

18th

ANNUAL REPORT

(2002-2003)

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*India Lease
Development
Limited*

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INDIA LEASE DEVELOPMENT LIMITED**NOTICE**

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of India Lease Development Limited will be held on Friday, 26th September, 2003 at FICCI Auditorium, Golden Jubilee Hall, Tansen Marg, New Delhi - 110001 at 4.00 p.m. to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2003 and the Profit and Loss Account for the year ended on that date, together with the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ved Prakash Gupta, who retires by rotation and, being eligible offers himself for reappointment.
3. To appoint a Director in place of Mr. Rajiv Gupta, who retires by rotation and, being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration, M/s Khanna & Annadhanam, Chartered Accountants, New Delhi, retire and are eligible for reappointment.

SPECIAL BUSINESS

To consider and if thought fit, to pass with or without modification(s) the following resolutions;

5. As a Special Resolution

"RESOLVED THAT subject to the provisions of the Companies Act, 1956, Securities Contracts (Regulation) Act, 1956 and the Rules framed thereunder, the Listing Agreements, the Securities and Exchange Board of India (Delisting of Securities) Guidelines - 2003, and all other applicable laws, rules, regulations and guidelines and subject to such approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed by the authority while granting such approvals, permissions and sanctions, which may be agreed to by the Board of Directors (hereinafter referred to as 'the Board', which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board), the consent of the company be and is hereby accorded to the Board to voluntary de-list the equity shares of the company from the Delhi Stock Exchange Association Limited and Madras Stock Exchange Limited."

6. As a Special Resolution

"RESOLVED THAT pursuant to the provisions of sections 198,269,309,310 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any statutory modifications or re-enactment thereof, for the time being in force and approval of the shareholders at the Annual General Meeting, the Board of Directors of the company, on the recommendation of the 'Remuneration Committee', hereby approves the reappointment of Mr. Bharat Gupta as a 'Manager' under the Companies Act, 1956, designated as ' Vice President - Operations' of the company for a period of 3(Three) years with effect from 7th August,2003 upto 6th August, 2006 on the under noted terms and conditions including remuneration as are set out in the agreement entered into by the company with him, submitted to the meeting, which agreement is hereby specially sanctioned with liberty to the directors to alter and vary the terms and conditions of the said appointment and /or agreement, so as not to exceed the limits, if any, specified in Schedule XIII to the Companies Act, 1956 or any amendments thereto as may be agreed to between the Directors and Mr. Bharat Gupta or as may be varied by the General Meeting and that the consent of the company be and is hereby accorded to his holding an office or place of profit."

By order of the Board
For India Lease Development Limited

Lalit Gupta
Whole-time Director

Place : New Delhi
Date : 25th July, 2003
Registered Office :
401-406, Indraprakash Building,
21 Barakhamba Road,
New Delhi-110001

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/HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXY FORM DULY COMPLETED SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS (48 HOURS) BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING, BLANK PROXY FORM IS ENCLOSED.
2. Register of Members and Share Transfer Books of the Company remained closed from Thursday, 31st July, 2003 to Tuesday, 5th August, 2003 (both days inclusive).
3. In terms of Section 205A of the Companies Act, 1956, the company has already transferred unclaimed dividend declared upto the financial year ended 31.03.95 to the General Revenue Account of the Central Government as required by the Companies Unpaid Dividend (transferred to General Revenue Account of the Central Government) Rules, 1978. Prior to such transfer the company had individually informed the shareholders concerned about the particulars of the unclaimed dividend remaining unencashed. Shareholders who have a valid claim to the unclaimed dividends refer to above may claim the same from Registrar of Companies, NCT of Delhi and Haryana, Block B,2nd floor, Paryavaran Bhawan, CGO Complex, Lodhi Estate, New Delhi-110003.

INDIA LEASE DEVELOPMENT LIMITED



Further in view of the amended section 205-C of the Education & Protection Fund (Awareness and Protection of the Investors) Rules, any money transferred by the company to the unpaid dividend account remaining unclaimed for a period of seven years from the date of such transfer shall be transferred by the company to a Fund Called the Investor Education and protection Fund, (the Fund) setup by the Central Government.

Accordingly unpaid/unclaimed dividend starting with 1995-96 shall become due for transfer to the fund in September, 2003 followed by the transfers of the amounts unpaid/unclaimed dividend every year. **No claims shall lie thereafter against the fund or the company in respect of such amounts transferred.** Shareholders are requested to verify their records and send claims, if any, for the relevant years from 1995-96 onwards, before the respective amounts become due for transfer to the fund. The claims may be sent to the Registered Office of the company or to its Registrar and transfer agents, M/s. Alankit Assignments Ltd.

Shareholders who have not so far encashed the dividend warrant(s) are requested to seek issue of duplicate warrant(s) by writing directly to Company at its Registered office or to the Company's Registrar and Transfer Agents, M/s Alankit Assignment Limited having their office at 101A-104, Anarkali Complex, Jhandewalan Extn. New Delhi-110055 immediately. Shareholders are requested to note that no claims shall lie against the Company or the said Fund in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

4. Pursuant to the directions of the Securities Exchange Board of India (SEBI), trading in the shares of your company is in compulsory de-materialised form for all investors. Members who have not yet got their shares de-materialised, are requested to opt for the same in their own interest and send their certificates through Depository Participant(s) with whom they have de-materialised account, to the Company's Registered Office.
5. Persons holding shares in the identical names in different folios are requested to apply for consolidation of the said folios and send relevant share certificates.
6. Members attending the meeting are requested to complete the enclosed Attendance Slip and deliver the same at entrance of the meeting place.
7. Members are requested :
 - a) To bring their copies of Annual Report and Attendance Slip at the time of the meeting.
 - b) To quote their Folio No.(s) in all correspondence.

Listing Requirements:

As required under Clause 49 (VI) of the Listing Agreement, given below are the details of ; (i) the Director(s) who retire by rotation and are eligible for re-appointment; (ii) 'Manager' being reappointed;

(a) Director being appointed by rotation: (Resolutions at Item No. 2)

Name : Mr. Ved Prakash Gupta
 Age : 88 years (15.08.1915)
 Qualifications : B.Sc.

Mr. Ved Prakash Gupta was designated as Chairman and Director. He has extensive business experience and all-round knowledge on issues concerning hire purchase and leasing industry and has been associated with the promoter company i.e. The Motor & General Finance Limited for more than six decades. His continued association with the company is considered necessary in the interest of the company.

Other Directorships	Committee Memberships:
Name of the Company	Name of Committee
The Motor & General Finance Limited	The Motor & General Finance Limited
Capital Bus Services (P) Limited	Audit Committee,
M.G.F. Services Limited	Remuneration Committee,
Jayabharat Credit Limited	Share Transfer Committee
New Indian Industries Limited	Shareholders Grievance Committee
Upper India Hire Purchase Companies Association Limited	India Lease Development Limited
M G F Securities Limited	Audit Committee,
Janata Cinemas Properties & Finance Limited	Remuneration Committee,
All India Heart Foundation	Investment Committee
Jayabharat Automobiles Limited	Share Transfer Committee

(b) Director being appointed by rotation: (Resolutions at Item No.3)

Name : Mr. Rajiv Gupta
 Age : 56 years (13.08.1946)
 Qualifications : B.E. (IIT Delhi)

Mr. Rajiv Gupta is an Engineering graduate from IIT, Delhi. He has been associated with leasing and hire purchase business since 1969. He has been associated as Director with various companies, besides being the 'Whole-time Director' of The Motor & General Finance Limited. He has been on the Board of this Company since its inception, having been re-appointed on rotation basis.

INDIA LEASE DEVELOPMENT LIMITED



Other Directorships:	Committee Memberships:
Name of the Company	Name of Committee
The Motor & General Finance Limited	The Motor & General Finance Limited
Jayabharat Credit Limited	Audit Committee,
M.G.F.Services Limited	Remuneration Committee,
M G F Securities Limited	Share Transfer Committee
The New Indian Industries Limited	Shareholders Grievance Committee
Upper India Hire Purchase Companies Assn. Limited	India Lease Development Limited
Associated Traders & Engineers Limited	Audit Committee
MGF Motors Limited	Remuneration Committee,
MGF Automobiles Limited	Shareholders Grievance Committee
MGF Developments Limited	Asset Liability Management Committee
Jayabharat Automobiles Limited	Jayabharat Credit Limited
Compact Motors Limited	Audit Committee
Janata Cinemas Properties & Finance Limited	Shareholders Grievance Committee
Capital Bus Service Pvt. Limited	
Ram Prakash & Company Pvt. Limited	
Delhi Ayanagar Transport Co. Pvt. Limited	
VPG Financial Investments Pvt. Limited	
VPG Land Holding Pvt. Limited	
Bee Gee Holdings Pvt. Limited	
Gee Gee Holdings Pvt. Limited	
Grosvenor Holdings Pvt. Limited	
Discovery Estates Pvt. Limited	
Grosvenor Estates Pvt. Limited	
Discovery Holdings Pvt. Limited	
Columbia Holdings Pvt. Limited	
Kerala Cars Pvt. Limited	
Capital Vehicles Sales Pvt. Limited	

(ii) Appointment of 'Manager' (Resolution at Item No. 6 above)

Name : Mr. Bharat Gupta
 Age : 40 years (19.2.1963)
 Qualifications : B.Com (Hons.), Chartered Accountant

Mr. Bharat Gupta is a chartered accountant. He has been associated with the company since 1987. Over the years, he has gained valuable experience working with the company. He was appointed 'Manager' under Companies Act, 1956 designated as 'Vice President - Operations' w.e.f. 7th August, 1998 for a term of five years with the approval of shareholders. His continued association with the company is considered necessary in the interest of the company.

Other Directorships:	Committee Memberships:
Minar Leasing Private Limited	India lease Development Limited
Airtrack Services Private Limited	Asset Liability Management Committee (ALCO)

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 (2) OF THE COMPANIES ACT, 1956

Item No.5

Presently the equity shares of the Company are listed on three stock exchanges viz.

1. Delhi Stock Exchange Association Limited
2. The Stock Exchange, Mumbai (BSE)
3. Madras Stock Exchange Association Limited

The equity shares of the company are one of the scrip's which are specified for settlement only in demat form by all investors effective 28th Feb, 2001 as per the directives of SEBI. The trading volumes of the shares on the stock exchanges at Delhi and Madras have been negligible. Moreover with the country wide networking of the Stock Exchange Mumbai (BSE), the members of the company have access to online dealing in the Company's shares across the country. Considering the negligible volume of trading and as a part of its cost reduction measures, the company now proposes to de-list its equity shares from the Delhi Stock

INDIA LEASE DEVELOPMENT LIMITED

Exchanges Association Limited and the Madras Stock Exchange Association Limited. This is in conformity with SEBI Regulations for voluntary de-listing of the company's shares. As the shares of the company shall continue to remain listed at the Stock Exchange Mumbai (BSE) an exit opportunity need not be provided to the shareholders of the company on de-listing of its shares from other exchanges.

The proposed voluntary de-listing of the company's equity shares will not adversely affect any investors including the shareholders located in the regions where the Delhi Stock Exchange Association Limited and Madras Stock Exchange Association Limited is situated. Pursuant to guidelines issued by SEBI on voluntary de-listing by companies of their securities from the Stock Exchanges, it is now proposed to seek the shareholders approval by way of a Special Resolution for voluntary de-listing the Company's Ordinary (Equity) shares from the Delhi Stock Exchange Association Limited and Madras Stock Exchange Association Limited as set out in the Resolution at the Item No. 5.

The Board of Directors has, in its meeting held on 25th July, 2003 approved this proposal and commends the same for acceptance by the members.

None of the Directors of the company is, in any way, concerned or interested in the said resolution.

Item No. 6 - Re-appointment of 'Manager'

Mr. Bharat Gupta has been in employment with the company since November, 1987. He was appointed as 'Manager' under Companies Act and designated as 'Vice President - Operations' of the company effective from 7th August, 1998, for a period of 5 years. Based on re-recommendations of the remuneration Committee, and the valuable experience gained by him, the Board of Directors have at their meeting held on 25th July, 2003, approved the re-appointment of Mr. Bharat Gupta as 'Manager' to the company designated as 'Vice President - Operations' for a period of 3 years beginning from 7th August, 2003 to 6th August, 2006 on the terms and conditions as set out in the agreement entered into between the Company and Mr. Bharat Gupta subject to the condition that Board of Directors of the Company be and are hereby authorized to vary/amend/alter the terms and conditions of his appointment as they may deem fit and which is acceptable to Mr. Bharat Gupta but in no case, remuneration payable including minimum remuneration shall exceed the limits laid down in Part I and Part II Schedule XIII of the Companies Act, 1956 or any other amendment made thereto.

Remuneration including perquisites

1. Salary Basic salary 39,000/- with the provision that annual increments as may be allowed as decided by the Board from time to time.
2. Housing House Rent Allowance shall be provided @ 35% of Basic Salary.
3. Telephone Telephone will be provided at the company's expenses for official purposes.
4. Car Car maintained by the company shall be provided on company's expense. In the case personal car for official purposes is used, expenses will be reimbursed.
5. Medical For him and his Family as per the rules of the company, from time to time.

Other Items:

- (i) Contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, in accordance with the company's rule.
- (ii) Gratuity payable at the rate not exceeding 15 days salary including for each completed year of service in accordance with the company's rules.
- (iii) Leave Travel Allowance for the Manager and his family once a year incurred in accordance with the company's rules.
- (iv) Ex-gratia as per company's rules.

Other Conditions:

1. He will be discharging the functions as 'Manager' of the company within the meaning of Section 2(24) of the Companies Act, 1956 and will be responsible for the efficient working of the company and subject to supervision, control and direction of the Board, shall manage the affairs of the company.
2. Notwithstanding anything to the contrary contained above, either party shall be entitled to terminate this appointment giving not less than one calendar months notice in writing, in that behalf to the other party without the necessity of showing any cause, and on the expiry of the period of such notice, this appointment shall stand terminated.

Copy of the Agreement referred to resolution No. 6 of the notice is available for inspection by the members at the Registered Office of the company between 11.00 a.m. to 1.00 p.m., on all working days except Saturdays, Sundays and Holidays upto the date of the Annual General Meeting.

None of the Directors except Mr. Bharat Gupta, being the appointee, is interested or concerned in the above said resolution.

The particulars set above may be treated as an abstract of the terms of the contract for the remuneration/ appointment of Mr. Bharat Gupta as 'Manager' of the company, which is required to be given to every member under provisions of section 302(2) of the Companies Act, 1956.

Your Directors feel that it will be in company's interest and benefit to have his association and to gain from his experience, and therefore, recommend his appointment as 'Manager'.

Place : New Delhi
Date : 25th July, 2003

Registered Office :
401-406, Indraprakash Building,
21 Barakhamba Road,
New Delhi-110001

By order of the Board
For India Lease Development Limited

Lalit Gupta
Whole-time Director

INDIA LEASE DEVELOPMENT LIMITED**BOARD OF DIRECTORS****DIRECTORS**

Shri Ved Prakash Gupta (Chairman)
 Shri Lalit Gupta (Whole-time Director)
 Shri Rajiv Gupta
 Shri Arun Mitter
 Shri Sharad Agarwal

MANAGER

Shri Bharat Gupta

AUDITORS

Khanna & Annadhamam, Chartered Accountants, New Delhi

BANKERS

Punjab National Bank
 State Bank of India

REGISTERED OFFICE

401-406, Indraprakash Building,
 21, Barakhamba Road, New Delhi-110 001.
 Phone : 23325135, 23713514 Fax : 23716573

C O N T E N T S

	PAGE
Performance at a Glance	2
Directors' Report	3-13
Auditors' Report	14-15
Balance Sheet	16
Profit and Loss Account	17
SCHEDULES:	
1. Share Capital	18
2. Reserves and Surplus	18
3. Loan Funds	19
4. Fixed Assets	20-21
5. Investments	22-25
6. Current Assets, Loans and Advances	26-27
7. Current Liabilities and Provisions	27
8. Miscellaneous Expenditure	27
9. Other Income	28
10. Personnel Expenses	28
11. Administrative and Other Expenses	28
12. Interest	29
13. Accounting policies and notes	29-34
Balance Sheet Abstract & Company's	
General Business Profile	35
Cash Flow Statement	36

INDIA LEASE DEVELOPMENT LIMITED



PERFORMANCE AT A GLANCE 1993-2003

(Rs. in Lacs)

	2002-2003	2001-2002	2000-2001	1999-2000	1998-99	1997-98	1996-97	1995-96	1994-95	1993-94
INCOME, PROFITABILITY AND DIVIDENDS										
TOTAL INCOME	1130.17	1542.48	1504.22	1961.81	1978.05	2469.52	2292.52	1958.37*	1732.82	1325.38
DEPRECIATION	547.03	689.85	742.18	733.66	856.13	1021.36	855.75	719.73*	857.51	565.23
PROFIT BEFORE TAX & PROVISIONS	(465.30)	(44.57)	(25.67)	450.64	215.70	414.32	509.57	459.97	320.48	297.80
TAXATION	55.07	158.15**	—	(61.39)	(22.65)	43.50	65.74	9.00	NIL	NIL
(LOSS)/PROFIT AFTER TAX & PROVISIONS (After adjustments)	(444.16)	(317.46)	(328.70)	282.53	(54.49)	292.53	381.38	450.97	320.48	297.80
PROFIT/(LOSS) AVAILABLE FOR APPROPRIATION	(444.16)	(317.46)	(328.70)	282.53	(54.49)	343.80	382.04	450.47	321.29	298.21
DIVIDEND	—	—	—	153.01	—	229.87 #	229.87 #	255.41	189.16	125.00
DIVIDEND TAX	—	—	—	16.83	—	22.99	22.99	—	—	—
DIVIDEND (%)	—	—	—	15#	—	22.50 #	22.50 #	25	25@	25
ASSETS, LIABILITIES AND NET WORTH										
FIXED ASSETS	1095.37	2093.49	3474.14	3330.42	3297.83	4163.96	5186.15	4502.69	3826.84	2823.42
INVESTMENTS	653.76	694.95	642.66	764.41	848.46	705.76	576.94	545.26	390.05	92.87
DEBTS	3027.16	3504.47	3355.08	2663.61	3520.58	3974.11	3939.23	3563.09	2636.53	2351.29
SHARE CAPITAL	1021.30	1021.30	1021.30	1021.30	1021.23	1021.21	1021.14	1021.09	1020.33	500.00
RESERVES	1101.59	1099.34	1099.34	1444.08	1354.24	1461.83	1421.99	1738.73	1542.49	496.16
NET WORTH	1515.07	1950.50	2062.32	2430.44	2331.80	2429.91	2380.54	2687.46	2480.70	991.62

Tax Free Dividend

@ Prorata

(*) During this year figures have been regrouped/rearranged and figures for the next year have been arranged accordingly

(**) Deferred tax recognised as per Accounting Standard-22 issued by the Institute of Chartered Accountants of India

INDIA LEASE DEVELOPMENT LIMITED



DIRECTORS' REPORT TO THE MEMBERS

1. Your Directors have pleasure in presenting the Eighteenth Annual Report with the Audited Statement of Accounts for the year ended 31st March, 2003.

2. **Financial Results**

The financial results of the Company for the year ended 31st March, 2003 are summarised below for your consideration.

	(Rs. in Lacs)	
	Year ended 31st March, 2003	Year ended 31st March, 2002
Profit before Taxation, Interest, Depreciation and Provisions	562.98	1165.15
Interest	481.25	519.87
Depreciation	547.03	689.85
Profit / (Loss) before Provision of Non-Performing Assets & Tax	(465.30)	(44.57)
Provision for Tax : Corporate Tax	—	—
: Deferred Tax	(26.35)	158.15
Provision for Non-Performing Assets	(16.39)	(104.33)
Income tax paid for earlier years	(33.28)	—
Excess provision for Tax written back	4.56	—
Provision for Diminution in value of Investments written back	92.60	1.99
Profit / (Loss) after Taxation	(444.16)	11.24
Balance brought forward from last year	(317.46)	(328.70)
Balance Profit / (Loss) carried to Balance Sheet	(761.62)	(317.46)

3. **Review of Operations**

The year under review was a challenging one. Lending rates continued to decline in line with the general decline in interest rates in the country. There was further pressure on 'Margins' available, due to competitive pressures from banks and large players. However, the Company, continues its focus on financing of commercial vehicles and construction equipment, which offer ample opportunities. In line with the general trend of decline in interest rates, your Company has also initiated steps to reduce its borrowing costs.

4. **Public Deposits**

During the year the Public Deposits of the Company increased and were at Rs. 2187.50 lacs as compared to Rs.1866.85 lacs as at 31st March, 2002. There were no overdue Deposits, however there were 159 unclaimed deposits for Rs.46.66 Lacs as at 31st March, 2003. Out of these 137 unclaimed deposits aggregating to Rs. 43.68 Lacs were renewed/repaid till the date of this report. The Company has complied with all the requirements of Reserve Bank of India Directions to maintain specified percentage of Public Deposits as liquid assets. The Credit Rating of MA- (minus) indicating Adequate Safety assigned by ICRA continues to remain in force.

5. **Directors' Responsibility Statement as required under Section 217(2AA) of the Companies Act, 1956**

Your Directors state that the annual accounts of the Company have been prepared in conformity, in all material respects, with the generally accepted accounting standards in India and supported by reasonable and prudent judgements and statements so as to give a true and fair view of the state of

INDIA LEASE DEVELOPMENT LIMITED

affairs of the Company and of the results of the operations of the Company.

Significant accounting policies followed and other disclosures are appearing in Schedule 13 to the Notes to the Accounts, which form part of the annual accounts.

Proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities. The internal audit system of the Company is monitored by an independent firm of chartered accountants duly appointed for this purpose which encompasses the examination and evaluation of the adequacy and effectiveness of the system. An Audit Committee of the Directors of the Company has also been constituted. Internal Auditors, Audit Committee members and Statutory Auditors, have full and free access to all the information and records considered necessary to carry out the assigned responsibilities. The issues raised from time to time are suitably acted upon and followed up at different levels of management.

In the opinion of the Board, the Company is in a position to carry on its business in the foreseeable future and, accordingly, the financial statements have been prepared on the basis of a going concern.

6. Report on Corporate Governance

A detailed report on corporate governance has been included separately in Annexure 'A' and 'B' of the Annual Report.

7. Auditors' Report

The Auditors' observations in their report on audited accounts for the year ended 31st March, 2003, relate to (i) Accounting of Overdue Charges on Hire-Purchase / Lease Receivables and Bill Discounting respectively, on realisation basis, in view of uncertainties thereof; (ii) Provision for diminution in value of Investments of Rs. 50.60 lacs having not been considered and consequential effect on Profit/(Loss).

Management's Comments on the above; (i) Overdues are consistently accounted for only on realisation; (ii) Long Term Investments in quoted companies are consistently valued at cost, in view of intrinsic network of the Companies.

In terms of RBI Directions, the Auditors submitted a separate report to the Board of Directors. The observations made by them, were general in nature and require no specific comment.

8. Directors

In accordance with the requirements of Section 256 of the Companies Act, 1956 and the Articles of Association of your Company, Mr. Ved Prakash Gupta and Mr. Rajiv Gupta, Directors retire by rotation and being eligible offer themselves for re-appointment.

The above appointments require the consent of the shareholders and as such necessary resolutions have been set out in the 'Notice' convening the Annual General Meeting.

9. 'Manager' under Companies Act, 1956

The tenure of Mr. Bharat Gupta, the 'Manager' under Companies Act, 1956 designated as 'Vice-President-Operations' expires on 6th August, 2003. The Board has on the recommendation of remuneration committee, approved his re-appointment, for a further term of three years.

The above re-appointment requires the consent of the shareholders and as such necessary resolutions have been set out in the 'Notice' convening the Annual General Meeting.

10. Auditors

M/s. Khanna & Annadhanam, Chartered Accountants, retire as Auditors of the Company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness, to accept the office of the Auditors, if re-appointed, at the close of forthcoming Annual General Meeting and being eligible, offer themselves for re-appointment.

INDIA LEASE DEVELOPMENT LIMITED

**11. Particulars of Employees**

There were no employees in receipt of remuneration within the limits prescribed under Section 217(2A) of the Companies Act, 1956, as amended and as such no statement is furnished.

12. The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988

In terms of the requirements of clause (e) of sub-section (1) of section 217 of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, the particulars are given as under:

a) Technology	Not applicable	
b) Conservation of Energy	Not applicable	
c) Transactions in Foreign Currency :		
	This Year	Previous Year
	Rs.	Rs.
a) Expenditure in Foreign Currency		
i) Repayment of Foreign Currency Loan	—	—
ii) Interest on Foreign Currency Loan	—	—
iii) Travelling Expenses	3,45,150	5,72,290
b) Shares held by non-resident Shareholders	11,29,500	11,29,500
No. of Shareholders	5	5

13. Acknowledgements

Your Directors wish to thank all our valued Clients, Bankers, Shareholders and Depositors for their continued support. The Directors also wish to express their sincere appreciation to all the staff members for their contribution to the performance of the Company.

By Order of the Board
For **INDIA LEASE DEVELOPMENT LIMITED**

Place : New Delhi
Date : 25th July, 2003

Lalit Gupta
Whole-time Director

Rajiv Gupta
Director