



**BAID LEASING AND FINANCE COMPANY LTD.**

**16TH  
ANNUAL REPORT  
2006-2007**

**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 16<sup>th</sup> Annual General Meeting of the members of BAID LEASING AND FINANCE COMPANY LIMITED will be held on Monday, the 6<sup>th</sup> Day of August, 2007 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 31<sup>st</sup> March, 2007, 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 Rakesh Baid, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditor and to fix their remuneration.

**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 1<sup>st</sup> Aug, 2007 to 6<sup>th</sup> Aug., 2007 (both days inclusive).
4. The Information and details of the director proposed to be appointed/reappointed to be provided in terms of clause 49 of listing agreement with stock exchange is attached.

**BY ORDER OF THE BOARD****Sd/-****(PANNA LAL BAID)  
MANAGING DIRECTOR****Date : 27/06/2007  
Place : JAIPUR**




---

**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**

<b>Name of Director</b>	Rakesh Baid
<b>Date of Birth</b>	24.03.1970 (37 Years)
<b>Date of Appointment</b>	20/12/1991
<b>Designation</b>	Whole-Time Director
<b>Expertise in specific Functional areas</b>	Marketing & Finance
<b>Qualifications</b>	B. Com
<b>Directorship held in other companies as on 31.03.2007</b>	1. Creative Granites Private Limited 2. Ganpati Holding Private Limited
<b>Member of the Committees of the Board of other Companies as on 31.03.2007</b>	Nil

**BAID LEASING AND FINANCE COMPANY LTD.****DIRECTORS' REPORT**

**To The Members,**

Your Directors have pleasure in presenting their 16<sup>th</sup> Annual Report of the Company together with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2007.

<b>FINANCIAL RESULTS:</b>	<b>31.03.2007</b> <b>(Rs. in lakhs)</b>	<b>31-03-2006</b> <b>(Rs. In lakhs)</b>
Profit before Depreciation & Tax	24.24	21.51
Less : Depreciation	1.38	1.74
Profit before Taxation	22.86	19.77
Less : Provision for Taxation	14.39	5.75
Profit after Tax	8.47	14.02
Add: Balance brought forward	137.25	123.23
Surplus available for appropriation (Carried forward to Next Year)	145.71	137.25

**DIVIDEND**

In order to conserve resources of the company for future plans, your directors did not recommend payment of any dividend for the year ended 31<sup>st</sup> March, 2007.

**OPERATIONS**

The performance of the company during the year under review has been satisfactory. The total income was of Rs. 196.05 Lacs in comparison of Rs.215.08 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 Rakesh Baid, retires by rotation at the forthcoming Annual General Meeting and being eligible, offers himself for re-appointment.

**AUDITORS**

M/s Sharma Naresh & Associates, Chartered Accountants retire at the forthcoming Annual General Meeting. They offer for re-appointment. 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.

The Particulars relating to Foreign Exchange Earnings and Outgo are NIL.



## BAID LEASING AND FINANCE COMPANY LTD.

### **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.

### **DIRECTOR'S RESPONSIBILITY STATEMENT:**

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 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.

### **DELISTING OF EQUITY SHARES**

During the year, company made necessary applications for delisting of its equity shares from the Calcutta Stock exchange Association Limited (CSE) Jaipur Stock Exchange Limited (JSEL), Ahmedabad Stock Exchange Limited (ASE) and The Delhi Stock Exchange Association Limited (DSE), in compliance with the Delisting Guidelines.

Despite several reminders the delisting approval letter from The Delhi Stock Exchange Association Limited (DSE) and Calcutta Stock Exchange Association Limited (CSE) is still pending.

### **APPRECIATION**

Your Board of directors wishes to express its deep appreciation and gratitude to all Employees, Bankers, 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

Date : 27/06/2007

Place : Jaipur

Sd/-  
(PANNA LAL BAID)  
MANAGING DIRECTOR

Sd/-  
(RAKESH BAID)  
WHOLE TIME DIRECTOR



## BAID LEASING AND FINANCE COMPANY LTD.

### MANAGEMENT DISCUSSION & ANALYSIS REPORT

#### **INDUSTRY STRUCTURE & DEVELOPMENTS**

The Indian economy is striving on a relatively strong path. The Country's foreign exchange reserves continued to rise as fill inflow in the country increased rapidly, The Financial Sector has shown significant changes in terms of its business as Liquidity in the system continued to be comfortable with low interest rate. Your Company being in financial sector and is continued to reel under pressure from the Banking Industry which has penetrated into almost all the segments of the financial services sector. In the highly competitive environment in which the NBFC'S are presently working, they have no option but to streamline and optimize their operations to adapt to the emerging scenario.

#### **OUTLOOK ON OPPORTUNITIES**

The equity markets continued to remain upbeat during the year, The increase in asset values in the real estate sector, the growth in industry, trade and commerce had lead to significant increase in overall credit off-take, Your Board of Director's intends to increase its thrust on good business in the current financial year, However, rising rate of interests would effect the business of the Company in future.

#### **OUTLOOK ON THREATS, RISKS AND CONCERNS**

The NBFC sector in which your comany operates, has been facing competitive pressure from Banks and Financial Institutions, making it increasingly difficult to generate revenues. The shrinking of interest spreads has put further pressure compelling them to look for new avenues for revenue generation and investment sector is also affected on international trend. Hence, both the sector need to be very cautious and challenging business.

The reduction in profit margin, intense competition from Banks and International Private Sector, rising overhead cost, tension in International Arena and changes in Govt. Policies may affect the business of Finance and Investment in general, which may adversely effect Company's Profit.

Moreover, the rising rate of interests is also a matter of concern for company's business and profitability.

#### **INTERNAL CONTROL SYSTEM**

The Company has established its internal control system commensurate with the requirement of its size. The Finance Department of the company is well staffed with experienced and qualified personnel who will play an important role in implementing and monitoring the internal control environment and compliance with statutory requirements.

#### **INFORMATION TECHNOLOGY**

The company has been using the best possible information technology as a management tool for internal control. The Company continues to invest reasonable into information technology for monitoring operation.

#### **HUMAN RESOURCE MANAGEMENT**

Human resources are a valuable asset for any organisation. The company is constantly endeavoring to source and develop skilled manpower at all levels. This is in keeping with its policy of enhancing the individual's growth potential within the framework of corporate goals. Total number of employees as on 31st March 2007 stood at 16.

**BY ORDER OF THE BOARD**

Date : 27/06/2007

Place : Jaipur

Sd/-

(PANNA LAL BAID)  
MANAGING DIRECTOR

Sd/-

(RAKESH BAID)  
WHOLE TIME DIRECTOR



## BAID LEASING AND FINANCE COMPANY LTD.

### REPORT ON CORPORATE GOVERNANCE

#### COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company's Philosophy on Corporate Governance envisages working towards high levels of transparency, accountability and responsibility, fairness, consistent value systems, delegation, across all facts of its operations leading to sharply focussed and operationally efficient growth. The Company tries to work by these principles in all its interactions with stakeholders, including shareholders, employees, customers, suppliers and statutory authorities. The Company is committed to learn and adopt the best practices of corporate governance.

#### BOARD COMPOSITION AS ON 31st MARCH, 2007

The Board of Directors consists of two Executive Directors and 3 Non-Executive & Independent Directors, as under : -

Name of Directors	Category	Board Meetings Attended during the year	Attendance At last AGM	No of Directorships Held in other Companies	Committee Position in other public company
Sh. Panna Lal Baid	Promoter & Executive Director	6	Yes	Elegant Buildhome Pvt. Ltd.	Nil
Shri Rakesh Baid	Promoter & Executive Director	6	Yes	1. Creative Granites Pvt. Ltd. 2. Ganpati Holding Pvt. Ltd.	Nil
Shri Binod Choraria	Non-Executive & Independent Director	4	Yes	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
Shri Chandra Bhan Singhi	Non-Executive & Independent Director	5	Yes	Nil	Nil
Shri Surendra Sharma	Non-Executive & Independent Director	6	Yes	Nil	Nil

The Board duly met 6 six times during the year 29.04.2006, 31.05.2006, 10.07.2006, 31.07.2006, 31.10.2006 & 31.01.2007.

The Board performs all the specific functions in compliance with the requirement of clause 49 of listing agreement.





## BAID LEASING AND FINANCE COMPANY LTD.

### COMMITTEES OF THE BOARD

In accordance with the Listing Agreement of the stock exchanges on Corporate Governance, the following committees, comprising highly experienced and professional board members, were in operation:

1. Audit Committee
2. Share Transfer / Investor Grievances Committee
3. Remuneration Committee

### AUDIT COMMITTEE

The terms of reference of Audit Committee include:-

1. To provide directions and oversee comprehensively the operations of the internal & external audit functions and financial reporting.
2. To review the internal control systems with emphasis on the accounting system, its quality and its effectiveness in terms of follow-up.
3. To recommend appointment/removal and remuneration of statutory auditors.
4. To discuss with the statutory and finalisation of annual accounts.
5. Other matters as specifically given in clause 49 of listing agreement.

Name of Member	Category	Capacity	No. of meetings Attended
Shri Chandra Bhan Singhi	Non-Executive & Independent Director	Chairman	5
Shri Binod Choraria	Non-Executive & Independent Director	Member	4
Shri Surendra Sharma	Non-Executive & Independent Director	Member	5

During the year, 5 meetings of the Audit committee were held on 29.04.2006, 31.05.2006, 31.07.2006, 31.10.2006 & 31.01.2007.

The Statutory Auditors and the Chief Financial Officer were also invited to attend and Participate at the Meetings of the Committee.

### SHARE TRANSFER / INVESTOR GRIEVANCE COMMITTEE

The Shares Transfer / Investor Grievances Committee is as under:

Name of Member	Category	Capacity
Shri Surendra Sharma	Non-Executive & Independent Director	Chairman
Shri Binod Choraria	Non-Executive & Independent Director	Member
Shri Rakesh Baid	Non-Executive & Independent Director	Member

The Board has designated Mahendra Kumar Baid as the Compliance officer.

At present the Shares Transfer / Investor Grievances Committee is looking after all the matters connected to shareholders/investors grievances viz. transfer of shares and other matters relating to investors/shareholder grievances.

During the year, 7 meetings of the Committee were held. There is no complaint pending for satisfaction of shareholders/investors.



## BAID LEASING AND FINANCE COMPANY LTD.

### REMUNERATION COMMITTEE

The Remuneration Committee consists of 3 non-executive Directors viz. Shri Chandra Bhan Singhi (Chairman), Shri Binod Choraria (Member) and Shri Surendra Sharma (Member).

The terms of reference of the Remuneration Committee includes among others : To review, assess and recommend to the Board the appointment of executive and non-executive Directors and compensation payable; To consider and recommend human resource policies relating to compensation and performance management.

During the financial year ended on 31<sup>st</sup> March, 2007, meeting of Remuneration Committee was held on 31.01.2007.

### **Remuneration of Directors**

The non-executive Directors do not draw any remuneration including the sitting fee. The details of the remuneration paid to the Managing Director and Whole Time Director for the financial year 2006-2007 is as under:

- |                        |                       |
|------------------------|-----------------------|
| 1. Shri Panna Lal Baid | Lumpsum Rs.1,80,000/- |
| 2. Shri Rakesh Baid    | Lumpsum Rs.1,44,000/- |

Shareholding of Non-Executive Directors as on 31st March, 2007

Name	No. of shares	%age
1. Shri Binod Choraria	Nil	-
2. Shri Chandra Bhand Singhi	5000	.081
3. Shri Surendra Sharma	Nil	-

### GENERAL BODY MEETINGS

The details of Annual General Meetings held in the last three years are given below:

Annual General Meeting	Day & Date	Time	Venue
13 <sup>th</sup> Meeting	Saturday, Sept. 25, 2004	11.00 a.m.	'Baid House', 1, Tara Nagar, Ajmer Road, Jaipur.
14 <sup>th</sup> Meeting	Friday, Sept. 30, 2005	11.00 a.m.	'Baid House', 1, Tara Nagar, Ajmer Road, Jaipur.
15 <sup>th</sup> Meeting	Monday, July. 10, 2006	11.00 a.m.	'Baid House', 1, Tara Nagar, Ajmer Road, Jaipur.

No special resolution was proposed at the 13<sup>th</sup> and 14<sup>th</sup> annual general meetings.

In 15<sup>th</sup> Annual General Meeting Held on Monday July 10, 2006 the Company passed special resolution for delisting of equity shares of the Company from the Calcutta Stock Exchange Association Limited (CSE), Jaipur Stock Exchange Limited (JSEL), Ahmedabad Stock Exchange Limited (ASE), and The Delhi Stock Exchange Association Limited (DSE), in compliance with the Delisting Guidelines.

No special resolution requiring a postal ballot is being proposed for the ensuing AGM.