

22nd
ANNUAL REPORT
2007-2008



Certified True Copy.

For K. Z. Leasing & Finance Ltd

Navin K. Patel
Managing Director

K. Z. LEASING & FINANCE LTD.

1ST FLOOR, DESHNA CHAMBER, ASHRAM ROAD,
USMANPURA, AHMEDABAD-380014.

22nd ANNUAL REPORT**K. Z. LEASING & FINANCE LTD.****BOARD OF DIRECTORS**

SHRI KESHAVLAL Z. PATEL	CHAIRMAN
SHRI PRAVINKUMAR K. PATEL	MANAGING DIRECTOR
SHRI RAMESHKUMAR N. PATEL	DIRECTOR
SHRI KESHAVLAL K. PATEL	DIRECTOR
SHRI GANDABHAI A. PATEL	DIRECTOR

REGISTERED OFFICE

1ST FLOOR, DESHNA CHAMBER,
B/H. KADVA PATIDAR WADI,
ASHRAM ROAD, USMANPURA,
AHMEDABAD-380014.

AUDITORS

J. M. PATEL & BROS. (M.COM., F.C.A.)
402, HARSH AVENUE,
NAVJIVAN PRESS ROAD,
NAVRANGPURA, AHMEDABAD - 380 014.

BANKERS

THE NAVNIRMAN CO. OP. BANK LTD.
UCO BANK

K. Z. LEASING & FINANCE LIMITED**NOTICE**

NOTICE is hereby given that 22nd Annual General Meeting of the members of **K. Z. LEASING & FINANCE LTD.**, will be held on **6th September, 2008** at Regd. Office :- **1st Floor, Deshna Chambers, B/h. Kadva Patidar Wadi, Usmanpura, Ashram Road, Ahmedabad - 380014 (Gujarat)** at **11.15 a.m.** to transact the following business.

ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as on 31st March 2008 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To Appoint a Director in place of Mr. Keshavlal K. Patel, who retires by rotation and being eligible, offers himself for re-appointment.
3. To Appoint Auditors who shall hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting and to fix a remuneration to be decided by the Board of Directors.

REGISTERED OFFICE :

1ST FLOOR, DESHNA CHAMBER
B/H. KADVA PATIDAR WADI, ASHRAM ROAD,
USMANPURA, AHMEDABAD - 380 014.

BY ORDER OF THE BOARD
FOR, **K. Z. LEASING & FINANCE LTD.**

KESHAVLAL Z. PATEL
(CHAIRMAN)

DATE : 21/07/2008

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NOTES :

1. A Member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
2. The Register of Members and Share Transfer Book of the Company will remain closed from **4/09/2008 to 6/09/2008** (both days inclusive) for the purpose of the annual General Meetings of the company.
3. Members are requested to intimate the change, if any, in their registered addresses.
4. Members are requested to bring their copies of the Annual Report to the Meeting.
5. Members desirous of full report are requested to write to the company at it's Registered Office.
6. Members intending to require information about accounts to be explained in the meeting are requested to inform the Company at it's Registered Office, at least Seven Days in advance of the Annual General Meeting.

22nd ANNUAL REPORT**DIRECTOR'S REPORT**

To,
The Shareholders
K. Z. LEASING & FINANCE LTD.

Your Directors have pleasure in presenting the 22nd ANNUAL REPORT of your company together with the Audited Accounts for the year ended 31st March 2008.

FINANCIAL RESULT

INCOME	2007-2008	2006-2007
Profit before depreciation & tax	4625720.35	4306987.50
Less : Depreciation	43802.00	40277.00
Provision for taxation including FBT	642406.00	586091.00
NET PROFIT AFTER TAX	3939512.35	3680619.50
Less : Transfer to statutory Reserve A/c. 20%	787902.47	736123.90
BALANCE	3151609.88	2944495.60
Transfer to Revenue Reserve	3151609.88	2944495.60
	0.00	0.00

OPERATION

The Company has earned net profit (After Tax) of Rs. 3939512.35 as against the last year's profit after tax of Rs. 3680619.50.

DIVIDEND

There is tough competition in finance Business, It is in the interest of the company not to declare dividend and invest that amount. The company Directors have decided not to recommend any dividend.

DIRECTORATE

In accordance with the provisions of The Companies Act, 1956 and the Article of Association of the Company, Mr. Keshavlal K. Patel will be retired by rotation at the ensuing Annual General Meeting and being eligible, offer themselves for re appointment.

DEPOSIT

The company has not accepted public deposit during the year and the deposits outstanding are old deposits from Directors and their relative. However company has complied the provisions of section 58 A of companies Act as well as NBFC regulations.

K. Z. LEASING & FINANCE LIMITED**DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the requirement under Section 217(2AA) of the companies Act, 1956 with respect to Directors' Responsibilities Statement, it is hereby confirmed :

- (i) That in the preparation of the annual accounts for the financial year ended 31st March, 2008, 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 were 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 the year under review;
- (iii) That the directors had taken proper and sufficient care 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;
- (iv) That the directors had prepared the accounts for the financial year ended 31st March, 2008 on a 'going concern' basis.

AUDITORS

M/s. J. M. PATEL & BROS., Chartered Accountant, Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re appointment. The Company has received certificate from the Auditors to the effect that their re appointment, if made, would be within the prescribed limits under Section 224(1) of The Companies Act, 1956.

AUDITOR'S OBSERVATIONS

As the observations made by auditors in the Auditors report read with notes on Account are self explanatory so no further explanation require. However for NPA provision the company has followed the procedure of written off Bad debts instead of NPA provision. Board of Directors are hopeful to recover the all advances outstanding.

PERSONAL

During the year under review, the relation between the Management and the employees continued to be very cordial. None of the employees of the company were in receipt of remuneration in excess of Rs.25000 per month and hence, information pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of employees) Rules, 1975 is not furnished.

INFORMATION AS PER SECTION 217(1) (E) OF THE COMPANIES ACT, 1956

The Company has no activities relating to conservation of energy or technology absorption. There was neither inflow nor out go of foreign exchange during the year.

APPRECIATION

The Director record their appreciation to the company's share holder, Bank Employees for their support and look forward for their co-operation in the measures being taken to ensure a more prosperous future of the company.

By Order of the Board of Director

Keshavlal Z. Patel
(Chairman)

Place:- Ahmedabad
Date :- 21/07/2008

22nd ANNUAL REPORT**CORPORATE GOVERNANCE REPORT**

1. K. Z. LEASING & FINANCE LTD has over the years been practicing the principles of good Corporate Governance and continuously reviews its investor relationship measures with a view to K. Z. Leasing & Finance Ltd. basically need and is not to be looked upon as an issue of Compliance alone.

The company seeks to achieve this goal by being transparent in its business dealings, disclosing all relevant information in an easily understandable manner, being fair to all shareholders and ensuring that the company's activities are managed by a professionally competent and independent Board of Directors.

2. BOARD OF DIRECTORS :

The company is being managed by the Board of Directors. The Board consists of five Directors as on 31/03/2008. Since the company has a Executive Chairman the Board meets the stipulated requirement of at least 50% of the Board comprising independent Directors who have no professional and/or business relationship with the company.

The constitution of the Board as on 31/3/2008

Shri Keshavlal Zaverchand Patel
Executive Chairman

Shri Pravinbhai Keshavlal Patel
Executive Managing Director

Non Executive & Independent Directors

1. Keshavlal Kashiram Patel
2. Rameshbhai N. Patel
3. Gandadal Ambalal Patel

The meetings of the Board of Directors were held on the following dated during the year

The Attendance of the Directors of the company at the Board Meetings and Annual General Meeting (AGM) are as follows :

Name of Director	No of Meetings		Attendance of last AGM	Sitting Fees
	Held	Attn.		
Shri Keshavlal Z. Patel	15	15	Yes	Nil
Shri Pravinbhai K. Patel	15	15	Yes	Nil
Shri Rameshbhai N. Patel	15	10	Yes	Nil
Shri Keshavlal K. Patel	15	8	Yes	Nil
Shri Gandadal A. Patel	15	8	Yes	Nil

3. AUDIT COMMITTEE :

Managing Director
Shri P. K. Patel

Other Members

Shri K. K. Patel
Shri G. A. Patel

The Committee met 4 times on 21st July, 2007, 30th September, 2007, 22nd October, 2007 and 22nd January, 2008 during the financial year 2007-2008 and the attendance of the committee were as follows:

Name of Director	No. of Meetings		Attended Last AGM
	Held	Attended	
Shri P. K. Patel	4	4	Yes
Shri K. K. Patel	4	4	Yes
Shri G. A. Patel	4	3	Yes

No Remuneration/sitting fees are paid to the members of the Audit Committee.

K. Z. LEASING & FINANCE LIMITED**4. REMUNERATION POLICY :**

The company has two Executive Directors on the Board, whose appointment and remuneration has been fixed by the board and in terms of the resolution passed by the members.

In view of this K. Z. does not have a Remuneration committee. The Board determines the remuneration of the Managing Director.

5. SHAREHOLDERS / INVESTORS Grievance committee**Terms of Reference :**

The company has formed investor/shareholder grievance committee to ensure redressal of shareholder and investor complaints relating to transfer of shares, non receipt of declared Dividend, Annual Reports etc.

The committee normally deals with the following matters :

- Transfer/Transmission/Transposition of shares, issue of duplicate shares, consolidation of shares/subdivision of shares.
- Review of Dematerialization of shares.
- Normal day to day matters & all other matters as prescribed and delegated to the committee by the board from time to time. The minutes of the committee meetings are noted and ratified at every ensuing board meetings.

Composition of committee

The Committee comprises of the following Directors.

Chairman	Other Members
Shri K. Z. Patel	Shri R. N. Patel Shri G. A. Patel

The Compliance Officer

Shri Samir A. Patel is the compliance Officer

The committee met on 26th Jun, 2007, 30th November, 2007, 31st January 2008 during the financial year 2007-2008

Name of Directors	No. of Meetings		Attended Last AGM
	Held	Attended	
Shri K. Z. Patel	3	3	Yes
Shri R. N. Patel	3	3	Yes
Shri G. A. Patel	3	3	Yes

During the year ended 31/03/2008 the company did not receive any complaint.

No Remuneration/sitting fees are paid to the members of the Investor Grievance Committee.

This committee meeting is held generally twice a month. During the financial year ended March 31, 2008, 24 meetings were held.

No Remuneration/sitting fees are paid to the members of the Sub Committee of directors.

General Body Meeting**Details of the Annual General Meeting(AGM)**

AGM Date	Financial Year	Time	Location where AGM was held in the last 3 years	AGM No.
06/09/2008	- 2007-2008	11.15 a.m.	1st floor, Deshna Chamber B/h. Kadva Patidar Wadi, Usmanpura, Ashram road, Ahmedabad-380014	22nd
29/09/2007	- 2006-2007	11.15 a.m.	As Above	21st
20/09/2006	- 2005-2006	11.15 a.m.	As Above	20th

Disclosure :

A) Related party transaction with them as required under accounting standard 18(AS-18) are furnished under paragraph no 21 of the notes to the account attached with the financial statement in the year ended 31/3/2008.

B) There has neither been any non compliance of any legal provision of applicable law nor any penalty, stricture imposed by the Stock Exchange or SEBI or any other authorities on any matters related to Capital Market during last three years.

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Means of Communications

Half yearly report sent to each shareholder	-	No
Household of shareholders	-	No
Quarterly results sent to each shareholder	-	No
Household of shareholders	-	No
News Papers normally published in	-	Free Press Journal Western Times English & Gujarati Daily
Any web site where displayed	-	No
Whether any advertisement also displayed Official news releases and presentations made to institutions or investors/analysis	-	No presentation made
Whether management discussions and analysis forms part of Annual Report	-	Yes
Whether shareholders information section forms part of Annual Report	-	Yes

General shareholder's Information

a) Annual General Meeting Date	: Saturday 6th September, 2008
b) Time	: 11.15 a.m.
c) Venue	: K. Z. Leasing & Finance Ltd. 1st floor, Deshna Chambers, B/h. Kadva Patidar Wadi Usmanpura, Ashram road, Ahmedabad-380014

Financial Calendar

22nd Annual General Meeting	: 6th September, 2008
1st Quarterly Result	: 21st July, 2007
2nd Quarterly Result	: 22nd October, 2007
3rd Quarterly Result	: 22nd January, 2008

Book Closure Date	: 4th September 2008 to 6th September 2008 (Both days inclusive)
Dividend Payment date	: N.A.

List of Stock Exchanges

Sr. No.	Stock Exchange where listed	Address
1.	The Stock Exchange, Mumbai #10088-bed-	Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai-400021

Listing fees for the year 2008-2009 have been paid to the above Stock Exchange within stipulated period.
Demat of shares 22,75,980 Equity shares which is around 74.83% of the paid up capital as on March 31, 2008 has been dematerialised