

**Twenty Second
Annual Report
2007-2008**

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Amulya Leasing and Finance Ltd.

Registered Office : G-10, Pushkar Enclave, (Top Floor)

Paschim Vihar New Delhi -110063

Amulya Leasing & Finance Limited

BOARD OF DIRECTORS

Vikas Goel

Managing Director

Sh. Pradeep Goel

whole time Director

Sh. B.B. Gupta

Director

Sh. Anil Goel

Director

Sh. Anant Aggarwal

Director

AUDITORS

M/S R.K. Batra & Co.

Chartered Accountants

Delhi

MAIN BANKER

Punjab National Bank

Axis Bank Ltd.

HDFC BANK

REGISTERED OFFICE

G-10, Pushkar Enclave, (Top Floor)

Paschim Vihar New Delhi -110063

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NOTICE

Notice is hereby given that the Twenty second Annual General Meeting of the members of the Company will be held on Tuesday, the 30th day of September, 2008 at 11.30 A.M. at G-10, Pushkar Enclave (Top Floor), Paschim Vihar, New Delhi -110063, to transact the following business:-

ORDINARY BUSINESS

1. To receive, consider, and adopt the Audited Balance Sheet as at 31st March, 2008 and Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint one director, in place of Sh. Brij Bhushan Gupta, who retire by rotation and being eligible offer himself for re-appointment.
3. To appoint M/s R.K. Batra & Co., Chartered Accountants, the retiring Auditors, as Statutory Auditors of the company to hold office from the conclusion of the forthcoming Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By Order of the Board
For Amulya Leasing & Finance Ltd.

Place: New Delhi
Dated: 20.06.2008

(Director)

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself, such a proxy need not be member of the company.
2. The instrument appointing proxy, in order to be effective must be lodged with the registered office of the company at least 48 hours before the schedule time of the meeting.
3. The Register of Members and the Share Transfer Books of the company will remain closed from 27. 09.2008 to Tuesday 30th 09.2008 (both days inclusive).
4. Only registered Members carrying attendance slips and holders of valid proxies registered with the Company will be permitted to attend the meeting.

5. The Members are requested to :
 - a) Intimate to the Company changes, if any in their registered address at an early date.
 - b) Quote ledger folio no. in all their correspondence.
 - c) Bring their copy of the Annual Report and the attendance slips with them at the Annual General Meeting.
6. Members are requested to intimate their queries, if any, relating to the accounts or any other matters at least seven days in advance of the meeting so that the information can be made readily available and furnished at the meeting.
7. Re-appointment of Directors
Sh. Brij Bhushan Gupta retire by rotation at the forth coming Annual General Meeting and being eligible offer himself re-appointment. The information or details pertaining to Sh. Brij Bhushan Gupta to be provided in terms of clause 49 of the listing agreement with the Stock Exchanges are furnished in the Corporate Governance Report published in this Annual Report.

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Director's Report

To The Members Amulya Leasing & Finance Ltd.

Your Directors have pleasure in presenting the 22nd Annual Report with Audited Statement of Accounts of the Company for the year ended 31st March, 2008.

FINANCIAL RESULTS

Financial results of the Company for the year under review are summarized as below:

Particulars	Year ended 31.03.2008 (in Rupees)	Year ended 31.03.2007 (in Rupees)
Gross Revenue	16,10,270.06	94,540,049.08
Profit before depreciation and taxation	(3,87,770.12)	(2,177,756.24)
Less:		
Depreciation	2,88,988.00	288,988.00
Provision for tax-		-
Current	-	-
Deferred	9,87,360.00	160,469.00
Provision for doubtful debts	-	-
Provision for Depreciation on Share stock	-	-
Short provision for Fringe Benefit Tax	31,000.00	31700.00
Add:		
Short/ Excess provision for tax (previous year)	1,40,913.00	24,087.00
Deferred Provision for tax	-	-
Loss/Profit	(1,55,4205.12)	(2,634,826.24)

PERFORMANCE REVIEW

During the year under review, the Company has incurred a loss of Rs.15, 54, 20.12 as compared to the Loss of Rs.26, 34,826.24 in the previous year. Your directors expect that the initiatives undertaken will result in improvement in financial results in the coming years. The details of financial performance of the company are appearing in the Balance Sheet and Profit & Loss account for the year.

Amount transfer to reserves

During the year ended review the company has not transferred any amount to the reserve of the company.

DIVIDEND

Your directors regret their inability to recommend any dividend in view of losses during the year under review.

FUTURE OUTLOOK

In the current year, your directors are putting up efforts and it is hoped that the company will do better and will be in a position to earn profit and later on try to declare dividends.

DIRECTOR

Sh. Brij Bushan Gupta Director of the Company retires by rotation at the forthcoming Annual General Meeting and being eligible offer himself for re-appointment.

He has vast experience of Management and operations. He has served our board with his valuable knowledge.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- a) that in the preparation of the accounts for the financial year ended 31st March, 2008, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- a) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- b) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- c) That the directors have prepared the accounts for the financial year ended 31st March, 2008 on going concern basis.

CORPORATE GOVERNANCE

A report on Corporate Governance appears in this Annual Report. A certificate from Chetan Gupta & Associates, Practicing Company Secretaries with regard to Compliance of the Corporate Governance code by your company is annexed here to as Annexure and forms part of this report.

AUDIT COMMITTEE

The Audit Committee of the Board of Directors comprises of 3 members namely Sh. Anant Aggarwal, Sh. Anil Goel and Sh. Pradeep Kr. Goel. The committee oversees the company's financial information, review the quarterly/ half yearly/annual financial statements before they are submitted to the board of Directors and performs such other function as are to it by the terms of its reference.

AUDITORS

M/s. R.K. Batra & Co., Chartered Accountants, the Auditors of the Company retires at the forthcoming Annual General Meeting and is eligible for re-appointment. The Audit Committee and your Board recommend their re-appointment as Auditors of the Company. The Company has received letter from them to the effect that their appointment, if made would be within prescribed limit under Section 224(1B) of the Companies Act, 1956.

AUDITORS' REPORT

The observations in the Auditors' Report are dealt with in the notes forming part of accounts at appropriate places and the same being self explanatory, no further comment is considered necessary.

FIXED DEPOSITS

Your Company has not accepted any deposits from public. There are no unclaimed or unpaid deposits as on 31st March, 2008.

PARTICULARS OF EMPLOYEES

There is no employee whose particulars are required to be furnished in terms of Section 217(2A) of the Companies Act, 1956 and rules made there under.

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

Your company has no activity relating to conservation of energy and technology absorption. The company did not have any foreign exchange income/outflow.

MATERIAL CHANGES

There are no material changes and commitments, affecting the financial position of the Company between the end of the financial year of your Company and the date of the Directors' Report.

ACKNOWLEDGEMENT

The Board acknowledges with gratitude the co-operation and assistance provided by the company's bankers, financiers, government and non-government agencies. The relationship with the employees remained cordial and your director's wish to place on record their appreciation of the contribution made by the employees at all levels. The directors also thank the shareholders for their continued support.

For and on behalf of the Board of Directors
(Pradeep Kr. Goel) (Vikas Goel)

Place: New Delhi
Date : 20.06.2008

WholeTimeDirector Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENT

The finance sector continues to be characterized by high volatility. The recent governmental policies have strived to lend stability and provided the much needed fillip to the industry. The banking as well as the non-banking entities showed remarkable progress during the year under report.

OUTLOOK, RISK AND CONCERN

NBFCs can sustain in this competitive environment only through identification of potential business areas, widening geographical reach, cost efficiencies, strict credit monitoring and raising the level of customer service. In addition to that rigorous credit evaluation and efficient collection and recovery system are also the major area of concern.

The Company is exposed to normal industry risk factors, economic, political and social risk. The Company shall however meet these challenges and concerns by adopting more prudent and comprehensive business policies.

OPPORTUNITIES AND THREATS

As observed during last few years, the traditionally debt-averse Indian Consumer has been gradually becoming more and more credit happy and has aspiration to enhance the quality of his life. Considering this, there are tremendous potential in retail financing in the years to come. Positive attitude of the Indian consumers will result in the growth of the business of the Company in future.

However tough competition, strict regulations by regulatory authorities, non recovery of dues due to lack of favorable recovery mechanism and uncertain market conditions continues to be threats for the business of the Company.

ADEQUACY OF INTERNAL CONTROL SYSTEM

The Company has adequate internal control systems to ensure operational efficiency, protection and conservation of resources, accuracy and promptness in financial reporting and compliance of laws and regulations. The Company regularly monitors that all regulatory guidelines are complied with at all levels.

The Audit Committee constituted by the Board reviews the adequacy of internal control system.

SEGMENT WISE PERFORMANCE

The Company operates only in one segment.

HUMAN RESOURCES

Human Resources (HR) are our key assets. The company takes all steps to harness this resource to its full potential to ensure fruitful results and employee satisfaction. The HR function ensures that appropriate talent in the industry is attracted and retained. During the year under review, development of leadership and people capability in the organization continued to be of focus.

CORPORATE GOVERNANCE REPORT

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

The philosophy can be described as the business practices with the ultimate aim of enhancing long term shareholder's value and remaining committed to high standards of business ethics. Your company and its employees have a commitment to its customers, competitors, local communities, shareholders and the nation to conduct the business in an ethical and legal manner.

BOARD OF DIRECTORS

During the year, the Board consisted of five directors, three directors out of Five Directors are Non Executive and two of them are Independent. Shri B.B. Gupta, Chairman of the Company is a Non Executive.

S I. N o.	Name of the Director	Status	Date of appointment	Date of Cessation	No. of Board Meetings held	No. of Board Meetings attended	Last AGM attended	No. of other directorship and committee membership and chairmanship.		
								Other Directorship	Committee Membership	Committee Chairmanship
1.	Vikas Goel	Managing Director	28.05.05	N.A.	10	10	Yes	8	-	-
2.	Pradeep Kr Goel	WholeTime Director	28.05.05	N.A.	10	10	Yes	2	1	-
3.	B.B. Gupta	Chairman	09.12.85	N.A.	10	10	Yes	1	3	-
4.	Anil Goel	Independent Non Executive	15.07.04	N.A.	10	8	Yes	1	1	-
5.	Anant Aggarwal	Independent Non Executive	26.04.04	N.A.	10	10	Yes	Nil	3	2

Note: Vikas Goel was appointed as a Managing Director of the Company instead of Sh. B.B. Gupta w.e.f. 28.05.2005 and Sh. Pradeep Kr. Goel was appointed as Whole time Director W.e.f. 28.05.2005, Mr. Anil Goel as Director appointed on 15.07.2007 and Mr. Anant Aggarwal as a Director appointed on 26.04.2004.

Date and number of board meetings held

Ten Board meetings were held during the year on 26th April, 2007, 30th June, 2007, 15th July, 2007, 29th July, 2007, 28th August 2007, 28th October 2007, 2nd December 2007, 30th January 2008, 1st March 2008 and 17th March 2008.

Code of Conduct

The company has laid down a code of conduct for all the Board Members and Senior Management Personnel. All Board Members and Senior Management Personnel have confirmed compliance with the said code of conduct for the financial year ended 31st March, 2008. The declaration to this effect signed by the Whole-Time director forms part of the report.

AUDIT COMMITTEE

The Company has an Audit Committee of Directors. The Committee has the powers similar to those stated in the listing Agreement and exercises most of the functions as per terms of reference of the Audit Committee.

Composition of Audit Committee

The Audit Committee of the Board of your Company comprises of three members, 2 non Executive and Independent Directors. The Committee functions under the chairmanship of Mr. Anant Aggarwal who is an independent Director. Sh. Pradeep Kr. Goel has accounting and related financial management expertise.

Name of Members	Designation	Status/ Position
Anant Aggarwal	Chairman	Independent Director
Pradeep Kr. Goel	Member	Executive Director
Anil Goel	Member	Independent Director

No. of meeting and attendance at meetings

During the year 2007-08, Five Meetings of Audit Committee were held on 30th June 2007, 30th July 2007, 28th October 2007, 25th January 2008 and 31st March 2008

The Attendance of the Committee members at the above meeting is as follows:

MEMBERS	COMMITTEE MEETINGS	
	Held	Attended
1.Sh. Anant Aggarwal	5	5
2.Sh. Pradeep Kr. Goel	5	5
3.Sh. Anil Goel	5	5

Statutory Auditors are permanent invitees to the Audit Committee.