



**K Z LEASING AND FINANCE
LIMITED**

Annual Report 2014-15

SAFE HARBOUR STATEMENT

In this Annual Report we have disclosed forward-looking information [within the meaning of various laws] to enable investors to comprehend our prospects and take informed investment decisions. This report and other statements—written and oral—that we periodically make, contain forward-looking statements that set out anticipated results based on the Management’s plans and assumptions. We have tried wherever possible to identify such statements by using words such as ‘anticipate’, ‘estimate’, ‘expects’, ‘projects’, ‘intends’, ‘plans’, ‘believes’ and words of similar substance in connection with any discussion of future performance.

We cannot guarantee that these forward-looking statements will be realized, although we believe we have been prudent in assumptions. The achievement of results is subject to risks, uncertainties and even inaccurate assumptions. Should known or unknown risks or uncertainties materialize or should underlying assumptions prove inaccurate, actual results could vary materially from those anticipated, estimated or projected. Readers should bear this in mind.

We undertake no obligation to publicly update any forward-looking statements, whether as a result of new information, future events or otherwise

Important Communication to Shareholders
“Green Initiative in the Corporate Governance”

Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the Companies and has issued a circular No.17/2011 on April 21, 2011 stating that the service of document to shareholders by a Company can be made through electronic mode.

Keeping in view the underlying theme and to support this green initiative of Government in the right spirit, members who holds shares in electronic mode and who have not registered their email addresses, so far, are requested to register their email address and changes therein from time to time, with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to fill the below mentioned prescribed form, giving their consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement or any other communication in electronic mode, and register the said form with Link Intime India Private Limited.

Please note that you will be entitled to be furnished, free of cost, with a physical copy of the notice, balance sheet and all other documents required by law to be attached thereto including the profit & loss account and auditors’ report etc., upon receipt of a requisition from you, any time, as a member of the Company.

We are sure you would appreciate the “Green Initiative” taken by MCA and your Company’s desire to participate in such initiatives.

Email Address Registration Form

(For members who holds shares in Physical Forms)

K Z LEASING AND FINANCE LIMITED

Registered Office: 1st Floor, Deshana Chamber, B/h. Kadwa pattidar Wadi, Ashram Road, Ahmedabad-380001

Ledger Folio No. _____ No. of Share(s) held: _____

NAME OF THE SHAREHOLDER / JOINT HOLDER : _____

Email Address: i) _____ ii) _____

Contact No. (R) _____ (M) _____

I hereby give my / our consent to receive the Notices calling general meetings, audited financial statements, auditors’ report, directors’ report, explanatory statement and all other documents required by law to be attached thereto or any other communication in electronic mode at my/our above mentioned email ID.

Signed this _____ day of _____, 2015.

Note :

- 1) Members are requested to send their duly completed form as above to the Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad-380009 Tele: 07926465179 Tele fax : 079-26465179
- 2) Members are also requested to inform about any change in their email ID immediately to RTA.

Scrip Code: BSE 511728

FORM A

Format of covering letter of the Annual Audit Report to be filed with the stock exchanges

1.	Name of the Company	K Z LEASING AND FINANCE LIMITED
2.	Annual Financial statements for the year ended	31 st March, 2015
3.	Type of Audit observation	Un-qualified
4.	Frequency of observation	Not Applicable
5.	To be signed by	
	o Managing Director- Pravinkumar Keshavlal Patel	O Director- Ankit Pravinkumar Patel
	o Audit Committee Chairman- Gandalal Ambalal Patel Audit Committee Chairman	Statutory Auditor of the Company — J. M. Patel & Bros.

Corporate Information

Board of Directors

Shri Pravinkumar Keshavlal Patel	Chairman & Managing director
Shri Rameshbhai Narandas Patel	Independent Director
Shri Keshavlal Kashiramdas Patel	Independent Director
Shri Gandalal Ambalal Patel	Independent Director
Shri Ankit Pravinkumar Patel	Director
Shri Kantibhai Joytiram Patel	Independent Director
Smt. Chaitali Bharatbhai Patel	Woman Director

Audit Committee

Shri Gandalal Ambalal Patel, Chairman
Shri Kantilal Joytiram Patel, Member
Shri Pravinbhai Keshavlal Patel, Member
Smt. Chaitaliben B Patel, Member

Shareholders / Investor's Grievance Committee

Shri Rameshbhai Narandas Patel, Chairman
Shri Gandalal Ambalal Patel, Member
Shri Pravinbhai Keshavlal Patel, Member
Smt. Chaitaliben B Patel, Member

Corporate Social Responsibility Committee

Shri Rameshbhai Narandas Patel, Chairman
Shri Kantilal Joytiram Patel, Member
Shri Gandalal Ambalal Patel, Member

Nomination & Remuneration Committee

Shri Kantilal Joytiram Patel, Chairman
Shri Rameshbhai Narandas Patel, Member
Shri Gandalal Ambalal Patel, Member

Registered Office

1st Floor, Deshana Chamber,
B/h Kadwa Pattidar Wadi,
Ashram Road,
Ahmedabad-380014

Tel.: 079-27542298

Fax: 079-27543200

CIN: L65910GJ1986PLC008864

Email Id: kzleasing@@yahoo.com

Statutory Auditor

J. M. Patel & Bros.

Secretarial Auditor

Mr. Ronak D Doshi

Bankers

- The Navnirman Co-Op. Bank Ltd.
- UCO Bank
- HDFC Bank
- Shree Kadi Nagrik Sahakari Bank Ltd.

Registrars and Transfer Agents

Link Intime India Private Limited.

(Formerly, Intime Spectrum Registry limited)

C - 13, Pannalal Silk Mills Compound,

L. B. S. Marg, Bhandup (W)

Mumbai – 400078.

Phone; 022-2594 6970/78

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Notice to the Shareholders

NOTICE is hereby given that the **29th** Annual General Meeting of the Members of K Z Leasing And Finance Limited will be held on Wednesday, 30th September, 2015 at 11.00 a.m. at the registered office of the Company at 1st Floor, Deshana Chamber, B/h. Kadwa Pattidar Wadi, Ashram Road, Ahmedabad-380014 to transact the following business:

ORDINARY BUSINESS:

- 1. To receive, consider and adopt the Audited Statement of Profit and Loss Account ended on 31st March, 2015 and the Balance Sheet as at that date together with the Cash flow Statement, Report of Board of Directors and the Auditors' Report thereon and to pass with or without modification the following resolution as Ordinary Resolution:**

"RESOLVED THAT the Directors' Report to the Shareholders, Statement of Profit and Loss for the year ended 31st March, 2015, and the Balance Sheet as at that date, the Cash Flow Statement for the year ended 31st March, 2015, together with the Auditors' Report thereon be and are hereby received and adopted."

- 2. To appoint a director in place of Mrs. Chaitali Bharatbhai Patel (holding DIN 06957559), Director who retires by rotation and being eligible, offers herself for reappointment and to pass with or without modification the following resolution as Ordinary Resolution:**

"RESOLVED that Mrs. Chaitali Bharatbhai Patel, who retires by rotation and being eligible offers herself for re-appointment, be and is hereby re-appointed Director of the Company."

- 3. To appoint auditors of the Company and to fix their remuneration and to pass, with or without modification, the following Resolution as Ordinary Resolution:**

"RESOLVED that subject to the provisions of Section 139 of the Companies Act, 2013 and the Rules made there under, M/s. J. M. Patel & Brothers, Chartered Accountants (ICAI Registration No. 107707W), the retiring auditors, be and are hereby re-appointed as Auditors of the Company to hold office from the conclusion of 29th Annual General meeting up to the conclusion of the 34th Annual General Meeting of the Company to audit the accounts of the Company for the financial year ending 31st

March, 2015, or any extension thereof at such remuneration as may be mutually agreed upon between the Board of Directors and the auditors, plus out of pocket and travelling expenses."

SPECIAL BUSSINESS:

4. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED that in supersession of the resolution passed under section 293(1)(d) of the Companies Act, 1956 and pursuant to section 180(1)(c) and other applicable provision(s), if any, of the Companies Act, 2013 as amended from time to time, the consent of the Company be is hereby accorded to the Board of the Directors of the Company (hereinafter referred to as the "Board" which terms shall include any Committee thereof for the time being exercising the power conferred Board by this Resolution) for Borrowing from time to time, any sum or sum of monies, which together with the monies already borrowed by the Company (apart from temporary loans obtained or to be obtained from company's bankers in the ordinary course of the business), may exceed the aggregate of the paid-up capital of the Company and its free reserve, that is to say, reserve not set apart for any specific purpose, provided that the total outstanding amount so borrowed shall not at any time exceeding the limit of Rs. 100 Crore."

"RESOLVED FURTHER that the Board be and is authorised and empowered to arrange or settle the terms and conditions on which all such monies are to be borrowed from time to time as to interest, repayment, securities or otherwise howsoever as it may think fit and to do all such acts, deeds and things, to execute all such documents, instruments and writing as may be required."

5. To consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED that in supersession of the resolution passed under section 293(1)(a) of the Companies Act, 1956 and pursuant to section 180(1)(a) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time, the consent of the Company be is hereby accorded to the Board of the Directors of the

Company (hereinafter referred to as the “Board” which terms shall include any Committee thereof for the time being exercising the power conferred Board by this Resolution) of such mortgages, charges and hypothecations as may be necessary on the assets of the Company, both present and future, in such manner as the Board/Committee of the Board may direct, together with power to take over the management of the Company in certain events, to or in favour financial institutions, investment institutions and their subsidiaries, banks, mutual funds, trusts, other body Corporate (hereinafter referred to as the “Lending Agencies”) and Trustees for the holders of the debenture/ bonds and/or other instruments which may be issued on private placement basis or otherwise, to secure rupee term loans/ foreign currency loans, debenture, bonds and other instruments of an outstanding aggregate value not exceeding Rs. 100 crore together with the interest thereon at the agreed rates, further interest, liquidated damages, premium on pre-payment or on redemption, costs, charges, expenses and all other money payable by the Company to the trustees under the trust deed and to the Lending Agencies under their respective agreements/ loans agreements/ debenture trust deeds entered/to be entered into by the Company in respect of the said borrowing”

“RESOLVED FURTHER that the Board be and is hereby authorise to finalize with the Lending Agencies/ Trustees, the documents for creating the aforesaid mortgages, charges and/ or hypothecations and to accept any modification to, or to modify, alter or vary, the terms and conditions of the aforesaid documents and to do all such acts and things and to execute all such documents as may be necessary for giving effect to this Resolution.”

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

“RESOLVED THAT pursuant to the provisions of Section 188 and other applicable provisions, if any, of the Companies Act, 2013 and relevant rules made there under (including any statutory modification(s) or re-enactment thereof for the time being in force), the consent of the members be and is hereby accorded to Board of Directors to enter into any contract or arrangements with related parties namely, A.K. Patel & Co., J.K. Patel & Co., A. Patel & Company, and H.K. Patel & Co. as well as with Key Managerial Personnel and their relatives as mentioned in AOC-2 with respect to sale, purchase or supply of any goods or materials, selling or otherwise

disposing of, or buying, leasing of property of any kind, availing or rendering of any services, appointment of agent for purchase or sale of goods, materials, services or property or otherwise disposing of any goods, materials or property or availing or rendering of any services or appointment of such related party to any office or place of profit in the Company or its subsidiary or associate Company or reimbursement of any transaction or any other transaction of whatever nature with related parties upto Rs. 25 Crore for each type of transaction.

“RESOLVED FURTHER THAT the board of directors of the Company be and is hereby authorized to take such steps as may be necessary for obtaining approvals, statutory, contractual or otherwise, in relation to the above and to settle all matters arising out of and incidental thereto, and to sign and execute all deeds, applications, documents and writings that may be required, on behalf of the Company and generally to do all acts, deeds, matters and things that may be necessary, proper, expedient or incidental thereto for the purpose of giving effects to this Resolution.”

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

Date: 27-08-2015

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

**Sd/-
Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)**

**Sd/-
Ankit P Patel
(Director)
(DIN: 02901371)**

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF, SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 [fifty] and holding in aggregate not more than ten (10) per cent of the total share capital of the Company. In case proxies proposed to be appointed by a Member holding more than ten(10) percent of the total share capital of the Company carrying voting rights, then such proxy shall not act as a proxy for any such other person or shareholder.

The instrument of Proxy in order to be effective, should be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting i.e.by 11.00 a.m. on Monday, 28th September, 2015. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

2. An explanatory statement pursuant to Section 102 of Companies Act, 2013, in respect of special business mentioned in the notice under item Nos. 4 to 6 is annexed hereto.
3. The relevant details as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange(s), in respect of Directors seeking re-appointment as directors Item Nos. 2 above, is also annexed hereto.
4. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the registered office of the company on all working days, except Sundays, between 11 a.m. and 1 p.m. up to the date of meeting.
5. The Register of Members and the Share Transfer Books of the Company will remain closed for a period of Eight (8) days from Wednesday, 23rd day of September, 2015 to Wednesday, 30th day of September, 2015 (both days inclusive).
6. Members are requested to contact Registrar and Transfer Agent (RTA) namely Link Intime India Pvt. Ltd. Unit No. 303, 3rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad-380009

for recording any change of address, bank mandate, ECS or nominations, and for redressal of complaints contact the Compliance Officer at the Registered Office of the Company.

7. The equity shares of the company are available for dematerialization, as the company has entered into an agreement with National Securities Depository Limited (NSDL) and the Central Depository Services Limited (CDSL). Those shareholders who wish to hold the company's share in electronic form may approach their depository participants.
8. Section 72 of the Companies Act, 2013, extends the nomination facility to individual shareholders of the Company. Therefore, the shareholders holding share certificates in physical form and willing to avail this facility may make nomination in Form SH 13, which may be sent on request. However, in case of demat holdings, the shareholders should approach to their respective depository participants for making nominations.
9. Members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting.
10. Members are requested to bring their copies of Annual Report at the meeting. Shareholders seeking any information with regard to account are requested to write to the Company early so as to enable the Management to keep the information ready.
11. Members / Proxies are requested to bring with them the attendance slip duly filled in and hand it over at the entrance.
12. Members, who have multiple accounts in identical names or joint names in same order are requested to intimate M/s. Link Intime (India) Pvt. Ltd., the Ledger Folios of such accounts to enable the Company to consolidate all such share holdings into one account.
13. Pursuant to Section 101 and Section 136 of the Companies Act, 2013 read with relevant rules made there under, Companies can serve Annual Reports and other communications through electronic mode to those Members who have registered their e-mail address either with the Company or with the Depository. Members who have not registered their e-mail addresses so far are requested to register their e-mail address so that they can receive the Annual Report and other communication from the Company electronically. Members holding shares

in demat form are requested to register their e-mail address with their Depository Participant(s) only. Members of the Company, who have registered their e-mail address, are entitled to receive such communication in physical form upon request.

14. Voting through electronic means:

Pursuant to Section 108 of the Companies Act, 2013, read with the relevant Rules of the Act, the Company is pleased to provide the facility to Members to exercise their right to vote by electronic means. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

The instructions for shareholders voting electronically are as under:

- (i) The voting period begins on 26TH September, 2015 at 9.00 a.m. and ends on 29th September, 2015 at 5.00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 23rd September, 2015, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website www.evotingindia.com
- (iii) Click on Shareholders.
- (iv) Now Enter your User ID
 - a. For CDSL: 16 digits beneficiary ID,
 - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
 - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- (vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> • Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance

	Slip indicated in the PAN field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. <ul style="list-style-type: none"> Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

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

- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
 - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
 - The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
 - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- i) Mr. Ronak D Doshi (C.P. No. 12725), Proprietor of Ronak Doshi & Associates has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
 - ii) The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
 - iii) The Results declared alongwith the report of the Scrutinizer shall be placed on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.

Explanatory Statements pursuant to section 102[1] of the Companies Act, 2013.

The following statements set out all material facts relating to Special Businesses mentioned in the accompanying Notice.

Profile of Retiring Directors: Item No. 2

Name	Chaitali Bharatkumar Patel
Qualification	MBA – Finance
Experience	Over 6 years of wide ranging experience in Finance Area
Other Directorship Nil	None
Chairman / Member of the Committees of the Board of the other companies on which she is a director	No
No. of shares held in the company No Shares	8,500 Equity shares of Rs. 10 each
Disclosure of the relationships	Smt. Chaitali Bharatkumar Patel is wife of Ankit P. Patel, Director of the Company and daughter in Law of Mr. Pravinbhai K Patel, Chairman and Managing Director.

ITEM NOS. 4 & 5:

Under Section 180 of the Companies Act, 2013 the above powers of the Board are required to be exercised only with the consent of the company by a Special Resolution, which powers were previously given to the Board of Directors under Section 293(1) (a) and 293(1) (d) of the Companies Act, 1956. However to comply with provisions of the Section 180 of the Companies Act, 2013, Company has to take fresh approval from the shareholders in General Meeting and approval which was granted under Section 293(1)(a) and 293(1)(d) is no longer in effect. Therefore, it has become necessary to pass such a special resolution.

(l) borrowing monies on behalf of the Company (apart from temporary loans obtained or to be obtained from the Company's bankers in the ordinary course of business) in excess of the aggregate of the paid-up capital of the Company and its free reserves,

subject to the total outstanding amount so borrowed not exceeding a sum of Rs. 100 crore at any point of time;

And

(ii) creation of a mortgage or charge for the said borrowings, as security by way of mortgage / hypothecation on the Company's assets in favour of lending agencies and trustees for the amounts borrowed i.e. up to Rs. 100 crore, including interest, charges, etc. payable thereon, as the documents for the said purpose could contain the power to take over the management of the Company, in certain events.

The approval of the Members for the said borrowings and creation of a mortgage or charge for the said borrowing is therefore now being sought, by way of a Special Resolutions, pursuant to Section 180(1)(c) and 180(1)(a) of the Act respectively.

The Directors commend the Resolutions at Item Nos. 4 and 5 of the accompanying Notice for the approval of the Members of the Company.

None of the Directors and Key Managerial Personnel of the Company or their respective relative is concerned or interested in the passing of the Resolutions at Item Nos. 4 and 5.

ITEM NO. 6:

Approval for entering into Related Party Transactions by the Company

The Companies Act, 2013 aims to ensure transparency in the transactions and dealings between the related parties of the Company. The provisions of Section 188(1) of the Companies Act, 2013 that govern the Related Party Transactions, requires that for entering into any contract or arrangement as mentioned herein below with the related party, the Company must obtain prior approval of the Board of Directors and in case of the Company having a paid up share capital of rupees Ten crore or more, prior approval of the shareholders by way of a Special Resolution must be obtained:

1. Sale, purchase or supply of any goods or materials;
 2. Selling or otherwise disposing of, or buying, property of any kind;
 3. Leasing of property of any kind;
 4. Availing or rendering of any services;
 5. Appointment of any agent for purchases or sale of goods, materials, services or property;
 6. Such related party's appointment to any office or place of profit in the company, its subsidiary company or associate company and
 7. Underwriting the subscription of any securities or derivatives thereof, of the Company.
- The Board of Directors of the Company took note that the Company being in existence for last three decades has developed into a financial institution with efficient

systems, competent credit management practices and stringent operational control processes, thus, may extend the required support to its associate Companies.

In the light of provisions of the Companies Act, 2013, the Board of Directors of your Company has approved the proposed transactions along with annual limit that your Company may enter into with the related parties (as defined under section 2(76) of the Companies Act, 2013.

The particulars of the transaction pursuant to the provisions of Section 188 and the Companies (Meetings of Board and its Powers) Rules, 2014 are as under:

(1) Name of the Related Party:

(2) Name of the Director or Key Managerial Personnel who is related, if any, as provided in table below:

(3) Nature of Relationship:

SR. NO.	Name of Director/KMP	Name of related party	Nature of transaction as per Section 188 of the Companies Act, 2013
1	Pravinbhai K Patel	Himself	Salary and allowance
2	Chaitali B Patel	Herself	Salary and allowance
3	Ankit P Patel	Himself	Salary and allowance
4	Gandalal A Patel	Himself	Allowance
5	Kantilal J Patel	Himself	Allowance

The members are further informed that no member/s of the Company being a related party or having any interest in the resolution as set out at item No. 6 shall be entitled to vote on this special resolution. The Board of Directors recommends the resolution set forth in item No. 6 for approval of the Members. Except Promoter Directors and their relatives (to the extent of their shareholding interest in the Company), no other director or Key Managerial Personnel or their relatives, is concerned or interested, financially or otherwise, in passing of this resolution.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

Date: 27-08-2015

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Sd/-
Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)

Sd/-
Ankit P Patel
(Director)
(DIN: 02901371)

Directors' Report

Your Directors are pleased to present the Company's 29th Annual Report and the audited accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS FOR THE YEAR 14-15:

(Amount in Rs.)

PARTICULARS	2014-15	2013-14
Income From Operation-other income	10,61,294.00	9,85,257.00
Other Income	71,83,207.27	1,06,83,411.49
Total Income	82,44,501.27	1,16,68,668.49
Expenses from operation	36,54,205.80	78,36,015.88
Profit/ Loss Before Tax	31,40,586.52	32,15,138.41
Current Tax	2,34,628.50	6,00,000.00
Earlier year Tax	4,79,253.00	12,164.00
deferred Tax	0.00	0.00
Profit/ Loss After Tax	24,26,705.02	26,02,974.41

PERFORMANCE REVIEW:

During the year under review, the Company has generated total revenue of Rs. 82,44,501.27 as against 1,16,68,668.49 of the previous financial year. The net profit for the year under review has been Rs. 24,26,705.02 as against Rs. 26,02,974.41 during the previous financial year. Your Directors are continuously looking for the new avenues for future growth of the Company and expect more growth in future period.

A detailed analysis of the financial results is given in the Management Discussion and Analysis Report, which forms part of this report.

DIVIDEND & APPROPRIATIONS:

In order to conserve the resources, in the year 2014-15, the Directors do not recommend any dividend for the year.

BOARD OF DIRECTORS:

1. Mrs. Chaitali Bharatbhai Patel (DIN: 06957559), Director of the Company retires by rotation and, being eligible, offers herself for re-appointment.

2. Mrs. Chaitali Bharatbhai Patel (DIN: 06957559), Woman Promoter Director was appointed on the Board as a Director on 30th September, 2014 after getting approval of the shareholders in the previous Annual General Meeting.

3. Independent Directors:

The Independent Directors have submitted their declarations of independence, as required pursuant to the provisions of section 149(7) of the Act, stating that they meet the criteria of independence as provided in

SUBSIDIARY, JOINT VENTURE AND ASSOCIATE COMPANY:

The company has no subsidiary company, Joint Venture Company or Associate Company.

PUBLIC DEPOSIT:

During the year under review your Company has not accepted deposit from public as envisaged by Chapter V of the Companies Act, 2013 and as per rules and regulations framed by Reserve Bank of India for Non Banking Finance Companies.

CHANGE IN THE NATURE OF BUSINESS:

There is no Change in the nature of the business of the Company done during the year.

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

As required by the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 the relevant data pertaining to conservation of energy, technology absorption are not applicable and hence, not given. Moreover, the Company has no Foreign Exchange earnings and outgo.

PARTICULARS OF EMPLOYEES:

There are no employees drawing the remuneration in excess of limits prescribed under Rule 5 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

MATERIAL CHANGES AND COMMITMENTS, IF ANY, AFFECTING THE FINANCIAL POSITION OF THE COMPANY WHICH HAS OCCURRED BETWEEN THE END OF THE FINANCIAL YEAR OF THE COMPANY TO WHICH THE FINANCIAL STATEMENTS RELATE AND THE DATE OF THE REPORT:

No such material changes and commitments, affecting the financial position of the company have occurred and hence no comments required.

SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:

During the year no significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

CHANGES IN SHARES CAPITAL:

The Company has not made any changes in the share capital of the company during the year under review.

INSURANCE:

All the assets of the company are adequately insured and the Company has developed proper system for taking insurance on all its assets in order to mitigate the risk.

AUDITORS:

I. STATUTORY AUDITORS & AUDITORS' REPORT:

In view of the internal process of re-alignment at the Statutory Auditors' firm, M/s. J. M. Patel & Bros., (FRN: 107707W), Chartered Accountants, Ahmedabad has been re-appointed as the Statutory Auditors of the Company.

The Statutory Auditors of the Company, M/s. J. M. Patel & Bros., (FRN: 107707W), Chartered Accountants, Ahmedabad hold office until the conclusion of the ensuing Annual General Meeting. The Company has received a letter from M/s. J. M. Patel & Bros. to the effect that their appointment, if made, will be as per the requirements laid down under Section 139 and 141 of the Companies Act, 2013 read with Rule 4 of the Companies (Audit and Auditors) Rules, 2014. The Statutory Auditors have expressed its intention to hold office from the conclusion of the 29th Annual General Meeting of the Company, up to the conclusion of the 34th Annual General Meeting pursuant to the provisions of the said sections, subject to approval of the Members and thereafter, ratification of the appointment at every Annual General Meeting.

Accordingly, a resolution is being submitted to the Members for the appointment of M/s. J. M. Patel & Bros., Chartered Accountants and to allow the Board to fix their remuneration for the current year.

II Auditors' Report:

The Auditors' Report does not contain any adverse remark(s) and hence no comments required. The notes of accounts referred to in the auditors' report are self explanatory and therefore do not require any further comments.

III INTERNAL CONTORL SYSTEM

Pursuant to the provisions of section 138 of the Companies Act and rules made there under, the company has proper system of Internal Control and it has also appointed internal auditor to look after the matters of internal control.

V SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT:

Pursuant to the provisions of section 204 of the Act and The Companies [Appointment and Remuneration of Managerial Personnel] Rules, 2014, the Company has appointed M/s. Ronak Doshi & Associates, Practicing Company Secretary to undertake Secretarial Audit for the financial year ended on 31st March, 2015. Secretarial Audit Report is attached to this report as Form MR-3". The Board has duly reviewed the Secretarial Auditor's Report and the observations and comments, appearing in the report are self-explanatory and do not call for any further explanation / clarification by the Board of Directors as provided under section 134 of the Act.

CORPORATE SOCIAL RESPONSIBILITY (CSR):

The Board of your Company has constituted a CSR Committee. As on 31 March, 2014, the Committee comprises three Directors. CSR Committee has recommended to the Board, a CSR Policy, indicating the activities to be undertaken by the Company, which is approved by the Board and carried to the Annual Report.

The company's net profit, turnover and networth are outside the criteria of Section 135 of the Companies Act, 2013, therefore, it is not required to spend any amount under CSR Activity.

ENVIRONMENT, HEALTH AND SAFETY:

The Company is a Non banking finance company hence it is not in such activity which affects the environment adversely, however, it accords the highest priority to Environment, Health and Safety. The management is constantly reviewing the safety standards of the employees and the management believes in the concept of sustainable development.

MANAGING THE RISKS OF FRAUD, CORRUPTION AND UNETHICAL BUSINESS PRACTICES:

i. Vigil Mechanism / Whistle Blower Policy:

The Company has established vigil mechanism and framed whistle blower policy for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of Company's Code of Conduct or Ethics Policy.

ii. Business Conduct Policy:

The Company has framed "Business Conduct Policy". Every employee is required to review and sign the policy at the time of joining and an undertaking shall be given for adherence to the Policy. The objective of the Policy is to conduct the business in an honest, transparent and in an ethical manner. The policy provides for anti-bribery and avoidance of other corruption practices by the employees of the Company.

AUDIT COMMITTEE:

The Audit Committee comprises of 4 members namely, Chairman Shri Gandlal Ambalal Patel, Shri Kantilal Joytiram Patel, Smt. Chaitaliben B Patel and Shri Pravinbhai Keshavlal Patel. The audit committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The Meetings of Audit committee was held four times on during the financial year and further details of attendance of directors in the Committee meeting are mentioned in Corporate Governance Report.

The Committee periodically discussed the Financial Reporting process, reviewed the Financial Statements, and discussed the quality of the applied accounting principles and significant judgment that affected the Company's Financial Statements. Before presenting the audited accounts to the members of the Board, the Audit Committee recommended the appointment of the statutory auditors, subject to the Board's approval. The audit Committee reviewed with adequacy of internal control systems with the management, statutory and internal auditors.

INDUSTRIAL RELATIONS:

Industrial Relations during the year under review continued to be cordial.

TRANSFER OF AMOUNTS TO INVESTOR EDUCATION AND PROTECTION FUND:

The company has not declared dividend in any of the previous seven years and hence there is no fund lying as unclaimed/unpaid dividend and hence it is not required to transfer to IEPF Account.

ACCOUNTING STANDARDS AND FINANCIAL REPORTING:

The Company incorporates the accounting standards as and when issued by the Institute of chartered Accountants of India. The Company Complied with the Stock Exchange and legal requirement concerning the Financial Statements at the time of preparing them for the Annual Report.

CORPORATE GOVERNANCE:

Your Company follows the principles of effective Corporate Governance. The Company has complied with the mandatory provisions of Corporate Governance as prescribed in the revised Clause 49 of the Listing Agreement executed with the Stock Exchange(s).

A separate section on Corporate Governance is included in the Annual Report and Certificate from Company's Auditors confirming the compliance with the code of Corporate Governance as enumerated in Clause-49 of the listing agreement with the Stock Exchange is annexed hereto.

MANAGEMENT'S DISCUSSION AND ANALYSIS REPORT:

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

DEMATERIALISATION OF EQUITY SHARES:

As per direction of the SEBI and Bombay Stock Exchange Limited, the shares of the Company are under compulsory demat form. The Company has established connectivity with both the Depositories i.e. National Securities Depository Limited and Central Depository Services (India) Limited and the demat activation number allotted to the Company is ISIN: INE 006C01015. Presently shares are held in electronic and physical mode (81.68% of shares in demat, 18.32% in physical mode).

LISTING:

The equity shares of the company are listed in the Bombay Stock Exchange Limited which has the connectivity in most of the cities across the country.

NUMBER OF MEETINGS OF THE BOARD OF DIRECTORS:

The Board of Directors duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The

details regarding the meetings of board of directors and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE AUDIT COMMITTEE:

The Audit Committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Audit Committee and the attendance of the directors in the same is mentioned in Corporate Governance Report.

NUMBER OF MEETINGS OF THE NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and Remuneration Committee duly met at regular intervals during the mentioned financial year and in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose. The details regarding the meetings of Nomination and Remuneration Committee and the attendance of the directors in the same is mentioned in Corporate Governance Report.

DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (Prevention, Prohibition and Redressal Act, 2013):

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at the Workplace (Prevention, Prohibition & Redressal) Act, 2013. Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

DIRECTORS' RESPONSIBILITY STATEMENT:

In terms of section 134[3] [c] of the Act, your Directors state that:

- a) in the preparation of the annual financial statements for the year ended on 31st March, 2015, applicable accounting standards read with requirements set out under schedule III of the Act, have been followed along with proper explanation relating to material departures, if any,
- b) such accounting policies have been selected and applied consistently and judgments and estimates made that are reasonable and prudent so as to give a

true and fair view of the state of affairs of the company as at 31st March, 2015 and of the profit of the company for the year ended on that date,

- c) proper and sufficient care has been taken for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for prevention and detection of fraud and other irregularities,
- d) the annual financial statements are prepared on a going concern basis,
- e) proper internal financial controls are in place and that the financial controls are adequate and are operating effectively and
- f) the systems to ensure compliance with the provisions of all applicable laws are in place and are adequate and operating effectively.

PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS UNDER SECTION 186:

During the period under report, the Company has not provided guarantee to any person or Body Corporate. It has given current Loans to some parties in its ordinary course of business and as it is an NBFC company, it is outside the purview of Section 186 of the Companies Act, 2013.

EXTRACT OF ANNUAL RETURN:

Pursuant to Section 134(3)(a) of the Companies Act, 2013 read with rules 12(1) of the Companies (Management and Administration) Rules, 2014, the extract of annual return is annexed herewith as MGT-9 and forming part of the report.

RISK MANAGEMENT POLICY:

The Company has developed and implemented a risk management policy which identifies major risks which may threaten the existence of the Company. The same has also been adopted by your Board and is also subject to its review from time to time. Risk mitigation process and measures have been also formulated and clearly spelled out in the said policy.

PARTICULARS OF CONTRACTS AND ARRANGEMENTS WITH RELATED PARTIES:

The Particulars of contracts or arrangements with related parties are given in the prescribed Form AOC-2 appended herewith as **Annexure-A**.

ACKNOWLEDGMENT:

Your Directors wish to place on record their sincere appreciation to the financial institutions, Company's bankers and customers, vendors and investors for their continued support during the year.

Your Directors are also pleased to record their appreciation for the dedication and contribution made by employees at all levels who through their competence and hard work have enabled your Company achieve good performance year after year and look forward to their support in future as well.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

Date: 27-08-2015

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

**Sd/-
Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)**

**Sd/-
Ankit P Patel
(Director)
(DIN: 02901371)**

ANNEXURE-A

FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length Basic:

SL. No.	Particulars	Details
1	Name (s) of the related party & nature of relationship	NIL
2	Nature of contracts/arrangements/transaction	NIL
3	Duration of the contracts/arrangements/transaction	NIL
4	Salient terms of the contracts or arrangements or transaction including the value, if any	NIL
5	Justification for entering into such contracts or arrangements or transactions'	NIL
6	Date of approval by the Board	NIL
7	Amount paid as advances, if any	NIL
8	Date on which the special resolution was passed in General meeting as required under first proviso to section 188	NIL

2. Details of contracts or arrangements or transactions at Arm's length Basic:

Sr. No.	Name(s) of the related party and nature of relationship	Nature of Contracts /arrangements /Transactions	Salient terms of the contracts of arrangements or transactions including value, if any:	Duration of Contracts/ arrangements / Transactions	Date(s) of the approval by the Board and Audit Committee, if any	Amount paid as advances, if any
1	Mr. Pravinbhai Keshavlal Patel	Managing director	Salary of Rs. 25,000 per month & allowance of Rs. 800 per month aggregating to Rs. 3,09,600	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	Nil
2	Mr. Ankit Pravinkumar	Director	Salary of Rs. 25,000 per month & allowance of	From 1 st April, 2014 to 31 st	22/07/2014	Nil

	Patel		Rs. 800 per month aggregating to Rs. 3,09,600	March, 2015		
3	Mrs. Chaitali Bharatbhai Patel	Director	Salary of Rs. 50,000 per month & allowance of Rs. 800 per month aggregating to Rs. 3,09,600	From 30 th September, 2014 to 31 st March, 2015	10/11/2014	Nil
4	Mr. Gandalal Ambalal Patel	Director	allowance of Rs. 800 per month aggregating to Rs. 9,600	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	Nil
5	Mr. Kantibhai Joytiram Patel	Director	allowance of Rs. 800 per month aggregating to Rs. 9,600	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	Nil
6	Mr. Amratlal Kashiram patel	Relative	Interest paid of Rs. 4862	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
7	Mrs. Anandiben Vishnubhai Patel	Relative	Interest paid of Rs. 4842	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
8	Mr. Babulal K. Patel	Relative	Interest paid of Rs. 12664	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
9	Mrs. Bhagwatiben Gandlal Patel	Relative	Interest paid of Rs. 103643	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
10	Mr. Bharatbhai B. Patel	Relative	Interest paid of Rs. 4154	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
11	Dhyani Hardik Patel	Relative	Interest paid of Rs. 3956	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
12	Mr. Dipak Gandalal Patel	Relative	Interest paid of Rs. 8545	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
13	Mr. Gandalal Ambalal Patel	Director	Interest paid of Rs. 3729	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
14	Mr. Hardik P. Patel (H U F)	Relative	Interest paid of Rs. 32	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
15	Mr. Hardik P. Patel	Relative	Interest paid of Rs. 45421	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	

16	H.K. Patel & Company	Relative	Interest paid of Rs. 172803	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
17	J.K.Patel & Company	Relative	Interest paid of Rs. 200	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
18	Mrs. Kailashben Kirtikumar Patel	Relative	Interest paid of Rs. 4980	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
19	Mrs. Kailashben Pravinbhai Patel	Relative	Interest paid of Rs. 150525	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
20	Mr. Kantilal Joitaram Patel	Director	Interest paid of Rs. 12857	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
21	Mrs. Kapilaben B. Patel	Relative	Interest paid of Rs. 4178	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
22	Mrs. Kena Hardik Patel	Relative	Interest paid of Rs. 181372	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
23	Mr. Kirtikumar Prahladbhai Patel	Relative	Interest paid of Rs. 4621	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
24	Mrs. Lattaben N. Patel	Relative	Interest paid of Rs. 84800	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
25	Mr. Manilal Joitaram Patel	Relative	Interest paid of Rs. 3325	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
26	Mrs. Manjulaben Kantilal Patel	Relative	Interest paid of Rs. 2870	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
27	Mr. Manubhai Joitaram Patel	Relative	Interest paid of Rs. 3925	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
28	Mr. Mihir Patel	Relative	Interest paid of Rs. 4154	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
29	Mrs. Mina R.Patel	Relative	Interest paid of Rs. 990	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
30	Mrs. Mitaben M.Patel	Relative	Interest paid of Rs. 990	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	

				March, 2015		
31	Mrs. Mitaben Mukeshbhai Patel	Relative	Interest paid of Rs. 4500	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
32	Mr. Mohanbhai Joitaram Patel	Relative	Interest paid of Rs. 4019	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
33	Mrs. Parulben G Patel	Relative	Interest paid of Rs. 992	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
34	Mrs. Sejal Kantilal Patel	Relative	Interest paid of Rs. 3385	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
35	Mrs. Sejal Gandalal Patel	Relative	Interest paid of Rs. 4929	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
36	Mrs. Shardaben Manilal Patel	Relative	Interest paid of Rs. 3887	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
37	Mrs. Sushilaben Manubhai Patel	Relative	Interest paid of Rs. 4925	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
38	Mrs. Vidhyaben Sitaram Patel	Relative	Interest paid of Rs. 4830	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
39	Mr. Vishnubhai Prabhudas Patel	Relative	Interest paid of Rs. 4714	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
40	M/s A.Patel & Company	Relative	Interest paid of Rs. 8490	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
41	Mr. Ankit P. Patel	Director	Interest paid of Rs. 880	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
42	Keshavlal Z Patel HUF	Relative	Interest paid of Rs. 1170	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	
43	Mr. Pravin K.Patel	Director	Interest paid of Rs. 199610	From 1 st April, 2014 to 31 st March, 2015	22/07/2014	

FORM NO. MGT 9
EXTRACT OF ANNUAL RETURN

As on financial year ended on 31.03.2015

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

I REGISTRATION & OTHER DETAILS:

i	CIN	L65910GJ1986PLC008864
ii	Registration Date	07/08/1986
iii	Name of the Company	K Z LEASING AND FINANCE LIMITED
iv	Category/Sub-category of the Company	Non-Government Company
v	Address of the Registered office & contact details	1ST FLOOR DESHANA CHAMBER, B/H KADWAPATTIDAR WADI, ASHRAM ROAD AHMEDABAD-380001
vi	Whether listed company	YES
vii	Name , Address & contact details of the Registrar & Transfer Agent, if any.	Link Intime India Private Limited, C-13, Pannalal Silk mills Compound, L.V.S. Marg, Bhandup (W), Mumbai-400078 Phone No. 022-25946970/78

II PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated

Sl No	Name & Description of main products/services	NIC Code of the Product /service	% to total turnover of the company
1	FINANCE AND FINANCIAL SERVICES	65	100
2			
3			
4			

III PARTICULARS OF HOLDING , SUBSIDIARY & ASSOCIATE COMPANIES

Sl No	Name & Address of the Company	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% OF SHARES HELD	APPLICABLE SECTION
1					
2					
3					

NOT APPLICABLE

IV SHAREHOLDING PATTERN (Equity Share capital Break up as % to total Equity)

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% change during the year	
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares		
A. Promoters										
(1) Indian										
a) Individual/HUF	546964	0	546964	17.99	639444	0	639444	21.03	92480	0.16
b) Central Govt.or State Govt.	0	0	0	-	0	0	0	-	0	0
c) Bodies Corporates	0	0	0	-	0	0	0	-	0	0
d) Bank/Fl	0	0	0	-	0	0	0	-	0	0
e) Any other	0	0	0	-	0	0	0	-	0	0
SUB TOTAL:(A) (1)	546964	0	546964	17.99	639444	0	639444	21.03	92480	0.16
(2) Foreign										
a) NRI- Individuals	0	0	0	-	0	0	0	-	0	0
b) Other Individuals	0	0	0	-	0	0	0	-	0	0
c) Bodies Corp.	0	0	0	-	0	0	0	-	0	0
d) Banks/Fl	0	0	0	-	0	0	0	-	0	0
e) Any other...	0	0	0	-	0	0	0	-	0	0
SUB TOTAL (A) (2)	0	0	0	-	0	0	0	-	0	0
Total Shareholding of Promoter (A)= (A)(1)+(A)(2)	546964	0	546964	17.99	639444	0	639444	21.03	92480	16.91
B. PUBLIC SHAREHOLDING										
(1) Institutions										
a) Mutual Funds	0	0	0	-	0	0	0	-	0	0
b) Banks/Fl	0	0	0	-	0	0	0	-	0	0
c) Cenntal govt	0	0	0	-	0	0	0	-	0	0
d) State Govt.	0	0	0	-	0	0	0	-	0	0
e) Venture Capital Fund	0	0	0	-	0	0	0	-	0	0
f) Insurance Companies	0	0	0	-	0	0	0	-	0	0
g) FIIS	0	0	0	-	0	0	0	-	0	0
h) Foreign Venture Capital Funds	0	0	0	-	0	0	0	-	0	0
i) Others (specify)	0	0	0	-	0	0	0	-	0	0
SUB TOTAL (B)(1):	0	0	0	-	0	0	0	-	0	0
(2) Non Institutions										
a) Bodies corporates										
i) Indian	363383	6100	369483	12.15	216044	6100	222144	7.30	-147339	-39.87
ii) Overseas	0	0	0	-	0	0	0	-	0	0
b) Individuals									0	
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	700014	554810	1254824	41.26	645263	550910	1196173	39.33	-58651	-4.67
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	869929	0	869929	28.60	945360	0	945360	31.09	75431	8.67
Clearing Member	0	0	0	-	33392	0	33392	1.10	33392	1.1
NRI and Foreign Co.	0	0	0	-	4687	0	4687	0.15	4687	0.15
SUB TOTAL (B)(2):	1933326	560910	2494236	82.01	1844746	557010	2401756	78.97	-92480	5.25
Total Public Shareholding (B)= (B)(1)+(B)(2)	1933326	560910	2494236	82.01	1844746	557010	2401756	78.97	92480	5.25
C. Shares held by Custodian for GDRs & ADRs	0	0	0	-	0	0	0	-	0	0
Grand Total (A+B+C)	2480290	560910	3041200	100.00	2484190	557010	3041200	100.00	0	0

(ii) SHARE HOLDING OF PROMOTERS

Sl No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% 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	Menaben Keshavlal Family Trust	1,49,820	4.93	0	1,50,000	4.93	0	0.00
2	Kailashben Pravinbhai Patel	1,50,000	4.93	0	1,50,000	4.93	0	0.00
3	Gandalal Ambalal Patel	91,100	3	0	91,000	3	0	0.00
4	Keshavlal Zaverchand Patel Family Trust	88,400	2.91	0	88,400	2.91	0	0.00
5	Hardik Pravinbhai Patel	39,100	1.29	0	39,100	1.29	0	0.00
6	Pravinbhai Keshavlal Patel	15,100	0.5	0	15,100	0.5	0	0.00
7	Patel Rameshbhai Narandas	2,500	0.08	0	2,500	0.08	0	0.00
8	Patel Kena Hardik	10,944	0.36	0	94,744	3.12	0	2.76
9	Chaitali Ankitbhai Patel	0	0	0	8500	0.28	0	0.28
	Total	5,46,964	18.00	0	639,444	21.04	0	3.04

(iii) CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

Sl. No.		Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	5,46,964	18.00	5,46,964	18.00
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	AS PER ANNEXURE-B			
	At the end of the year	639,444	21.04	639,444	21.04

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

Sl. No	For Each of the Top 10 Shareholders	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	608216	20.00	608216	20.00
	Date wise increase/decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)				
	At the end of the year (or on the date of separation, if separated during the year)	608216	20.00	608216	20.00

(v) Shareholding of Directors & KMP

Sl. No	For Each of the Directors & KMP	Share holding at the beginning of the Year		Cumulative Share holding during the year	
		No. of Shares	% of total shares of the company	No of shares	% of total shares of the company
	At the beginning of the year	108700	3.58	108700	3.58
	Date wise increase/decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment/transfer/bonus/sweat equity etc)	AS PER ANNEXURE-C			
	At the end of the year	117200	3.86	117200	3.86

V. INDEBTEDNESS

Indebtedness of the Company including interest outstanding/accrued but not due for payment			
	Secured Loans excluding deposits	Deposit	Unsecured Loans
Indebtness at the beginning of the financial year			
i) Principal Amount	439738.04	0	2460996
ii) Interest due but not paid	0	0	0
iii) Interest accrued but not due	0	0	0
Total (i+ii+iii)	439738.04	0	2460996
Change in Indebtedness during the financial year			
Additions	3786206.39	0	12506111
Reduction	0	0	
Net Change	0	0	
Indebtedness at the end of the financial year			
i) Principal Amount	4225944.43	0	14967107
ii) Interest due but not paid	0	0	
iii) Interest accrued but not due	0	0	
Total (i+ii+iii)	4225944.43	0	14967107

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole time director and/or Manager:

Sl.No	Particulars of Remuneration	Name of the MD/WTD/Manager	
1	Gross salary		Pravinkumar K. Patel (MD)
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.		3,00,000
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961		0
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	0	0
2	Stock option	0	0
3	Sweat Equity	0	0
4	Commission	0	0
	as % of profit	0	0
	others : ALLOWANCE	0	9600
5	Others, please specify	0	0
	Total (A)		309600
	Ceiling as per the Act		

B. Remuneration to other directors:

Sl.No	Particulars of Remuneration		Name of the Directors
1	Independent Directors	Gandabhai A Patel	Kantibhai J. Patel
	(a) Fee for attending board committee meetings	0	0
	(b) Commission	0	0
	(c) Others, please specify (Allowance)	9600	9600
	Total (1)	9600	9600
2	Other Non Executive Directors		
	(a) Fee for attending board committee meetings		
	(b) Commission	0	0
	(c) Others, please specify	0	0
	Total (2)	0	0
	Total (B)=(1+2)	9600	9600
	Total Managerial Remuneration	9600	9600
	Overall Ceiling as per the Act.		

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

Sl. No.	Particulars of Remuneration		Key Managerial Personnel
1	Gross Salary		CEO
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act, 1961.		NOT APPLICABLE
	(b) Value of perquisites u/s 17(2) of the Income Tax Act, 1961		
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961		
2	Stock Option		
3	Sweat Equity		
4	Commission		
	as % of profit		
	others, specify		
5	Others, please specify		
	Total		

VII. PENALTIES/ PUNISHMENT/ COMPPOUNDING OF OFFENCES

Type	Section of the Companies Act	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD /NCLT /Court)	Appeall made if any (give details)
A. COMPANY					
Penalty					
Punishment					
Compounding					
B. DIRECTORS					
Penalty					
Punishment					
Compounding					
C. OTHER OFFICERS IN DEFAULT					
Penalty					
Punishment					
Compounding					

ANNEXURE-B

CHANGE IN PROMOTERS' SHAREHOLDING (SPECIFY IF THERE IS NO CHANGE)

SH.No.	Name	Shareholding		Date	Increase/Decrease In Shareholding	Reason	Cumulative Shareholding During the year (01/04/2014 to 31/03/2015)	
		No.of Shares at the beginning (01/04/2014)/ end of the year (31/03/2015)	% of shares of the Company				No.of Shares	% Of total Shares OF the Company
1	Patel Kena Hardik	10944	0.36	1/4/2014				
				3/4/2014	15	Transfer	10959	0.36
				4/4/2014	325	Transfer	11284	0.37
				9/4/2014	400	Transfer	11684	0.38
				11/4/2014	25	Transfer	11709	0.39
				15/04/2014	500	Transfer	12209	0.40
				22/04/2014	60	Transfer	12269	0.40
				29/04/2014	7	Transfer	12276	0.40
				6/5/2014	401	Transfer	12677	0.42
				8/5/2014	131	Transfer	12808	0.42
				15/05/2014	154	Transfer	12962	0.43
				26/05/2014	839	Transfer	13801	0.45
				14/07/2014	20820	Transfer	34621	1.14
				15/07/2014	9987	Transfer	44608	1.47
				17/07/2014	9990	Transfer	54598	1.80
				28/07/2014	10000	Transfer	64598	2.12
				30/07/2014	19100	Transfer	83698	2.75
				1/8/2014	10545	Transfer	94243	3.10
				16/10/2014	500	Transfer	94743	3.12
				23/01/2015	1	Transfer	94744	3.12
		94744	3.12	31/03/2015			94744	3.12
2	Chaitali Ankitbhai Patel	0	0	1/4/2014				
				07/02/2014	1000	Transfer	1000	0.03
				07/10/2014	3700	Transfer	4700	0.15
				08/10/2014	800	Transfer	5500	0.18
				16/08/2014	1000	Transfer	6500	0.21
				20/08/2014	2000	Transfer	8500	0.28
		8500	0.28				8500	0.28

ANNUXURE-C

(v) Shareholding of Directors & KMP

SH. No.	Name	Shareholding		Date	Increase/Decrease In Shareholding	Reason	Cumulative	
		No.of Shares at the beginning (01/04/2014)/ end of the year (31/03/2015)	% of shares of the Company				No.of Shares	% Of total Shares OF the Company
2	Chaitali Ankitbhai Patel	0	0	1/4/2014				
				07/02/2014	1000	Transfer	1000	0.03
				07/10/2014	3700	Transfer	4700	0.15
				08/10/2014	800	Transfer	5500	0.18
				16/08/2014	1000	Transfer	6500	0.21
				20/08/2014	2000	Transfer	8500	0.28
		8500	0.28				8500	0.28

Ronak Doshi & Associates

Practicing Company Secretary

Phone: 079-26636789 M: +91-9033009739 Email: rajronak333@yahoo.com

MR-3

Secretarial Audit Report

For the Financial year ended on **31st March 2015**

[Pursuant to Section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,
The Board of Directors
K Z LEASING AND FINANCE LIMITED
1ST FLOOR DESHANA CHAMBER,
B/H KADWAPATTIDAR WADI,
ASHRAM ROAD, AHMEDABAD-380014.

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **K Z LEASING AND FINANCE LIMITED** (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **K Z 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 financial year ended on **31st March, 2015** 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:

1. I have examined the books, papers, minute books, forms and returns filed and other records maintained by **K Z LEASING AND FINANCE LIMITED** ("The Company") as given in **Annexure I** for the financial year ended on **31st March, 2015** according to the provisions of:

- I. The Companies Act, 2013 (**the Act**) and the Rules made thereunder;

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Narayan Nagar Road, Shantivan, Paldi, Ahmedabad-380007*

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- II. The Securities Contracts (Regulation) Act, 1956 ('**SCRA**') and the Rules made thereunder;
 - III. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
 - 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;
 - 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 (Not applicable to the Company during the audit period);
 - d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 and The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014, notified on 28th October, 2014: (Not applicable to the Company during the audit period);
 - e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not applicable to the Company during the audit period);
 - 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 (Not applicable to the Company during the audit period);
- and

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h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable to the Company during the audit period);

3. I have relied on the representation made by the Company and its officers for system and mechanism by the Company for compliances under other applicable Acts, Laws and Regulations as applicable to the company as given in **Annexure II**.

4. I further report that, having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test-check basis, the Company has complied with the following laws applicable specifically to the company:

1. Negotiable Instrument Act, 1881
2. The Reserve Bank of India Act, 1934

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India and
- ii) The Listing Agreements entered into by the Company with Stock Exchanges.

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, Listing Agreements etc mentioned above.

I further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were 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 were 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.

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Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes. The Company has obtained all necessary approvals under the various provisions of the Act;

I further report that based on the information received and records maintained 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.

I further report that during the audit period the Company has no specific events/actions having a major bearing on the Company's Affairs in pursuance of the above referred laws, regulations, guidelines, standards etc.

NOTE: As per the information provided to us by the management of the Company, it is under process of appointment of Company Secretary in Whole-time Employment and Chief Financial Officer as Key Managerial Personnel.

Place: Ahmedabad

For, Ronak Doshi & Associates

Date : 27/08/2015

Sd/-

Ronak D Doshi

Practicing Company Secretary

Membership No. 23712

C.P. No. 12725

Ronak Doshi & Associates

Practicing Company Secretary

Phone: 079-26636789 M: +91-9033009739 Email: rajronak333@yahoo.com

Annexure I

1. Memorandum and Articles of Association of Company
2. Annual Report for the financial year ended on 31st March, 2014
3. Maintenance of various statutory registers and documents and making necessary entries therein;
4. E-Forms, returns, documents and resolutions filed with the Registrar of Companies and the Central Government along with attachments thereof;
5. Notice of Board meetings and Committee meetings of Directors;
6. Agenda and Minutes of proceedings of General Meetings and of the Board and its Committee meetings along with attendance register;
7. Declaration received from the Directors under Section 184 of the Companies Act, 2013.

Annexure-II

1. Laws relating to Employees, Wages, Provident Fund, Bonus, Compensation, Employees State Insurance etc.
2. Direct and Indirect Tax Laws
3. Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013
4. Laws related to Contract Act, Finance etc.
5. Laws related to stamp duty

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Practicing Company Secretary

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To,
The Members,
K Z LEASING AND FINANCE LIMITED
1ST FLOOR DESHANA CHAMBER,
B/H KADWAPATTIDAR WADI,
ASHRAM ROAD, AHMEDABAD-380014.

Our Secretarial Audit Report of even date is to be read along with this letter.

Management's Responsibility:

1. It is the responsibility of the management of the company to maintain secretarial records, devise proper systems, to ensure compliance with the provisions of all applicable laws and regulations and to ensure that the systems are adequate and operate effectively.

Auditor's Responsibility:

2. My responsibility is to express opinion on these secretarial records, systems, standards and procedures based on my audit.
3. Whenever, required, we have obtained the management's representation about the compliance of law, rules and regulations and happening of events etc.

Disclaimer:

4. The Secretarial Audit Report is neither an assurance as to the future visibility of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Place: Ahmedabad

Date: 27/08/2015

For, Ronak Doshi & Associates

Sd/-

Ronak D Doshi

Practicing Company Secretary

Membership No. 23712

C.P. No. 12725

*16, Chaturai Apartment, Opp. AIMS Hospital,
Narayan Nagar Road, Shantivan, Paldi, Ahmedabad-380007*

Management Discussion and Analysis Report

This report covers the operations and financial performance of the Company and part forms of the Directors' Report.

AN INDUSTRY OVERVIEW:

The management is confident of improvement in the company's working in the near future with fast growth.

The scenario of the finance industry and economy in general is buoyant even after the industry is exposed to competition with policy of the government. The process of development, increasing thrust of the government on the finance industry, the future of industry appears quite bright.

BUSINESS HIGHLIGHTS:

Turnover:

K Z Leasing and Finance Limited have turnover of Rs. 10,61,294 in 2014-2015 as against Rs. 9,85,257 in the year 2013-14.

Employee Benefit Expenses:

Employees emoluments (other than managerial remuneration) is Rs. 23,07,822/- during the year as against Rs. 19,88,988/- during the previous year.

Administrative and Other Expenses:

Major components of administrative and other expenses includes printing and stationary, audit fees, advertisement expenses, postage and stamps, listing fees, insurance premium etc. Administrative and other expenses for the year amounted to Rs. 13,46,383 as against Rs. 58,47,027 during the previous year.

Depreciation:

Depreciation charge for the current year came to Rs. 32,624 as against Rs. 29,252 of the previous year.

Provision for Tax:

The Company has earned income during this year and hence made provision of Rs. 7,13,882 towards current tax. In the previous year the Company has made provision for tax of Rs. 6,12,164. As there is no dividend payable this year, the company has not provided any amount for dividend distribution tax.

Profit/Loss after Tax:

The Company has made profit after tax for the current year is Rs. 24,26,705.02 as against profit of Rs. 26,02,974.41 during the previous year. The Directors are hopeful for the better and better performance in the future.

FINANCIAL CONDITION:**Non Current Liabilities:**

The Company's Non Current Liabilities includes Long Term borrowings of Rs. 1,90,19,311.43 as at 31st March, 2015 as against Long Term Borrowings of Rs. 29,00,734.04 as at 31st March 2014.

Current Liabilities:

Company's Current Liabilities includes Trade payables and Other Current Liabilities which are amounting to Rs. 13,97,287.50 as at 31st March, 2015 against Rs. 13,37,903.00 of the previous year.

Fixed Assets:

Net block of the fixed assets at the end of the year is Rs. 5,41,213 as against Rs. 5,58,588 in the previous year.

Non Current Investments:

Non current investments of the company is Rs. 4,30,65,626 as at 31st March, 2015 against Rs. 1,97,21,250 which was at 31st March, 2014.

Long Term Loans and Advances:

Long Term Loans and advances of the company is Rs. 5,94,31,905 as at 31st March, 2015 against Rs. 6,30,23,951 which was at 31st March, 2014.

Current Assets:

The total Current Assets of the company as at 31st March, 2015 is Rs. 5,57,069 which was Rs. 16,62,497 in the previous year.

SWOT ANALYSIS OF THE COMPANY:**Strength:**

- Management depth and ability to manage client / customer relationships
- Enhanced presence in the market through clientele basis

Opportunities and Threats:

The micro finance industry is subject to tough competition amongst various segments within and outside the country. The threat of competition is comparatively less in the area in which your company is operating. The increase in demand from business sector will provide opportunity to your company to increase more market share. Moreover, Indian Finance industry witnessing changes in business dynamics.

A. RISKS AND CONCERNS :

Your company is mainly focusing on manpower and the intelligence. Apart from the risk on account of interest rate and regulatory changes, business of the company are exposed to certain operating business risks, which is mitigated by regular monitoring and corrective actions. The company has taken necessary measures to safe guard its assets and interest etc.

B. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The company has proper and adequate system of internal controls commensurate with its size and nature of operations to provide reasonable assurance that all assets are safeguarded, transactions are authorized, recorded and reported properly and to monitor internal business process, financial reporting and compliance with applicable laws.

The internal control system has been designed so as to ensure that the financial and other records are reliable and reflects a true and fair view of the state of the Company's business. A qualified and independent committee of the Board of Directors actively reviews the adequacy and effectiveness of internal control systems and suggests improvements for strengthening them.

C. HUMAN RESOURCE MANAGEMENT :

The Company believes that human resource is the most important assets of the organization. It is not shown in the corporate balance sheet, but influences appreciably the growth, progress, profits and the shareholders' values. During the year your company continued its efforts aimed at improving the HR policies and processes to enhance its performance. The vision and mission of the company is to create culture and value system and behavioral skills to insure achievement of its short and long term objectives.

Cautionary Statement:

Statement made in the Management Discussion and Analysis Report describing the company's objectives, projections, estimates, expectations may be "Forward-looking statements" within the meaning of applicable securities laws and regulations. Actual

results could differ from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand supply and price conditions in the markets in which the company operates, changes in the government regulations, tax laws & other statutes and other incidental factors.

Corporate Governance Report

OUR PHILOSOPHY

K Z Leasing And Finance Limited strives to adopt the highest standards of excellence in Corporate Governance. We strongly believe that corporate governance accompanies our long-term business success. The Corporate Governance Structure in the Company assigns responsibilities and entrusts authority among different participants in the organization viz., the Board of Directors, the senior management, employees, etc. The Company has consistently practiced good Corporate Governance norms for the past several years for the efficient conduct of its business and meeting its obligations towards all its stakeholders viz., the shareholders, customers, employees and the community in which the Company operates.

The Company has established procedures and systems to be fully compliant with the requirements stipulated by the Securities and Exchange Board of India (SEBI) from time to time, under the revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges, which came into effect from 1st October, 2014. The provisions of Clause 49 have been implemented in a manner so as to achieve the objectives of Corporate Governance.

The Company's Corporate Governance philosophy is reflected in the following key areas of the Company's approach to business and its stakeholders:

Corporate Governance and practices in accordance with the provisions of Clause 49 of the Listing Agreement:

1. Board of Directors :

Composition:

The present Board of Directors consists of half of Non-executive / Independent directors. As of date, the Board Comprises of 3 (three) whole time / executive directors and 4 (Four) non executive and independent directors.

The company has an executive chairman and the number of non-executive/independent directors is more than 50% of the total number of directors. The Company, therefore, meets with the requirements relating to the composition of the Board of Directors.

The composition and category of Directors are as follows:

CATEGORY	NAME OF DIRECTORS
Promoter & Executive Director	Shri. Pravinbhai K. Patel (Chairman & Managing Director) Shri. Ankit P. Patel (Director) Smt. Chaitali B Patel (Woman Promoter Director)
Independent & Non-Executive Directors	Shri. Rameshbhai Narandas Patel (Independent Director) Shri. Gandalal Ambalal Patel (Independent Director) Shri. Keshavlal Kashiramdas Patel (Independent Director) Shri. Kantilal Joytiram Patel (Independent Director)

Disclosure of relationships between Directors inter-se:

Name of directors	Relationship with other Director
Name of directors	Relationship with other Director
Shri. Pravinbhai K. Patel	Father of Shri. Ankit P. Patel ,Director of the Company.
Shri. Ankit P. Patel	Son of Shri. Pravinbhai K. Patel, Chairman & Managing Director.
Shri. Rameshbhai Narandas Patel	Not, in any way, concern / interested / related with any of the other directors of the company

Shri. Gandalal Ambalal Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri. Keshavlal Kashiramdas Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Shri Kantilal Joytiram Patel	Not, in any way, concern / interested / related with any of the other directors of the company
Smt. Chaitali B Patel	Mrs. Chaitali B Patel, is wife of Mr. Ankit P Patel.

Attendance of each Director at the Board meetings, Last Annual General Meeting and Number of Other Directorships and Chairmanships / Memberships of Committees of each Director in various companies, during the year 2014-2015:

Name Of Directors	Attendance particulars		No. of Directorships and Committee Memberships / Chairmanships		
	Board Meetings	Last AGM	Other Directorship	Committee Membership	Committee Chairmanship
Shri. Pravinbhai K. Patel	6	Yes	1	2	NIL
Shri. Ankit P. Patel	6	Yes	1	Nil	NIL
Shri. Rameshbhai Narandas Patel	5	Yes	NIL	3	2
Shri. Gandalal Ambalal Patel	5	Yes	2	4	1
Shri. Keshavlal Kashiramdas Patel	4	Yes	1	Nil	NIL
Shri Kantilal Joytiram Patel	3	Yes	NIL	3	1
Smt. Chaitali B Patel#	3	Yes	NIL	2	NIL
# Smt. Chaitali B Patel has been appointed with effect from 30/09/2014.					

*No. of Directorship excludes directorship of Private Limited Companies, Foreign Companies, Companies license under Section 8 of the Companies Act, 2013 and Alternate Directorship.

Note:

- I) Details of the Committee membership / chairmanship are in accordance with the revised Clause 49 of Listing Agreement.
- II) None of the Directors of the Company is a member of more than ten committees nor is the Chairman of more than five Committees across all the Companies in which he is a Director.

Number of Board Meetings held and dates on which held :

6 (Six) Board Meetings were held during the year 2014-2015, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are 22/05/2014, 30/05/2014, 31/07/2014, 10/11/2014, 26/12/2014 and 10/02/2015. The Company has held one meeting every quarter and the maximum time gap between two meetings was not more than four months.

The Information as required under Annexure IA to Clause 49 of the Listing Agreement is made available to the Board. The agenda and the papers for consideration at the Board meeting are circulated to the Directors in advance before the meeting. Adequate information is circulated as part of the Board papers and is also made available at the Board Meeting to enable the Board to take informed decisions. Where it is not practicable to attach supporting / relevant document(s) to the Agenda, the same are tabled at the meeting and specific reference to this is made in the agenda.

MD/CEO Certification :

Mr. Pravinkumar Keshavlal Patel, Managing Director of the Company was giving annual certification on financial reporting and internal controls to the Board in terms of Clause 49. He also gives quarterly certification on financial results while placing the financial results before the Board in terms of Clause 41.

Code of Conduct :

The Company has formulated and implemented a Code of Conduct for all Board members and senior management personnel of the Company in compliance with Clause 49(I) (D) of the Listing Agreement.

Risk Management Policy:

The Company has formulated a Corporate Policy applicable to its operations, and duly approved by the Board of Directors at its meeting held on 30th May, 2014 in compliance with the requirement of the revised Clause 49 of the Listing Agreement with the Stock Exchanges. Audit Committee and Board Members are reviewing and updating the said policy periodically.

2. Audit Committee:

The Board of Directors of the Company has constituted an Audit Committee and has been reconstituted from time to time. The said Committee has been reconstituted by the Board of Directors of the company at its meeting held on, member of the Audit Committee. Presently, the Audit Committee comprising of 2 (Two) independent Non-Executive Directors namely Shri. Gandlal Ambalal Patel, Chairman (having financial and accounting knowledge), Shri. Kantilal Joytiram Patel and 2 (Two) Executive Promoter Director Shri Pravinbhai Keshavlal Patel and Smt. Chaitaliben B Patel as members of the committee.

The Constitution, composition and functioning of the Audit Committee also meets with the requirements of Section 177 of the Companies Act, 2013 and revised Clause – 49 of the Listing Agreement entered into with the Stock Exchanges.

Terms of Reference:

The terms of reference of the Audit Committee include approving and implementing the audit procedures, reviewing financial reporting systems, internal control systems and control procedures and ensuring compliance with the regulatory guidelines and also include those specified under the revised Clause 49 of the Listing Agreement as well as under Section 177 of the Companies Act, 2013.

Powers of the Audit Committee:**The Audit Committee has powers that include the following:**

- a) To investigate any activity of the Company within its terms of reference
- b) To seek information from any employee
- c) To obtain outside legal and other professional advice
- d) To secure attendance of outsiders with relevant expertise, if it considers necessary.

Names of Members and Chairperson of the Audit Committee and the meetings attended by them during the Financial Year 2014-15 ending on 31st March, 2015, are as under:

Name of Directors	Category	Status / Designation	No. of Meeting attended
Shri. Gandalal Ambalal Patel	Non-executive / Independent	Chairman	4
Shri. Kantilal Joytiram Patel	Non-executive / Independent	Member	2
Shri. Pravinbhai Keshavlal Patel	Executive Promoter Director	Member	5
Smt. Chaitaliben B Patel	Executive Promoter Director	Member	2

The Committee met 5 (Five) times during the year 2014-2015. The dates on which the Audit Committee meetings were held are 22/05/2014, 30/05/2014, 31/07/2014, 10/11/2014 and 10/02/2015. The maximum time gap between any two meetings was not more than four months.

Members of the Audit Committee have requisite accounting, financial and management expertise.

3. Nomination and Remuneration Committee:

The Nomination remuneration committee comprises 3 (three) members namely, Mr. Kantilal Joytiram Patel as a Chairman of the Committee and Mr. Rameshbhai Narandas Patel and Mr. Gandalal A Patel as other members. This Committee is entrusted with the responsibility of finalizing the remuneration of Executive / Whole Time Directors. Remuneration Committee met two (2) times i.e 22/05/2014 and 10/11/2014 during the year under review.

4. Shareholders' and Investors' Grievance Committee :

The Board of Directors of the Company has constituted a Shareholders' and Investors' Grievance Committee which was reconstituted from time to time. Presently, the Shareholders and Investors Grievance Committee comprising of Shri. Rameshbhai Narandas Patel, Chairman of the Committee, Shri. Gandalal Ambalal Patel, Smt. Chaitaliben B Patel and Shri. Pravinbhai Keshavlal Patel

members of the Committee, inter alia, approves issue of duplicate certificates and oversees and reviews all matters connected with the securities transfers. The Committee also looks into redressal of shareholders' complaints like transfer of shares, non-receipts of balance sheet, non-receipt of declared dividends etc. The Committee oversees the performance of the Registrar and Transfer Agents and recommends measures for overall improvement in the quality of investor services. The Investor Grievances Committee met 3 (Three) Times during the year i.e. 30/05/2014, 10/11/2014 and 10/02/2015.

As required by the provisions of Clause 47(f) of the Listing Agreement, the Company has designated the below cited e-mail ID of the Grievance Redressal Division / Compliance Officer exclusively for the purpose of registering complaints by investors.

E-mail ID – kzleasing@yahoo.com

None of the request for transfers, dematerialization and re-materialization was pending for approval as on 31st March, 2015.

Quarter-wise Summary of Investors' Complaints received and resolved to the satisfaction of the shareholders during the financial year 2014-2015.

Quarter Period		Complaints Position at the beginning of the quarter	Complaints received during the quarter	Complaints resolved during the quarter	Complaints pending at the end of the quarter
From	To				
01/04/2014	30/06/2014	0	1	1	0
01/07/2014	30/09/2014	0	0	0	0
01/10/2014	31/12/2014	0	0	0	0
01/01/2015	31/03/2015	0	0	0	0
Total		0	0	0	0
Complaint pending at beginning of the year			=	0	
Complaint received during the year			=	1	
Complaint resolved during the year			=	1	
Complaint pending at the end of the year			=	0	

Annual General Body Meetings:

Location, Date and Time for last three Annual General Meetings were as follows:

Year	Location	Date	Time
2011-12	1 st Floor Deshana Chamber, b/H Kadwa pattidar Wadi, Ashram Road, Ahmedabad-380001	29/09/2012	10:00 a.m.
2012-13	1 st Floor Deshana Chamber, b/H Kadwa pattidar Wadi, Ashram Road, Ahmedabad-380001	30/09/2013	10:00 a.m.
2013-14	1 st Floor Deshana Chamber, b/H Kadwa pattidar Wadi, Ashram Road, Ahmedabad-380001	30/09/2014	10.00 am

Disclosures:

- There are no materially significant related party transactions i.e. transactions of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflicts with the interests of the company at large in the financial year 2014-2015.
- The Company has complied with all the mandatory requirements of the Revised Clause 49 of the Listing Agreement.

Means of Communication

The Company regularly intimates quarterly un-audited as well as yearly audited financial results to the Stock Exchanges, immediately after the same are taken on record by the Board. These results are normally published in "Western Times" English daily and Gujarati Daily News Paper. These are not sent individually to the Shareholders.

General Shareholder Information

Twenty Ninth Annual General Meeting:

Date : 30th day of September, 2015

Time : 11:30 a.m.

Venue: 1st Floor Deshana Chamber,
B/h Kadwa pattidar Wadi, Ashram Road,
Ahmedabad-380001

As required under Clause 49(IV) (G)(i), particulars of Directors seeking re-appointment are given in annexure to the Notice of the Annual General Meeting to be held on 30th September, 2015.

Financial Year / Calendar:

The Company follows April to March as its Financial Year. The results for every quarter beginning from April are being declared in the month following the quarter as per the Listing Agreement.

Date of Book Closure:

From Wednesday, 23rd day of September, 2015 to Wednesday, 30th day of September, 2015, (both days inclusive).

Listing of Equity Shares on Stock Exchanges at:

Bombay Stock Exchange Limited, Mumbai (BSE),
Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai -400001

Annual listing fees for the year 2014-2016, as applicable, have been paid to the Mumbai Stock Exchange Limited. The Company has also paid Annual Custodial Fees for the year 2015-2016, as applicable, to National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL].

Stock Code

Bombay Stock Exchange Limited : **511728**
Demat ISIN Number in NSDL & CDSL for Equity Shares: INE006C01015

Registrar and Transfer Agents

Link Intime India Private Limited
(Previously Known as Intime Spectrum Registry Limited)

Registered Office :

C/13, Panalal Silk Mills Compound
LBS Marg, Bhandup (West), Mumbai – 400 078
Tel : 91-22-2596 3838 Fax : 91-22-2594 6969
E-Mail: bombay@linkintime.co.in

Share Transfer / Demat System:

All the shares related work is being undertaken by our R & T Agent, Link Intime India Private Limited (Previously Known as Intime Spectrum Registry Limited), Mumbai. To expedite the process of share transfer, transmission, split, consolidation, re-materialization and de-materialization etc. of securities of the Company, the Board of

Directors has delegated the power of approving the same to the Company's R & T Agent under the supervision and control of the Compliance Officer Shri. Hardik P Patel, who is placing a summery statement of transfer / transmission etc. of securities of the Company at the meeting of the Shareholders' and Investors' Grievance Committee.

Share lodged for transfer at the R & T Agents address in physical form are normally processed and approved within 15 days from the date of its received, subject to the documents been valid and complete in all respect. Normally, the entire request for de-materialization of shares is processed and the confirmation is give to the Depository within 15 days. The investors / shareholders grievances are also taken-up by our R & T Agent.

The Company has obtained and filed with the Stock Exchange(s), the half yearly certificates from a Company Secretary in Practice as required under Clause 47(c) of the Listing Agreement.

Distribution Schedule and Shareholding Pattern as on 31st March, 2015

Distribution Schedule:

No. of equity shares held	No. of holders	% of Total	No. of shares	% of Total
1 - 500	3827	89.5410	583116	19.1740
501 - 1000	230	5.3810	194174	6.3850
1001 - 2000	96	2.2460	135878	4.4680
2001 - 3000	21	0.4910	54020	1.7760
3001 - 4000	23	0.5380	82040	2.6980
4001 - 5000	14	0.3280	64647	2.1260
5001 - 10000	22	0.5150	145738	4.7920
10001 and Above	41	0.9590	1781587	58.5820
Total	4274	100.00	3041200	100.00

Shareholding Pattern:

Sr. No	Category	As on March 31, 2015		As on March 31, 2014	
		Nos. of Shares held	Voting Strength %	Nos. of Shares held	Voting Strength %
1	Promoters	639444	21.0260	546964	17.99
2	Mutual Fund & UTI	NIL	NIL	NIL	NIL
3	Bank, Financial Institutions (FI's), Insurance Companies	NIL	NIL	NIL	NIL
4	Foreign Institutional Investors (FII's)	NIL	NIL	NIL	NIL
5	Private Bodies Corporate	222144	7.3045	369483	12.15
6	Indian Public	2141533	70.4174	2124753	69.86
7	Clearing Member	33392	1.0980	0.00	0.00
8	Non Resident Indians	4687	0.1512	0.00	0.00
	Total	3041200	100.00	3041200	100.00

De- materialization of Shares and Liquidity

The Company's Shares are in compulsory Demat segment and as on 31st March, 2015. 24,84,190 Equity Shares of the Company forming 81.68% of the company's paid - up Equity share capital is in dematerialized form.

Out standing GDR/DR/Warrants or any Convertible Instruments - Not applicable.

Address for correspondence

a)	Investor Correspondence for transfer / de-materialization of shares and any other query relating to the shares of the Company.	Link intime India Private Limited C/13, Pannalal Silk Mills Compound LBS Marg, Bhandup (West) Mumbai – 400 078 Tel : 91-22-2596 3838 Fax : 91-22-2594 6969 e-Mail: bombay@linkintime.co.in
b)	Any other query and Annual Report	Secretarial Department 1 st Floor Deshana Chamber, B/h Kadwa pattidar Wadi, Ashram Road, Ahmedabad-380001 Tel : 079-27542298 Fax : 079-27543200 e-mail: kzfinance@yahoo.com

Reconciliation of Share Capital Audit Report:

The Reconciliation of Share Capital Audit Report of the Company prepared in terms of SEBI Circular No. D&CC/FITTC/CIR-16/2002 dated December 31, 2002 reconciling the total shares held in both the depositories, viz NSDL and CDSL and in physical form with the total issued / paid-up capital of the Company were placed before the Board of Directors every quarter and also submitted to the Stock Exchange(s) every quarter.

REGISTERED OFFICE:

1st Floor, Deshna Chamber,
B/h, Kadva Patidar Wadi,
Ashram Road,
Ahmedabad –380014.

Date: 27-08-2015

**BY ORDER OF THE BOARD
FOR, K Z LEASING AND FINANCE LTD.**

Sd/-
Pravinkumar K Patel
(Chairman and Managing Director)
(DIN: 00841628)

Sd/-
Ankit P Patel
(Director)
(DIN: 02901371)

CEO / MD CERTIFICATION PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT

To
The Board of Directors
K Z LEASING AND FINANCE LIMITED
1ST FLOOR, DESHANA CHAMBER, B/H KADWA PATTIDAR WAD,
ASHRAM ROAD,
AHMEDABAD- 380001.

CERTIFICATION BY CHIEF EXECUTIVE OFFICER / MANAGING DIRECTOR

I, PRAVINKUMAR K PATEL, Managing Director of the Company M/s. K Z LEASING AND FINANCE LIMITED, hereby certify that for the financial year ending **31st March, 2015** on the basis of the review of the financial statements and the cash flow statement and to the best of my knowledge and belief that :

- 1 These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
- 2 These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- 3 There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year 2014-2015 which are fraudulent, illegal or in violation of the Company's code of conduct.
- 4 I accept responsibility for establishing and maintaining internal controls. I have evaluated the effectiveness of the internal control systems of the company and I have disclosed to the auditors and the Audit Committee those deficiencies, of which I am aware, in the design or operation of the internal control systems and that I have taken the required steps to rectify these deficiencies.
- 5 I further certify that :
 - a) There have been no significant changes in internal control during this year.
 - b) There have been no significant changes in accounting policies during this year.
 - c) There have been no instances of significant fraud of which I have become aware and the involvement therein, of management or an employee having a significant role in the Company's internal control system.

Place: Ahmedabad

Date: 27/08/2015

Sd/-

PRAVINKUMAR K PATEL
Chairman and Managing Director
DIN: 00841628

**CERTIFICATE OF COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE
UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)**

To,
The Members
K. Z. Leasing & Finance Limited.

We have examined the compliance of condition of corporate governance by K. Z. Leasing & Finance Limited ('the Company') for the year ended 31st March, 2015 as stipulated in Clause 49 of Listings Agreement of the company with Stock Exchange(s). We have conducted our review on the basis of relevant records and documents maintained by the Company for the year ended 31st March, 2015 and furnished to us for the purpose of the review and the information and explanation given us by the Company during the review.

In our opinion and to the best of our information and according to the explanations given to us, we certify that Company has complied with the conditions of corporate governance as stipulated in the above – mentioned Listing Agreement.

In our opinion and to the best of our information and according to the explanations given to us, we certify that no investor grievance is pending for period exceeding one month against the Company as per the records maintained by the Company.

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

Place: Ahmedabad
Date: 27/08/2015

For, Ronak Doshi & Associates
Company Secretaries

Sd/-
Ronak D Doshi
Practicing Company Secretary
C.P. No-12725
Membership No.-23712

Auditors Certificate on Corporate Governance

To the Members

K. Z. Leasing & Finance Ltd.

We have examined the Compliance of conditions of Corporate Governance by K. Z. Leasing & Finance Ltd. Ahmedabad for the year ended 31st March, 2015, as stipulated in clause 49 of the Listing agreement of the said Company with the Stock Exchanges, which relevant records and documents maintained by the company and furnished to us.

The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the Compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to best of our information and according to the explanation given to us, we certify that the company has complied with the conditions of the corporate Governance as stipulated in the above mentioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the company that generally there were no investors grievances pending for more than 30 Days.

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

Place : Ahmedabad
Date : 27-05-2015.

For, J. M. Patel & Bros.
(Chartered Accountant)

Sd-
J.M.Patel
(Proprietor)
FRNO.107707W

INDEPENDENT AUDITOR'S REPORT

TO,

THE MEMBERS OF K Z LEASING AND FINANCE LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **K Z LEASING AND FINANCE LIMITED** ("the Company"), which comprise the Balance Sheet as at **31/03/2015**, the Statement of Profit and Loss, for the year then ended, and a summary of the 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 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 of 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.

Auditor's Responsibility

Our responsibility is to express an opinion on these 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 the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control 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. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at **31/03/2015**, and its **Profit** for the year ended on that date.

Report on Other Legal and Regulatory Requirements

A statement on the matters specified in paragraph 3 and 4 of the Companies (Auditor's Report) Order, 2015, issued by the department of company affairs, in terms of sub section 11 of section 143 of the companies Act, 2013 has been attached with this report.

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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- (c) The Balance Sheet, the Statement of Profit and Loss, and 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 Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on **31/03/2015** taken on record by the Board of Directors, none of the directors is disqualified as **31/03/2015** from being appointed as a director in terms of Section 164 (2) of the Act.

- (f) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
- i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements.
 - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts.
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

Date : 27.05.2015
Place : Ahmedabad

For J.M.Patel & Bros.
(Chartered Accountants)

Sd/-
J.M.Patel
(Proprietor)
M.No. : 107707W

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 Fixed Assets

- (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) Fixed assets have been physically verified by the management at reasonable intervals; No material discrepancies were noticed on such verification.

(2) In Respect of Inventory

- (a) NA
- (b) NA
- (c) NA

(3) Loans and advances to parties covered under section 189

Yes

- (a) In respect of loans granted, repayment of the principal amount is as stipulated and payment of interest have been regular.
- (b) Based on our audit procedures and the information and explanation made available to us, in case where overdue amount is more than rupees NIL reasonable steps have been taken by the company of the principal and interest.

(4) Internal Control in reference to Purchase of Inventory and Fixed Assets and whether there is continue failure of Internal control

In our opinion and according to the information and explanations given to us there are adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. During the course of audit We have not observed continuing failure to correct major weaknesses in internal control system.

(5) Rules followed while accepting Deposits

No deposits within the meaning of Sections 73 to 76 or any other relevant provision of the Act and rules framed thereunder have been accepted by the Company.

(6) Maintenance of cost records

NA

(7) According to the information and explanations given to us in respect of statutory dues

- (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including Provident fund, Investor education protection fund, Employees` state insurance, Income tax, Sales tax, Wealth tax, Service tax, Custom duty, Excise duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income-tax, sales-tax, wealth tax, service tax, duty of customs, duty of excise, value added tax or cess and any other statutory dues with the appropriate authorities were in arrears, as at 31st March, NIL for a period of more than six months from the date they became payable.
- (c) NA

(8) Company which has been registered for a period less than five years and accumulated losses are more than 50% of Net worth, Reporting of cash Losses

The company does not have any accumulated losses at the end of the financial year and has not incurred cash losses in the financial year and in the immediately preceding financial year.

(9) Default in Repayment of Loans taken from Bank or Financial Institutions

The company has not defaulted in repayment of dues to financial institution or bank.

(10) Terms for Loans and Advances from Banks or Financial Institutions prejudicial to the interest of the company

On the basis of records examined by us and information provided by the management, we are of the opinion that the company has not given guarantees for loans taken by other from banks or financial institutions.

(11) Application versus purpose for which Loan Granted

In our opinion, the term loans raised by the company during the year has been applied for the purpose for which it was raised.

(12) Reporting of Fraud During the Year Nature and Amount

According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

*Date : 27.05.2015
Place : Ahmedabad*

*For J.M.Patel & Bros.
(Chartered Accountants)*

*Sd/-
J.M.Patel
(Proprietor)
M.No. : 107707W*

Balance Sheet as at 31 March, 2015				
Particulars	Notes	2013-2014	2013-2014	
A EQUITY AND LIABILITIES				
1 Shareholders' funds				
(a) Share Capital	3	30,412,000.00	30,412,000.00	
(b) Reserves and Surplus	4	52,767,214.20	50,318,050.18	
(c) Money received against share warrants		-	-	
		83,179,214.20	80,730,050.18	
2 Share Application Money Pending Allotment		-	-	
3 Non-current liabilities				
(a) Long-term Borrowings	5	19,019,311.43	2,900,734.04	
(b) Deferred Tax Liabilities (Net)		-	-	
(c) Other long-term Liabilities		-	-	
(d) Long-term provisions		-	-	
		19,019,311.43	2,900,734.04	
4 Current liabilities				
(a) Short-term Borrowings	6	173,740.00	0.00	
(b) Trade Payables	7	0.00	0.00	
(c) Other Current Liabilities	8	965,167.00	714,151.00	
(d) Short-term Provisions	9	258,380.50	623,752.00	
		1,397,287.50	1,337,903.00	
	TOTAL	103,595,813.13	84,968,687.22	
B ASSETS				
1 Non-current assets				
(a) Fixed assets				
(i) Tangible Assets	10.	541,213.00	558,588.00	
(ii) Intangible Assets		-	-	
(iii) Capital Work-in-progress	-	-	-	
(iv) Intangible assets under Development	-	-	-	
		541,213.00	558,588.00	
(b) Non-current Investments	11	42,810,626.13	19,721,250.82	
(c) Deferred Tax Assets (Net)	22	0.00	0.00	
(d) Long-term Loans and Advances	12	59,686,905.00	63,023,951.00	
(e) Other non-current assets	13	0.00	2400.00	
		102,497,531.13	82,747,601.82	
2 Current assets				
(a) Current Investments	14	0.00	682,000.00	
(b) Inventories		0.00	0.00	
(c) Trade Receivables	15	1,579.00	273,450.00	
(d) Cash and Cash equivalents	16	163,566.00	2,577.40	
(e) Short-term loans and advances	17	391,924.00	704,470.00	
(f) Other current assets	-	-	-	
		557,069.00	1,662,497.40	
	TOTAL	103,595,813.13	84,968,687.22	
See accompanying notes forming part of the financial statements	1,2	-	-	

In terms of our report attached.

FOR J M PATEL & Bros.
CHARTERED ACCOUNTANTS

Sd-
CA. J M PATEL
Firm Regn no. 107707W
Place : Ahmedabad
Date : 27/05/2015

Director

Sd/-

1. Pravinkumar Keshavlal Patel
Chairman and Managing Director
DIN: 00841628

Sd/-

2. Ankit Pravinbhai Patel
Director
DIN : 02901371

Profit and Loss for the year ended 31 March, 2015				
	Particulars	Notes	2014-2015	2013-2014
A	CONTINUING OPERATIONS			
	Income			
1	Revenue From Operations (Gross)	18	1,061,294.00	985,257.00
	Less: Excise duty		-	-
	Revenue From Operations (Net)		1,061,294.00	985,257.00
2	Other income	19	7,183,207.27	10,683,411.49
3	Total revenue		8,244,501.27	11,668,668.49
4	Expenses			
	(a) Cost of Materials Consumed			
	(c) (Increase)/ decrease inventories of finished goods, work-in-progress and stock-in-trade			
	(d) Employee Benefits Expense	20	2,307,822.00	1,988,988.30
	(e) Other Expenses			
	Manufacturing Expense			
	Administrative & Office Expense	21.a	1,291,873.80	5,827,057.58
	Selling & Distribution Expense	21.b	54,510.00	19,970.00
5	Total		3,654,250.80	7,836,015.88
6	Earning Before Interest, tax, depreciation and amortization (EBITDA) (3 - 5)		4,590,259.47	3,832,652.61
	Depreciation and Amortisation expense	11	32,624.00	29,252.00
	Finance costs	22	1,417,084.95	588,262.20
7	Total		1,449,708.95	617,514.20
8	Profit / (Loss) before tax (6 ± 7)		3,140,586.52	3,215,138.41
9	Tax expense:			
	(a) Current tax expense for current year		243,628.50	600,000.00
	(b) (Less): MAT credit (where applicable)		0.00	0.00
	(c) Current tax expense relating to prior years		479,253.00	12,164.00
	(d) Net current tax expense		0.00	0.00
	(e) Deferred tax Assets/ (Liabilities)		0.00	0.00
			713,881.50	612,164.00
10	Profit / (Loss) from continuing operations (8 + 9)		2,426,705.02	2,602,974.41
B	DISCONTINUING OPERATIONS			
11.i	Profit / (Loss) from discontinuing operations (before tax)		-	-
11.ii	Gain / (Loss) on disposal of assets / settlement of liabilities attributable to the discontinuing operations		-	-
11.iii	Add / (Less): Tax expense of discontinuing operations		-	-
	(a) on ordinary activities attributable to the discontinuing operations		-	-
	(b) on gain / (loss) on disposal of assets / settlement of liabilities		-	-
12	Profit / (Loss) from discontinuing operations (11.i + 11.ii + 11.iii)		-	-
C	TOTAL OPERATIONS			
13	Profit / (Loss) for the year (10 ± 12)		2,426,705.02	2,602,974.41

In terms of our report attached.

For. **J.M. Patel & Bros.**

CHARTERED ACCOUNTANTS

Sd-

CA. J M PATEL

Firm Regn no. 107707W

Place : Ahmedabad

Date : 27/05/2015

Director

Sd-

1. Pravinkumar Keshavlal Patel
Chairman and Managing Director
DIN:00841628

Sd-

2. Ankit Pravinbhai Patel

DIRECTOR

DIN:02901371

K. Z. Leasing & Finance Ltd**Notes forming part of the Financial Statements and Significant Accounting Policies****Note Particulars****1) Corporate information**

K. Z. Leasing & Finance Ltd. has over the years been practicing the principles of good Corporate Governance and continuously reviews its investor relationship measures with a view **K. Z. Leasing & Finance Ltd.** Basically need and is not to be looked upon as an issue of compliance alone.

2) Significant Accounting Policies**a) Basis of Accounting**

Accounts are prepared under historical cost convention. Revenues are recognized and the expenses are accounted for on an accrual basis with provision for all known liabilities and losses except to the extent that i. Income in respect of Non Performing Assets is recognized only when received as prescribed by the prudential norms issued by the Reserve Bank of India for Non Banking Financial Companies And ii. There were no provision for lower Market Value Of securities (investments) as there were frequent change in market prices.

b) Recognition of Income & Expenditure**Revenue Recognition :**

1. The financial statements have been prepared under the historical cost convention, in accordance with the generally accepted accounting principles and provision of the Companies Act, 1956.
2. The Company generally follows mercantile system of accounting and recognizes significant items of Income and expenditure on accrual basis.

Expenses :

- 1 All Expenditure is on mercantile basis.
- 2 Interest rates on unsecured loans are decided by the Directors.
- 3 Hire Purchase advances also include the other type of advances guaranteed either on fixed assets or personal guarantee of the loan.
- 4 Bad & Doubtful advances written off as and when no recovery instead NPA of provision.

c) Fixed Assets

Fixed Assets are stated at cost. Cost comprises the purchase price or acquisition cost and any Attributable cost of bringing the assets to working condition for its intended use.

d) Depreciation

1. Depreciation has been provided on the Straight Line Method as per the rates prescribed in Companies Act, 1956.
2. Depreciation on addition during the year has been provided on pro rata basis i.e. from the date of its purchase or it is actually put to use whichever is late and with reference to the method of Depreciation.

e) Inflation

The assets and liabilities are recorded at historical cost in the company. These costs are not Adjusted to reflect the changing value in the purchasing power of money.

Note 3 Share capital

Particulars	2014-2015		2013-2014	
	Number of shares	Amount Rs.	Number of shares	Amount Rs.
(a) Authorised Equity shares of Rs. 10 (F.V) each with voting rights	3,200,000.00	32,000,000.00	3,200,000.00	32,000,000.00
	3,200,000.00	32,000,000.00	3,200,000.00	32,000,000.00
(b) Issued,Subscribed and fully paid up Equity shares of Rs. 10 each with voting rights	3,041,200.00	30,412,000.00	3,041,200.00	30,412,000.00
Total	3,041,200.00	30,412,000.00	3,041,200.00	30,412,000.00

* The company has only one class of Equity share having Per Value of Rs.10 per share. Each holder of Equity shares is entitled to vote one per share

Notes: 3.a

(i) Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the reporting period:

Particulars	Opening Balance	Fresh issue	If, Any other	Closing Balance
Equity shares with voting rights				
Year ended 31 March, 2015				
- Number of shares	3,041,200.00	-	-	3,041,200.00
- Amount (Rs.)	30,412,000.00	-	-	30,412,000.00
Year ended 31 March, 2014				
- Number of shares	3,041,200.00	-	-	3,041,200.00
- Amount (Rs.)	30,412,000.00	-	-	30,412,000.00

Note 3.b

(ii) Details of shares held by each shareholder holding more than 5% shares:

Class of shares / Name of shareholder	2014-2015		2013-2014	
	Number of shares held	% holding in that class of shares	Number of shares held	% holding in that class of shares
No shareholders are having the holding of shares more than 5%	NIL	NIL	NIL	NIL

Note 3.c

There were no instances of shares being issued/allotted by way of bonus shares or for consideration other than cash and no shares have been bought back by the company during the period of five years immediately preceding the date of balance sheet.

Note 4 Reserves and surplus

Particulars	2014-2015	2013-2014
(a) Revenue reserve		
Opening Balance	3,408,838.90	32,006,009.37
Add : Addition During the Year	1,941,364.02	2,082,379.53
	36,029,752.92	34,088,388.90
(b) Statutory reserve		
Opening Balance	8,449,847.28	7,929,252.40
Add : Addition During the Year	485,341.00	520,594.88
	8,935,188.28	8,449,847.28
(c) NPA Provision		
Opening Balance	7,779,814.00	2,835,096.00

Add : Addition During the Year	22,459.00	4,944,718.00
	7,802,273.00	7,779,814.00
(d) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	2,426,705.02	2,602,974.41
Add: Profit / (Loss) for the year		
Less: Interim dividend		
Tax on dividend		
Transferred to:		
General Reserve		
Statutory Reserve	485,341.00	520,594.88
Revenue Reserve	1,941,364.02	2,082,379.53
	0.00	0.00
Total	52,767,214.20	50,318,050.18

Note 5 Long-term Borrowings

Particulars	2014-2015	2013-2014
(a) Term loans		
From banks		
Secured		
Unsecured		
From other parties	4,225,944.43	439,738.04
Secured		
Unsecured		
	439,738.04	439,738.04
(b) Loans and Advances From Directors		
Secured	4,269,940.00	136,575.00
Unsecured		
	4,269,940.00	136,575.00
(c) Loans and Advances From Others		
Secured		
Unsecured	10,523,427.00	2,324,421.00
	10,523,427.00	2,324,421.00
	19,019,311.43	2,900,734.04

Notes: 5.a

The Board of Director have accepted deposits from closely related of Directors. The company has filed annual return with R.B.I. In time. The company at present maintained liquidity ratio as required by non banking financial, companies rules (1971) of R.B.I. There is no any default of repayment of deposits together with interest. Prospectus in lieu of advertisement have not been produced before us.

Note 6 Short-term Borrowings

Particulars	2014-2015	2013-2014
Unsecured		
(a) Term loans from related parties	173,740.00	0.00
(b) Advance from other parties	0.00	0.00
(c) Deposits	0.00	0.00
Total	173,740.00	0.00

Note 7 Trade Payables

Particulars	2014-2015	2013-2014
Trade Payables:		
Dues to MSMED Creditors#		
Dues to Others		
Creditors for goods		
Creditors for Expenses	0.00	0.00
Total	0.00	0.00

#Note for MSMED

The Company has not received the information and Certificate of Registration under MSMED from its Supplier and hence, the details are not available for disclosure

Note 8 Other Current Liabilities

Particulars	2014-2015	2013-2014
Statutory Liabilities		
TDS Payable on Interest	95,126.00	24,381.00
TDS Payable for Salary		
TDS Payable on Professional Fees	0.00	0.00
Short Term Payables		
Audit Fees Payable	20,000.00	
Professional Tax Payable	0.00	2,000.00
Others	850,041.00	687,770.00
Total	965,167.00	714,151.00

Note 9 Short-term Provisions

Particulars	2014-2015	2013-2014
(a) Provision for Employee Benefits		
(b) Provision - Others:		
Provision for Income Tax F.Y 2013-14	0.00	600,000.00
Provision for Income Tax F.Y 2014-15	234,628.50	
Provision for TDS Payable F.Y. 2005-06	23,752.00	23,752.00
Total	258380.50	623,752.00

Note 10 Fixed Assets

NAME OF ASSETS	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		OPENING 01/04/2014	ADDITION/ACQ. THROUGH BUSINESS COMBINATIONS	SALE OR TRANSFER	TOTAL 31/03/2015	OPENING 01/04/2014	For the Year	DEPRECIATION W/OFF	TOTAL 31/03/2015	AS ON 31/03/2015	AS ON 31/03/2014
A. Tangible Assets											
Office Building		558,200			558,200	166,237	9,048		175,285	382,915	391,963
Furniture		366,461			366,461	248,784	15,412		264,196	102,265	117,677
Computer	16.9	29900			29,900	470	4,976		5,446	24,454	29,430
Mobile	10%	21,490	15,249		36,739	1,972	3,188		5,160	31,579	19,518
TOTAL-A		976,051	15,249	-	99,1300	417,463	32,624	-	450,087	541,213	558,588

Note 11 Non Current Investment

Particulars	2014-2015	2013-2014
Shares : Quoted		
3 I infotech Ltd	59,819.50	59,819.50
Akshar finance Ltd	10,000.00	10,000.00
Apple Credit Corp. Ltd Shares	4,825.00	4,825.00
Apple finance Ltd	2,306.90	2,306.90
Apt Packaging Ltd	336.00	336.00
Bank of Maharashtra	864,017.15	788,415.00
Central Bank of India	454,479.70	494,479.70
Empee Distileries Ltd-share	63,800.00	63,800.00
Gujarat NRI Coke	156,424.00	135,074.00
Indag Product Ltd Shares	600.00	600.00
Jet Airways (I)_Ltd. Shares	0.00	256,000.00
K.M.F Ltd Shares	1,600.00	1,600.00
Macchar Infrastructure Ltd	84.00	84.00
Meghmani Org. Ltd Shares	35,040.00	86,910.00
Modern Insulator Ltd	1,000.00	1,000.00
M T N L	19,740.00	19,740.00
National Steel Ind Ltd	5,700.00	5,700.00
NHPC	263,250.00	263,250.00
NMDC Ltd	48,000.00	48,000.00

North Gate	474.00	474.00
Organic Chemol Ltd shares	121.00	121.00
Parasrampuriah Synth Ltd	2,392.00	2,392.00
Q.S.T Ltd	1,950.00	1,950.00
Reliance Industries Ltd	5,119,679.25	3,031,499.25
Reliance Power Ltd	248,850.00	248,850.00
Shipping Corporation of India	24,100.00	24,100.00
Shobha Developers Ltd	10,400.00	10,400.00
S N S Diagnostics Ltd	3,000.00	3,000.00
Surya Protein Ltd	350.00	350.00
Sterlite technologies Ltd	173,760.00	0.00
TCSL Shares	11,329,587.00	11,329,587.00
Tirupati Ind (I) Ltd	285.00	285.00
T V Today Shares	0.00	0.00
UCO Bank	1,586,782.00	1,669,265.47
Unitech Ltd	40,775.00	40,775.00
United Leasing Ltd	262.00	262.00
	20,533,790.32	18,605,250.82
Shares : Unquoted		
The Navnirman Co op Bank Ltd	66,000.00	66,000.00
	66,000.00	66,000.00
Mutual Fund		
Birla Sunlife Frunt lint Eq. Fund	250,000.00	250,000.00
DSP Blackrock Top 100 Eq. Fund	250,000.00	250,000.00
D S P M L Oppurtunities fund	100,000.00	100,000.00
Reliance Growth Fund	200,000.00	200,000.00
Sundaram selected Midcap	250,000.00	250,000.00
SBI Magnum Income Fund	19,160,835.81	0.00
Sbi Saving Fund	2,000,000.00	0.00
	22,210,835.81	1,050,000.00
Total	42,810,626.13	19,721,250.82

Note 12 Long Term Loans and Advances

Particulars	2014-2015	2013-2014
Current Loan	16,634,033.00	41,961,043.00
Inter Corporate Laon	0.00	7,614,761.00
	16,634,033.00	49,575,804.00
Advance with Government Authority :		
T D S Recievable 2004-05	180,291.00	180,291.00
T D S Recievable 2006-07	236,312.00	236,312.00
T D S Recievable 2007-08	18,206.00	18,206.00
T D S Recievable 2008-09	1,145,218.00	1,145,218.00
T D S Receivable 2009-10	262,586.00	262,586.00
T D S Receivable 2011-12	362,762.00	362,762.00
T D S Receivable 2012-13	347,497.00	347,497.00
T D S Receivable 2013-14	0.00	395,275.00
	2,552,872.00	2,948,147.00
Deposits		
The Navnirman Co Op Bank Ltd F D	500,000.00	500,000.00
UCO Bank FD	20,000,000.00	10,000,000.00
Shree Kadi Nagrik Shahkari Bank Ltd	20,000,000.00	0.00
	40,500,000.00	10,500,000.00
Total	59,686,905.00	63,023,951.00

Notes: 12.a

1 All the Balances of loans and Advances, Lessee, Depositors, and security depositors are subject to their balances confirmation.

2 In the opinion of the Board of Director, current Assets loans and Advance of Business at least equal to the amount at which they are stated.

3 Additional Information Pursuant to paragraphs 3 (I) (II), 4B and 4C of Part - II of Schedule VI of the companies Act. 1956. These clause are not applicable to company as company is lease finance company.

Note 13 Other Non-Current Assets

Particulars	2014-2015	2013-2014
Misc. Expenses (ASSET) Preliminary Expn	0.00	2,400.00
Total	0.00	2,400.00

Note 14 Current Investment

Particulars	2014-2015	2013-2014
Shares		
MCX LTD.	0.00	280,000.00
Punjab National Bank Shares	0.00	603,500.00
Total	0.00	883,500.00

Note 15 Trade Receivables

Particulars	2014-2015	2013-2014
Trade Receivables outstanding for a period exceeding six months from the date they were due for payment		273,450.00
Other receivables	1579.00	
Total	1579.00	273,450.00

Note 16 Cash and Cash Equivalents

Particulars	2014-2015	2013-2014
(a) Cash on hand	874.00	666.00
(b) Balances with banks	162,692.00	
Current A/c		
(i)HDFC Bank Ltd		1911.40
Total	163,566.00	5160.00

Note 17 Short-term loans and advances

Particulars	2014-2015	2013-2014
Advance with Government Authority :		
T D S Recievable 2014-15	154,062.00	-
Dividend Receivable	0.00	0.00
Mat Credit Recievable	237,867.00	704,470.00
Total	391,924.00	704,470.00

Note 18 Revenue From Operations

Particulars	2014-2015	2013-2014
Loan Interest	1,061,294.00	985,257.00
Total	1,061,294.00	985,257.00

Note 19 Other Income

Particulars	2014-2015	2013-2014
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Dividend Income	1,357,842.26	883,150.86
Interest Received on Deposits (Net)	2,406,757.59	2,941,332.59
Long term Profit on sale of shares	2,710,113.85	6,474,681.00
Short term Profit on sale of shares	450,022.12	187,596.03
Share trading profit	258,471.45	240,429.75
Long Term Profit On Sale of Mutual Fund	0.00	-43,779.14
Total	7,183,207.27	10,683,411.49

Note 20 Employee Benefits Expense

Particulars	2014-2015	2013-2014
Salary Expenses	1,017,600.00	1,133,600.00
Remuneration to Director	900,000.00	480,000.00
Bonus Expenses	339,200.00	298,400.00
Staff Welfare	51,022.00	76,988.30
Total	2,307,822.00	1,988,988.30

Note 21 Other expenses

Particulars	2014-2015	2013-2014
20.a Administrative & Office Expenses		
Annual Custodian Charges	20,059.00	14,930.00
Legal & Professional Expenses	55,000.00	40,000.00
Audit Fees	20,000.00	22,472.00
Brockrage & Commission Exp	19,057.71	26,877.26
Car Maintanance	108,436.00	58,097.00
Company Secretary Fees	21,000.00	11,236.00
Convayance Allounces Exp.	115,200.00	115,200.00
Collection Charges	72,000.00	0.00
Consultancy Charges	13,000.00	0.00
Electric Power Expenses	84,431.00	7,5004.00
Gujarat Finanance Asso. membership fees	3,000.00	3,000.00
Gujarat Chamber ofCommerce & industries.	0.00	3,708.00
Internal Audit fees	15,000.00	15,000.00
Office Repairing Expenses	2,150.00	0.00
Lions club membership fees	0.00	4,000.00
Medical Expenses	4,498.00	15,238.00
Municipaly tax	45,739.00	42,848.00
Office Expenses	66,998.00	34,374.00
Petrol	207,899.00	225,381.51
Postage & Tele. Expenses	46,145.00	25,484.00
Printing & Stationery Expenses	3,619.00	2,205.00
Professional Tax	2,000.00	2,000.00
Preliminary Expenses	2,400.00	2,696.00
Registration Filing Fees Expenses	9,535.00	2,000.00
Refreshment Exps	63,512.00	38,900.00
Securities Transaction Tax	27,392.00	37,574.00
Securities Transaction Tax (F & O)	0.00	65.97
Service Tax	2,467.70	3,896.00
Stamp Expences	507.00	0.00
STT On Speculation	2,315.00	3,045.00
Transection Charges	0.00	64.64
Stamp Duty Expenses(F & O)	0.00	83.24
Stamp Duty Expenses	2,713.73	5,370.34
Other charges	886.66	5,776.46
Traveling Expenses	197,830.00	18,662.00
NPA Provision	22,459.00	4,944,718.00
Bad Debts	0.00	6,519.50
Auc Difference	0.00	584.00
Car Insuarance	11,000.00	8,170.00
Charges On Deposite	0.00	1,220.00
Income Tax Filling Fees	0.00	6,741.00
Total-A	1,291,873.80	5,827,057.58
21.b Selling & Distribution Expense		
Advertisement Expenses	21,010.00	19,970.00
Sales Promotion Expenses	33,500.00	
Total-B	54,510.00	19,970.00

	Total= A+B	1,346,383.80	5,847,027.58
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#Notes: Auditors Remuneration

Particulars	2014-2015	2013-2014
Payments to the auditors comprises For Audit Fees	20,000.00	22,472.00
Total	20,000.00	22,472.00

Note 22 Finance costs

Particulars	2014-2015	2013-2014
Interest Expense	1,264,333.00	558,128.00
Bank Charges & Commission	5,169.40	4,942.60
Demate Charges	1,119.55	1,596.00
Share Registrar & Transfers Agent Fees	34,103.00	23,595.60
Stock Exchange Listing Fees	112,360.00	0.00
Total	1417084.95	588,262.20

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**1. Registration Details**

State Code	: 04
Registration No.	: 8864
Balance sheet Date	: 31 st March, 2015.

2. Capital Reised During The Year (Amount In Rs. 1 lacs)

Public Issue	: Nil
Rights Issue	: Nil
Bonus Issue	: Nil
Private Placement	: Nil

3. Position Of Mobilisation and Deployment of Fund (Amount In Rs. Lacs)

Total Liabilities	1035.95
Total Assets	1035.95

Source of Funds

Paid Up Capital	304.12
Reserves & Surplus	527.67
Secured Loans	42.25
Unsecured Loans	147.93

Application Of Funds

Net fixed Assets	5.41
Investment	428.10
Net current Assets	600.46
Misc. Expenditure	0.00
Accumulated Losses	0.00

4. Performance of Company (Amount In Lacs)

Turnover	82.44
Total Expenditure	58.17
Profit & Loss Before Tax	31.40
Earning Per Share In Rs.	0.80
Dividend Rate	Nil

5. Generic Names Of three Principal Products/Services of Company (As Per Monetary Terms)

Items Code No.	: N.A
Product Description	: Hier Purchase
Items Code No.	: N.A
Product Description	: Leasing
Items Code No.	: N.A
Product Description	: Bill Discounting

The Company undertakes the financial services activities like Hire Purchase, Lease Financing, Bills Discounting, Unsecured.

Place : Ahmedabad.

Date : 27-05-2015.

**For & On Behalf Of Board Of Directors
For, K. Z. Leasing & Finance Ltd.**

**Sd/-
(Pravinbhai K. Patel)
Chairman and Managing Director
DIN: 00841628**

K. Z. Leasing & Finance Ltd.
Cash Flow Statement for The Year Ended on 31/03/2015

Particular	For The Year Ended 31/03/2015	For The Year Ended 31/03/2014
<u>A. Cash Flow From Operating Activities</u>		
Net profit before tax and extra ordinary item	2,426,705.00	2,602,974.00
Add Back :		
(A) Depreciation	32,624.00	29,252.00
(B) Preliminary Exp. W/off	2,400.00	2,696.00
(C) Long Term Capital Loss	0.00	43,779.00
(D) NPA Provision	22,459.00	4,944,718.00
	2,484,188.00	7,623,420.00
Deduct :		
Dividend Income	1,357,842.00	883,151.00
Bank Int. Income	2,406,758.00	2,941,333.00
Long term Capital Gain	2,710,114.00	6,474,681.00
Short Term Capital Gain	450,022.00	187,596.00
Speculation Gain	258,471.00	240,430.00
	7,183,207.00	10,727,191.00
Operating profit before working Capital Changes	-4,699,019.00	-3,103,771.00
Adjustment for working capital changes		
(Increase)/ Decreasing in Current asset	584,417.00	619,647.00
Increase/ (Decrease) in Current Liabilities	-114,356.00	488,042.00
Cash Flow From Operation	-4,228,958.00	-1,996,082.00
Direct Tax Paid	-	-
Cash Inflow before extraordinary items & prior year adjustment	-4,228,958.00	-1,996,082.00
Extraordinary items and prior year adjustment	-	-
Net cash from Operating activities	-4,228,958.00	-1996082.00
<u>B. Cash Flow From Investing Activities</u>		
Acquisition of fixed assets	-15,249.00	-51,390.00
Shares sold	-47,403,555.00	31,758,237.00
Shares Purchased	24,996,179.00	-32,136,130.00
Intercorporate Loan Given	-11,438,000.00	-55,963,435.00
Payment Receive & Adjustment in Intercorporate Loan Given	19,226,501.00	48,997,137.00
Current Loan Given	-40,363,514.00	-38,035,522.00
Payment Receive & Adjustment in Current Loan	65,690,524.00	11,840,460.00
Increase in TDS Receivable	395,275.00	-736,253.00
Dividend Income	1,357,842.00	883,151.00
Bank Int. Income	2,406,758.00	2,941,333.00
Short term Share	450,022.00	187,596.00
Long term share	2,710,114.00	6,474,681.00
Speculation profit	258,471.00	240,430.00
Less:		
Long Term Capital Loss	-0.00	-43,779.00
Net cash from Investing activities	-18,271,369.00	-23,643,483.00

C. Cash Flow Arising From Financing Activities

Director Loan Taken	9,897,140.00	15,457,331.00
Director Loan Repayment & Adjustment	-5,763,775.00	-15,396,909.00
Unsecured Loans Taken.	20,121,407.00	7,020,172.00
Unsecured Loans Repayment & Adjustment	-11,922,401.00	-8,213,811.00
Bank O/D Taken	151,342,865.00	139,302,790.00
		-
Bank O/D Rapayment	-147,556,659.00	142,532,590.00
Net cash from Financing activities	16,118,577.00	-4,363,017.00
Net increase in cash and Bank equivalents during the year	30,160,988.00	-30,002,583.00
Add: Cash and Bank equivalents at the beginning of the year	1,052,577.00	40,505,160.00
Cash and Bank equivalents at the end of the year	40,663,566.00	10,502,577.00

Place : Ahmedabad

Date : 27 -05 - 2015

On Behalf of the board
For, K. Z. Leasing & Finance Ltd.

sd/-

Pravinbhai K Patel
Chairman and Managing Director
DIN: 00841628

AUDITOR REPORT

We have verified the above cash flow statements of K. Z. Leasing & Finance Ltd. Derived from the audited financial Statements for the year ended on March 31st, 2015 found the same to be drawn in accordance with and also with the requirements of clause 32 of the listing agreement with the stock exchange.

Place : Ahmedabad

Date : 27-05-2015

For, J. M. Patel & Bros.,

Chartered Accountants

Sd/-

(J. M. Patel)

M. Com. F. C. A

FRN. 107707 W

K. Z. LEASING & FINANCE LTD.
SCHEDULE TO THE
BALANCE SHEET OF A NON - BANKING FINANCIAL COMPANY
(As required in terms of Paragraph 9BB of
Non - Banking Financial companies Prudential Norms
(Reserve Bank) Directors, 1998 as on dated 31/03/2015

PARTICULARS

LIABILITIES SIDE :

1. Loans and Advances availed by the NBFCs inclusive of Interest accrued thereon but not paid :	Amount Outstanding	Amount Overdue
(a) Debentures : Secured	Nil	Nil
Unsecured (other than falling within the meaning of Public deposits)	Nil	Nil
(b) Deferred credits	Nil	Nil
(c) Terms Loans	Nil	Nil
(d) Inter-corporate loans and borrowing	Nil	Nil
(e) Commercial paper	Nil	Nil
(f) Public Deposit	Nil	Nil
(G) Other Loans (specify nature) (Director, Friends and Relatives Depo.)	147.93	Nil

*please see note 1 below

2. Break up of (1) (f) above (outstanding public deposits inclusive or interest accrued thereon but not paid) :		
(a) In the form of Unsecured debentures	Nil	Nil
(b) In the form of party secured debenture i.e. debentures where there is a shortfall in the value of security	Nil	Nil
(c) Other public deposits	Nil	Nil

6. Borrower group wise classification of all leased assets, stock-on-hire and loans and advances Please see note 2 below

Category	Amount net of provision		
	Secured	Unsecured	Total
1. Related Parties	Nil	Nil	Nil
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	Nil	Nil
(c) Other related parties	Nil	Nil	Nil
2. Other than related parties	Nil	164.60	164.60
Total	Nil	164.60	164.60

7. Investor group-wise classification of all investments (current and long term) in shares and securities (both Quoted and unquoted) Please see note 3 below

Category	Market value / break up of fair value of NAV	Book Value (net of provisions)
1. Related Parties	Nil	Nil
(a) Subsidiaries	Nil	Nil
(b) Companies in the same group	Nil	Nil
(c) Other related parties	Nil	Nil
2. Other than related parties	428.10	428.10
Total	428.10	428.10

* Fair value of unquoted investments taken at cost as management expected to realise the said investment fully

** As per Accounting Standard of ICAI (please see note 3)

8. Other Information

Particular	Amount
(i) Gross Non Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	0.22
(ii) Net Non Performing Assets	
(a) Related Parties	Nil
(b) Other than related parties	0.22
(iii) Assets acquired in satisfaction of debt	Nil

Notes :

- As defined in paragraph 2(1) (xii) of the non Banking Financial companies Acceptance of Public Deposit (Reserve Bank) Directions, 1998
- Provisioning norms shall be applicable as prescribed in the Non Banking Financial Companies Prudential Norms (Reserve Bank) directions, 1998
- All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break up/fair value/NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (5) above.

PROXY FORM

K.Z LEASING & FINANCE LIMITED

[CIN: L65910GJ1986PLC008864]

1st Floor, Deshna Chamber,

Ashram Road, Usmanpura,

Ahmedabad -380014

Email: kzleasing@yahoo.com

29TH ANNUAL GENERAL MEETING

Name of the member (s) :

Registered address :

E-mail Id :

Folio / DP ID-Client ID No.:

I/We being the member(s) holding _____ shares of the above named Company hereby appoint:

(1) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or falling him / her;

2) Name: _____ Address: _____

E-mail ID: _____ Signature: _____ or falling him / her;

(3) Name: _____ Address: _____

E-mail ID: _____ Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 29th Annual General Meeting of the Company, to be held on Wednesday, 30th September, 2015 at 1st Floor, Deshna Chamber, Ashram Road, Usmanpura, Ahmedabad-380014 and at any adjournment thereof in respect of such resolutions as are indicated below:

Note:

1. Please complete the Folio / DP ID-Client ID No. and name, sign this Attendance Slip and hand it over at the Attendance Verification Counter at the ENTRANCE OF THE MEETING HALL.
2. Electronic copy of the Annual Report for 2015 and Notice of the Annual General Meeting (AGM) along with Attendance Slip and Proxy Form are being sent to all the members whose email address is registered with the Company/Depository Participant unless any member has requested for a hard copy of the same. Members receiving electronic copy and attending the AGM can print copy of this Attendance Slip.
3. Physical copy of the Annual Report for 2014–2015 and Notice of the AGM along with Attendance Slip and Proxy Form is sent in the permitted mode(s) to all members whose email address is not registered or have requested for a hard copy.

Resolution No.	Particulars of Resolution	Optional	
		For	Against
1	ORDINARY BUSINESS		
2	To adopt the Financial Statements for the year ended on 31st March, 2015		
3	To reappoint Mrs. Chaitali Bharatbhai Patel, Director retiring by rotation.		
4	To appoint Statutory Auditor, M/s. J. M. Patel & Brothers, Chartered Accountants		
	SPECIAL BUSINESS		
5	To Authorise the Board for borrowing limit up to 100 crore		
6	To Authorise the Board to create a charge on assets upto Rs. 100 Cr. .		
7	Approval enter into any contract or arrangements with related parties namely		

Signed this _____ day of _____ 2015

Signature of shareholder _____

Signature of Proxy holder(s) _____

affix
Revenue of not
less than Rs 0.15

Note:

1. This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.
2. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 29th Annual General Meeting.
3. It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
4. Please complete all details including details of member(s) in above box before submission.

ATTENDANCE SLIP

K.Z LEASING & FINANCE LIMITED

[CIN: L65910GJ1986PLC008864]

1st Floor, Deshna Chamber,

Ashram Road, Usmanpura,

Ahmedabad -380014

Email: kzleasing@yahoo.com

Phone: Tel.: 079-27542298

29th ANNUAL GENERAL MEETING

I/We hereby record my/our presence at the 29th Annual General Meeting of the company at 1st Floor, Deshna Chamber, Ashram Road, Usmanpura, Ahmedabad-380014 on Wednesday, 30th September, 2015 at 10:00 a.m.

Member's Folio/DP ID-Client ID No.

Member's/Proxy's name in Block Letters

Member's/Proxy's Signature