

APOLLO FINVEST (INDIA) LIMITED

MB	LCST	NO	TR	AS	Y	ALL	ST	AC	DM	BY	BO



12TH ANNUAL REPORT
1997 - 98



MD				BKC	
CS				DPY	
P.O				DIV	
TRA				AC	
AGM				SHI	
YE					



Late Shri Ramesh R. Innani (1.1.1956 - 15.7.1996)

BOARD OF DIRECTORS:

SMT. ANJU R. INNANI

MANAGING DIRECTOR

Dr. SHYAM C. AGRAWAL

SHRI NARAYAN T. RATHI

SHRI DINESH R. INNANI

SHRI UMANATH R. AGARWAL

DIRECTORS

EXECUTIVE DIRECTOR

AUDITORS :

SHANKARLAL JAIN & ASSOCIATES

CHARTERED ACCOUNTANTS

12, ENGINEER BUILDING

265, PRINCESS STREET

MUMBAI - 400 002.

BANKERS :

GLOBAL TRUST BANK LIMITED

THE SANGLI BANK LTD.

THE SHAMRAO VITHAL CO-OP. BANK LTD.

CITIBANK. N.A.

SYNDICATE BANK.

REGISTERED OFFICE :

JEWEL ARCADE

PLOT NO. 123, 1ST FLOOR,

WATERFIELD ROAD,

BANDRA (WEST),

MUMBAI 400 050.

*Annual Report 1997-98***NOTICE**

Notice is hereby given that the Twelveth Annual General Meeting of the Members of **APOLLO FINVEST (INDIA) LIMITED** will be held at No. 1, Party Hall, Sumer Nagar, Borivali (West), Mumbai 400 092 on Wednesday, September 30, 1998 at 10:00 A. M. to transact the following business:

ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at March 31, 1998 and the Profit and Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint Director in place of Dr. Shyam C. Agarwal who retires by rotation and being eligible offers himself for re-election.
3. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

4. To consider and, if thought fit, to pass with or without modifications, the following Resolution, as a Special Resolution :

"Resolved that subject to all applicable provisions of Companies Act, 1956, (including any statutory modifications or re-enactment thereof and any Ordinance promulgated in this regard for the time being in force and as may be amended from time to time) and subject to such other approvals, permissions and sanctions as may be necessary and subject to such conditions and modifications as may be prescribed or imposed while granting such approvals, permissions and sanctions and which may be agreed to or accepted by the Board of Directors of the Company, the consent of the Company be and it is hereby accorded to Board of Directors to acquire/purchase any of its own shares from the existing shareholders of the Company on such terms and conditions and upto such limits as may be prescribed by law from time to time and that the Board of Directors be and is hereby authorised to do all such acts, deeds, matters and things and take all such steps in this regard as it may, in its absolute discretion, deem necessary, fit or proper."

By Order of the Board

(UMANATH R. AGARWAL)
EXECUTIVE DIRECTOR

Place : Mumbai
Dated : July 24, 1998

Registered Office :
"JEWEL ARCADE"
Plot No. 123, 1st Floor,
Waterfield Road,
Bandra (West),
Mumbai - 400 050.

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 OF THE COMPANY.**

The proxy form should be lodged with the Company at its Registered Office at least 48 hours before the commencement of the Meeting.

The Register of Members and Share Transfer Books of the Company will remain closed from Wednesday, 23rd September 1998 to Wednesday, 30th September 1998 [both days inclusive.]

2. If the members have any queries on the Audited Accounts, Directors' Report or Auditors' Report, the same should be forwarded to the Company in writing at its Registered Office at least 10 days before the Meeting, so that the same can be replied at the time of Annual General Meeting.
3. Members are requested to send the transfer documents/ correspondence, if any, directly to the Registered Office of the Company at the following address where the Company has started In-House Shares Transfer facility since M/s. Sarayu Issue Management Services Pvt. Ltd. have ceased to be the Registrar and Share Transfer Agent to the Company:-

APOLLO FINVEST (INDIA) LIMITED
"JEWEL ARCADE"
Plot No. 123, 1st Floor,
Waterfield Road,
Bandra (West), MUMBAI - 400 050.

4. The Equity dividend declared at the Ninth Annual General Meeting of the Company held on 15th September, 1995 and remaining unpaid/unclaimed by the members will pursuant to Section 205A of the Companies Act, 1956 will be transferred to the General Revenue Account of the Central Government in November, 1998. Those members whose dividend remains unpaid or who have not encashed their warrants are requested to intimate the same to the Company immediately.


APOLLO FINVEST (INDIA) LIMITED
EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.
Item No. 4 :

Buy back of its own shares or other securities convertible into Equity Shares by the Companies is presently not allowed under the Companies Act, 1956. However, the Companies Bill, 1997, sought to lay down the operative provisions to regulate the Buy back of Shares/Securities by Companies. The said Bill has not yet become the law. It is expected that, in due course of time, the law will be amended to allow such buy back.

The Board is of opinion that it will be in the best interest of the Company if the Shareholders of the Company approve the said resolution, permitting such buy back, so that the Company will be able to implement this resolution once the law is amended.

The resolution, if approved, will be operative and given effect to from the applicable date as may be prescribed in this regard.

The approval of the Shareholders for such buy back of shares was obtained at the Eleventh Annual General Meeting of the Company held on September 29, 1997. The above approval is valid for fifteen months from the day of passing of such resolution i.e. till December 28, 1998. The resolution as set out in this Notice is being proposed again

as the law in this regard has so far not been amended and that special resolution passed on September 29, 1997 would cease to be valid after December 28, 1998. Based on the provisions of the Companies Bill, 1997, resolution to be passed at the ensuing Twelveth Annual General Meeting will be valid till December 29, 1999.

The resolution is an enabling provision aimed at facilitating the Company to buy back its shares as soon as legally permissible.

The Directors recommend the resolution for approval of the shareholders.

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

By Order of the Board

Place : Mumbai

Dated : July 24, 1998.

(UMANATH R. AGARWAL)
EXECUTIVE DIRECTOR

Registered Office :

"JEWEL ARCADE"
Plot No. 123, 1st Floor,
Waterfield Road,
Bandra (West),
Mumbai - 400 050.

*Annual Report 1997-98***DIRECTORS' REPORT**

Your Directors have pleasure in presenting their Twelfth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March, 1998.

FINANCIAL HIGHLIGHTS :

The details of Financial results are as under :

	(Rs. in Lacs)	
	31st March, 1998	31st March, 1997
Gross Profit	54.34	65.62
Less : Depreciation	68.64	184.67
Loss before Tax	(14.30)	(119.05)
Less : Provision for Tax	3.60	NIL
Less : Provision for N.P.A.	NIL	3.16
Loss after Tax	(17.90)	(122.21)
Short Provision for Tax	NIL	(0.35)
Profit Brought Forward	NIL	98.13
Loss carried to Balance Sheet	(17.90)	(24.43)

REVIEW OF OPERATIONS :

During the year under review, the Company has earned Lower Gross Profit of Rs. 54.34 lacs as against Rs. 65.62 lacs for the previous year. Lease Income during the year was Rs. 81.19 lacs as against Rs. 87.44 during the previous year, a decrease of 7.15%. Interest income increased to Rs. 28.33 lacs as against Rs. 12.60 lacs during previous year, an increase of 124.84%. Dividend Income increased to Rs. 12.37 lacs as against Rs. 9.36 lacs during previous year, an increase of 32.16%. The Finance Charges were reduced substantially to Rs. 0.26 lacs during the year as against Rs. 17.12 lacs during previous year, a decrease of 98.48%. The Board of Directors have decided to write off amounts due from the Non-Performing Assets and accordingly balances written off during the year have increased to Rs. 32.63 lacs during the year as against Rs. 1.54 lacs during previous year.

The Board of Directors of the Company has taken a policy decision to invest the funds of the Company in Fixed Income bearing Securities such as Preference Shares

yielding Tax Free Dividend, units of Birla Mutual Fund and Secured Loans to financially sound parties.

Company is also working out a strategy to reduce over a period of time, its high exposure in Long Term Investments consisting of Equity Shares of various companies (except for blue chip companies having proven track record) so as to move the funds towards Fixed Income Bearing Securities.

DIVIDEND :

In view of Loss during the year under review, your Directors are unable to recommend any Dividend for the year ended March 31, 1998.

PRUDENTIAL NORMS OF R.B.I. :

The Company has followed the Prudential Norms of the Reserve Bank of India as are applicable to the Company.

DIRECTORS :

Dr. Shyam C. Agarwal retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-election.

FIXED DEPOSITS :

The Company has not accepted any deposits from the public within the meaning of Non-Banking Financial Companies (Reserve Bank) Directions, 1977.

Pursuant to the resolution passed by the Board of Directors at their meeting held on April 6, 1998, your Company has decided not to accept any deposits from the public in future.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO :

The information required under the provisions of Section 217(i)(e) of the Companies Act, 1956 read with Rule 2 of the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988 relating to the conservation of energy and technology absorption is not being given, since the Company is not engaged in any manufacturing activity.


APOLLO FINVEST (INDIA) LIMITED

Information regarding foreign exchange earnings and outgo is reported to be NIL for the year under review.

AUDITORS :

M/s. Shankarlal Jain & Associates, Chartered Accountants, Mumbai, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

AUDITORS' REPORT :

The notes on the Accounts referred to in the Auditors' Report are self-explanatory and therefore do not call for any further explanation.

PARTICULARS OF EMPLOYEES :

The details of employees of the specified categories under Section 217(2A) of the Companies Act, 1956, read with the

Companies (Particulars of Employees) Rules, 1975 are given by way of Annexure.

ACKNOWLEDGMENTS :

The Board wishes to place on record its sincere appreciation for due co-operation received from the Company's Bankers. The Directors are also thankful to the employees for the devoted and sincere services rendered by them.

For and on behalf of the Board

ANJU R. INNANI
Managing Director

UMANATH R. AGARWAL
Executive Director

Place : Mumbai

Date : 24th July, 1998

ANNEXURE TO DIRECTORS' REPORT

Particulars of employees as required under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended and forming part of the Directors' Report for the financial year ended 31st March, 1998.

Employed for the year and in receipt of remuneration not less than Rs. 25,000/- per month.

Name of Employee	Age (Years)	Qualification	Experi- ence	Date of Employment ration	Gross Remune- Duties	Designation/ Nature of Designation	Previous Employment /
UMANATH R. AGARWAL	42	B.Com., F.C.A.	21 Years	21/10/96	Rs.3,12,000/-	Executive Director	AFL SECURITIES INDIA LIMITED Executive Director

1. The above employee is not related to any Directors.
2. All appointments are contractual and terminable by notice from either side.
3. Gross remuneration includes Salary and House Rent Allowance.

For and on behalf of the Board

Place : Mumbai
Date : 24th July, 1998

ANJU R. INNANI
(Managing Director)

UMANATH R. AGARWAL
(Executive Director)