

**EKAM LEASING AND FINANCE
CO. LIMITED**

**17th
ANNUAL
REPORT
2009-2010**

EKAM LEASING AND FINANCE CO. LIMITED
ANNUAL REPORT – 2009-10

BOARD OF DIRECTORS

CHAIRMAN

Mr. Prakash Chand Didwania

DIRECTORS

Mr. Bimal Kumar Jain (Resigned on 22/6/2010)

Mr. Nirmal Kumar Jain

Mr. Narendra Kumar Jain (Appoint on 22/6/2010)

AUDITORS

M/S G.L GUPTA & ASSOCIATES

Chartered Accountants

14, IIInd 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,

IIInd Floor,

New Delhi – 110055

17 th ANNUAL GENERAL MEETING	
Date	: 30 th Sept. 2010
Day	: Thursday
Time	: 9.00 A.M.
Place	: IIIrd Floor, 14, Rani Jhansi Road, New Delhi – 110055

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 **SEVENTEENTH ANNUAL GENERAL MEETING** of the members of **EKAM LEASING AND FINANCE CO. LIMITED** will be held at 3rd Floor, 14, Rani Jhansi Road, New Delhi-110055, on Thursday, the 30th day of September 2010 at 9.00 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, 2010 and Profit & Loss Account 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.

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

Registered Office:

IInd Floor,
11, Rani Jhansi Road,
New Delhi – 110 055.

Place : New Delhi
Date : 1st September 2010

PRAKASH CHAND DIWANIA
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, 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. 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.
3. Members are requested to immediately notify any change in their address, quoting their Ledger Folio No. to the Company's Registered Office.
4. The Register of Members and Share Transfer Books of the Company shall remain closed from Saturday, the 25th September 2010 to Thursday, the 30th September 2010 (Both day inclusive).
5. Brief resume of Mr: Nirmal Kumar Jain who is proposed to be re- appointed as Directors at the Annual General Meeting as required under clause 49 of the listing agreement:
Mr. Nirmal Kumar Jain, 48 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 directorship except in M/s Chandra Prabhu Overseas Ltd.

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

Place : New Delhi
Date : 1st September 2010

PRAKASH CHAND DIWANIA
CHAIRMAN

DIRECTORS' REPORT

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

Your Directors are pleased to have this opportunity to present the SEVENTEENTH ANNUAL REPORT of the Company along with and Audited Statement of Accounts for the year ended 31st March, 2010.

FINANCIAL RESULTS

(Amount in Rs.)

	2009-2010	2008-2009
Sales/ Income from operations	1,63,12,800.00	15,21,152.00
Total Expenditure	2,96,45,636.00	2,37,156.00
Profit / (Loss) before Tax & Provision for NPA	(1,33,32,836.00)	12,83,996.00
Provision for Tax	Nil	1,50,000.00
Tax Related to earlier years	1,83,833.00	Nil
Net Profit / (Loss)	(1,35,16,669.00)	11,33,996.00
Deficit brought forward from previous year	(2,69,82,262.87)	(2,81,16,259.00)
Deficit carried over to Balance Sheet	(1,15,03,155.87)	2,69,82,262.87
Share Capital	3,00,00,000.00	2,98,86,250.00

OVERALL PERFORMANCE

The year under review resulted in Net Loss of Rs. 135.17 Lacs as compare to Net Profit of Rs. 11.34 Lacs during the previous year. The Income from operations during the year has been Rs. 163.13 Lacs as against Rs. 15.21 lacs in the previous year.

The performance of the company has improved further during the year under review. The management of the company has positive outlook for the future and hopefully to have impetus to the growth.

DIVIDEND

In view of the loss for the year, your directors do not 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 Report.

FUTURE PROSPECTS

The Board expects that the Company will continue to improve its overall performance and excel to enhance the profitability of the Company, in the present economic scenario and growth momentum of Indian economy, via its strategy competency, operational efficiencies. We expect a robust growth and enhanced market share on the strength of its existing product portfolio, operational efficiency and enhanced network alongwith the successful implementation of strategies in future.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forward-Looking Statements:

Certain statements in this MD&A Report which are not historical facts constitute forward-looking statements or forward-looking information within the meaning of applicable laws ("forward-looking statements"). Forward-looking statements are based on certain assumptions and expectations of future events. The Company cannot guarantee that these assumptions and expectations are accurate or will be realized. The Company's actual results, performance or achievements could thus differ materially from those projected in any such forward-looking statements. The Company assumes no responsibility to publicly amend, modify or revise any forward looking statements, on the basis of any subsequent developments, information or events.

Ekam Leasing & Finance Co. Ltd. registered with RBI as a non banking financial company(non deposit accepting), professionally managed Company where customer-satisfaction is of paramount consideration and matters most above all others.

The Industry: Opportunities & Threats:

Non-banking financial companies (NBFCs) are fast emerging as an important segment of Indian financial system. It is an heterogeneous group of institutions (other than commercial and co-operative banks) performing financial intermediation in a variety of ways, like accepting deposits, making loans and advances, leasing, hire purchase, etc. They raise funds from the public, directly or indirectly, and lend them to ultimate spenders. They advance loans to the various wholesale and retail traders, small-scale industries and self-employed persons. Thus, they have broadened and diversified the range of products and services offered by a financial sector. Gradually, they are being recognised as complementary to the banking sector due to their customer-oriented services; simplified procedures; attractive rates of return on deposits; flexibility and timeliness in meeting the credit needs of specified sectors; etc.

Non-banking financial companies (NBFCs) form an integral part of the Indian financial system. The history of the NBFC Industry in India is a story of under-regulation followed by over-regulation. Policy makers have swung from one extreme position to another in their attempt to set controls and then restrain them so that they do not curb the growth of the industry. This report covers the industry.

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A developing economy like India always craves for financial resources. Demand for credit is great and often organized traditional financing institutions (like banks and financial institutions) do not meet such demand thus creating a space for other types of financing. Money lender is an age old institution filling such space. Opening up of economy gave a further boost to the demand for credit.

Business Outlook and Overview:

After a long depressing performance in the past, the Company with its pragmatic approach in line with the objectives of Long-term growth, is developing the strategic competency and enhancing its operational efficiencies. Our strategy to enhance scale of operations, strengthen business, where we have competencies.

Company's future earnings largely depend upon successful implementation of its strategies in its core competence portfolio. Further the Company is going to enlarge its area and scale of operations to the existing portfolio to capture business opportunities growth and to consolidate customer relationship this year.

Performance:

The Gross Income was at Rs 163.13 Lacs as compared to Rs 15.21 lacs in the previous period. Loss for the year after tax is at (Rs 135.17 Lac) as against profit after tax of the previous year of Rs. 11.33 Lacs, this was due the bad debts written off during the year.

Internal Control Systems and Cost:

The Company endeavors to ensure that an adequate internal control system is in place. The company has undertaken an extensive exercise to control the overall cost and to explore and finalise ways of cost reduction and optimizing resources.

Human Resource Development:

Ekam Leasing & Finance Co. Ltd. strives to create a culture of openness and empowerment amongst its employees and provide good career development. The Company is committed to the welfare of the employees and their families. The Company believes that human resources are the key resources for the success of any organisation.

Your Company belief in trust, transparency & teamwork to improve employee's productivity at all levels.

REGISTRATION WITH RBI

The Company being a Non-Banking Finance Company(NBFC) and is registered with the Reserve Bank of India(RBI), with RBI Registration No. 14-00332. The Company had complied with the **Non-Banking Financial (Non - Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2007** as amended.

AUDITORS

M/s. G.L. Gupta & Associates, *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

During the year under review, there was no change in the Directorship of the company.

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 re-appointment. Mr. Nirmal Kumar Jain is recommended to be appointed as a director liable to retire by rotation.

On 22nd June, 2010, Mr. Narendra Kumar Jain was appointed as a Director of the company to fill the casual vacancy caused due to resignation of Mr. Bimal Kumar Jain, Director of the company.

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.

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 on Bombay Stock Exchange, Delhi Stock Exchange and Ludhiana Stock Exchange. The listing fees are paid in full to all the stock exchanges during the year. Delhi stock exchange has revoked suspension of the trading in the shares of the company. The company is endeavoring for revocation of suspension of trading in shares with Bombay and Ludhiana Stock Exchange.

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.

For & On behalf of the Board

Prakash Chand Didwania
Chairman

Place: New Delhi
Date : 1st September 2010