

# FRANKLIN LEASING AND FINANCE PRIVATE LIMITED

Regd. Office: G-10/66, Ground Floor, Sector-15, Rohini, Delhi-110085

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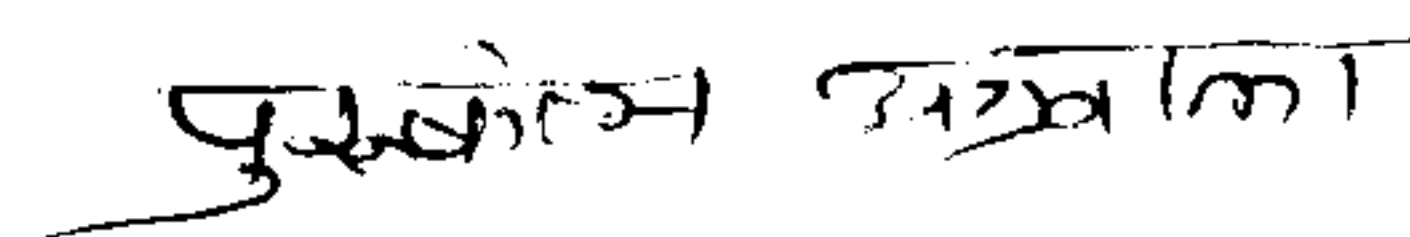
## NOTICE

Notice is hereby given that the **Annual General Meeting** of the members of **FRANKLIN LEASING AND FINANCE PRIVATE LIMITED** will be held on Monday the 30<sup>th</sup> September, 2013 at 1:00 P.M. at the Registered Office of the Company at G-10/66, Ground Floor, Sector-15, Rohini, Delhi-110085 to transact the following business:-

### Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31<sup>st</sup> March, 2013 and Profit and Loss Account for the period ended on that date together with the Reports of the Auditors' and Directors' thereon.
2. To appoint Auditors and to fix their remuneration.

By order of the Board of Directors  
For Franklin Leasing and Finance Private Limited



Purushotam Agrawal  
Chairman

Place: New Delhi  
Dated: 31.08.2013

### Notes:

- A. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND TO VOTE AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT OF PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED AT THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE MEETING.

# FRANKLIN LEASING AND FINANCE PRIVATE LIMITED

Regd. Office: G-10/66, Ground Floor, Sector-15, Rohini, Delhi-110085.

## DIRECTORS' REPORT

Dear Members,

Your Directors have the pleasure in presenting the **Annual Report** of the business and operations of the company together with audited statement of Accounts for the year ended 31<sup>st</sup> March, 2013.

### FINANCIAL HIGHLIGHTS

(Amount in Rs.)

Particulars	Financial Year ended	Financial Year ended
	31.3.2013	31.3.2012
Total Income	104,39,083.67	5,37,354.00
Total Expenditure	94,71,385.36	4,84,034.37
Profit/(Loss) before tax	9,67,698.31	53,319.63
Provision for tax	2,99,019.00	16,476.00
Profit/(Loss) after tax	6,68,004.31	37,518.63
Paid-up Share Capital	72,24,000.00	72,24,000.00
Reserves and Surplus (excluding revaluation reserve)	284,658,118.94	284,781,601.63

### MATERIAL CHANGES ETC.

Same as mentioned elsewhere in this Report, no material changes and commitments affecting the financial position of the Company have occurred between the end of the financial year and the date of this Report.

### DIVIDEND

The Directors of your Company do not recommend any dividend for the financial year 2012-13.

### PUBLIC DEPOSITS

During the year under reference, your Company did not invite or accept "DEPOSITS" within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

### DIRECTORS

There is no change in composition of Board of Director of the Company during the financial year under review.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

- a. **Conservation of Energy & Technology Absorption:** Since the Company is not engaged in any manufacturing activity, issues relating to conservation of energy and technology absorption are not quite relevant to its functioning.
- b. **Export Activities:** There was no export activity in the Company during the year under review. The Company is not planning any export in the near future as well.
- c. **Foreign Exchange Earnings and Outgo:** There was no Foreign Exchange inflow or outflow during the year under review.

## PARTICULARS OF EMPLOYEES

During the financial year under review, none of the Company's employees was in receipt of remuneration as prescribed under section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and hence no particulars are required to be disclosed in this Report.

## COMPLIANCE CERTIFICATE

The Company has obtained the necessary Compliance Certificate . Comments made in the Compliance Certificate are self-explanatory and do not require any further clarification.

## AUDITORS

M/s P.K.Singh & Associates ,Chartered Accountants, the auditors of the Company resigned by expressing his unwillingness for re –appointment. So, M/s. Anil Hariram Gupta & Co., Chartered Accountants have been appointed as Auditors of the company at extraordinary general meeting. The Auditors will retire at the ensuing AGM and being eligible, offer themselves for re-appointment. A certificate under section 224(1) of the Companies Act, 1956 regarding their eligibility for the proposed re-appointment has been obtained from them. Your Directors recommend their re-appointment.

## DIRECTORS' RESPONSIBILITY STATEMENT

In terms of the provisions of section 217(2AA) of the Companies Act, 1956, and save as mentioned elsewhere in this Report, the attached Annual Accounts and the Auditors' Report thereon and to the best of their knowledge and belief, your Directors confirm that:

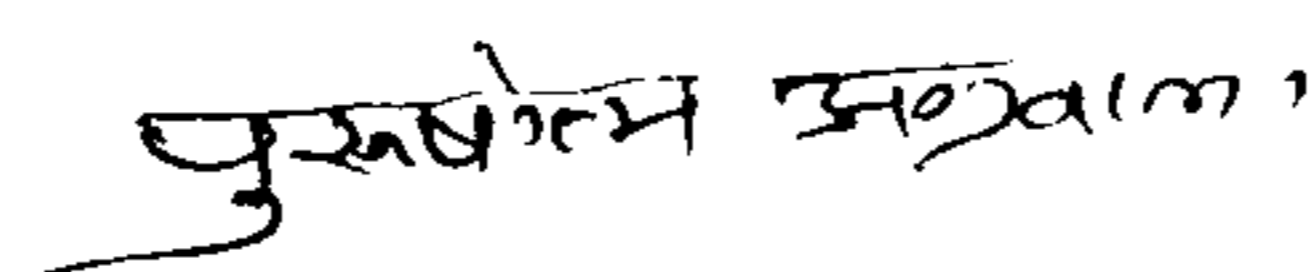
- a. in preparation of the annual accounts, the applicable accounting standards had been followed;
- b. the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2013 and of the profit earned by the Company for the year ended on that date;
- c. the Directors had 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; and
- d. the Directors had prepared the Annual Accounts on a going concern basis.

## ACKNOWLEDGEMENT

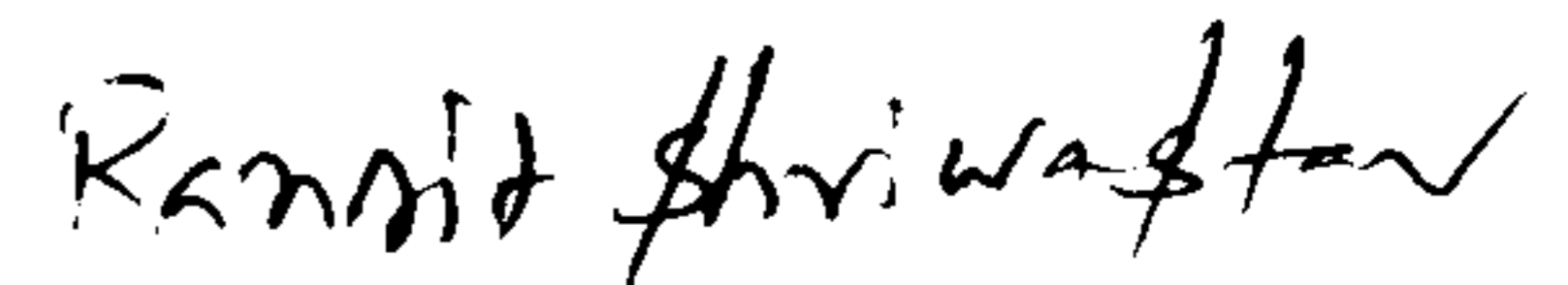
Your Directors would like to express the appreciation to Bankers, Financial Institutions and Employees of the company for their constant co-operation and cordial relations with the company.

For and on behalf of the Board of Directors of  
Franklin Leasing and Finance Private Limited

Place: New Delhi  
Dated: 31.08.2013



Purushotam Agrawal  
Director



Ranjit Srivastva  
Director



**Anil Hariram Gupta & Co.**  
CHARTERED ACCOUNTANTS

D-14/51, Sector - 7, Rohini  
1st Floor, New Delhi - 110 085  
Cell : 98316 92090 / 9239177487  
E-mail : anilgupta81@yahoo.com  
amitag\_1983@yahoo.co.in  
anilgupta.gupta399@gmail.com

## AUDITOR'S REPORT

To The Members of  
Franklin Leasing and Finance Private Limited

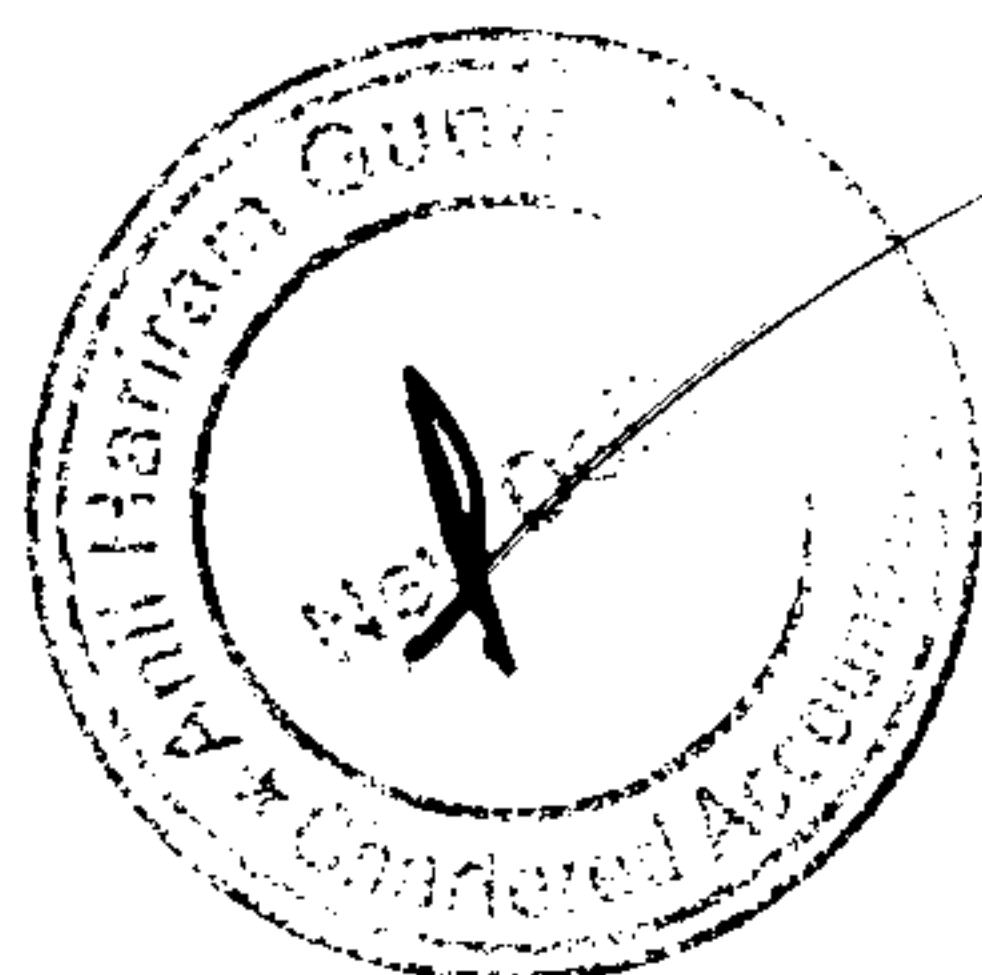
We have audited the attached Balance Sheet as at 31<sup>st</sup> March, 2013 and also the Profit and Loss Account & the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on 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 management, as well as evaluation the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditor's Report) (Amended) Order, 2004 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.

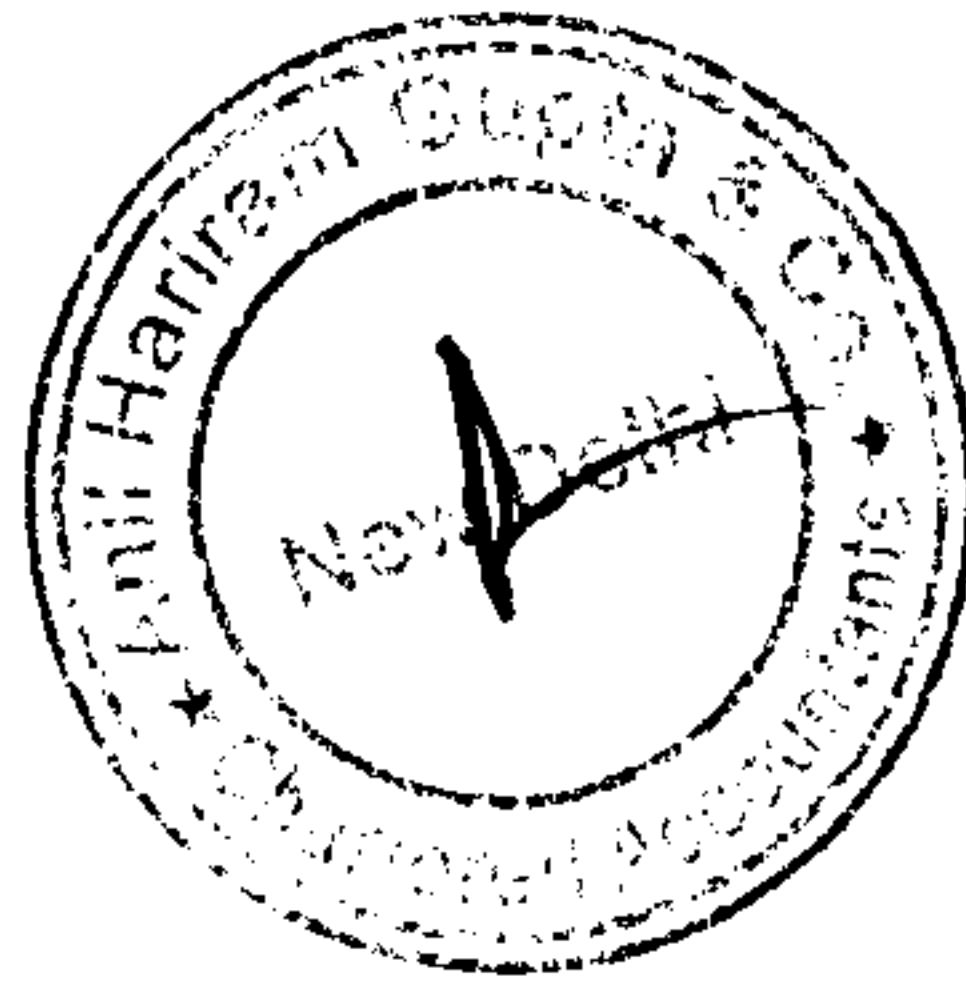
Further to our comments in the Annexure referred to above, we report that :

- (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 appears from our examination of those books.
- (iii) The Balance Sheet and profit and Loss Account and the cash flow statements dealt with by this report are in agreement with the books of account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
- (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2013 and taken on records by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March, 2013 from being appointed as a director in terms of clause (g) of sub-section (1) section 274 of the Companies Act, 1956.



- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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 state of affairs of the Company as at 31<sup>st</sup> March, 2013; and
  - (b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
  - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date.

Place : New Delhi  
Date : 31.08.2013



For Anil Hariram Gupta & Co.  
Chartered Accountants

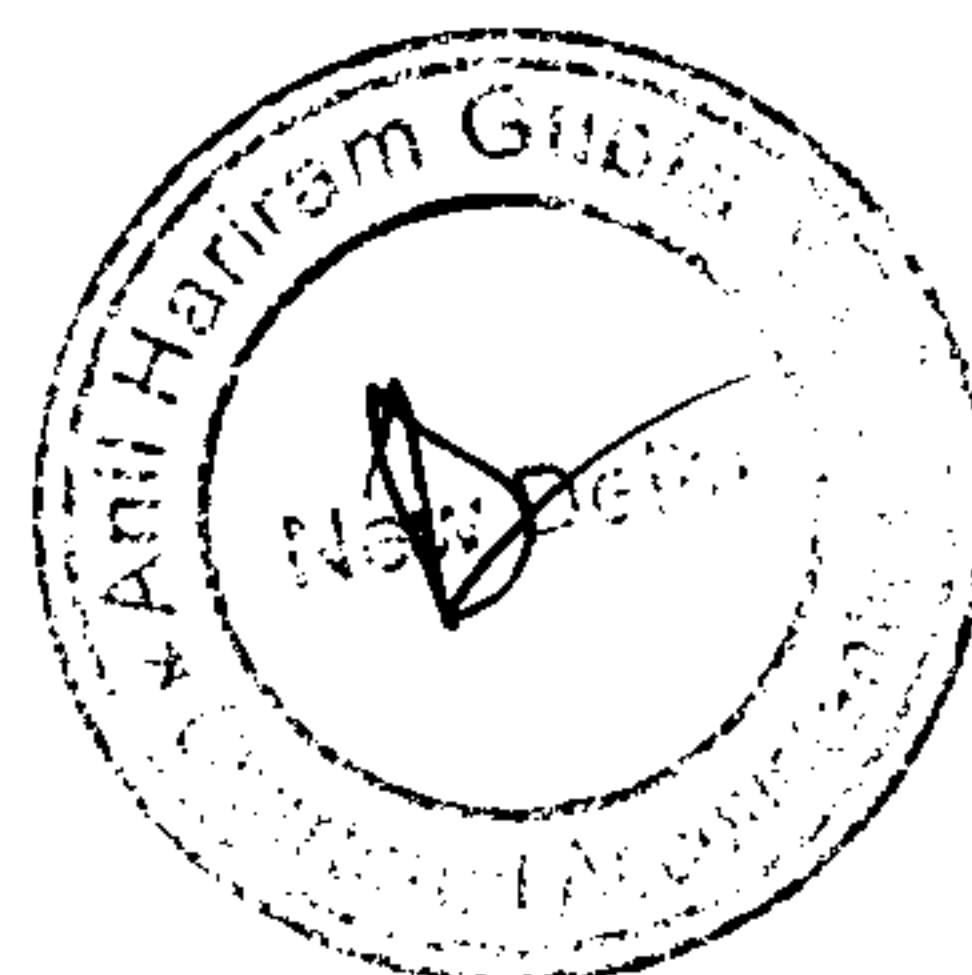
  
(Anil Gupta)  
Partner



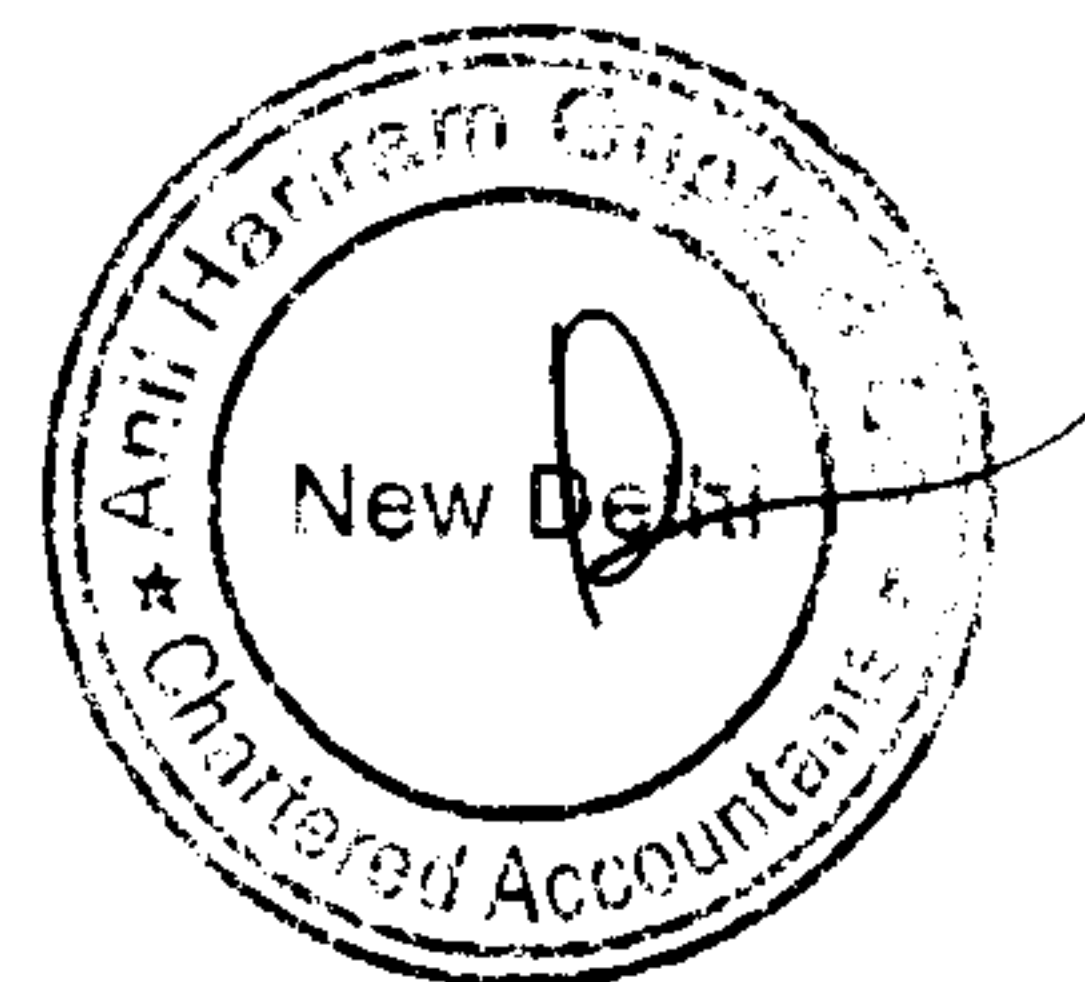
## **Annexure to Auditors Report**

### **Referred to in Paragraph 3 of our report of even date**

1. In respect of its fixed assets:
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
  - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such physical verification.
  - c) In our opinion, the company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected.
2. The company does not have any inventory during the year.
3. In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
  - a) In our opinion, and according to the information and explanation given to us, the company has not granted any loans, secured or unsecured during the year to companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements as per clause (iii) (e) of paragraph 4 of the order are not applicable in case of the company.
  - b) The Company has not taken any loans, secured or unsecured during the year from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. Consequently, the requirements as per clause (iii) (f) and (iii) (g) of paragraph 4 of the order are not applicable in case of the company.
4. In our opinion, and according to the information and explanation given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods or services. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.
5. As explained and according to information given to us there has not been any contract or arrangement referred to in section 301 of the Act, particulars of which need to be entered in the register required to be maintained under section 301 of the Companies Act, 1956.
6. According to the information and explanations given to us, the Company has not accepted any deposits from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the company.



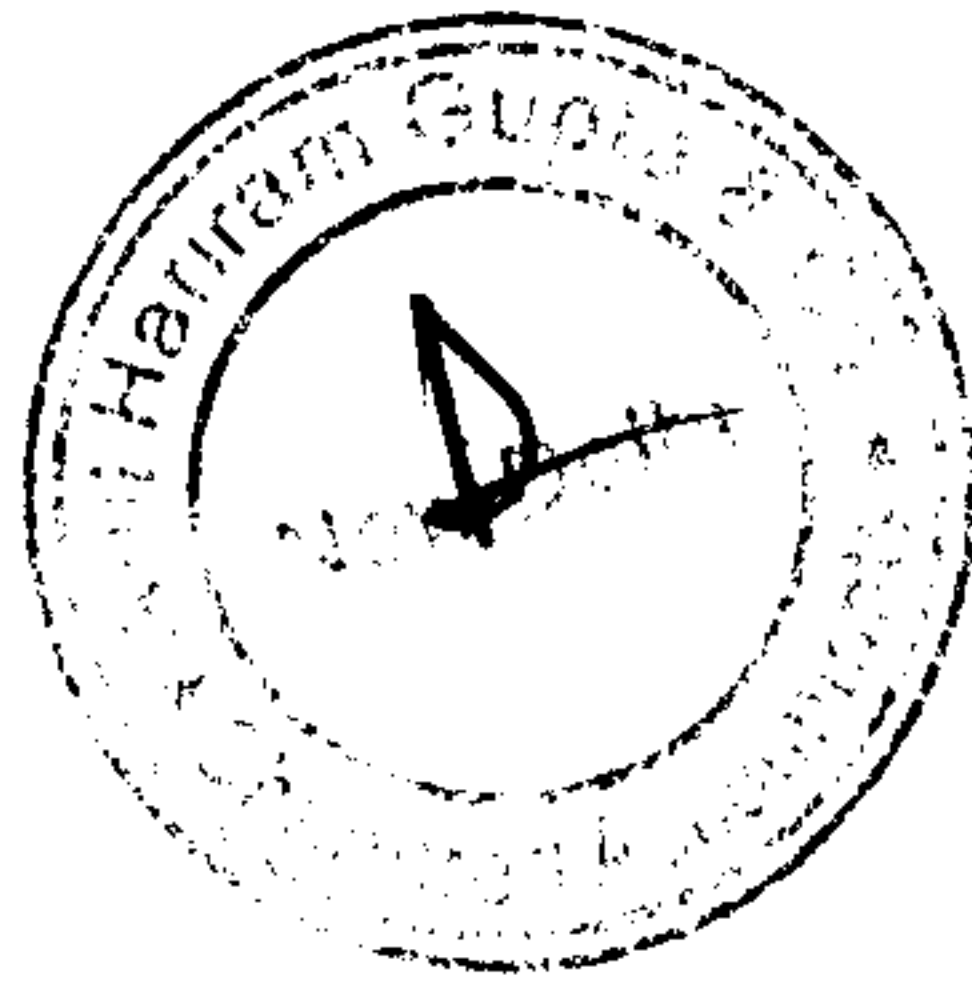
7. In our opinion, the Company has an internal audit system commensurate with the size of the company and the nature of its business.
8. The cost record maintained by the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under section 209(1)(d) of the Companies Act, 1956 are not applicable to the company.
9. In respect of statutory dues:
  - a) According to the records of the company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, there are no undisputed amount payable in respect of the aforesaid statutory dues were outstanding as at 31.03.2013 for a period of more than six months from the date of becoming payable.
  - b) According to the information and explanations given to us, there are no outstanding statutory dues on the part of company which is not deposited on account of dispute.
10. The company does not have accumulated losses at the end of financial year. The company has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. According to the information and explanations given to us the company has not taken any loan from any financial institution or bank or debenture holder.
12. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities, and in our opinion, adequate documents and records are maintained.
13. The Company is not a chit fund, nidhi or mutual benefit society. Therefore, the provisions of 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 held by the company, in it's own name.
15. According to the information and explanations given to us, the company has not given any guarantee for loans taken by other from bank or financial institutions.
16. As per information and explanations given to us, the company has not obtained any term loans during the year and no term loans are outstanding on the company at the end of year.
17. According to the information and explanations given to us, no funds raised on short-term basis have been used for long-term investment.
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. As explained to us, the management has disclosed on the end use of money raised by public issues and the same has been verified.
21. According to the information and explanations given to us, a fraud on or by the company has not been noticed or reported during the year.

As per Non-Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998 issued by Reserve Bank of India vide Notification No. DFC 117/DG(SPT)-98 dated January 2, 1998, we further report to the extent to which matters specified therein are applicable to the company that :

- (i) The company is a Non-Banking Financial Company not accepting public deposit and the certificate of registration no. B-14-02383 dated 22.05.2001 from Reserve Bank of India has been issued to the company.
- (ii) The Board of Directors of the company has passed a resolution for the non-acceptance of any public deposits.
- (iii) The company has not accepted any public deposits during the relevant year.
- (iv) The company has complied with the prudential norms relating to income recognition, accounting standards, assets classification and provisioning for bad and doubtful debts as applicable to it.



Place : New Delhi  
Date : 31.08.2013

For Anil Hariram Gupta & Co.  
Chartered Accountants

  
(Anil Gupta)  
Partner



# FRANKLIN LEASING & FINANCE PRIVATE LIMITED

BALANCE SHEET AS ON 31ST MARCH, 2013

Particulars	Notes	31st March 2013 (Rupees)	31st March 2012 (Rupees)
<b><u>EQUITY AND LIABILITIES</u></b>			
<b>Shareholders' fund</b>			
Share Capital	3	72,24,000.00	72,24,000.00
Reserves and Surplus	4	28,46,58,118.94	28,47,81,601.63
<b>Non-Current liabilities</b>			
Long-Term Provisions	5	7,91,487.00	-
<b>Current liabilities</b>			
Trade Payables	6	5,49,25,529.20	11,32,500.00
Short-Term Provisions	7	2,99,019.00	16,476.00
<b>Total</b>		<b>34,78,98,154.14</b>	<b>29,31,54,577.63</b>
<b><u>ASSETS</u></b>			
<b>Non-Current Assets</b>			
Fixed Assets	8	19,714.00	22,920.00
Deffered Tax Assets		1,688.00	2,363.00
Capital & amortised expenses not w/off	9	48,622.80	64,830.40
<b>Current Assets</b>			
Current Investments	10	2,53,00,000.00	25,30,25,000.00
Trade Receivable	11	(50,000.00)	-
Cash and Cash Equivalents	12	51,79,470.34	4,34,550.23
Short- term loan and advances	13	31,73,98,659.00	3,96,04,914.00
<b>Total</b>		<b>34,78,98,154.14</b>	<b>29,31,54,577.63</b>

Summary of significant accounting polices 2

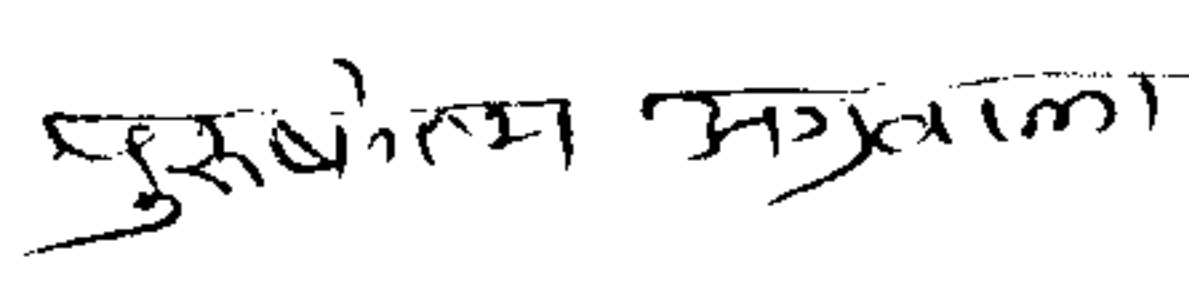
The accompanying notes are an integral part of the financial statements.  
As per our report of even date


For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

  
Purushotam Agarwal  
Director

  
Ranjit Srivastva  
Director

Place : New Delhi  
Date : 31.08.2013

## FRANKLIN LEASING & FINANCE PRIVATE LIMITED

STATEMENT OF TRADING & PROFIT AND LOSS FOR THE PERIOD ENDED ON 31ST MARCH, 2013

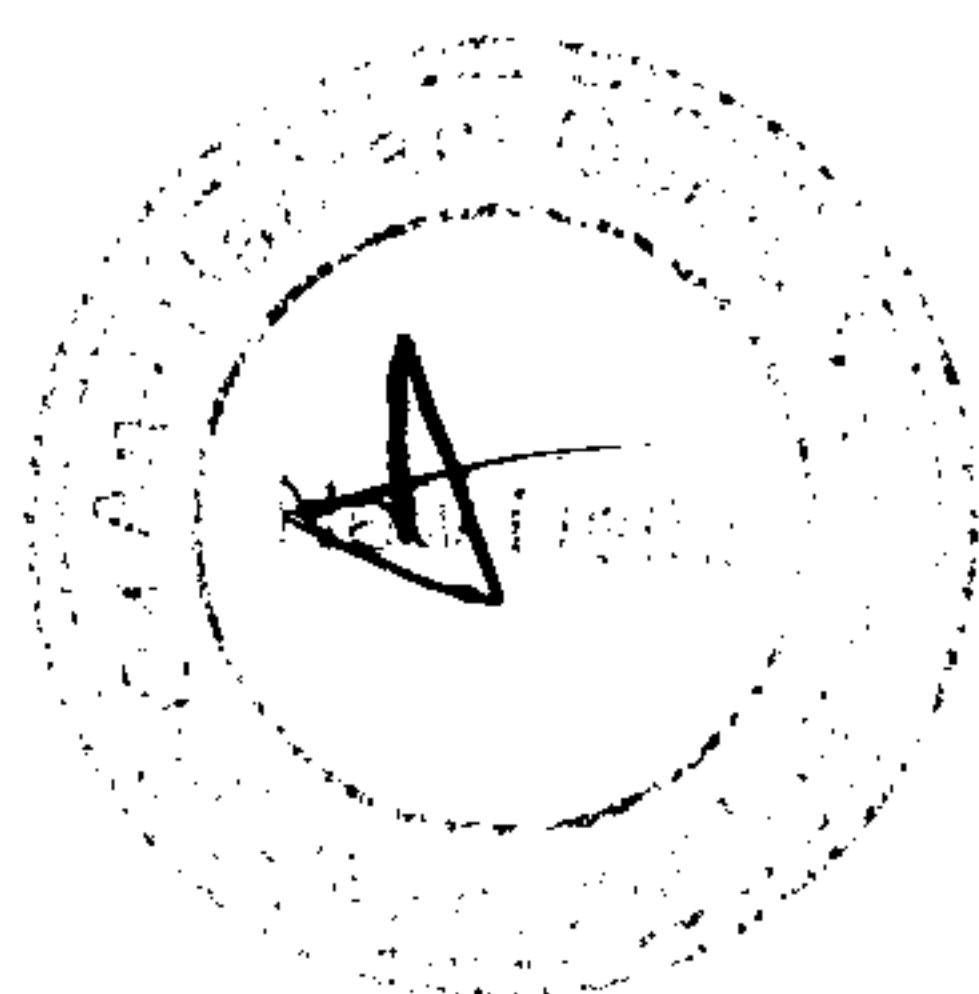
Particulars	Notes	From 1st April 2012 to 31st March 2013 (Rupees)	From 1st April 2011 to 31st March 2012 (Rupees)
<b>A. CONTINUING OPERATIONS</b>			
<b>Income</b>			
Revenue from operations	14	1,04,39,083.67	5,37,354.00
<b>Total Revenue (I)</b>		<b>1,04,39,083.67</b>	<b>5,37,354.00</b>
<b>Expenses</b>			
Purchases of stock in trade	15	85,71,613.00	-
Employee benefit expenses	16	7,13,858.00	3,31,420.00
Depreciation & amortise expenses	17	19,413.60	19,935.60
Other administrative expenses	18	1,66,500.76	1,32,678.77
<b>Total (II)</b>		<b>94,71,385.36</b>	<b>4,84,034.37</b>
<b>Profit/ (loss) before tax ( I - II)</b>		<b>9,67,698.31</b>	<b>53,319.63</b>
<b>Tax expenses</b>			
Current Tax		2,99,019.00	16,476.00
Deferred tax		675.00	(675.00)
<b>Total Tax Expenses</b>		<b>2,99,694.00</b>	<b>15,801.00</b>
<b>Profit/ (loss) for the year after tax</b>		<b>6,68,004.31</b>	<b>37,518.63</b>
Less: Contingent provision against standard assets		7,91,487.00	-
Less: Special reserve u/s 45-IC of the RBI Act, 193.		1,33,601.00	7,504.00
<b>Net profit transfer to appropriation</b>		<b>(2,57,083.69)</b>	<b>30,014.63</b>
<b>Earning per share (EPS)</b>			
[nominal value of share Rs. 10/-]			
Basic		0.5718	0.0321
Diluted		0.5718	0.0321
Summary of significant accounting polices	2		

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

For Anil Hariram Gupta & Co.  
Chartered Accountants

*AHG*

Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

*Purushotam Agarwal* *Ranjit Srivastva*

Purushotam Agarwal Ranjit Srivastva  
Director Director

Place : New Delhi  
Date : 31.08.2013

**FRANKLIN LEASING & FINANCE PRIVATE LIMITED**  
CASH FLOW STATEMENT FOR THE PERIOD ENDED ON 31ST MARCH, 2013

	For the year ended 31st March 2013 (Rupees)	For the year ended 31st March 2012 (Rupees)
<b>CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax and after extra- ordinary items (As per profit & loss account)	9,87,111.91	73,255.23
Adjustments for items not included	-	-
Operating Profit before working capital changes	9,87,111.91	73,255.23
<b>Working capital adjustments: -</b>		
(Increase)/ decrease in current loans and advances	(27,77,93,745.00)	(3,96,04,914.00)
(Increase)/ decrease in Trade receivables	50,000.00	17,420.00
(Increase)/ decrease in inventories	-	-
Increase/ (decrease) in current liabilities	5,37,93,029.20	11,30,500.00
Cash generated from operations	(22,29,63,603.89)	(3,83,83,738.77)
Direct Taxes Paid	(16,476.00)	(1,762.00)
<b>Net cash flow from operating activities (A)</b>	<b>(22,29,80,079.89)</b>	<b>(3,83,85,500.77)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Increase)/ decrease in investments	22,77,25,000.00	3,79,25,000.00
Expenses for capital expenses	-	(81,038.00)
Purchase of fixed assets	-	-
<b>Net cash flow from investing activities (B)</b>	<b>22,77,25,000.00</b>	<b>3,78,43,962.00</b>
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from issue of equity shares	-	-
Increase/ (decrease) in share application money	-	-
<b>Net cash flow from financing activities (C)</b>	<b>-</b>	<b>-</b>
<b>Net cash flow during the year (A + B + C)</b>	<b>47,44,920.11</b>	<b>(5,41,538.77)</b>
Add: Opening cash and cash equivalents	4,34,550.23	9,76,089.00
<b>Closing cash and cash equivalents</b>	<b>51,79,470.34</b>	<b>4,34,550.23</b>
<b>Components of cash and cash equivalents</b>		
Cash in hand	16,73,177.34	2,91,968.00
Deposit with banks in current accounts	35,06,293.00	1,42,582.23
<b>Toal cash and cash equivalents (note 8)</b>	<b>51,79,470.34</b>	<b>4,34,550.23</b>
	0.00	(0.00)

The accompanying notes are an integral part of the financial statements.

As per our report of even date

For Anil Hariram Gupta & Co.  
Chartered Accountants

*Anil Gupta*

Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

*Purushotam Agarwal*

Purushotam Agarwal  
Director

*Ranjit Srivastava*

Ranjit Srivastava  
Director

Place : New Delhi

Date : 31.08.2013

# FRANKLIN LEASING & FINANCE PRIVATE LIMITED

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

3. Share capital	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
<b>Authorised shares</b>		
72,250 Equity Shares of Rs.100/- each	72,25,000.00	72,25,000.00
<b>Issued, subscribed and fully paid- up shares</b>		
72,240 Equity Shares of Rs.100/- each fully paidup	72,24,000.00	72,24,000.00
<b>Total issued, subscribed and fully paid- up share capital</b>	<b>72,24,000.00</b>	<b>72,24,000.00</b>

**a. Reconciliation of Shares outstanding at the beginning and at the end of reporting period**

	As at 31st March 2013		As at 31st March 2012	
	No.	(Rupees)	No.	(Rupees)
Share Capital at the beginning of the period	72,240	72,24,000.00	72,240	72,24,000.00
Issue during the period: -				
Equity share capital	-	-	-	-
<b>Outstanding at the end of the period</b>	<b>72,240</b>	<b>72,24,000.00</b>	<b>72,240</b>	<b>72,24,000.00</b>

**b. Terms and rights attached to equity shares**

The company has issued only one class of equity share having a par value of Rs. 10 per share. Each holder of equity shares is entitled to vote per share. The company declares and pays dividend if any, in Indian Rupees. The dividend proposed by the Board of Directors is subject to approval of the shareholders in the ensuing Annual General Meeting.

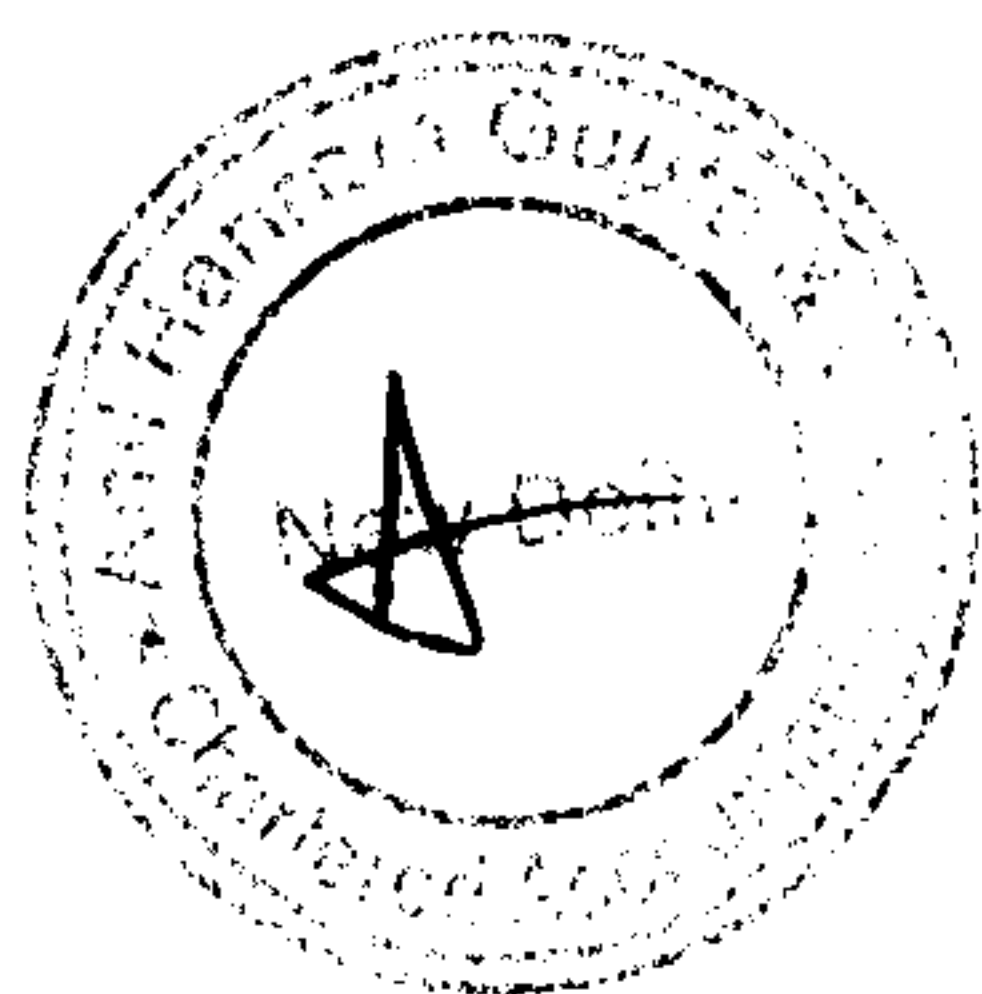
In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all the preferential amount. The distribution will be in proportion to the number of equity shares held by the shareholder.

**c. Details of shareholders holding more than 5% shares in the company**  
(as per list attached)

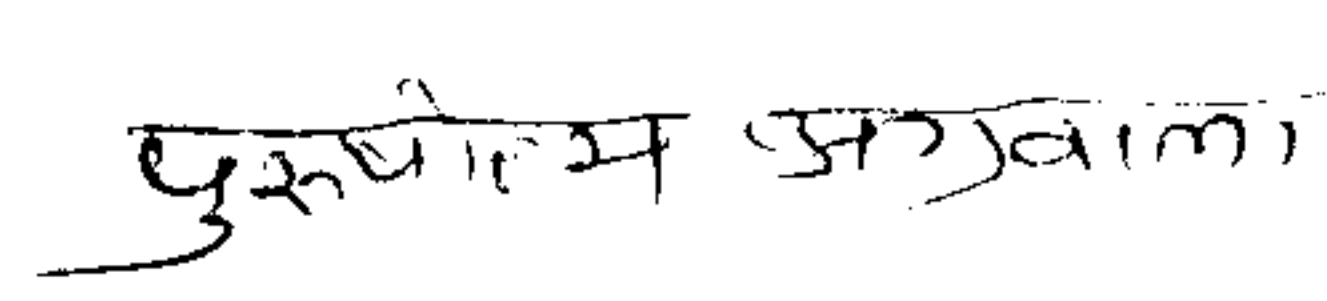
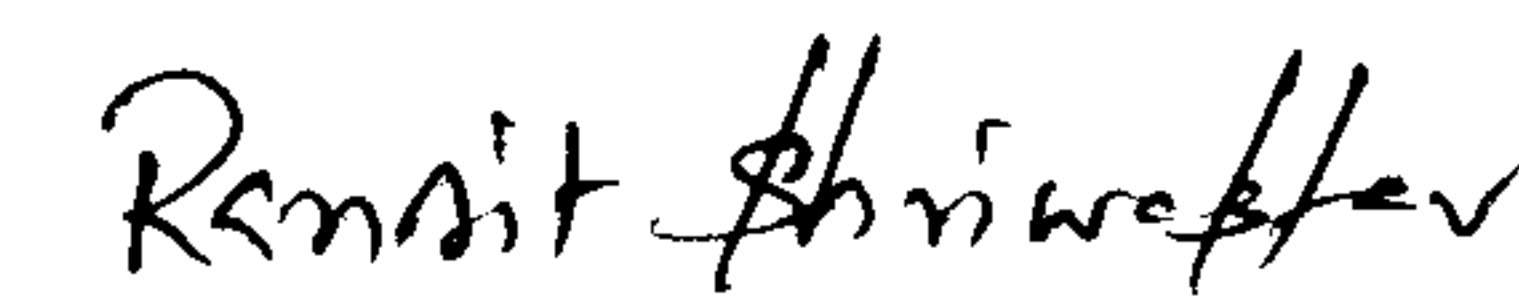
4. Reserves and surplus	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
<u>Securities premium account</u>		
Opening balance	28,51,80,000.00	28,51,80,000.00
Add: Premium on share capital (note 3)	-	-
Less: Utilized/ transfer during the period	-	-
Closing balance	28,51,80,000.00	28,51,80,000.00
<u>Special reserve u/s 45-IC of the RBI Act, 1934</u>		
Opening balance	4,42,504.00	4,35,000.00
Add: transfer from P&L a/c during the year	1,33,601.00	7,504.00
Less: Utilized/ transfer during the period	-	-
Closing balance	5,76,105.00	4,42,504.00
<u>Surplus/ (deficit) in statement of profit &amp; loss</u>		
Balance as per last financial statements	(8,40,902.37)	(8,70,040.00)
Add: Profit/ (loss) for the year	(2,57,083.69)	30,014.63
Less: Utilized/ transfer during the period	-	877.00
Net (deficit) in statement of profit and loss	(10,97,986.06)	(8,40,902.37)
	<b>28,46,58,118.94</b>	<b>28,47,81,601.63</b>

For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

   
Purushotam Agarwal Ranjit Srivastva  
Director Director

Place : New Delhi  
Date : 31.08.2013

**FRANKLIN LEASING & FINANCE PRIVATE LIMITED**

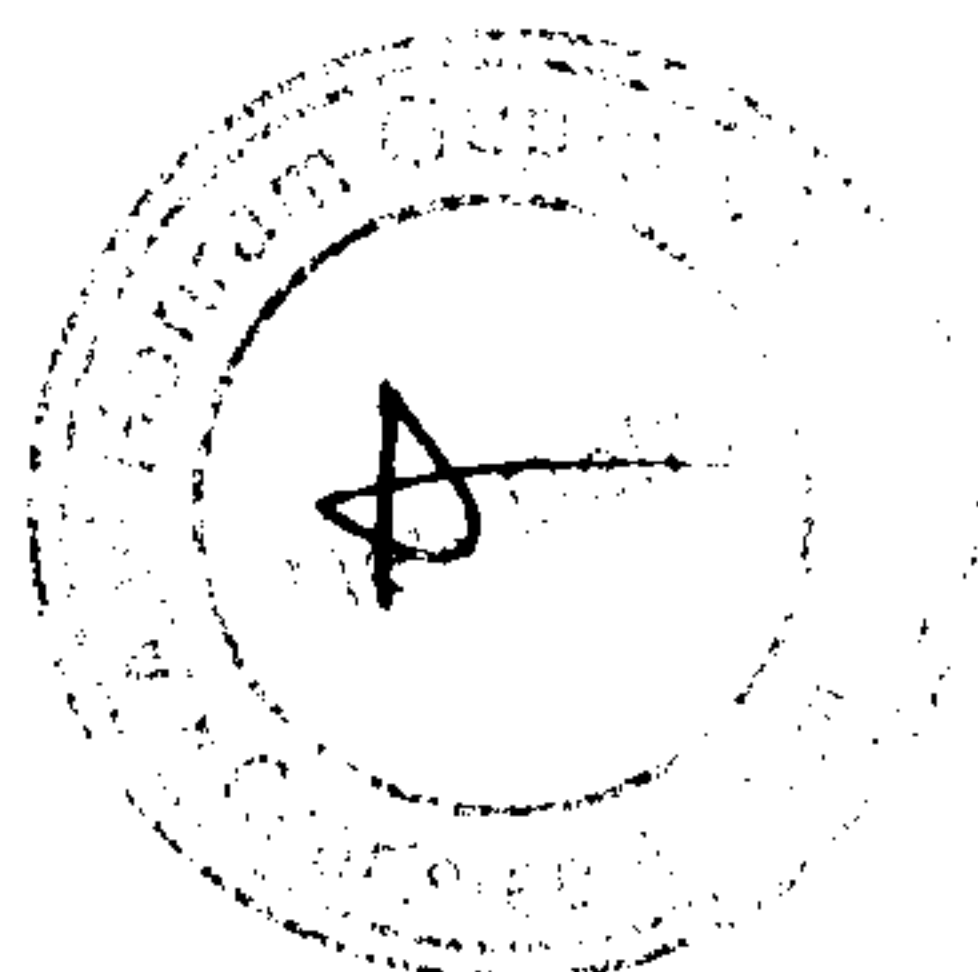
NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

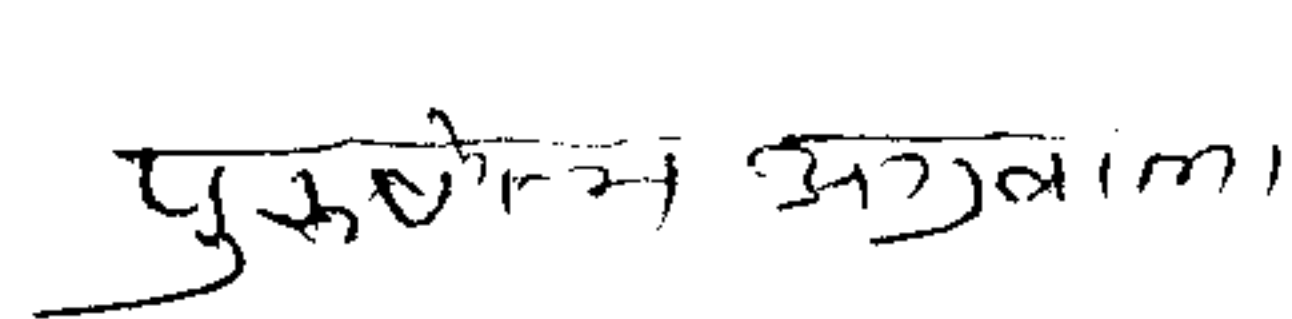
5. Long-term provisions	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Contingent provision against standard assets*		
Opening Balance	-	-
Add: Addition(written off) during the year	7,91,487.00	-
	<u>7,91,487.00</u>	<u>-</u>
*A contingent provision against standard assets has been created at 0.25% of the outstanding standard assets in terms of the RBI circular Ref. No. DNBS(PD) CC No. 225/03.02.001/2011-12 dated July 1, 2011.		
6. Trade Payables	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Audit fee payable	7,500.00	7,500.00
Professional charges payable	25,000.00	25,000.00
Sundry creditors	5,48,93,029.20	11,00,000.00
	<u>5,49,25,529.20</u>	<u>11,32,500.00</u>
7. Short-term provisions	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Provision for income tax	2,99,019.00	16,476.00
	<u>2,99,019.00</u>	<u>16,476.00</u>
9. Capital & amortised expenses not w/off	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Deferred revenue expenses		
Opening Balance	64,830.40	-
Add: addition during the year	-	81,038.00
Less: written off during the year	16,207.60	16,207.60
	<u>48,622.80</u>	<u>64,830.40</u>
10. Current Investments	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Investment in unquoted equity shares	2,53,00,000.00	25,30,25,000.00
	<u>2,53,00,000.00</u>	<u>25,30,25,000.00</u>
11. Trade Receivable	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
More than Six Month other	(50,000.00)	-
	<u>(50,000.00)</u>	<u>-</u>
12. Cash and cash equivalents	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Cash in hand	35,06,293.00	2,91,968.00
Balances with banks	16,73,177.34	1,42,582.23
	<u>51,79,470.34</u>	<u>4,34,550.23</u>
13. Short-term loan and advances	As at 31st March 2013 (Rupees)	As at 31st March 2012 (Rupees)
Advances recoverable in cash or kind		
Unsecured, considered good	31,65,94,894.00	3,95,53,102.00
Tax Deducted at Sources	8,03,765.00	51,812.00
	<u>31,73,98,659.00</u>	<u>3,96,04,914.00</u>

 For Anil Hariram Gupta & Co.  
Chartered Accountants

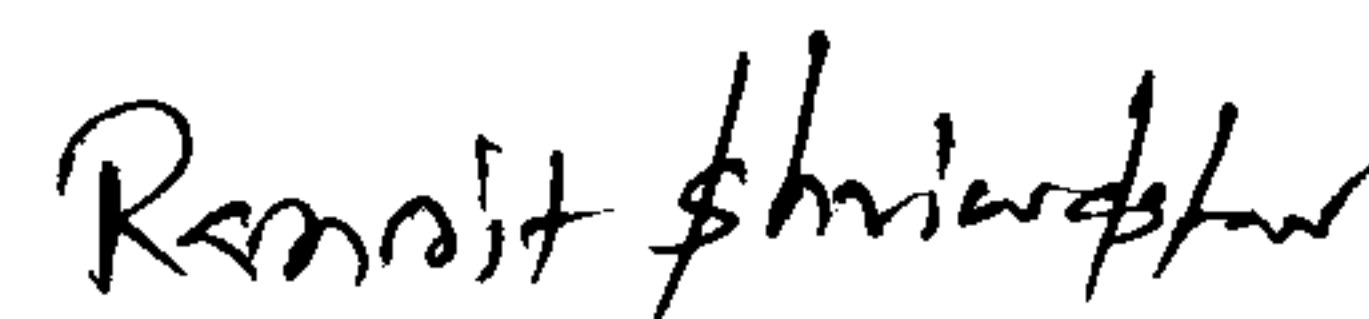


 Anil Gupta  
Partner

 Place : New Delhi  
Date : 31.08.2013

 For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited



 Purushotam Agarwal  
Director



 Ranjit Srivastva  
Director

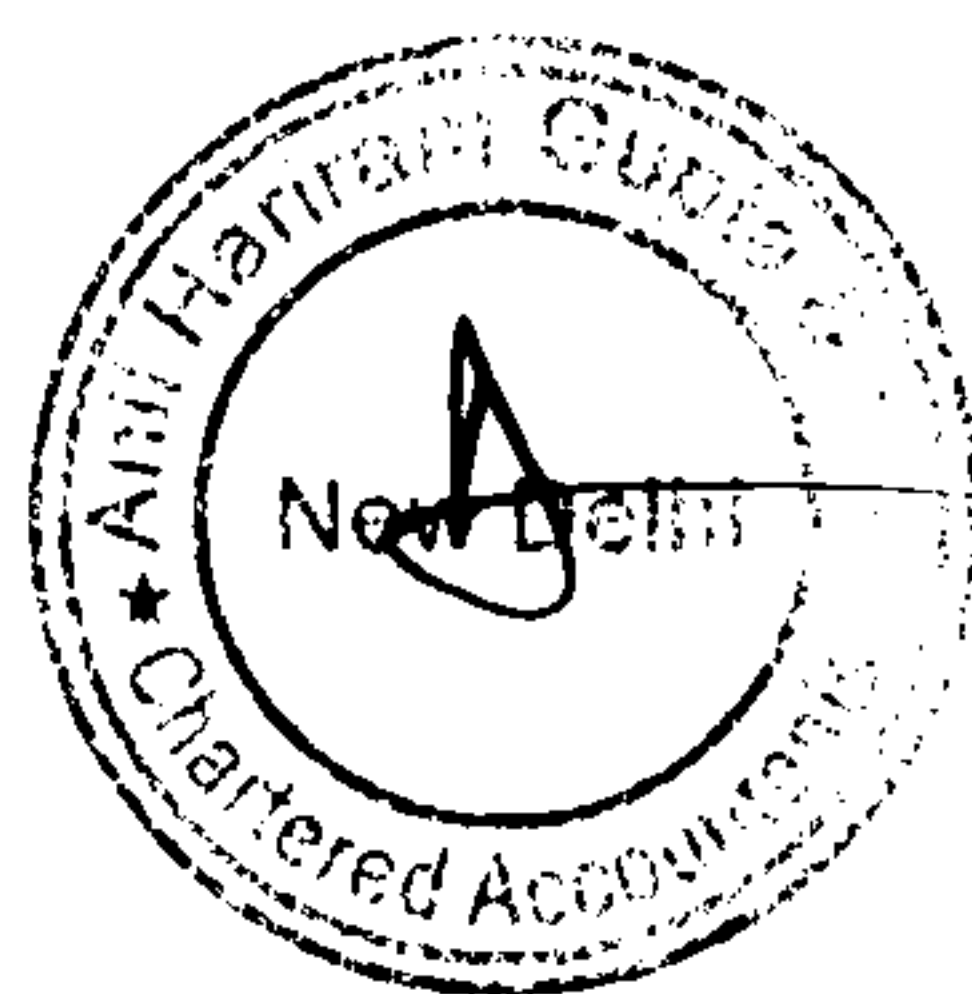
**FRANKLIN LEASING & FINANCE PRIVATE LIMITED**

NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013

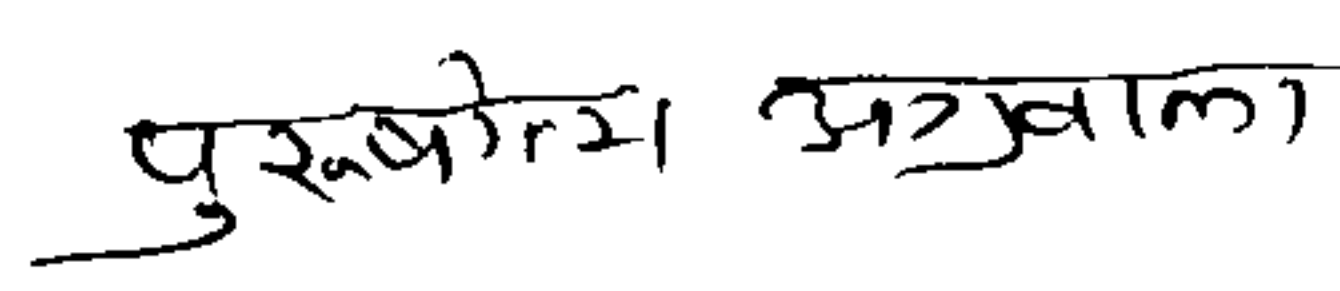
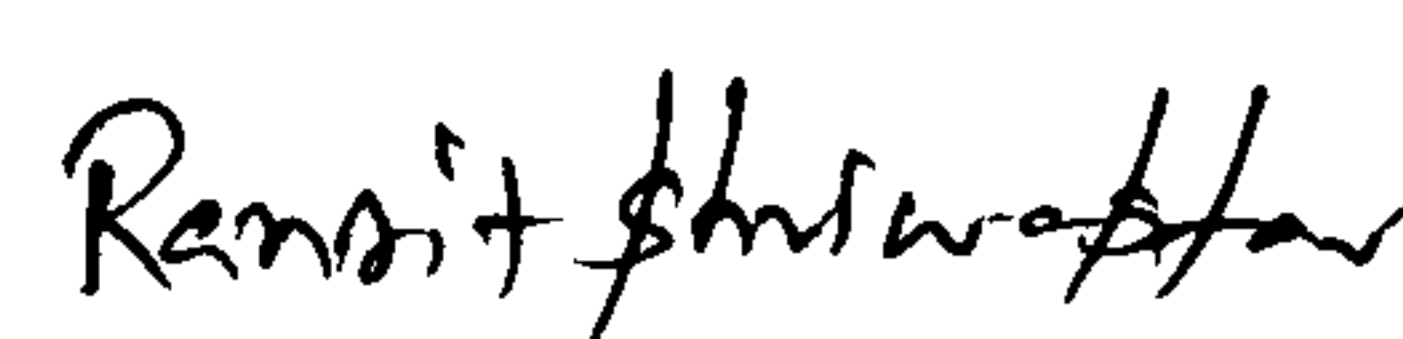
	For the year ended 31st March 2013 (Rupees)	For the year ended 31st March 2012 (Rupees)
<b>14. Revenue from operations</b>		
Sales	14,87,692.00	-
Interest on loans	89,51,391.67	5,37,354.00
	<u>1,04,39,083.67</u>	<u>5,37,354.00</u>
<b>15. Purchase of trade goods</b>		
Purchases of stock in trade	85,71,613.00	-
	<u>85,71,613.00</u>	<u>-</u>
<b>16. Employee benefit expenses</b>		
Salaries and wages	6,71,618.00	3,10,200.00
Staff welfare expenses	42,240.00	21,220.00
	<u>7,13,858.00</u>	<u>3,31,420.00</u>
<b>17. Depreciation &amp; amortise expenses</b>		
Depreciation	3,206.00	3,728.00
Deferred revenue expenditure w/off	16,207.60	16,207.60
	<u>19,413.60</u>	<u>19,935.60</u>
<b>18. Other administrative expenses</b>		
Auditors Remuneration	11,000.00	7,500.00
Bank Charges	8,286.55	2,277.77
Conveyance Expenses	54,725.00	34,755.00
Demat Charges	1,538.60	-
Diwali Expenses	-	5,100.00
Filing Fee	6,000.00	31,500.00
Printing and Stationery	28,725.00	14,731.00
Professional Charges	38,500.00	25,000.00
Telephone & Mobile Expenses	17,725.00	11,815.00
Round Off	0.61	-
	<u>1,66,500.76</u>	<u>1,32,678.77</u>

For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

   
Purushotam Agarwal Ranjit Srivastva  
Director Director

Place : New Delhi  
Date : 31.08.2013


**FRANKLIN LEASING & FINANCE PRIVATE LIMITED**  
**NOTES TO THE FINANCIAL STATEMENTS FOR THE PERIOD FROM 1ST APRIL 2012 TO 31ST MARCH 2013**

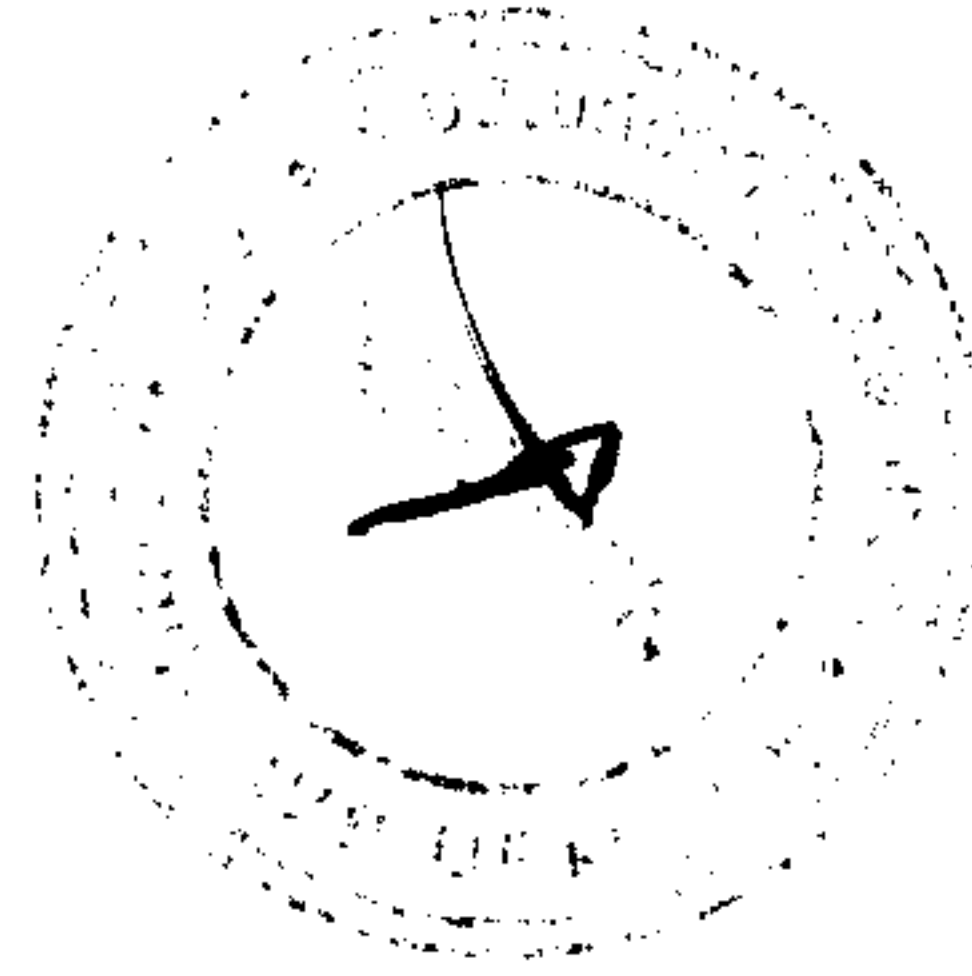
Note - 08 (Fixed Assets)

Tangible assets	Rate	GROSS BLOCK				DEPRECIATION			NET BLOCK	
		Balance as at 1 April, 2012	Additions / Deletion	Balance as at 31 March, 2013	Balance as at 1 April, 2012	Depreciation during the year	Balance as at 31 March, 2013	W.D.V. as on 31.03.13	W.D.V. as on 31.03.2012	
Tangible Assets										
(a) Furniture and Fixtures	18.10%	12,434.00	-	12,434.00	12,017.00	75.00	12,092.00	342.00	417.00	
(b) Air Conditioner	13.91%	63,000.00	-	63,000.00	57,883.00	712.00	58,595.00	4,405.00	5,117.00	
(c) Office Equipment	13.91%	33,195.00	-	33,195.00	27,301.00	820.00	28,121.00	5,074.00	5,894.00	
(d) T.V. Sets	13.91%	59,700.00	-	59,700.00	48,208.00	1,599.00	49,807.00	9,893.00	11,492.00	
<b>Total</b>		<b>1,68,329.00</b>	<b>-</b>	<b>1,68,329.00</b>	<b>1,45,409.00</b>	<b>3,206.00</b>	<b>1,48,615.00</b>	<b>19,714.00</b>	<b>22,920.00</b>	
<b>Previous year</b>		<b>1,68,329.00</b>	<b>-</b>	<b>1,68,329.00</b>	<b>1,41,681.00</b>	<b>3,728.00</b>	<b>1,45,409.00</b>	<b>22,920.00</b>	<b>26,648.00</b>	

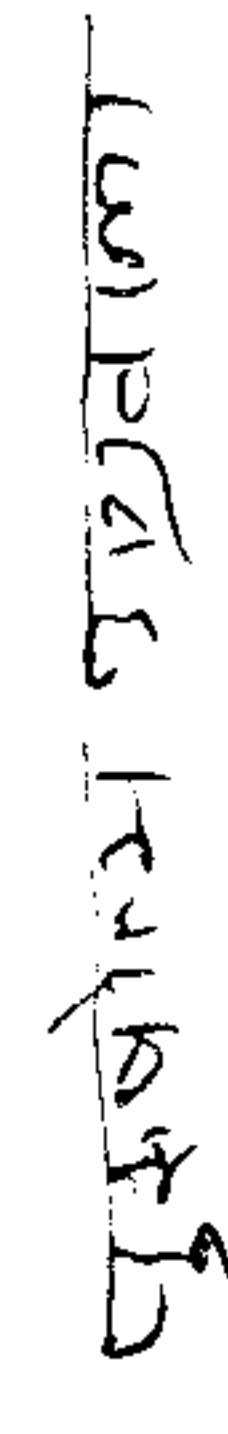
(Amount in Rupees)


For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

  
Purushotam Agarwal  
Director

  
Ranjit Srivastava  
Director

Place : New Delhi  
Date : 31.08.2013

Schedule to the Balance Sheet of a  
Non-Banking Financial Company  
[As required in terms of Paragraph 9BB of Non-Banking Financial Companies  
Prudential Norms (Reserve Bank) Directions, 1998]

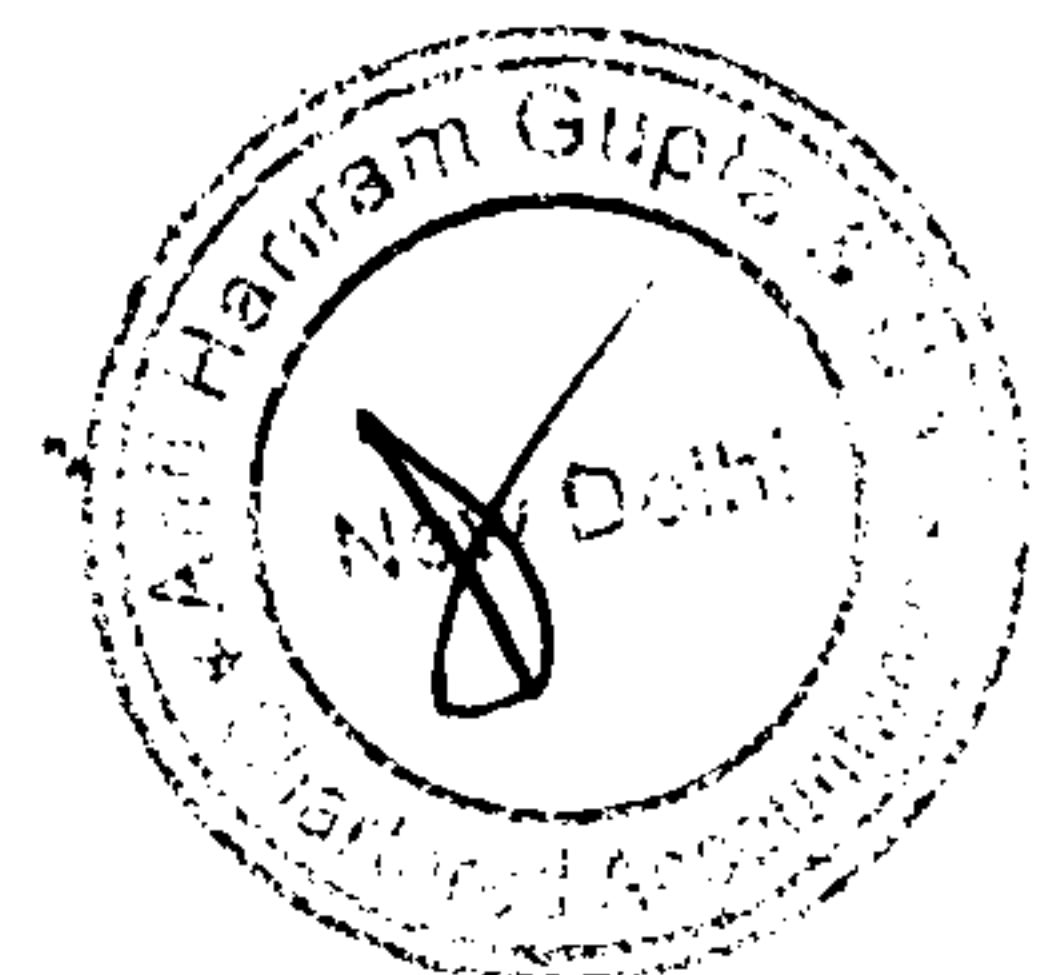
**FRANKLIN LEASING & FINANCE PRIVATE LIMITED**

G-10/66, Ground Floor, Sector-15, Rohini, Delhi-110085

RBI No. B-14-02383 Dt. 22.05.2001

(Rs.in lakhs)

Particulars		31.03.2013	
<b>Liabilities side :</b>			
1	<b>Loans and advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :</b>	Amount Outstanding	Amount overdue
	(a) Debentures : Secured	NIL	NIL
	: Unsecured	NIL	NIL
	(other than falling within the meaning of public deposits*)		
	(b) Deferred Credits	NIL	NIL
	(c) Term Loans	NIL	NIL
	(d) Inter-corporate loans and borrowing	NIL	NIL
	(e) Commercial Paper	NIL	NIL
	(f) Public Deposits*	NIL	NIL
	(g) Other Loans (specify nature)	NIL	NIL
	*Please see Note I below		
2	<b>Break-up of (1)(f) above (Outstanding public deposits inclusive of Interest accrued thereon but not paid) :</b>		
	(a) In the form of Unsecured debentures	NIL	NIL
	(b) In the form of partly secured debentures i.e debentures where there is a shortfall in the value of security	NIL	NIL
	(c) Other public deposits	NIL	NIL
<b>Assets side :</b>		<b>Amount Outstanding</b>	
3	<b>Break-up of Loans and Advances including bills receivables[other than those Included in (4) below] :</b>		
	(a) Secured		Nil
	(b) Unsecured		3173.99
4	<b>Break-up of Leased Assets and stock on hire and hypothecation loans counting towards EL/HP Activities</b>		
	(i) Lease assets including lease rentals under sundry debtors :		NIL
	(a) Financial Lease		NIL
	(b) Operating Lease		NIL
	(ii) Stock on hire including hire charges under sundry debtors :		
	(a) Assets on hire		NIL
	(b) Repossessed Assets		NIL
	(iii) Hypothecation loans counting towards EL/HP activities		
	(a) Loans where assets have been repossessed		NIL
	(b) Loans other than (a) above		NIL
5	<b>Break-up of Investments :</b>		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity		NIL
	(b) Preference		NIL
	(ii) Debenture and Bonds		NIL
	(iii) Units of Mutual Funds		NIL
	(iv) Governments Securities		NIL
	(v) Others (please specify)		NIL
	2. Unquoted :		
	(i) Shares : (a) Equity		NIL
	(b) Preference		NIL
	(ii) Debenture and Bonds		NIL
	(iii) Units of Mutual Funds		NIL
	(iv) Governemts Securities		NIL
	(iii) Others (Please specify)		NIL
	Long Term Investments :		
	Current Investments :		
	1. Quoted :		
	(i) Shares : (a) Equity		NIL





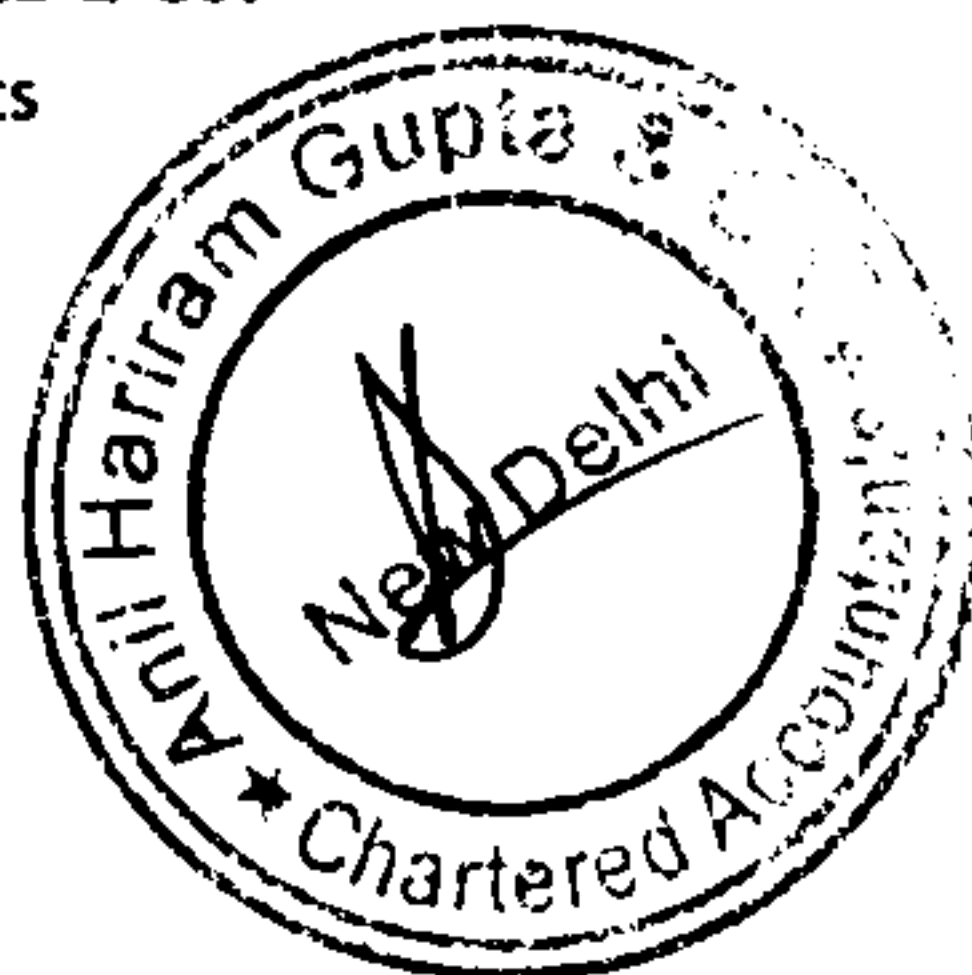
	(b) Preference		NIL	
	(ii) Debenture and Bonds		NIL	
	(iii) Units of Mutual Funds		NIL	
	(iv) Governments Securities		NIL	
	(v) Others (please specify)		NIL	
	2. Unquoted :			
	(i) Shares : (a) Equity	253.00		
	(b) Preference		NIL	
	(ii) Debenture and Bonds		NIL	
	(iii) Units of Mutual Funds		NIL	
	(iv) Governemts Securities		NIL	
	(iii) Others (Please specify)		NIL	
6	<b>Borrower group-wise classification of all leased stock-on-hire and loans and advances :</b>			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties "	NIL	NIL	NIL
	(a) Subsidiaries	NIL	NIL	NIL
	(b) Companies in the same group	NIL	NIL	NIL
	(c) Other related parties	NIL	NIL	NIL
	2. Other than related parties	NIL	3173.99	3173.99
	Total	NIL	3173.99	3173.99
7	<b>Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) :</b>			
	Category	Market Value / Break-up or Fair value or NAV	Book Value (Net of Provisions)	
	1. Related Parties "	NIL	NIL	
	(a) Subsidiaries	NIL	NIL	
	(b) Companies in the same group	NIL	NIL	
	(c) Other related parties	NIL	NIL	
	2. Other than related parties	253.00	NIL	
	Total	253.00	NIL	
8	<b>Other Information</b>			
	Particulars	Amount		
	(i) Gross Non-Performing Assets	NIL		
	(a) Related parties	NIL		
	(b) Other than related parties	NIL		
	(ii) Net Non-Performing Assets	NIL		
	(a) Related parties	NIL		
	(b) Other than related parties	NIL		
	(iii) Assets acquired in satisfaction of debt	NIL		

**Notes :**

- As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value in respect of quoted investments and break-up/fair value/ Nav in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner



For and on behalf of the Board of Directors of  
Franklin Leasing & Finance Private Limited

   
Purushotam Agarwal Ranjit Srivastva  
Director Director

Place : New Delhi  
Date : 31.08.2013

# **FRANKLIN LEASING AND FINANCE PRIVATE LIMITED**

NOTES TO FINANCIAL STATEMENTS FOR  
THE PERIOD FROM 1<sup>ST</sup> APRIL 2012 TO 31<sup>ST</sup> MARCH 2013

## **1. Basis of preparation**

The financial statements of the company have been prepared in accordance with generally accepted accounting principles (Indian GAAP). The company has prepared these financial statements to comply in all material respects with the accounting standards notified under Companies (Accounting Standards) Rules, 2006 (as amended from time to time) and the relevant provisions of the Companies Act, 1956.

The financial statements have been prepared on accrual basis and under the historical cost convention. The accounting policies not specifically referred, are consistently applied from the past accounting periods.

## **2. Summary of significant accounting policies**

### **a. Changes in accounting policy**

During the year ended 31<sup>st</sup> March 2013, the revised Schedule VI notified under the Companies Act, 1956, has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it only impact on the presentation and disclosures made in the financial statements. The company has also reclassified previous year's figure in accordance with the requirements applicable for the current year.

### **b. Revenue recognition**

Having regard to the size, nature and level of operation of the business, the company is applying accrual basis of accounting for recognition of income earned and expenses incurred in the normal course of business.

### **c. Fixed assets:**

Fixed Assets are valued at cost of purchase and/or construction as increased by necessary expenditure incurred to make them ready for use in the business.

### **d. Inventories**

The company does not have any Inventories during the year.

### **e. Depreciation**

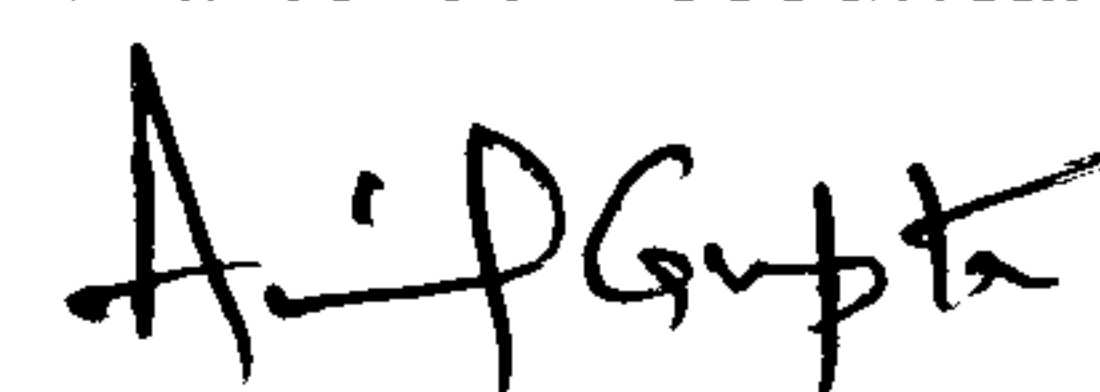
The company charged depreciation on its fixed assets on WDV method as per rates prescribed under Schedule XIV of the Companies Act, 1956.

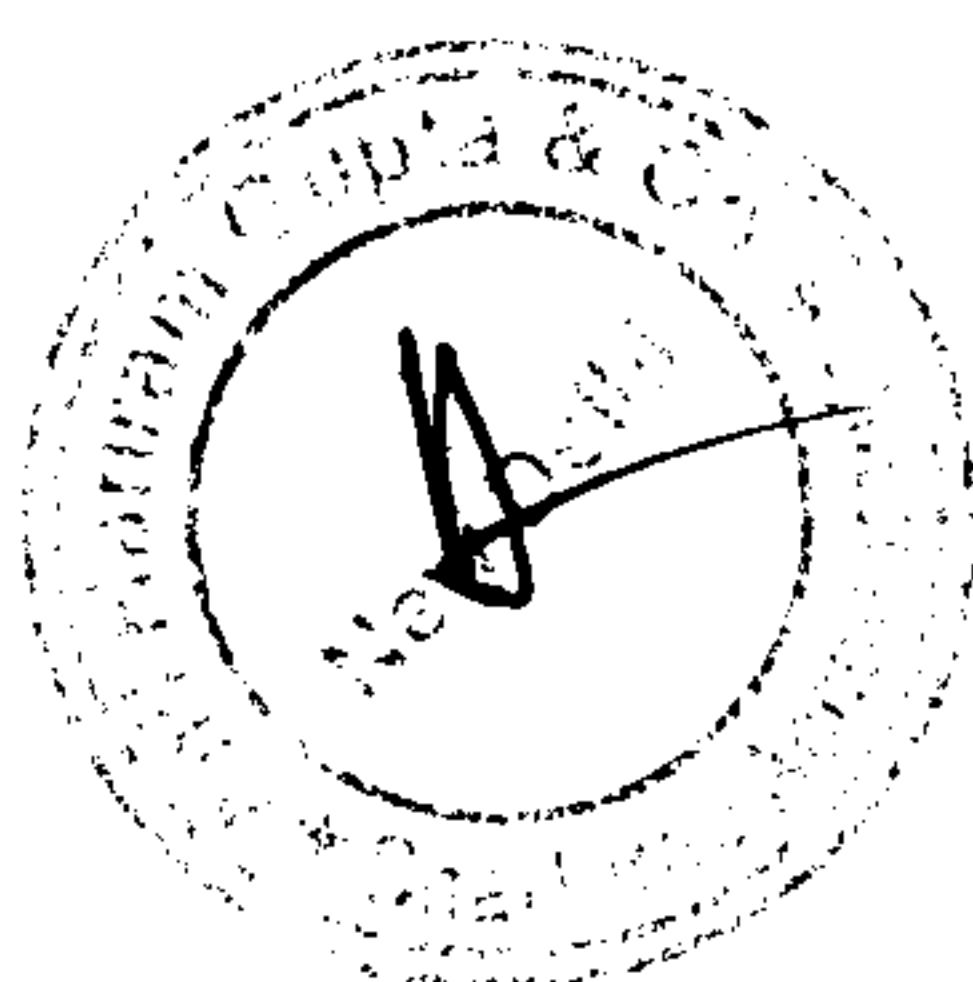
### **f. Taxes on income**

Current taxes on income have been provided by the Company in accordance with the relevant provisions of the Income Tax Act, 1961. Deferred Taxes has been recognised on timing differences between accounting income and taxable income subject to consideration of prudence.

Signed for the purpose of Identification

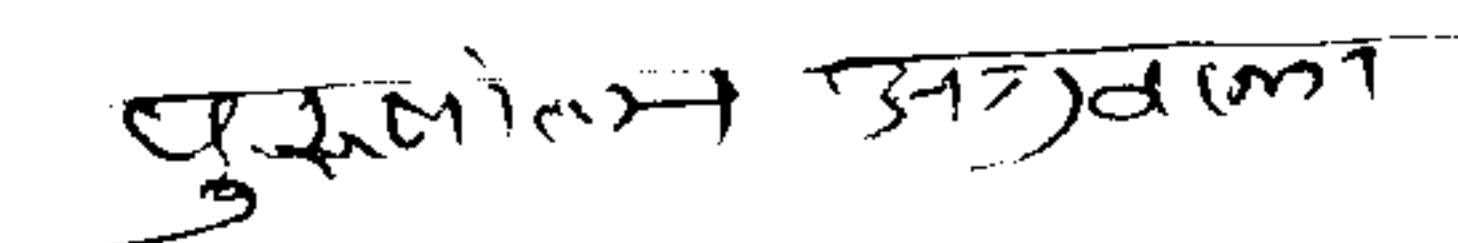
For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner




Place : New Delhi  
Date : 31.08.2013

For and on behalf of Board of Directors of  
Franklin Leasing and Finance Private Limited



Purushotam Agarwal  
Director

  
Ranjit Srivastva  
Director

# FRANKLIN LEASING AND FINANCE PRIVATE LIMITED

NOTES TO FINANCIAL STATEMENTS FOR  
THE PERIOD FROM 1<sup>ST</sup> APRIL 2012 TO 31<sup>ST</sup> MARCH 2013

17. There is no Micro, Small and Medium Enterprises as defined under Micro, Small & Medium Enterprises Development Act, 2006 to which Company owes dues which are outstanding for a period more than 45 days as on Balance Sheet Date.

The above information regarding Micro, Small and Medium Enterprises has been determined on the basis of information availed with the Company and has been duly relied by the auditors of the Company.

18. Provisions of Accounting Standard (AS) - 17 issued by the ICAI on 'Segment Reporting' are not been applicable to the Company.

19. In view of present uncertainty regarding generation of sufficient future income, net deferred tax asset or liability has not been recognized in these accounts on prudent basis.

20. In the opinion of the management, the current assets, loans and advances have a realisable value in the ordinary course of business is not less than the amount at which they are stated in the Balance Sheet.

21. **Related party disclosures/ transactions**

There is no transaction entered with the related party covered by the Accounting Standard (AS) - 18 on 'Related Party Disclosure' during the period covered by these financial statements.

22. Balance shown under head Sundry Debtors, Creditors and Advances are subject to confirmation.

21. Particulars	Current Period (Rs.)	Previous Year (Rs.)
Earnings/ Remittances and/ or Expenditure in Foreign Currency	Nil	Nil

22. Quantitive Information in respect of Opening Stock, Purchases, Sales and Closing Stock pursuant to Schedule VI of the Companies Act, 1956 are not applicable.

23. Particulars	Current Period (Rs.)	Previous Year (Rs.)
Contingent Liability not provided for	Nil	Nil

24. Previous Year's Figures have been re- arranged or re- grouped wherever considered necessary.

25. Figures have been rounded off to the nearest rupees.

26. Figures in brackets indicate negative (-) figures.

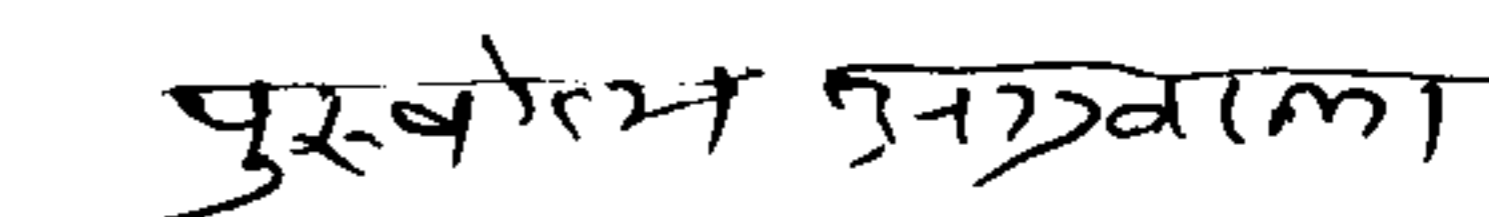
Signed for the purpose of Identification

For Anil Hariram Gupta & Co.  
Chartered Accountants

  
Anil Gupta  
Partner



For and on behalf of Board of Directors of  
Franklin Leasing and Finance Private Limited

  
Purushotam Agarwal  
Director

  
Ranjit Srivastva  
Director

Place : New Delhi  
Date : 31.08.2013