragraph 13 of Non-Banking Financial (Non-Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007)

(Rs.)

Particulars	Amount Outstanding		Amount Overdue	
	March 31, 2012	March 31, 2011	March 31, 2012	March 31, 2011

Liabilities side :

- (1) Loans and advances availed by the non-banking financial company inclusive of interest accrued thereon but not paid:

NIL

Particulars	Amount Outstanding	
	March 31, 2012	March 31, 2011

Assets side :

- (2) Break-up of Loans and Advances including bills receivables [other than those included in (4) below] :

(a)	Secured	-	-
(b)	Unsecured	14,46,353	14,76,353

Particulars	Amount Outstanding	
	March 31, 2012	March 31, 2011

- (3) Break up of Leased Assets and stock on hire and other assets counting towards AFC activities

- (4) Break-up of Investments :

Current Investments :

1. Quoted :

NIL

2. Unquoted :

NIL

Long Term investments :

1. Quoted :

(i) Shares :	(a) Equity	1,69,771.62	1,69,771.62
	(b) Preference	-	-

2. Unquoted :

(i) Shares :	(a) Equity	25,625	25,625
	(b) Preference	-	-

# JAGSONPAL

FINANCE & LEASING LTD.

(5) Borrower group-wise classification of assets financed as in (2) and(3) above :

Category	Secured		Unsecured		Total	
	March 31 2012	March 31 2011	March 31 2012	March 31 2011	March 31 2012	March 31 2011
1. Related Parties			NIL			
2. Other than related parties	-	-	14,46,353	14,76,353	14,46,353	14,76,353
<b>Total</b>	-	-	14,46,353	14,76,353	14,46,353	14,76,353

(6) Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted):

Category	Market Value / Break up or fair value or NAV		Book Value (Net of Provisions)	
	March 31 2012	March 31 2011	March 31 2012	March 31 2011
	NIL			

(7) Other information

Particulars	March 31, 2012	March 31, 2011
(i) Gross Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	14,46,353	14,76,353
(ii) Net Non-Performing Assets		
(a) Related parties	-	-
(b) Other than related parties	-	-

#### NOTE 24: PAYMENT TO AUDITORS

Particulars	31 MARCH 2012 (Rs.)	31 MARCH 2011 (Rs.)
Audit Fee	20,000	20,000
Other Matters	10,000	10,000

#### NOTE 25: FOREIGN CURRENCY TRANSACTIONS

Particulars	31 MARCH 2012 (Rs.)	31 MARCH 2011 (Rs.)
	NIL	NIL

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FINANCE & LEASING LTD.

## NOTE 26: SHARES HOLDING DETAILS

Details of shares held by each shareholder holding more than 5% of shares.

Name of shareholders	Class of shares	As at 31 <sup>st</sup> March 2012		As at 31 <sup>st</sup> March 2011	
		No. of Share Holding	Percentage of Holding	No. of Share Holding	Percentage of Holding
Jagmohan Singh Kochhar	Equity Shares	1685300	30.64	1685300	30.64
Kanwarpal Singh Kochhar	Equity Shares	1021710	18.57	1021710	18.57

## NOTE 27: Detail of Investments referred in Note 9

	No. of Shares/Units	Cost Price	Market Value
A. Unquoted:			
Jay Vinyls Ltd.	500	10,225.00	0.00
Rom Industries Ltd.	500	15,400.00	0.00
B. Quoted:			
Siddha Venture Ltd. (Previous known as IFB Securities)	1200	6,320.00	2160.00
Penta Media Graphics Ltd.	220	1,63,451.62	198.00
<b>TOTAL(A+B)</b>		<b>1,95,396.62</b>	<b>2358.00</b>

## NOTE 28: SEGMENT REPORTING

- During the year no leasing or hire purchasing activity carried out.
- As on date the company's operations are confined to interest on loans, trading of shares securities & commodities, old investment and old recovery of dues from its customers.

Segment Disclosure :

	Income from Operation	Other Income	Total
i) Segment Revenue			
Income from Operation/ Other Income	(1501)	115	(1386)
Unallocate Expenses*			2159
ii) Segment Results			
Profit/(Loss) before Tax & Extraordinary items			(3545)
Less: Interest			00
Provision for Tax			00
Net Profit after Tax & Extraordinary items			(3545)

# **JAGSONPAL**

**FINANCE & LEASING LTD.**

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iii) Segment Assets	120
iv) Segment Liabilities	180
v) Capital Expenditure	0
vi) Depreciation/Amoritisation on Asset	26

\* The Expenses cannot be bifurcated into segments

## **NOTE 29: PRIOR YEAR COMPARATIVES**

Till the year end March 31, 2011, the company had adopted pre-revised Schedule VI as required by the Companies Act, 1956, for preparation and presentation of its financial statements. During the year ended March 31, 2012, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company. Previous Year's figure have been regrouped/reclassified wherever necessary to correspond with the current year's classification/disclosure. The adoption of revised Schedule VI does not impact recognition and measurement principle followed for preparation of financial statements.

AS PER OUR REPORT OF EVEN DATE

**FOR P.P. THUKRAL & CO.**

CHARTERED ACCOUNTANTS.

**(SURESH SETHI)**

PARTNER

M.No. 089318

F.R. No. 000632N

**J.S. KOCHHAR**  
Chairman

**OM PRAKASH TIWARI**  
Directors

**SUMIT KUMAR GHOSH**  
Company Secretary

**K.P.S. KOCHHAR**  
Managing Director

**DAVINDER BIR KOCHHAR**  
Director

**GURMEET SINGH**  
Director

**GURPREET SINGH**  
Director

**JAGSONPAL FINANCE & LEASING LIMITED**

REGD. OFFICE: D-45,GROUND FLOOR, PAMPOSH ENCLAVE,  
GREATER KAILASH PART - I, NEW DELHI- 110048

**ATTENDANCE SLIP FOR ANNUAL GENERAL MEETING**

(to be surrendered at the venue of the meeting)

I certify that I am a registered shareholder/proxy/rrepresentative for the registered shareholder(s) of Jagsonpal Finance & Leasing Ltd.

I hereby record my presence at the 21st Annual General Meeting of the shareholders of Jagsonpal Finance & Leasing Limited at Khasra No. 498/499, Village Ghitorni, New Delhi - 110 030 at 9:00 a.m. on Saturday, 29th September, 2012.

Regd. Folio No. Shares Sl.No.

D.P. ID.No.\*

Client ID No.\*  
(If dematerialised)

NAME AND ADDRESS OF THE SHAREHOLDER

\_\_\_\_\_  
Signature of Shareholder/Proxy/Representative (Please Specify)

\* Applicable for investors holding shares in electronic form.

**JAGSONPAL FINANCE & LEASING LIMITED**

REGD. OFFICE: D-45,GROUND FLOOR, PAMPOSH ENCLAVE,  
GREATER KAILASH PART - I, NEW DELHI- 110048

**PROXY FORM**

DP. Id \* No. of Share(s) held

Client Id \* Master Folio No.

I/We \_\_\_\_\_  
of \_\_\_\_\_

\_\_\_\_\_ being a Member/Members of  
Jagsonpal Finance & Leasing Ltd, hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
or failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy  
in my/our absence to attend and vote for me/us, and on my/our behalf, at the 21st Annual General Meeting of the  
Company, to be held on Saturday, the 29th September, 2012 and at any adjournment thereof.

As WITNESS my/our hand(s) this \_\_\_\_\_ day of \_\_\_\_\_ 2012.

Signed by the said \_\_\_\_\_

Regd. Folio No \_\_\_\_\_

Revenue  
Stamp

\* Applicable for investors holding shares in electronic form.

Note: This proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not less than forty eight hours before the time for holding the meeting.

To

Book Post


If undelivered, please return to:

**Jagsonpal Finance & Leasing Limited**  
D-45, Ground Floor, Pamposh Enclave, Greater Kailash Part-I  
New Delhi - 110 048