



# **BAID LEASING AND FINANCE CO. LTD.**

**23RD  
ANNUAL REPORT  
2013-2014**

**Aapki Pragati Hamara Saath**

<p style="text-align: center;"><b><u>Board of Directors</u></b></p> <ul style="list-style-type: none"> <li>• <b>PANNA LAL BAID</b> DIN: 00009897 Chairman &amp; Managing Director</li> <li>• <b>RAKESH KUMAR BAID</b> DIN: 00009926 Whole Time Director</li> <li>• <b>BINOD KUMAR CHORARIA</b> DIN: 00104267 Independent and Non Executive Director</li> <li>• <b>CHANDRA BHAN SINGHI</b> DIN: 01055995 Independent and Non Executive Director</li> <li>• <b>MONU JAIN</b> DIN: 02609467 Independent and Non Executive Director</li> <li>• <b>AMAN BAID w.e.f. 24.05.2014</b> DIN: 03100575 Director</li> <li>• <b>SOBHAG DEVI BAID w.e.f. 24.05.2014</b> DIN: 00019831 Director</li> </ul>	<p style="text-align: center;"><b><u>Board Committees</u></b></p> <ul style="list-style-type: none"> <li>• <b>Audit Committee:</b> Mr. Chandra Bhan Singhi (Chairman) Mr. Binod Kumar Choraria (Member) Mr. Monu Jain (Member)</li> <li>• <b>Nomination &amp; Remuneration Committee:</b> Mr. Chandra Bhan Singhi (Chairman) Mr. Binod Kumar Choraria (Member) Mr. Monu Jain (Member)</li> <li>• <b>Stakeholders Relationship Committee:</b> Mr. Monu Jain (Chairman) Mr. Chandra Bhan Singhi (Member) Mr. Binod Kumar Choraria (Member)</li> <li>• <b>Company Secretary &amp; Compliance Officer:</b> CS Namrata Sajnani</li> <li>• <b>Corporate Identification No.</b> CIN: L65910RJ1991PLC006391</li> </ul>
<p><b>Statutory Auditors :</b> Sharma Naresh &amp; Associates, Chartered Accountants, Jaipur-302 001</p>	<p><b>Corporate Advisors:</b> M/s V.M. &amp; Associates, Company Secretaries, Jaipur-302 001</p>
<p><b>Principal Bankers :</b> UCO Bank Limited Kotak Mahindra Bank Limited ICICI Bank Limited</p>	<p><b>Registrar and Share Transfer Agent :</b> MCS Limited F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase-I, New Delhi-110020</p>
<p><b>Registered Office:</b> “Baid House”, II<sup>nd</sup> Floor, 1, Tara Nagar, Ajmer Road, Jaipur 302 006 (Rajasthan).</p>	

### **NOTICE OF THE ANNUAL GENERAL MEETING**

Notice is hereby given that the 23<sup>rd</sup> Annual General Meeting of the Members of **Baid Leasing and Finance Co. Ltd.** will be held on Saturday, 16<sup>th</sup> August, 2014 at 11.00 A.M., at its registered office at Baid House, IInd Floor, 1, Tara Nagar, Ajmer Road, Jaipur-302 006 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, 2014 and the Statement of Profit and Loss Account for the year ended on that date and the Reports of the Board of Directors and Auditors thereon.

2. To Re-appoint M/s. Sharma Naresh & Associates, Chartered Accountants, Jaipur, the retiring Auditors of the Company, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, to authorize the Board to fix their remuneration and to pass the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Section 139 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 and other applicable rules, if any, the applicable provisions (including any statutory modification(s) or re-enactment thereof for the time being in force), and pursuant to the recommendations of the Audit Committee, M/s. Sharma Naresh & Associates, Chartered Accountants (Firm Registration No. 02984C) retiring Auditors of the Company, be and are hereby re-appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company at such remuneration as shall be fixed by the Board of Directors of the Company.”

#### **SPECIAL BUSINESS**

##### **3. Appointment of Mr. Binod Kumar Choraria as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Binod Kumar Choraria (DIN: 00104267), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the fifth Annual General Meeting.”

##### **4. Appointment of Mr. Monu Jain as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment

thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Monu Jain (DIN: 02609467), who was appointed as a Director liable to retire by rotation and whose term expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the fifth Annual General Meeting.”

#### **5. Appointment of Mr. Mudit Singhi as an Independent Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Clause 49 of the Listing Agreement, Mr. Mudit Singhi (DIN: 03171115), in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company not liable to retire by rotation to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of the fifth Annual General Meeting.”

#### **6. Appointment of Mrs. Alpana Baid as Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mrs. Alpana Baid (DIN: 06362806), in respect of whom the Company has received a notice in writing from a member under Section 160 of the Companies Act, 2013, (“the Act”) proposing her candidature for the office of Director of the Company, be and is hereby appointed as Director of the Company liable to retire by rotation pursuant to Sec. 149, 152, the rules framed there under and other relevant provisions (if any) of the Act.”

#### **7. Appointment of Mr. Aman Baid as Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** Mr. Aman Baid (DIN: 03100575), who was appointed as an Additional Director pursuant to the provisions of Section 161 of the Companies Act, 2013 (“the Act”) and the Articles of Association of the Company by the Board of Directors with effect from 24<sup>th</sup> May, 2014 and who holds office upto the date of this Annual General Meeting, and in respect of whom the Company has received a notice in writing from a member under Section 160 of the Act, proposing his candidature for the office of Director of the Company, and in accordance with the provisions of Sections 196, 197 and 198 read with Schedule V and all other applicable provisions, if any, of the Act, and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, be and is hereby appointed as Executive Director of the Company liable to retire by rotation on the terms and conditions including remuneration as set out below:

- (I) **Basic Salary:** Not exceeding Rs. 2,00,000/- per month, w.e.f. 01.06.2014.

- (II) **Commission:** Not exceeding 1% commission on the net profit of the Company, computed in the manner as laid down in the Companies Act, 2013. The first such 1% commission of the net profit, will be paid to Mr. Panna Lal Baid, Chairman and Managing Director of the Company and thereafter 1 % , will be paid to Mr. Aman Baid, .
- (III) **Perquisites and Benefits:** In addition to above the following perquisites not exceeding the overall ceiling as prescribed under schedule V, annexed to the Companies Act, 2013 will be provided to the Executive Director:

**CATEGORY (A)**

**a) Medical Reimbursement / Medclaim Insurance:**

Reimbursement of expenses actually incurred, for self; the total cost to the Company shall not exceed one month's salary per year. However only those expenses will be reimbursed which have not been reimbursed in the medclaim insurance policy, if any, taken by the company from time to time.

**b) Leave Travel Concession:**

For self, once in a year; the total cost to the Company shall not exceed one months' salary per year.

**c) Club Fees:**

Fees of clubs payable subject to a maximum of two clubs except entrance and life membership fees.

**CATEGORY (B)**

In addition to the perquisites, Mr. Aman Baid shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

**a) Provident Fund / Superannuation Fund or Annuity Fund:**

The Company's contribution to Provident Fund / Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

**b) Gratuity:**

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

**c) Leave:**

Earned leave on full pay and allowances as per the rules of the company, but not exceeding one month's leave for every eleven months of service. .

**CATEGORY (C)**

**a) Conveyance**

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

**b) Telephone**

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

**c) Reimbursement of Expenses**

Apart from the remuneration as aforesaid, Mr. Aman Baid shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

**d) *Sitting Fee***

No sitting fee shall be paid to Mr. Aman Baid for attending the Meetings of Board of Directors or any committee thereof. He shall be liable to retire by rotation.

**e)** Where in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Mr. Aman Baid subject to the applicable provisions of Schedule V to the said Act.

**f)** Either party giving the other party one month prior notice in writing to that effect may terminate the agreement.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V of the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and are hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the said agreement between the company and Mr. Aman Baid, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution”

**8. Reappointment of Mr. Panna Lal Baid as Chairman and Managing Director**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

“**RESOLVED THAT** in accordance with the provisions of Sections 196, 197, 198 and 203 read with Schedule V and all other applicable provisions, if any, of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to all other requisite approvals, permissions and sanctions and subject to such conditions as may be prescribed by any of the concerned authorities (if any) while granting such approvals, Mr. Panna Lal Baid (DIN: 00009897) be and is hereby appointed as Chairman and Managing Director of the Company, for a period of 3 (three) years with effect from 1<sup>st</sup> April, 2015, to 31<sup>st</sup> March, 2018 on the terms and conditions including remuneration as set out below:

**(I) Basic Salary:** Not exceeding Rs. 3,00,000/- per month, w.e.f. 01.04.2015.

**(II) Commission:** Not exceeding 1% commission on the net profit of the Company, computed in the manner as laid down in the Companies Act, 2013. The first such 1% commission of the net profit, will be paid to Mr. Panna Lal Baid, Chairman and Managing Director of the Company and thereafter 1 %, will be paid to Mr. Aman Baid.

**(III) Perquisites and Benefits :** In addition to above the following perquisites not exceeding the overall ceiling as prescribed under schedule V, annexed to the Companies Act, 2013 will be provided to the Chairman and Managing Director:

**CATEGORY (A)****a) Medical Reimbursement / Medclaim Insurance:**

Reimbursement of expenses actually incurred, for self and family; the total cost to the Company shall not exceed one month's salary per year or three months' salary in a period of three years. However only those expenses will be reimbursed which have not been reimbursed in the medclaim insurance policy, if any, taken by the company from time to time.

**b) Leave Travel Concession:**

For self and family once in a year; the total cost to the Company shall not exceed one months' salary per year or three months' salary in a period of three years.

**c) Club Fees**

Fees of clubs payable subject to a maximum of two clubs except entrance and life membership fees.

**CATEGORY (B)**

In addition to the perquisites, Mr. Panna Lal Baid shall also be entitled to the following benefits, which shall not be included in the computation of ceiling on remuneration mentioned above, as permissible by law.

**a) Provident Fund / Superannuation Fund or Annuity Fund:**

The Company's contribution to Provident Fund / Superannuation Fund or Annuity Fund will not be included in the computation of ceiling on perquisites to the extent these, either singly or put together, are not taxable under the Income Tax Act, 1961.

**b) Gratuity:**

Gratuity payable shall not exceed half month's Basic Salary for each completed year of service.

**c) Leave:**

Earned leave on full pay and allowances as per the rules of the company, but not exceeding one month's leave for every eleven months of service.

**CATEGORY (C)****a) Conveyance**

Free use of the Company's car along with the driver. Personal use of car shall be billed by the Company.

**b) Telephone**

Free telephone facility at residence. Personal long distance calls shall be billed by the Company.

**c) Reimbursement of Expenses**

Apart from the remuneration as aforesaid, Mr. Panna Lal Baid, Chairman and Managing Director shall also be entitled to reimbursement of such expenses as are genuinely and actually incurred in efficient discharge of his duties in connection with the business of the Company.

**d) Sitting Fee**

No sitting fee shall be paid to Mr. Panna Lal Baid, Chairman and Managing Director for attending the Meetings of Board of Directors or any committee thereof. He shall not be liable to retire by rotation.

e) Where in any financial year, the company has no profits or its profits are inadequate, the foregoing amount of remuneration and benefits shall be paid to Mr. Panna Lal Baid, Chairman and Managing Director subject to the applicable provisions of Schedule V to the said Act.

***Other Terms & Conditions:***

a) Mr. Panna Lal Baid will perform the duties and exercise the powers, which from time to time may be assigned to or vested in him by the Board of Directors of the Company.

b) If at any time Mr. Panna Lal Baid, ceases to be Director of the Company for any reason whatsoever, he shall cease to be the Chairman and Managing Director.

c) Either party giving the other party one month prior notice in writing to that effect may terminate the agreement.

**RESOLVED FURTHER THAT** in the event of any statutory amendment, modification or relaxation by the Central Government to Schedule V to the Companies Act, 2013, or any other relevant Statutory enactment(s) thereof in this regard, the Board of Directors be and are hereby authorized to vary or increase the remuneration including salary, commission, perquisites, allowances etc. within such prescribed limit or ceiling and the said agreement between the company and Mr. Panna Lal Baid, be suitably amended to give effect to such modification, relaxation or variation without any further reference to the members for their approval.

**RESOLVED FURTHER THAT** the Board be and is hereby authorised to do all such acts, deeds, matters, things etc. and take all such steps as may be necessary, proper, expedient or incidental for the purpose of giving effect to this resolution”

**9. Retirement of Mr. Rakesh Kumar Baid**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** the vacancy caused by the retirement of Mr. Rakesh Kumar Baid (DIN: 00009926), Whole time Director of the Company, who retires by rotation at this Annual General Meeting and who has not offered himself for reappointment, be not filled up.”

**10. Retirement of Mr. Chandra Bhan Singhi**

To consider, and if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

“**RESOLVED THAT** the vacancy caused by the retirement of Mr. Chandra Bhan Singhi (DIN: 01055995), Director of the Company, who retires by rotation at this Annual General Meeting and who has not offered himself for reappointment, be not filled up.”

**DATE: 24.05.2014**

**PLACE: JAIPUR**

**BY ORDER OF THE BOARD**

**CS NAMRATA SAJNANI**  
Company Secretary &  
Compliance Officer



**NOTES:**

1. An Explanatory Statement, pursuant to Section 102 of the Companies Act, 2013 relating to the Special Businesses to be transacted at the ensuing Annual General Meeting is appended hereto.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING (THE MEETING) MAY APPOINT A PROXY OR PROXIES TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF SUCH MEMBER. A PROXY NEED NOT BE A MEMBER.

**THE PROXY FORM IN ORDER TO BE EFFECTIVE MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**

**A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the Company carrying voting rights. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.**

3. Corporate members are requested to send a duly certified true copy of the board resolution authorizing their representatives to attend and vote at the Annual General Meeting.
4. Members and Proxies attending the meeting should bring their copy of annual report and the attendance slip duly filled to attend the Meeting.
5. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of the names will be entitled to vote.
6. The register of members and share transfer books of the Company will be closed from Wednesday, 13<sup>th</sup> August, 2014 to Saturday, 16<sup>th</sup> August, 2014 (both days inclusive).
7. Members are requested to address all correspondence to MCS Ltd, F-65, 1<sup>st</sup> Floor, Okhla Industrial Area, Phase - I, New Delhi -110 020, who is acting as our Registrar and Share Transfer Agent. Please quote your folio number and our Company's name in all your future correspondences.
8. **"GO GREEN" initiative of the Ministry of Corporate Affairs (MCA):** The Ministry of Corporate Affairs (MCA) has vide Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011 announced a "Green Initiative in Corporate Governance" allowing companies paperless compliance by sending documents to shareholders through electronic mode to the registered e-mail addresses of shareholders.

This is a welcome move as it will benefit the society at large through reduction in paper consumption and contribution towards a greener environment. The Company has started sending correspondence and documents such as Notices of General Meetings, Annual Reports and other shareholder communications to the shareholders in electronic form to their respective e-mail address registered with Depository Participant.

The members who are holding shares in demat form and have not yet registered their e-mail IDs, are requested to register their e-mail IDs with their Depository Participant at the earliest, to enable the Company to use the same for serving documents to them electronically, hereinafter. Members holding shares in physical form may kindly provide their e-mail IDs to the Company at [baidfinance@baidgroup.in](mailto:baidfinance@baidgroup.in)

Please note that as a member of the Company, you will be entitled to be furnished, free of cost, a printed copy of the Annual Report and other documents of the Company, proposed to be sent through e-mail, upon receipt of a requisition from you, at any time.

We are sure you would appreciate the Go Green Initiative taken by MCA. We solicit your patronage and support in helping the Company to implement the e-governance initiatives of the Government. Those shareholders who have received this notice on the registered email-ids, but have written to the Company for receipt of communication in physical form will be sent this notice physically.

9. Members are requested to immediately intimate change of address/bank mandate if any, to the Registrar and Share Transfer Agent quoting reference of the registered folio number.
10. Members whose shareholding is in the electronic mode are requested to direct change of address notifications and updating of the bank account details to their respective Depository Participants (DP).
11. The Register of Directors' shareholding maintained under section 307 of the Companies Act, 1956 will be available for inspection by the members at the Annual General Meeting.
12. The Register of Contracts maintained under section 301 of the Companies Act, 1956 will be available for inspection by the members at the registered office of the Company.
13. As required under Clause 49 of the Listing Agreements with the Stock Exchanges, the relevant details of Directors seeking appointment/re-appointment at the ensuing AGM are furnished in the Annexure to the notice of Annual General Meeting.
14. Members desirous of getting any information about the accounts and/or operation of the Company are requested to write to the Company at least seven days before the date of the meeting to enable the Company to keep the information ready at the meeting.
15. All the documents referred in the notice will be available for inspection by the shareholders at the registered office of the Company between 11.00 a.m. to 5.00 p.m. on all the working days hereof upto the date of the meeting.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrars and Transfer Agents.
17. The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on Friday, 4<sup>th</sup> July, 2014 (cut off date).
18. CS Manoj Maheshwari, Practising Company Secretary has been appointed as the scrutinizer to scrutinize the e-voting process in a fair and transparent manner.
19. The final results including the e-voting results shall be declared at the AGM of the Company. The final results along with the scrutinizers report shall be placed on the Company's website [www.balfc.com](http://www.balfc.com) with in two days of passing of the resolution at the AGM of the Company.
20. In compliance with the provisions of Sec 108, and other applicable provisions (if any) of the Companies Act, 2013 and the rules as applicable in that regard, the Company is pleased to offer e-voting facility for the members to enable them to cast their votes electronically. The business may be transacted through e-voting services provided by Central Depository Services (India) Ltd.

**In case of members receiving e-mail:**

- (i) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "Baid Leasing and Finance Company Limited" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 Character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.

(vi) Now, fill up the following details in the appropriate boxes:

	<b>For Members holding shares in Demat Form</b>	<b>For Members holding shares in Physical Form</b>
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

\*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their first name followed by the last eight digits of their folio number/ member ID. In case the folio number/ member ID is less than 8 digits enter the applicable number of 0's before the number and after the first two characters of the name. Eg. If your name is Ramesh Kumar with folio number/ member ID 1 then enter RA00000001 in the PAN field.

# Please enter any one of the details in order to login. In case both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on the EVSN for the relevant < Baid Leasing and Finance Company Limited > Company on which you choose to vote.
- (xi) On the voting page, you will see Resolution Description and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xv) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

**In case of members receiving the physical copy:**

1. Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.
2. The voting period starts at 06.00 A.M. on **Friday, August 8<sup>th</sup>, 2014** and ends at 06.00 P.M. on **Saturday, August 9<sup>th</sup>, 2014**. The e-voting module will be disabled by CDSL for voting thereafter.
3. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Friday, 4<sup>th</sup> July, 2014, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
4. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.co.in](http://www.evotingindia.co.in) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

Members who have received the Notice by email and who wish to receive the Notice in physical form are requested to fill in the requisite details and send the same to the Company.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013**

**Item No. 3 & 4**

Mr. Binod Kumar Choraria and Mr. Monu Jain have been on the Board of the Company as Independent Directors since May 13, 1994 and November 22, 2011 respectively. Their terms expire as on this Annual General Meeting.

Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

Furthermore, Clause 49 of the Listing Agreement (as amended) *inter alia* stipulates that, an independent director shall hold office for a term up to five consecutive years on the Board of a company and shall be eligible for reappointment for another term of up to five consecutive years on passing of a special resolution by the company.

It further states that, a person who has already served as an independent director for five years or more in a company as on October 1, 2014 shall be eligible for appointment, on completion of his present term, for one more term of up to five years only.

Consequently, it is proposed to appoint Mr. Binod Kumar Choraria and Mr. Monu Jain, as independent directors of the Company for a further period of five years from the conclusion of this AGM till the conclusion of the fifth AGM.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received notices in writing from members along with requisite deposit, proposing the appointment of Mr. Binod Kumar Choraria and Mr. Monu Jain as Directors of the Company.

Mr. Binod Kumar Choraria and Mr. Monu Jain are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received a declaration from Mr. Binod Kumar Choraria and Mr. Monu Jain that they meet with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement.

In the opinion of the Board, Mr. Binod Kumar Choraria and Mr. Monu Jain fulfill the conditions for their appointment as Independent Directors as specified in the Act and the Listing Agreement.

Mr. Binod Kumar Choraria and Mr. Monu Jain are independent of the management.

Brief resumes of Mr. Binod Kumar Choraria and Mr. Monu Jain, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the Annexure to the notice of the Annual general Meeting.

Keeping in view their vast expertise and knowledge, it will be in the interest of the Company that they be appointed as Independent Directors. Copy of the draft letter for appointments of each of the as an Independent Director setting out the terms and conditions are available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Mr. Binod Kumar Choraria and Mr. Monu Jain, when appointed, shall be a non-executive independent directors not liable to retire by rotation.

Mr. Binod Kumar Choraria and Mr. Monu Jain are interested in the resolutions set out respectively at Item Nos. 3 and 4 of the Notice with regard to their respective appointments.

The relatives of Mr. Binod Kumar Choraria and Mr. Monu Jain may be deemed to be interested in the resolutions set out respectively at Item Nos. 3 and 4 of the Notice, to the extent of their shareholding interest, if any, in the Company.

Save and except the above, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in these resolutions.

The Board recommends the Special Resolutions set out at Item Nos. 3 and 4 of the Notice for approval by the shareholders.

#### **Item No. 5**

Mr. Mudit Singhi is a MBA having experience in the finance sector. He also possesses expertise in the marketing segment of the business.

The Company has received a notice in writing from a member along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Mudit Singhi for the office of Director of the Company.

Mr. Mudit Singhi is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director. Section 149 of the Act *inter alia* stipulates the criteria of independence should a company propose to appoint an independent director on its Board. As per the said Section 149, an independent director can hold office for a term up to 5 (five) consecutive years on the Board of a company and he shall not be included in the total number of directors for retirement by rotation.

The Company has received a declaration from Mr. Mudit Singhi that he meets with the criteria of independence as prescribed both under sub-section (6) of Section 149 of the Act and under Clause 49 of the Listing Agreement. Mr. Mudit Singhi possesses appropriate skills, experience and knowledge; *inter alia*, in the field of finance. In the opinion of the Board, Mr. Mudit Singhi fulfills the conditions for his appointment as an Independent Director as specified in the Act and the Listing Agreement. Mr. Mudit Singhi is independent of the management.

Brief resume of Mr. Mudit Singhi, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the Annexure to the notice of the Annual general Meeting.

Keeping in view his vast expertise and knowledge, it will be in the interest of the Company that Mr. Mudit Singhi is appointed as an Independent Director. Copy of the draft letter for appointment of Mr. Mudit Singhi as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company.

This Statement may also be regarded as a disclosure under Clause 49 of the Listing Agreement with the Stock Exchanges.

Save and except Mr. Mudit Singhi, being appointee and Mr. Chandra Bhan Singhi, being relative, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 5 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 5 of the Notice for approval by the shareholders.

#### **Item No. 6**

As per the provisions of Section 149(1) of the Companies Act, 2013 ("the Act") and amended Clause 49 of the Listing Agreement, the Company should have at least one woman director. Keeping in view the above legal requirements, the Board of Directors have proposed that Mrs. Alpana Baid be appointed as a Director of the Company liable to retire by rotation.

The Company has received a notice in writing from a member alongwith deposit of the requisite amount under Section 160 of the Act proposing the candidature of Mrs. Alpana Baid for the office of Director of the Company.

Mrs. Alpana Baid is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given her consent to act as a Director. She holds nil equity shares in the Company.

Brief resume of Mrs. Alpana Baid, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, is provided in the Annexure to the notice of the Annual General Meeting.

Save and except Mrs. Alpana Baid, being appointee and Mr. Panna Lal Baid, being relative of appointee, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

#### **Item No. 7**

The Board of Directors of the Company, appointed Mr. Aman Baid, as an Additional Director of the Company with effect from May 24, 2014, pursuant to Section 161 of the Companies Act, 2013, read with the rules framed thereunder and the Articles of Association of the Company.

In terms of the provisions of Section 161 of the Companies Act, 2013, Mr. Aman Baid will hold office

up to the date of the ensuing Annual General Meeting.

Under the provisions of Section 160 of the Companies Act, 2013, the Company has received a notice in writing from a member along with requisite deposit, proposing the appointment of Mr. Aman Baid as a Director of the Company.

Mr. Aman Baid is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Aman Baid, aged 22 years, is a Bachelors in Hotel Management, pursuing detailed practical knowledge in the core businesses of the Company. His expertise lies in operations and marketing. He holds directorship in two other private companies.

The Company is a registered NBFC, the financial performance of the company has been satisfactory. The remuneration proposed is as recommended by Nomination and Remuneration Committee and appropriate considering the job profile, size of the Company and the prevailing industry standards.

Mr. Aman Baid, when appointed, shall be an executive, non independent director liable to retire by rotation, appointed as per the terms and conditions as mentioned in the resolution above.

Save and except Mr. Aman Baid, being appointee and Mr. Panna Lal Baid, being relative of appointee, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 7 of the Notice.

The Board recommends the Special Resolution set out at Item No. 7 of the Notice for approval by the shareholders.

#### **Item No. 8**

The members at the Annual General Meeting held on 31<sup>st</sup> July, 2010 appointed Mr. Panna Lal Baid as the Chairman and Managing Director of the company for a period of 5 years w.e.f 1<sup>st</sup> April, 2010. The current term of Mr. Panna Lal Baid as Chairman and Managing Director will expire on 31<sup>st</sup> March, 2015.

Mr. Panna Lal Baid, aged 71 years, is an under graduate, having over 55 years of expertise in the auto finance sector. He is the founder of Baid Leasing and Finance Company Limited. The company has grown and flourished under his guidance. His management skills and self belief has been a crucial factor in the growth and expansion of the business. His presence serves as a positive catalyst in the company. He holds directorship in four other private companies. Mr. Panna Lal Baid possesses appropriate skills, experience and knowledge; *inter alia*, in the field of finance.

The Company is a registered NBFC, the financial performance of the company has been satisfactory. The remuneration proposed is as recommended by Nomination and Remuneration Committee and appropriate considering the job profile, size of the Company and the prevailing industry standards.

The Board of Directors of the Company (the 'Board'), propose the reappointment of Mr. Panna Lal Baid for further period of 3(three) years from the expiry of his current term, i.e. 01.04.2015 till 31.03.2018, on the remuneration determined by the Nomination and Remuneration Committee and as iterated in the resolution above.

This should be treated as an abstract of the terms of re-appointment and payment of remuneration to Mr. Panna Lal Baid, Chairman and Managing Director and a memorandum as to the nature of concern of interest of the Directors as required under section 190 of the Companies Act, 2013.

Save and except Mr. Panna Lal Baid, being appointee, and his relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel

of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 8 of the Notice.

The Board recommends the Special Resolution set out at Item No. 8 of the Notice for approval by the shareholders.

**Item No. 9**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Rakesh Kumar Baid, Whole time Director of the Company retires by rotation at this Annual General Meeting. He has expressed his desire not to offer himself for reappointment, owing to preoccupation.

Mr. Rakesh Kumar Baid has been on the Board of the company since its inception. , The Board places on record its sincere appreciation and recognition towards the valuable contribution and services rendered by him during his tenure as a Whole time Director on the Board of the Company.

Pursuant to Section 152 of the Companies Act, 2013, resolution is proposed not to fill up the vacancy caused by the retirement of Mr. Rakesh Kumar Baid at this Meeting.

Save and except Mr. Rakesh Kumar Baid and Mr. Panna Lal Baid, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 9 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 9 of the Notice for approval by the shareholders.

**Item No. 10**

In accordance with the provisions of Section 152 of the Companies Act, 2013 and the Articles of Association of the Company, Mr. Chandra Bhan Singhi, Director of the Company retires by rotation at this Annual General Meeting. He has expressed his desire not to offer himself for reappointment, owing to preoccupation.

Mr. Chandra Bhan Singhi has been on the Board of the company since its initial years, The Board places on record its sincere appreciation and recognition towards the valuable contribution and services rendered by him during his tenure as a Director on the Board of the Company.

Pursuant to Section 152 of the Companies Act, 2013, resolution is proposed not to fill up the vacancy caused by the retirement of Mr. Chandra Bhan Singhi at this Meeting.

Save and except Mr Chandra Bhan Singhi, and their relatives to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 10 of the Notice.

The Board recommends the Ordinary Resolution set out at Item No. 10 of the Notice for approval by the shareholders.



**ANNEXURE TO THE NOTICE OF ANNUAL GENERAL MEETING****Details of Directors seeking Re-appointment/appointment in Annual General Meeting pursuant to clause 49 of Listing Agreement**

Name of Director	Alpana Baid	B.K. Choraria	Monu Jain	Mudit Singhi	Aman Baid	Panna Lal Baid
Date of Birth	14.09.1967	09.07.1956	30.09.1982	11.12.1987	04.01.1992	19.06.1943
Date of Appointment	--	13.05.1994	22.11.2011	--	24.05.2014	20.12.1991
DIN	06362806	00104267	02609467	03171115	03100575	000098978
Designation	Non Executive Director	Non Executive Independent Director	Non Executive Independent Director	Non Executive Independent Director	Executive Director	Chairman and Managing Director
Expertise in specific functional areas	Operations	Marketing & Finance	Operations	Finance & Marketing	Operations & Marketing	Finance
Qualifications	Graduate	B.Com	MBA	MBA	BHM	Under Graduate
Name of Public Companies in which Directorship was held on 31.03.2014	Nil	Nil	Nil	Nil	Nil	Nil
Chairman of the Committees of the Board as on 31.03.2014	Nil	Nil	Share Transfer/ Investor Grievance Committee	Nil	Nil	Nil

**DATE : 24.05.2014  
PLACE : JAIPUR****BY ORDER OF THE BOARD****CS NAMRATA SAJNANI  
Company Secretary &  
Compliance Officer**

**DIRECTOR'S REPORT**

**Dear Members,  
Baid Leasing and Finance Co. Ltd.**

Your directors are pleased to present the 23<sup>rd</sup> Annual Report of your company together with the statement of Annual Financial Statements for the Year 2013-14.

**FINANCIAL SUMMARY**

Particulars	Amount (Rs. in Lacs)	
	31.03.2013	31.03.2014
Profit before Depreciation & Tax	128.57	154.06
Less: Depreciation	5.26	5.30
Profit before Taxation	123.31	148.76
Less: Provision for Taxation	28.49	52.525
Profit after Tax	100.07	101.53
Add: Balance Brought Forward	346.84	139.00
Surplus available for appropriation	446.91	240.53
Less: Transfer to Special Reserve	200.00	200.00
Carried Forward to next year	426.91	500.11

**PERFORMANCE REVIEW**

The company is engaged in the business of hire-purchase finance and dealing in stock market. The net receipts from Operations during the year under review were Rs. 7,33,86,956/- as against Rs. 20,60,62,876/- in the previous year. The profit/ (Loss) after tax is Rs. 1,01,53,835/- as against Rs. 1,00,07,214/- in the previous year.

**DIVIDEND**

Following the conservative approach to retain the profits, your Directors did not recommend payment of any dividend for the Financial Year 2013-14.

**CAPITAL STRUCTURE**

During the Financial Year 2013-14 there is no change in capital structure of the Company

**AUDITORS**

M/s. Sharma Naresh & Associates, Chartered Accountants, Statutory Auditors of the Company hold office until the conclusion of ensuing Annual General Meeting and are eligible for re-appointment.

The company has received letter from them to the effect that their re-appointment, if made, would be within the prescribed limits under Section 139 of the Companies Act, 2013 and that they are not disqualified for re-appointment within the meaning of Section 141 of the said Act.

The auditors have stated that the company has transacted with the parties covered u/s 301. The directors hereby express that the transaction entered into were basically current account transactions in nature. The rate of interest and other terms & conditions are not prejudicial to the

interest of company.

The delay in payment of statutory dues with Income Tax Department, as stated in Auditor's Report, is not serious in nature and was deposited with the concerned authority with interest, as applicable. Other than this, the Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

#### **CHANGE IN REGISTERED OFFICE OF THE COMPANY**

The registered office of the company was shifted from 3, Jaipur Towers, M.I. Road, Jaipur-302001 to "Baid House", IInd Floor, 1, Tara Nagar, Ajmer Road, Jaipur-302006 w.e.f. 16.04.2014. The present registered office is situated in a prominent location with easy accessibility to all concerned. Further, the proposed metro station adjacent to the registered office makes it more convenient.

#### **CORPORATE GOVERNANCE REPORT**

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by SEBI.

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report alongwith the requisite Certificate from Company Secretaries in Practice, as stipulated, is annexed to this Report.

#### **MANAGEMENT DISCUSSION & ANALYSIS**

Management's Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, is presented in a separate section forming part of the Annual Report.

#### **LISTING OF SECURITIES**

The Equity shares of the company are listed with the Bombay Stock Exchange Limited and Delhi Stock Exchange Limited and the listing fee for the year 2014-15 has been duly paid.

#### **MANAGEMENT AND BOARD OF DIRECTORS**

Mr. Rakesh Kumar Baid, Whole time Director, and Mr. Chandra Bhan Singhi, Directors retire by rotation in terms of provisions of Companies Act, 2013 and Articles of Association of the Company at the ensuing Annual General Meeting and do not seek appointment owing to preoccupation. Mr. Rakesh Kumar Baid and Mr. Chandra Bhan Singhi have been on the Board of the company since its initial years. The Board places on record its sincere appreciation and recognition towards the valuable contribution and services rendered by them during their tenure on the Board of the Company and wishes them good luck with their future endeavors.

Mrs. Sobhag Devi Baid, was appointed as an Additional Director on the Board of the company w.e.f. 24.05.2014, whose tenure expires at this Annual General Meeting.

Mr. Aman Baid was appointed as an Additional Director on the Board of the company w.e.f. 24.05.2014, and subject to the approval of the members at the ensuing Annual General Meeting his appointment is being regularized as Executive Director on the terms and conditions as mentioned in the resolution in the Notice.

It is proposed to appoint Mrs. Alpana Baid on the Board of the Company as a non executive non independent Director, liable to retire by rotation.

It is also proposed to appoint Mr. Mudit Singhi on the Board of the Company as an Independent and Non executive Director, not liable to retire by rotation.

Appointment of Mr. Binod Kumar Choraria and Mr. Monu Jain as an independent Director, not liable to retire by rotation on the Board of the Company for a further period of 5 years is also proposed.

Mr. Panna Lal Baid, Chairman and Managing Director of the Company whose term expires on 31.03.2015, is proposed to be reappointed on the Board of the Company for a further period of 3 years w.e.f. 01.04.2015.

CS Namrata Sajnani was appointed as the Company Secretary and Compliance Officer in place of Ms. Harshita Maheshwari w.e.f. 12.10.2013.

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

Since your company does not own any manufacturing facility, the provisions of Section 217(1)(e) of the Companies Act, 1956 relating to conservation of energy and technology absorption are not applicable.

The particulars relating to foreign exchange earnings and outgo are NIL.

#### **FIXED DEPOSITS**

The Company has not invited or accepted any fixed deposit from the public during the year under review.

#### **PARTICULARS OF EMPLOYEES**

None of the employees of the company was in receipt of the remuneration exceeding the limits prescribed u/s 217 (2A) of the Companies Act, 1956 during the year under review. The total no. of employees during the year was 19.

#### **DIRECTOR'S RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

1. that in preparation of the annual accounts for the financial year ended 31<sup>st</sup> March, 2014, the applicable accounting standards have been followed along with proper explanation relating to material departures;
2. that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;
3. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for the preventing and detecting fraud and other irregularities;
4. the Directors have prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'going concern basis.'

**SECRETARIAL AUDITOR**

As per Section 204 of Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, every Listed Company is required to appoint Secretarial Auditor to carry out Secretarial Audit of the Company.

In consonance with the requirements of Section 204 of the Companies Act, 2013 and the read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board appointed M/s V. M. & Associates, Company Secretaries in Practice, Jaipur as Secretarial Auditor of the Company for the financial year 2014-15.

**INTERNAL AUDITOR**

As per Section 138 of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014, every Listed Company is required to appoint an Internal Auditor or a firm of Internal Auditors.

In consonance with the aforementioned, the Board appointed M/s Shiv Shanker Khandelwal & Co., Chartered Accountants, Jaipur as the Internal Auditors of the Company for the financial year 2014-15.

**ACKNOWLEDGEMENT**

Your Board acknowledges with appreciation, the invaluable support provided by the company's auditors, advisors and business partners, all its customers for their patronage. Your Board records with sincere appreciation the valuable contribution made by employees at all levels and looks forward to their continued commitment to achieve further growth and take up more challenges that the Company has set for the future.

**DATE : 24.05.2014**

**FOR AND ON BEHALF OF THE BOARD**

**PLACE : JAIPUR**

**PANNA LAL BAID**  
**(Managing Director)**  
**DIN: 00009897**

**RAKESH KUMAR BAID**  
**(Whole-time Director)**  
**DIN: 00009926**

## **CORPORATE GOVERNANCE REPORT**

### **COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE**

Corporate governance encompasses a set of systems and practices to ensure that the Company's affairs are being managed in a manner which ensure accountability, transparency and fairness in all transactions in the widest sense. The objective is to meet stakeholders' aspirations and societal expectations. Good governance practices stem from the dynamic culture and positive mindset of the organization. Corporate Governance is not just a destination, but a journey to constantly improve sustainable value creation. It is an upward-moving target that collectively strives Baid Leasing and Finance Company Limited towards achieving.

The essence of Corporate Governance lies in promoting and maintaining integrity, transparency and accountability in the management's higher echelons. The demands of corporate governance require professionals to raise their competence and capability levels to meet the expectations in managing the enterprise and its resources effectively with the highest standards of ethics. It has thus become crucial to foster and sustain a culture that integrates all components of good governance by carefully balancing the complex inter-relationship among the Board of Directors, Audit Committee, Finance, Compliance and Assurance teams, Auditors and the senior management. Our employee satisfaction is reflected in the stability of our senior management.

The Company continues to believe strongly in adopting and adhering to the best corporate governance practices, and benchmarking itself against the industry's best practices. It is the Company's ongoing endeavor to achieve the highest levels of governance as a part of its responsibility towards the shareholders and other stakeholders. Transparency and integrity are the cornerstones for good governance, and the Company is committed to these principles for enhancing stakeholders' value.

### **BOARD OF DIRECTORS**

The Board is in a fiduciary position, empowered to oversee the management function with a view to ensure its effectiveness and enhancement of stakeholder value. The Board decides on the policies to be implemented across the Company, and reviews and monitors its strategic direction and annual business plan and business objectives. Acting as trustees on behalf of the shareholders, the Board ensures that the Company has clear goals in enhancing value and growth for all the stakeholders associated with the Company and follows best governance practices.

Majority of the Board consists of Independent Directors. At Baid Leasing and Finance Company Limited, it is our belief that an enlightened Board consciously creates a culture of leadership to provide a long-term vision and policy approach to improve the quality of governance. The Board's actions and decisions are aligned with the Company's best interests. It is committed to the goal of sustainably elevating the Company's value creation. The Company has defined guidelines and an established framework for the meetings of the Board and Board Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

The Board critically evaluates the Company's strategic direction, management policies and their effectiveness. The agenda for the Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Additionally, the Board reviews related party transactions, possible risks and risk mitigation measures, etc. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the Company's future growth.

### **COMPOSITION AS ON 31.03.2014**

The Board of Directors consists of two Executive Directors and three Non-Executive & Independent Directors, as under:

Name of Directors		Board Meeting attended during the year	Attendance at the last AGM	No. of Directorships held in other public companies	Committee Position in other Public Company
Shri Panna Lal Baid DIN: 00009897	Promoter & Executive Director	7	Yes	NIL	NIL
Shri Rakesh Kumar Baid DIN: 00009926	Promoter & Executive Director	7	Yes	NIL	NIL
Shri Binod Kumar Choraria DIN: 00104267	Non-Executive & Independent Director	7	Yes	1	NIL
Shri Chandra Bhan Singhi DIN: 0105595	Non-Executive & Independent Director	7	Yes	NIL	NIL
Shri Monu Jain DIN: 02609467	Non-Executive & Independent Director	7	Yes	NIL	NIL

The composition of the Board is in conformity with Clause 49, which stipulates that at least 50 per cent of the Board should consist of non-executive Directors and, in case the Chairman is a non-executive Director, at least one-third of the Board should be independent and in case he is an executive director, at least half of the Board should comprise of independent directors.

None of the Directors on the Board is a member of more than 10 Committees or Chairman of more than 5 Committees (as specified in clause 49 of the Listing Agreement) across all Public Limited Companies in which he is a Director(if any).

The non-executive Directors are appointed or re-appointed with the approval of the shareholders. All non-executive Directors are liable to retire by rotation, unless otherwise provided by the law in force for the time being. One-third of the Directors, who are liable to retire by rotation, retire every year and are eligible for re-appointment. According to the terms of the Company's Articles of Association, the strength of the Board shall not be less than three and more than twelve.

#### **BOARD PROCEDURE**

The members of the Board are provided with the requisite information mentioned in the Listing Agreement well before the Board meetings.

The Board considers all the matters, which are statutorily required to be considered by it. In addition the following issues are also discussed at the meetings of the Board:

- Annual operating and capital expenditure budgets and periodical review thereof.
- Investment /expansion /modernization /diversification plans of the Company.
- Overall strategy and business plans.
- Approval of quarterly / half-yearly / annual results (after review by Audit Committee).
- Compliance with statutory / regulatory requirements and review of major pending legal cases.
- Major accounting practices, provisions and write-offs.

- Transactions pertaining to acquisition /disposal of fixed assets /related party transactions.
- Review of working of various committees of the Board.
- Significant labor problems, if any.
- Minutes of the meeting of other committee and other committee of board.
- Any material default in financial obligation to and by the Company, or substantial non payment for goods sold by company.

The Company has not issued any shares / debentures during the year.

#### **BOARD MEETINGS**

As per the statutory provisions the Board is required to meet at least once every quarter and minimum 4 (four) times in a year with the time gap between two consecutive meetings not exceeding four months. Additional meetings are held as and when necessary. As against this, during the period under review the Board held 7 (Seven) meetings on 27.04.2013, 29.05.2013, 14.08.2013, 11.11.2013, 14.11.2013, 08.02.2014 & 28.02.2014 to consider amongst other business, the quarterly / annual performance of the Company and its financial results. The draft of the minutes prepared by Company Secretary is circulated among the Directors for their comment / suggestion and finally after incorporating their views, final minutes are recorded in the minute's books. Post meeting, important decisions taken are communicated to the concerned officials and departments for the effective implementation of the same.

#### **CODE OF BUSINESS CONDUCT AND ETHICS**

The Company has adopted Code of Conduct ("the Code") which is applicable to all the members of the board and senior management personnel of the Company. The Board of Directors and the members of Senior Management Team are required to affirm annual Compliance of this Code. The Code requires Directors and Employees to act honestly, fairly, ethically, and with integrity, conduct themselves in professional, courteous and respectful manner. The Code is displayed on the Company's website: [www.balfc.com](http://www.balfc.com).

#### **CONFLICT OF INTEREST**

Each Director informs the Company on an annual basis about the Board and the Committee positions he occupies in other companies including Chairmanships and notifies changes during the year. Members of Board while discharging their duties, avoid conflict of interest in the decision making process. The members of Board restrict themselves from any discussions and voting in transaction that they have concern or interest.

#### **COMPOSITION OF COMMITTEES OF DIRECTORS**

Various Committees of Directors have been appointed by the Board for taking informed decisions in the best interest of the Company. These committees monitor the activities falling within their respective terms of reference. The Board's Committees are as follows:

##### **1. AUDIT COMMITTEE**

###### **Composition**

The Audit Committee comprises of 3 (three) independent Directors and at March 31, 2014 was chaired by Mr. Chandra Bhan Singhi, Independent Director.

The details of the composition of the Committee and attendance at its Meetings are set out in the following table:



Name Of Member	Category	Capacity	No. of Meeting Attended
Mr. Chandra Bhan Singhi DIN: 0105595	Non-Executive & Independent Director	Chairman	4
Mr. Binod Kumar Choraria DIN: 00104267	Non-Executive & Independent Director	Member	4
Mr. Monu Jain DIN: 02609467	Non-Executive & Independent Director	Member	4

#### **Meetings of the Audit Committee**

There were 4 (four) Meetings of the Committee during the year: 29.05.2013, 14.08.2013, 14.11.2013 & 08.02.2014.

#### **Terms of Reference**

The terms of reference of the above stated are in accordance with Section 292A of the Companies Act, 1956, terms prescribed by RBI and Clause 49 of the Listing Agreement entered into with the Stock Exchanges in India and inter-alia include the following:

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditors and the fixation of audit fees, and confirm their Independence.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors, if authorized by the Board.
- Review with the management, the quarterly financial statements before submission to the Board for approval and secure the Certificate from CFO in terms of Clause 41 of the Listing Agreement.
- Any other terms of reference as may be included from time to time in Clause 49 of the Listing Agreement.

#### **Power of Audit Committee**

- To investigate any activity with in terms of reference.
- To seek information from any employee in respect of matter under its preview.
- Obtain outside legal or other professional advice.
- To secure attendance of outsiders with relevant expertise, if consider necessary.

#### **Vigil Mechanism**

The Company promotes ethical behaviour in all its business activities and has put in place a mechanism of reporting illegal or unethical behaviour in compliance with the provisions of Section 177 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014. The Company has a vigil mechanism/whistle blower policy wherein the employees are free to report violations of

laws, rules, regulations or unethical conduct to their immediate supervisor or such other person as may be notified by the management to the workgroups. The confidentiality of those reporting violations is maintained and they are not subjected to any discriminatory practice.

### **Revised Terms of Reference**

In consonance with the requirements of Section 177 of the Companies Act, 2013 read with Companies (Meetings of Board and its Powers) Rules, 2014, the amended Listing Agreement and all other applicable provisions (if any), the Board revised the terms of reference of the Audit Committee as follows:

The composition, powers, role and terms of reference of the Audit Committee covers the areas as contemplated under Clause 49 of the Listing Agreement and Section 177 of the Companies Act, 2013. The purpose of the audit committee is to ensure the objectivity, credibility and correctness of the Company's financial reporting and disclosure processes, internal controls, risk management policies and processes, tax policies, compliance and legal requirements and associated matters. In particular, these include:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the auditors and the fixation of audit fees.
- Approval of payment to Statutory Auditor for any other services rendered by them.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
  - Changes, if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by management
  - Significant adjustments made in the financial statements arising out of audit findings
  - Compliance with listing and other legal requirements relating to financial statements
  - Disclosure of any related party transactions
  - Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy

of the internal control systems.

- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors of any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the Whistle Blower mechanism of the Company as per the Whistle Blower Policy
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Examination of the financial statement and the auditors' report thereon;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertakings or assets of the company, wherever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- The Audit Committee shall have authority to investigate into any matter in relation to the items specified in section 177(4) of Companies Act, 2013 or referred to it by the Board and for this purpose shall have power to obtain professional advice from external sources and have full access to information contained in the records of the company.
- The auditors of a company and the key managerial personnel shall have a right to be heard in the meetings of the Audit Committee when it considers the auditor's report but shall not have the right to vote.

## **2. SHARE TRANSFER/INVESTOR GRIEVANCE COMMITTEE**

The Committee monitors redressal of complaints received from shareholders/investors with respect to transfer of shares, non-receipt of dividend, non-receipt of Annual Reports, etc. It also takes note of number of transfers processed, issue of fresh share certificates, top shareholders, pattern of shareholding, etc. During the year 2013-14, no complaints were received regarding investors. There

was no complaint outstanding as on 31<sup>st</sup> March 2014. Also, no instruments of transfer were pending as on March 31, 2014.

#### **Composition and attendance**

The Share Transfer / Investors' Grievance Committee has been constituted as per the provisions set out in the Listing Agreement. It comprises of 2 (two) Non-Executive Independent and 1 (one) Executive Director. The Company Secretary acts as the Secretary and has been appointed as the Compliance officer of Share Transfer/ Investor Grievance Committee.

<b>Name Of Member</b>	<b>Category</b>	<b>Capacity</b>	<b>No. of Meeting Attended</b>
Shri Monu Jain	Non-Executive & Independent Director	Chairman	N.A.
Shri Binod Kumar Choraria	Non-Executive & Independent Director	Member	N.A.
Shri Rakesh Kumar Baid	Executive & Promoter Director	Member	N.A.

The Committee did not meet during the period under review.

#### **Reconstitution of Committee**

In consonance with the requirements of Section 178 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 the Board has reconstituted the committee as follows:

The Share Transfer/ Investor Grievance Committee is renamed to Stakeholders Relationship Committee w.e.f. 16.04.2014, consisting of the following Members:

<b>Name Of Member</b>	<b>Category</b>	<b>Capacity</b>
Shri Monu Jain	Non-Executive & Independent Director	Chairman
Shri Binod Kumar Choraria	Non-Executive & Independent Director	Member
Shri Rakesh Kumar Baid	Executive & Promoter Director	Member

### **3. REMUNERATION COMMITTEE**

The Remuneration Committee currently comprises of 3 (three) independent Directors and at March 31, 2014 was chaired by Shri Chandra Bhan Singhi, an independent Director. Other than the Chairman, Shri Binod Kumar Choraria and Shri Monu Jain were members of the committee.

The functions of the Committee include recommendation of appointments to the Board, evaluation of the performance of the Managing Director and Whole-time Directors on predetermined parameters, recommendation to the Board of the remuneration to Whole-time Directors, and consider and recommend human resource policies relating to compensation and performance management.

No meeting was held during the year of the committee. The company does not have any Employee Stock Option Scheme.

#### **Remuneration of the Directors**

The non-executive directors do not draw any remuneration including the sitting fee. The details of

remuneration paid to the Managing Director and Whole-time Director for the F.Y. 2013-14 is as follows:

Shri Panna Lal Baid	Lumpsum Rs. 1,80,000/- per annum
Shri Rakesh Kumar Baid	Lumpsum Rs. 1,44,000/- per annum

**Shareholding of Non-Executive Directors as on 31<sup>st</sup> March, 2014:**

Name	No. of Shares	%age
Shri Binod Kumar Choraria	500	-
Shri Chandra Bhan Singhi	10	-
Shri Monu Jain	NIL	-

**Reconstitution of Committee**

In consonance with the requirements of Section 178 of the Act read with Companies (Meetings of Board and its Powers) Rules, 2014 the Board has reconstituted the committee as follows:

The Remuneration Committee is renamed to Nomination and Remuneration Committee w.e.f. 16.04.2014, consisting of the following Members:

Name	Category	Capacity
Shri Binod Kumar Choraria	Non Executive & Independent Director	Chairman
Shri Chandra Bhan Singh	Non Executive & Independent Director	Member
Shri Monu Jain	Non Executive & Independent Director	Member

**TERMS OF REFERENCE OF NOMINATION AND REMUNERATION COMMITTEE**

**Terms of Reference of the Committee, inter alia, includes the following:**

1. To identify persons who are qualified to become Directors and who may be appointed in senior management in accordance with the criteria laid down and to recommend to the Board their appointment and/or removal.
2. To carry out evaluation of every Director's performance.
3. To formulate the criteria for determining qualifications, positive attributes and independence of a Director, and recommend to the Board a policy, relating to the remuneration for the Directors, key managerial personnel and other employees.
4. To formulate the criteria for evaluation of Independent Directors and the Board.
5. To devise a policy on Board diversity.
6. To recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
7. To perform such other functions as may be necessary or appropriate for the performance of its duties.

**GENERAL BODY MEETINGS****a) Annual General Meetings**

Details of Meetings	Day & Date	Time	Venue
20 <sup>th</sup> Annual General Meeting	Saturday August 20, 2011	11.30 A.M.	"Baid House", 1, Tara Nagar, Ajmer Road, Jaipur
21 <sup>st</sup> Annual General Meeting	Saturday July 28, 2012	11.30 A.M.	3, Jaipur Tower, M.I. Road, Jaipur
22 <sup>nd</sup> Annual General Meeting	Saturday August 17, 2013	11.00A.M.	3, Jaipur Tower, M.I. Road, Jaipur

No Special Resolution was proposed to be passed at the aforesaid Annual General Meetings.

**b) Extra-Ordinary General Meetings**

No Extra-Ordinary General Meetings of the members was held during the year.

**c) Postal Ballot**

During the Financial Year, no postal ballot was held. However, Postal Ballot notice dated 02.05.2014 consisting of the following items was dispatched to the members by 08.05.2014:

1. to make inter corporate loans, investments, guarantees and securities in other bodies corporate u/s 186 of the Companies Act, 2013 upto a sum of Rs. 50,00,00,000 (Rs. Fifty Crores Only),
2. to borrow money u/s 180 (1) (c) of the Companies Act, 2013 upto a sum of Rs. 75,00,00,000 (Rs. Seventy Five Crores Only)
3. to sell/lease or otherwise dispose of the whole or substantially the whole of the undertaking(s) and/or asset(s), present and future of the Company u/s 180 (1) (a) of the Companies Act, 2013

The scrutinizer will submit his report on 14.06.2014 and the results will be declared on that day at 4.00 P.M. at the registered office of the Company by the Managing Director and/or the Whole time Director and/of the Company Secretary of the Company.

**DISCLOSURES**

There are no materially significant transactions with related parties i.e., directors, management, subsidiaries, or relatives conflicting with the Company's interests.

No penalties or strictures have been imposed on the company by the Stock Exchanges or SEBI or any other Statutory Authorities on matters related to Capital Market.

In terms of the Whistle Blower Policy of the Company, no employee has been denied access to the Audit Committee.

**MEANS OF COMMUNICATION**

The Company believes that it is the right of every stakeholder to have access to complete information regarding the company to assess its present position and have an accurate idea of its future potential.

Following such policy, the company regularly intimates all the regulatory information, such as audited/ unaudited financial results, quarterly shareholding pattern, board meeting notices to Stock Exchanges where it is listed along with getting them published in Newspapers having nation wide circulation.

The Company also publishes the same on its website.

The Management's Discussion & Analysis forms part of the Annual Report.

**GENERAL SHAREHOLDER INFORMATION****1 Annual General Meeting**

- Date Saturday, 16<sup>th</sup> August 2014.
- Time 11.00 A.M.
- Venue Baid House, IInd Floor , 1, Tara Nagar, Ajmer Road, Jaipur-302006
- Book Closure 13<sup>th</sup> day of August, 2014 to 16<sup>th</sup> day of August, 2014

**2 Financial Calendar (Tentative)**

- Un-audited Results for the first quarter Within 45 days from the end of Quarter
- Un-audited Results for the second quarter Within 45 days from the end of Quarter
- Un-audited Results for the third quarter Within 45 days from the end of Quarter
- Audited Results for F.Y. 01/04/2014-31/03/2015 Within 60 days from the end of F.Y.

**3 Dividend**

No dividend being recommended by Board during the year.

**4 Listed on Stock Exchanges**

Bombay Stock Exchange Ltd.  
Stock Code: 511724

Delhi Stock Exchange Ltd.  
Stock Code: 7809

**5 Demat ISIN Exchange No. in NSDL & CDSL** INE020D01014

The Company has paid annual listing fees on its capital for the relevant periods to BSE and DSE where its equity shares are listed.

**MARKET PRICE DATA**

Month	High	Low
April, 13	13.00	13.00
May, 13	13.00	13.00
June, 13	13.00	13.00
July, 13	14.00	13.00
August, 13	14.20	13.50
September, 13	13.03	12.38
October, 13	13.80	12.38
November, 13	12.40	11.90
December, 13	21.00	13.00
January, 14	20.65	15.25
February, 14	17.95	16.10
March, 14	18.00	17.00

**REGISTRAR AND SHARE TRANSFER AGENT**

MCS LIMITED  
F-65, 1<sup>st</sup> Floor, Okhla Ind. Area,  
Phase-I, New Delhi-110020

**SHARE TRANSFER SYSTEM**

The Company has appointed M/s MCS Limited, New Delhi as its Registrar and Share Transfer Agents. As on date all the work related to the shares both held in physical and electronic form is handled by the RTA. All correspondences are to be directed to the RTA at their address mentioned above. The correspondences may also be sent at the Company's address, which will be sent by the Company to the RTA.

Share transfer is normally affected within the maximum period of 15 days from the date of receipt, if all required documentation is submitted. In compliance with the Listing Agreement with stock exchanges, a Practising Company Secretary carries out audit of the system of transfer and a certificate to that effect is issued.

**NOMINATION**

Individual shareholders holding shares singly or jointly in physical form can nominate a person in whose name the shares shall be transferable in case of death of the registered shareholder(s). Nomination facility in respect of shares held in electronic form is also available with the Depository Participants as per the bye-laws and business rules applicable to NSDL and CDSL. Nomination forms can be obtained from the Company's Registrar and Share Transfer Agent.

**SERVICE OF DOCUMENTS THROUGH ELECTRONIC MODE**

Members who wish to receive notice/documents through e-mail, may kindly intimate their e-mail address to the Company's Registrar and Share Transfer Agent, MCS Limited to their dedicated e-mail id i.e. "admin@mcsdel.com".

**RANGE-WISE DISTRIBUTION OF SHAREHOLDING AS ON 31.03.2014**

Range	No. of Shares	% of Shares	No. of Holders	% of Holders
1 - 500	575354	9.3630	3145	90.8172
501 - 1000	120450	1.9601	168	4.8513
1001 - 2000	93340	1.5190	61	1.7615
2001 - 3000	68800	1.1196	27	0.7797
3001 - 4000	10310	.1678	3	0.0866
4001 - 5000	27444	.4466	6	0.1733
5001 - 10000	99909	1.6259	15	0.4332
10001 - 50000	484393	7.8827	16	0.4620
50001 - 100000	485790	7.9055	7	0.2021
And Above	4179210	68.0099	15	0.4332
<b>TOTAL</b>	<b>61,45,000</b>	<b>100.00</b>	<b>3,463</b>	<b>100.00</b>



**SHAREHOLDING PATTERN AS ON 31.03.2014**

<b>PARTICULARS</b>	<b>NO. OF SHARES</b>	<b>%AGE</b>
Promoter % Promoter Group	5,34,850	8.70
<b>SUB TOTAL (A)</b>	<b>5,34,850</b>	<b>8.70</b>
<b>Public Shareholding</b>		
1. Bodies Corporate	37,55,716	61.12
2. Individual Shareholders holding Nominal Share Capital upto Rs. 1 Lakh	9,72,547	15.83
3. Individual Shareholders holding Nominal Share Capital above Rs. 1 Lakh	7,56,987	12.32
4. Non-resident Indians	1,24,900	2.03
<b>SUB TOTAL (B)</b>	<b>56,10,150</b>	<b>91.30</b>
<b>TOTAL (A+B)</b>	<b>61,45,000</b>	<b>100.00</b>

**DEMATERIALIZATION OF SHARES**

The Shares of the company are in compulsory demat segment and are available for trading in the depository systems of both National Securities Depository Limited (NSDL) & Central Depository Services Limited (CDSL).

50,54,360 equity shares of the company forming 82.25% of the total share capital of the company stand dematerialized as on 31<sup>st</sup> March, 2014.

**ADDRESS FOR CORRESPONDENCE**

Baid House, II<sup>nd</sup> Floor, 1, Tara Nagar, Ajmer Road, Jaipur – 302006  
Ph. No.: +91 9214018855/8866/8877  
E-mail Id: [baidfinance@baidgroup.in](mailto:baidfinance@baidgroup.in)  
CIN: L65910RJ1991PLC006391

**DATE: 24.05.2014**  
**PLACE: JAIPUR**

**FOR AND ON BEHALF OF THE BOARD**

**PANNA LAL BAID**  
**(Managing Director)**  
**DIN: 00009897**

**RAKESH KUMAR BAID**  
**(Whole-time Director)**  
**DIN: 00009926**

## **MANAGEMENT DISCUSSION & ANALYSIS REPORT**

### **INDUSTRY STRUCTURE & DEVELOPMENTS**

Economic activity in India continued to be moderate during the Financial Year 2013-14. Global economic conditions also remained weak with slowdown in growth in developed and emerging economies. While a supportive policy environment in developed economies prevented any crisis situation, uncertainty around revival in global growth remained a concern through the year.

Your Company being in financial sector is continued to reel under pressure from the Banking Industry which has penetrated into almost all the segments of the financial services sector. In the highly competitive environment in which the NBFC'S are presently working, they have no option but to streamline and optimize their operations to adapt to the emerging scenario.

### **OUTLOOK ON OPPORTUNITIES**

The Reserve Bank of India (RBI) undertook a calibrated easing of monetary policy during the year. A series of policy measures were announced by the Government during the later part of fiscal 2013-14 due to which the Indian equity markets improved due to favorable global liquidity conditions and domestic events. The increase in values in the finance sector, the growth in industry, trade and commerce had lead to significant increase in overall credit off-take. Your Board of Director's intends to increase its thrust on good business in the current financial year. However, rising rate of interests would affect the business of the Company in future.

Your directors expect that with stable government in center, estimates of better GDP growth rate, the Company's strong business model, innovative fund management techniques, continued confidence of investors and support of the lending institutions to the Company's fund mobilization activities on account of good track record of debt servicing, your Company should achieve better performance in the year 2014-15.

### **OUTLOOK ON THREATS, RISKS AND CONCERNS**

The NBFC sector, in which your company operates, has been facing competitive pressure from Banks and Financial Institutions, making it increasingly difficult to generate revenues. The shrinking of interest spreads has put further pressure compelling them to look for new avenues for revenue generation and investment sector is also affected on international trend. Hence, both the sector needs to be very cautious and challenging business.

The profit margins have increased due to better marketing efforts of our people at rural markets. We have been able to disburse maximum finance in rural market where company is able to achieve better rates.

### **SWOT ANALYSIS**

#### **Strengths**

- Knowledge-driven and relationship-based business model
- A well-defined and scalable organisation structure based on product, territory and process knowledge
- Experienced and stable management team

- Strong relationships with public, private banks, institutions and investors.

**Weaknesses**

The Company's business and its growth are directly linked to the GDP growth of the country.

**Opportunities**

- Growth in the Commercial Vehicle market
- Strong demand for passenger CVs
- Strong demand for pre-owned vehicles
- Loans for working capital requirements of CV users
- Partnerships with private financiers will enable the Company to enhance its reach without significant investments in building infrastructure.

**Threats**

Regulatory changes in the NBFC and ancillary sectors.

**INTERNAL CONTROL SYSTEM**

In any industry, the processes and internal control systems play a critical role in the health of the Company. The Company's well defined organizational structure, documented policy guidelines, defined authority matrix and internal controls ensure efficiency of operations, compliance with internal policies and applicable laws and regulations as well as protection of resources. Moreover, the Company continuously upgrades these systems in line with the best available practices.

The Company has established its internal control system commensurate with the requirement of its size. The Finance Department of the company is well staffed with experienced and qualified personnel who will play an important role in implementing and monitoring the internal control environment and compliance with statutory requirements.

**INFORMATION TECHNOLOGY**

The company has been using the best possible information technology as a management tool for internal control. The Company continues to invest reasonable into information technology for monitoring operation.

**HUMAN RESOURCE MANAGEMENT**

Human resources are a valuable asset for any organization. The company is constantly endeavoring to source and develop skilled manpower at all levels. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals. Total number of employees as on 31<sup>st</sup> March, 2014 stood at 19.

**DATE: 24.05.2014**

**FOR AND ON BEHALF OF THE BOARD**

**PLACE: JAIPUR**

**PANNA LAL BAID**  
**(Managing Director)**  
**DIN: 00009897**

**RAKESH KUMAR BAID**  
**(Whole-time Director)**  
**DIN: 00009926**

**CERTIFICATE BY CHIEF EXECUTIVE OFFICER (CEO)  
AND CHIEF FINANCIAL OFFICER (CFO)**

We, Panna Lal Baid, Managing Director and Manoj Kumar Jain, Finance Head of Baid Leasing & Finance Co. Ltd. to the best of our knowledge and belief hereby certify that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31<sup>st</sup> March, 2014 and that to the best of our knowledge and belief;
  - These statements do not contain any materially untrue statement or omit any material fact nor contain statements that might be misleading, and
  - These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct;
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and audit committee, deficiencies in the design or operation on internal controls, if any, of which we are aware and the steps that we have taken or propose to take to rectify the identified deficiencies and
4. We have informed the auditors and the audit committee that:
  - i. There has not been any significant changes in internal control over financial reporting during the year under reference;
  - ii. There has not been any significant changes in accounting policies during the year requiring disclosed in the notes to the financial statements; and
  - iii. There has not been any instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

**DATE : 24.05.2014**

**PLACE : JAIPUR**

**FOR AND ON BEHALF OF THE BOARD**

**PANNA LAL BAID  
(Managing Director)  
DIN: 00009897**

**MANOJ KUMAR JAIN  
(Finance Head)**

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

To,  
The Members,  
Baid Leasing and Finance Company Limited  
Jaipur.

We have examined the compliance of conditions of corporate governance by Baid Leasing And Finance Company Limited for the year ended on 31<sup>st</sup> March, 2014, 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 explanation given to us, we certify that the company has generally complied with the conditions of corporate governance as stipulated in the above-mentioned listing agreement.

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

**DATE : 24.05.2014**  
**PLACE : JAIPUR**

**For V.M. & Associates**  
**Company Secretaries**

**CS Manoj Maheshwari**  
**Partner**  
**FCS 3355, CP No. 1971**

## **Independent Auditor's Report**

To the Members of  
**Baid Leasing & Finance Co. Ltd.**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of BAID LEASING AND FINANCE COMPANY LTD., which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

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

### **Auditor's Responsibility**

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

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

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

### **Opinion**

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

- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- 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 the Cash Flow Statement, of the cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
  - a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
  - b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
  - d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
  - e) on the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

**Place : Jaipur**  
**Date : 24-05-2014**

**For Sharma Naresh & Associates**  
**Chartered Accountants**  
Firm's Registration Number : 02984C

**Naresh Sharma**  
(Proprietor)  
Membership No. : 071485

**ANNEXURE TO THE AUDITOR'S REPORT**  
**Referred to in paragraph 5 of our report of even date,**

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) As per the information and explanation given to us the Management has physically verified company's assets. The programme of verification in our opinion, was reasonable having regard to the size of the company and the nature of its assets. As reported no material discrepancies were noticed on such verification.
- (c) The company has not disposed off any plant and machinery affecting its going concern status.
- (ii) (a) The inventory has been physically verified during the year by the management at intervals which in our opinion is reasonable.
- (b) In our opinion and according to the explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
- (c) In our opinion the company is maintaining proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material having regard to the nature of company's business.
- (iii) (a) *The company has transacted with 7 parties covered in the register maintained under section 301 of the Companies Act, 1956. The transactions are by and large of the nature of current account and payment of expenses like lease rent, interest, advertisement etc. Sum total of the year-end balances of the accounts is 49.94 lac (credit)* In our opinion, the rate of interest and other terms and conditions on which loans have been taken from/granted to the companies listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (b) The amounts advanced by the company or taken by the company are of the nature of long term loans, wherein no fixed repayment schedule has been stipulated. Clause (iii) (c), to the extent it pertains to repayment of principle, is therefore inapplicable. The said parties however, have been by and large regular in the payment of interest.
- (c) In the light of the above, there is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchases of inventory, fixed assets and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) To the best of our knowledge and belief and according to the information and explanations given to us, we are of the opinion that the transactions that need to be entered into the



register maintained under section 301 of the Companies Act, 1956 have been so entered.

- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and exceeding the value of rupees five lac. in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- (vi) Company has not accepted deposits from public within the meaning assigned to the term under sections 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975. To the best of our knowledge no order has been passed, against the company, under the aforesaid sections, by the Company Law Board.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) To the best of our information no cost records have been prescribed for the company by the Central Government under Rules made for the maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956.
- (ix) (a) The undisputed statutory dues including provident fund, investor education protection fund, employees' state insurance, sales tax, wealth tax, custom duty, excise duty, cess and other material statutory dues as applicable to the company, have been generally regularly deposited with appropriate authorities *subject to income-tax where there have been delays in deposit. Such delays however, in our opinion have not been serious.*
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty, excise duty and cess were in arrears, as at for a period of more than six months from the date they became payable.
- (x) The company has no accumulated losses. As reflected in the cash flow statement the company has not incurred cash losses during the financial year covered by our audit as well as in its preceding financial year.
- (xi) According to the information and explanations given to us, the company has not defaulted in repayment of dues to the financial institution, bank or debenture holders.
- (xii) To the best of our information and the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other such securities.
- (xiii) The company is not a chit fund or a nidhi mutual benefit fund society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion proper records have been maintained of the transactions and contracts entered in to with reference to company's dealings in shares and securities and timely entries have been made therein. The securities in possession of company have been held either in company's name or are held with blank transfer forms.

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 **BAID LEASING AND FINANCE CO. LTD.**

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- (xv) *Company has provided a corporate guarantee to ICICI Bank Ltd. against Rs. 4.75 Cr. financed by said bank to Baid Finance a proprietorship concern of Mahendra Kumar Baid (HUF).*
- (xvi) To the best of our information the company has applied the term loan for the purpose for which it was obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
- (xviii) The company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
- (xix) The company has not made any debenture issue.
- (xx) The company has not made any public issue during the period under review.
- (xxi) According to the information and explanation given to us no fraud on or by the company has been noticed or reported during the course of our audit.

**Place: Jaipur**  
**Date: 24-05-2014**

**For Sharma Naresh & Associates**  
**Chartered Accountants**  
Firm's Registration Number : 02984C

**Naresh Sharma**  
(Proprietor)  
Membership No. : 071485

**BALANCE SHEET AS AT 31st MARCH 2014**

Particulars	Note No.	31st March 2014	31st March 2013
<b>I EQUITY AND LIABILITIES</b>			
1 Shareholders' Funds			
(a) Share Capital	1	61,450,000	61,450,000
(b) Reserve & Surplus	2	66,745,207	56,591,372
2 Non-current Liabilities			
(a) Long-term borrowings	3	91,811,810	134,331,114
(b) Other long-term liabilities	4	1,282,456	1,282,456
(c) Long-term provisions	5	1,768,660	2,042,271
3 Current Liabilities			
(a) Short-term borrowings	6	122,204,826	71,673,756
(b) Trade payables	7	2,062,047	4,181,117
(c) Other current liabilities	8	54,059,981	16,022,272
(d) Short-term provisions	9	5,667,102	3,279,516
Total		<b>407,052,089</b>	<b>350,853,873</b>
<b>II ASSETS</b>			
1 Non-current assets			
(a) Fixed assets	10		
Tangible assets		3,906,000	4,254,536
(b) Non-current investments	11	10,700,882	7,383,958
(c) Deferred tax asset (net)	12	346,049	421,198
(d) Long-term loans and advances	13	24,789,873	40,573,511
2 Current assets			
(a) Inventories	14	315,107,294	264,198,107
(b) Trade receivables	15	41,017,881	28,684,254
(c) Cash and cash equivalents	16	10,550,062	4,544,370
(d) Short-term loans and advances	17	634,049	778,940
(e) Other current assets	18	-	15,000
Total		<b>407,052,089</b>	<b>350,853,873</b>
Significant Accounting Policies and Notes on Accounts For and on behalf of Board	26		

**(Panna Lal Baid)**  
(Managing Director)  
DIN : 00009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN : 00009926

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**(Namrata Sajnani)**  
(Company Secretary)

**( Naresh Sharma )**  
Proprietor

**PLACE : JAIPUR**  
**DATED : 24-05-2014**

**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31ST MARCH 2014**

Particulars	Refer Note No.	For the financial year ended on 31st March	
		2014	2013
I Revenue from operations	19	73,493,421	197,987,094
II Other Income	20	18,805	4,485,750
III Total Revenue ( I + II )		<b>73,512,226</b>	<b>202,472,844</b>
IV Expenses			
(a) Purchase of stock-in-trade	21	437,131	144,959,539
(b) Changes in inventories of F.G., W.I.P., and Stock-in-trade	22	(410,865)	35,621
(c) Employee benefits expenses	23	7,072,431	4,462,820
(d) Finance cost	24	24,885,884	26,243,024
(e) Depreciation and amortisation expenses	10	530,020.66	526,203
(f) Other expenses	25	25,591,510	13,388,634
Total expenses		<b>58,106,112</b>	<b>189,615,841</b>
V Profit before exceptional and extraordinary items and tax		15,406,114	12,857,003
VI Exceptional and Extraordinary items		-	-
VII Profit / (Loss) before tax (V + VI)		<b>15,406,114</b>	<b>12,857,003</b>
VIII Tax Expenses			
(a) Current Tax		4,876,909	2,954,195
(b) Excess/(Short) provision of tax relating to earlier years		300,221	285,704
(c) Deferred Tax		75,149	(390,110)
IX Profit / (Loss) for the period		<b>10,153,835</b>	<b>10,007,214</b>
X Basic (same as diluted) earning per share		1.65	1.63

**For and on behalf of Board**

**(Panna Lal Baid)**  
(Managing Director)  
DIN : 00009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN : 00009926

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**(Namrata Sajnani)**  
(Company Secretary)

**( Naresh Sharma )**  
Proprietor

**PLACE : JAIPUR**  
**DATED : 24-05-2014**

**Cash Flow Statement**

Particulars	For the year ended on 31st March			
	2014		2013	
	Details	Amount	Details	Amount
<b>A Cash flow from operating activities</b>				
N.P. before tax		15,406,114		12,857,003
Adjustments for				
Provision for depreciation	530,021		526,203	
Provision for N.P.A/W/Back	(273,611)		1,143,137	
Finance cost paid	24,885,884	25,142,294	26,243,024	27,912,364
Op. profit before income-tax		40,548,407		40,769,367
Less: Income-tax		(5,252,279)		(2,849,789)
Op. profit before working cap. changes		35,296,128		37,919,578
Adjustments for change in working cap.				
a. (Increase)/decrease in op. assets				
Inventories	(50,909,187)		(42,969,130)	
Trade receivables	(12,333,627)		(11,830,860)	
Long term loans & advances	15,783,638		22,019,667	
Short term loans & advances	144,891		1,355,999	
Other current assets	15,000	(47,299,285)	526,493	(30,897,831)
b. Increase/(decrease) in op. liabilities				
Trade payables	(2,119,070)		(921,627)	
Other current liabilities	38,037,709		(3,101,389)	
Other Long Term Liability				
Short term provisions	2,387,586		159,008	
Long term provisions		38,306,225		3,864,008)
<b>Net cash flow/(used)-op. activities (A)</b>		26,303,069		3,157,739
<b>B Cash flow from investing activities</b>				
Dividend on investments	-		-	
Adj. for (increase)/decrease in assets				
Fixed assets	(181,485)		(6,680)	
Long term investments	(3,316,924)		23,966,500	
Deferred tax assets	75,149		(390,110)	
<b>Cash flow/(used) - invtng. activities (B)</b>		(3,423,260)		23,569,710
<b>C Cash flow from financing activities</b>				
Finance Cost	(24,885,884)		(26,243,024)	
Increase/(decrease) in L.T. borrowings	(42,519,304)		(19,364,486)	
Increase/(decrease) in W.C. limits	50,531,071		21,304,023	
<b>Cash flow/(used)-fin. activities (C')</b>		(16,874,117)		(24,303,487)
Net increase/(decrease) in cash & equvnt. (A)+(b)+(C')		6,005,692		2,423,962
Cash & equivalent at the beginning of yr.		4,544,370		2,120,407
Cash & equivalent at end of the year		10,550,062		4,544,370

**For and on behalf of Board**

**(Panna Lal Baid)**  
(Managing Director)  
DIN : 00009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN : 00009926

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**PLACE : JAIPUR**      **(Namrata Sajnani)**  
**DATED : 24-05-2014**      (Company Secretary)

**( Naresh Sharma )**  
Proprietor

**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**
**NOTE 1 SHARE CAPITAL**

Share Capital (With equal voting rights)	As on March 2014		As on March 2013	
	Number	Rupees	Number	Rupees
<u>Authorised</u>				
7,000,000 Equity shares of Rs. 10 each	7000000	70,000,000	7000000	70,000,000
<u>Issued</u>				
6,145,000 Equity shares of Rs. 10 each	6145000	61,450,000	6145000	61,450,000
<u>Subscribed &amp; Paid-up</u>				
6,145,000 Equity shares of Rs. 10 each	6145000	61,450,000	6145000	61,450,000
<b>Total</b>	<b>6,145,000</b>	<b>61,450,000</b>	<b>6,145,000</b>	<b>61,450,000</b>

Reconciliation of shares outstanding

Equity Shares	As on March 2014		As on March 2013	
	Number	Rupees	Number	Rupees
At the beginning of the period	6145000	61,450,000	6145000	61,450,000
Addition during the period	-	-	-	-
Deduction during the period	-	-	-	-
Outstanding at the end of the period	6145000	61,450,000	6145000	61,450,000

Details of shareholders holding more than 5% shares in the company

Name of the Shareholder	As on March 2014		As on March 2013	
	Number	Rupees	Number	Rupees
1 Jaisukh Developers Pvt. Ltd.	709500	7,095,000	709500	7,095,000
2 BFL Developers Ltd.	352400	3,524,000	352400	3,524,000
3 Carewell Builders Pvt. Ltd.	332600	3,326,000	332600	3,326,000
4 Aman Baid	340170	3,401,700		-

**NOTE 2 RESERVE AND SURPLUS**

Particulars	As on 31st March	
	2014	2013
(a) (i) Special Reserve (R.B.I. - 20% of Profit)		
Opening Balance	13,900,000	11,900,000
Add: transfer from profit & loss account	2,000,000	2,000,000
Closing Balance	15,900,000	13,900,000
(ii) Special Reserve (R.B.I. - Standard Assets)		
Opening Balance	-	-
Add: transfer from profit & loss account	834,200	-
Closing Balance	834,200	-
(b) Profit and loss account		
Opening Balance	42,691,372	34,684,158
Add: profit / (loss) of the year	10,153,835	10,007,214
Less transfer to special reserve	(2,000,000)	(2,000,000)
Less transfer to G. Provision for Std. Assets (Prev. year)	(724,500)	-
Less transfer to G. Provision for Std. Assets (Current year)	(109,700)	-
Closing Balance	50,011,007	42,691,372
<b>Total Reserve and surplus</b>	<b>66,745,207</b>	<b>56,591,372</b>

**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**
**NOTE 3 LONG TERM BORROWINGS**

Particulars	Security & Payment terms	As on March 2014		As on March 2013	
		Secured	Unsecured	Secured	Unsecured
(a) <u>T.L. from Banks</u>					
Mass Finance Ltd., Ahmedabad	Secured against (a) exclusive charge against so financed portfolio, (b)FDR of 33 lac, (c) P.D.C. and (d) personal guarantees of directors . Repayable in 24 installment of Rs. 12.50 lac each plus interest accrued during the month @ 15.5% p.a.	11,782,794	-	-	-
ICICI Bank Ltd., M.I. Road, Jaipur	Secured against car and personal guarantee of Rakesh Baid. Repayable in 36 installment of Rs. 103680/- each.Bearing interest @ 10%	-	-	570,770	-
		<b>11,782,794</b>	<b>-</b>	<b>570,770</b>	<b>-</b>
(b) <u>Deposits</u>					
I.C. Deposits	Repayable at will	-	80,029,013	-	133,760,341
		<b>-</b>	<b>80,029,013</b>	<b>-</b>	<b>133,760,341</b>
(c) <u>Loans &amp; advances from related parties</u>					
Shri Ganesh Ji Maharaj		1.31	-	1.31	-
Shri Laxmi Ji Maharaj		1.31	-	1.31	-
		<b>2.62</b>	<b>-</b>	<b>2.62</b>	<b>-</b>
<b>Total Long Term Borrowings</b>		<b>11,782,797</b>	<b>80,029,013</b>	<b>570,773</b>	<b>133,760,341</b>

Details of Long-term borrowings guaranteed by some of the directors or others

Particulars	As on 31st March	
	2014	2013
(a) Term loan from Banks	-	570,770
(b) Other loans & advances	11,782,794	-
Total long-term borrowings guaranteed by directors or others	<b>11,782,794</b>	<b>570,770</b>

**NOTE 4 OTHER LONG TERM LIABILITIES**

Particulars	As on March 2014		As on March 2013	
	Secured	Unsecured	Secured	Unsecured
(a) Trade Payables	-	1,282,456	-	1,282,456
Total Other long term liabilities	<b>-</b>	<b>1,282,456</b>	<b>-</b>	<b>1,282,456</b>

**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**
**NOTE 5 LONG TERM PROVISIONS**

Particulars	As on 31st March	
	2014	2013
(a) <u>Provisions: Others:</u>		
Other contingencies		
Income Tax Demand (04-05)	35,315	35,315
Sub-Standard Hire Purchase Assets	1,733,345	2,006,956
<b>Total long-term provisions</b>	<b>1,768,660</b>	<b>2,042,271</b>
(Refer to Note '26', Significant accounting policy number '7')	-	-

**NOTE 6 SHORT TERM BORROWINGS**

Particulars	As on March 2014		As on March 2013	
	Secured	Unsecured	Secured	Unsecured
(a) Loans repayable on demand -banks	122,204,826	-	71,673,756	-
<b>Total</b>	<b>122,204,826</b>	<b>-</b>	<b>71,673,756</b>	<b>-</b>

Details of short-term borrowings guaranteed by some of the directors or others

Particulars	Nature of Security	As on 31st March	
		2014	2013
(a) Loan repayable on demand - from bank	All vehicles financed, book-debts & other current assets; Extended charge over residential house of Carewell Builders Pvt. Ltd.; Equitable mortgage over Sobhag Devi Baid's shop; Corporate /personal guarantees of company's two directors, their two relatives, Carewell Builders P. Ltd. and its directors.	122,204,826	71,673,756
<b>Total short-term borrowings guaranteed by directors or others</b>		<b>122,204,826</b>	<b>71,673,756</b>

**NOTE 7 TRADE PAYABLES**

Particulars	As on 31st March	
	2014	2013
<u>Acceptances</u>		
(i) Goods purchased	69,029	-
(ii) Services Received	1,964,818	4,083,117
(iii) Employees	28,200	98,000
<b>Total trade payables</b>	<b>2,062,047</b>	<b>4,181,117</b>
	-	-



**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**
**NOTE 8 OTHER CURRENT LIABILITIES**

Particulars	As on 31st March	
	2014	2013
(a) Current maturities of long-term debts (refer to Note (3)(a) above)	19,772,433	1,244,160
(b) Other payables		
(i) Statutory remittances (TDS.)	1,472,743	1,668,174
(ii) Others		
Cheque Issued but not Presented	32,814,805	12,433,938
Payable on purchase of investments	-	676,000
Total other current liabilities	<b>54,059,981</b>	<b>16,022,272</b>

**NOTE 9 SHORT TERM PROVISIONS**

Particulars	As on 31st March	
	2014	2013
Employee benefits		
(a) Salary payable	503,660	345,340
(b) Bonus	283,400	153,600
Other provisions for		
(a) Income-tax [Net of advance Rs. 1,77,204 (prev. yr. Rs. 2,38,844)]	4,674,905	2,715,351
(b) Other contingencies	205,137	65,225
<b>Total short term provisions</b>	<b>5,667,102</b>	<b>3,279,516</b>

**NOTE 10 FIXED ASSETS**

Particulars	Bal. as on 1st April 2013	Additions	Disposals	Acquisition business combinations	Reclassified for sale	Revaluation increase	Foreign exchange difference	Borrowing cost capitalised	Other adjustments	Bal. as on 31st March 2014
<b>(A) Tangible Assets</b>										
(a) Plant & Equipments	1,175,998.07			1,175,998.07						1,175,998.07
(b) Furniture & Fixture	501,230.20	181,485.00		682,715.20						682,715.20
(c) Vehicles	131,580.00			131,580.00						131,580.00
(d) Office Equipments	265,473.22			265,473.22						265,473.22
(e) Computers	433,045.86			433,045.86						433,045.86
(f) Water Cooler, CTV & Fridge	641,795.76			641,795.76						641,795.76
(g) Motor Car	4,001,790.00			4,001,790.00						4,001,790.00
<b>Total tangible</b>	<b>7,150,913.11</b>	<b>181,485.00</b>	<b>-</b>	<b>7,332,398.11</b>						<b>7,332,398.11</b>
Previous year	7,144,253.11	5,680.00		7,150,913.11						7,150,913.11

(Refer to Note '26', Significant of Accounting Policy number '3')

For and on behalf of Board

**(Panna Lal Baid)**  
(Managing Director)  
DIN 00009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN 00009926

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**(Namrata Sajnani)**  
(Company Secretary)

**( Naresh Sharma )**  
Proprietor

**PLACE: JAIPUR**  
**DATED: 24-05-2014**



## NOTE 10 FIXED ASSETS (CONTD.)

Particulars	Rate of Depr.	Gross Block			Accumulated Depreciation			Net Block	
		As on 01-04	Additions	Deletions	As on 01-04	Additions	Deletions	As on 31-03	As on 31-03
		2013	2014	Adjustments	2013	2014	Adjustments	2013	2014
<b>(A) Tangible Assets</b>									
(a) Plant & Equipments	4.75	1,175,998.07	1,175,998.07	827,563.77	55,859.91	883,423.68	348,434.30	292,574.39	
(b) Furniture & Fixture	6.33	501,230.20	181,485.00	457,124.10	44,739.63	501,863.73	44,106.10	180,851.47	
(c) Vehicles	4.75	131,580.00	131,580.00	131,580.00	-	131,580.00	-	-	
(d) Office Equipments	4.75	265,473.22	265,473.22	200,426.24	12,609.98	213,036.22	65,046.98	52,437.00	
(e) Computers	16.21	433,045.86	433,045.86	426,890.07	6,155.79	433,045.86	5,155.79	-	
(f) Water Cooler, CTV & Fridge	4.75	641,795.76	641,795.76	314,305.84	30,485.30	344,791.14	327,489.92	297,004.62	
(g) Motor Car	9.50	4,001,790.00	4,001,790.00	538,487.44	380,170.05	918,657.49	3,463,302.56	3,083,132.51	
<b>Total tangible</b>		<b>7,150,913.11</b>	<b>181,485.00</b>	<b>-</b>	<b>7,332,398.11</b>	<b>2,896,377.46</b>	<b>530,020.66</b>	<b>3,426,398.12</b>	<b>4,254,535.65</b>
Previous year		7,144,233.11	6,680.00	7,150,913.11	2,370,174.48	528,202.98	2,896,377.46	4,774,058.63	4,254,535.65

(Refer to Note 26. Significant of Accounting Policy number '3' &amp; '4')

For and on behalf of Board

**(Panna Lal Baid)**  
(Managing Director)  
DIN 000009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN 00009926

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**(Namrata Sajnani)**  
(Company Secretary)

**( Naresh Sharma )**  
Proprietor

**PLACE: JAIPUR**  
**DATED: 24-05-2014**

**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**
**NOTE 11 NON CURRENT INVESTMENTS**

( Valued at Cost )

Particulars	As on 31st March	
	2014	2013
(a) <u>Equity shares</u>		
(i) <u>Unquoted</u>		
Others		
Tradeswift Commodities Pvt. Ltd. [14,550 shares (prev. year 14,550) of Rs. 10 each fully paid-up]	436,500	436,500
Pragati Dreamland Developers Pvt. Ltd. [5,000 shares (prev. year 5,000) of Rs. 10 each fully paid-up]	50,000	50,000
Dream Finhold Pvt. Ltd. [19,300 shares (prev. year 19,300) of Rs. 10 each fully paid-up]	6,176,000	6,176,000
	<u>6,662,500</u>	<u>6,662,500</u>
(b) <u>Mutual Funds</u>		
<u>Quoted</u>		
UTI Equity Fund Growth	100,000	100,000
Morgan Stanley Growth Fund	11,000	11,000
UTI Master Plus Unit Scheme Growth	300,000	300,000
	<u>411,000</u>	<u>411,000</u>
Aggregate M. value of quoted Mutual Funds is Rs. (previous year Rs. 24,71,895/-)	<u>2,888,162</u>	
(c) <u>Other Non-current Investments</u>		
Gold	34,138	34,138
Deposit with Mass Finance	3,316,924	-
Sterling Holiday Resorts Ltd.	78,576	78,576
Mahindra Holidays & Resorts India	197,744	197,744
	<u>3,627,382</u>	<u>310,458</u>
(Refer to Note '26', Significant Accounting Policy number '6')		
<b>Total Non-current Investments</b>	<b>10,700,882</b>	<b>7,383,958</b>

**NOTE 12 DEFERRED TAX ASSETS**

Particulars	As on 31st March	
	2014	2013
<u>Assets</u>		
C/f business loss (speculative)	223,633	198,492
Provision For Sub-Std. Assets	1,733,345	2,006,956
Total assets	<u>1,956,978</u>	<u>2,205,448</u>

**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**

Particulars	As on 31st March	
	2014	2013
<b>Liabilities</b>		
Excess of book value as per Co. Law over that as per I.tax Act	837,079	842,348
Total liabilities	<u>837,079</u>	<u>842,348</u>
Excess of assets over liabilities	1,119,899	1,363,100
Deferred tax rate	30.90%	30.90%
Net Deferred Tax Assets	<u>346,049</u>	<u>421,198</u>
Opening Provision of Deferred Tax Assets /(Liabilities)	421,198	31,088
DT Expenses / (Savings)	<u>75,149</u>	<u>(390,110)</u>

**NOTE 13 LONG TERM LOANS AND ADVANCES**

( All unsecured, considered good )

Particulars	As on 31st March	
	2014	2013
(a) <u>Capital Advances</u>	-	9,200,000
(b) <u>Security Deposits</u>	7,133	7,133
(c) <u>Balances with government authorities</u>		
Income Tax Demand (Against Appeal)	2,986,837	2,986,837
(Refer to Note '26', Note number '3')		
(d) <u>Other Loans and advances</u>	21,795,903	28,379,541
<b>Total Long term loans and advances</b>	<u><b>24,789,873</b></u>	<u><b>40,573,511</b></u>

**NOTE 14 INVENTORIES**

Particulars	As on 31st March	
	2014	2013
(a) <u>Stock-in-trade (acquired for trading)</u>		
Shares & Securities (Valued at lower of cost and market value)	3,225,224	2,814,359
(Refer to Note '26', Significant accounting policy number '5')		
(b) <u>Others (hire-purchase stock) (Valued at cost)</u>		
(i) Stock on Hire	392,904,690	329,556,603
(ii) Payable to HP customers (Balance)	(2,816,829)	(1,796,558)
(iii) H.P.Charges Unearned	(78,205,791)	(66,376,296)
<b>Total Inventories</b>	<u><b>315,107,293.76</b></u>	<u><b>264,198,107</b></u>

**NOTES TO THE BALANCE SHEET AS ON 31ST MARCH 2014**
**NOTE 15 TRADE RECEIVABLES**

(Other than directors &amp; related persons, unsecured considered good)

Particulars	As on 31st March	
	2014	2013
(a) Outstanding for a period exceeding 6 months from the date they became due for payment	24,778,842.66	16,281,169.09
(b) Other trade receivables	16,239,038.58	12,403,085.02
<b>Total Trade receivable</b>	<b>41,017,881.24</b>	<b>28,684,254.11</b>

**NOTE 16 CASH AND CASH EQUIVALENTS**

Particulars	As on 31st March	
	2014	2013
(a) Cash on hand	6,203,710.00	175,208.00
(b) Balances with banks Current Accounts	4,346,351.50	4,369,161.51
<b>Total Cash and cash equivalents</b>	<b>10,550,061.50</b>	<b>4,544,369.51</b>

**NOTE 17 SHORT TERM LOANS AND ADVANCES**

(Other than directors &amp; related persons, unsecured considered good)

Particulars	As on 31st March	
	2014	2013
(a) Prepaid Expenses	39,534	184,425
(b) Balances with government authorities	594,515	594,515
<b>Total Short term loans &amp; advances</b>	<b>634,049</b>	<b>778,940</b>

**NOTE 18 OTHER CURRENT ASSETS**

(Other than directors &amp; related persons, unsecured considered good)

Particulars	As on 31st March	
	2014	2013
1 Receivable on sale of Investments	-	15,000.00
	-	15,000.00

**For and on behalf of Board**

**(Panna Lal Baid)**  
(Managing Director)  
DIN : 00009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN : 00009926

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**(Namrata Sajnani)**  
(Company Secretary)

**(Naresh Sharma)**  
(Proprietor)

**PLACE : JAIPUR**  
**DATED : 24-05-2014**

**NOTES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014**
**NOTE 19 REVENUE FROM OPERATIONS**

Particulars	As on March 2014		As on March 2013	
	Details	Amount	Details	Amount
(a) Sale of products				
Share & Securities		-		145,507,705
(b) Sale of services(hire-purchase & finance)				
Hire Income	64,229,709		50,820,711	
Interest on Delayed Installment	6,877,678		7,099,860	
Interest(R)	2,005,958		2,634,601	
Provision for Sub-standard Assets W/Ba	273,611	73,386,956	(1,143,137)	59,412,035
(c) Other operating revenues				
Loss from Intraday Trading	-		(198,492)	
Loss from F & O Trading	-		(6,847,001)	
Brokerage Reversed	-		66	
Dividend On Shares	106,465	106,465	112,782	(6,932,645)
<b>Total</b>		<b>73,493,421</b>		<b>197,987,094</b>
<b>Less: Excise duty</b>		-		-
<b>Total operating revenue</b>		<b>73,493,421</b>		<b>197,987,094</b>

Refer to Note '26', Significant accounting policy number '1' and '2'

**NOTE 20 OTHER INCOME**

Particulars	As on 31st March 2014		As on 31st March 2013	
	Details	Amount	Details	Amount
(a) <u>Interest Income</u>				
Other interest		18,805		
(a) <u>Net gain from sale of</u>				
Current investments		-	(9,568,787)	
Long-term investments		-	14,054,537	4,485,750
<b>Total other income</b>		<b>18,805</b>	<b>4,485,750</b>	<b>4,485,750</b>

**NOTE 21 PURCHASE OF STOCK-IN-TRADE**

Particulars	As on 31st March	
	2014	2013
(a) Traded goods (Equity Shares)	437,131	144,959,539
<b>Total purchase of stock-in-trade</b>	<b>437,131</b>	<b>144,959,539</b>

**NOTES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014**
**NOTE 22 CHANGES IN INVENTORIES**

Particulars	As on 31st March	
	2014	2013
(a) Traded Goods (Equity Shares)		
Opening Stock	2,814,359	2,849,980
Less: Closing stock	3,225,224	2,814,359
Change in stock of traded goods	(410,865)	35,621
<b>Decrease / (Increase) in inventories</b>	<b>(410,865)</b>	<b>35,621</b>

**NOTE 23 EMPLOYEE BENEFITS EXPENSES**

Particulars	As on 31st March	
	2014	2013
(a) Salaries	6,350,030	3,901,450
(b) Director Remuneration	324,000	324,000
(c) Bonus	283,400	153,600
(d) Any other benefit to staff		
Staff Welfare Expenses	73,867	26,850
Medical Insurance Staff	41,134	56,920
<b>Total employee benefits expenses</b>	<b>7,072,431</b>	<b>4,462,820</b>

**NOTE 24 FINANCE COST**

Particulars	As on 31st March	
	2014	2013
(a) Interest expenses on Borrowings	23,541,334	26,018,669
(b) Other borrowing costs		
Loan processing charges	1,344,550	224,355
<b>Total finance cost</b>	<b>24,885,884</b>	<b>26,243,024</b>

**NOTE 25 OTHER EXPENSES**

Particulars	As on 31st March	
	2014	2013
(a) Power and fuel	304,073	221,581
(b) Rent	1,495,800	630,300
(c) Repairs to building	85,834	-



**NOTES TO THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2014**

Particulars	As on 31st March	
	2014	2013
(d) Repairs to machinery etc.	53,916	19,191
(e) Insurance	59,891	62,599
(f) Rates and taxes (excluding taxes on income)	3,937	343,422
(g) Miscellaneous expenses		
Commission Paid	11,790,875	6,640,313
Vehicle repossession exp.	5,593,900	3,289,266
Advertisements & Publicity	1,325,402	252,550
Discount on sale of NPA	3,093,814	-
Other miscellaneous expenses	1,784,069	1,929,412
<b>Total other expenses</b>	<b>25,591,510</b>	<b>13,388,634</b>

**For and on behalf of Board**

**(Panna Lal Baid)**  
(Managing Director)  
DIN : 00009897

**(Rakesh Kumar Baid)**  
(Whole-time Director)  
DIN : 00009926

**(Namrata Sajnani)**  
(Company Secretary)

Subject to the audit report of even  
For Sharma Naresh & Associates  
Chartered Accountants

**(Naresh Sharma)**  
(Proprietor)

**PLACE : JAIPUR**  
**DATED : 24-05-2014**

**SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

( Forming part of the final accounts for the year 2013-2014)

**(A) SIGNIFICANT ACCOUNTING POLICIES****1) General**

- A. Accounts have been prepared on historical cost basis following the mercantile system of accounting.
- B. All expenses and income, to the extent considered payable and receivable respectively are accounted for on accrual basis, subject to the following heads, which have been accounted for on cash basis:
  - a. Accrued hire charges in cases where number of due installments exceed 12 months.
  - b. Interest on Loans and Advances considered as sticky by the management.
  - c. Penal interest chargeable on delayed installments of hire charges and payable in respect of delayed payment of taxes.

**2) Use of Estimates**

Preparation of financial statements requires management to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to contingent liabilities and reported amounts of income and expenditure during the period. Actual results might differ from such estimates. Difference between the actual results and estimates are recognized in the period in which the results are known.

**3) Fixed Assets**

Fixed assets are stated at cost. Taxes, duties, freight and other expenses incidental to acquisition or installments thereof are included in the cost.

**4) Depreciation**

Depreciation has been provided for following Straight Line Method, at the rates and in the manner specified in Schedule IVX of the Companies Act, 1956.

**5) Inventories**

Inventories have been valued at cost or market value whichever is less.

**6) Investments**

Investments have been stated at cost in view of their long-term nature. Market value of quoted Investments as on 31<sup>st</sup> March, 2014 however is separately disclosed in the relevant schedule.

**7) Provision for NPA under Hire-Purchase and Loans & Advances**

Company is a R.B.I. approved Non-banking-finance-company, hence it has made provision for the Non-performing-assets in respect of its Hire –Purchase and Loans & Advances assets in accordance with the 'provisioning norms'; and hire and interest incomes have been accounted for following the 'prudential norms' laid down by the Reserve Bank of India.

**8) Staff Benefits**

There is no quantifiable contractual obligation to pay the retirement benefits to company's directors and other staff hence they would be accounted for in the year they are actually paid.

**(B) NOTES ON ACCOUNTS**

1. Company has provided a corporate guarantee to ICICI Bank Ltd. against Rs. 4.75 Crore financed by said bank to Baid Finance, the proprietorship concern of Mahendra Kumar Baid (HUF).
2. Current maturities of long term debts include Rs. 12.46 lac. repayable to ICICI Bank by way of installments against two car loans maturing within 12 months from the date of the balance sheet.
3. There is a contingent liability upon the company due to Income-tax department's appeal before Rajasthan High Court seeking disallowance of company's claim for deduction u/s 80HHC totaling Rs. 117.83 lac in respect of a. yr. 95-96 and 96-97.
4. In the opinion of the Board of Directors, Current Assets, Loans & Advances have a value on realization in ordinary course of business at least to the amount at which they are stated.
5. Balance standing to the debit or credit of Sundry debtors, Sundry creditors, Unsecured loans and Loans & advances are subject to their confirmation.
6. Details of Auditors remuneration:

	<u>Current Year</u>	<u>Previous Year</u>
a. Statutory Audit Fees	21,000	21,000
b. Income-tax and allied works	19,000	19,000

7. Previous year figures have been re-grouped and re-arranged wherever considered necessary.
8. There is no creditor relating to trade or expenses which has intimated its identity as a S.S.I. Unit and payment to whom is outstanding for a period exceeding 6 months.
9. Segment Reporting In Compliance To As 17

PARTICULARS	HIRE PURCHASE	OTHER FINANCE	INVTMTS.	SHARES & FUTURES	UNALLO CABLE	CONSOLI DATED
Segment Rev.						
External Rev.	7,13,99,803	20,05,958	-	1,06,465	-	7,35,12,226
Total Revenue	7,13,99,803	20,05,958	-	1,06,465	-	7,35,12,226
Segment Result	4,90,78,902	20,05,958	-	76,262	(3,57,55,008)	1,54,06,114
Income Tax						52,52,279
Profit After Tax						1,01,53,835
Segment Assets	35,62,16,309	2,17,95,903	73,83,958	32,25,790	1,84,30,129	40,70,52,089
Segment Liab.	4,10,56,711	-	-	7,58,454	23,70,41,717	27,88,56,882
Significant non-cash exp.						-
Depreciation					5,30,021	5,30,021
Provision for NPA	(2,73,611)	-	-	-		(2,73,611)

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**BAID LEASING AND FINANCE CO. LTD.**

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**10. Related Party Disclosure In Compliance To AS18 Of I.C.A.I.**

Key Management Personnels: (1) Panna Lal Baid (Managing Director)  
(2) Rakesh Kumar Baid (Director)

Relatives of Key Management Personnel (1) Sobhag Devi Baid  
(2) Mahendra Kumar Baid  
(3) Meena Baid

PARTICULARS OF TRANSACTION	KEY MANAGEMENT PERSONS & RELATIVES	ASSOCIATES
<b>EXPENSES</b>		
Director's Remuneration	3,24,000	—
Rent	7,65,000	—
Lease Rent	3,60,000	—
Advertisement	8,55,300	—

As per our Audit report of even date annexed  
**For Sharma Naresh & Associates**  
Chartered Accountants

**For & On Behalf of the Board**

**NARESH SHARMA**  
(Proprietor)

**RAKESH KUMAR BAID**  
(Whole-time Director)  
DIN : 00009926

**PANNA LAL BAID**  
(Managing Director)  
DIN : 00009897

**PLACE : JAIPUR**  
**DATE : 24-05-2014**

**NAMRATA SAJNANI**  
(Company Secretary)



**BAID LEASING AND FINANCE CO. LTD.**

### Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

Name of the member (s):

Registered Address :

E-mail Id :

Folio No/Client Id :

DP ID :

I/We, being the number (s) of..... shares of the above named company, hereby appoint

1. Name.....  
Address : .....  
E-mail Id : .....  
Signature.....or failing him
2. Name.....  
Address : .....  
E-mail Id : .....  
Signature.....or failing him
3. Name.....  
Address : .....  
E-mail Id : .....  
Signature.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 23<sup>rd</sup> Annual general meeting of the company, to be held on Saturday the 16<sup>th</sup> day of August, 2014 at 11.00 A.M. at its registered office at Baid House, IInd Floor, 1, Tara Nagar, Ajmer Road, Jaipur-302006 and at any adjournment thereof in respect of such resolutions as are indicated below:

### ATTENDANCE SLIP

Registered Folio no./ DP ID no./ Client ID no.:

Number of shares held:

I certify that I am a member/ proxy for the member of the company.

I hereby record my presence at the 23<sup>rd</sup> Annual General Meeting, at its registered office at Baid House, IInd Floor, 1, Tara Nagar, Ajmer Road, Jaipur-302 006, on Saturday, 16<sup>th</sup> August, 2014 at 11.00A.M

\_\_\_\_\_  
Name of the member/ proxy  
(in BLOCK letters)

\_\_\_\_\_  
Signature of the member/ proxy

Note: Please fill up the attendance slip and hand it over at the entrance of the meeting hall. Members are requested to bring their copies of Annual Report to the AGM.

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 **BAID LEASING AND FINANCE CO. LTD.**

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<b>Resolution Number</b>	<b>Resolution</b>
<b>Ordinary Business</b>	
1.	Adoption of audited Balance Sheet, Statement of Profit & Loss Account, Report of the Board of Directors and Auditors for the financial year ended March 31, 2014
2.	Re-appoint M/s. Sharma Naresh & Associates, Chartered Accountants as Auditors of the Company
<b>Special Business</b>	
3.	Appointment of Mr. Binod Kumar Choraria as an Independent Director
4.	Appointment of Mr. Monu Jain as an Independent Director
5.	Appointment of Mr. Mudit Singhi as an Independent Director
6.	Appointment of Mrs. Alpana Baid as Director
7.	Appointment of Mr. Aman Baid as Director
8.	Reappointment of Mr. Panna Lal Baid as Chairman and Managing Director
9.	Retirement of Mr. Rakesh Kumar Baid
10.	Retirement of Mr. Chandra Bhan Singhi

Signed this..... day of..... 20....

Signature of shareholder

Signature of Proxy holder (s)

<b>Affix Revenue Stamp</b>
------------------------------------

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**



## Baid Leasing and Finance Co. Ltd.

Regd. Office: "Baid House", IIInd Floor, 1, Tara Nagar, Ajmer Road, Jaipur-06, Ph.: 9214018855  
E-mail: [baidfinance@baidgroup.in](mailto:baidfinance@baidgroup.in) Website- [www.balfc.com](http://www.balfc.com), CIN: L65910RJ1991PLC006391

### FORM A

1.	Name of the company	Baid Leasing and Finance Co. Ltd.
2.	Annual financial statements for the year Ended	31 <sup>st</sup> March, 2014
3.	Type of Audit observation	Matter of Emphasis: Corporate Guarantee to Baid Finance
4.	Frequency of observation	Since 2012
5.	To be signed by- <ul style="list-style-type: none"><li>• CEO/Managing Director</li><li>• CFO</li><li>• Auditor of the company</li><li>• Audit Committee Chairman</li></ul>	 The right-hand cell of row 5 contains four handwritten signatures, each corresponding to one of the roles listed in the left-hand cell. The signatures are written in black ink and are somewhat stylized.