

DCM FINANCE & LEASING LIMITED

Regd. Office : 606, 6th Floor, Vikrant Tower, 4, Rajendra Place, New Delhi-110008

DIRECTORS' REPORT

Dear Shareholders

Your Directors have pleasure in presenting the 23rd Annual Report together with the Audited Accounts of the company for the year ended March 31, 2013.

FINANCIAL HIGHLIGHTS

The Net Profit of the Company for the current financial year is Rs. 1,01,173/- (Rs. One Lakh One Thousand One Hundred and Seventy Three only) after taking into account income tax of Rs. 55,869/- (Rs. Fifty Five Thousand Eight Hundred and Sixty Nine only).

DIVIDEND

No Dividend has been recommended for the financial year under review.

FIXED DEPOSIT

The company has not accepted any deposit from the public within the meaning of section 58A of the Companies Act, 1956.

DIRECTOR

Mr. Bhabagrahi Pradhan retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director of the Company. His re-appointment is placed before the shareholders of the Company at the ensuing Annual General Meeting.

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

The provisions of energy conservation and technology absorption are not applicable to the Company. The Company has no earnings or outgo of foreign exchange in the financial year under review.

AUDITORS

The Auditors of the Company, M/s Grewal & Singh, Chartered Accountants, retires at the conclusion of ensuing 23rd Annual General Meeting and are eligible for re-appointment from the conclusion of ensuing Annual General Meeting till the conclusion of next Annual General Meeting.

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AUDITORS OBSERVATIONS

The observations of the auditors are self-explanatory and/or suitably explained in various notes to the Accounts.

PARTICULARS OF EMPLOYEES

There was no employee in the company during the year under the category specified under section 217 (2A) of the Companies Act, 1956 read with Companies (Particulars of Employees) Rules, 1975.

DIRECTORS' RESPONSIBILITY STATEMENT

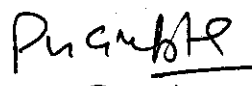
As required under section 217(2AA) of the Companies Act, 1956, your Directors state:

- (i) that in the preparation of the annual accounts, the applicable accounting standards have been followed.
- (ii) that the accounting policies selected and applied are consistent and the judgements and estimates made 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.
- (iii) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) that the annual accounts have been prepared on a going concern basis.

On Behalf of the Board
FOR DCM Finance & Leasing Limited

Place: New Delhi
Dated: 02.05.2013


(Bhabagrahi Pradhan)
DIRECTOR


(Pawan Gupta)
DIRECTOR



GREWAL & SINGH

Chartered Accountants

A-17, L.G.F., Lajpat Nagar-III, New Delhi - 110 024
Tel. : 011-29842641, 29833394, 29839823
Fax : 011-29849331
E-mail : mail@cagrewalsingh.com

Independent Auditor's Report For the year ended 31st March 2013

To the Members of DCM FINANCING & LEASING LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of DCM FINANCING & LEASING LIMITED ("the Company"), which comprises the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year ended on that date, and a summary of significant accounting policies and other explanatory information.

Management 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 and 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 misstatements.

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 include 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.



CHANDIGARH OFFICE :
1026, Sector 37B, Chandigarh
Tel.: 0172-2691997

JAMMU OFFICE :
41/3, Trikuta Nagar, Jammu-180012
Tel. : +91-9419794214

LUDHIANA OFFICE :
Preet Complex, 2nd Floor
Near Nirankari Kucha No.-2, G.T Road
Millerganj, Ludhiana Tel.: 9999960496

YAMUNA NAGAR OFFICE
S.C.O, 1/3, First Floor, Near District Library
Civil Line, Jagadhri, Haryana - 135003
Tel 01732-242893 9896044812

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:

- i) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013,
- ii) In the case of the Statement of Profit & Loss, of the profit of the Company for the year ended on that date.
- iii) 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 accounts;
 - d. In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of Companies Act, 1956;
 - e. On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of the Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f. Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.



PLACE : NEW DELHI
DATE : MAY 02, 2013

For GREWAL & SINGH
Chartered Accountants
Firm No. 012322N

(JASPAL SINGH SAHNI)
PARTNER
M.NO. 501501

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date on the accounts for the year ended March 31, 2013 of **DCM FINANCING & LEASING LIMITED**)

1. The Company does not own any fixed assets. Hence no comment is made on the maintenance of records, procedure of physical verification and disposal of fixed assets.
2. The Company does not own any inventory. Hence no comment is made on the maintenance of records and physical verification thereof.
3.
 - a. The company has not granted any loans, secured or unsecured to the companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the company has not granted the said loans, the paragraphs 3(b), (c) and (d) of the statement of CARO report are not applicable.
 - b. Based on the information and explanations provided to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. As the company has not taken the said loans, the paragraphs 3(f) and (g) of the statement of CARO report are not applicable.
4. In our opinion and according to the information and explanations given to us, the company has adequate internal control procedure commensurate with the size of the company and the nature of its business. During the course of our audit no major weakness has been noticed in the internal controls. We have not come across any failure on the part of the company to correct the weakness in internal control system.
5. Based on the procedure applied by us and according to the information and explanations provided by the management, we are of the opinion that there are no transactions made in pursuance of contracts or arrangements that needs to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. Based on the procedure applied by us and according to the information and explanations provided to us by the management, the company has not accepted any deposit from the public under the provisions of section 58A, 58AA and any other relevant provisions of the Companies Act, 1956.
7. In our opinion the company has an internal audit system commensurate with the size and nature of business.
8. As per the information and explanations given to us, the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of Companies Act, 1956.
9.
 - a. As informed to us, the provisions of Provident Fund, Investor Education and Protection Fund, Employees State Insurance Act, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and cess are not applicable to the Company. However, the company is regular in depositing undisputed applicable other statutory dues including Income Tax etc.
 - b. As informed and explained to us and as per the records of the Company, it has no amount which has not been deposited on account of any dispute.
10. On the basis of our audit procedure and information and explanations provided to us the company has no accumulated losses. Further we state that the company has not incurred cash loss during the financial year covered by audit and in the immediately preceding financial year.
11. Based on the audit procedures and on the information and explanation given to us, there are no borrowings from the financial institution or banks and no debentures have been issued by the company.
12. According to the information and explanations provided to us, the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a Chit Fund, Nidhi or Mutual Benefit Society. Hence, the provisions of special statute are not applicable on the company.



14. According to the information and explanations given to us, as the Company is not dealing or trading in shares, securities, debentures and other investments, hence the paragraph xiv of the Order is not applicable.
15. According to the information and explanation provided to us, the company has not given any guarantee for the loans by others from banks and financial institutions.
16. The company has not raised any term loan during the year. Hence, no comment is made on utilization of term loan.
17. Based on the information and explanations given to us, the company has not raised any long term as well as short term fund, hence no comment is made on their utilization.
18. The company has not made any preferential allotment of shares to parties and companies covered under the registers maintained under section 301 of the Companies Act, 1956.
19. Based on the information and explanations given to us, the company has not issued debentures during the year. Hence, no comment is made on the creation of security or charge.
20. The company has not raised any money by way of Public Issue.
21. Based upon the audit procedures performed and information and explanations provided by the management, we report that no fraud by or on the company has been noticed or reported during the course of our audit.



PLACE : NEW DELHI
DATE : MAY 02, 2013

For GREWAL & SINGH
Chartered Accountants
FIRM No. 012322N


(JASPAL SINGH SAHNI)
PARTNER
M. No. 501501

DCM FINANCE AND LEASING LIMITED

Balance Sheet as at March 31, 2013

(Amount In Rupees)

Particulars	Note No.	Figures as at the end of current reporting period 2013	Figures as at the end of previous reporting period 2012
1	2	3	4
I EQUITY AND LIABILITIES			
(1) Shareholders' Funds			
(a) Share Capital	2.1	5,10,000	5,10,000
(b) Reserve and Surplus	2.2	4,90,755	3,89,582
		<u>10,00,755</u>	<u>8,99,582</u>
(2) Current Liabilities			
(a) Other Current Liabilities	2.3	11,236	10,675
(b) Short-term Provisions	2.4	2,070	2,491
		<u>13,306</u>	<u>13,166</u>
TOTAL		<u>10,14,061</u>	<u>9,12,748</u>
II ASSETS			
(1) Current Assets			
(a) Cash and Cash Equivalents	2.5	9,05,048	8,73,308
(b) Other Current Assets	2.6	1,09,013	39,440
		<u>10,14,061</u>	<u>9,12,748</u>
TOTAL		<u>10,14,061</u>	<u>9,12,748</u>

Significant accounting policies and notes to financial statements form an integral part of the Balance Sheet and Statement of Profit and Loss.

In terms of our separate report of even date
For **GREWAL & SINGH**
FIRM No. 012322N

For and on behalf of the Board


JASPAL SINGH SAHNI
PARTNER
M. No. 501501


BHABAGRAHI PRADHAN
DIRECTOR
DIN NO. 02148704


PAWAN KUMAR GUPTA
DIRECTOR
DIN NO. 05172941



PLACE : NEW DELHI
DATE : MAY 02, 2013

DCM FINANCE AND LEASING LIMITED

Profit and Loss statement for the year ended March 31, 2013


(Amount in Rupees)

Particulars	Note No.	Figures as at the end of current reporting period 2013	Figures as at the end of previous reporting period 2012
I Revenue from operations	2.7	1,00,000	50,000
II Other income	2.8	77,303	57,591
III Total Revenue (I+II)		<u>1,77,303</u>	<u>1,07,591</u>
IV Expenses:			
Other expenses	2.9	20,261	24,188
Total Expenses		<u>20,261</u>	<u>24,188</u>
V Profit before tax (III-IV)		1,57,042	83,403
VI Tax expenses:			
Current tax		54,800	33,250
Tax adjustment for earlier years		1,069	14,992
VII Profit for the period (V-VI)		<u>1,01,173</u>	<u>38,161</u>
VIII Earnings per equity share:			
(1) Basic		2.00	0.68
(2) Diluted		2.00	0.68

Significant accounting policies and notes to financial statements form an integral part of the Balance Sheet and Statement of Profit and Loss.

In terms of our separate report of even date
For GREWAL & SINGH
FIRM No. 012322N

For and on behalf of the Board


JASPAL SINGH SAHNI
PARTNER
M. No. 501501


BHABAGRAHI PRADHAN
DIRECTOR
DIN NO. 02148704


PAWAN KUMAR GUPTA
DIRECTOR
DIN NO. 05172941

PLACE : NEW DELHI
DATE : MAY 02, 2013



DCM FINANCE AND LEASING LIMITED


Cash Flow Statement for the year ended March 31, 2013

PARTICULARS	(Amount in Rupees)	
	Figures as at the end of current reporting period 2013	Figures as at the end of previous reporting period 2012
Cash flow from Operation Activities		
Net profit before tax	1,57,042	83,403
Adjustments for :-		
Interest Income on Fixed Deposits	(77,303)	(57,591)
Operating Loss before Working Capital Changes	79,739	25,812
Adjustments for changes in: -		
other current assets	(69,573)	(39,440)
other current liabilities	561	186
Cash used in operations	10,727	(13,432)
Direct taxes (Paid) / Refunds (Net)	(56,290)	(51,789)
Net Cash used in Operating Activities	(45,563)	(65,221)
Cash flow from Investing Activities		
Interest received on fixed deposits	77,303	57,591
Net Cash generated from Investing Activities	77,303	57,591
Cash flow from Financing Activities		
Net Cash Generated from Financing Activities	-	-
Net Increase / (Decrease) In Cash and Cash equivalents	(A+B+C) 31,740	(7,630)
Cash and Cash equivalents at the beginning of the year	8,73,308	8,80,938
Cash and Cash equivalents at the end of the year	9,05,048	8,73,308

Notes :

- 1 The Cash Flow Statement has been prepared under the "indirect Method" as set out in the Accounting Standard 3 "Cash Flow Statements".
- 2 Previous year figures have been regrouped and rearranged wherever necessary.

In terms of our separate report of even date
For GREWAL & SINGH
FIRM No. 012322N


JASPAL SINGH SAHNI
PARTNER
M. No. 501501



PLACE : NEW DELHI
DATE : MAY 02, 2013

For and on behalf of the Board


BHABAGRAHI PRADHAN
DIRECTOR
DIN NO. 02148704


PAWAN KUMAR GUPTA
DIRECTOR
DIN NO. 05172941

DCM FINANCE & LEASING LIMITED

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO FINANCIAL STATEMENTS

1. SIGNIFICANT ACCOUNTING POLICIES

- 1.1 The financial statements are prepared under the historical cost convention in accordance with the applicable mandatory Accounting Standards and presentational requirements of the Companies Act, 1956.
- 1.2 The company follows mercantile system of accounting and recognises significant items of income and expenditure on accrual basis.



DCM FINANCE AND LEASING LIMITED

Notes to financial statements for the year ended March 31, 2013.

Note No.	Particulars	Figures as at the end of current reporting period 2013	Figures as at the end of previous reporting period 2012
2.1	SHARE CAPITAL		
	Authorised		
	2,49,000 Equity shares of Rs.10/- each (Previous year 2,49,000 Equity shares of Rs.10/- each)	24,90,000	24,90,000
	100 Redeemable Cumulative Preference shares of Rs.100/- each (Previous year 100 Redeemable Cumulative Preference shares of Rs.100/- each)	10,000	10,000
		25,00,000	25,00,000
	Issued, Subscribed and Fully Paid-Up		
	50,000 Equity shares of Rs.10/- each (Previous year 50,000 Equity shares of Rs. 10/- each)	5,00,000	5,00,000
	100 13.50% Redeemable Cumulative Preference shares of Rs.100/- each (Previous year 100 13.50% Redeemable Cumulative Preference shares of Rs.100/- each)	10,000	10,000
		5,10,000	5,10,000

(a) Rights, Preferences and restrictions attached to Shares
Equity Shares

Each holder of equity share having a par value of Rs.10/- is entitled to one vote per share.

Preference Shares

100 (Previous year 100) 13.5% Redeemable Cumulative Preference shares of Rs.100/- each issued on September 04, 2000 would be redeemed at par on September 03, 2020.

Preference shareholders are entitle to dividend @ 13.50%.

(b) Details of shareholders holding more than 5% shares is set out below:

Name of the shareholder	Figures as at the end of current reporting period 2013		Figures as at the end of previous reporting period 2012	
	Nos.	%	Nos.	%
Equity Shares				
DCM Limited, the Holding Company	49,996	99.99%	49,996	99.99%
Preference Shares				
DCM Limited, the Holding Company	100	100.00%	100	100.00%

(c) Reconciliation of number of shares

There is no change in issued, subscribed and paid up share capital during the current year and Corresponding previous year.



DCM FINANCE AND LEASING LIMITED

Notes to financial statements for the year ended March 31, 2013.

Note No. Particulars	Figures as at the end of current reporting period 2013	Figures as at the end of previous reporting period 2012
2.2 Reserve and Surplus		
(a) Capital Reserve		
At the beginning and end of the year	2,39,88,129	2,39,88,129
(b) Reserve Fund		
At the beginning and end of the year	27,229	27,229
(c) Surplus in Statement of Profit & Loss		
Opening Balance	(2,36,25,776)	(2,36,60,937)
Add : Profit for the year	1,01,173	35,161
	<u>(2,35,24,603)</u>	<u>(2,36,25,776)</u>
	<u>4,90,755</u>	<u>3,89,582</u>
2.3 Other Current Liabilities		
Expense payable		
- Audit Fees payable	11,236	10,675
	<u>11,236</u>	<u>10,675</u>
2.4 Short-Term Provisions		
Provision for Income Tax	2,070	2,491
(net of advance tax of Rs.52,730/-, Previous year Rs.30,759/-)		
	<u>2,070</u>	<u>2,491</u>
2.5 Cash and Cash Equivalents		
(a) Balance with banks		
- In Current account	1,49,197	1,19,957
- In Deposit account	7,50,000	-
- In Deposit account with more than 12 months maturity	-	7,50,000
(b) Cash on hand	5,851	3,351
	<u>9,05,048</u>	<u>8,73,308</u>
2.6 Other Current Assets		
Others		
Interest receivable on Fixed Deposits	1,09,013	39,440
	<u>1,09,013</u>	<u>39,440</u>



DCM FINANCE AND LEASING LIMITED

Notes to financial statements for the year ended March 31, 2013.

Note No. Particulars	(Amount in Rupees)	
	Figures as at the end of current reporting period 2013	Figures as at the end of previous reporting period 2012
2.7 Revenue from operations		
Income from Real Estate operation	1,00,000	50,000
	<u>1,00,000</u>	<u>50,000</u>
2.8 Other Income		
Interest received on Fixed Deposit	77,303	57,591
	<u>77,303</u>	<u>57,591</u>
2.9 Other Expenses		
ROC Filing Fees	4,545	6,500
Auditors' Remuneration		
As Auditors		
- Audit fees	8,989	8,427
In other Capacity		
- Verification of Statements and other reports	1,124	3,882
- Reimbursement of expenses	1,123	1,124
Miscellaneous Expenses		
- Professional Charges	800	2,400
- Bank Charges	3,680	1,855
	<u>20,261</u>	<u>24,188</u>



DCM FINANCE & LEASING LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.10 Related Party Disclosures as per AS-18 "Related Party Disclosures"

A) Name of Related Party and Nature of Related Party Relationship

Key Management Personnel	Holding Company	Fellow Subsidiary
(1)	(2)	(3)
Mr. Bhabhagrahi Pradhan, Director	DCM Limited	DCM Textiles Ltd.
		DCM Engineering Ltd.
		DCM Realty Investment & Consulting Ltd.
		DCM Tools & Dies Ltd.
		DCM Data Systems Ltd.

B) Transactions during the year and Balances as on March 31, 2013 with related parties referred to in (A) above: NIL

2.11 The Deferred Tax Assets relating to accumulated business loss have not been created due to uncertainty in earning of taxable income in coming years. Therefore, the same has not been accounted for.

2.12 The business operations of the company mainly comprise to derive income from real estate activities and as such there are no separate reportable segments as per Accounting Standard (AS) – 17 "Segment Reporting" issued by the Institute of Chartered Accountants of India.

2.13 The company has not taken any leased assets and therefore disclosure requirement of Accounting Standard (AS) – 19 "Leases" issued by the Institute of Chartered Accountants of India are not applicable.

2.14 Based on the information available with the company, it has no outstanding dues in respect of Micro, Small and Medium Enterprises at the year end, therefore no disclosure is required under the Micro, Small and Medium Enterprises Development Act, 2006.

2.15 Earnings per share

	<u>Current Year</u>	<u>Previous Year</u>
Profit after Tax	1,01,173	35,161
Less : Preference Share Dividend	<u>1,350</u>	<u>1,350</u>
	99,823	33,811
Weighted average number of equity shares outstanding	50,000	50,000
Basic Earnings per share	2.00	0.68
(Face value – Rs.10 per share)		



DCM FINANCE & LEASING LIMITED

NOTES TO FINANCIAL STATEMENTS FOR THE YEAR ENDED MARCH 31, 2013

2.16 Figures have been rounded off to the nearest rupee.

2.17 The figures for the previous year have been regrouped / rearranged wherever necessary.

2.18	CONTINGENT LIABILITIES	Amount
	On 100 13.5% Redeemable Cumulative preference shares of Rs. 100 each.	Rs.28,350/-

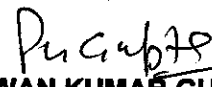
Signature to Significant accounting policies and notes to financial statements

In terms of our separate report of even date
for GREWAL & SINGH
FIRM No. 012322N

for and on behalf of the Board


JASPAL SINGH SAHNI
PARTNER
M. No. 501501


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