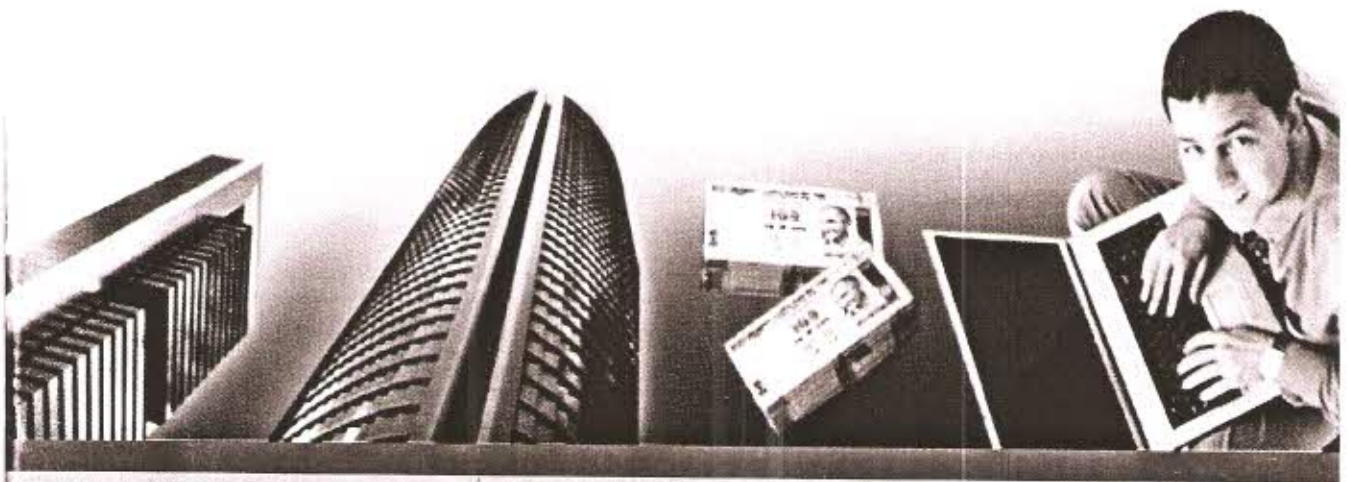


# EKAM LEASING AND FINANCE CO. LIMITED



## 20th ANNUAL REPORT 2012-2013

**CHAIRMAN CUM MANAGING DIRECTOR** Mr. Rakesh Jain

**DIRECTORS**

Mr. Narendra Kumar Jain  
Mr. Vikas Kucheria  
Mr. Vishal 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**

3<sup>rd</sup> Floor, 14, Rani Jhansi Road,  
New Delhi – 110055

**REGISTRAR & SHARE  
TRANSFER AGENT**

M/s. Alankit Assignments Limited  
2E/21, Jhandewalan Extn.  
New Delhi - 110055

20 <sup>th</sup> ANNUAL GENERAL MEETING	
Date	: 25 <sup>th</sup> September, 2013
Day	: Wednesday
Time	: 11.00 A.M.
Place	: 3 <sup>rd</sup> 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.

**EKAM LEASING AND FINANCE CO. LIMITED**  
**ANNUAL REPORT – 2012-13**

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**NOTICE**

Notice is hereby given that the **TWENTIETH ANNUAL GENERAL MEETING** of the members of **EKAM LEASING AND FINANCE CO. LIMITED** will be held at 3<sup>rd</sup> Floor, 14, Rani Jhansi Road, New Delhi-110055, on Wednesday, the 25<sup>th</sup> day of September, 2013 at 11.00 A.M. 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 31<sup>st</sup> March, 2013 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. Vishal Jain, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint M/s. G. L. Gupta & Associates, Chartered Accountants New Delhi, 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 of  
**EKAM LEASING & FINANCE CO. LIMITED**

**Registered Office:**

III<sup>rd</sup> Floor,  
14, Rani Jhansi Road,  
New Delhi – 110 055.

Place: New Delhi  
Date: 28<sup>th</sup> August, 2013

**RAKESH JAIN**  
**CHAIRMAN**



**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 AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING A PROXY, IN ORDER TO BE VALID AND EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE SCHEDULE TIME OF THE MEETING.
2. The Register of members will be closed from Thursday 19th September, 2013 to Wednesday 25th September, 2013 (both days inclusive) under section 154 of Companies Act 1956 for the purpose of the 20th Annual General Meeting of the company.
3. The members holding shares in physical form are requested to intimate to the registrar and Transfer Agent, Alankit Assignments Ltd, 2E/21, Jhandewalan Extn., New Delhi – 110055, change of address, if any, at the earliest quoting their registered folio number. Change of address in respect of shares held in demat form is required to be intimated to the concerned Depository Participant.
4. Members seeking any information with regard to accounts or operations are requested to write to the Company at an early date, preferably at least seven days prior to the date of meeting, so as to enable the management to keep the information ready.
5. Members/Proxies should bring the attendance slips duly filled in for attending the meeting. Members who hold shares in dematerialized form are requested to bring their client ID and DPID numbers for easy identification of attendance at the meeting.
6. 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 herein under:

**Resume of Mr. Vishal Jain**

Mr. Vishal Jain aged about 30 years is a graduate from Delhi University and is an entrepreneur having vast experience and expertise in the field of project implementation in drilling & infrastructure.

**7. Green Initiative in the corporate governance and registration of email address**

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

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

Place: New Delhi  
Date: 28th August, 2013

**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 Twentieth Annual Report of the Company along with and Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2013.

**FINANCIAL HIGHLIGHTS**

(amount in Rs.)

	<b>2012-2013</b>	<b>2011-2012</b>
Revenue from operations	40,38,117.00	36,25,119.00
Other Income	3,46,854.00	13,18,586.00
Total Expenditure	38,95,525.00	42,04,157.00
Profit / (Loss) before Tax & Provision for NPA	4,89,446.00	7,39,548.00
Provision for Tax	1,59,840.00	1,50,720.00
Net Profit / (Loss)	3,29,606.00	5,88,828.00
Deficit brought forward from previous year	(98,50,893.87)	(1,04,39,721.87)
Deficit carried over to Balance Sheet	(95,21,288)	(98,50,893.87)

**OVERALL PERFORMANCE**

The Income from operations during the year has been Rs. 40.38 Lacs approx as against Rs. 36.25 lacs approx in the previous year. The financial year under review resulted in Net Profit of Rs. 3.29 Lacs as compared to Rs. 5.89 Lacs the previous year.

During the financial year under review the performance of the company has improved by approx 11.41% over the performance of the last financial year, the net profit decreased due to increased cost of finance to expand the scale of the business operations of the Company. The management of the company has positive outlook for the future growth.

**DIVIDEND**

In view of the Insignificant Profit for the year under review and huge accumulated losses incurred by the company in the past, your directors do not recommend payment of any dividend for the year.

**CORPORATE GOVERNANCE**

The Company is required to implement various compliances of Corporate Governance in accordance with the requirements of the Standard Listing Agreement entered into by the Company with the Stock Exchanges namely Bombay Stock Exchange (BSE), Delhi Stock Exchange(DSE) & Ludhiana Stock Exchange(LSE) wherein the shares of the Company are Listed. 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 management is very optimistic and aggressively focusing on to exploit the opportunities available to NBFC in India and exploring and evaluating various business models for implementation in order to enhance to turnover of the Company to escalate to new heights. 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 and successful implementation of its new business models.

#### **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:**

NBFCs have been playing a complimentary role to the banking sector, catering to the unbanked sectors and promoting financial inclusion; NBFCs have been vital to the growth of the economy by providing financial support to some of the important segments of the economy. 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. NBFCs are 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.

Opening up of economy gave a further boost to the demand for credit. A developing economy like India always craves for financial resources and NBFCs account for 12.3% of assets of the total financial system. Due to the global economic slowdown and its impact on the domestic economy, NBFC sector faced significant stresses on asset quality, liquidity and funding costs.

##### **Business Outlook and Overview:**

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. Bank borrowings and debentures have remained the prominent source of funding for NBFCs. 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 Income from operations during the year has been Rs. 40.38 Lacs approx as against Rs. 36.25 lacs approx in the previous year. The financial year under review resulted in Net Profit of Rs. 3.29 Lacs as compared to Rs. 5.89 Lacs the previous 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 organization.

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, Statutory Auditors of the company, retire from their office at the ensuing Annual General Meeting. 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. Vishal Jain retires by rotation at the ensuing Annual General Meeting and is eligible for re-appointment.

**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. Bombay Stock Exchange, Ludhiana Stock Exchange and Delhi stock exchange has revoked suspension of the trading in the shares of the company.

**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 of  
**EKAM LEASING & FINANCE CO. LIMITED**

Place: New Delhi  
Date : 28<sup>th</sup> August, 2013

**RAKESH JAIN**  
**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 Four Directors with an optimum combination of Promoter & Independent 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		AGM held on 27/09/2012	Other Directorship
		Board Meetings held during 2012-2013			
		Held	Attended		
<b>Chairman and Managing Director</b>					
Mr. Rakesh Jain	Promoter & Executive	9	9	Yes	2
<b>Directors</b>					
Mr. Narendra Kumar Jain	Independent & Non Executive	9	9	Yes	4
Mr. Vishal Jain	Independent & Non Executive	9	9	No	0
Mr. Vikas Kucheria	Independent & Non Executive	9	9	No	2

# None of the Directors is either Director of and Chairman or Member of committees in other public limited companies.

Mr. Rakesh Jain is Director in M/s. Pro-Rub Processor Pvt. Limited.

Mr. Narendra Kumar Jain is Director in Gangwal Agro food Private Limited, Gangwal Constructions Private Limited, NKJ Securities Private Limited and ADVAC Private Limited.

Mr. Vikas Kucheria is Director in M/s. MahaLaxmi Tele Infra Private Limited and M/s. Sumerai Exports Private Limited.

[B] Date and No. of Board Meetings held

During the Financial year ended March 31, 2013, the Board met 9(Nine) times the dates were 23<sup>rd</sup> April, 2012, 11<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 7<sup>th</sup> August, 2012, 25<sup>th</sup> August, 2012, 10<sup>th</sup> October, 2012, 9<sup>th</sup> November, 2012 6<sup>th</sup> February, 2013 and 14<sup>th</sup> March, 2013.

### **3. AUDIT COMMITTEE:**

(A) The Audit Committee of the company presently consists of all three Non-Executive independent Directors. The Chairman of the committee is an independent Director having financial and accounting knowledge. The composition of Audit Committee and attendance details are shown below:

Name of the Director	Designation	Attendance at Committee Meetings	
		Held	Attended
Mr. Vishal Jain	Chairman	5	5
Mr. Narendra Kumar Jain	Member	5	5
Mr. Vikas Kucheria	Member	5	5

The Auditors of the Company are invited to participate in the meetings of Audit Committee wherever necessary.

### **(B) Meeting / Attendance**

During the financial year ended 31<sup>st</sup> March, 2013 the Audit Committee of the company met five times. The dates of the meetings were 11<sup>th</sup> May, 2012, 30<sup>th</sup> June, 2012, 7<sup>th</sup> August, 2012, 9<sup>th</sup> November, 2012, and 6<sup>th</sup> February, 2013.

### **(C) Terms of Reference:**

The terms of reference of Audit committee cover the matters specified for audit committee under clause 49 of the Listing Agreement read with Section 292 A of the Companies Act, 1956.

### **4. REMUNERATION COMMITTEE:**

(A) The Remuneration Committee of the Company presently consists of the three Directors of the Company with Mr. Vikas Kucheria as Chairman and Mr. Vishal Jain and Mr. Narendra Kumar Jain as members. The terms of reference of the Remuneration Committee include fixation of salary, perquisites etc. of Executive Directors.

Presently Company has no Executive Directors and Non Executive Directors of the company were not paid any remuneration during the year under review.

### **5. SHAREHOLDER'S GRIEVANCE COMMITTEE:**

Shareholder's Grievance Committee consists of Mr. Vishal Jain, as Chairman of the committee and Mr. Vikas Kucheria and Mr. Rakesh Jain as its members to look into redressal of shareholders and investors grievances with respect to transfer of share, dematerialisation of shares, non receipt of declared dividend or Annual report etc. and other matters relating to shareholder relationship. The Shareholders grievance committee met thrice on 20<sup>th</sup> August, 2012, 9<sup>th</sup> November, 2012 & on 6<sup>th</sup> February, 2013 to take note of redressal of shareholders complaint, share transfer received during the year and dispatch of Annual Report for the financial year 2013 by the Company. All the members of the committee were present in the meeting.

All requests received for Share Transfer during the year were given effect within stipulated time. The total number of complaints received and outstanding as on 31<sup>st</sup> March, 2013 is NIL.