

EKAM LEASING AND FINANCE CO. LIMITED

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**15th
ANNUAL
REPORT
2007-2008**

BOARD OF DIRECTORS

CHAIRMAN

Mr. Prakash Chand Didwania

DIRECTORS

Mr. Bimal 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

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15th ANNUAL GENERAL MEETING

Date : 29th Sept. 2008

Day : Monday

Time : 10:30 A.M.

Place : 721 Village Siraspur,
G.T. Karnal Road,
Delhi - 110042

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

ANNUAL REPORT - 2007-08

NOTICE

Notice is hereby given that the **FIFTEENTH ANNUAL GENERAL MEETING** of the members of **EKAM LEASING AND FINANCE CO. LIMITED** will be held at 721 Village Siraspur, G.T. Karnal Road, Delhi-110 042 on Monday, the 29th day of September 2008 at 10.30 AM 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, 2008 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. Nirmal Kumar Jain who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. G. L. Gupta & Associates, New Delhi *Chartered Accountants* the retiring Auditors, as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

SPECIAL BUSINESS

ITEM NO. 4.

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

"RESOLVED THAT Prakash Chand Didwania, who was appointed on 19.11.2007, as an additional director of the company under section 260 of the Companies Act, 1956 by the Board of Directors and who ceases to hold office on the date of this Annual General Meeting of the Company and in respect of whom the company has received notice under section 257 of the Companies Act, 1956 signifying his intention to propose his candidature for the office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

ITEM NO. 5.

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

"RESOLVED THAT Bimal Kumar Jain, who was appointed on 03.12.2007, as an additional director of the company under section 260 of the Companies Act, 1956 by the Board of Directors and who ceases to hold office on the date of this Annual General Meeting of the Company and in respect of whom the company has received notice under section 257 of the Companies Act, 1956 signifying his intention to propose his candidature for the office of the Director, be and is hereby appointed as Director of the Company, liable to retire by rotation."

By order of the Board of Directors
FOR EKAM LEASING & FINANCE CO. LIMITED

Registered Office:

11th Floor,
11, Rani Jhansi Road,
New Delhi - 110 055.

Place: New Delhi
Date : 2nd September 2008

PRAKASH CHAND DIWANIA
CHAIRMAN

NOTES:-

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, VOTE INSTEAD OF HIMSELF. PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. An Explanatory Statement for items Nos. 4 & 5, pursuant to Section 173(2) of the Companies Act, 1956 is annexed to the notice.
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. Members/ proxies should bring the attendance slip sent herewith duly filled in to attend the Meeting.
4. Members are requested to immediately notify any change in their address, quoting their Ledger Folio No. to the Company's Registered Office.
5. The Register of Members and Share Transfer Books of the Company shall remain closed from Wednesday, the 24th September 2008 to Monday, the 29th September 2008 (Both day inclusive).
6. Brief resume of Mr. Nirmal Kumar Jain, Mr. Prakash Chand Didwania & Mr. Bimal Kumar Jain who is proposed to be appointed as Directors at the Annual General Meeting: Mr. Nirmal Kumar Jain, 46 years is a graduate having vast knowledge and experience in business and corporate functioning. His expertise in specific functional areas includes finance, investment and management. He had no other public limited company director ship and or committee membership. Mr. Prakash Chand Didwania, aged about 30 years, is a graduate in B.com (Hons) having experience of over ten years in accounts and taxation. Mr. Didwania had no other public limited company director ship and or committee membership. Mr. Bimal Kumar Jain aged around 41 years have entrepreneur skills in various fields including trading and real estate.

Annexure to Notice**Explanatory Statement under Section 173(2) of the Companies Act, 1956****Item No. 4**

Mr. Prakash Chand Didwania was appointed on 19th November, 2007 as an Additional Director of the company by the Board of Directors under section 260 of the Companies Act, 1956, and ceases to hold office on the date of ensuing Annual General Meeting. The company has received notice under section 257 of the Companies Act, 1956 in respect of Mr. Prakash Chand Didwania signifying intention to propose his candidature for the office of the Director. The appointment of Mr. Prakash Chand Didwania requires approval of the members of the Company in General Meeting by passing Ordinary Special resolution.

Your Board commends passing of above resolution as an ordinary resolution.

None of the Directors is interested in the above resolution except Mr. Prakash Chand Didwania in his own appointment.

Item No. 5

Mr. Bimal Kumar Jain was appointed as an Additional Director of the company on 3rd December, 2007, under section 260 of the Companies Act, 1956 by the Board of Directors and ceases to hold office on the date of ensuing Annual General Meeting. The company has received notice under section 257 of the Companies Act, 1956 in respect of Mr. Bimal Kumar Jain, signifying intention to propose his candidature for the office of the Director. The appointment of Mr. Bimal Kumar Jain requires approval of the members of the Company in General Meeting by passing Ordinary Special resolution.

Your Board commends passing of above resolution as an ordinary resolution.

None of the Directors is interested in the above resolution except Mr. Bimal Kumar Jain in his own appointment.

By order of the Board of Directors
FOR EKAM LEASING & FINANCE CO. LIMITED

PRAKASH CHAND DIWANIA
CHAIRMAN

Place: New Delhi
Date : 2nd September 2008

DIRECTORS' REPORT

**TO
THE MEMBERS OF
EKAM LEASING AND FINANCE CO. LIMITED**

Your Directors are pleased to have this opportunity to present the FIFTEENTH ANNUAL REPORT of the Company along with and Audited Statement of Accounts for the year ended 31st March, 2008.

FINANCIAL RESULTS*(amount in Rs.)*

	2007-2008	2006-2007
Sales/ Income from operations	1,56,427	1,20,000
Total Expenditure	1,35,152	1,64,798
Profit / (Loss) before Tax & Provision for NPA	21,275	(44,798)
Provision for Tax	6,600	630
Net Profit / (Loss)	14,675	(17,614)
Deficit brought forward from previous year	2,81,30,934	2,80,85,506
Deficit carried over to Balance Sheet	2,81,16,259	2,81,03,120
Share Capital	2,98,86,250	2,98,86,250

OVERALL PERFORMANCE

The year under review resulted in Net Profit of Rs. 0.15 Lac as compare to Net (Loss) of Rs. (0.18) lacs during the previous year. The Income from operations during the year has been Rs. 1.56 Lacs as against Rs. 1.20 lacs in the previous year.

Due to huge Non-Performing Assets, entire net worth of the company had eroded and the financials of the Company are very depressing. However, the Management of the Company is trying its' hard to make the company profitable by means of diversification of activities, accordingly your consent was obtained through postal ballot to diversify company's activities in the area of finance activity, agency and real estate business and accordingly mail objects of the company were altered. Management of your company hopes to achieve better performance in the following years

DIVIDEND

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

CORPORATE GOVERNANCE

As per the Listing Agreement with the Stock Exchanges, your Company was required to implement various requirements of Corporate Governance. Your Company had taken adequate steps to ensure compliance of the requirements of Corporate Governance and accordingly, pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis, Corporate Governance Report and Auditors' Certificate regarding compliance of conditions of Corporate Governance is made part of this Annual Return.

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.

AUDITORS

M/s. G.L. Gupta & Associate *Chartered Accountants*, New Delhi, Auditors of the company, retire from their office. They are, however, eligible for re-appointment. Pursuant to Section 224(1B) of the Companies Act, 1956 they have confirmed their eligibility for re-appointment as the Auditors of the company. Members are requested to consider their re-appointment.

The observations of the Auditors in their report on Annual Accounts of the Company read with the relevant notes are self explanatory and therefore do not call for any further comments.

DIRECTORS

In accordance with the provisions of Companies Act, 1956 and Company's Articles of Association, Mr. Nirmal Kumar Jain retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment Mr. Prakash Chand Didwania & Mr. Bimal Kumar Jain who had been appointed as additional Directors and in respect of whom notice under section 257 has been received by the Company are recommended to be appointed as directors liable to retire by rotation.

DIRECTORS RESPONSIBILITY STATEMENT

The information required to be furnished in terms of section 217 (2AA) of the Companies Act, 1956 are set out hereunder:

Your Directors confirmed:

- i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) that the directors had selected such accounting policies and applied them consistently and made judgments and estimates that 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 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 fraud and other irregularities;
- iv) that the directors had prepared the annual accounts on a going concern basis.

PARTICULARS AS PER SECTION 217 OF THE COMPANIES ACT, 1956

Your company does not have any employee, whose particulars are required to be given under the provision of section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended up to date we further report that with a view to safeguard our interest, we have appointed our nominee director on the Board of Directors of Hilton Rubbers Limited.

Disclosure with respect to *Conservation Of Energy, Technology Absorption & Foreign Exchange Earning And Outgo*, pursuant to section 217 (1)(e) of the Companies Act, 1956 is not applied to the Company.

LISTING OF SHARES

The Shares of the Company are listed at the Stock Exchanges at Delhi, Mumbai & Ludhiana. Listing fees was not paid for the Stock Exchanges at Delhi, Mumbai & Ludhiana for last several years. However, management of your company is willing to pay the entire outstanding listing fee. Accordingly, outstanding fee due to Bombay Stock Exchange has been substantial paid and arrangements are being made to remit the remaining dues at earliest possible.

FIXED DEPOSITS

The Company has not accepted any fixed deposits till date within the meaning of Section 58A of the Companies Act, 1956 and rules made there under.

ACKNOWLEDGEMENT

Your Directors place on record their warm appreciation of the assistance and cooperation extended by various Government Departments, Authorities, Reserve Bank of India, Business Partners etc. Your Directors also place on record their deep appreciation of the support provided by the Bankers associated with the company.

Your support as shareholders is greatly value. Your directors thank you and look forward to your continuance support.

On behalf of the Board

Place: New Delhi
Date : 2nd September 2008

Prakash Chand Didwania
Chairman

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

Corporate Governance, as *Ekam Leasing & Finance Co. Limited* believes, is an integral part of values, ethics and the business practices followed by the company. The company's philosophy on Corporate Governance can be described as observing of business practices with the ultimate aim of enhancing long-term shareholders value and commitment to high standard of business ethics.

2. COMPOSITION OF BOARD OF DIRECTORS:

(A) Presently the Board of the company consists of three Directors with an optimum combination of Directors. The composition of the Board is in conformity with the Listing Agreement. The Board meets regularly and is responsible for the proper direction and management of the Company. The composition of the Board, number of meetings held, attendance of the Directors at the Board Meetings and last Annual General Meeting and number of Directorship and Chairmanship / Membership of committees in other companies in respect of each Director is given herein below:

Name of Directors	Category	Attendance particulars		
		at Board Meetings held during 2007-2008		at AGM held on 29/09/2007
		Held	Attended	
Chairman Mr. Prakash Chand Didwania (Appointed w.e.f 19.11.2007)	Independent Non-Executive	7	3	No
Directors Mr. Nirmal Kumar Jain	Independent Non-Executive	7	7	Yes
Mr. Bimal Kumar Jain (Appointed w.e.f 03.12.2007)	Independent Non-Executive	7	2	No
Mr. Narendra Kumar Jain (Resigned w.e.f 03.12.2007)	Promoter & Non-Executive	7	5	No
Mr. Pradyuman Kumar Jain (Resigned w.e.f 19.11.2007)	Independent Non-Executive	7	4	Yes

None of the Directors is either Director of and Chairman or Member of committees in other public limited companies. Mr. Prakash Chand Didwania and Mr. Bimal Kumar Jain were appointed as Directors on 19th November, 2007 & 3rd December, 2007 respectively and during there tenure only Three and Two Board Meetings respectively were held.

(B) Date and No. of Board Meetings held

During the Financial year ended March 31, 2008, the Board met seven times on 30th April 2007, 31st July 2007, 25th August 2007, 31st October 2007, 29th November, 2007, 3rd December, 2007 and 31st January 2008.

3. AUDIT COMMITTEE:

(A) The Audit Committee of the company was reconstituted during the financial year and presently consists of three Non-Executive independent Directors. The Chairman of the committee is an