

**JAINSONS FINLEASE LIMITED
HISAR**

NOTICE

NOTICE is hereby given that the 13th Annual General Meeting of the Members of JAINSONS FINLEASE LIMITED, will be held on the 25th JUNE 2011 at 11.00 A.M. at D.No. 554, 1st Floor, Automobile Market, Hisar - 125001 to transact the following business:


ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2011 and the Profit and Loss Account for the year ended on that date, along with the Reports of the Directors and Auditors thereon.
2. To appoint Auditors and fix their remuneration.
3. To appoint a director in place of Sri.Upendra Reddy Tetali who retire by rotation at this A G M and being eligible offers himself for reappointment.

Registered Office:
D.No.5541st Floor,
Automobile Market,
Hisar - 125001

DATE:30-05-2011

BY ORDER OF THE BOARD OF DIRECTORS


MANAGING DIRECTOR.

NOTES

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Form of proxy is enclosed.
2. The instrument appointing a proxy must be deposited with the Company at its Registered Office not less than forty-eight hours before the time for holding the meeting.
3. Members / Proxies should bring the attendance slip duly filled in for attending the meeting. Members are requested to bring their copies of Annual Report to the meeting.

**JAINSONS FINLEASE LIMITED
HISAR**

DIRECTOR'S REPORT

To
The Members,

Your Directors have pleasure in presenting the Thirteenth Annual Report together with Audited Accounts of the Company for the year ended 31st March 2011

FINANCIAL RESULTS:

	<u>Rs. in Lakhs</u> 2010-11	<u>Rs. in Lakhs</u> 2009-10
GROSS RECEIPTS	14.22	1.14
Profit/(Loss) before depreciation	(0.11)	(0.48)
Net Profit/(Loss) transferred to Balance Sheet	(1.00)	(0.48)

PUBLIC DEPOSITS:

During the year under review, your Company has not accepted any deposit under provisions of Section 58A of the Companies Act, 1956 and the rules made there under

PARTICULARS OF EMPLOYEES:

There are no employees governed by the provisions of Section 217(2A) of the Companies Act, 1956.

INDUSTRIAL RELATIONS:

Board wishes to place on record its appreciation for the efforts put in by the employees without whose help the company could have achieved such excellent results.

AUDITORS:

Sri V.V. Satyanarayana, Chartered Accountant, retires at the ensuing Annual General Meeting and is eligible for re-appointment.

DIRECTORS RESPONSIBILITY STATEMENT:

The Companies (Amendment) Act, 2000 has introduced issuance of Directors' responsibility statement by inserting Clause (2AA) to Section 217 of the Companies Act, 1956. Accordingly the Directors would like to state that:

1. In preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.

2. The directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period.
3. The directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safe guarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. The directors had prepared the annual accounts on a going concern basis.

REGARDING NON PROVISION OF GRATUITY AND LEAVE ENCASHMENT IN ACCOUNTS:

- 1) As commented by the Statutory Auditors, no provision was made in the accounts for Accrued Gratuity Liability, since none of the employees were put in the qualifying period of service to be eligible for payment of gratuity.
- 2) There was no scheme either in the terms of employment or in the company rules regarding payment of leave encashment to its employees. Hence the company has not made any provision towards leave encashment of employees.

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

The information required under Section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in the report of the Board of Directors) rules, 1988 with respect to these matters is appended hereto and forms part of the report.

ACKNOWLEDGEMENTS

Yours Directors thank all the State authorities for their timely support in implementing the project. Your Directors are also thankful to all the employees of the company and shareholders without whose assistance your company could not have achieved its goals

BY ORDER OF THE BOARD OF DIRECTORS.

STATION : HISAR

DATE : 30-05-2011


MANAGING DIRECTOR.


DIRECTOR

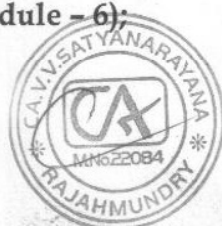
AUDITOR'S REPORT

To
The Members
JAINSONS FNLEASE LIMITED,
HISAR.

I have audited the attached Balance Sheet of JAINSONS FINLEASE LIMITED as at 31st March 2011 and the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with auditing and assurance standards generally accepted in India. Those Standards require that I plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material mis-statement. An audit includes examining, on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. I believe that my audit provides a reasonable basis for my opinion.

1. As required by the Companies (Auditor's report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4-A) of the Companies Act, 1956, I enclose in the annexure a statement as to the matters specified in paragraphs 4 and 5 of the said order.
2. Further to my comments in referred to in paragraph (1) above, I report that:
3.
 - a) I have obtained all the information and explanations, which to the best of my knowledge and belief were necessary for the purpose of our audit.
 - b) In my opinion, proper books of account as required by law have been kept by the Company so far as appears from examination of such books.
 - c) The Balance Sheet and the Profit and Loss Account referred to in my report are in agreement with the books of account.
 - d) In my opinion, the Profit and Loss Account and the Balance Sheet comply with the accounting standards referred to in sub-section (3c) of Section 211 of the Companies Act 1956, **except for non compliance of AS-15 regarding retirement benefits, as given in Note - 6 & 7 of "Notes on Accounts" (Schedule - 6);**



Contd., 2

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- e) According to the information and explanations given to me and on the basis of representations from the Directors of the Company and taken on record by the Board, I report that none of the Directors of the Company is disqualified as on March 31, 2007 from being appointed as Director under Section 274(1)(g) of the Companies Act, 1956.
- f) Subject to the above, in my opinion and to the best of my information and according to the explanations given to me, the said accounts give the information in the manner so required give a true and fair view in conformity with the accounting principles generally accepted in India;
- 1) In the case of the Balance Sheet of the state of affairs of the company as on 31st March 2011.
 - 2) In the case of the Profit and Loss Account of the LOSS for the year ended on that date.

Rajahmundry
Date: 30-05-2011

V.V.SATYANARAYANA
Chartered Accountant



ANNEXURE TO THE AUDITOR'S REPORT

1. a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
b) The Company has conducted physical verification of its assets during the year and no material discrepancies were noticed on such verification.
c) No substantial part of fixed assets of the Company has been disposed off during the year which has a bearing on the going concern assumption.
2. The Company did not hold any inventories during the year.
3. a) The Company has not granted any loans, secured or unsecured, to Companies, firms or other parties covered in the register maintained as per the provisions of section 301 of the Companies Act, 1956. Hence, clauses (iii)(a) to (d) of the order are not applicable.
b) The Company has not taken any loans, secured or unsecured from Companies, firms or other parties to whom the provisions of section 301 of the Companies Act, 1956 apply. Hence, clauses (iii)(e) to (g) of the order are not applicable.
c) In view of the above, the other sub-clauses of this clause of the order is not applicable to the company.
5. In my opinion and according to the information and explanations given to me, there are adequate internal controls commensurate with the size of the company and nature of its business with regard to purchase and sale of fixed assets. During the course of my audit, I have not observed any continuing failure to correct major weaknesses in internal controls with regard to the above aspects.
6. a) According to the information and explanations given to me, I am of the opinion that the contracts or arrangements that need to be entered in to the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
b) In my opinion and according to the information and explanations given to me, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 in respect of each party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
7. The Company has not accepted any deposits from the public during the year under review and consequently, the directions issued by the Reserve Bank of India, the provisions of section 58A and 58AA of the Companies Act, 1956 and rules framed there under are not applicable to the company.

Contd., 2



8. There is an internal audit system commensurate with the size and nature of its business.
9. Maintenance of cost records by the Company has not been prescribed under the provisions of Sec. 209(1)(d) of the Companies Act, 1956, in respect of the business carried on by the company.
10. a) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, ESI, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess and other material statutory dues applicable to it.
b) According to the information and explanations given to me there were no income tax, wealth tax, service tax, excise and customs duty, cess dues which have not been deposited with respective authorities as at 31st March 2011, on account of disputes.
11. The Company is not having accumulated losses of more than 50% of its net worth. The company has incurred cash losses during the financial year covered by my audit and also in the immediately preceding financial year.
12. The Company has not defaulted in repayment of dues to any financial institution or bank or debenture holders and hence Clause 4(xi) of the order is not applicable to the company.
13. The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly clause 4(xii) of the order is not applicable.
14. In my opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Accordingly, clauses 4(xiii) of the order are not applicable.
15. In my opinion, the Company is not dealing in or trading in shares, securities, debentures and other instruments. Accordingly clause 4(xiv) of the order is not applicable.



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16. The Company has not given any guarantees for loans taken by others from banks or financial institutions. Accordingly clause 4(xv) of the order is not applicable.
17. In my opinion and according to the information and explanations given to me, the Company has not defaulted in repayment of any dues to banks and/or financial institutions.
18. According to the information and explanations given to me, during the year under audit the Company has not raised short-term funds and accordingly clause 4(xvii) of the order is not applicable to the company.
19. During the year, the Company has not made any allotment of shares. Accordingly clause 4(xviii) of the order is not applicable.
20. The Company has not issued any debentures during the year. Accordingly clause 4(xix) of the order is not applicable.
21. During the year, the company has not raised money by Public Issue. Accordingly clause 4(xx) of the order is not applicable.
22. According to the information and explanations given to me, no fraud on or by the Company has been noticed or reported during the course of my audit.

Rajahmundry
Date: 30-05-2011

V.V.SATYANARAYANA
Chartered Accountant



JAINSONS FINLEASE LIMITED

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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 st MARCH,2011

DESCRIPTION	SCHEDULES	CURRENT YEAR 31-03-2011	PREVIOUS YEAR 31-03-2010
INCOME:		Rs.	Rs.
Income From Operations	8	1,051,657	113,791
Other Income	9	369,969	
TOTAL:		1,421,626	113,791
EXPENDITURE:			
Staff Expenses	10	736,390	129,500
Establishment Expenses	11	686,372	32,443
Depreciation	3	4,441	-
		1,427,203	161,943
Net Profit /(Loss) for the Year		(5,577)	(48,152)
Differed Tax Liability		(4,417)	-
Provision for Income Tax		-	-
Previous year balance		(42,461)	5,691
Balance Transferred to Balance Sheet		(52,455)	(42,461)
NOTES ON ACCOUNTS	7		
E.P.S		-	-

AS PER MY REPORT ON EVEN DATE.

(V.V.SATYANARAYANA)
CHARTERED ACCOUNTANT
RAJAHMUNDRY
Dt. 30-05-2011



FOR AND ON BEHALF OF THE BOARD

MANGING DIRECTOR

EXECUTIVE DIRECTOR

Dt. 30-05-2011

SONS FINLEASE LIMITED

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BALANCE SHEET AS AT 31st MARCH, 2011.

DESCRIPTION	SCHEDULE	CURRENT YEAR 31-03-2011	PREVIOUS YEAR 31-03-2010
SOURCE OF FUNDS :			
SHARE HOLDERS FUNDS:			
Share Capital	1	8,996,540	2,750,000
Reserves & Surplus	2	1,422	1,422
Loan Funds	3	384,157	-
Differed Tax liability		4,417	-
TOTAL:		9,386,536	2,751,422
APPLICATION OF FUNDS :			
Fixed Assets:			
Gross Block	4	43,844	-
Less: Depreciation		4,441	-
		39,403	-
Current Assets, Loans & Advances	5	9,307,276	2,736,512
Less: Current Liabilities & Provisions	6	12,598	27,551
		9,294,678	2,708,961
Profit & Loss Account		52,455	42,461
TOTAL:		9,386,536	2,751,422
Notes on Accounts	7		-

AS PER MY REPORT ON EVEN DATE.

(V.V.SATYANARAYANA)
CHARTERED ACCOUNTANT
RAJAHMUNDRY
Dt. 30-05-2011



FOR AND ON BEHALF OF THE BOARD

MANGING DIRECTOR

EXECUTIVE DIRECTOR

Dt. 30-05-2011

JAINSONS FINLEASE LIMITED

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DESCRIPTION	CURRENT YEAR 31-03-2011	PREVIOUS YEAR 31-03-2010
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SCHEDULE - 1

SHARE CAPITAL:

AUTHORISED:

1000000 Equity Shares of Rs.10/- Each

(Last Year 500000 Equity Shares of Rs.10/-

10,000,000

5,000,000

ISSUED, SUBSCRIBED, AND PAID UP :

880150 Equity Shares of Rs.10/- Each

(Last Year 275000 Equity Shares of Rs. 10/-
each fully paid)

8,801,500

2,750,000

Share Application Money (19504 Equity Shares
of Rs. 10/- each fully paid)

195,040

8,996,540

2,750,000

SCHEDULE - 2

RESERVES AND SURPLUS :

Reserved Fund

1,422

1,422

1,422

1,422

SCHEDULE - 3

Unsecured Loans (

384,157

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JAINSONS FINLEASE LIMITED
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SCHEDULE - 4

FIXED ASSETS :

A S S E T:	GROSS BLOCK			DPRECIATION			NET BLOCK	
	Up to 31.03.2010	Additions This Year	As at 31.03.2011	Up to 31.03.2010	For the Year	Up to 31.03.2011	As at 31.03.2010	As at 31.03.2011
Furniture & Fixtures	-	10,419	10,419	-	535	535	-	9,884
Computer & Printer	-	28,175	28,175	-	3,704	3,704	-	24,471
Fans	-	5,250	5,250	-	202	202	-	5,048
Total:	-	43,844	43,844	-	4,441	4,441	-	39,403



JAINSONS FINLEASE LIMITED
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DESCRIPTION	CURRENT YEAR	PREVIOUS YEAR
	31.03.2011	31.03.2010
	Rs.	Rs.
<u>SCHEDULE - 5</u>		
<u>CURRENT ASSETS, LOANS & ADVANCES :</u>		
Tax Deduction at Source	27,579	27,579
Cash on Hand	1,084,820	9,700
<u>Bank Balances:</u>		
In Current Accounts	59,853	20,950
Prepaid insurance	5,158	-
Telephone Deposit	500	-
Advances to customers	7,970,675	2,678,283
Advances to Employees	152,789	-
Intellectash	5,902	-
	<u>9,307,276</u>	<u>2,736,512</u>
<u>SCHEDULE - 6</u>		
<u>CURRENT LIABILITIES & PROVISIONS :</u>		
Audit Fees	3,000	25,100
Expenses Payable	3,696	2,440
Other Provisions	5,902	11
	<u>12,598</u>	<u>27,551</u>



**JAINSONS FINLEASE LIMITED
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DESCRIPTION	CURRENT YEAR 31.03.2011 Rs.	PREVIOUS YEAR 31.03.2010 Rs.
SCHEDULE - 8		
<u>INCOME FROM OPERATIONS :</u>		
Interest on Loans	1,051,657	113,791
	<u>1,051,657</u>	<u>113,791</u>
SCHEDULE - 9		
<u>Other Income</u>		
Administration Charges on Insurance	14,769	-
Loan Processing Fees	226,400	-
Membership Fees	112,000	-
Pass-book Charges received	16,800	-
	<u>369,969</u>	<u>-</u>
SCHEDULE - 10		
<u>STAFF EXPENSES :</u>		
Salaries & Allowances	387,839	-
Directors Remuneration	347,425	129,500
Other Staff Expenses	1,126	-
	<u>736,390</u>	<u>129,500</u>
SCHEDULE - 11		
<u>ESTABLISHMENT AND OTHER EXPENSES :</u>		
Bank Charges	2,495	-
Electricity Charges	7,815	-
Printing & Stationery	9,235	-
Rent	10,000	14,000
Telephone Charges	9,217	1,989
Fees, Licences and Taxes	60,500	4,500
Office Expenses	13,099	-
Audit Fees	3,000	11,650
Travelling Expenses	7,285	304
Consultancy Charges	476,270	-
Postage and Telegrams	531	-
Interest	86,925	-
	<u>686,372</u>	<u>32,443</u>



**JAINSONS FINLEASE LIMITED
HISAR**

SCHEDULE - 7:

NOTES ATTACHED TO AND FORMING PART OF THE ACCOUNTS:

1. SIGNIFICANT ACCOUNTING POLICIES:

ACCOUNTING CONVENTIONS AND CONCEPTS:

- A. The Company Generally follows the mercantile system of Accounting recognizing both income and expenditure on accrued basis.
- B. The Company compiles its financial statements in accordance with the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 issued by the RBI Vide notification No.DFC 119/DG(SPT) -98: dated 31-01-1998 in respect of :
- a) Income recognition.
 - b) Accounting for Investments.
 - c) Asset Classification.
 - d) Provisions for Bad and Doubtful Debts, and
 - e) Compliance with the Accounting Standards of ICAI.
- C. The Accounts are prepared on historical cost basis and as a going concern. Accounting policies not specifically referred to otherwise are consistent with generally accepted accounting principles.
- D. Fixed Assets: Fixed are stated at cost of acquisition less depreciation. The depreciation on fixed assets are provided at the rates specified in schedule XIV of the Companies Act, 1956, under straight line method on pro data basis.
2. Since this is not a manufacturing or trading Company, the details regarding licensed and installed capacities and Raw Materials purchased and consumed have not been given.
3. Figures have been rounded of to nearest rupee.
4. Contingent Liabilities at 31-03-2011 is NIL (As at 31-03-2010 is Rs. NIL).



Contd., 2

5. Expenditure and Remittances in Foreign Currency is Rs. NIL for the year ended 31-03-2011 (For the year ended 31-03-2010 is Rs. NIL).
6. No provision has been made in the accounts for gratuity liability. It is the policy of the Company that the gratuity, as and when paid, will be debited to Revenue Account. Since there was no information relating to the provision to be made towards gratuity, I am unable to comment about the provision to be made towards gratuity liability and its impact on the profits or losses of the company.
7. There was no scheme either in the terms of employment or in the company rules regarding payment of leave encashment to its employees. Hence the company has not made any provision towards leave encashment of employees.
7. Figures have been grouped and regrouped wherever necessary to match with earlier year figures.
8. Remunerations to Directors for the year is Rs.3,47,425 (For the Year ended 31-03-2010 is Rs. NIL).
9. There were no dues to Small Scale Industrial undertakings by the Company.

AS PER MY SEPARATE REPORT OF EVEN DATE.

(V.V.SATYANARAYANA)
CHARTERED ACCOUNTANT
RAJAHMUNDRY.
DATE: 30-05-2011



FOR AND ON BEHALF OF THE BOARD.


MANAGING DIRECTOR


EXE.DIRECTOR

DATE: 30-05-2011