

16th ANNUAL REPORT

2007-2008

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devki

Devki Leasing and Finance Limited

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Devki Leasing & Finance Limited, INDORE

BOARD OF DIRECTORS

BARMANAND BINDAL	NON EXECUTIVE CHAIRMAN
SUDHIR KUMAR BINDAL	MANAGING DIRECTOR
SUNIL KUMAR JAIN	INDEPENDENT DIRECTOR
MANOJ K SINGH	INDEPENDENT DIRECTOR

AUDITORS

A.B.DOSHI & CO.
Chartered Accountants
68. A.RADHA NAGAR COLONY
INDORE – (M.P.)

CONSULTING COMPANY SECRETARY

A. MEHTA & CO.
3-D, "PADM-PRABH"
11/3, MANORAMAGANJ
NEAR GEETA BHAWAN SQUARE,
INDORE – 452 001

BANKER

DENA BANK
SIYAGANJ BRANCH,
INDORE

SOLICITORS AND ADVOCATE

PANKAJ BAGDIA

REGISTRAR & SHARE TRANSFER AGENT

INTIME SPECTRUM REGISTRY LIMITED
C-13, PANNALAL SILK MILLS COMPOUND
LBS MARG, BHANDUP,
MUMBAI– 400 078

REGISTERED OFFICE

106. TAGORE CENTRE, REAR BLOCK 'B'
13-14, RNT MARG, INDORE – (M.P.)

NOTICE

NOTICE is hereby given that 16th Annual General Meeting of the Members of the **DEVKI LEASING & FINANCE LIMITED** will be held on Monday, the **29th day of September, 2008 at 3:00 P.M. at Tagore Centre, Block B, RNT Marg, Indore** of the company to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2008 attached with the Cash Flow Statement and Profit and Loss Account for the year ended that day together with the reports of the Auditors and Directors thereon.
2. To appoint a person in place of Shri Barmanand Bindal, who retires by rotation and being eligible offers himself for re-appointment.
3. To consider re-appointment of Statutory Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the board of
DEVKI LEASING & FINANCE LIMITED

INDORE
DATE: 30.06.08

BARMANAND BINDAL
CHAIRMAN

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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. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES TO EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FIXED FOR THE MEETING.
2. The Members are requested to:
 - a. Intimate changes, if any, in their registered addresses immediately and they must quote their ledger folio number in all their correspondence.
 - b. Hand over the enclosed attendance slip, duly signed in accordance with their specimen signatures registered with the company for attending the meeting.
 - c. Bring their Annual Report and Attendance Slips with them at the AGM venue.
3. The Register of Members and Share Transfer Books of the company shall remain closed from 27th September, 2008 to 29th September, 2008 (all the days inclusive).
4. The Management Discussions and Analysis together with the report under Corporate Governance requirements are attached to the report of the Directors as Annex -1 & 2.

5. Members seeking any information are requested to write to the company at least 10 days before the date of the AGM to enable the management to reply appropriately.
6. Members, who are holding physical shares in more than one folio, are requested to intimate to the Company/Registrar and Share Transfer Agent the details of all their folio numbers for consolidation into single folio.
7. Corporate Members intending to send their authorized representatives to attend the Annual General Meeting are advised to send a duly certified copy of the Board Resolution authorizing their representatives to attend and vote at the Meeting.

By order of the board of
DEVKI LEASING & FINANCE LTD

INDORE

DATE: 30.06.08

BARMANAND BINDAL
CHAIRMAN

**DETAILS OF THE DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT IN THE
ENSUING ANNUAL GENERAL MEETING**

Name of Directors	BARMANAND BINDAL
Date of Birth	10.09.1934
Date of Appointment	23.08.1994
Expertise / Experience in specific functional areas	Over 40 years experience in business
Qualification	B.SC,B.SC(Textile)
No. of Equity Shares held	157111
List of outside Company directorship held	NIL
Chairman / Member of the Committees of the Board of Directors of the Company	Member 1. Audit Committee
Chairman / Member of the Committees of the Board Directors of other Companies in which he is director	NIL

DIRECTORS' REPORT

To
The Members of,
Devki Leasing & Finance Limited, Indore

Your directors have pleasure in presenting their sixteenth Annual Report of your company together with audited accounts for the year ended on 31st March, 2008.

State of Company's Affairs:**Financial Results****Amount (Rs in Lakhs)**

Particulars	31st March, 2008	31st March 2007
Total Income	85.687	71.56
Depreciation	2.62	3.72
Interest & Fin Charges	37.40	24.58
Other Total Expenditure	32.96	33.95
Profit before Tax	12.71	9.41
Tax provisions	1.35	3.1
Net Profit for the year	5.94	5.44
Balance brought forward	36.84	31.41
Carried to Balance Sheet	42.13	36.84

Operations and Future Outlook:

In view of the current scenario and high interest rates in the finance sector, the performance of your company during the year under review has been satisfactory to the some extent. The top line has gone up while the bottom line has come down due to high finance cost. However your Directors are hopeful for better financial performance in the coming years.

Dividend:

Owing to inadequacy of profits, your directors do not recommend any dividend for this financial year.

Directors Responsibility Statement:

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, we confirm that:

01. in the preparation of the annual accounts, the applicable accounting standards have been followed;
02. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that have been 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 ;
03. the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities
04. the directors had prepared the annual accounts for the financial year ended 31st March, 2008 on a "going concern" basis ;

Directorate:

Shri Barmanand Bindal retire by rotation and being eligible, offers himself for reappointment. There is no other change in the composition of the Board of the Company.

Auditors :

M/s. A.B.DOSHI & CO., Chartered Accountants, Indore, the Statutory Auditors of the Company are retiring at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment. The Auditors' Report, read with relevant Notes is self explanatory and needs no further clarification.

Corporate Governance :

In terms of Clause 49 of the Listing Agreement, Board Report on Corporate Governance is forming part of this Balance Sheet. Management Analysis and Discussion report is also annexed herewith by the Board.

Subsidiary Company:

In terms of Sec 212 of the Companies Act, 1956, the full annual accounts of Devki Cyber Securities Private Limited are annexed herewith.

Public Deposits :

Your company has not accepted or invited any deposits from public within the meaning of Section 58 A of the Companies Act, 1956.

Particulars of Employees etc.

Your company did not have any person in employment who was in receipt of remuneration, whose particulars are to be included here under Sec 217 (2A) of the Companies Act read with Companies (Particulars of Employees) Rules 1975.

Energy Conservation and other Reporting u/s 217(1)(e) :

The provisions of Energy Conservation in terms of section 217 (1)(e) of the Companies Act, 1956, are not applicable on the company. Almost entire project technology in the company is indigenous, which needs no adaptation. Your company also did not have any foreign exchange earnings or out go your Directors place on record their sincere appreciation for the devoted performance of the employees of the company at all levels.

INDORE

DATE: 30.06.08

For and on behalf of the Board of
DEVKI LEASING & FINANCE LTD

BARMANAND BINDAL
CHAIRMAN

MANAGEMENT DISCUSSION & ANALYSIS REPORT

Industry Structure & Developments

The company is a non-banking finance company, a segment, where scope for growth always exist, but for large size companies having bigger infrastructure and deeper pockets because demand for finance would always have an upward trend. However, the small size companies shall not be able to reap such benefits because of lesser opportunities. This seems to continue, however, appropriate risk calculation and management is the key factor in designing and maintaining finance portfolio and earning profits under limited resources.

Segment- wise & Product – wise performance

The company belongs only to one segment; however, it has been deploying its resources into hire-purchase, securities trading, loans and advances. The company's management has made regular endeavors for improving operating efficiencies during the year under review and has increased its profitability.

Outlook

The company management has adopted due measures in cutting the expenditure account and marginally raising the income from operations. Investments of the company have also been strategically strengthened. The management of the company is also exploring the possibilities of advantageously combining the business of film distribution soon with the existing business of the company and thus, your directors are hopeful of a better financial performance in the years to come.

Risk & Concern

Profitability always gets affected on account of fluctuating saving and interest rates and high inflation and growing competition from large network finance companies and consumer service banking institutions.

Internal Control System and its adequacy

The company has adequate internal control procedures in commensuration with its size and nature of business at all desired levels.

Discussion on financial performance with respect to operational performance.

The financial performance of the company under reported circumstances have been directly related to efficiency in all areas of functional management such as marketing, human resources and finance. At present all these functional areas seem to be working in tandem and the majority of its credit goes to the deft managerial tactics and apt financial management by company's board.

Annexure – 2**CORPORATE GOVERNANCE REPORT****(forming part of the Directors' Report of Devki Leasing & Finance Limited, Indore)**

The importance of Corporate Governance lies in the contribution it makes to the overall growth and direction of the business, management accountability, transparency and equity with stakeholders. The provisions of Clause 49 of Listing Agreement are applicable on the company and accordingly, the following report is submitted.

1. Company's Philosophy

The company has outlined the procedures and practices as per the requirements of the corporate governance and steps have been taken to ensure transparency and accountability. The company would continue to follow the same with keeping objective of development on continuous basis.

2. Board of Directors

The Board of Directors of the company consists of persons with considerable entrepreneurial professional expertise and experience of trade, commerce and industry. The present composition is of two promotor directors and two independent professional directors. Out of this only one is executive in the company and working as the Managing Director. The particulars of the Board with their interest in other concern are presented before you in the following table:

Name of the Director	Interested in	Nature of interest
1. Shri Barmanand Bindal	Nil	Nil
2. Shri Sudhir Bindal	Nil	Nil
3. Shri Sunil Kumar Jain	Nil	Nil
4. Shri Manoj K Singh	Devki Cyber Securities Pvt Ltd	Director

3. Board Procedure

The Board generally meet to resolve upon or to review company's matters pertaining to planning, organizing, staffing, directing, co-coordinating and controlling but ensures to meet at least once in a calendar quarter. All major functional areas of management of the company i.e., finance, investment, human resources, marketing and internal administration find place in the deliberations amongst directors. Notice and agenda papers are sent to the directors reasonably in advance. The Board met seven times during the year review on 30.06.2007, 30.07.2007, 30.08.2007, 30.10.2007, 31.12.2007, 30.01.2008, 14.03.2008.

4. Directors Attendance:

Name of the Director	Attendance at the Board Meetings	Attendance at the General Meetings
1. Shri Barmanand Bindal	7	Yes
2. Shri Sudhir Bindal	7	Yes
3. Shri Sunil Kumar Jain	4	Yes
4. Shri Manoj K Singh	7	Yes

5. Board Committees

The company has formed two committees viz., Audit Committee and Share Transfer Committee. The composition and other information about the committees and their meetings are as under:

Audit Committee

This composition of the committee during the year has been as under:

- (i) Shri Sunil Kumar Jain - Chairman
- (ii) Shri Manoj K Singh - Member
- (iii) Shri Barmanand Bindal - Member

The Committee met 4 times during the year for the quarters of 30/06/2007, 30/07/2007, 31/10/2007, 30/01/2008

Share Transfer Committee

This composition of the committee during the year has been as under:

- (i) Shri Sudhir Bindal - Chairman
- (ii) Shri G. M. Pillai - Member
- (iii) Smt T. Manoj - Member

The committee met thirteen times at during the year on 31.01.2007, 28.02.07, 5.05.07, 08.06.07, 10.07.07, 13.08.07, 08.09.07, 09.10.07, 13.07.07, 08.12.07, 30.12.07, 12.02.08, 14.03.08.

6. Compliance Officer

Shri G. M. Pillai is the general legal compliance officer of the company.

7. Shareholders' Grievances

The company has not received any shareholder grievance during the year under review.

8. General Body Meeting

Location and time where last three years General Meetings were held:

AGM/EGM	Date	Location of the Meeting	Time
AGM -2005	30.09.2005	Reg. Off of the Company at Indore	3.00 pm
AGM -2006	25.09.2006	Reg. Off of the Company at Indore	3.00 pm
AGM - 2007	29.09.2007	Reg. Off of the Company at Indore	3.00 pm

9. Other Disclosures

Your company does not have any pending litigation with SEBI, Stock Exchange, Shareholders and ROC nor it does have any other material reportable information.