

EKAM LEASING AND FINANCE CO. LIMITED

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**12th
ANNUAL
REPORT
2004-2005**

EKAM LEASING AND FINANCE CO. LIMITED
ANNUAL REPORT – 2004-05

BOARD OF DIRECTORS

CHAIRMAN

Mr. Pradyuman Jain

DIRECTORS

Mr. Narendra Kumar Jain

Mr. Nirmal Kumar Jain

AUDITORS

M/s G.L. Gupta & Associates

Chartered Accountants

14, IInd Floor, U-158,

Vats Complex, Main Vikas Marg,

Shakarpur, Delhi – 110092.

BANKERS

State Bank of Bikaner & Jaipur, Faiz Road,

New Delhi-110005.

REGISTERED OFFICE

11, Rani Jhansi Road,

IInd Floor,

New Delhi – 110055.

12th ANNUAL GENERAL MEETING

Date : 30th September, 2005

Day : Friday

Time : 11.00 A.M.

Place : Khasra No. 36, Siraspur,
 G.T. Karnal Road,
 New Delhi – 110 042

Note

1. Members are requested to bring their copy of the Annual Report at the time of attending the Annual General Meeting. No extra copies of Annual Report shall be provided at the venue of the Annual General Meeting.
2. Members / Proxies should bring the attendance slip sent herewith duly filled in to attend the Meeting.

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NOTICE

Notice is hereby given that the **12th ANNUAL GENERAL MEETING** of the members of **EKAM LEASING AND FINANCE CO. LIMITED** will be held on Friday, the 30th September 2005 at 11 AM at Khasara No. 36, Siraspur, G.T. Karnal Road, Delhi 110 042 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Directors' Report, Auditors' Report along with the Audited Balance Sheet as on 31st March, 2005 and Profit & Loss A/c for the year ended on that date and Report of Directors' and Auditors thereon.
2. To appoint a Director in place of Sh. Narendra Kumar Jain who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint the Auditors hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and, if thought fit, to pass with or without modification(s), the following resolution as SPECIAL RESOLUTION

"RESOLVED THAT pursuant to the provisions of Section 17 of the Companies Act, 1956 approval of the company in general meeting be and is hereby accorded to alter the object clause of the Memorandum of Association of the company by inclusion of the following new objects as Item No. 4 after the existing object No. 3 in sub clause (A) of the Clause III thereof."

4. To carry on business of investment and for that purpose to subscribe, take, purchase or acquire by original subscription, contract, tender, purchase, exchange, underwriting, participate in syndicates or otherwise and whether or not fully paid up subject to such terms and / or conditions, as may be thought fit and to hold, sale, pledge, deal or otherwise dispose off shares whether fully paid up or partly paid, stocks, debentures, debenture stocks, bonds, obligations and securities issued or guaranteed by any Government, sovereign ruler, commissioners, public body or authorities, municipal, local or otherwise in any part of the world and to carry on leasing, finance, lending and investment activities, with or without security in Real Estate, and all kind of Agency Business.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds and things as may be deemed necessary or desirable or to settle any question or difficulty that may arise, in such manner as it may deem fit."

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NOTE : This resolution requires the consent of the shareholders through Postal Ballot for which necessary steps being taken as per the provisions of Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001.

By order of the Board of Directors

(Pradyuman Jain)
Director

Place : New Delhi
Date : 25/08/2005.

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/HER SELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. The instrument appointing a proxy should be deposited/ reached at the registered office of the company, not later than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books of the Company shall remain closed from Friday, the 23rd day of September 2005 to Friday, the 30th day of September 2005(Both days inclusive).
3. Member(s) desiring any information/ explanations on Accounts are requested to inform the Company at least one week before the meeting so as to enable the Management to keep the information ready. Replies will be provided only at the meeting.
4. Members/ proxies should bring the attendance slip sent herewith duly filled in to attend the Meeting.
5. Members are requested to immediately notify any change in their address, quoting their Ledger Folio No. to the Company's Registered Office.
6. In respect of the Special Resolution as per Item No. 4 of the Notice, this resolution is required to be passed through Postal Ballot pursuant to provisions of Companies (Passing of Resolution by Postal Ballot) Rules, 2001. A separate notice has been issued to the members in respect of the matter. The Chairman shall announce the result of the Postal Ballot in the ensuing Annual General Meeting. If the resolution is assented by the requisite majority of the shareholders, it shall be deemed to have been passed at the said Annual General Meeting [Sub-section (4) of Section 192A of the Companies Act, 1956].

By order of the Board of Directors

(Pradyuman Jain)
Director

Place : New Delhi
Date : 25/08/2005.

DIRECTORS' REPORT

TO THE MEMBERS OF EKAM LEASING & FINANCE CO. LIMITED

Your directors are pleased to have this opportunity to present the **12th ANNUAL REPORT** of the company along with an Audited Statement of Accounts for the Year ended 31st March, 2005.

FINANCIAL RESULTS

	(In Rs.) <u>2004 – 05</u>	(In Rs.) <u>2003 - 04</u>
Sales & Income from Operations	14,71,378	60,000
Total Expenditure	8,39,875	2,49,887
Profit/(Loss) before Provision / Tax	6,31,503	(1,89,887)
Provision for Taxation	15,000	-
Net Profit / (Loss)	6,16,503	(1,89,887)
Deficit brought forward from previous year	2,86,25,029	(2,84,35,142)
Deficit carried over to Balance Sheet	2,80,08,526	(2,86,25,029)
Share Capital	2,98,86,250	2,98,86,250

OVERALL PERFORMANCE

The year under review resulted in Net Profit of Rs. 6.16 Lacs as compared to Net Profit/(Loss) of Rs. (1.90) Lacs during the previous year. Due to depressing economic scenario, your Company has not been able to achieve the desired results. The turnover during the year has been Rs. 14.71 Lacs as against Rs.0.60 Lacs in the previous year. The management hopes to achieve even better performance in the following year.

DIVIDEND

In view of inadequacy of profits, your directors regret their inability to recommend payment of any dividend for the year.

FUTURE PROSPECTS

Your company is going to diversify in the field of finance activity, agency and real estate business, if all necessary approvals are obtained. In the present economic scenario, these activities have huge potentials in Indian market and the company via its strategic competency, operational efficiency and expanding its network will definitely make a mark. Members' approval by mean of passing of a Special Resolution through Postal Ballot is being sought for this purpose.

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 Directors' Report.

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REGISTRATION WITH RBI

The company had obtained the registration as Non-Banking Finance Company with the Reserve Bank of India. The Registration No. is 14-00332. The Company had complied with the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Direction, 1998.

DIRECTORS

In accordance with the provisions of Companies Act, 1956 and Company's Articles of Association Mr. Narendra Kumar Jain, retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

Mr. Narendra Kumar Jain and Mr. Nirmal Kumar Jain were appointed as Directors, by the Board of Directors of your company, to fill casual vacancy caused by resignation of Mr. Yogendra Kumar Baid and Mr. Mukesh Kamdar respectively on 5th day of August, 2005.

CORPORATE GOVERNANCE

Your company has taken a series of steps to implement all the measures as stipulated in Clause 49, relating to Corporate Governance, of the Listing Agreement with the stock exchanges, accordingly the Board of Directors in its meeting duly held on 5th day of August, 2005 constituted the Audit Committee, Remuneration Committee and Shareholders Grievance Committee. All other requirements of the Code of Corporate Governance further being implemented.

Comprehensive report on the compliance with the mandatory provisions of Clause 49 of the Standard Listing Agreement and the Auditor's certificate confirming the compliance of the conditions on Corporate Governance will form part of next Annual Report.

AUDITORS

G. L. Gupta & Associates, Auditors of the company who retire at the conclusion of this Annual General Meeting and being eligible have offered themselves for re-appointment. Your Directors recommend their re-appointment for the remuneration to be decided mutually.

The notes to the accounts referred to in the Auditor's Report and the observations made in the Report under Companies (Auditor's Report) Order, 2003 are self-explanatory and therefore do not call for any further comments.

DIRECTORS' RESPONSIBILITY STATEMENT

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors state:

- (i) That in the preparation of the Annual Accounts, the applicable accounting standards have been followed.
- (ii) That the accounting policies selected and applied are consistent and the judgements and estimates made are 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 or loss of the Company for that period;
- (iii) That proper and sufficient care has been taken 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;
- (iv) That the Statement of Accounts have been prepared on a going concern basis.