



**13TH  
ANNUAL  
REPORT  
1998-99**

**APOLLO FINVEST (INDIA)  
LIMITED**


**APOLLO FINVEST (INDIA) LIMITED**
**BOARD OF DIRECTORS:**

SMT ANJU R. INNANI	MANAGING DIRECTOR
SHRI UMANATH R. AGARWAL	EXECUTIVE DIRECTOR
SHRI NARAYAN T. RATHI	DIRECTOR
SHRI DINESH R. INNANI	DIRECTOR

**AUDITORS:**

SHANKARLAL JAIN & ASSOCIATES  
 CHARTERED ACCOUNTANTS  
 12, ENGINEER BUILDING,  
 265, PRINCESS STREET,  
 MUMBAI - 400 002.

**BANKERS:**

GLOBAL TRUST BANK LIMITED  
 SANGLI BANK LIMITED  
 SHAMRAO VITHAL CO-OP BANK LIMITED  
 CITIBANK N. A.  
 SYNDICATE BANK

**REGISTERED OFFICE:**

JEWEL ARCADE,  
 PLOT NO.123, 1<sup>ST</sup> FLOOR,  
 WATERFIELD ROAD,  
 BANDRA (WEST),  
 MUMBAI - 400 050.

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**NOTICE**

Notice is hereby given that the **Thirteenth 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 Tuesday, 28th September, 1999 at 2:00 P. M. to transact the following business:

**ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at March 31, 1999 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 Director in place of Shri Dinesh R. Innani who retires by rotation and being eligible, offers himself for re-election.
3. To appoint Auditors and to fix their remuneration.

By Order of the Board

Place: Mumbai  
Date : 24th August , 1999

**UMANATH R. AGARWAL**  
**EXECUTIVE DIRECTOR**

**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.

2. **The Register of Members and Share Transfer Books of the Company will remain closed from Thursday, 23rd September 1999 to Tuesday, 28th September 1999 [both days inclusive.]**
3. If the Members have any queries on the Audited Accounts, Directors' Report, 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.
4. Members are requested to send the transfer documents/correspondence, if any, directly to the Registered Office of the Company at the following address :-

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



## APOLLO FINVEST (INDIA) LIMITED

### DIRECTORS' REPORT

Your Directors have pleasure in presenting their Thirteenth Annual Report together with the Audited Statement of Accounts of the Company for the year ended 31st March 1999.

#### FINANCIAL HIGHLIGHTS:

The details of financial results are as under:

	(Rs. in Lacs)	
	31st March 1999	31st March 1998
Profit before Depreciation & Tax	104.78	54.34
Less : Depreciation	81.57	68.64
Less : Diminution in value of Investment	24.47	—
Profit/(Loss) before Tax	(1.26)	(14.30)
Less : Provision for Tax	—	3.60
Profit/(Loss) after Tax	(1.26)	(17.90)
Profit/(Loss) Brought Forward	(17.90)	NIL
Profit/(Loss) carried to Balance Sheet	(19.16)	(17.90)

#### REVIEW OF OPERATIONS:

During the year under review, the Company has earned Profit before Depreciation & Tax of Rs. 104.78 lacs as against Rs. 54.34 lacs for the previous year which is an increase of 92.82%. Lease Income of the Company during the year has increased by 13.65%, as a result of which the total Lease Income was Rs. 92.27 lacs as against Rs.81.19 lacs during the previous year. Dividend Income increased to Rs.19.01 lacs as against Rs.12.37 lacs during previous year.

The loss is on account of higher depreciation and provision for diminution in value of long-term investment made during the year. The depreciation during the year (which includes lease equalisation) has increased to Rs. 81.57 lacs as against Rs. 68.64 lacs during the previous year. The Board of Directors has decided to make provision for diminution in value of long-term investment in respect of certain identified shares amounting to Rs. 24.47 lacs.

The Company continues to follow the 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 Loans to financially sound parties.

#### DIVIDEND:

In view of loss, your Directors are unable to recommend any Dividend for the year ended March 31, 1999.

#### PRUDENTIAL NORMS OF RBI:

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

#### DIRECTORS:

Shri Dinesh R. Innani retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-election.

Dr. Shyam C. Agarwal relinquished his office as the Director of the Company w.e.f. December 30, 1998 due to his pre-occupation.

The Board of Directors of the Company wishes to place on record its sincere appreciation for the services rendered by Dr. Shyam C. Agarwal during the tenure of his Directorship.

#### FIXED DEPOSITS:

The Company has not accepted any deposits from the public within the meaning of Non-Banking Financial Companies (Reserve Bank) Directions, 1997 as amended from time to time.

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

The information required under the provisions of Section 217(1)(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.

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.

*Annual Report 1998-99***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:**

There are no employees of the specified categories under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time.

**Y2K COMPLIANCE :**

The Company has initiated necessary actions for Y2K compliance. Considering the nature of operations of the Company, the expenses to be incurred for this purpose shall be nominal. The Company expects to achieve Y2K

Compliance by September 30, 1999.

**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 August, 1999

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## APOLLO FINVEST (INDIA) LIMITED

### AUDITORS' REPORT

TO,  
THE MEMBERS,  
**APOLLO FINVEST (INDIA) LIMITED**

We have audited the attached Balance Sheet of **APOLLO FINVEST (INDIA) LIMITED** as at 31st March 1999 and the Profit and Loss Account for the year ended on that date.

1. 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, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above:
  - (i) 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;
  - (ii) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the books;
  - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts;
  - (iv) In our opinion, the Balance Sheet and the Profit and Loss Account comply with the mandatory Accounting Standards referred in sub-section (3C) of section 211 of the Companies Act, 1956.
3. In our opinion and to the best of our information and according to the explanations given to us, the Balance Sheet and Profit and Loss Account subject to Note No.1(H) regarding liability of gratuity and leave encashment not provided on actuarial valuation basis and read with other notes to Schedule "Q", 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 the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999 and
  - (b) in the case of the Profit and Loss Account, of the 'Loss' for the year ended on that date.

**For M/s. Shankarlal Jain & Associates,**  
*Chartered Accountants*

Mumbai,  
Date : 24th August, 1999

**SATISH JAIN**  
*Partner*

### ANNEXURE TO THE AUDITORS' REPORT

**ANNEXURE IN TERMS OF PARA 1 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF APOLLO FINVEST (INDIA) LIMITED ON THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 1999.**

- 1) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. We have been informed that physical verification of the fixed assets other than leased assets was conducted by the management and no discrepancies were observed between book records and physical verification. In our opinion, the frequency of physical verification of fixed assets is reasonable having regard to the size of the Company and the nature of assets.
- 2) None of the fixed assets have been revalued during the year.
- 3) Physical verification has been conducted by the management at reasonable intervals in respect of stock of securities.
- 4) The procedures followed by the management for physical verification of stock are, in our opinion, reasonable and adequate in relation to the size of the Company and the nature of its business.
- 5) We are informed that no discrepancies have been noticed between physical stocks and the book records.
- 6) On the basis of our examination of stock records, we are of the opinion that the valuation of stock is fair and proper and in accordance with normally accepted accounting principles. The basis of valuation of stock is the same as in the previous year.
- 7) The Company has not taken any loans, secured or unsecured, from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or from the companies under the same management as defined in Section 370(1B) of the Companies Act, 1956.
- 8) The Company has not granted any loans, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 and to a company under the same management as defined under Section 370(1B) of the Companies Act, 1956.
- 9) a) The Company has given loans and advances in the nature of loans. The principal amounts and interest wherever applicable, are being recovered as stipulated except balance recoverable from a party of Rs. 3.31 Lacs for which a suit has been filed and amount is being recovered in instalments.

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- b) In respect of lease / hire purchase transactions entered into by the Company in ordinary course of business, where instalments are overdue, according to the information and explanation given to us, we are of the opinion that reasonable steps have been taken by the Company for their recovery
- 10) 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 the nature of its business, for the purchase and sale of Stocks, Investments, Equipment and other assets.
- 11) There were no transactions for purchase and sale of services made in pursuance of contracts or agreements 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.
- 12) The Company has not accepted any fixed deposit from public under provisions of Section 58A of the Companies Act, 1956 and accordingly the provisions of Section 58A of the Companies Act, 1956 and rules made thereunder are not applicable.
- 13) In our opinion, the Company has an Internal Audit system. However it needs to be strengthened to commensurate with its size and nature of its business.
- 14) According to the information and explanations given to us, maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 with regard to the nature of the business of the Company.
- 15) The provisions of the Employees' Provident Fund and Employees State Insurance Act are presently not applicable to the Company.
- 16) According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income-tax, Wealth-tax and Sales-tax outstanding as at 31st March, 1999 for a period of more than six months from the date they became payable.
- 17) According to the information and explanations given to us and the records examined by us, no personal expenses other than those payable under contractual obligations or in accordance with generally accepted business practices, have been charged to revenue account.
- 18) The Company is not a Sick Industrial Company within the meaning of clause (o) of sub-section (i) of Section (3) of The Sick Industrial Companies (Special Provisions) Act, 1985.
- 19) In relation to the service activities of the Company, there exists reasonable internal control system commensurate with the size of Company and nature of its business.
- 20) In respect of trading activities, which consist of shares and debentures, question of damaged goods does not arise.
- 21) The Company has maintained proper records of loans and advances given on the basis of security by way of pledge of shares. However, there are no such loans outstanding at the end of the year.
- 22) We are informed that the provisions of any special statute applicable to Chit Funds, Nidhi or Mutual Benefit Society do not apply to the Company.
- 23) The Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and that timely entries have been made therein. All shares and debentures have been held by the Company in its own name except for certain shares/debentures, which are either lodged for transfer or held with valid transfer deeds.

For **Shankarlal Jain & Associates,**  
Chartered Accountants

Mumbai,  
Date : 24th August, 1999

**SATISH JAIN**  
Partner