



24th
ANNUAL
REPORT
2016-17

EKAM FINANCE AND LEASING CO. LTD.

No.11, Rani Jhansi Road, (Motia Khan), M. M. Road, New Delhi-110055

CHAIRMAN CUM MANAGING DIRECTOR

Mr. Rakesh Jain

DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Mr. Prakash Goyal, Independent Director

Mrs. Mamta Jain , Woman Director

Mr. Saurabh Jain, Independent Director

Mr. Krishan Kumar Didwaniya, Chief Financial Officer (CFO)

Mr. Abhimanyu Raghuvanshi , Company Secretary and Compliance Officer

AUDITORS

M/S G.L GUPTA & ASSOCIATES

Chartered Accountants

14, IInd Floor, U-158,

Vats Complex, Main Vikas Marg,

Shakarpur, Delhi – 110092

Internal Auditor:

M/S B. Rattan and Associates, Chartered Accountant

BANKERS

State Bank of India,

Faiz Road, New Delhi-110005

REGISTERED OFFICE

No. 11, Rani Jhansi Road, (Motia Khan)

M.M. Road, New Delhi – 110 055

**REGISTRAR & SHARE
TRANSFER AGENT**

M/s.Alankit Assignments Limited

1E/13, Jhandewalan Extn.

New Delhi – 110 055

24th ANNUAL GENERAL MEETING
Date : 16th September, 2017
Day : Saturday
Time : 10.00 A.M.
Place : Rana Apartment, Plot No.547, Gali No.2, Kapashera ,Bijwasan Road, New Delhi-110037

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 **Twenty Fourth Annual General Meeting** of the members of **Ekam Leasing And Finance Co. Limited** will be held on Saturday, the 16th September, 2017 at Rana Apartment, Plot No.547 ,Gali No.2, Kapersera , Bijwasan Road , New Delhi-110037 at 10.00 A.M. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt :-

- a. the Audited Financial Statements of the Company for the financial year ended March 31, 2017, together with the Reports of the Board of Directors and the Auditors thereon; and
- b. the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2017, together with the Report of the Auditors thereon.

2. **APPOINTMENT OF STATUTORY AUDITORS & FIXING THEIR REMUNERATION**

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

“RESOLVED THAT pursuant to provisions of Sections 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Rules framed thereunder, as amended from time to time, and pursuant to the recommendations by the Audit Committee, M/s Doogar & Associates, Chartered Accountants, (Firm Registration No:000561N) be and is hereby appointed as Statutory Auditors of the Company in place of the retiring auditors M/s. G.L.Gupta & Associates Chartered Accountants, (Firm Registration No:012483N), to hold office from the conclusion of 24th Annual General Meeting (AGM) until the conclusion of the 29th Annual General Meeting (AGM) of the Company, subject to ratification by members every year, as applicable at such remuneration as may be mutually agreed between the Board of Directors of the Company and the Auditors.”

Registered Office:

No. 11, Rani Jhansi Road,
(Motia Khan), M.M. Road,
New Delhi - 110 055.
Corporate Identity Number: L74899DL1993PLC055697
Tel: 011-23528015,
Email: ekam.leasing1@gmail.com
info@ekamleasing.com
Website: www.ekamleasing.com

**By order of the Board of Directors of
Ekam Leasing & Finance Co. Limited**

**Rakesh Jain
Managing Director
DIN : 00061737**

Date: August 10, 2017
Place: New Delhi

NOTES:

1. EVERY MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER.
2. PROXIES IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED, STAMPED (IF APPLICABLE) AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE TIME FOR HOLDING THE ANNUAL GENERAL MEETING.
3. The relevant Explanatory Statement and reasons in respect of proposed Business(es) pursuant to Section 102 of the Companies Act, 2013 are annexed hereto.
4. The Proxy in prescribed Form MGT-11 is enclosed herewith. Proxy shall not have right to speak at the Meeting and shall not be entitled to vote except on a poll.
5. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the Meeting.
6. 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 (07) days prior to the date of meeting, so as to enable the management to keep the information ready.
7. Documents referred to in the accompanying Notice and the Explanatory Statement are open for inspection at the Registered Office of the Company during normal business hours (9:00 am to 6:00 pm) on all working days except Sundays (including Public Holidays) up to the date of the Annual General Meeting.
8. The Register of Members and Share Transfer Books of the Company will remain closed from Saturday 09 September, 2017 to Saturday 16 September, 2017 (both days inclusive) for the purpose of Annual General Meeting.
9. The members holding shares in physical form are requested to intimate to the registrar and Share Transfer Agent, Alankit Assignments Ltd, 1E/13, 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.
10. Members/Proxies are requested to bring the Attendance Slip(s) duly filled in.
11. The Notice of the AGM along with the Annual Report 2016-17 is being sent by electronic mode to those Members whose e-mail addresses are registered with the Company / Depositories, unless any Member has requested for a physical copy of the same. For Members who have not registered their e-mail addresses, physical copies are being sent by the permitted mode.
12. As a measure of austerity, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.
13. Electronic copy of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 24th Annual General Meeting of the Company inter alia indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the permitted mode.

14. Members may also note that the Notice of the 24th Annual General Meeting and the Annual Report for 2016-2017 will also be available on the Company's website www.ekamleasing.com for their download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, free of cost. For any communication, the shareholders may also send requests to the Company's designated email id: ekam.leasing1@gmail.com, info@ekamleasing.com.
15. In compliance with the provisions of Section 108 of the Companies Act, 2013 and the Rules framed thereunder and the Regulation 44.2 of SEBI (Listing Obligation & Disclosure Requirements) Regulations 2015, the Members are provided with the facility to cast their vote electronically, through the e-voting services provided by NSDL, on all the resolutions set forth in this Notice. In order to enable its Members, who do not have the access to e-voting facility to send their assent or dissent in writing in respect of the resolutions as set out in this Notice, the Company is enclosing a Ballot Form with the Notice. Instructions for Ballot Form are given at the back of the said form and instructions for e-voting are given here in below. Resolution(s) passed by Members through Ballot Forms or e-voting is / are deemed to have been passed as if they have been passed at the AGM.
16. A Route Map along with Prominent Landmark for easy location to reach the venue of Annual General Meeting is annexed with the notice of Annual General Meeting.
17. **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.
18. **Voting through electronic means**
 - I. In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014, as amendment from time to time, the Company is pleased to provide members facility to exercise their right to vote at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services provided by National Securities Depository Limited (NSDL):

The instructions for e-voting are as under:

 - (i) The Notice of the 24th AGM of the Company inter alia indicating the process and manner of e-Voting process along with printed Attendance Slip and Proxy Form is being dispatched to all the Members. Initial password is provided as below /at the bottom of the Attendance Slip for the 24th AGM:
EVEN (E-Voting Event Number)
USER ID
PASSWORD/PIN
 - (ii) NSDL shall also be sending the User-ID and Password; to those members whose shareholding is in the dematerialized format and whose email addresses are registered with the Company/Depository Participants(s). For members who have not registered their email address, can use the details as provided above.
 - (iii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iv) Click on Shareholder – Login
 - (v) Put user ID and password as initial password noted in step (i) above. Click Login.
 - (vi) Password change menu appears. Change the password with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly

recommended not to share your password with any other person and take utmost care to keep your password confidential.

- (vii) Home page of e-Voting opens. Click on e-Voting: Active Voting Cycles.
 - (viii) Select “EVEN” of Ekam Leasing & Finance Co. Limited
 - (ix) Now you are ready for e-Voting as Cast Vote page opens
 - (x) Cast your vote by selecting appropriate option and click on “Submit” and also “Confirm” when prompted.
 - (xi) Upon confirmation, the message “Vote cast successfully” will be displayed
 - (xii) Once you have voted on the resolution, you will not be allowed to modify your vote
 - (xiii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail kksandassociates@gmail.com with a copy marked to evoting@nsdl.co.in.
- II. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads section of www.evoting.nsdl.com.
- III. If you are already registered with NSDL for e-voting then you can use your existing user ID and password for casting your vote.
- IV. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
- V. The e-voting period commences on Wednesday, the September 13th, 2017 (09:00 am) and ends on Friday, the September 15th, 2017 (05:00 pm). During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. Saturday 09th September, 2017, may cast their vote electronically. The e-voting module shall also be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the shareholder, the shareholder shall not be allowed to change it subsequently.
- VI. The voting rights of Shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on, Saturday, 09th September, 2017 any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 09th September, 2017, may obtain the login ID and password by sending a request at evoting@nsdl.co.in or ekam.leasing1@gmail.com, info@ekamleasing.com.
- VII. The facility for voting through remote e-voting / ballot paper / Poling Paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. (NOTE: The Facility for Voting at AGM/ EGM shall be decided by the company i.e. “remote e-voting” or “Ballot Paper” or “Poling Paper”)
- VIII. Since the Company is required to provide members facility to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) i.e. 09th September, 2017 and not casting their vote electronically, may only cast their vote at the Annual General Meeting.
- IX. The Scrutinizer shall within a period of not exceeding three (3) days from the conclusion of the e-Voting period unlock the votes in the presence of at least two (2) witnesses not in the employment of the

Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

- X. The Results declared along with the Scrutinizer's Report shall be placed on the Company's website www.ekamleasing.com and on the website of NSDL and communicated to the BSE Limited where the shares of the Company are listed.

**By order of the Board of Directors of
Ekam Leasing & Finance Co. Limited**

Place: New Delhi
Date: August 10, 2017

Rakesh Jain
Managing Director
DIN : 00061737

EXPLANATORY STATEMENT
(Pursuant to Section 102 (1) of the Companies Act, 2013)

As required by section 102 of the Companies Act, 2013 (Act), the following explanatory statement sets out all material facts relating to the business mentioned under Item Nos. 2 of the accompanying Notice:

Item No 2

Retirement and appointment of Auditor

This explanatory statement is provided though strictly not required as per Section 102 of the Act.

M/s G. L.Gupta & Associates, Chartered Accountants (FRN 012483N) was appointed as the Statutory Auditors of the Company at the twenty first Annual General Meeting (AGM) of the Company held on September 30, 2014 for a term of three years to hold office till the conclusion of this twenty fourth AGM.

In view of the above, G. L.Gupta & Associates can continue as the Auditors of the Company only up to the conclusion of this Annual General Meeting ('AGM'), having completed their term as per the provisions of Section 139 of the Act. The Board of Directors has, based on the recommendation of the Audit Committee, at its meeting held on August 10, 2017, proposed the appointment of M/s Doogar & Associates, Chartered Accountants (FRN 000561N) as the Statutory Auditors of the Company for a period of 5 years, to hold office from the conclusion of this AGM till the conclusion of the Twenty ninth AGM to be held in the year 2022 (subject to ratification of their appointment at every AGM, if so required under the Act). M/s Doogar & Associates, has given consent for their appointment as Statutory Auditors and has confirmed that if appointed, their appointment will be in accordance with Section 139 read with Section 141 of the Act.

The Board commends the Ordinary Resolution set out at Item No. 2 of the Notice for approval by the Members.

None of the Directors or Key Managerial Personnel of the Company or their relatives is, in any way, concerned or interested in the Resolution set out at Item No. 2 of the Notice.

**By order of the Board of Directors of
Ekam Leasing & Finance Co. Limited**

Place: New Delhi
Date: August 10, 2017

Rakesh Jain
Managing Director
DIN : 00061737

BOARD'S REPORT

To
 The Members
 Ekam Leasing & Finance Co. Limited

Your Directors are pleased to have this opportunity to present the Twenty Fourth Annual Report of the Company together with the Standalone and Consolidated Audited Financial Statements of the Company for the year ended March 31, 2017.

FINANCIAL HIGHLIGHTS

(Amount in Rs.)

	<u>Standalone</u>		<u>Consolidated</u>	
	<u>2016-2017</u>	<u>2015-2016</u>	<u>2016-2017</u>	<u>2015-2016</u>
Revenue from operations	12,267,694	12,005,249	14,536,087	1,31,96,746
Other Income	8,853	118,006	8,853	119,493
Total Expenditure	9,114,349	8,265,770	94,78,209	8,499,311
Profit / (Loss) before Tax & Provision for NPA	3,162,198	3,470,485	5,066,731	4,429,928
Provision for Tax	572,743	3,75,168	1,022,267	7,24,480
Net Profit / (Loss)	2,589,455	3,095,317	4,044,464	3,705,448
Surplus/Deficit brought forward from previous year	(1,703,976)	(47,99,293)	4,452,102	7,46,654
Surplus/Deficit carried over to Balance Sheet	885,479	(17,03,976)	12,996,255	44,52,102

DIVIDEND

Keeping in view the requirement of funds for future business operations, the Board has not recommended any dividend for the financial year ended 31st March 2017.

TRANSFER TO RESERVE

Your Directors have proposed not to transfer any sum to the General Reserve.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Forward-looking statements:

Certain statements in this Management discussion analysis 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 publically 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.

Industry Structure and Developments & Performance of NBFC

The NBFCs saw moderation in rate of asset growth, rising delinquencies resulting in higher provisioning thereby impacting profitability. However, comfortable capitalisation levels and conservative liquidity management, continues to provide comfort to the credit profile of well run NBFCs inspite of the impact on profitability. NBFCs are likely to see an uptick in bad loans as they migrate towards tighter non-performing asset (NPA) recognition norms.

Reserve Bank of India (RBI) has informed that as of March 2017, there were 11517 Non Banking Financial Companies (NBFCs) registered with them, of which 179 are deposit accepting NBFCs (NBFC-D) and 220 are Systemically Important Non Deposit accepting NBFCs (NBFC-ND-SI). All NBFC-D and NBFC-ND-SI excluding State run NBFCs are subject to prudential regulations such as capital adequacy requirements and provisioning norms along with reporting requirements.

As per the returns submitted by the reporting NBFCs, the loans and advances increased by 16.4% in March 2017.

The NPAs of NBFCs excluding State run NBFCs registered with RBI for the past three financial years are as under:

	March 2015	March 2016	March 2017
Gross NPA to Total Advances (%)	4.60	4.60	4.40
Net NPA to Total Advances (%)	2.50	2.50	2.30

Source: <http://pib.nic.in/newsite/PrintRelease.aspx?relid=169643>

Opportunities & Threats

Structural changes in the financial services sector have created new opportunities for NBFCs. The success of NBFCs can be clearly attributed to their better product lines, lower cost, wider and effective reach, strong risk management capabilities to check and control bad debts, and better understanding of their customer segments. Not only have they shown success in their traditional bastions (passenger and commercial vehicle finance) but they have also managed to build substantial assets under management (AUM) in the personal loan and housing finance sector. Going forward, the latent credit demand of an emerging India will allow NBFCs to fill the gap, especially where traditional banks have been wary to serve. Improving macroeconomic conditions, higher credit penetration, increased consumption and disruptive digital trends will allow NBFC's credit to grow at a healthy rate of 7–10% (real growth rate) over the next three to five years.

Growth of the Company's asset book, quality of assets and ability to raise funds depend significantly on the economy. Unfavourable events in the Indian economy can affect consumer sentiment and in turn impact consumer decision to purchase financial products. Competition from a broad range of financial service providers, unstable political environment and changes in Government policies / regulatory framework could impact the Company's operations.

Business Outlook and Overview:

Loan disbursements by all categories of NBFCs declined significantly in November 2016 compared with the monthly average disbursements during April-October 2016, especially for micro finance companies (NBFC-MFIs) whose business is more cash intensive. NBFCs operating in semi-urban and rural areas rely more on cash and thus got affected. Fresh loan demand for large truck operators fell with lower freight business. Inability of borrowers to make down payments slowed consumer loans. The demand from real estate sector was anecdotally the worst affected as buyers expected prices to decline sharply. To sum up, demand for credit declined due to customers postponing decisions on account of uncertainty.