



BAID LEASING AND FINANCE COMPANY LTD.

**13TH
ANNUAL REPORT
2003-2004**

CERTIFIED TRUE COPY

For Baid Leasing & Finance Co. Ltd.

Director/Auth. Sign.

**FRIENDSHIP OF THOSE WHOM WE SERVE IS FOUNDATION
OF OUR PROGRESS**

BOARD OF DIRECTORS

- | | |
|------------------------|---------------------|
| 1. PANNALAL BAID | Managing Director |
| 2. RAKESH BAID | Whole Time Director |
| 3. BINOD CHORARIA | Director |
| 4. CHANDRA BHAN SINGHI | Director |
| 5. SURENDRA SHARMA | Director |

AUDITORS
SHARMA NARESH & ASSOCIATES
Chartered Accountants, Jaipur

BANKERS
THE BANK OF RAJASTHAN LTD.

CORPORATE ADVISORS
V.M. & ASSOCIATES
Company Secretaries, Jaipur

REGISTRAR, TRANSFER AGENT & DEMAT REGISTRAR :
MCS LIMITED
Shri Venkatesh Bhawan, W-40,
Okhla Industrial Area, New Delhi-110020

REGISTERED OFFICE :
"BAID HOUSE"
1, Taranagar, Ajmer Road,
JAIPUR-302 006

**BAID LEASING AND FINANCE COMPANY LTD.****NOTICE**

NOTICE is hereby given that the 13th Annual General Meeting of the members of BAID LEASING AND FINANCE COMPANY LIMITED will be held on Saturday the 25th Day of September, 2004 at 11.00 A.M. at the registered office at "Baid House", 1, Tara Nagar, Ajmer Road, Jaipur – 302 006 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 2004, Profit and Loss Account for the year ended as on that date together with the reports of Directors and Auditors thereon.
2. To appoint a director in place of Shri Binod Kumar Choraria, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditor and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:-**

"RESOLVED THAT Shri Surendra Sharma who was appointed as an additional director and holds office upto the date of the ensuing Annual General Meeting of the Company, and is eligible for appointment and in respect of whom the Company has received notice in writing from member under the provisions of Section 257 of the Companies Act, 1956 proposing his candidature for the office of a Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

5. To consider and if thought fit to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:-**

"RESOLVED THAT the Company hereby accords its approval and consent under sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force) to the re-appointment of and payment of remuneration, benefits and amenities as given in the explanatory statement to Shri Panna Lal Baid as Managing Director of the Company for a further period of 5 years w.e.f. 01st April 2005 with the liberty to the Board (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, modify and vary the terms and conditions of said re-appointment and / or remuneration, subject to the condition that the same will be within Schedule XIII to the Act.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, Shri Panna Lal Baid shall be entitled to be paid remuneration by way of salary, perquisites and any other allowance as referred to above, not exceeding the limits specified section II of Part II of Schedule XIII to the Act as may be amended from time to time or any equivalent statutory enactment(s) thereof, subject to discretion of the Board in the best interests of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary or expedient to give effect to this resolution."



BAID LEASING AND FINANCE COMPANY LTD.

6. To consider and if thought fit to pass, with or without modifications, the following resolution as an **ORDINARY RESOLUTION:-**

"RESOLVED THAT the Company hereby accords its approval and consent under sections 198, 269, 309, 310 and Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, (including any statutory modification or re-enactment thereof, for the time being in force) to the re-appointment of and payment of remuneration, benefits and amenities as given in the explanatory statement to Shri Rakesh Baid as Whole-time Director of the Company for a further period of 5 years w.e.f. 01st April 2005 with the liberty to the Board (hereinafter referred to as "the Board" which term shall be deemed to include any Committee of the Board constituted to exercise its powers, including the powers conferred by this resolution) to alter, modify and vary the terms and conditions of said re-appointment and / or remuneration, subject to the condition that the same will be within Schedule XIII to the Act.

RESOLVED FURTHER THAT where in any financial year, the Company has no profits or its profits are inadequate, Shri Rakesh Baid shall be entitled to be paid remuneration by way of salary, perquisites and any other allowance as referred to above, not exceeding the limits specified section II of Part II of Schedule XIII to the Act as may be amended from time to time or any equivalent statutory enactment(s) thereof, subject to discretion of the Board in the best interests of the Company.

RESOLVED FURTHER THAT the Board be and is hereby authorised to do and perform all such acts, deeds, matters and things as may be considered necessary or expedient to give effect to this resolution."

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE SCHEDULE TIME OF THE MEETING. A BLANK PROXY FORM IS ANNEXED TO THE ANNUAL REPORT.**
2. Members desirous of getting any information in respect of Accounts of the Company are requested to send their queries in writing to the Company at Registered Office at least 7 days before the date of the Meeting so that the required information can be made available at the Meeting.
3. Register of Members and the Share Transfer Books of the Company shall remain closed from 23rd September, 2004 to 25th September, 2004 (both days inclusive).
4. The Information and details of the directors proposed to be appointed/reappointed to be provided in terms of clause 49 of listing agreement with stock exchange is attached.
5. Explanatory statement enclosed herewith for special business, pursuant to section 173(2) of the Companies Act, 1956.

BY ORDER OF THE BOARD

Date : 18/08/2004
Place : JAIPUR

Sd/-
(PANNA LAL BAID)
MANAGING DIRECTOR



BAID LEASING AND FINANCE COMPANY LTD.

Explanatory Statement Pursuant To Section 173(2) Of The Companies Act, 1956
Item No.4

Shri Surendra Sharma was appointed as Additional Director of the Company in terms of Section 260 of the Companies Act, 1956, during the year. Under the provisions of the aforesaid Section, he shall hold office upto the date of ensuing Annual General Meeting. As required under Section 257 of the Act, the company has received notice from the member signifying his intention to propose the appointment of Shri Surendra Sharma as Directors, liable to retire by rotation.

Your Directors recommend the aforesaid Resolutions for your approval.

None of the Directors except Shri Surendra Sharma, is deemed to be concerned or interested in the passing of above resolution.

Item No. 5 & 6

The members at the Annual General Meeting held on 25th Day of September 1999 had appointed Shri Panna Lal Baid as Managing Director and Shri Rakesh Baid as Whole-time Director for a period of 5 years w.e.f. 01st April, 2000. Therefore the present term of Shri Panna Lal Baid as Managing Director and Shri Rakesh Baid as Whole-time Director is due to expire on 31st March 2005. The Remuneration Committee and the Board of Directors at their duly convened meetings have recommended for re-appointment and payment of remuneration to Shri Panna Lal Baid as Managing Director and Shri Rakesh Baid as Whole-time Director for a further period of 5 years w.e.f 01st April 2005.

The Company has achieved an outstanding growth during their tenure at the top-management level, their vast experience in the multifarious aspects of corporate working viz. management, finance, marketing, personal among others. Their unmatched leadership and management skills have steered the Company on the progress path that is measuring new scales every time. The main terms of their re-appointment are as follows:

1. Remuneration
Salary:-

Shri Panna Lal Baid : Rs.20,000/- per month including dearness allowance, and all other allowances.

Shri Rakesh Baid : Rs.15,000/- per month including dearness allowance, and all other allowances.

Perquisites:-

Perquisites shall be allowed in addition to salary in both the cases.

- **Medical reimbursement:** Reimbursement of medical expenses incurred for self and family subject to a ceiling of Rs. 15,000/- p.a.
- **Leave travel concession:** Leave travel concession for self and family, once in a year incurred in accordance with the rules of the Company.

**BAID LEASING AND FINANCE COMPANY LTD.**

- Club fees: Fees of clubs subject to a maximum of two clubs. No admission and life membership fee will be paid.

2. Provident Fund

Company's contribution towards Provident Fund as per rules of the Company but not exceeding 12% of the salary.

3. Gratuity

Gratuity as per rules of the Company, but shall not exceed one half month's salary for each completed year of service.

4. Earned Leave

Earned leave on full pay and allowances as per the rules of the Company, but not exceeding one month's leave for every eleven months of service and leave accumulated shall be encashable at the end of the tenure.

5. Car and Telephone facility

Provision of car for use for Company's business and telephone at residence will not be considered perquisites. Personal long distance calls and use of car for private purpose shall be billed by the Company.

6. Reimbursement of entertainment, travelling and all other expenses incurred for business of the Company.

The aggregate of the salary and all perquisites as enumerated above shall at no time exceed the limits as may be prescribed from time to time under the provisions of the Companies Act, 1956, Schedules thereto and rules thereunder, as well as any other statutory provisions as may be applicable.

None of the Directors other than Shri Panna Lal Baid and Shri Rakesh Baid, themselves and as relative is concerned or interested in the said resolutions.

This should be treated as an abstract of the terms of re-appointment and payment of remuneration to Shri Panna Lal Baid as Managing Director and Shri Rakesh Baid as Whole-time Director and a memorandum as to the nature of concern or interest of the Directors as required under section 302 of the Companies Act, 1956.

BY ORDER OF THE BOARD

Date : 18/08/2004
Place : JAIPUR

Sd/-
(PANNA LAL BAID)
MANAGING DIRECTOR

**BAID LEASING AND FINANCE COMPANY LTD.****ANNEXURE TO THE AGM NOTICE**

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT IN ANNUAL GENERAL MEETING PURSUANT TO CLAUSE 49 OF LISTING AGREEMENT

Name of Director	Binod Kumar Choraria	Panna Lal Baid	Rakesh Baid	Surendra Sharma
Date of Birth	09/07/1956	19/06/1943	14/03/1970	01/07/1950
Date of Appointment	13/05/1994	20/12/1991	20/12/1991	19/03/2004
Designation	Director	Managing Director	Whole-time Director	Director
Expertise in specific Functional areas	Finance & Marketing	Finance	Marketing & Business Strategy	Marketing
Qualifications	Graduate	Under Graduate	Graduate	Graduate
Name of Companies in Which Directorship held as on 31.03.2004	1. Tirupati Industrial Resources Ltd. 2. Amby Properties Pvt. Ltd. 3. G.M.C. Company Pvt. Ltd. 4. BKC Securities & Shares Pvt. Ltd. 5. Sidh Capital Research Pvt. Ltd.	—NIL—	Ganpati Holdings Private Limited	Creative Granites Pvt Ltd.
Member of the Committees Of the Board of other Companies as on 31.03.2004	—NIL—	—NIL—	—NIL—	—NIL—


BAID LEASING AND FINANCE COMPANY LTD.
DIRECTORS' REPORT

To The Members,

Your Directors have pleasure in presenting their 13th Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2004.

FINANCIAL RESULTS:

	31-03-2004 (Rs. In lakhs)	31-03-2003 (Rs. In lakhs)
Profit before Depreciation & Tax	(60.48)	(3.31)
Less : Depreciation	21.96	45.45
Profit before Taxation	(82.44)	(48.76)
Less : Provision for Taxation	5.75	3.01
Profit after Tax	(88.19)	(51.77)
Add: Balance brought forward	255.48	307.25
Add: Income Tax & MAT Adjustment	17.07	-
Surplus available for appropriation (Carried forward to Next Year)	184.36	255.48

DIVIDEND

In view of sluggish market conditions in leasing, hire purchase, investments etc. and in order to conserve resources of the company for future plans, your directors do not recommend payment of any dividend for the year ended 31st March, 2004.

OPERATIONS

The performance of the company during the year under review has been satisfactory considering the depressed market conditions. The total income was of Rs. 227.17 Lacs in comparison of Rs.217.65 Lacs during the previous year.

FIXED DEPOSITS

The Company has not invited or accepted any fixed deposit from the public during the year under review.

BOARD OF DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association, Shri Binod Kumar Choraria, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

During the year, Shri Surendra Sharma was appointed as an additional director of the company and continued as the Additional Director upto the ensuing Annual General Meeting. His appointment as regular director, liable to retire by rotation, is proposed at the ensuing annual general meeting in compliance with the provisions of the Companies Act, 1956.

**BAID LEASING AND FINANCE COMPANY LTD.**

Re-appointment of Shri Panna Lal Baid as Managing Director and Shri Rakesh Baid as Whole-time Director for a further period of five years w.e.f. 1st April, 2005 is proposed at the ensuing Annual General Meeting as per the Item No. 5 & 6 of the annexed notice of AGM.

AUDITORS

The proprietor of B. Lal Gupta & Co. the firm appointed as Company's statutory auditors at its preceding A.G.M., Mr. Naresh Sharma, had informed the company that his said proprietorship concern has discontinued its operations. The Board of Directors filled up so created casual vacancy by appointing his present proprietorship concern M/s Sharma Naresh & Associates as Company's auditors.

M/s Sharma Naresh & Associates, Chartered Accountants retire at the forthcoming Annual General Meeting. They offer for reappointment. Company has received their eligibility certificate in pursuant to section 224 (1B) of the Companies Act, 1956

The explanation given in Auditor's report and notes on accounts are self explanatory and does not call for any comments.

PARTICULARS OF EMPLOYEES

None of the Employee's of the company was in receipt of the remuneration exceeding the limits prescribed under section 217(2A) of the Companies Act, 1956 as amended, during the year under review.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUT GO

The particulars regarding foreign exchange earnings and expenditure is NIL. Since your company does not own any manufacturing facility, the other particulars in the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

CORPORATE GOVERNANCE

The Company has implemented all the provisions of the Corporate Governance as stipulated by Clause 49 of the listing agreements with all the stock exchanges where the Company's securities are listed. It has always been a constant endeavour of the Company to adopt good corporate governance code through independent Board, transparent disclosures and shareholders empowerment for creating and sustaining shareholder value. A separate section on Corporate Governance alongwith a certificate from the auditors of the Company certifying compliance of stipulations of Clause 49 of listing agreements with the stock exchanges with regards to the Corporate Governance code is present elsewhere.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The report on Management Discussion and Analysis as required under the Listing Agreements with the Stock Exchanges is annexed and forms part of the Director's Report.

**BAID LEASING AND FINANCE COMPANY LTD.****DIRECTOR'S RESPONSIBILITIES STATEMENTS:**

Your director's confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departure.
2. That the director's have selected such accounting policies & applied them consistently & made judgement & estimates that are reasonable & prudent so as to give a true & fair view of the state of affairs of the company at the end of the financial year & of the Profit or Loss of the company for the year.
3. That the director's have taken proper & sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company & for preventing & detecting fraud & other irregularities.
4. That the director's have prepared the annual accounts on a going concern basis.

APPRECIATION

Your Board of directors wishes to express it's deep appreciation and gratitude to all Employees, Banker, Shareholders and Clients for their sustained support, without which the continuing progress of the Company would no have been possible.

BY ORDER OF THE BOARD

Sd/-

(PANNA LAL BAID)

MANAGING DIRECTOR

Sd/-

(RAKESH BAID)

WHOLE TIME DIRECTOR

Date : 18/08/2004

Place : Jaipur

MANAGEMENT DISCUSSION & ANALYSIS REPORT**INDUSTRY STRUCTURE & DEVELOPMENTS**

The Indian economy is striving on a relatively strong path. The Financial Sector has shown significant changes in terms of its business. Your Company being in financial sector is still facing barriers due to involvement of Multinational Company in the sector. The company has incurred losses during the year under review.

OUTLOOK ON OPPORTUNITIES

The Board of Director's are hopeful to get good business in the current financial year with some sound business proposals.