

BOARD OF DIRECTORS

P.V.R Murthy - Chairman and Managing Director
Virender Ganda - Director
Mohan Datari - Director

REGISTERED OFFICE

: 401, Chiranjiv Towers,
43, Nehru Place,
New Delhi 110 019

CORPORATE OFFICE

: 35, Atlanta,
3rd Floor, Nariman Point,
Mumbai 400 021.

AUDITORS

: M/s Thakur Vaidyanath Aiyar & Co
Chartered Accountants
212, Deendayal Upadhyay Marg
New Delhi.

BANKERS

: The Vysya Bank Limited
State Bank of Patiala
United Bank of India
Indusind Bank Ltd.

ARYAMAN FINANCIAL SERVICES LIMITED

NOTICE

Notice is hereby given that the EIGHT ANNUAL GENERAL MEETING OF THE shareholders of ARYAMAN FINANCIAL SERVICES LIMITED will be held at A-293, Shivalik, Geetanjali Panchsheel Road, New Delhi - 110 017 on Monday 30th December 2002 at 11.30 a.m. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Profit and Loss Account for the year ended June 30, 2002 and the Balance Sheet as at that date and the Directors' and Auditors' Report thereon.
2. To consider and appoint a Director in the place of Shri Virender Ganda, who retires by rotation and being eligible, offers 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 any modification, the following resolution as an Ordinary Resolution :

"RESOLVED that Mr. Mohan Datari be and is hereby appointed as Director of the Company liable to retire by rotation "

Registered Office: By the Order of the Board of Directors
401, Chiranjiv Towers,
43, Nehru Place, **P.V.R. Murthy**
New Delhi - 110 019. Chairman & Managing Director

Mumbai

Dated : 30th October 2002.

NOTES

- a. 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.

- b. The instrument appointing a Proxy must be deposited with the Company at its Registered Office not less than 48 hours before holding the meeting.
- c. The register of Members and the Share Transfer Books of the Company will remain closed from Monday, 23rd December 2002 to Monday 30th December 2002 (both days inclusive)
- d. The Company's shares are listed with Ahmedabad, Delhi & Mumbai Stock Exchanges. The Company has paid the listing fees for the year 2002 -03 to all the aforesaid Stock Exchanges.
- e. A copy of the explanatory statement under section 173 (2) of the Companies Act 1956 is annexed herewith.

EXPLANATORY STATEMENT UNDER SECTION 173 (2) OF THE COMPANIES ACT 1956.

Item NO.

4. The Board of Directors appointed Shri Mohan Datari as additional Director of the Company on 24th May 2002 under the provision of Section 260 of the Companies Act 1956. Mr. Mohan Datari holds office of Director of the Company upto the date of 8th Annual General Meeting of the Company.

The Company has received notice from the members of the Company under section 257 of the Companies Act 1956 proposing the re-appointment of Shri Mohan Datari as Director of the Company alongwith refundable security deposit of Rs. 500 in cash.

The Share holders are requested to re-appoint Shri Mohan Datari as Director of the Company.

Except Shri Mohan Datari no Director of the Company are interested in the Resolution.

Registered Office: By the Order of the Board of Directors
401, Chiranjiv Towers,
43, Nehru Place, **P.V.R. Murthy**
New Delhi - 110 019. Chairman & Managing Director

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DIRECTOR'S REPORT**TO THE MEMBERS**

Your Directors have pleasure in presenting the Eight Annual Report and Audited Accounts of your Company for the year ended June 30, 2002.

(Rs. In Lakhs)

1. FINANCIAL RESULTS

| | June 30, 2002 | June 30, 2001 |
|----------------------------------|---------------|---------------|
| Income from Operations | 116.76 | 293.34 |
| Less Expenditure | 128.48 | 360.40 |
| Profit before Depreciation | (11.71) | (67.06) |
| Less-Depreciation | 14.90 | 17.53 |
| Profit before tax | (114.08) | (84.59) |
| Provision for tax | --- | --- |
| Profit after tax | (145.00) | (84.59) |
| Balance carried to Balance Sheet | (259.09) | (145.00) |

2. DIVIDEND

Due to absence of profits, the Directors do not recommend any dividend for the year.

3. MARKET SCENARIO

You are aware the country is going through unprecedented downturn in all sectors of economy including financial services sector. Initial public offering have dried up which could be observed from the fact that only 2 public issues to the tune of Rs.6 crores could be collected from public during first half of 2001 as against Rs. 1890 crores in the same period of the corresponding previous year.

You will be glad to know that Rs. 6 crores collected from 2 public issues from public by your company by lead managing the issues. The stock markets have also continuously coming down in view of the market scam.

The Financial services sector is confirming to reel under the effects of global recession.

Our Company is now focused on fee based income from consultancy services as Merchant Banking activity has almost come to a standstill. Ever so, our Company remains the most active Category - I Merchant Banker for low and mid - cap companies.

As corporate debt restructuring and asset recovery have become the focus areas for Banks and Financial Institutions. Our Company has decided to focus on the area of Mergers & Acquisitions.

In light of the aforesaid background, your company has done satisfactorily to survive. With the number of players coming down, we expect the future bright, once economy is set up.

4. DEPOSITS

Your Company did not accept/hold any deposits from public/shareholders during the year under review.

5. DIRECTORS

During the year under review Shri Navin C. Shah, Shri P.B. Bharadwaj and Shri C. M Shah resigned as Directors of the Company. The Board of Directors appointed Shri Mohan Rao Datari as additional Director of the Company.

The Share holders are requested to re-appoint him as Director of the Company.

Shri Virender Ganda, Director of the Company retires by rotations but offers himself for re-appointment. The Share holders are requested to re-appoint him as Director of the Company.

ARYAMAN FINANCIAL SERVICES LIMITED

6. DIRECTORS RESPONSIBILITIES STATEMENT.

As required under section 217(2AA) of the Companies Act, 1956 your Directors state:

- (i) While preparing Annual Accounts, the applicable Accounting Standards have been followed.
- (ii) Company has selected such accounting policies and applied them consistently and made Judgement that are reasonable and prudent which gives true and fair view of affairs of the Company.
- (iii) Company has taken proper and sufficient care for the maintenance of adequate Accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and the preventing and detecting fraud and other irregularities.
- (iv) Company has prepared accounts on a going concern basis.

7. AUDITORS

- I. Messrs Thakur Vaidyanath Aiyar & Co., Chartered Accountants, retire at the forthcoming annual general meeting and are eligible for re-appointment.
- II. Comments made by the Auditors in their Report are self-explanatory and therefore do not call for any further explanation.

8. PERSONNEL

- I. Relations between the management & employees were Co-ordial. Your Directors wish to place on record appreciation of services rendered by all the members of staff. There is no employee who draws salary in excess of the limits as prescribed under Section 217(2A) of the Companies Act, 1956 read with Companies (Particulars of Employees Rules), 1975 as amended.
- II. The Board wishes to place on record their gratitude for their continued co-operation, assistance and guidance extended by Banks, Clients, Stock Exchange Members and Associates.

9. CONSERVATION OF ENERGY, TECHNICAL ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

The Company is not engaged in any manufacturing activity and therefore provisions of section 217(1)(e) of the Companies Act, 1956 are not applicable.

For and on behalf of the Board

Place : Mumbai
Dated : 30.10.2002

P.V.R Murthy
Chairman &
Managing Director

Mohan Datari
Director