

7TH

**Annual
Report**

1998-99



**ERA FINANCIAL SERVICES
(INDIA) LIMITED**

CERTIFIED TRUE COPY
For Era Financial Services (India) Ltd.

And lower Port

Authorised Signatory


Era Financial Services (India) Ltd.

BOARD OF DIRECTORS

H.S. BHARANA
CHAIRMAN & DIRECTOR

B. K. VINAYAK
Executive Director

DHIRAJ SINGH
Director

MAIN BANKERS

UNION BANK OF INDIA
Asaf Ali Road
New Delhi

VIJAYA BANK
Defence Colony
New Delhi

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AUDITORS

P.C. BINDAL & CO.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE

370-371/2, SAHI HOSPITAL ROAD,
JANGPURA, BHOGAL, NEW DELHI - 110 014

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Era Financial Services (India) Ltd.

NOTICE

Notice is hereby given that the 7th Annual General Meeting of the Members of Era Financial Services (India) Ltd. will be held on Thursday, the 30th September, 1999 at 03:30 p.m. at Sheena Chahat Farm, 25/19, Village Mandi, New Delhi - 110 030 to transact the following business :-

ORDINARY BUSINESS

1. To receive, consider and adopt Audited Accounts for the Financial Year ended on 31st March, 1999 and report of the Auditors and Directors thereon.
2. To appoint a Director in place Mr. B.K. Vinayak who retires by rotation and be eligible offer himself for re-appointment.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modification(s) the following resolution as an ordinary resolution:-

"RESOLVED that Mr. Dhiraj Singh whose term of office as an Additional Director, pursuant to the provisions of Section 260 of the Companies Act, 1956 expires at the conclusion of this Annual General Meeting and in respect of whom the Company has received a Notice under section 257 of the Companies Act, 1956, proposing his candidature for office of Director, be and is hereby appointed a Director of the Company whose period of Office shall be liable to retirement by rotation in accordance with the provision of Section 255 and 256 of Companies Act, 1956."

By order of the Board

[B. K. VINAYAK]
EXECUTIVE DIRECTOR

Registered Office

370-371/2, Sahi Hospital Road,
Jangpura, Bhogal, New Delhi-110 014

Place : New Delhi

Dated : 31st July, 1999

NOTE:

1. A member entitled to attend & vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. The proxies need not be member of the Company. The Proxies, in order to be valid should reach the Company's Registered Office at least 48 hours before the time of the meeting.
2. The register of Member and the share transfer book of the Company will remain closed from Monday 27th September, 1999 to Thursday 30th September, 1999 (both days inclusive).
3. Members desirous of having any information as regards accounts are requested to write to the Company at least 10 days in advance so as to enable the management to keep the information ready.
4. Members holding share in two or more folios are requested to write to the Company for consolidation of holding in one folio.
5. Members/Proxies are requested to bring copy of the Annual Report with them as copies of the report will not be distributed at the meeting.
6. No gifts/coupons would be distributed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

ITEM NO. 4

Mr. Dhiraj Singh was appointed as Additional Director in meeting of the Board of Directors held on 31.05.1999.

Mr. Dhiraj Singh aged about 34 years is a Graduate belonging to a good business family. Considering his efficiency, knowledge and contribution in working of the Company, the Board of Directors is of the opinion that it will be expedient to appoint him as Director.

Accordingly the Board of Directors of the Company solicits your approval to this resolution.

Mr. H.S. Bharana and Mr. Dhiraj Singh are interested in the resolution.

CERTIFIED TRUE COPY
For Era Financial Services (India) Ltd,

Anand Kumar Prasad
Authorized Signatory



Era Financial Services (India) Ltd.

DIRECTORS' REPORT

TO

THE MEMBERS

Your Directors have pleasure in presenting the 7th Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 1999.

FINANCIAL RESULTS

	31.03.99	31.03.98
	(Rs. in Lacs)	
Total Income	55.39	80.17
Profit before depreciation & tax	35.26	47.03
Provision for NPA	5.33	0.19
Depreciation	59.77	68.05
Profit/(Loss) for the year	(29.84)	(21.21)
Provision for taxation	0.42	1.09
Profit/(Loss) after tax	(30.26)	(22.30)
ADD:		
Profit brought forward	0.54	23.34
Profit/(Loss) available for		
Appropriation	(29.72)	1.04
Tax of earlier year	(0.01)	(0.50)
Balance Carried to Balance Sheet	(29.73)	0.54

PERFORMANCE HIGHLIGHTS

During the year under review the Company suffered a loss of Rs.29.84 Lacs as compared to loss of Rs.21.21 Lacs in the previous year. The loss was mainly attributed to lower income, provision of high depreciation on account of change in method and general recession in the industry.

Your directors are hopeful of better performance in the coming year.

DEPOSITS

During the year, the Company has not accepted any deposit from Public. A sum of Rs.312/- toward interest payable on Public Fixed Deposit Receipt has not been claimed by the depositor.

DIRECTORS

During the period, Sh. M.K. Aggarwal has resigned from the board on 31.05.1999. The Board records appreciation for valuable services rendered by Sh. M.K. Aggarwal during his tenure as Director.

Sh. Dhiraj Singh was appointed as additional Director of the Company w.e.f. 31.05.1999. Sh. B.K. Vinayak retires by rotation and being eligible offers himself for re-appointment.

PROJECTION VIZ. PERFORMANCE

The projection as set out in Company's prospectus dated 16.01.96 report total income of Rs.341.66 Lacs profit after tax Rs.96.00 Lacs and EPS of Rs.1.83 for the year ended on 31st March, 1999. Against this, company has earned total income of Rs.55.39 Lacs &

net loss of Rs. 30.26 Lacs. The variations are due to changes in money market and depressed capital market.

DIVIDEND

Your Directors regret that due to loss incurred by the Company, no dividend is being recommended.

AUDITORS

M/s P.C. Bindal & Co., Chartered Accountants, Auditors of Company retire at the conclusion of this Annual General Meeting and being eligible offers themselves for re appointment. The auditors report is itself explanatory and therefore do not call for any comments.

Y2K PREPAREDNESS

Computer hardware and software is primarily used in the Company's Accounts and Secretarial (share) departments. The software and hardware being used in both the departments are capable of handling Y2K problems. Your company is thus, fully prepared to meet the Y2K challenge.

PARTICULARS OF ENERGY CONSERVATION TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

Since your Company is not engaged in any manufacturing activities. Hence, these particulars are not applicable. There are no foreign exchange earnings/outgo.

PERSONNEL

The relation with employees continued to be cordial through out the year. Your Directors wish to place on record their sincere appreciation for the excellent team work with which employees of the Company at all levels contributed for the satisfactory performance.

Your Company has no employee drawing a remuneration as prescribed under section 217 (2A) of the Companies Act, 1956 during the year under review.

ACKNOWLEDGEMENTS

Your Directors would like to express their sincere appreciation for the assistance and co-operation received from the Banks, particularly Union Bank our valued Customers and Shareholders during the year under review. Your Directors also wish to place on record their deep appreciation of contribution of the employees at all levels for the success, growth and development of the Company.

By order of the Board

Place : New Delhi

[B. K. VINAYAK]

Dated : 31st May, 1999

EXECUTIVE DIRECTOR



Era Financial Services (India) Ltd. AUDITORS' REPORT

To
The Members,
ERA FINANCIAL SERVICES (INDIA) LIMITED
New Delhi.

REPORT ON THE ACCOUNTS FOR THE YEAR ENDED ON 31ST MARCH, 1999 IN COMPLIANCE WITH SECTION 227(2) OF THE COMPANIES ACT, 1956.

We have audited the attached balance sheet of Era Financial Services (India) Limited, New Delhi as at 31st March, 1999 and the annexed Profit and Loss Account for the year ended on that date and report that :

1. We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion, proper books of account as required by the law have been maintained by the Company so far as appears from our examination of these books.
3. The balance sheet and profit and loss account dealt with by this report are in agreement with the books of account.
4. In our opinion, the Balance Sheet and the Profit and Loss Account comply with the mandatory Accounting Standards referred in Section 211 (3C) of the Companies Act, 1956.
5. In our opinion and to the best of our information and according to the explanation given to us, the Statements of Accounts subject to notes appearing in Schedule M give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
 - a) In the case of Balance Sheet, of the State of Affairs of the Company as at 31st March, 1999 and
 - b) In the case of Profit and Loss Account of the loss of the Company for the year ended on that date.
6. As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued

by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, to the extent, it is applicable to the Company, we report as under:

- i) The Company has maintained proper records showing full particulars, including quantitative details and situation of its fixed assets. The fixed assets of the company have been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory has been noticed.
- ii) None of the fixed assets have been revalued during the year.
- iii) The stock of shares and debentures have been physically verified by the management at the reasonable intervals during the year under audit. No major discrepancies were noticed on physical verification of shares and securities as compared to the book records. In our Opinion and according to the information & explanation given to us, the procedure of physical verification of share & securities followed by the management is reasonable, proper and adequate in relation to nature of its business and accounting principle.
- iv) In our opinion and on the basis of our examination, the valuation of stock is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the previous year.
- v) The Company has not taken any loans, secured or unsecured from companies, firm or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- vi) The Company has granted unsecured loans to parties in the register maintained under section 301 of the Companies Act, 1956 and the terms and conditions of such loans are not prima-facie prejudicial to the interest of the Company.
- vii) In respect of loans or advances in the nature of loans given by the Company, parties have been regular in payment of the loans as per stipulation, if any and interest wherever applicable, except