

MD	<input checked="" type="checkbox"/>		BKC	<input checked="" type="checkbox"/>
CS	<input checked="" type="checkbox"/>		DPY	<input checked="" type="checkbox"/>
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	<input checked="" type="checkbox"/>		AC	<input checked="" type="checkbox"/>
AGM	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>	SHI	<input checked="" type="checkbox"/>
YE	<input checked="" type="checkbox"/>	<input checked="" type="checkbox"/>		<input checked="" type="checkbox"/>

DIL VIKAS FINANCE LIMITED

18th
ANNUAL REPORT
1997-1998

BOARD OF DIRECTORS

R. P. AIYER *Chairman*

B. S. GANDHI

D. K. VORA

I. M. D'SOUZA

N. DALVI

D. SHROFF

R. B. PRADHAN

M. V. SHAH

DIL VIKAS FINANCE LIMITED

18TH ANNUAL REPORT

1997-98.

BANKERS

CANARA BANK

CITIBANK N. A.

GLOBAL TRUST BANK

PUNJAB & SIND BANK

SYNDICATE BANK

AUDITORS

JAGTIANI & NAIK

Chartered Accountants

REGISTERED OFFICE

317, MAKER CHAMBERS V,
221, NARIMAN POINT,
MUMBAI 400 021.

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18TH ANNUAL REPORT 1997-98

NOTICE

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING of the Members of the Company will be held on Friday, 14th day of August 1998 at 3.00 p.m. at 317 Maker Chambers V, 221, Nariman Point, Mumbai 400 021, to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March, 1998 and the Profit & Loss Account of the Company for the year ended on that date alongwith the Reports of the Directors and Auditors thereon.
2. To appoint M/s Jagtiani & Naik, Chartered Accountants as the Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS

3. To consider and if thought fit to pass the following resolution as an ordinary resolution.

RESOLVED THAT Mr. I. M. D'Souza was appointed as a Director on 4th December, 1997 in the casual vacancy caused by the resignation of Mr. Sanwarmal Sedmal, Director, who holds office until the date of the Annual General Meeting, who is eligible for appointment and in respect of whom the Company has received a notice from a shareholder proposing his candidature for the office of Director at this Annual General Meeting, be and is hereby appointed Director of the Company.

4. To consider and if thought fit to pass the following resolution as an ordinary resolution.

RESOLVED THAT Mr. Nihal Dalvi was appointed as a Director on 4th December, 1997 in the casual vacancy caused by the resignation of Mr. Pavankumar Sanwarmal, Director, who holds office until the date of the Annual General Meeting, who is eligible for appointment and in respect of whom the Company has received a notice from a shareholder proposing his candidature for the office of Director at this Annual General Meeting, be and is hereby appointed Director of the Company.

5. To consider and if thought fit to pass the following resolution as an ordinary resolution.

RESOLVED THAT Ms. Dilnaz Shroff was appointed as Additional Director on 4th December, 1997 and holds office until the date of the Annual General Meeting, who is eligible for appointment and in respect of whom the Company has received a notice from a shareholder proposing her candidature for the office of Director at this Annual General Meeting, be and is hereby appointed Director of the Company.

Notes :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE MEETING.
2. An Explanatory Statement in respect of Item no. 4, 5, & 6 is annexed hereto
3. The Register of Members and the Share transfer Books of the Company will closed from 12th August 1998 to 14th August 1998 (both days inclusive)
4. Members are requested to intimate change of address (if any) to the Company at its Registered office immediately.

By Order of the Board
For **DIL VIKAS FINANCE LIMITED**

BIMAL S. GANDHI
DIRECTOR

Registered Office:
317, Maker Chambers V,
Nariman Point, Mumbai 400021.

DATE: JUNE 29, 1998

DIL VIKAS FINANCE LIMITED

ANNEXURE TO THE NOTICE

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.

In conformity with the provisions of Section 173(2) of the Companies Act, 1956, the following Explanatory Statement sets out the material facts relating to Item no. 3 to 5 contained in the accompanying Notice dated 29th June, 1998

Item no. 3 & 4.

Mr. I. M. D'Souza and Mr. Nihal Dalvi were appointed as Directors on 4th December, 1997 in the casual vacancy caused by the resignation of Mr. Sanwarmal Sedmal and Mr. Pavankumar Sanwarmal respectively. They hold office upto the date of this Annual General Meeting and are eligible for appointment. A notice pursuant to the provisions of the Companies Act, 1956 has been received from a shareholder together with deposits of Rs. 500 each proposing their candidature for the office of Director at this Annual General Meeting.

Mr. I. M. D'Souza and Mr. Nihal Dalvi are interested in the respective resolution since they concern their appointments.

None of the other Directors are in any way concerned or interested in the resolution.

The Directors consider that their continued association with the Company will be beneficial and commend the resolutions for the approval of the shareholders.

Item no. 5.

Ms. Dilnavaz Shroff was appointed by the Board of Directors as Additional Director during the year. She holds office upto the date of the Annual General Meeting. The Company has received a notice pursuant to the provisions of the Companies Act, 1956 from a shareholder together with deposit of Rs. 500 proposing her candidature for the office of Director at this Annual General Meeting. The Directors recommend her appointment as a Director of the Company.

None of the Directors except Ms. Dilnavaz Shroff is in any way concerned or interested in the resolution.

By Order of the Board
For **DIL VIKAS FINANCE LIMITED**

BIMAL S. GANDHI
DIRECTOR

PLACE : MUMBAI
DATE : JUNE 29, 1998

18TH ANNUAL REPORT 1997-98

DIRECTORS' REPORT

The Directors present herewith the 18th Annual Report together with the audited statement of accounts for the year ended March 31, 1998

1. FINANCIAL RESULTS :

	CURRENT YEAR RS.	PREVIOUS YEAR RS.
Gross Profit / (Loss) before depreciation and taxes	17,80,049	16,70,374
Less: Depreciation	12,43,129	8,73,921
Net Profit / (Loss) before Tax	5,36,920	7,96,453
Less : Provision for taxation	—	1,00,000
Profit / (Loss) after Tax	5,36,920	6,96,453
Add : Balance brought forward from previous year	23,08,016	15,74,790
Add : Excess provisions for taxation for earlier years	—	36,773
Profit available for Appropriation	28,44,936	23,08,016
Transfer to General Reserve	—	—
Surplus carried to Balance - Sheet	28,44,936	23,08,016

2. OPERATIONS :

Notwith standing improvement in the operations of the Company during the financial year ended 31st March, 1998, the available Profit for appropriation was marginal, essentially due to a sum of over Rs. 50,62,470 was being written off - a step considered prudent.

3. PROSPECTS FOR THE YEAR 1998-99 :

Inspite of the volatility of the Stock Market, the Company's performance upto June 1998, has shown an upward trend. This is because the operations are largely confined to the Debt Market Instruments.

4. SATELLITE DEALERSHIP :

During the year the Company was registered as a Satellite Dealer in Government Securities Market consequent to the approval granted by the Reserve Bank of India vide its letter dated April 3, 1997.

5. FIXED DEPOSIT :

As on 31st March 1998, there were no Fixed Deposits with the Company.

6. DIRECTORS :

During the year Mr. Sanwarmal Sedmal and Mr. Pavankumar Sanwarmal resigned and the Board filled the casual vacancies thus caused, by appointing Mr. I. M. D' Souza and Mr. Nihal Dalvi in their places. The Directors have placed on record their appreciation of the services rendered by Mr. Sanwarmal Sedmal and Mr. Pavankumar Sanwarmal during their tenure as Directors

Ms. Dilnavaz Shroff was appointed as Additional Director on 4th December, 1997.

Mr. I. M. D'Souza, Mr. Nihal Dalvi and Ms. Dilnavaz Shroff hold office upto the date of the Annual General Meeting and suitable resolutions for their appointment have been proposed for your approval at the Annual General Meeting.

DIL VIKAS FINANCE LIMITED

7. CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION :

In view of the nature of activities of the Company, the provisions relating to conservation of energy and technology absorption are not applicable to the Company.

8. FOREIGN EXCHANGE EARNINGS AND OUTGO :

There was no foreign exchange earning during the year and the foreign exchange outgo was Rs. 33,717/- in respect of payments on account of subscriptions to books and periodicals in Foreign Exchange.

9. PARTICULARS OF EMPLOYEES :

Information about the particulars of employees under Section 217(2A) of the Companies Act, 1956 is given as Annexure to the Directors' Report.

The Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, are not applicable to the Company.

10. AUDITORS :

The Auditors of the Company, M/s. Jagtiani & Naik, Mumbai, shall retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. A certificate under Section 224(1B) of the Companies Act, 1956, has been received from the Auditors, confirming that the appointment if made, will be within the prescribed limits.

BY ORDER OF THE BOARD OF DIRECTORS
DIL VIKAS FINANCE LIMITED

PLACE : MUMBAI

DATE: JUNE 29, 1998

R. P. AIYER
CHAIRMAN

ANNEXURE OF PARTICULARS OF EMPLOYEES PURSUANT TO THE PROVISION OF SECTION 217(2A) OF THE COMPANIES ACT, 1956.

(A) Employed throughout the year under review and were in receipt of remuneration for the year in aggregate not less than Rs.3,00,000/-

Name	Designation	Qualification	Remuneration	Age	Experience	Date of Commencement of Employment	Previous Employment / Designation
R. BALAKRISHNAN	President	M. Com. C.A.I.I.B.	11,69,496	43	24 years	1/11/96	DSP Merrill Lynch Ltd.
AASHISH PONDA	Sr. Vice -President	B. Com.LLB ACA	8,68,110	31	6 years	1.10.96	E'l Dorado Guarantee Ltd. Head of Business & Strategic Planning.
VAIDYANATHAN IYER	Vice President	DCT	3,00,691	32	10 years	1.10.95	Premier Consolidated Capital Trust Ltd.

(B) Employed for part of the year under review and were in receipt of remuneration at a rate which in aggregate not less than Rs. 25,000/- per month.

Name	Designation	Qualification	Remuneration	Age	Experience	Date of Commencement of Employment	Previous Employment / Designation
N. MADHUSUDAN	Chief Dealer	B. Com. ICWA	94,635	30	6 years	1.12.97	Peregrine Securities Pvt. Ltd.

NOTES :

1. Remuneration includes salary, allowance and value of perquisites.
2. Other Terms & Conditions : The appointment of employees is terminable on notice on either side.
3. None of the employees related to any of the directors

18TH ANNUAL REPORT 1997-98

AUDITORS' REPORT

The Members of DIL VIKAS FINANCE LIMITED

We have audited the attached Balance Sheet of DIL VIKAS FINANCE LIMITED as at 31st March, 1998 and also Profit and Loss Account of the Company for the year ended on that date annexed thereto and report that.

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
2. In our opinion proper Books of Account as required by law have been kept by Company so far as appears from our examination of those books.
3. The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the Books of Account.
4. No provision has been made for retirement benefit cost for the year in respect of leave encashment of employees as required under Accounting Standard No. 15 issued by the Institute of Chartered Accountants of India amount not ascertained [See Accounting Policy (h)]
5. Subject to the matter referred to in Paragraph 4 above, in our opinion and to the best of our information and according to the explanations given to us, the said Accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view.

i) In case of Balance Sheet of the state of the Company's affairs as at 31st March, 1998.

and

ii) In case of the Profit and Loss Account of the Profit of the Company for the year ended 31st March, 1998.

6. As required by the Manufacturing and other Companies (Auditor's Report) Order, 1988 issued by the Company Law Board in terms of section 227 (4A) of the Companies Act, 1956 and on the basis of such checks as we considered appropriate we further state that :

- i) The Company has maintained proper records showing full particulars including quantitative details and location of the fixed assets. All the fixed assets have been physically verified by the management during the year. No discrepancy was noticed on such verification.
- ii) None of the fixed assets have been revalued during the year.
- iii) The stock in trade has been physically verified by the management at reasonable intervals and no discrepancies have been noticed on such verification. The procedures followed by the management for the Physical verification are, in our opinion, reasonable and adequate in relation the size of the company and the nature of its business. In our opinion, the basis of valuation of stock is fair and proper in accordance with the normally accepted accounting principle and is on the same basis as in the preceding year. The Company deals in Shares and Securities wherein there is no question of any damaged stock or scrap.
- iv) The Company has not taken any loan from Companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or from Companies under same management as defined under Section 370 (1B) of the Companies Act, 1956.
- v) The Company has granted temporary loans, to Companies listed in the registers maintained under Section 301 and 370 (1-C) of the Companies Act, 1956. The same is repaid during the year. The

DIL VIKAS FINANCE LIMITED

terms and conditions of such loans are not prima facie prejudicial to the interest of the Company.

- vi) The Company has given interest free loans to Companies in respect of which repayment have not been stipulated. An irrecoverable loan of Rs. 5,00,000/- is written off during the year. The Company has also given interest free loans to its employees without any stipulation as to its repayment.
- vii) In our opinion and according to the information and explanations given to us there are adequate internal control procedures commensurate, with the size of the Company and nature of its business for purchase of equipment and other assets.
- viii) The transaction of purchase of goods and sale of goods and services made in pursuance of contract or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party, have been made at prices which are reasonable, having regard to prevailing market prices for which such goods and services or the prices at which transactions for similar goods or services have been made with other parties.
- ix) The Company has not accepted any deposit from the public.
- x) During the year, the Company does not have a formal internal audit system as such, but its internal control procedures ensure reasonable internal checking of financial and other records, which in our opinion are adequate.
- xi) According to the records of the Company, Provident Fund dues have been regularly deposited during the year with the appropriate authorities. The Employees' State Insurance Act 1948 is not applicable to the Company during the year.
- xii) According to the information and explanations given to us and the books of account and records examined by us there are no undisputed amounts payable in respect of Income-Tax, Wealth Tax, Sales-Tax, Custom Duty and Excise Duty outstanding as at 31st March, 1998 for the period of more than six months from the day they became payable.
- xiii) On the basis of our examination of the Books and according to the information and explanations given to us there are no personal expenses charged to revenue account other than those payable under contractual obligations or in accordance with the generally accepted business practice.
- xiv) According to the information and explanations given to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and any other similar securities.
- xv) The provisions of special statute applicable to Chit Fund Nidhi or Mutual Benefit Society do not apply to the Company.
- xvi) The Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and timely entries have been made therein. All shares and debentures have been held by the Company in its own name except to the extent of exemption if any granted U/s. 49 of the Companies Act, 1956.
- xvii) Other Provisions of the Manufacturing and other Companies (Auditors' Report) Order, 1988 are not applicable during the year in the case of this Company.

For JAGTIANI & NAIK
Chartered Accountants

J.G. NAIK
PARTNER

Place : MUMBAI

Dated : 29th JUNE, 1998.

18TH ANNUAL REPORT 1997-98

BALANCE SHEET AS AT 31ST MARCH, 1998

	SCHEDULE ANNEXED	AS AT 31ST MARCH 1998 RUPEES	AS AT 31ST MARCH 1997 RUPEES
I. SOURCES OF FUNDS :			
1) Shareholder's Funds :			
a) Share Capital	A	1,00,00,000	1,00,00,000
b) Reserves and Surplus	B	7,59,44,936	7,54,08,016
TOTAL		8,59,44,936	8,54,08,016
II. APPLICATION OF FUNDS :			
1) Fixed Assets :	C		
a) Gross Block		69,04,008	53,20,921
b) Less : Depreciation		29,40,622	18,56,071
c) Net Block		39,63,386	34,64,850
2) Investments	D	2,69,09,700	1,45,71,679
3) Current Assets, Loans and Advances :	E		
a) Stock in Trade	E-1	2,56,95,448	1,59,39,500
b) Sundry Debtors	E-2	1,40,11,170	1,44,85,751
c) Cash and Bank Balances	E-3	9,34,034	2,18,43,932
d) Other Current Assets	E-4	—	77,199
e) Loans and Advances	E-5	4,74,89,686	2,76,98,799
		8,81,30,338	8,00,45,181
Less : Current Liabilities and Provisions :	F		
a) Liabilities	F-1	3,29,55,331	1,25,73,694
b) Provisions	F-2	1,03,157	1,00,000
		3,30,58,488	1,26,73,694
Net Current Assets		5,50,71,850	6,73,71,487
TOTAL		8,59,44,936	8,54,08,016

For Notes forming Part of Accounts refer Schedule "L" Annexed

Schedules A to L form an integral part of these accounts.

THIS IS THE BALANCE SHEET REFERRED TO IN OUR REPORT OF EVEN DATE

For JAGTIANI & NAIK

Chartered Accountants

J. G. NAIK

PARTNER DIRECTORS

Place : MUMBAI

Dated : 29TH JUNE, 1998.

For and on behalf of the Board

Bimal S. Gandhi

Dilnavaz Shroff

Place : MUMBAI

Dated : 29TH JUNE, 1998.

DIL VIKAS FINANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1998

	SCHEDULE ANNEXED	1997-98 RUPEES	1996-97 RUPEES
INCOME :			
Sale of Shares and Securities	K-3	23,48,70,096	3,83,88,053
Capital and Money Market operations	G	2,38,07,043	1,66,35,164
Other Income	H	23,07,049	56,40,983
TOTAL		<u>26,09,84,188</u>	<u>6,06,64,200</u>
EXPENDITURE :			
Cost of Shares and Securities Sold	I	23,72,93,486	4,63,11,249
Hedging in Shares		15,01,283	—
Administrative and Other Expenses	J	1,53,46,900	1,26,30,964
Bad Debts/Irrecoverable Loan written off		50,62,470	51,613
Depreciation	C	12,43,129	8,73,921
		<u>26,04,47,268</u>	<u>5,98,67,747</u>
Loss/Profit for the year		5,36,920	7,96,453
Less : Provision for Taxation		—	1,00,000
Add : Balance Brought Forward from Previous Year		23,08,016	15,74,790
Add : Excess Provision for Taxation		—	36,773
AMOUNT AVAILABLE FOR APPROPRIATIONS :		28,44,936	23,08,016
APPROPRIATIONS :			
Surplus Carried to Balance Sheet		<u>28,44,936</u>	<u>23,08,016</u>
		<u>28,44,936</u>	<u>23,08,016</u>

For Notes forming Part of Accounts refer Schedule "L" Annexed

Schedules A to L form an integral part of these accounts.

THIS IS THE PROFIT AND LOSS ACCOUNT REFERRED TO IN OUR REPORT OF EVEN DATE

For JAGTIANI & NAIK

Chartered Accountants

J. G. NAIK

PARTNER

Place : MUMBAI

Dated : 29TH JUNE, 1998.

For and on behalf of the Board

Bimal S. Gandhi

Dilnavaz Shroff

DIRECTORS

Place : MUMBAI

Dated : 29TH JUNE, 1998.

18TH ANNUAL REPORT 1997-98

SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 1998

AS AT
31/3/1998
RUPEES

AS AT
31/3/1997
RUPEES

SCHEDULE - A.

SHARE CAPITAL :

Authorised :

50,00,000 Equity Shares of Rs. 10/- each

5,00,00,000

5,00,00,000

Issued, Subscribed and Paid-up :

10,00,000 Equity Shares of Rs. 10/- each fully paid up

1,00,00,000

1,00,00,000

SCHEDULE - B.

RESERVES AND SURPLUS :

General Reserve :

As Per Last Balance Sheet

7,31,00,000

7,31,00,000

Profit and Loss Account :

Surplus As Per Profit and Loss Account Annexed

28,44,936

23,08,016

7,59,44,936

7,54,08,016

SCHEDULE - C.

FIXED ASSETS

(in Rupees)

ASSETS	COST				DEPRECIATION				NET BLOCK	
	As per last Balance Sheet	Additions during the year	Deductions during the year	Balance of cost	Written off upto last year	Written off during the year	Deducted on account of Sales / Transfer	Total written off	As at 31-3-98	As at 31-3-97
A) OWN ASSETS :										
Computers	25,18,772	2,63,200	50,350	27,31,622	9,29,899	7,00,037	11,314	16,18,622	11,13,000	15,88,873
Office Equipments and Electrical Installation.	7,73,728	2,22,939	1,06,000	8,90,667	1,69,606	93,666	40,978	2,22,294	6,68,373	6,04,122
Furniture & Fixtures	7,38,356	---	---	7,38,356	2,21,771	93,502	---	3,15,273	4,23,083	5,16,585
Vehicles	11,73,065	13,70,298	---	25,43,363	4,32,252	3,52,181	---	7,84,433	17,58,930	7,40,813
B) LEASED ASSET :										
Vehicles	1,17,000	---	1,17,000	---	1,02,543	3,743	1,06,286	---	---	14,457
TOTAL	53,20,921	18,56,437	2,73,350	69,04,008	18,56,071	12,43,129	1,58,578	29,40,622	39,63,386	34,64,850
PREVIOUS YEAR	26,43,187	31,02,734	4,25,000	53,20,921	11,33,377	8,73,921	1,51,227	18,56,071	34,64,850	15,09,810

DIL VIKAS FINANCE LIMITED

SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 1998

Sr. No.	Name of Company	Nos.	Face Value	As at 31/3/1998 Rupees	Nos.	As at 31/3/1997 Rupees
SCHEDULE - D.						
INVESTMENTS (LONG TERM) at cost - Non Trade						
A) In Shares - Fully paid equity shares						
i) Quoted						
1	Birla Global Finance Limited	—	2,00,000	—	20,000	2,00,000
2	Chemplast Sanmar India Limited (including 4,000 Bonus shares)	—	1,00,000	—	10,000	45,250
3	Castrol India Limited (Bonus Shares)	—	740	—	74	—
4	Deccan Cements Limited	—	10,68,000	—	1,06,800	22,58,577
5	DCL Polysters Limited	—	1,500	—	150	3,750
6	Elcot Power Controls Limited	—	14,000	—	1,400	1,05,000
7	Hindalco Industries Limited (including 8,642 Bonus shares.)	—	1,36,510	—	13,651	1,84,049
8	Harrison Malayalam Limited	—	142850	—	14,285	535186
9	The Indian Hume Pipes Company Limited	—	36,000	—	360	23,400
10	I. B. P. Company Limited (including 2,800 Bonus shares.)	—	84,000	—	8,400	5,42,004
11	Mack Trading Company Limited	—	2,000	—	200	1,998
12	Sanmar Properties & Investments Limited	—	30,000	—	3,000	60,000
ii) Unquoted						
1 In Subsidiary Companies :						
1	Flora Fountain Properties Limited	—	3,35,000	—	33,500	3,35,022
2	Zillion Investments Company Limited	—	29,00,000	—	2,90,000	29,00,000
2 In other Companies :						
1	Ace Garments Exports Limited	80,000	8,00,000	8,10,000	80,000	8,10,000
2	Shree Bombay Cotton Mills Estate Private Limited.	—	7,500	—	750	2,25,750
3	HBL Plastics Limited	—	1,60,400	—	16,040	1,60,400
4	Lishaku Leasing & Finance Limited	—	2,00,000	—	20,000	2,00,000
5	E'l Dorado Guarantee Limited	8,69,980	86,99,800	2,60,99,700	—	—
B. DEBENTURES - QUOTED						
15% Secured Redeemable Non- Convertible Part Deccan Cements Limited						
—	—	—	14,04,000	—	23,400	11,64,150
C. Other Investments						
Gold Bonds, 1998.						
—	—	—	—	—	12,654gms.	48,17,143
				<u>2,69,09,700</u>	<u>1,45,71,679</u>	
Aggregate Value of quoted investments				—	51,23,364	
Aggregate Value of unquoted investments				2,69,09,700	94,48,315	
Market Value of Quoted Investments				—	1,82,17,570	

18TH ANNUAL REPORT 1997-98

SCHEDULES TO BALANCE SHEET AS AT 31ST MARCH, 1998

	AS AT 31/3/1998 RUPEES	AS AT 31/3/1997 RUPEES
SCHEDULE - E.		
CURRENT ASSETS, LOANS AND ADVANCES :		
E-1 Stock in Trade : (As taken Valued and Certified by the Management) (Valued At Cost or realisable Value whichever is less)		
a) Quoted Equity Shares	42,40,077	1,54,84,100
b) Unquoted Equity Shares	72,19,220	2,00,400
c) Quoted Debentures	—	2,55,000
d) Quoted Government Securities	1,42,36,151	—
	<u>2,56,95,448</u>	<u>1,59,39,500</u>
E-2 Sundry Debtors : (Unsecured, Considered Good)		
a) Due for period exceeding six months	84,676	47,91,707
b) Other Debts	1,39,26,494	96,94,044
	<u>1,40,11,170</u>	<u>1,44,85,751</u>
E-3 Cash and Bank Balances :		
Cash and Stamps in hand	41,036	19,662
Balances with Scheduled Banks in		
a) Current Accounts	8,92,998	62,85,845
b) Deposit Accounts	—	1,55,38,425
	<u>9,34,034</u>	<u>2,18,43,932</u>
E-4 Other Current Assets :		
Interest Accrued on Deposit with Banks	—	77,199
E-5 Loans and Advances : (Unsecured, Considered Good)		
a) Loans to :		
Company	1,00,000	5,00,000
Staff	1,31,500	—
b) Deposit with National Stock Exchange of India Limited	1,55,35,000	1,55,00,000
c) Other Deposits	3,04,44,684	1,06,26,600
d) Advance Recoverable in Cost or in Kind or for value to be received	39,128	71,854
e) Prepaid Expenses	1,97,240	2,02,343
f) Advance Tax and Tax Deducted At Source	10,42,134	7,98,002
	<u>4,74,89,686</u>	<u>2,76,98,799</u>
SCHEDULE - F.		
CURRENT LIABILITIES AND PROVISIONS :		
F-1 Liabilities :		
Hire Purchase Creditors	6,30,488	—
Sundry Creditors	2,19,49,629	86,23,793
National Stock Exchange	1,03,22,090	38,59,489
Other Liabilities	53,124	90,412
	<u>3,29,55,331</u>	<u>1,25,73,694</u>
F-2 Provisions :		
Provision for Taxation	1,00,000	1,00,000
Interest Tax	3,157	—
	<u>1,03,157</u>	<u>1,00,000</u>

DIL VIKAS FINANCE LIMITED

SCHEDULES TO PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1998.

	Schedule Annexed	As at 31/3/1998 Rupees	As at 31/3/1997 Rupees
SCHEDULE - G.			
CAPITAL AND MONEY MARKET OPERATIONS :			
Brokerage		1,00,70,016	60,41,799
Commission		15,12,267	18,84,411
Merchant Banking Income		—	2,10,000
Surplus on Sale of Investments		1,22,24,760	84,98,954
		<u>2,38,07,043</u>	<u>1,66,35,164</u>
SCHEDULE - H.			
OTHER INCOME :			
Income from Trading Operations (Net)		6,05,563	26,98,977
Interest on Deposits (Gross) [T.D.S. Rs. 1,01,515/- (Rs. 1,33,370/-)]		9,22,665	17,02,993
Interest on Debentures (Gross) [T.D.S. Rs. 34,039/- (Rs. 56,353/-)]		1,50,300	2,36,475
Interest on Others [T.D.S. Rs. NIL (Rs. 20,092/-)]		529	26,033
Dividend from Subsidiary Company [T.D.S. Rs. NIL (Rs. 13,166/-)]		—	53,250
Dividend - Others [T.D.S. Rs. NIL (Rs. 2,07,827/-)]		6,06,257	8,74,015
Miscellaneous Income		21,735	49,240
		<u>23,07,049</u>	<u>56,40,983</u>
SCHEDULE - I.			
COST OF SHARES AND SECURITIES SOLD :			
Opening Stock	K-1	1,59,39,500	1,06,56,162
Add : Purchases	K-2	24,70,49,434	5,15,94,587
		<u>26,29,88,934</u>	<u>6,22,50,749</u>
Less : Closing Stock	K-4	2,56,95,448	1,59,39,500
		<u>23,72,93,486</u>	<u>4,63,11,249</u>

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SCHEDULES TO PROFIT & LOSS ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1998.

	Year Ended 31-03-98 Rs.	Year Ended 31-03-97 Rs.
SCHEDULE - J.		
ADMINISTRATIVE AND OTHER EXPENSES		
Employees' Remuneration and Benefits :		
Salaries, Bonus and Ex-gratia	47,96,333	27,04,431
Contribution to Provident Fund and Other Funds	3,67,461	1,75,724
Welfare Expenses	79,020	1,04,784
	<u>52,42,814</u>	<u>29,84,939</u>
Transaction Costs and Service Tax	25,56,164	12,78,647
Rent, Rates and Taxes	2,67,793	53,255
Insurance	20,574	1,38,787
Travelling and Conveyance	6,81,147	6,04,992
Repairs, Maintenance - Others	4,15,806	4,45,445
Electricity Expenses	3,38,984	3,14,298
Printing and Stationery	20,1453	3,88,776
Postage and Telephone	21,47,547	12,62,088
Vehicle Expenses	3,30,663	2,95,414
Advertisement	31,338	62,373
Membership, Subscription and Registration	9,98,748	781900
Office Service Charges	87,000	1,74,000
Legal and Professional Fees	6,60,520	6,45,065
Advisory Charges	3,17,750	7,38,050
Auditors' Remuneration :		
Audit Fees	50,000	25,000
Tax Audit Fees	25,000	8,000
Income Tax Matters	—	5,000
Other Services	25,000	21,000
Certifications	1,000	11,750
Sub Brokerage	1,30,313	4,70,892
Interest :		
Bank	—	9,28,446
Others	14,815	—
Hire Purchase Finance Charges	47,667	67,841
Directors Sitting Fees	17,000	12,500
Computer Software Expenses	21,500	1,96,750
Loss on Sale/Write off of Assets (Net)	76,602	1,18,273
Interest Tax	3,596	7,440
Miscellaneous Expenses	6,36,106	5,90,043
	<u>1,53,46,900</u>	<u>1,26,30,964</u>

DIL VIKAS FINANCE LIMITED

SCHEDULE - K.

DESCRIPTION	UNIT	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
		Quantity	Value	Quantity	Value	Quantity	Value	Quantity	Value
		Nos	Rs.	Nos	Rs.	Nos	Rs.	Nos	Rs
QUOTED :									
Equity Shares	Number	1,85,740 (1,06,895)	84,65,280 (35,61,134)	1,61,533 (7,81,585)	1,56,09,310 (499,10,950)	2,07,890 (7,00,240)	1,82,00,969 (3,68,78,120)	1,39,383 (1,85,740)	42,40,077 (84,65,280)
Debentures	Number	2,500 (—)	2,55,000 (—)	10,000 (2,500)	5,64,80,000 (3,00,000)	12,500 (—)	5,68,55,000 (—)	— (2,500)	— (2,55,000)
Units	Number	— (1,10,800)	— (11,47,278)	— (8,100)	— (1,12,167)	— (1,18,900)	— (15,09,933)	— (—)	— (—)
Government Securities	Face value	— (—)	— (—)	14,60,21,500 (—)	17,49,60,124 (—)	13,31,02,800 (—)	15,98,14,127 (—)	1,29,18,700 (—)	1,42,36,151 (—)
SUB TOTAL			87,20,280 (47,08,412)		24,70,49,434 (5,03,23,117)		23,48,70,096 (3,83,88,053)		1,84,76,228 (87,20,280)
UNQUOTED :									
Equity Shares	Number	3,13,235 (1,86,235)	72,19,220 (59,47,750)	— (1,27,000)	— (12,71,470)	— (—)	— (—)	3,13,235 (72,19,220)	72,19,220 (72,19,220)
SUB TOTAL			72,19,220 (59,47,750)		— (12,71,470)		— (—)		72,19,220 (72,19,220)
TOTAL			1,59,39,500 (1,06,56,162)		24,70,49,434 (5,15,94,587)		23,48,70,096 (3,83,88,053)		2,56,95,448 (1,59,39,500)

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DETAILS OF STOCK IN TRADE :

A. QUOTED :

1) EQUITY SHARES :

SR. NO.	NO. OF SHARES	NAME OF COMPANY	FACE VALUE	VALUE
1)	26,500 (27,500)	Elcot Power Control Limited	2,65,000 (2,75,000)	1,04,675 (7,38,375)
2)	33 (100)	Indian Rayon Limited	330 (1,000)	5,760 (28,610)
3)	90,000 {90,000}	Ratnasila Granites Limited	900000 (9,00,000)	1,44,000 (1,80,000)
4)	22,800 (—)	Sesa Goa Limited	2,28,000 (—)	39,79,080 (—)
5)	50 (—)	Tisco Limited	500 (—)	6,562 (—)
6)	— (100)	Ashok Leyland Limited	— (1,000)	— (8,425)
7)	— (31,090)	Forbes Gokak Limited	— (3,10,900)	— (52,07,575)
8)	— (10,800)	Fifth Generation Limited	— (1,08,000)	— (55,620)
9)	— (2,500)	Lloyds Finance Limited	— (25,000)	— (86,875)
10)	— (16,450)	Oudh Sugar Limited	— (1,64,500)	— (6,00,425)
11)	— (7,000)	Rallis (India) Limited	— (70,000)	— (15,29,500)
12)	— (100)	Sterlite Industries Limited	— (1,000)	— (25,825)
13)	— (100)	Tata Telecom Limited	— (1,000)	— (4,050)
SUB TOTAL				42,40,077 (84,65,280)

2) GOVERNMENT SECURITIES :

1)	5.5%	Government of India 2000	3,32,700 (—)	2,81,515 (—)
2)	13.05%	Central Government Loan 2007	1,25,75,000 (—)	1,39,42,846 (—)
3)	13.25%	Central Government Loan 2000	11,000 (—)	11,790 (—)
SUB TOTAL				1,42,36,151 (—)

DIL VIKAS FINANCE LIMITED**DETAILS OF STOCK IN TRADE (Continued) :**

SR. NO.	NAME OF SECURITY	FACE VALUE	VALUE
3) DEBENTURES :			
1)	Lloyds Finance Limited (Part "B" OCD)	—	—
	(2,500)	(2,500)	(2,55,000)
SUB TOTAL			—
			(2,55,000)
B.UNQUOTED :			
1) EQUITY SHARES :			
1)	Acc Garments & Exports Limited	2,00,000	2,00,400
	(20,000)	(2,00,000)	(2,00,400)
2)	Kaveri Polysack Limited	16,50,000	16,51,070
	(1,65,000)	(16,50,000)	(16,51,070)
3)	Trinity Die Forge Limited	12,82,350	53,67,750
	(1,28,235)	(12,82,350)	(53,67,750)
SUB TOTAL			72,19,220
			(72,19,220)
TOTAL			2,56,95,448
			(1,59,39,500)

Notes :	
1. Aggregate Market value of the quoted stock in trade	20,62,8349
	(87,20,970)
2. Unquoted stock in trade at cost.	72,19,220
	(72,19,220)

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SCHEDULE TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1998

SCHEDULE - L

NOTES :

1. SIGNIFICANT ACCOUNTING POLICIES :

a) Basis of Accounting :

The accounts are prepared in accordance with the accounting principles and are on the accrual basis of accounting.

b) Revenue Recognition :

i) Brokerage Income is recognised as per the Bills raised.

ii) Merchant Banking and Advisory Fees are accrued as revenue as per the terms of contract. Underwriting Commission is recognised as revenue on closure of the respective issue.

c) Fixed Assets and Depreciation :

i) Fixed Assets including Leased Assets are stated at historical cost less accumulated depreciation.

ii) Depreciation on Fixed Assets is provided on written down value method as per Schedule XIV of the Companies Act, 1956.

d) Investments :

Investments (Long-Term) are stated at cost. However, provision for permanent diminution is made to recognise a decline in the value of Investments wherever applicable. Surplus on sale of Investments, credited to the Profit and Loss Account is net of loss on Sale of Investments.

e) Stock in Trade :

Trading Stocks are valued at lower of Cost or Realisable Value.

f) Sundry and Lease Debtors :

Specific debts identified as irrecoverable are written off.

g) Retirement Benefits :

i) The Company's contribution paid/payable during the year for Provident Fund and Family Pension Fund are charged to the Profit and Loss Account.

ii) Gratuity Payments are recorded only on the crystallisation of liability.

h) Privileged Leave Encashment :

Employees are entitled to accumulate leave and claim encashment thereof on superannuation or resignation. The encashment of leave is accounted for in the year of payment.

i) Foreign Exchange Transactions :

Payments on account of subscriptions, books and magazines incurred in Foreign Exchange are accounted for at the bankers selling rates of exchange as applicable on the date of each transaction.

2. Contingent liability not provided for Rs. Nil.

3. Estimated amount of contract remaining to be executed on capital account not provided for Rs. Nil.

4. In the opinion of the Board the Current Assets, Loans and Advances are not less than the value stated if realised in the ordinary course of business. Provisions for Depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary. There are no contingent liability.

5. Sundry Debtors includes Rs.10,96,718/-, amount due from a Company in which directors are interested.

6. Bad Debts written off is net off write back of Rs.5,14,215/-.

7. Miscellaneous Expenses includes donation amounting to Rs.1,200/-.

8. Expenditure in Foreign currency for Books and Periodicals Rs.33,717/- (Rs.1,15,927/-).

9. Provision for Taxation has not been made in view of benefits available to the Company under the Income Tax Act, 1961. Provision for Minimum Alternate Tax i.e. Book Profit Tax is also not made in view of exemptions available in respect of Dividend Income as set out in Clause (ii) to second proviso to Section 115JA (1) of the Income Tax Act, 1961.

10. Employees' Remuneration and Benefits include amount paid to Managing Director of the Company.

Salary and Allowances	—	(Rs.14,400/-)
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Perquisite	—	(Rs.7,797/-)
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DIL VIKAS FINANCE LIMITED

11. Additional Information pursuant to Part IV of the Companies Act, 1956.

I. Registration Details

Registration No.	21614	State Code	11
Balance Sheet Date	31	03	98
	Date	Month	Year

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	Rights Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

III. Position of Mobilisation and Deployment of Funds. (Amount in Rs. Thousands)

Total Liabilities	Total Assets
1,19,003	1,19,003
Sources of Funds	
Paid-Up Capital	Reserves & Surplus
10,000	75,945
Secured Loans	Unsecured Loans
NIL	NIL
Application of Funds	
Net Fixed Assets	Investments
3,963	26,910
Net Current Assets	Misc Expenditure
55,072	NIL
Accumulated Losses	
NIL	
IV. Performance of Company (Amount in Rs. Thousands)	
Turnover (Gross Revenue)	Total Expenditure
2,60,984	2,60,447
Profit / Loss Before Tax	Profit / Loss After Tax
+ 537	+ 537
Earnings Per Share in Rs.	Dividend Rate %
0.54	NIL

V. Generic Name of The Services of Company (as per monetary terms)	Item Code No. (ITC Code)
(i) BROKING	N. A.
(ii) CAPITAL AND MONEY MARKET OPERATIONS	N. A.
(iii) FINANCIAL SERVICES	N. A.

12. Previous Year's figures are in bracket and have been regrouped/recast/ rearranged wherever necessary to conform to this year's classification.

THESE ARE SCHEDULES REFERRED TO IN OUR REPORT OF EVEN DATE.
SIGNATORIES TO SCHEDULES "A" TO "L"

For Jagtiani & Naik
Chartered Accountants
J. G. NAIK
PARTNER

Place : MUMBAI
Dated : 29TH JUNE, 1998.

For and on behalf of the Board
Bimal S. Gandhi
Dilnavaz Shroff
DIRECTORS

Place : MUMBAI
Dated : 29TH JUNE, 1998.

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ANNEXURE PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 1998.

		(Rs. in Lacs)	
		CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOW FROM OPERATING ACTIVITIES :			
a) Net Profit Before Tax and Extra-ordinary Items	55.99		7.96
Adjustments For :			
Depreciation	12.43		8.74
Interest Paid	0.62		9.96
Interest and Dividend Income	(16.80)		(28.93)
Other Income	(122.25)		(84.99)
Others	0.77		1.70
b) Operating Profit Before Working Capital Changes		(69.24)	(85.56)
Adjustments For :			
Trade and Other Receivables	4.75		(90.21)
Inventories	(97.56)		(52.83)
Loans and Advances	(194.70)		(7.43)
Trade Payables	203.85		45.41
c) Cash Generated from Operations	(152.90)		(190.62)
Interest Paid	(0.62)		(9.96)
Direct Taxes Paid	(1.08)		(3.50)
d) Cash Flow Before Extra-ordinary Items	(154.60)		(204.08)
Extra-ordinary Items	(50.62)		—
Net Cash Flow from Operating Activities	A	(205.22)	(204.08)
B. CASH FLOW FROM INVESTING ACTIVITIES :			
Sale of Fixed Assets	0.38		1.55
Purchase of Fixed Assets	(18.56)		(31.03)
Sale of Investments	259.86		97.17
Purchase of Investments	(261.00)		—
Interest Received	9.38		17.56
Dividend Received	6.06		7.06
Net Cash used in Investing Activities	B	(3.88)	92.31
C. CASH FLOW FROM FINANCING ACTIVITIES :			
Proceeds from Issue of Share Capital	—		—
Proceeds from Long Term Borrowings	—		—
Dividend Paid	—		(15.00)
Net Cash used in Financing Activities	C	—	(15.00)
D. NET INCREASE/(DECREASE) IN CASH AND CASH EQUIVALENT : (A+B+C)		(209.10)	(126.77)
Cash and Cash Equivalent at beginning of the year	218.44		345.21
Cash and Cash Equivalent at end of the year		9.34	218.44

For and behalf of the Board
Bimal S. Gandhi
Dilnavaz Shroff
 DIRECTORS

PLACE : MUMBAI
 DATED : 29TH JUNE, 1998.

AUDITORS' CERTIFICATE

We have examined the above cash flow statement of Dil Vikas Finance Limited for the year ended March 31, 1998. The Statement has been prepared by the Company in accordance with the requirements of listing agreement clause 32 with Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of 29th June, 1998 to the Members of the Company.

For Jagtiani & Naik
 Chartered Accountants

Place : Mumbai
 Date : 29th June, 1998.

J. G. NAIK
 Partner

DIL VIKAS FINANCE LIMITED

Regd. Office: 317, Maker Chambers 'V', Nariman point, Mumbai 400021.

No. of Shares held _____ Folio No. _____

Proxy Form

I / We _____

of _____

Being a member/members of the above named Company, hereby appoint :

Shri/Smt. _____

of _____

or failing him / her

Shri/Smt. _____

of _____

as my / our proxy to vote for me / us on behalf at the 18th ANNUAL GENERAL MEETING of the Company to be held on Friday, 14th day of August 1998 at 3.00 p.m. at 317 Maker Chambers V, 221, Nariman Point, Mumbai 400 021 and at any adjourned meeting thereof.

Date _____

Affix a
One
Rupee
Revenue
Stamp

Notes :

- a. The form should be signed across the stamp as per the specimen signature registered with the Company.
- b. The instrument appointing a proxy should be deposited at the Registered Office of the Company not less than FORTY EIGHT HOURS before the holding the meeting.
- c. A Proxy need not be a member.

MEMBERS ARE REQUESTED TO BRING THEIR OWN COPY OF THE ANNUAL REPORT TO THE MEETING.

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