

**MORNING GLORY LEASING AND FINANCE LTD.**  
CIN-L67120DL1948PLC018872

Regd. Office: Iris House, 16, Business Centre, Nangal Raya, New Delhi 110 046

**NOTICE**

NOTICE is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of Morning Glory Leasing And Finance Limited will be held on Monday, the 29<sup>th</sup> day of September, 2014 at 01.30 p.m. at its Registered Office at Iris House, 16, Business Centre, Nangal Raya, New Delhi-110046 to transact the following business:-

**ORDINARY BUSINESS:**

- 01) To receive, consider and adopt the Audited Annual Financial Accounts of the Company for the year ended 31<sup>st</sup> March, 2014, along with the Reports of Directors', Auditors' thereon and Compliance Certificate.
- 02) To appoint Director in place of Ms. Roma Monisha Sakraney Daga, who retire by rotation and being eligible offer himself for re-appointment.
- 03) To appoint Auditors and to fix their remuneration.

**SPECIAL BUSINESS:**

- 04) To consider and if thought fit, to pass with or without modification, the following Resolution as a **Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Yogesh Mendiratta (DIN: 02747561), Director of the Company, whose period of office is liable to be determined for retirement by rotation and who has submitted necessary declarations under relevant provisions of the Act and Rules 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 for the period of 5 (Five) consecutive years with effect from 29.09.2014 up to 28.09.2019."

- 05) To consider and if thought fit, to pass with or without modification, the following Resolution as a **Ordinary Resolution:**

"RESOLVED that pursuant to the provisions of section 149, 152 read with Schedule IV and other applicable provisions of the Companies Act, 2013 ("Act") and Rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Rajesh Bagri (DIN: 00062377), Director of the Company, whose period of office is liable to be determined for retirement by rotation and who has submitted necessary declarations under relevant provisions of the Act and Rules 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 for the period of 5 (Five) consecutive years with effect from 29.09.2014 up to 28.09.2019."

Place : New Delhi

Dated : 13<sup>th</sup> August, 2014

Regd. Office :  
Iris House,  
16, Business Centre,  
Nangal Raya,  
New Delhi – 110046

By order of the Board

Sd/-  
Rajesh Bagri  
Director




NOTES :

- 1) A member entitled to attend and vote is also entitled to appoint a proxy to attend and vote on poll instead of himself /herself. The proxy need not be a member of the company. The appointment of proxy in order to be effective must be lodged at the corporate office of the company not less than 48 hours before the commencement of the meeting, in the form enclosed hereto, duly filled and authenticated.

A person can act as proxy on behalf of the members not exceeding fifty (50) and holding in aggregate not more than 10% of the total share capital of the company, carrying voting rights. A member holding more than 10% of the total share capital of the company carrying voting rights may appoint single person as proxy and such person shall not act as proxy for any other person or shareholder.

- 2) The Register of Members and Share Transfer Books will remain closed from 22<sup>nd</sup> September, 2014 to 29<sup>th</sup> September, 2014 (both days inclusive) for the purpose of Annual General Meeting.
- 3) The documents referred to in the proposed resolutions and register of Director's shareholding are available for inspection at the Registered Office of the Company during working hours 10.00 A.M. to 1.00 P.M. except on holidays.3
- 4) The members are requested to indicate to the company the changes, if any, in their addresses.

A handwritten signature in black ink, appearing to be 'M. S. Srinivasan', is written in a cursive style. The signature is positioned centrally below the list of notes.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

**ITEM NO. 04 & 05**

Section 149 of the Companies Act, 2013, effective from April 1, 2014, requires every listed public company to have at least one third of the total number of directors as independent directors, who shall not be liable to retire by rotation. It further provides that an independent director shall hold office for an initial term up to five consecutive years on the Board of a Company but shall be eligible for re-appointment on passing of a special resolution by the Company.

Mr. Yogesh Mendiratta and Mr. Rajesh Bagri, non-executive directors of the Company, have given a declaration to the Board that they meet the criteria of independence as provided under section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the Rules framed thereunder for appointment as Independent Director and they are independent of the management.

A candidature under section 160 of the Companies Act, 2013 along with the requisite fee has been received from the members of the Company proposing Mr. Yogesh Mendiratta and Mr. Rajesh Bagri for the office of Director of the Company.

In compliance with the provisions of section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

Place : New Delhi  
Dated : 13<sup>th</sup> August, 2014

Regd. Office :  
Iris House,  
16, Business Centre,  
Nangal Raya,  
New Delhi – 110046

By order of the Board

Sd/-  
Rajesh Bagri  
Director



**MORNING GLORY LEASING AND FINANCE LTD.**

CIN-L67120DL1948PLC018872

Regd. Office : Iris House, 16, Business Centre, Nangal Raya, New Delhi 110 046

Folio No. / Client ID ..... DP ID ..... No. of shares.....

Name of the Member.....

Signature.....

Name of the Proxyholder.....

Signature.....

1. Only Member/Proxyholder can attend the meeting.
2. Member/Proxyholder should bring his/her copy of the Annual Report for reference at the meeting.
3. No gifts will be distributed at the meeting.

**MORNING GLORY LEASING AND FINANCE LTD.**

CIN-L67120DL1948PLC018872

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**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 member(s) of ..... Shares of Orient Bell Limited, hereby appoint:

1. Name..... E-mail Id:.....

Address:.....

Signature:.....

or failing him

2. Name.. ..... E-mail Id:.....

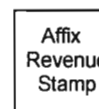
Address:.....

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company to be held on Monday, the 29<sup>th</sup> day of September, 2014 at 01.30 p.m. at its Registered Office at Iris House, 16, Business Centre, Nangal Raya, New Delhi-110046 and at any adjournment thereof in respect of such resolutions as are indicated below:

1. Adoption of Audited Accounts of the Company for the year ended 31<sup>st</sup> March 2014 along with the Reports of Directors', Auditors' thereon and Compliance Certificate.
2. Appointment of Mr. Roma Monisha Sakraney Daga, who retires by rotation and being eligible offers himself for re appointment.
3. Appointment of Auditors.
4. Appointment of Mr. Yogesh Mendiratta as an Independent Director.
5. Appointment of Mr. Rajesh Bagri as an Independent Director.

Signed on this ..... day of ..... 2014



Signature of Member..... Signature of Proxy holder(s).....

- NOTES: 1. This form 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.
2. Those members who have multiple folios with different joint holders may use copies of this Attendance

## DIRECTORS' REPORT

To  
The Members

We have pleasure in presenting this 30<sup>th</sup> Annual Report together with the Audited Accounts of the Company for the year ended on 31<sup>st</sup> March 2014.

### FINANCIAL PERFORMANCE

The Financial results of the Company for the year ended 31st March, 2014 shows a net profit of Rs.31,79,062/- after providing depreciation and income tax amounting to Rs.5,256/- and Rs.5,56,453/- respectively. Accordingly, the net surplus of Rs.76,08,678/- has been carried to the Balance Sheet after addition of current year profit.

### DIVIDEND

Your Directors regret not to be able to recommend any dividend.

### PUBLIC DEPOSITS

During the year under review, your company neither invited and / or accepted any deposits from the public nor were any public deposits pending for payment.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION/RESEARCH & DEVELOPMENT

Not being a manufacturing Company, your Company is advised that Form A prescribed under the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, relating to Conservation of Energy and Technology Absorption, is not applicable to it. It is informed that during the year under review, the Company did not absorb any new technology or carried out any R&D related activity for this purpose. However, use of energy efficient devices, wherever possible, in conducting business of Company is part of administration policies.

### FOREIGN EXCHANGE EARNING AND OUTGO

There is no foreign exchange earned and outgo during the year.

### DIRECTORS

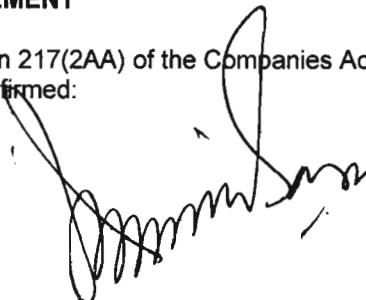
In accordance with the provisions of Companies Act, 2013 and the Company's Articles of Association, Ms. Roma Monisha Sakraney Daga, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment.

To comply with the provisions of Section 149 and other applicable provisions of the Act, the Board has recommended the appointment of all the existing non executive Independent Directors as Independent Directors viz., Mr. Yogesh Mendiratta and Mr. Rajesh Bagri to hold office as per their tenure of appointment mentioned in the notice of the forthcoming Annual General Meeting of the Company.

In order to obtain their continued valuable direction and guidance, it is recommended that his reappointment be approve.

### DIRECTORS' 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:



- (i) that in the preparation of 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;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that were 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 the year under review;
- (iii) that the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the accounts for the financial year ended 31<sup>st</sup> March 2014 on a 'going concern' basis.

#### **PARTICULARS OF EMPLOYEES**

There has been no employee in terms of section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended or otherwise.

#### **AUDITORS**

M/s Rattan Gupta & Company, Chartered Accountants, New Delhi Statutory Auditors of the Company, retire in accordance with the provisions of the Companies Act, 1956 at the forthcoming Annual General Meeting and being eligible, offer themselves for reappointment.

#### **COMPLIANCE CERTIFICATE**

The Compliance certificate of the Company for the financial year 2013-14 as required under provisions of Section 383A of the Companies act, 1956 and the Companies (Compliance Certificate) Rules, 2000 obtained from Practicing Company Secretary.

#### **INFORMATION PURSUANT TO LISTING AGREEMENT WITH STOCK EXCHANGES**

The name and address of the Stock Exchange where the Company's shares are listed is:-

The Delhi Stock Exchange Association Ltd.  
DSE House, 3/1 Asaf Ali Road, New Delhi-110 002

The Company has duly paid the listing fee up to 2014-15.

#### **ACKNOWLEDGEMENTS**

Your directors take this opportunity to place on record their appreciation for the contribution, support and co-operation, received from the employees, Company's bankers, associates, vendors and dealers. Your Directors also wish to place on record their gratitude towards the shareholders for reposing faith in the management of the Company.

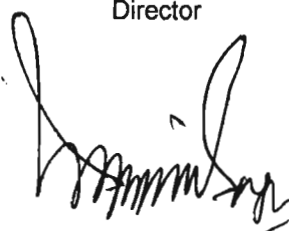
Place : New Delhi  
Dated : 29<sup>th</sup> May 2014

Regd. Office :  
Iris House,  
16, Business Centre,  
Nangal Raya,  
New Delhi – 110046

By order of the Board

Sd/-  
Yogesh Mendiratta  
Director

Sd/-  
Rajesh Bagri  
Director



**INDEPENDENT AUDITORS' REPORT**

**TO THE MEMBERS OF MORNING GLORY LEASING & FINANCE LIMITED**  
Report on the Financial Statements

We have audited the accompanying financial statements of MORNING GLORY LEASING & FINANCE LIMITED (the company), which comprise the Balance Sheet as at March 31, 2014, 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.

**Managements' 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 notified under the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of Companies Act, 2013 in accordance with the accounting principles generally accepted in India. 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.

**Auditors' 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 auditors' 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 auditors consider internal controls 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, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. 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 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 aforesaid 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 Statement of Profit and Loss, of the profit of the Company for the year ended on that date; and
- c. In the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

#### Report on other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' 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 notified under the Companies Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate affairs in respect of Section 133 of Companies Act, 2013





- 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;

FOR RATTAN GUPTA & CO.  
Firm Registration No. 00304N  
CHARTERED ACCOUNTANTS

*Rattan Gupta*

(RATTAN GUPTA)  
PARTNER  
MEMBERSHIP NO.:- 017542



Place: New Delhi  
Dated: 29/05/2014

Annexure to the Independent Auditors' Report

(Referred to in 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) The Company has a regular programme of physical verification of its fixed assets through which all fixed assets are verified, in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. As informed to us, no material discrepancies were noticed on such verification as carried out under the above programme during the current year.
- c) In our opinion, the company has not disposed of a substantial part of its fixed assets during the year and going concern status of the company is not affected.
- ii. The Company does not have inventory and hence the provisions of paragraph 4(ii)(a) to 4(ii)(c) are not applicable to the company.
- iii. a) There are no companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956 to which the company has not granted any loans, secured or unsecured, as per information and explanations given to us and register under Section 301 of the Companies Act, 1956 produced before us. Consequently the provisions of clauses 4(iii)(b), (iii)(c) and (iii)(d) of the Order are not applicable to the Company.
- b) The Company has not taken any loan secured or unsecured from companies, firms and other parties covered in the register maintained under section 301 of the Companies Act, 1956 as per information and explanations given to us and register under Section 301 of the Companies Act, 1956 produced before us. Consequently the provisions of clauses 4(iii) (e), (iii) (f) and (iii) (g) the Order are not applicable to the Company.
- 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 nature of its business with regard to purchase of inventories, Investment, fixed assets and for the sale of goods. There is no sale of services during the year. During the course of our audit we have not come across any continuing failure to correct major weaknesses in internal control system.

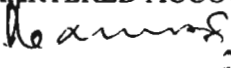


- v. a) According to the information and explanations given to us, we are of the opinion that the particulars of contracts or arrangements referred to in Section 301 of the Companies Act, 1956, have been entered in the register required to be maintained under that section.
- b) In our opinion and according 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 Lakhs in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market price at the relevant time.
- vi. As the company has not accepted any deposits from the public, the provisions of clause 4 (vi) of the Order are not applicable to the Company.
- 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 knowledge and as explained, the Central Government has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956 for the products of the Company.
- ix. a) According to the information and explanations given to us and the records of the company examined by us, the company has been generally regular in depositing undisputed statutory dues, including Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess, Service Tax and other material statutory dues with the appropriate authorities during the year. We are informed that there are no undisputed statutory dues as at the year end, outstanding for a period of more than six months from the date they become payable.
- b) There are no dues in respect of income tax, sales tax, wealth tax, service tax, customs duty, excise duty and cess that have not been deposited with the appropriate authorities on account of any dispute.
- x. The company does not have accumulated losses as at the end of the financial year. The company has not incurred cash loss during the current year covered under the audit and immediately preceding financial year.
- xi. According to the records of the Company examined by us and on the basis of information and explanations given to us, the Company has not any dues to banks & financial institutions. The company has not obtained any borrowings by way of debentures.
- xii. The Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. In our opinion, the Company is not a chit fund or a nidhi/mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Order are not applicable to the Company.



- xiv. The Company is maintaining proper records of the transactions and contracts and timely entries have been made therein in respect of its dealings in shares, securities, debentures and other investments. The shares, securities, debentures and other investments are held by the company in its own name.
- xv. According to the information and explanations given to us, the Company has not given any guarantees for loans taken by others from banks.
- xvi. Since the Company has not obtained any term loans, the provision of this clause won't be applicable to the company.
- xvii. Since the Company has not raised any funds, the provision of this clause won't be applicable to the company.
- xviii. According to the information and explanations given to us no preferential allotment of shares has been made by the Company to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
- xix. The Company has not issued any debentures during the year.
- xx. The Company has not raised any money by way of public issue during the year.
- xxi. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instance of fraud on or by the Company nor have we been informed by the management of any such instance being noticed or reported during the year.

FOR RATTAN GUPTA & CO.  
Firm Registration No. 00304N  
CHARTERED ACCOUNTANTS

  
(RATTAN GUPTA)  
PARTNER  
MEMBERSHIP NO.:- 017542



Place: New Delhi  
Dated: 29/05/2014

**MORNING GLORY LEASING & FINANCE LTD**  
**BALANCE SHEET AS AT 31st MARCH, 2014**

Particulars	Note No	31st March, 2014 (Amount in Rs.)	31st March, 2013 (Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>	2	24,90,000	24,90,000
a) Share Capital			
b) Reserves and Surplus	3	76,08,678	44,29,616
<b>Current Liabilities</b>			
a) Trade payables	4	9,000	8,427
b) Other current liabilities	5	21,648	25,625
c) Short-term provisions	6	5,56,453	-
		<b>1,06,85,779</b>	<b>69,53,668</b>
<b>Assets</b>			
<b>Non-current assets</b>			
a) Fixed assets	7		
(i) Tangible assets		47,313	52,569
b) Non-current investments	8	38,78,911	67,48,589
<b>Current assets</b>			
a) Trade Receivable	9	62,15,275	-
a) Cash and cash equivalents	10	5,302	1,45,563
b) Short-term loans and advances	11	5,38,978	6,947
		<b>1,06,85,779</b>	<b>69,53,668</b>

**SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:**

1

NOTE: Schedules 1 to 15 form an integral part of the accounts.

As our report of even date attached

For Rattan Gupta & Co.  
Firm Registration no. 00304N  
Chartered Accountants

(Rattan Gupta)  
Partner  
Membership No.: 017542

Place: New Delhi  
Dated: 29-05-2014



For Morning Glory Leasing and Finance Ltd.

Director

Director

**MORNING GLORY LEASING AND FINANCE LTD.**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2014**

Particulars	Note No	31st March, 2014 (Amount in Rs.)	31st March, 2013 (Amount in Rs.)
Revenue from operations	12	4,92,373	5,54,789
Other Income	13	28,45,830	-
<b>Total Revenue</b>		<b>33,38,203</b>	<b>5,54,789</b>
<b>Expenses:</b>			
Employee benefit expense	14	34,900	88,489
Depreciation and amortization expense	7	5,256	9,341
Other expenses	15	94,563	1,76,973
		<b>1,34,719</b>	<b>2,74,803</b>
Profit Before Tax		<b>32,03,484</b>	<b>2,79,986</b>
Less : Provision for Tax		5,56,453	14,233
Add : Mat Credit booked Ass year.2014-15		5,32,031	-
Add : Income Taxes for earlier years written back		-	561.00
Net Profit Carried Forward		<b>31,79,062</b>	<b>2,66,314</b>
<b>BASIC AND DILUTED EARNINGS PER EQUITY SHARE (In Rupees)</b>		<b>12.77</b>	<b>1.07</b>

SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS: 1

NOTE: Schedules 1 to 15 form an integral part of the accounts.

As per our report of even date attached

**F Rattan Gupta & Co.**  
**Firm Registration no. 00304N**  
**Chartered Accountants**

(Rattan Gupta)  
 Partner  
 Membership No.: 017542

Place: New Delhi  
 Dated: 29-05-2014



**For Morning Glory Leasing and Finance Ltd.**

*[Signature]*  
 Director

Director

## MORNING GLORY LEASING & FINANCE LIMITED

### NOTE - 1 SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS

#### A. SIGNIFICANT ACCOUNTING POLICIES

i. Accounting conventions:

The financial statements are prepared under the historical cost convention. Accounting policies not specifically referred to otherwise, are consistent with generally accepted accounting principles.

ii. Revenue Recognition:

Expenses and income considered payable and receivable respectively are accounted for on accrual basis.

iii. Fixed Assets:

Fixed assets are stated at their original cost less accumulated depreciation. Cost of acquisition is inclusive of freight, duties, taxes and other incidental expenses, if any.

iv. Depreciation:

The company follows the rates and method prescribed under the Income Tax Act, 1961 for providing depreciation in respect of all fixed assets.

v. Income from stock of Investments & Loans:

Income from stock of investments in interest bearing securities and loans & advances is accounted for on accrual basis. Dividend income from stock of investments in shares is recognised accruing as income of that year in which dividend is declared by the companies in their respective Annual General Meetings.

vi. Investments:

Investments are stated at historical cost. The market value of quoted investment are also disclosed in the Balance Sheet. Cost is inclusive of transfer expenses if any and at the time of sale cost is determined on the basis of purchase price paid for each share identified through its distinctive no(s), in case of shares held in physical form and FIFO basis in case of shares held in dematerialize form.

vii. Contingent Liabilities:

Contingent liabilities are not provided for and are disclosed by way of notes.



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A handwritten signature in black ink, consisting of a stylized 'M' followed by a vertical line and a diagonal stroke.

## B. NOTES ON ACCOUNTS

1. The company has provided depreciation on fixed assets as per the method and rates prescribed under the Income Tax Act, 1961. Schedule XIV referred to in section 205 of the Companies Act, 1956 for the purpose of declaration of dividend has not been followed. The company has not declared any dividend for the year.
2. This disclosure is based on the information available with the company regarding the status of suppliers as defined under the "Interest on Delayed Payments to Small Scale & ancillary Industrial Undertaking Act, 1993". Unpaid Interest as on 31st March, 2014 Rs. NIL (Previous Year NIL).
3. In the opinion of Board of Directors, the value on realization of current assets, loans and advances in the ordinary course of business will not be less than the amount at which these are stated in the Balance Sheet.
4. The Management has confirmed that adequate provision has been made for all the known and determined liabilities and the same is not in excess of the amounts reasonably required.
5. The office building of the company is still pending registration in the name of the company.
6. There is no liability of the company as on 31.03.2014 in respect of retirement/earned leave encashment benefits, if any, payable to its employees.
7. The figures have been rounded off to the nearest rupee.
8. Wherever necessary to confirm the current year's classification, previous year figures have been re-grouped and re-classified.
9. Deferred Tax Liability/Asset:-  
No Deferred Tax liability/Asset has been created as there is no timing difference between taxable and Accounting Incomes of the company.
10. The company is mainly engaged in the activities of Sale/Purchase of securities and all other activities are incidental to/resolve around the main activity and therefore there are no separate reportable segments as per the Accounting Standard (A-17) on segment reporting.
11. As per Accounting Standard 18 "Related Party Disclosures" issued by Companies (Accounting Standard) Rules, 2006 transaction with related parties are as follows:

a) Rent Received	2013-14	2012-13
Orient Bell Ltd.	1,51,875	76,605



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b) Consultancy Charges Received  
Orient Bell Ltd.

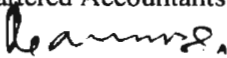
---NIL---

1.50,000

12. EARNING PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit	32,03,484	2,79,986
Less: Provision Taxation	5,56,453	14,233
: MAT Carried Forward	5,32,031	---
: Previous year tax adjustment	---	561
Net Profit	31,79,062	2,66,314
(b) No. of Equity Shares Outstanding during the year	2,49,000	2,49,000
(c) Basic & Diluted Earnings (In Rupees)per Share	12.77	1.07

As per our report of even date attached  
For Rattan Gupta & Co.  
Firm Registration No. 00304N  
Chartered Accountants



(Rattan Gupta)  
Partner

Membership No.: 17542

Place: New Delhi  
Dated:29-05-2014



For Morning Glory Leasing & Finance Ltd.

  
Director

  
Director

MORNING GLORY LEASING & FINANCE LTD

NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2014

	Note No.	2014	2013
<b>Note No</b>	<b>2</b>		
<b>Share Capital</b>			
Authorised :			
3,00,000 Equity Shares of Rs.10/- each		30,00,000	30,00,000
10,000 Non Cumulative redeemable Preference Shares of Rs.100/- each		10,00,000	10,00,000
		<u>40,00,000</u>	<u>40,00,000</u>
Issued, subscribed & paid up:			
2,49,000 Equity shares of Rs.10/- each fully paid up		24,90,000	24,90,000
Total:		<u>24,90,000</u>	<u>24,90,000</u>

-- Issued Share capital of the Company has only one class of shares referred to as equity shares having Par value of Rs.10/. Each holder of Equity Shares is entitled to One vote per share.

-- Reconciliation of the number of shares outstanding and Amount of Share Capital as on 31st March,2014 & 31st March,2013 is as under:

Particulars	As at 31st March,2014		As at 31st March,2013	
	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
Number of shares at the beginning	249000	24,90,000	249000	24,90,000
Number of shares at the end	249000	24,90,000	249000	24,90,000

- The dividend Proposed, if any, by the Board of Directors is subject to approval of the Shareholders in the ensuing Annual General Meeting.No dividend has been proposed for the current year or for the previous year.

<b>Note No</b>	<b>3</b>		
<b>RESERVE &amp; SURPLUS</b>			
Surplus - Opening Balance		44,29,616	41,63,302
Add: Net Profit after tax transferred from Statement of Profit & Loss		31,79,062	2,66,314
Surplus - Closing Balance		<u>76,08,678</u>	<u>44,29,616</u>


<b>Note No</b>	<b>4</b>		
<b>Trade Payable</b>			
Sundry Creditors		9,000	8,427
<b>TOTAL</b>		<u>9,000</u>	<u>8,427</u>



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	<u>2014</u>	<u>2013</u>
<b>Note No</b>	<b>5</b>	
<b>Other current liabilities</b>		
Expense payable	8,613	11,671
Service Tax Payable	-	919
Security Deposit Received	13,035	13,035
<b>TOTAL</b>	<u>21,648</u>	<u>25,625</u>
<b>Note No</b>	<b>6</b>	
<b>Short-term provisions</b>		
Provision for Income Tax	5,56,453	-
<b>TOTAL</b>	<u>5,56,453</u>	<u>-</u>
<b>Note No</b>	<b>9</b>	
<b>Trade Receivable</b>		
(Unsecured, Considered good unless stated otherwise)		
Outstanding over six months from due date		
Other debts	62,15,275	-
	<u>62,15,275</u>	<u>-</u>
<b>Cash and cash equivalents</b>	<b>10</b>	
i) Cash & Bank Balances		
-Cash in hand (As certified)	308	21,886
-Syndicate Bank, N.Delhi(Current A/c)	4,994	1,23,677
<b>TOTAL</b>	<u>5,302</u>	<u>1,45,563</u>
<b>Note No</b>	<b>11</b>	
<b>Short-term loans and advances</b>		
ITDS ASS . YEAR 2013-14	6,947	6,947
Mat Credit Available	5,32,031	-
	<u>-</u>	<u>-</u>
<b>TOTAL</b>	<u>5,38,978</u>	<u>6,947</u>
<b>Note No</b>	<b>12</b>	
<b>Revenue from operations</b>		
a Dividend	3,40,498	3,28,184
b Interest	1,51,875	76,605
c Consultancy Charges	-	1,50,000
<b>TOTAL</b>	<u>4,92,373</u>	<u>5,54,789</u>
<b>Note No</b>	<b>13</b>	
<b>Other Income</b>		
Long Term Capital Gain on Shares	28,45,830	-
<b>TOTAL</b>	<u>28,45,830</u>	<u>-</u>
<b>Note No</b>	<b>14</b>	
<b>Employee benefit expense</b>		
Salary & Wages	34,900	88,489
<b>TOTAL</b>	<u>34,900</u>	<u>88,489</u>



MORNING GLORY LEASING & FINANCE LTD

NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2014

Note No	15	2014	2013
<b>Other expenses</b>			
Printing & Stationery		2,250	2,150
Postage & General Charges		1,850	1,850
Professional Charges		18,000	22,000
Listing Fees		5,000	5,000
Bank Charges		482	661
Car Running & Maintenance Expenses		-	2,210
Filing Fees		570	2,000
Meeting Fees		10,112	16,856
Rent, Rates & Taxes		6,024	3,952
<b>Auditors' Remuneration:</b>			
Audit Fee	9,000		5,618
Company law matters	-		1,685
Income Tax Matters	-	9,000	1,124
Electricity Charges		10,000	10,000
Staff Welfare Expenses		2,450	2,150
Statutory Publication Charges		27,692	36,096
Loss on sale of Fixed assets		-	61,867
Demat Charges		1,133	1,754
<b>Total</b>		<b>94,563</b>	<b>176,973</b>



For Morning Glory Leasing and Finance Ltd.

*[Signature]*  
Director

*[Signature]*  
Director

**Note No 7  
FIXED ASSETS**

**MORNING GLORY LEASING AND FINANCE LTD.  
Statement Showing Details of Depreciation As at 31st March, 2014**

PARTICULARS	GROSS BLOCK			DEPRECIATION					WDV			
	As at 1.4.2013	Addition	Deduction/ Adjustments	Total 31.03.2014	Up to 31.3.2013	For the Year	Adjust- ments	Sale proceeds	Profit or loss	Total 31.03.2014	As at 31.03.2014	As at 31.03.2013
Tangible Assets												
Building	566,133	-	-	566,133	513,564	5,256	-	-	-	518,820	47,313	52,569
<b>Total:</b>	<b>566,133</b>	<b>-</b>	<b>-</b>	<b>566,133</b>	<b>513,564</b>	<b>5,256</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>518,820</b>	<b>47,313</b>	<b>52,569</b>
Previous Year	2,558,330	3,500	1,995,697	566,133	2,413,053	9,341	1,992,197	25,000	61,867	517,064	52,569	145,277




Director



Director

For Morning Glory Leasing and Finance Ltd.

NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2014  
**Note No 8**  
**Non-current investments**

Particulars	Opening Stock As on 1.4.2013		Purchases		Sale/Adjust. during the year		Profit/-Loss		Closing Stock As on 31.03.2014	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Amount (Rs.)	Amount (Rs.)	Nos.	Amount (Rs.)
<b>QUOTED</b>										
Equity Shares of Rs. 10/- each fully paidup of Triveni Engg. & Ind. Ltd.	14050	1,026,049	-	-	14,050	1,026,049	-	776,666	-	-
#Equity Shares of Rs. 10/- each fully paidup of Triveni Turbine Ltd.	5550	55,500	-	-	-	-	-	-	5,550	55,500
#Equity Shares of Rs. 10/- each fully paidup of Coal India Ltd.	89	21,805	-	-	-	-	-	-	89	21,805
#Equity Shares of Rs. 10/- each fully paidup Aditya Birla Nuvo Ltd. (formerly Indian Rayon & Ind. Ltd.)	241	44,234	-	-	-	-	-	-	241	44,234
#Equity Shares of Rs. 10/- each fully paidup of Axis Bank Ltd.	150	198,156	-	-	-	-	-	-	150	198,156
Equity Shares of Rs. 10/- each fully paidup of Hindustan Dorr Oliver Ltd.	2,600	298,592	-	-	2,600	298,592	-	278,168	-	-
Equity Shares of Rs. 10/- each fully paidup of Freesia Investments & Trading Co. Ltd.	129000	473,205	-	-	-	-	-	-	129,000	473,205
#Equity Shares of Rs. 10/- each fully paidup of State Bank Of India.	123	46,570	-	-	-	-	-	-	123	46,570
Equity Shares of Rs. 10/- each fully paidup of Orient Bell Ltd.	209819	4,033,235	-	-	122,449	2,029,937	-	3,915,264	87,370	2,003,298



Equity Shares of Rs. 10/- each fully paidup of Sunearth Ceramics Ltd.	400	15,000	-	-	400	15,000	-	14,600	-	
Equity Shares of Rs. 10/- each fully paidup of Bajaj Auto Ltd..	0	-	115	221,915	-	-	-	-	115	221,915
Equity Shares of Rs. 10/- each fully paidup of Bajaj finserv Ltd..			375	277,985					375	277,985
#Equity Shares of Rs. 10/- each fully paidup of Power Grid Corp. of India Ltd.	231	20,790	-	-	-	-	-	-	231	20,790
#Equity Shares of Rs. 10/- each fully paidup of Hindalco Industries Ltd	600	124,112	-	-	-	-	-	-	600	124,112
#Equity Shares of Rs. 10/- each fully paidup of ITC Ltd	1,500	306,541	-	-	-	-	-	-	1,500	306,541
<b>UNQUOTED</b>										
Equity Shares of Rs. 10/- each fully paidup of IRIS Designs Pvt. Ltd.	8480	84,800	-	-	-	-	-	-	8,480	84,800
<b>Total:</b>	<b>372,833</b>	<b>6,748,589</b>	<b>490</b>	<b>499,900</b>	<b>139,499</b>	<b>3,369,578</b>	<b>2,845,830</b>	<b>233,824</b>	<b>3,878,911</b>	

Aggregate value of Shares:-

	Book Value		Market Value	
	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)	As at 31.03.2014 (Rs.)	As at 31.03.2013 (Rs.)
Quoted	3,794,111	6,663,789	7,021,879	17,070,340
Unquoted	84,800	84,800	84,800	84,800
	<u>3,878,911</u>	<u>6,748,589</u>	<u>7,106,679</u>	<u>17,155,140</u>

Note:

1. Market value of Quoted Shares have been taken as per BSE/NSE.
2. In case of unquoted shares, cost has been taken as Market value.
3. # Share held in Quoted investment are pledged on behalf of associate company.



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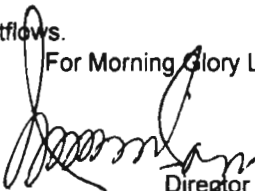
**MORNING GLORY LEASING AND FINANCE LTD.**  
**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2014**

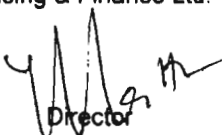
Particulars	(Figures Rs.)	
	2013-14	2012-13
<b>A) Cash Flow from Operating Activities</b>		
Net Profit before Tax & Extraordinary items	3203484	279986
Add: Adjustments for:		
Interest Paid	0	0
Depreciation	5256	9341
Loss/ (Profit) on sale of Investment/Fixed Assets	-2845830	61867
Less: Dividend Received on Investments	-340498	-328184
Interest Received	0	0
Other Income	0	0
Operating Profit before Working Capital Changes	22412	23010
Adjustments for:		
Trade & Other Receivables	-6747306	166495
Trade Payables	542138	-106229
Cash Generated from/(used in) Operations	0	0
Less: Taxes Paid	-13511	-13672
Net Cash from/(used in) Operating Activities	-6196267	69604
<b>B) Cash Flow from Investing Activities</b>		
Purchase of Investments	-499900	-543404
Sale of Investments	6215408	25000
Dividend on Investment Received	340498	328184
Interest Received	0	0
Other Income	0	0
Net Cash from Investing Activities	6056006	-190220
<b>C) Cash Flow from Financing Activities</b>		
Change in Unsecured Loans	0	0
Interest Paid	0	0
Net Cash generated in Financing Activities	0	0
<b>Net Change in Cash and Cash Equivalents (A+B+C)</b>	<b>-140261</b>	<b>-120616</b>
Cash & Cash Equivalents As At 1st April (Opening Balance)	145563	266179
Cash & Cash Equivalents As At 31st March (Closing Balance)	5302	145563

Note: Figures in brackets represent cash outflows.

For Morning Glory Leasing & Finance Ltd.

Place: New Delhi  
Dated: 29-May-2014

  
Director

  
Director





**Auditors' Report**

We have verified the attached Cash Flow Statement of Alfa Mercantile Ltd., derived from audited financial statements and the books and records maintained by the Company for the years ended 31st March, 2014 and 31st March, 2013 and found the same in agreement therewith.

For Rattan Gupta & Co  
Chartered Accountants



(Rattan Gupta)

Partner

Membership No. 017542

Place: New Delhi  
Dated: 29-05-2014

