

# Morning Glory Leasing & Finance Limited

Iris House, 16, Business Centre, Nangal Raya, New Delhi-110046

## FORM A

1.	Name of the Company	Morning Glory Leasing And Finance Limited.
2.	Annual financial statements for the year ended	31 <sup>st</sup> March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not applicable



**Rattan Gupta**  
Partner  
M/s Rattan Gupta & Co.,  
Chartered Accountants,  
Statutory Auditors

**Rajesh Bagri**  
Director

**Yogesh Mendiratta**  
Chairman of Audit  
Committee

**31st**  
**ANNUAL REPORT**  
**2014-15**

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**MORNING GLORY LEASING AND FINANCE LIMITED**

**CIN:L67120DL1984PLC018872**

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## **DIRECTORS' REPORT**

To  
The Members

We have pleasure in presenting this 31<sup>st</sup> Annual Report together with the Audited Annual Financial Accounts of the Company for the year ended on 31<sup>st</sup> March, 2015.

### **FINANCIAL PERFORMANCE**

The Financial results of the Company for the year ended 31<sup>st</sup> March, 2015 shows a net profit of Rs. 5,97,038/- after taking deferred tax effect of Rs. NIL /- and providing depreciation of Rs. 5,436/- and income tax amounting to Rs. 1,03,230/. Accordingly, the net surplus of Rs. 82,05,716/- 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 for the Financial Year 2014-15.

### **RESERVES**

During the year under review, your Company, has transferred an amount of Rs. 5,97,038/-, out of current year surplus to reserves & surplus.

### **SHARE CAPITAL**

The Paid up Equity Share Capital as on March 31, 2015 was Rs.24,90,000/-. During the year under review, the Company has not issued any further Share Capital.

### **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.

### **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013.**

During the year under review ,Your Company has not given any Loans, Guarantees or made any Investments covered under the provisions of Section 186 of the Companies Act, 2013 (the Act).

### **DIRECTORS & KEY MANAGERIAL PERSONNEL**

The Board of Directors in their meeting held on 11<sup>th</sup> February, 2015 appointed Mr. Anil Agarwal (DIN: 00062244) as an Additional Director in the category of Independent-Non-Executive Director of the Company with effect from 11<sup>th</sup> February, 2015 to hold office up to the forthcoming Annual General Meeting .The above appointment was subject to approval of the Shareholders of the Company at the forthcoming Annual General Meeting. The Nomination and Remuneration Committee and the Board of Directors have in their respective meetings held on 30<sup>th</sup> May, 2015 subject to the approval of shareholders in the forthcoming Annual General Meeting, recommended the appointment of Mr. Anil Agarwal as Independent- Non Executive Director.

To comply with the provisions of Section 149 and other applicable provisions of the Act, the Board has recommended the appointment of Mr. Anil Agarwal to hold office as per her tenure of appointment mentioned in the notice of the forthcoming Annual General Meeting of the Company. Details of the proposal for the appointment of Mr. Anil Agarwal

as an Independent Director are also mentioned in the Explanatory Statement under Section 102 of the Companies Act, 2013 of the Notice of the 31<sup>st</sup> Annual General Meeting of the Company.

Pursuant to Section 152 of the Companies Act, 2013 (the Act), Mrs. Roma Monisha Sakraney Daga, shall retire by rotation at the ensuing 31<sup>st</sup> Annual General Meeting and being eligible offer herself for reappointment.

All Independent Directors have given declarations that they meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013.

## **BOARD EVALUATION**

Pursuant to the provisions of the Companies Act, 2013, the Board has carried out an annual evaluation of its own performance and that of its Committees as well as performance of the Directors individually. Feedback was sought covering various aspects of the Board's functioning such as adequacy of the composition of the Board and its Committees, Board culture, execution and performance of specific duties, obligations and governance and the evaluation was carried out based on responses received from the Directors.

A separate exercise was carried out by the Nomination and Remuneration Committee of the Board to evaluate the performance of individual Directors. The performance evaluation of the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The Directors expressed their satisfaction with the evaluation process.

## **NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS**

During the year 4 (Four) Meetings of Board of Directors were duly convened and held. The gap between two Meetings was not more than 120 days as prescribed under section 173 of the Act.

## **AUDIT COMMITTEE**

The Audit Committee comprises of three Directors namely Mr. Yogesh Mendiratta (Chairman), Mr. Anil Agarwal (Member) and Mrs. Roma Monisha Sakraney Daga (Member) .All the recommendations made by the Audit Committee were accepted by the Board.

Audit Committee of the Board is entrusted with the powers and the role that are in accordance with Section 177 of the Companies Act, 2013. The terms of reference of the Audit Committee, inter alia, include overseeing financial reporting processes, reviewing periodic financial results, reviewing with the management the financial statements and adequacy of internal control systems, reviewing the adequacy of internal control function, discussions with the Internal and Statutory Auditors about the scope of audit including the observations of Auditors and discussion with them on any significant findings.

## **NOMINATION AND REMUNERATION COMMITTEE**

The Board has, in compliance with the provisions of Section 178 of the Companies Act, 2013 constituted the Nomination and Remuneration Committee. The Committee comprises of three Directors namely Mr. Yogesh Mendiratta (Chairman), Mr. Anil Agarwal (Member) and Mrs. Roma Monisha Sakraney Daga (Member).

The Committee shall function in accordance with the statutory provisions laid down from time to time. The Board has the power to reconstitute the Committee consistent with the Company's Policy and applicable statutory requirements.

Nomination and Remuneration Committee has formulated the Nomination & Remuneration Policy, inter alia, for appointment and fixing remuneration of the directors, key managerial personnel and other employees. The said Policy is attached herewith as "Annexure 1".

## **SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

During the period under review, No Company became or ceased to become Subsidiary/Joint Venture /Associate Companies of the Company.

## **AUDITORS**

### **STATUTORY AUDITORS**

M/s Rattan Gupta & Co., Chartered Accountants, New Delhi Statutory Auditors of your Company hold office till the conclusion of ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. The Company has received a letter from M/s Rattan Gupta & Co., Chartered Accountants, New Delhi, confirming that their appointment, if made, would be within the limits prescribed under section 139 and 141 of the Companies Act, 2013 and that they are not disqualified for re-appointment.

The Board of Directors recommends the re-appointment of M/s Rattan Gupta & Co., Chartered Accountants, New Delhi as Statutory Auditors from the conclusion of ensuing Annual General Meeting till the conclusion of 32<sup>nd</sup> Annual General Meeting in accordance with the provisions of Section 139 of the Companies Act, 2013 and rules there under at such remuneration as shall be fixed by the Board of Directors of the Company.”

### **AUDITORS' REPORT**

The Auditor's Report read with notes to the accounts referred to in the Auditor Report are self- explanatory and therefore do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark.

### **SECRETARIAL AUDIT**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company has appointed Mr. Astik Tripathi, Company Secretary in Whole Time Practice, to undertake the Secretarial Audit of the Company. The Secretarial Audit Report contain following qualification:

1. The company has not appointed Company Secretary during the audit period as per the provisions of section 203(1) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
2. The company has not appointed Chief Financial Officer during the audit period as per the provisions of section 203(1) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.
3. The company has not appointed Chief Executive Officer, Managing Director, or Manager and in their absence a Whole time Director during the audit period as per the provisions of section 203(1) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

We clarify that company will appoint a Managing Director upto the ensuing AGM of the company and we further clarify that company has made efforts for appointment of CS and CFO but did not find any suitable candidate for the same, company continuously trying to find the candidates for the same and will be appointed very soon.

The Report of the Secretarial Audit is appended as Annexure 2 to the Board's Report.

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

Not being a manufacturing Company, your Company is advised that the details prescribed under the Companies (Accounts) Rules, 2014, 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.

#### **BUSINESS RISK MANAGEMENT**

Your Company has process in place to identify and assess business risks and opportunities in the form of a Risk Management Policy. The Policy has been framed by the Board of Directors. The main objective of this Policy is to ensure sustainable business growth with stability and to promote a pro-active approach in reporting, evaluating and resolving risks associated with the business

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Company has adequate system of internal control to safeguard its assets and protect from loss, unauthorized use or disposition of its assets. All the transactions are properly authorized, recorded and reported to the Management. The Company is following all the applicable Accounting Standards for properly maintaining the books of accounts and reporting financial statements.

#### **CORPORATE SOCIAL RESPONSIBILITY INITIATIVES**

The provisions of Section 135 of the Act, with regard to Corporate Social Responsibility (CSR) are at present not applicable on the Company.

#### **VIGIL MECHANISM CUM WHISTLE BLOWER POLICY**

In Pursuance to provision of section 177 of the Act and rules framed thereunder, The Company has formulated a Vigil Mechanism cum Whistle Blower Policy to deal with the instances of unethical behavior, actual or suspected, fraud or violation of the Company's Code of Conduct. It provides for a mechanism for Directors and Employees of the Company to approach the Chairman of the Audit Committee of the Company or the Director nominated to play the role of Audit Committee as the case may be, in exceptional cases to report such cases.

#### **PARTICULARS OF CONTRACT AND ARRANGEMENT WITH RELATED PARTIES**

During the year under review, the Company has not entered into any contract or arrangement with the Related Parties as per Section 188 of the Companies Act, 2013. However, particulars of Related Party Transactions entered into in pursuance to the existing Accounting Standard -18 as notified in the Companies (Accounting Standards) Rules, 2006 read with Rule 7 of the Companies (Account) Rules, 2014 are given under Note 21 to the Financial Statements.

#### **PARTICULARS OF EMPLOYEES**

The information as per Section 197 read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be provided upon request. However, as per the provisions of Section 136 of the Act, the Report and Accounts are being sent to all the members excluding the information on particulars of employees which is available for inspection by the members at the Registered Office of the Company during business hours on working days of the Company up to the date of the ensuing Annual General Meeting.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to Section 134(3) (c) of the Companies Act, 2013, your Directors, to the best of their knowledge and belief and according to the information and explanations obtained by us, make the following statement:

- (a) that in the preparation of annual accounts for the financial year ended March 31, 2015, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- (b) that the Directors have 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 your Company as at March 31, 2015 and of the profit of your Company for the year ended on that date;
- (c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (d) that the accounts for the financial year ended March 31, 2015 have been prepared on a 'going concern' basis;
- (e) that internal financial controls were in place and that such internal financial controls were adequate and were operating effectively;
- (f) that proper systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

## **EXTRACT OF ANNUAL RETURN**

The details forming part of the extract of the Annual Return in Form MGT-9 is appended as Annexure 3 to the Board's Report.

## **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

## **GENERAL**

The Company has a Policy on Prohibition, Prevention and Redressal of Sexual Harassment of Women at Workplace and matters connected therewith or incidental thereto covering all the aspects as contained under the "The Sexual Harassment of Women at Workplace (Prohibition, Prevention and Redressal) Act, 2013". Your Directors further states that during the year under review, there were no complaint filed pursuant to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

## **ACKNOWLEDGEMENT**

Your Board of Directors takes this opportunity to convey their gratitude and sincere thanks for the co-operation & assistance received from the shareholders and various other stakeholders.

The Board acknowledges your confidence and continued support and looks forward for the same in future as well.

Place : New Delhi  
Dated : 30<sup>th</sup> May, 2015

By order of the Board  
for Morning Glory Leasing And Finance limited

Sd/-  
Yogesh Mendiratta  
Director

Sd/-  
RajeshBagri  
Director



**NOMINATION AND REMUNERATION POLICY**

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**MORNING GLORY LEASING AND FINANCE  
LIMITED**

**(CIN:L67120DL1984PLC018872)**

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## **NOMINATION AND REMUNERATION POLICY**

### **I. PREAMBLE**

Pursuant to Section 178 of the Companies Act, 2013 (the Act), the Board of Directors of every Listed Company shall constitute the Nomination and Remuneration Committee. The Company has already constituted Nomination & Remuneration Committee comprising of three non-executive Directors including two Independent Directors forming majority as required under the Act.

Section 178 of the Act provides that the Committee shall recommend to the Board a policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees, further the Committee shall also formulate the criteria for determining qualifications, positive attributes and independence of a director.

This Committee and the Policy is formulated in compliance with Section 178 of the Companies Act, 2013 read along with the applicable rules thereto.

### **II. OBJECTIVE**

The Key Objectives of the Committee would be:

- a) To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- b) To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- c) To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

### **III. DEFINITIONS**

- "Board" means Board of Directors of the Company.
- "Company" means "**Morning Glory Leasing And Finance limited**".
- "Independent Director" means a director referred to in Section 149 (6) of the Companies Act, 2013.
- "Key Managerial Personnel" (KMP) means
  - (i) Chief Executive Officer or the Managing Director or the Manager,
  - (ii) Company Secretary,
  - (iii) Whole-time Director,
  - (iv) Chief Financial Officer and
  - (v) Such other officer as may be prescribed.
- "Nomination and Remuneration Committee" shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013.
- "Policy or This Policy" means, "Nomination and Remuneration Policy."
- "Remuneration" means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

- “Senior Management/other employee” means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

#### **IV. INTERPRETATION**

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, as amended from time to time.

#### **V. GUIDING PRINCIPLES**

The Policy ensures that

- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company successfully
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks and
- Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals.

#### **VI. ROLE OF THE COMMITTEE**

The role of the Committee inter alia will be 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 recommend/review remuneration of the Managing Director(s) and Whole-time Director(s) based on their performance and defined assessment criteria.
6. To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
7. To perform such other functions as may be necessary or appropriate for the performance of its duties.

#### **VII. MEMBERSHIP**

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.

d) Term of the Committee shall be continued unless terminated by the Board of Directors.

#### **VIII. CHAIRMAN**

- a) Committee shall be chaired by an Independent Director.
- b) Chairman of the Company, if any, may be appointed as a member of the Committee but shall not Chair the Committee.
- c) Members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

#### **IX. FREQUENCY OF MEETINGS**

The meeting of the Committee shall be held at such regular intervals as may be required.

#### **X. COMMITTEE MEMBERS' INTERESTS**

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

#### **XI. VOTING**

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

#### **XII. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**

##### **• Appointment criteria and qualifications:**

1. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
  2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
  3. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director/Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.
- Term / Tenure:**
1. Managing Director/Whole-time Director/Manager (Managerial Person) - The Company shall appoint or re-appoint any person as its Managerial Person for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

## 2. Independent Director

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for reappointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director. Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly. - At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven listed companies as an Independent Director and three listed companies as an Independent Director in case such person is serving as a Whole-time Director of a listed company.

- **Evaluation:** The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).
- **Removal:** Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject to the provisions and compliance of the said Act, rules and regulations.
- **Retirement:** The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

## **XIII. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT**

### • **General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
3. Where insurance, if any, is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

**• Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to P.F, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the Shareholders and Central Government, wherever required.

2. Minimum Remuneration in case of Inadequate or no Profits:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company.

The Company shall not waive recovery of such sum refundable to it unless permitted by the Central Government.

**• Remuneration to Non-Executive / Independent Director:**

1. Remuneration:

The Remuneration shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made thereunder for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time. The Director may however waive off at any time his entitlement & the sitting fees or any other benefit from time to time.

#### **XIV. MINUTES OF COMMITTEE MEETING**

Proceedings of all meetings must be recorded in the minutes book and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

#### **XV. DEVIATIONS FROM THIS POLICY**

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

For and on behalf of the Board

Date: 11.02.2015  
Place: New Delhi

Sd/-  
Yogesh Mendiratta  
(Director)

**Form No. MR-3**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and rule No.9 of the**  
**Companies (Appointment and Remuneration Personnel) Rules, 2014]**

**Secretarial Audit Report**  
**For the financial year ended 31.03.2015**

**To,**  
**The Members,**  
**Morning Glory Leasing and Finance Limited**  
**Iris House 16 Business Centre,**  
**Nangal Raya, New Delhi - 110046**

Date of Incorporation: 03.08.1984  
Authorized Share Capital: **4,000,000.00**  
Paid up Share Capital : **2,490,000.00**

I have conducted the secretarial audit of the compliance of applicable statutory provisions **Morning Glory Leasing And Finance Limited** hereinafter referred to as ("**the company**"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing in my opinion thereon.

Based on my verification of the **Morning Glory Leasing And Finance Limited** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on **31<sup>st</sup> Day of March, 2015 ('Audit Period')** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by **Morning Glory Leasing And Finance Limited ('The Company')** for the financial year ended on **31<sup>st</sup> Day of March, 2015** according to the provisions of:

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the company during the audit period)
- v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'): -
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
  - f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and
  - h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;



I have also examined compliance with the applicable clauses of the following:

- i. Secretarial Standards issued by The Institute of Company Secretaries of India. **(Not applicable to the company during the audit period)**
  - ii. The Listing Agreements entered into by the Company with Stock Exchange(s), if applicable;
4. *The company has not appointed Company Secretary during the audit period as per the provisions of section 203(1) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*
  5. *The company has not appointed Chief Financial Officer during the audit period as per the provisions of section 203(1) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*
  6. *The company has not appointed Chief Executive Officer, Managing Director, or Manager and in their absence a Whole time Director during the audit period as per the provisions of section 203(1) of the Companies Act, 2013 and rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.*

**I further report that:**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors and Non-Executive Directors, except appointment of Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review are carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**Place: New Delhi**  
**Date: 29.05.2015**

**Astik Tripathi and Associates**  
**Companies Secretaries**

**Astik Mani Tripathi**  
**Proprietor**  
**ACS No. 27667**  
**C P No.: 10384**

**This report is to be read with my letter of even date which is annexed as Annexure A and forms an integral part of this report.**

**Annexure- A**

**To,  
The Members,  
Morning Glory Leasing and Finance Limited  
Iris House 16business Centre,  
Nangal Raya, New Delhi - 110046**

My report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and process as Ire appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. I believe that the process and practices, I provided reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. Where ever required, I have obtained the management representations about the compliance of laws, rules and regulations and happening of events etc.
5. The Compliance of provisions of corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My examination was limited to the verification of procedure on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability nor of the efficacy of the effectiveness with which the management has conducted the affairs of the Company.

**Place: New Delhi  
Date: 29.05.2015**

**Astik Tripathi and Associates  
Companies Secretaries**

**Astik Mani Tripathi  
Proprietor  
ACS No. 27667  
C P No.: 10384**

**ANNEXURE – 3 TO BOARD’S REPORT**

**EXTRACT OF ANNUAL RETURN**

**Form No. MGT-9**

**As on the financial year ended on 31.03.2015**

Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014

**I. REGISTRATION AND OTHER DETAILS:**

CIN : L67120DL1984PLC018872  
Registration Date : 03/08/1984  
Name of the Company : Morning Glory Leasing and Finance Limited  
Category / Sub-Category of the Company : Public Company/ Limited by Shares  
Address of the Registered office and contact details : Iris House, 16, Business Center, Nangal Raya,  
New Delhi-110046  
Tel.: +91-47119263  
Fax: +91-47119201  
Whether listed company : Yes  
Name, Address and Contact details of Registrar and Transfer Agent, if any : N.A

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company:-

Sl. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Financial Service Activities	64990	100

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -**

S. No.	Name & Address of the Company	CIN/GLN	Holding/Subsidiary/Associate	% of shares held	Applicable Section
←		NIL			→



f) Insurance Companies	0	0	0	0	0	0	0	0	0.00
g) FIIs	0	0	0	0	0	0	0	0	0.00
h) Foreign Venture Capital fund	0	0	0	0	0	0	0	0	0.00
i) Other (specify)	0	0	0	0	0	0	0	0	0.00
<b>Sub-Total (B) (1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0.00</b>
<b>(2) Non- institutions</b>									
a) Bodies Corporate									
i) Indian	0	4,000	4,000	1.61	0	4,000	4,000	1.61	0
ii) Overseas	0	0	0	0	0	0	0	0	0.00
b) Individuals									
i.) Individual shareholders holding nominal share capital up to Rs 1 lakh	0	45,250	45,250	18.17	0	45,250	45,250	18.17	0.00
ii.) Individual shareholders holding nominal share capital in excess of Rs.1 lakh	0	49,750	49,750	19.98	0	49,750	49,750	19.98	0.00
c) Any Other (specify)	0	0	0	0	0	0	0	0	0.00
<b>Sub-Total (B) (2)</b>	<b>0</b>	<b>99,000</b>	<b>99,000</b>	<b>39.76</b>	<b>0</b>	<b>99,000</b>	<b>99,000</b>	<b>39.76</b>	<b>0.00</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>99,000</b>	<b>99,000</b>	<b>39.76</b>	<b>0</b>	<b>99,000</b>	<b>99,000</b>	<b>39.76</b>	<b>0.00</b>
<b>C. Shares held by Custodians for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0.00
<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>0</b>	<b>2,49,000</b>	<b>2,49,000</b>	<b>100.00</b>	<b>0</b>	<b>2,49,000</b>	<b>2,49,000</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year [as on 1 <sup>st</sup> April, 2014]			Share holding at the end of the year [as on 31 <sup>st</sup> March, 2015]			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1.	Alfa Mercantile Ltd.	25,000	10.04	-	25,000	10.04	-	0.00
2.	Iris Designs Pvt. Ltd.	25,000	10.04	-	25,000	10.04	-	0.00
3.	Freesia Investment & Trading Co. Ltd.	25,000	10.04	-	25,000	10.04	-	0.00
4.	Sh. M.K. Daga (HUF)	25,000	10.04	-	25,000	10.04	-	0.00

5.	Sh. Madhur Daga	25,000	10.04	-	25,000	10.04	-	0.00
6.	Smt. Sarla Daga	25,000	10.04	-	25,000	10.04	-	0.00
	<b>Total</b>	<b>1,50,00</b>	<b>60.24</b>	<b>-</b>	<b>1,50,00</b>	<b>60.24</b>	<b>-</b>	<b>0.00</b>

(iii) Change in Promoters' Shareholding:-Nil

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):

Sl. No.	For each of the Top 10 Shareholders	Shareholding at the beginning of the year (as on 01.04.2014)		Increase or Decrease/ reasons	Date of Increase/Decrease	Increase/ decrease in No. of Shares	Cumulative Share holding during the year	
		No. of Shares	% of total Shares of the Company				No. of Shares	% of total Shares of the Company
1	RAMESH KUMAR JAIN	12,500	5.02	-	-	-		
At the end of the year (as on 31.03.2015)							12,500	5.02
2	GIRDHARI LAL GOYAL	12,450	5.00	-	-	-		
At the end of the year (as on 31.03.2015)							12,450	5.00
3	SURENDER KUMAR JAIN	12,450	5.00	-	-	-		
				Decrease - transfer	15.12.14	2475	9975	4.00
At the end of the year (as on 31.03.2015)							9975	4.00
4	SIKHAR CHAND JAIN	12,350	4.99	-	-	-		
				Decrease - transfer	15.12.14	1820	10530	4.23
				Decrease - transfer	15.12.14	2475	8055	3.23
				Decrease - transfer	31.12.14	2475	5580	2.24
				Decrease - transfer	31.12.14	2475	3105	1.25
At the end of the year (as on 31.03.2015)							3105	1.25
5	RAJESH SHARMA	5,750	2.31	-	-	-		
				Decrease - transfer	15.12.14	2475	3275	1.32
				Decrease - transfer	31.12.14	2475	800	0.32

At the end of the year (as on 31.03.2015)							800	0.32
<b>6</b>	SIMCO TRADING & FINANCE CO.LTD	4,000	1.60					
				Decrease - transfer	15.12.14	1525	2475	1.00
				Decrease - transfer	31.12.14	2475	0	0.00
At the end of the year (as on 31.03.2015)							0	0.00
<b>7</b>	MEENA PAPRIWAL	2,680	1.08	-	-	-		
				Decrease - transfer	15.12.14	950	1730	0.69
				Decrease - transfer	31.12.14	1730	0	0.00
At the end of the year (as on 31.03.2015)							0	0.00
<b>8</b>	JAGDISH PRASAD SOMANI	500	0.20	-	-	-		
				Decrease - transfer	15.12.14	500	0	0.00
At the end of the year (as on 31.03.2015)							0	0.00
<b>9</b>	SAKUNALA DEVI SOMANI	500	0.20	-	-	-		
				Decrease - transfer	15.12.14	245	255	0.10
				Decrease - transfer	15.12.14	255	0	0.00
At the end of the year (as on 31.03.2015)							0	0.00
<b>10</b>	BANWARILAL PANSARI	400	0.16	-	-	-		
				Decrease - transfer	15.12.14	400	0	0.00
At the end of the year (as on 31.03.2015)							0	0.00
<b>11</b>	TAPAN MAHESHWARI			Increase- Off market purchase	15.12.2014	2475	2475	1.00
At the end of the year (as on 31.03.2015)							2475	1.00
<b>12</b>	SIKHA MAHESHWARI			Increase -Off market purchase	31.12.2014	2475	2475	1.00
At the end of the year (as on 31.03.2015)							2475	1.00
<b>13</b>	MAHENDRA KUMAR MAHESHWARI	-	-	Increase- Off market purchase	31.12.2014	2475	2475	1.00
At the end of the year (as on 31.03.2015)							2475	1.00
<b>14</b>	LAXMI DEVI MAHESHWARI			Increase -Off market purchase	15.12.2014	1525	1525	0.61
				Increase -Off	15.12.2014	950	2475	1.00

				market purchase				
At the end of the year (as on 31.03.2015)							2475	1.00
<b>15</b>	TAPAN MAHESHWARI - HUF			-				
				Increase -Off market purchase	15.12.14	500	500	0.20
				Increase -Off market purchase	15.12.14	245	745	0.30
				Increase -Off market purchase	31.12.14	1730	2475	1.00
At the end of the year (as on 31.03.2015)							2475	1.00
<b>16</b>	MR. MANOJ MAHESHWARI			-	-	2475	2475	1.00
				Increase Off market purchase	15.12.14	255	255	0.10
				Increase Off market purchase	15.12.14	400	655	0.26
					15.12.14	1820	2475	1.00
At the end of the year (as on 31.03.2015)							2475	1.00

**(v) Shareholding of Directors and Key Managerial Personnel:**

Sl. No.	Shareholding of each of the Directors and Key Managerial Personnel	Shareholding at the beginning of the year [as on 1 <sup>st</sup> April, 2014]		Increase/Decrease in no. of shares	Cumulative Shareholding during the year	
		No. of Shares	% of total Shares of the company		No. of Shares	% of total Shares of the company
<b>I. Directors</b>						
<b>1</b>	<b>Mr. Rajesh Bagri</b>					
	At the beginning of the year – 01.04.14	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc.)	-	-	-	-	-
	At the end of the year – 31.03.2015				-	-
<b>2</b>	<b>Mr. Anil Agarwal*</b>					
	At the beginning of the year – 01.04.2014	-	-			
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc.)	-	-	-	-	-



	At the end of the year - 31.03.2015				-	-
<b>3</b>	<b>Mr. Yogesh Mediratta</b>					
	At the beginning of the year – 01.04.2014	-	-		-	-
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc.)			-		
	At the end of the year – 31.03.2015	-	-		-	-
<b>4</b>	<b>Mrs. Roma Monisha Sakraney Daga</b>					
	At the beginning of the year – 01.04.2014	-	-		-	-
	Date wise increase/decrease in shareholding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/sweat equity etc.)			-	-	-
	At the end of the year – 31.03.2015	-	-		-	-
<b>II. Key Managerial Personnel</b>						
No Key Managerial Personnel has appointed in the Company.						

\*The Board of Directors of the Company has, in its meeting held on 11.02.2015 appointed Mr. Anil Agarwal, as Additional Director subject to the approval of members in the ensuing Annual general Meeting.

## V. INDEBTEDNESS

**Indebtedness of the Company including interest outstanding/accrued but not due for payment:**

(Rs. Lakhs)

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year – 01.04.2014</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>	<b>NIL</b>	<b>NIL</b>		<b>NIL</b>
<b>Change in Indebtedness during the financial year (Net)</b>				
· Addition	NIL	NIL	NIL	NIL
· Reduction	NIL	NIL	NIL	NIL
<b>Net Change</b>	<b>NIL</b>	<b>NIL</b>		<b>NIL</b>

Indebtedness at the end of the financial year – 31.03.2015					
i)	Principal Amount	NIL	NIL	NIL	NIL
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>		<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

### A. Remuneration to Managing Director, Whole-time Directors and/or Manager:

(Rs. Lakhs)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/ Manager			
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	NIL	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961	NIL	NIL	NIL	NIL
2.	Stock Option	NIL	NIL	NIL	NIL
3.	Sweat Equity	NIL	NIL	NIL	NIL
4.	Commission (as a % of profit)	NIL	NIL	NIL	NIL
5.	Others – contribution to provident fund	NIL	NIL	NIL	NIL
	<b>Total (A)</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>	<b>NIL</b>
	<b>Ceiling as per the Act</b>				
		(being 10% of the net profits of the Company calculated as per section 198 of the Companies Act, 2013)			

**B. Remuneration to other directors:****(Rs. Lakhs)**

Sl. no.	Particulars of Remuneration	Name of Directors				Total Amount
		Mr. Rajesh Bagri	Mr. Yogesh Mendiratta	Mr. Anil Agarwal*	Mrs.Roma Monisha Sakraney Daga	
1.	Independent Directors · Fee for attending board /committee meetings · Commission** -others, please specify	4000	4000	NIL	4000	4000
	Total (1)	4000	4000	NIL	4000	4000
2.	Other Non Executive Directors					
	Total (2)	-	-	-	-	-
	<b>Total (B)=(1+2)</b>	-	-	-	-	-
	<b>Total Managerial Remuneration<sup>@</sup></b>	-	-	-	-	-
	<b>Overall Ceiling as per the Act</b>	-	-	-	-	-
		(being 1% of the net profits of the Company calculated as per Section 198 of the Companies Act, 2013)				

\*The Board of Directors of the Company has, in its meeting held on 11.02.2015 appointed Mr. Anil Agarwal, as Additional Director subject to the approval of members in the ensuing Annual general Meeting.

@ Total remuneration to Managing Director, Whole Time Director and other Directors (being the total of A and B).

**B. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

No Key Managerial Personnel has appointed in the Company.

**VII. PENALTIES / PUNISHMENT / COMPOUNDING OF OFFENCES: NIL**

Type	Section of the Companies Act, 2013	Brief Description	Details of Penalty/Punishment/ Compounding Fees imposed	Authority [RD/NCLT/COURT]	Appeal made, if any (give details)
<b>A. Company</b>					
Penalty					
Punishment					
Compounding					
<b>B. Directors</b>					
Penalty					
Punishment			N.A.		
Compounding					
<b>C. Other Officers in Default</b>					
Penalty					
Punishment					
Compounding					

Place : New Delhi  
Dated : 30<sup>th</sup> May, 2015

By order of the Board  
for Morning Glory Leasing And Finance limited

Sd/-  
Yogesh Mendiratta  
Director

Sd/-  
RajeshBagri  
Director

## INDEPENDENT AUDITORS' REPORT

### TO THE MEMBERS OF MORNING GLORY LEASING & FINANCE LIMITED

#### Report on the Financial Statements

We have audited the accompanying standalone financial statements of **MORNING GLORY LEASING & FINANCE LIMITED** ('the company') which comprise the Balance Sheet as at March 31, 2015 and the Statement of Profit and Loss and the 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

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone 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 principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, 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 standalone financial statements based on our audit.



We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. 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 auditor considers internal financial controls relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by Company's Board of Directors, 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 on the standalone financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations to us, the aforesaid standalone 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, of the state of affairs of the Company as at March 31, 2015, and its profit and its cash flows for the year ended on that date.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2015 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure a statement on the matters specified paragraphs 3 and 4 of the Order to the extent applicable.

As required by section 143 (3) of the Act, we report that :

- a) We have sought and 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 and Statement of Profit and Loss and cash flow dealt with by this Report are in agreement with the books of account;

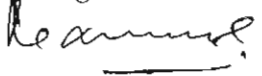
d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Companies Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;

e) On the basis of written representations received from the directors, as on March 31, 2015 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2015, from being appointed as a director in terms of Section 164 (2) of the Companies Act, 2013;

f) In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to the matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:

- (i) The Company does not have any pending litigations which would impact its financial Position as on March 31, 2015;
- (ii) The Company did not have any long term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise;
- (iii) There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sum does not arise.

**For and on behalf of**  
**RATTAN GUPTA & CO.**  
**CHARTERED ACCOUNTANTS**  
**Firm Registration No: 304N**

  
**RATTAN GUPTA**  
**(PARTNER)**  
**MEMBERSHIP NO.:- 17542**



Place: New Delhi  
Dated: 30-05-2015

ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT  
(Referred to in Paragraph 1 under 'Report on Other Legal and Regulatory Requirements'  
section of our report of even date)

1. In respect of the fixed assets of the Company:
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) There is no fixed assets at the end of the financial year.
2. The company does not have inventory hence the provision of the clause 2(ii)(a) to 2(ii)(c) is not applicable to the company.
3. In our opinion and according to the information and explanation given to us, the Company has not granted any loans, secured or unsecured, to the companies, firms or other parties covered in the Register maintained under Section 189 of the Act. Accordingly, the provision of the clause 3(iii)(a) and (b) of the Order are not applicable.
4. In our opinion, and according to the information and explanations give to us, there is adequate internal control system commensurate with the size of the company and the nature of its business, with regard to purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit, we have not observed any major weaknesses in the aforesaid internal control system.
5. In our opinion and according to the information and explanations given to us, the company has not accepted any deposits within the meaning of section 73 to 76 of the Companies Act, 2013 during the year and does not have any unclaimed deposits. Therefore, the provisions of the clause 3(v) of the Order are not applicable.
6. The provisions of clause 3(vi) of the Order are not applicable to the Company as the Company is not covered by the Companies (Cost Records and Audit) Rules, 2014.
7. According to the information and explanations given to us, in respect of statutory dues:
  - a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Service Tax and other material statutory dues.
  - b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Service Tax and other material statutory dues in arrears as at year end for a period of more than six months from the date they became payable.
  - c) According to the records of the Company, there are no statutory dues outstanding, which have not been deposited on account of dispute.

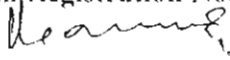




8. The Company neither has any accumulated losses as at 31<sup>st</sup> March 2015 nor it has incurred any cash losses during the current financial year covered by our audit and in immediately preceding financial year.
9. Based on our audit procedures and on the information and explanations given by the Management, we are of the opinion that the Company has not defaulted in repayment of dues to a bank: there are no dues to financial institutions.
10. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
11. In our opinion and according to the information and explanations given to us, the Company have not raised any term loan. Therefore, the provisions of the clause 11 of the Order is not applicable.
12. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the year.

FOR RATTAN GUPTA & CO.  
CHARTERED ACCOUNTANTS

Firm Registration No. 00304N



(RATTAN GUPTA)  
PARTNER

MEMBERSHIP NO.:- 017542



Place: New Delhi  
Dated: 30/05/2015

**MORNING GLORY LEASING & FINANCE LTD**  
**BALANCE SHEET AS AT 31st MARCH, 2015**

Particulars	Note No	31st March, 2015 (Amount in Rs.)	31st March, 2014 (Amount in Rs.)
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholder's Funds</b>	2	2,490,000	2,490,000
a) Share Capital			
b) Reserves and Surplus	3	8,205,716	7,608,678
<b>Current Liabilities</b>			
a) Trade payables	4	17,000	9,000
b) Other current liabilities	5	50,241	21,648
c) Short-term provisions	6	103,230	556,453
		<b>10,866,187</b>	<b>10,685,779</b>
<b>Assets</b>			
<b>Non-current assets</b>			
a) Fixed assets	7		
(i) Tangible assets		-	47,313
b) Non-current investments	8	10,228,941	3,878,911
<b>Current assets</b>			
a) Trade Receivable	9	-	6,215,275
a) Cash and cash equivalents	10	8,836	5,302
b) Short-term loans and advances	11	628,410	538,978
		<b>10,866,187</b>	<b>10,685,779</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

M/s. Rattan Gupta & Co.  
Firm Registration no. 00304N  
Chartered Accountants

(Rattan Gupta)  
Partner  
Membership No.: 017542



Place: New Delhi  
Dated: 30-05-2015

For Morning Glory Leasing and Finance Ltd.

(Rajesh Bagri)  
Director  
DIN No. 00062377

(Rajesh Mendiratta)  
Director  
DIN No. 02747561

**MORNING GLORY LEASING AND FINANCE LTD.**  
**STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2015**

Particulars	Note No	31st March, 2015 (Amount in Rs.)	31st March, 2014 (Amount in Rs.)
Revenue from operations	12	288,572	492,373
Other Income	13	528,296	2,845,830
<b>Total Revenue</b>		<b>816,868</b>	<b>3,338,203</b>
<b>Expenses:</b>			
Employee benefit expense	14	74,406	34,900
Depreciation and amortization expense	7	5,436	5,266
Other expenses	15	133,137	94,563
		<b>212,979</b>	<b>134,729</b>
Profit Before Tax		<b>603,889</b>	<b>3,203,474</b>
Less : Provision for Tax		103,230	556,453
Add : Mat Credit Entitlement		96,379	532,031
<b>Net Profit Carried Forward</b>		<b>597,038</b>	<b>3,179,052</b>
BASIC AND DILUTED EARNINGS PER EQUITY SHARE (In Rupees)		2.40	12.77

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

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

(Rattan Gupta)  
Partner  
Membership No.: 017542



For Morning Glory Leasing and Finance Ltd.

(Rajesh Bagri)  
Director  
DIN No. 00062377

(Yogesh Mendiratta)  
Director  
DIN No.02747561

Place: New Delhi  
Dated:30-05-2015

**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**

Depreciation on tangible fixed assets is provided on the straight-line method over the useful life of assets estimated by the management. Depreciation for assets purchased/ sold during the period is proportionately charged. The useful lives for these assets is the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.

**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 recognized 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.



## B. NOTES ON ACCOUNTS

1. The company has provided Depreciation on tangible fixed assets on the straight-line method over the useful life of assets estimated by the management. Depreciation for assets purchased/sold during the period is proportionately charged. The useful lives for these assets is the useful lives as prescribed under Part C of Schedule II of the Companies Act, 2013.
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 31.03.2015 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 (AS-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	2014-15	2013-14
Orient Bell Ltd.	159,468	1,51,875

12. EARNING PER SHARE

	CURRENT YEAR	PREVIOUS YEAR
(a) Net Profit	603,889	32,03,474
Less: Provision Taxation	(103,230)	(5,56,453)
Add: MAT Carried Forward	96,379	5,32,031
Net Profit	5,97,038	31,79,052
(b) No. of Equity Shares Outstanding during the year	2,49,000	2,49,000
(c) Basic & Diluted Earnings (In Rupees) per Share	2.40	12.77

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

For Morning Glory Leasing & Finance Ltd.

*Rattan Gupta*

(Rattan Gupta)  
Partner

Membership No.: 17542

(Rajesh Bagri)  
Director

DIN No.0002377

(Yogesh Mendiratta)  
Director

DIN No.02747561

Place: New Delhi  
Dated:30-05-2015



**MORNING GLORY LEASING & FINANCE LTD**

**NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015**

	<u>Note No.</u>	<u>2015</u>	<u>2014</u>
<b>Note No</b>	2		
<b>Share Capital</b>			
Authorised :			
3,00,000 Equity Shares of Rs.10/- each		3,000,000	3,000,000
10,000 Non Cumulative redeemable Preference Shares of Rs.100/- each		1,000,000	1,000,000
		<u>4,000,000</u>	<u>4,000,000</u>
Issued, subscribed & paid up:			
2,49,000 Equity shares of Rs.10/- each fully paid up		2,490,000	2,490,000
Total:		<u>2,490,000</u>	<u>2,490,000</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,2015 & 31st March,2014 is as under:

Particulars	As at 31st March,2015		As at 31st March,2014	
	No of shares	Amount (Rs.)	No of shares	Amount (Rs.)
Number of shares at the beginning	249,000	2,490,000	249,000	2,490,000
Number of shares at the end	249,000	2,490,000	249,000	2,490,000

- 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.

Details of shareholder holding more than 5% share in the company				
Name of share holders	No of Equity Shares	% share Holding	No of Equity Shares	% share Holding
Alfa Mercantile Ltd.	25000	10.04	25000	10.04
IRIS Design Pvt. Ltd	25000	10.04	25000	10.04
Freesia Investment & Trading Co. Ltd.	25000	10.04	25000	10.04
Sh. M.K. Daga (HUF)	25000	10.04	25000	10.04
Sh. Madhur Daga	25000	10.04	25000	10.04
Smt. Sarla Daga	25000	10.04	25000	10.04
Mr. Ramesh Kumar Jain	12500	5.02	12500	5.02

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<b>Note No</b>	<b>3</b>		
<b>RESERVE &amp; SURPLUS</b>			
Surplus - Opening Balance		7,608,678	4,429,616
Add : Net Profit after tax transeferred from Statement of Profit & Loss		597,038	3,179,062
Surplus - Closing Balance		<u>8,205,716</u>	<u>7,608,678</u>
<b>Note No</b>	<b>4</b>		
<b>Trade Payable</b>			
Audit Fees Payable		15,000	9,000
Professional charges payable		2,000	-
<b>TOTAL</b>		<u>17,000</u>	<u>9,000</u>
		<u>2015</u>	<u>2014</u>
<b>Note No</b>	<b>5</b>		
<b>Other current liabilities</b>			
Expense payable		37,206	8,613
Security Deposit Received		13,035	13,035
<b>TOTAL</b>		<u>50,241</u>	<u>21,648</u>
<b>Note No</b>	<b>6</b>		
<b>Short-term provisions</b>			
Provision for Income Tax		103,230	556,453
<b>TOTAL</b>		<u>103,230</u>	<u>556,453</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		-	6,215,275
		<u>-</u>	<u>6,215,275</u>
<b>Cash and cash equivalents</b>	<b>10</b>		
i) Cash & Bank Balances			
-Cash in hand (As certified)		482	308
-Syndicate Bank, N.Delhi(Current A/c)		8,354	4,994
<b>TOTAL</b>		<u>8,836</u>	<u>5,302</u>
<b>Note No</b>	<b>11</b>		
<b>Short-term loans and advances</b>			
ITDS ASS . YEAR 2013-14		-	6,947
Mat Credit Ass. Year 2014-15		532,031	532,031
Mat Credit Ass. Year 2015-16		96,379	-
<b>TOTAL</b>		<u>628,410</u>	<u>538,978</u>





<b>Note No</b>	<b>12</b>		
<b>Revenue from operations</b>			
Dividend		129,104	340,498
Rent		159,468	151,875
<b>TOTAL</b>		<b>288,572</b>	<b>492,373</b>
<b>Note No</b>	<b>13</b>		
<b>Other Income</b>			
Interest on Income Tax refund		353	-
Profit on sale of shares		522,903	2,845,830
Short Term Capital Gain on Shares		5,040	-
<b>TOTAL</b>		<b>528,296</b>	<b>2,845,830</b>
<b>Note No</b>	<b>14</b>		
<b>Employee benefit expense</b>			
Salary & Wages		74,406	34,900
<b>TOTAL</b>		<b>74,406</b>	<b>34,900</b>

**MORNING GLORY LEASING & FINANCE LTD**

**NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015**

<b>Note No</b>	<b>15</b>	<b>2015</b>	<b>2014</b>
<b>Other expenses</b>			
Printing & Stationery		1,050	2,250
Postage & General Charges		350	1,850
Professional Charges		16,750	18,000
Listing Fees		15,000	5,000
Bank Charges		708	482
Conveyance Expenses		5,300	-
Filing Fees		3,591	570
Meeting Fees		13,486	10,112
Rent, Rates & Taxes		5,986	6,024
Misc Balance W/off		9	-
Seceretaryial Audit fees		22,472	-
Electricity Charges		10,000	10,000
Staff Welfare Expenses		-	2,450
Statutory Publication Charges		17,804	27,692
Demat Charges		5,631	1,133
<b>Auditors' Remuneration:</b>			
Audit Fee		15,000	9,000
<b>Total</b>		<b>133,137</b>	<b>94,563</b>

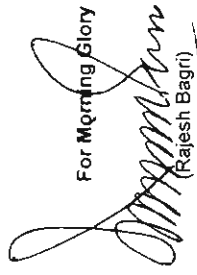





**Note No 7  
FIXED ASSETS**

**MORNING GLORY LEASING AND FINANCE LTD.  
Statement Showing Details of Depreciation As at 31st March, 2015**

PARTICULARS	GROSS BLOCK			DEPRECIATION				WDV				
	As at 1.4.2014	Addition	Deduction/ Adjustments	Total 31.03.2015	Up to 31.3.2014	For the Year	Adjust- ments	Sale proceeds	Profit or loss	Total 31.03.2015	As at 31.03.2015	As at 31.03.2014
Tangible Assets	566,133	-	-	566,133	518,820	5,437	524,257	41,876	-	566,133	0	47,313
Building	566,133	-	-	566,133	518,820	5,437	524,257	41,876	-	566,133	0	47,313
Total:	566,133	-	-	566,133	518,820	5,437	524,257	41,876	-	566,133	0	47,313
Previous Year	566,133	-	-	566,133	513,564	5,256	-	-	-	518,820	47,313	52,569

For Morning Glory Leasing and Finance Ltd.  
  
 (Rajesh Bagri)  
 Director  
 DIN No. 00062377

  
 (Yogesh Mendiratta)  
 Director  
 DIN No.02747561



**NOTES - FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2015**  
**Note No 8**  
**Non-current investments**

Particulars	Opening Stock As on 1.4.2014		Purchases		Sale/Adjust. during the year		Closing Stock As on 31.03.2015	
	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)	Nos.	Amount (Rs.)
<b>QUOTED</b>								
Equity Shares of Rs. 10/- each fully paidup of Triveni Turbine Ltd.	5,550	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	600	-	-	-	750	198,156
Equity Shares of Rs. 10/- each fully paidup of Freesia Investments &	129,000	473,205	-	-	39,000	143,062	90,000	330,143
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.	87,370	2,003,298	-	-	-	-	87,370	2,003,298
Equity Shares of Rs. 10/- each fully paidup of Bajaj Auto Ltd..	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	296	31,767	296	31,767	231	20,790



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Equity Shares of Rs.1/- each fully paidup of Sunpharmaceutical Industries L	-	-	2,000	1,162,727	-	-	2,000	1,162,727
Equity Shares of Rs.2/- each fully paidup of Larsen & Turbo Limited	-	-	675	866,884	-	-	675	866,884
Equity Shares of Rs.10/- each fully paidup of Hindalco Industries Ltd	600	124,112	16,000	2,187,004	-	-	16,600	2,311,116
Equity Shares of Re.1/- each fully paidup of ITC Ltd	1,500	306,541	3,300	1,142,840	-	-	4,800	1,449,381
Equity Shares of Rs.10/- each fully paidup of Reliance Industries Ltd	-	-	376	368,461	-	-	376	368,461
Equity Shares of Rs.2/- each fully paidup of ICICI Bank Ltd.	-	-	1,100	341,747	-	-	1,100	341,747
<b>UNQUOTED</b>								
Equity Shares of Rs.10/- each fully paidup of IRIS Designs Pvt. Ltd.	8,480	84,800	-	-	-	-	8,480	84,800
Equity Shares of Rs.10/- each fully paidup of Elit Tile Solutions Pvt Ltd	-	-	40,000	400,000	-	-	40,000	400,000
<b>Bonds</b>								
11.25% Srei Infrastructure Finance Ltd	-	-	70	70,000	-	-	70	70,000
<b>Total:</b>	<b>233,824</b>	<b>3,878,911</b>	<b>64,417</b>	<b>6,571,430</b>	<b>39,419</b>	<b>221,399</b>	<b>258,822</b>	<b>10,228,941</b>

Aggregate value of Shares:-

	Book Value		Market Value	
	As at 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)	As at 31.03.2015 (Rs.)	As at 31.03.2014 (Rs.)
Quoted	9,674,141	3,794,111	11,094,707	17,070,340
Unquoted	484,800	84,800	84,800	84,800
Bonds/Debentures	70,000	-	70,000	-
	<b>10,228,941</b>	<b>3,878,911</b>	<b>11,249,507</b>	<b>17,155,140</b>

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.



MORNING GLORY LEASING AND FINANCE LTD.  
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2015

(Figures Rs.')

Particulars	2014-15	2013-14
A) Cash Flow from Operating Activities		
Net Profit before Tax & Extraordinary items	603889	3203484
Add: Adjustments for:		
Interest Paid	0	0
Depreciation	5436	5256
Loss/ (Profit) on sale of Investment/Fixed Assets	-527943	-2845830
Less: Dividend Received on Investments	-129104	-340498
Interest Received	0	0
Other Income	0	0
Operating Profit before Working Capital Changes	-47722	22412
Adjustments for:		
Trade & Other Receivables	6125843	-6747306
Trade Payables	-416630	542138
Cash Generated from/(used in) Operations	0	0
Less: Taxes Paid	-6851	-13511
Net Cash from/(used in) Operating Activities	5654640	-6196267
B) Cash Flow from Investing Activities		
Purchase of Investments	-6571430	-499900
Sale of Investments/assets	791220	6215408
Dividend on Investment Received	129104	340498
Interest Received	0	0
Other Income	0	0
Net Cash from Investing Activities	-5651106	6056006
C) Cash Flow from Financing Activities		
Change in Unsecured Loans	0	0
Interest Paid	0	0
Net Cash generated in Financing Activities	0	0
Net Change in Cash and Cash Equivalents (A+B+C)	3534	-140261
Cash & Cash Equivalents As At 1st April (Opening Balance)	5302	145563
Cash & Cash Equivalents As At 31st March (Closing Balance)	8836	5302

Note: Figures in brackets represent cash outflows.

For Morning Glory Leasing & Finance Ltd.

Place: New Delhi  
Dated: 30-May-2015

(Rajesh Bagri)  
Director  
DIN No. 00062377


(Yogesh Mendiratta)  
Director  
DIN No.02747561



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, 2015 and 31st March, 2014 and found the same in agreement therewith.

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



(Rattan Gupta)  
Partner

Place: New Delhi  
Dated: 30-05-2015

Membership No.: 017542



**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 31<sup>st</sup> Annual General Meeting of the members of Morning Glory Leasing And Finance Limited will be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 12.30 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, 2015, along with the Reports of Directors', Auditors' thereon.
- 02) To appoint Director in place of Ms. Roma Monisha Sakraney Daga, who retire by rotation and being eligible offer herself for re-appointment.
- 03) To appoint M/s Rattan Gupta & Co., Chartered Accountants as Statutory Auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting and to authorize Board of Directors 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, 161 read with Schedule IV and other applicable provisions of the Companies Act, 2013 (“Act”) and Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Anil Agarwal (DIN: 00062244), who was appointed as Additional Director (category – Independent Director) of the Company w.e.f. 11.02.2015 and who holds office up to the date of this Annual General Meeting 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 retirement by rotation for a period up to 10.02.2020.”

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

**“RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Sanwar Mal Nai (DIN: 07036025), who is appointed as Additional Director of the Company on 11.08.2015 and who holds office up to the date of 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 a Director of the Company, liable to retire by rotation, with effect from the date of this meeting.”

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

**“RESOLVED THAT** pursuant to the provisions of section 152 and other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 (“Rules”) (including any statutory modification(s) or re-enactment thereof for the time being in force) and Articles of Association of the Company, Mr. Sanjiv Kumar Sharma (DIN: 07000669), who is appointed as

Additional Director of the Company on 11.08.2015 and who holds office up to the date of 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 a Director of the Company, liable to retire by rotation, with effect from the date of this meeting.”

07) 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 Section 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof for the time being in force), read with Schedule V to the Companies Act, 2013 and applicable provisions of Listing Agreement, if any, and Articles of Association of the Company, the consent of the shareholders of the Company be and is hereby accorded to appoint Mr. Rajesh Bagri (DIN: 00062377) as Managing Director and Key Managerial Personnel of the Company, for a period of 5 (five) years with effect from 30<sup>th</sup> September, 2015, without any remuneration and upon such terms and conditions as set out in the statement annexed to this Notice with the liberty to the Board to alter and vary the said terms and conditions as it may deem fit and as may be acceptable to Mr. Rajesh Bagri.

**RESOLVED FURTHER THAT** the Board of Directors of the Company or any committee thereof be and is hereby authorized to do all such acts, deeds and things it may think necessary, to execute this appointment with various authorities and to file necessary forms with the Registrar of Companies, NCT of Delhi & Haryana.”

Place : New Delhi  
Dated : 11<sup>th</sup> August, 2015

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 26<sup>nd</sup> September, 2015 to 30<sup>h</sup> September, 2015 (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.

5) The explanatory statement pursuant to section 102(1) of the Companies Act, 2013 in respect of special business is annexed hereto.

6) The route map of the venue of the meeting is given in the notice. The prominent landmark for the venue is



near to State Bank of India.

Place : New Delhi

Dated : 11<sup>th</sup> August, 2015

Regd. Office :

Iris House,  
16, Business Centre,  
Nangal Raya,  
New Delhi – 110046

By order of the Board

Sd/-  
Rajesh Bagri  
Director

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

### **ITEM NO. 04**

Mr. Anil Agarwal (DIN: 00062244), was appointed as an Additional Director at the Board Meeting held on 11<sup>th</sup> February, 2015.

The Board based on the experience/expertise declared by Mr. Anil Agarwal, is of the opinion that Mr. Anil Agarwal has the requisite qualification to act as an Independent Director of the Company.

In terms of Sections 149, 150, 152 and its related and applicable provisions of the Companies Act, 2013, read with the Rules made there under, Mr. Anil Agarwal being eligible and offers himself for appointment, is proposed to be appointed as an Independent Director of the Company for a period up to 10th February, 2020. The Board of Directors have, in their meeting held on 11th August, 2015 recommended the appointment of Mr. Anil Agarwal for a period up to 10.02.2020 as Independent Director not liable to retire by rotation. A candidature under section 160 of the Companies Act, 2013 along with the requisite fee has been received from a member of the Company proposing Mr. Anil Agarwal for the office of Independent Director of the Company.

Mr. Anil Agarwal has given declaration under Section 149(7) of the Companies Act, 2013 that he fulfills the conditions specified in Section 149(6) of the Companies Act, 2013 read with Rules made there under for his appointment as an Independent Director of the Company and is independent of the management. Copy of the letter of appointment of Mr. Anil Agarwal as an Independent Director setting out the terms and conditions are available for inspection of the Members in physical form at the Registered Office of the Company between 10.00 a.m. to 12.00 noon, on all working days (except Saturdays, Sundays and Public Holidays), up to the date of the Annual General Meeting (AGM).

Members are further requested to note that Mr. Anil Agarwal has given declarations that he is not disqualified to become a Director under Section 164(2) of the Companies Act, 2013 and his consent to hold office as Director.

Mr. Anil Agarwal has no relationship with any managerial personnel, Director and presently he is the Chairman of the Audit Committee and Nomination & Remuneration Committee of the Company. Mr. Anil Agarwal, attended all meeting of Board of Directors held from his appointment. None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in this resolution except Mr. Anil Agarwal.

The Board recommends the passing of the Resolution at Item No. 4 as Ordinary Resolution.

### **ITEM NO. 5**

Mr. Sanwar Mal Nai (DIN: 07036025) who has been appointed as an Additional Director of the Company on August 11, 2015, under Section 161(1) of the Companies Act, 2013 and rules prescribed there under, and holds office up to the date of ensuing Annual General Meeting.

The Company has received a request in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Sanwar Mal Nai for the office of Director. The Directors are of the opinion that Mr. Sanwar Mal Nai's knowledge and experience will be of benefit to the Company.

Therefore, the Directors of your Company recommend the aforesaid resolution for your consideration and approval.

**Except Mr. Sanwar Mal Nai, being an appointee, none of Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the resolution as set out in Item no. 5.**

**ITEM NO. 6**

Mr. Sanjiv Kumar Sharma (DIN: 07000669) who has been appointed as an Additional Director of the Company on August 11, 2015, under Section 161(1) of the Companies Act, 2013 and rules prescribed there under, and holds office up to the date of ensuing Annual General Meeting.

The Company has received a request in writing under Section 160 of the Companies Act, 2013 from a member signifying his intention to propose the candidature of Mr. Sanjiv Kumar Sharma (DIN: 07000669) for the office of Director. The Directors are of the opinion that Mr. Sanjiv Kumar Sharma's knowledge and experience will be of benefit to the Company.

Therefore, the Directors of your Company recommend the aforesaid resolution for your consideration and approval.

**Except Mr. Sanjiv Kumar Sharma, being an appointee, none of Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the resolution as set out in Item no. 6.**

**ITEM NO. 7**

The Board of Directors of the Company in its meeting held on August 11, 2015 has appointed Mr. Rajesh Bagri (DIN: 00062377) as Managing Director of the Company for a period of 5 years commencing from 30<sup>th</sup> September, 2015, without any remuneration and shall be liable to retire by rotation.

**Terms and Conditions:**

- (i). The Managing Director will perform his duties as such with regard to all work of the Company and he will manage & attend to such business and carry out the orders and direction given by the Board from time to time in all respects and confirm to and comply with all such directions as may be given.
- (ii). He shall act in accordance with the Article of Association of the Company and shall abide by the provisions contained in Section 166 of the Act with regard to duties of directors.
- (iii). He shall also adhere to the Company's Code of Business Conduct & ethics for Directors and Management Personnel.
- (iv). He shall satisfy all the conditions set out under Section 196 and Schedule V of the Act.
- (v). He shall hold office for five years. However, the Board as well as the proposed Managing Director would be free to terminate the office before the said period upon giving reasonable explanations to the effect. The Board shall be obligated to conduct a thorough enquiry and give the proposed Managing Director a reasonable opportunity of being heard prior to termination of his office.
- (vi). He shall be liable to retire by rotation.

The above briefs may be treated as a written memorandum setting out the terms of appointment of Mr. Rajesh Bagri as Managing Director of the Company.

The Board recommends the said resolution for Member's approval by way of an ordinary Resolution.

**Except Mr. Rajesh Bagri, being an appointee, none of Director and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise in the resolution as set out in Item no. 7.**

Place : New Delhi

Dated : 11<sup>th</sup> August, 2015

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

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

**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:.....

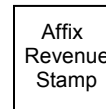
Address: .....

Signature:.....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31<sup>st</sup> Annual General Meeting of the Company to be held on Wednesday, the 30<sup>th</sup> day of September, 2015 at 02.30 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 2015 along with the Reports of Directors', Auditors' thereon.
- 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. Anil Agarwal as an Independent Director.
- 5. Appointment of Mr. Sanwar Mal Nai as Director.
- 6. Appointment of Mr. Sanjiv Kumar Sharma as Director.
- 7. Appointment of Mr. Rajesh Bagri as Managing Director.

Signed on this ..... day of ..... 2015



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.