

**EKAM LEASING AND FINANCE
CO. LIMITED**

**18th
ANNUAL
REPORT
2010-2011**

BOARD OF DIRECTORS

CHAIRMAN & MANAGING DIRECTOR

Mr. Rakesh Jain

DIRECTORS

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

Mr. Vikas Kucheria (Appointed on 10/01/2011)

Mr. Vishal Jain (Appoint on 11/3/2011)

Mr. Prakash Chand Didwania(resigned on 10/01/2011)

Mr. Nirmal Kumar Jain (resigned on 11/03/2011)

Mr. Bimal Kumar Jain(resigned on 22/06/2011)

**COMPANY SECRETARY AND
COMPLIANCE OFFICER**

Ms. Anshu Raghuvanshi

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

18 th ANNUAL GENERAL MEETING	
Date	: 24 th September, 2011.
Day	: Saturday
Time	: 10.00 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

NOTICE

Notice is hereby given that the **EIGHTEENTH 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 Saturday, the 24th day of September, 2011 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2011 and Profit & Loss A/c for the year ended on that date alongwith 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 him for reappointment.
3. To appoint **M/s G. L. Gupta & Associates, Chartered Accountants** New Delhi, the retiring auditor as the Statutory Auditors of the Company who 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(ES)

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

4. APPOINTMENT OF MR. RAKESH JAIN AS A DIRECTOR

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 255 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Rakesh Jain, who was appointed as an additional director of the Company pursuant to Section 260 of the Companies Act 1956 and holds office upto the date of this Annual General Meeting, be and is hereby appointed as Director of the Company."

5. APPOINTMENT OF MR. VISHAL JAIN, AS A DIRECTOR

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 255 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vishal Jain, who was appointed as an additional director of the Company pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting, be and is hereby appointed as Director of the Company liable to retire by rotation."

6. APPOINTMENT OF MR. VIKAS KUCHERIA AS A DIRECTOR

To consider and, if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

"RESOLVED THAT pursuant to Section 255 of the Companies Act, 1956 and Articles of Association of the Company, Mr. Vikas Kucheria, who was appointed as an additional director of the Company

pursuant to Section 260 of the Companies Act, 1956 and holds office upto the date of this Annual General Meeting, be and is hereby appointed as Director of the Company liable to retire by rotation."

7. APPROVAL TO THE APPOINTMENT OF RAKESH JAIN, MANAGING DIRECTOR

"RESOLVED THAT pursuant to the provisions of Section 198, 269 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act' 1956 including any modification(s), reenactments thereof, the approval of the members of the Company be and is hereby accorded to the appointment of Mr. Rakesh Jain as Managing Director of the Company for a period of 3 Years commencing from 15th December, 2010 on the following terms & conditions:

SALARY: Rs. 30,000/- with suitable increase and revision as approved by the Board / committee

PERQUISITES:

- Reimbursement of fuel expenses incurred in running of car for company's business and also mobile phone.
- Reimbursement of traveling, entertainment and all other expenses incurred for the business of the company.

OTHER TERM & CONDITIONS:

- a) The Managing Director shall be responsible for overall management and control of the operations of the company. The Managing Director shall perform his duties and exercise his powers subject to the supervision and control of the Board.
- b) The Managing Director shall use his best endeavors to promote the interest of the company and shall not hold any other whole time employment / assignment of whatsoever nature. However, he may hold non-Managing directorship of any other company whether incorporated in India or abroad.
- c) The Managing Director shall not be paid any sitting fee for attending meetings of the Board / committee thereof.
- d) During his tenure as Managing Director, Mr. Rakesh Jain shall not be subject to retirement by rotation.
- e) In the event of any amendment or modification of the Companies Act, 1956 and subject to the approval of shareholders in general meeting, if required, the remuneration and perquisites payable to Managing Director may be varied by the Board.

RESOLVED FURTHER THAT the salary and perquisites as detailed herein above be paid to Mr. Rakesh Jain as minimum remuneration provided that in case of loss / inadequacy of profits, the remuneration payable to Mr. Rakesh Jain shall be subject to part II of Schedule XIII of Companies Act, 1956."

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 : 24th August, 2011

RAKESH JAIN
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. 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.
3. Members/ proxies should bring the attendance slip sent herewith duly filled in to attend the Meeting.
4. Members, who holds shares in physical form, are requested to immediately notify any change in their address, quoting their Ledger Folio No. to the Company's Registered Office.
5. M/s. Alankit Assignments Limited, 2E/21 Jhandewalan Extension New Delhi-110055, have been appointed, as Registrar and Share Transfer Agent of the company and the tripartite agreement has been entered into between National Securities Depository Limited (NSDL) & Central Depository Services (I) Limited(CDSL), the Company and Alankit Assignments Limited, to provide connectivity with both the Depositories, in pursuance of Regulation 29 (3) and 53 of the Securities and Exchange Board of India (Depositories and Participants) Regulations, 1996". Members may avail of the facility of dematerialization by utilizing their Demat account and the members who do not have Demat account may open Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get equity Share Certificates held by them dematerialized.
6. Members having multiple folios are requested to intimate to the Company such folios to enable the Company to consolidate all Shareholdings into one folio.
7. The Register of Members and Share Transfer Books of the Company shall remain closed from Monday, the 19th September 2011 to Saturday, the 24th September 2011 (Both day inclusive).
8. Brief resume pursuant to Clause 49 of the listing agreement of the directors proposed to be appointed/reappointed at the Annual general Meeting, nature of their expertise in specific functional Areas and name of Companies in which they hold directorship, are given hereunder:

Mr. Rakesh Jain aged about 45 years is a Commerce graduate and has vast experience of around 11 years in the fields of marketing and strategies. He has worked with reputed organizations in the past and has the ability and leadership qualities to drive the organisation. Mr. Rakesh Jain holds other directorship in 1) Jet Air Securities Pvt. Ltd., 2) Srimati Trading Co. Pvt. Limited and 3) Mahalaxmi Overseas Pvt. Ltd.

Mr. Narendra 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. Other directorship of Mr. Narendra Kumar Jain is in NKJ Securities Pvt. Limited.

Mr. Vikas Kucheria aged about 39 years is a graduate from Delhi University and is an Entrepreneur having vast experience and expertise in the field of Project Implementation in Drilling and Infrastructure. Mr. Vikas Kucheria holds directorship in M/s Mahalaxmi Teleinfra Pvt. Ltd.

Mr. Vishal Jain aged about 28 years is MBA (Finance) and has expertise and experience in the field of finance, Accounts and taxation. Mr. Vishal Jain is director in PNK Investments Pvt. Limited.

9. **Green Initiative in the Corporate Governance–Registration of email address**

The members are requested to register email address with the Depository Participant/ the Registrar and Share Transfer Agent of the Company, i.e. Alankit Assignments Limited, as the case, may be, for service of documents.

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

Place : New Delhi
Date : 24th August, 2011

RAKESH JAIN
CHAIRMAN

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956

Item No. 4

Mr. **Rakesh Jain** who was appointed as Additional Director of the Company under section 260 of Companies Act, 1956 on 15th December, 2010 and hold office upto the date of this Annual General Meeting, The Company has received notice in writing under Section 257 of the Companies Act, 1956, along with a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation, requires approval of Members of the Company to be regularized as Director of the Company.

None of the directors except Mr. Rakesh Jain himself is interested or concerned in any way, in the appointment.

Item No. 5

Mr. **Vishal Jain** who was appointed as Additional Director of the Company under section 260 of Companies Act, 1956 on 11th March, 2011 and hold office upto the date of this Annual General Meeting, The Company has received notice in writing under Section 257 of the Companies Act, 1956, along with a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation, requires approval of Members of the Company to be regularized as Director of the Company.

None of the directors except Mr. Vishal Jain himself, is interested or concerned in any way, in the appointment.

Item No. 6

Mr. **Vikas Kucheria** who was appointed as Additional Director of the Company under section 260 of Companies Act, 1956 on 10th January, 2011 and hold office upto the date of this Annual General Meeting, The Company has received notice in writing under Section 257 of the Companies Act, 1956, along with a requisite deposit, proposing his candidature for the office of Director liable to retire by rotation, requires approval of Members of the Company to be regularized as Director of the Company.

None of the directors except Mr. Vikas Kucheria himself, is interested or concerned in any way, in the appointment.

Item no. 7

Approval to the Appointment of Rakesh Jain, Managing Director

The Board of directors of the Company, subject to approval of members, had appointed Mr. Rakesh Jain as Managing Director of the Company for a period of 3 Years commencing from 15th December, 2010 for a period of three years at a monthly remuneration of Rs. 30,000/- with suitable increase and revision as approved by the Board / committee and on the terms and conditions as set out in the resolution itself, pursuant to the provisions of Section 198, 269 & 309 read with Schedule XIII and other applicable provisions, if any, of the Companies Act' 1956 including any modification(s), reenactments thereof.

The Board recommends the resolution for approval of members as an ordinary resolution to the appointment of Mr. Rakesh Jain as Managing Director.

None of the directors except Mr. Rakesh Jain himself is interested or concerned in any way, in the appointment.

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

Place : New Delhi
Date : 24th August, 2011

RAKESH JAIN
CHAIRMAN

DIRECTORS' REPORT

TO THE MEMBERS OF EKAM LEASING AND FINANCE CO. LIMITED

Your Directors are pleased to have this opportunity to present the **EIGHTEENTH ANNUAL REPORT** of the Company along with and Audited Statement of Accounts for the year ended 31st March, 2011.

FINANCIAL RESULTS

(Amount in Rs.)

	<u>2010-2011</u>	<u>2009-2010</u>
Sales/ Income from operations	28,32,207.00	1,63,12,800.00
Total Expenditure	15,26,769.00	2,96,45,636.00
Profit / (Loss) before Tax & Provision for NPA	13,05,438.00	(1,33,32,836.00)
Provision for Tax	2,42,000.00	Nil
Tax Related to earlier years	4.00	1,83,833.00
Net Profit / (Loss)	10,63,434.00	(1,35,16,669.00)
Deficit brought forward from previous year	(1,15,03,155.87)	(2,69,82,262.87)
Deficit carried over to Balance Sheet	(104,397,21.87)	(1,15,03,155.87)
Share Capital	3,00,00,000.00	3,00,00,000.00

OVERALL PERFORMANCE

The year under review resulted in Net Profit of Rs. 10.63 Lacs as compare to Net Loss of Rs. 135.16 Lacs during the previous year. The Income from operations during the year has been Rs. 28.32 Lacs as against Rs. 163.12 Lacs in the previous year.

During the year under review the financial performance of the Company has declined gradually. However the management with new and improved planning measures hopes to improve the results in future.

DIVIDEND

In view of the Insignificant Profit for the year, requirement of funds for business operations and expansion/diversification plans, 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.

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.