



*The
Bank of Rajasthan
Limited*

unction.com

*56th
Annual Report
&
Accounts*

1998-99



BOARD OF DIRECTORS

Chairman*

Shri Pravin Kumar Tayal

Managing Director & CEO

Shri I. Sadasiva Gupta

Directors

Shri D. B. Sogani

Shri Narendra Mohan

Shri O. N. Chaturvedi

Shri B. P. Singh

Shri Vinay Mittal

Shri V. K. Rungta

Shri Satyajit Mitra

Shri B. R. Gupta

Shri Deepak Saruparia

Shri Sanjay Kumar Tayal

Shri Som Prakash Arya

Shri S. L. Parmar (RBI Nominee)

Shri Bulaki Das (Alternate to Sh. S. L. Parmar)

Shri H. R. Khan (RBI Nominee)

Shri M. S. Aradhey (RBI Nominee)



CONTENTS

Company Secretary

Shri P. K. Agrawal

Registered Office :

Clock Tower, Udaipur-313 001

Central Office :

C-3, Sardar Patel Marg, C-Scheme, Jaipur-302001

* Subject to RBI approval, which is still awaited.



Report of the Board of Directors 2

Balance Sheet 8

Profit & Loss Account 9

Schedules 10

Auditor's Report 23

Cash Flow Statement 24

Statement Pursuant to Section 212 25

Rajasthan Bank Financial Services Ltd. 26





REPORT OF THE BOARD OF DIRECTORS

Esteemed Shareholders,

Your Directors are presenting the 56th Annual Report together with the audited accounts of the Bank for the financial year ended 31st March, 1999.

PERFORMANCE HIGHLIGHTS

The performance highlights for the year 1998-99 are as under :—

	(Rs. in crores)		
	FY-1999	FY-1998	Change(%) FY-1999 over FY-1998
Deposits	2984.92	2826.73	5.60
Average Deposits	3036.64	2803.03	8.33
Advances	1487.46	1480.29	0.48
Average Advances	1613.97	1515.61	6.49
Investments	1090.04	999.34	9.08
Net Profit after tax (-)	67.46	(-) 87.84	—

PROFITABILITY

During the period under review, the extent of loss has been reduced to Rs.67.46 crores from Rs.87.84 crores in the previous year.

Banks in general are facing problem of reducing spreads. While the effect of reduction in deposit rates is felt only after a time lag, the effect of reduction in interest on advances is felt immediately. The Bank has earned reduced interest spread of Rs.69.52 crores as against Rs.81.47 crores in the previous year thereby showing a decline of Rs.16.95 crores. Further, the average PLR during the year under review was 14.09% as against 15.05% during the previous year.

Besides, the Bank had to make a provision against pension and gratuity liability which is far higher than that in the previous year.

The continuous slow down in industrial growth as well as in economy during this year has affected the industrial units, resulting to some of the borrowal accounts turning NPAs.

All above factors have resulted in showing book loss, suffered by the Bank.

ECONOMIC SCENARIO

The Year 1998-99 was a mixed one in sectoral performance. While agriculture output recorded an impressive growth of 5.3% , industry lagged behind with growth rate of 3.9%. However, GDP grew by 5.8% mainly on account of better performance of agriculture and service sector. Inflation in terms of WPI was pegged at moderate level of 5%.

MONETARY & BANKING DEVELOPMENTS

The expansion in M-3 in 1998-99 was 17.8% as against 17% during previous year.

Aggregate deposits of scheduled commercial banks during the year 1998-99 increased by 18.5% whereas bank credit has gone up by 12.9% and investment portfolio has grown by 16.2%.

Cash Reserve Ratio has been reduced from 10.5% to 10% w.e.f. the fortnight beginning May 8, 1999.

RBI introduced an Interim Liquidity Adjustment Facility (ILAF) through repos and lending against collateral of GOI securities.

UTI, LIC, IDBI and other non-bank participants in the money market have been allowed to access short term liquidity through repos.

There has been further pressure on the asset quality of banks due to slower rate of growth of economy and demand slackness both in the domestic and external sectors.

Following the recommendations of the Committee on Banking Sector Reforms (Narshimham Committee II), more stringent requirements of capital adequacy (e.g. risk weights for government and approved securities and government guaranteed advances, additional capital requirement of forex, open position limit) asset quality and prudential norms relating to income recognition, provisioning, etc. (viz. general provision for standard assets) are being introduced in a phased manner so as to strengthen the viability and credibility of the banking system.

Banks' deposits are normally at fixed rates whereas lending is done on PLR plus basis. Hence, banks should be able to swap from fixed deposits rate to floating rate and thereby do away with interest rate mismatch. In order to rationalise the present interest rate structure the



policy has provided the banks with a freedom to fix different PLRs for different maturities.

The banks have been permitted to offer fixed rate loans for infrastructure projects.

The Boards of Directors of banks have been allowed to delegate necessary powers to Asset Liability Management Committees (ALCOs) for fixing interest rates on deposits and advances subject to reporting to the Board immediately thereafter.

In-cruce, the stance of the Monetary Policy are : Provision of reasonable liquidity, stable interest rates with a preference for downward trend if the circumstances so demand, active debt management, orderly development of financial markets and further measures in financial sector reforms.

DIVIDEND

The Board of Directors do not recommend any dividend for the year 1998-99.

CAPITAL

There was no change in Capital during the year.

RIGHT ISSUE OF THE BANK

The Bonus-Cum-Rights issue recommended by the Board, subject to RBI approval, in May 1996, was not approved by the RBI, and was therefore, dropped.

The Board of Directors, in their meeting held on 8th December, 1998, approved the Rights issue for equity shares of Rs.10/- each aggregating Rs.6728.32 lacs in the ratio of 5:2 at a premium of Rs.5/- per share with one warrant attached to each share carrying the entitlement to subscribe for another share within 12-18 months at a discount of 25% to the average market price of last six months prior to date of the Board resolution calling for conversion of warrants (subject to a minimum of Rs.10/-).

The Issue was all set to open on 31st March 1999 (i.e. within the financial year 1998-99). But had to be deferred at the last moment in the wake of a stay obtained by a shareholder from 5th ADJ, Jaipur. The matter is presently pending with the Hon'ble Supreme Court of India.

LISTING AGREEMENTS WITH STOCK EXCHANGES

Pursuant to a recent requirement of the Listing Agreement, the Bank declares that its securities are listed on Stock Exchanges at Mumbai, Delhi, Calcutta, Indore and Jaipur. The Bank confirms that it has paid annual listing fees due to all the above Stock Exchanges for the year 1999-2000.

DEMATERIALISATION OF BANK'S SHARES

For the benefit of shareholders, the Bank has opted for depository mode for its shares, which has been activated from 2nd February, 1999 through National Securities Depository Ltd. and has obtained electronic connectivity with M/s. Karvy Consultants Ltd.

TREASURY & INVESTMENT MANAGEMENT

The investment portfolio of the Bank increased from Rs.999.34 crores as on 31.03.98 to Rs.1090.04 crores at the end of the financial year 1998-99 registering a growth of 9.08%.

However, in the wake of the declining trend in interest rates, yield on investments, after taking into account the profit on sale of investment, during the year 1998-99 has come down to 12.12% as compared to 12.15% during 1997-98. Further, there was a profit of Rs.18.05 crores on valuation of investments which has not been taken into accounts as per RBI directives and the Bank has already marked the entire portfolio to market as against the requirement of 70%.

DEPOSITS

The aggregate deposits of the Bank increased by Rs.158.19 crores from Rs.2826.73 crores as on 31.03.98 to Rs.2984.92 crores at the end of the year under review, showing a growth of 5.60%.

The core deposits thereby registering a growth of 7.68% (increased from Rs.2641.82 crores to Rs.2844.91 crores) during the period under review.

The cost of deposits has been reduced from the level of 9.46% as on 31st March 1998 to 9.29% during the period under review.

As a matter of policy, more emphasis is being given to secure low cost deposits so as to improve the spreads between interest incomes and interest costs.



ADVANCES

The advances portfolio increased from Rs.1480.29 crores at the end of March,98 to Rs.1487.46 crores at the end of March, 99, a growth of 0.48%.

Low growth in credit was due to recessionary trends in the industrial sector and lack of avenues for fresh deployment.

NON PERFORMING ASSETS (NPAs)

Due to continued slow down in economy, there has been continuing addition to NPAs. During 1998-99, 7 Industrial units in the Bank's portfolio were registered with BIFR and rehabilitation plans for them are yet to be finalised. As on 31.03.99, aggregate funds of Rs.45 crores are involved in 14 sick units, in which proposals for rehabilitation are under consideration of BIFR.

Reduction of NPAs has remained the prime concern of the Bank. The Loan Recovery and Compromise policy was formulated in July, 1998. The new policy initiatives have shown desired results in the area of recovery through negotiated settlements/compromises.

During 1998-99, the Bank approved 777 compromise proposals involving book outstanding amounts of Rs.12 crores where negotiated amount was Rs.15.04 crores as against previous years' 497 compromise proposals involving Rs.5.95 crores only. The aggregate recovery in NPA A/cs during 1998-99 was Rs. 44.95 crores (including interest and upgradation) as against Rs. 22.90 crores in the previous year.

Besides, Rs.1.80 crores were recovered during 1998-99 in written off accounts.

The Bank is continuing to give top priority for recovery of NPAs in the year 1999-2000 also. The corporate target for recovery of NPAs has been set at Rs.50 crores for the current year. Specific recovery targets have been set out for each branch and Regional Offices and are being closely monitored.

INTERNATIONAL BANKING

During the year 1998-99, the turnover of foreign exchange business was at the level of Rs.1467.16 crores as against Rs.1113.55 crores in the previous year. The outstanding export credit amounted to Rs.185.57 crores on 31st March, 1999 against Rs.181.35 crores as at the end of the previous year, constituting 11.83% of net

credit as against RBI's norms of 12%.

STATUTORY DISCLOSURES UNDER SEC. 217 (2 A) OF THE COMPANIES ACT

Particulars of Employees as required under the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, are not being annexed as no employee is drawing remuneration in excess of the prescribed limits.

STATUTORY DISCLOSURES UNDER SEC. 217 (1) (e) OF THE COMPANIES ACT

The Bank has been making all possible attempts to reduce energy consumption in its operations. The company, being a banking company and authorised dealer in foreign exchange, is taking all steps to augment its foreign exchange business and introduce computerisation in its operations to the maximum extent possible. The company has also taken up adequate measures for the innovation, adaptation and absorption of technology in banking business.

LENDING TO PRIORITY SECTORS

The Bank is extending financial assistance to various segments of Priority Sector i.e Agriculture, SSIs, Transport Operators, Retail Trade, Small Businesses, Professionals & Self Employed, Education and Housing.

The advances under priority sectors increased from Rs.651.22 crores in 1997-98 to Rs.663.96 crores in 1998-99 which amounts 45.65% of net bank credit. The Bank has surpassed the RBI norm of 40% of Net Bank Credit. The sectorwise break up is as under :-

(Rs.in crores)

Sector	31.3.1998	31.3.1999
Agriculture	224.52	236.27
Small Scale Industries	294.28	264.01
Other Priority Sectors	132.42	163.68

In the State of Rajasthan, where the Bank has a major network of branches, the Priority Sector Advances accounted for 53.25% of its advances in the State. The recovery position in the State also improved from 62.86% in the financial year 1997-98 to 65% for the financial year 1998-99.

The position of Priority Sector Advances under various



sub sectors is summed up hereunder:-

(a) Finance to Agriculture

The aggregate advances of the Bank to the Agriculture sector amounted to Rs.236.27 crores, covering 34838 borrowal accounts. The Bank continued financial assistance under various NABARD schemes. The total amount outstanding under such schemes was Rs.14.72 crores as on 31.03.99. The Bank obtained refinance of Rs.6.56 crores from NABARD during the year. The Bank has launched a new scheme of financing through "Kisan Credit Card".

(b) Finance to Small Scale Industry

The advances to SSI stood at Rs.264.01 crores as at the end 31st March, 1999 as against Rs.294.28 crores at the end of the previous year.

(c) Finance to Other Priority Sectors

The Bank provides financial assistance to Small Business, Retailers, Professionals and Self Employed Persons and Transport Operators under this sub sector. As on 31.3.99, the exposure of the Bank in this sub sector aggregated Rs.163.68 crores as against Rs.132.42 crores as of 31.03.98.

(d) Housing Finance

During year under review, the Bank has provided major thrust to the Housing Loan Scheme popularly known as "Apna Ghar Yojana" and its exposure in the segment has increased from Rs.54.39 crores as of 31.03.98 to Rs.74.25 crores as of 31.03.99.

(e) Finance under Government Sponsored Schemes

The Bank has been actively participating in extending financial assistance under Govt. Sponsored Schemes. Under PMRY, a sum of Rs.7.83 crores has been sanctioned to 1396 beneficiaries which works out to 90.41% achievement of the physical target fixed. Under IRDP, 3738 beneficiaries have been financed to the aggregate extent of Rs.8.73 crores.

(f) Assistance to Weaker Sections

The Bank has actively participated in extending financial assistance to Weaker Sections comprising of IRDP families, Scheduled Castes, Scheduled Tribes

& Rural artisans during the year with the result that outstanding increased from 32.60 crores as on 31.03.98 to Rs.49.72 crores on 31.03.99.

g) Service Area Approach, Lead Bank Scheme

The Bank has disbursed Rs.99.96 crores under Lead Bank Scheme covering 55 districts in 6 States against credit plans of Rs.69.95 crores.

h) OPERATIONS OF MEWAR ANCHLIK GRAMIN BANK (MAGB)

Subsequent to transfer of operational responsibility of our sponsored RRB, the bank set up an RRB Cell in Priority Sector Advances Deptt., to monitor the performance of Mewar Anchalik Gramin Bank. The deposits and advances of the Bank were Rs.101.38 crores and Rs.28.76 crores as on 31.03.99 as against Rs.84.71 crores and Rs.24.06 crores as on 31.03.98.

The Bank continued to extend Managerial assistance and refinance to MAGB.

OPERATIONS OF SUBSIDIARY COMPANY

The report of Directors of the subsidiary company, Rajasthan Bank Financial Services Ltd., alongwith the Annual Accounts of the Company for the Financial year 1998-99 and the Auditors' Report alongwith statement under Section 212 of the Companies Act, 1956 are enclosed.

BRANCH EXPANSION

During the period under review, the Bank opened 3 branches and 3 extension counters. One branch at Prthipura was closed and two extension counters were upgraded to full fledged branches during the year.

The break up of branch network on 31.3.99 is as under:-

	As on 31.3.98	As on 31.3.99
Metropolitan	32	32
Urban	89	94
Semi Urban	75	75
Rural	106	105
Total No. of Branches	302	306
Extension Counters	36	37
Service Branches	4	4
Total No. of Operating Offices	342	347



In order to provide extended banking facilities to customers, Bank further plans to upgrade some of its extension counters to full fledged branches.

COMPUTERISATION

To provide better customer services and satisfaction, the Bank has mechanised 9 more centres during the period under review. As of 31.03.1999, the number of computerised centres increased to 155 as against 146 as of 31.03.98. Thus, more than 75% business of the Bank is mechanised.

The development of WEB site on internet is in progress and will be made operational in the current year.

DISCLOSURES ON Y2K STATUS

Regarding Y2K compliance of computers, the Bank has, in total, 574 PCs & 11 Mini Computers installed besides 20 novell LAN installations. An extensive testing was carried out with dates prior to, during and after the Year 2000 and no major problem or business risk was anticipated. Some of the Hardware/ Operating systems were either upgraded or patched to make all of them Y2K compliant. The impact of electronic data exchange within and outside the Bank was reviewed.

Y2K compliance of Customers, Correspondents, Investee Companies & Brokers, whose failure will have impact on the Bank's business, are being received and it is being taken as precondition for routing any fresh business or renewal of previous transactions. The Y2K compliance of all the hardware and software used by Bank was achieved by 31.03.1999. All embedded systems except 4 telex/PBX/mini computers are Y2K compliant.

Till date, Bank has incurred an expenditure of Rs.12.95 lacs on its Y2K project. This excludes the in-house testing and modification efforts. Looking to the complexity of the issues involved and uncertainty associated with the behaviour of even remedied systems, the Bank has appointed an external Expert to test the Y2K compliance status. A detailed contingency plan to take care of possible business disruption has been prepared. The contingency plan includes the transformation of transaction applications from electronic to manual, for which all the required procedures, system process and infrastructure have been devised. A total sum of Rs.25.00 lacs has been approved for contingency purpose.

HUMAN RESOURCE DEVELOPMENT & TRAINING

During the year under review, 1102 employees were imparted training with greater emphasis on development of functional skills and positive attitude through a number of innovative programmes. The Staff Training College conducted 54 programmes on various areas to upgrade skills, besides specific courses/ seminars/ programmes on Behavioral Science, Financing of Trade Sector, Consumer Loans, House Loans, Marketing in Banks, NPAs Management and other areas related to banking. Besides, 103 officers were deputed for training in other institutions for upgrading their operational and managerial skills.

INSPECTION, AUDIT & VIGILANCE

During the year, regular inspection of 235 branches, as against the target of 228 branches, was conducted. In 1998-99, the number of highly satisfactory rating branches has been increased from 53 to 66 whereas that of number of unsatisfactory rating branches has declined from 9 to 6.

The inspection of 3 controlling offices and 7 departments at Central Office was conducted during 1998-99.

In 1998-99, twelve additional branches were brought within the ambit of Concurrent-Audit, increasing the number of branches under concurrent audit system to 59 covering 51.93% of deposits and 71.35% of advances as against RBI guidelines to cover 50% of deposits, advances and other risk exposure.

All the branches including service branches were subject to statutory audit during the year under review.

ASSET-LIABILITY MANAGEMENT

Realising the importance of effective Risk Management policies in the present deregulated era, the Bank has put in place a proper Asset Liability Management system w.e.f. 01.04.99 which is also as per Reserve Bank of India direction. The Board of Directors have delegated the authority to fix rates of interest on Deposits and Lendings to the Asset-Liability Management Committee(ALCO) which will expedite the decision making in this area. This will also improve the Risk Management process particularly in the area of Liquidity and Interest Rate Sensitivity which eventually will result into better Net Interest Margin (NIM) management.



OTHER OPERATIONAL ASPECTS

- i) The Economic Research Deptt. continued to undertake studies covering different areas of operation like profitability of the Bank vis- a-vis other banks and loss making branches. Besides, the work of Asset-Liability Management, Evaluation of commercial viability of institutional accounts, funds position of the Bank, Transfer Pricing Mechanism (TPM) is also looked after by the department.
- ii) With a view to having uniformity and clarity in Systems and Procedures, the O&M Deptt. besides preparation of Manuals and Work Instructions, issued guidelines relating to maintenance of Books and Registers at branches, during the year under report.

AUDITORS' QUALIFICATION

Auditors' Qualifications are self-explanatory and therefore, needs no further comments.

APPOINTMENT OF AUDITORS

M/s M.L.Sharma & Company, Chartered Accountant, were appointed as Auditors at the last Annual General Meeting held on 28.09.98. The Board of Directors in the meeting held on 24.07.99 have proposed the name of M/s M.L. Sharma & Company, Chartered Accountants, for appointment as Auditors for the year 1999-2000, Members are requested to consider their appointment and fix their remuneration.

BOARD OF DIRECTORS

Shri R.Shyam Rungta resigned from the directorship of the Bank w.e.f. 28.7.98. Shri Pravin Kumar Tayal, Shri Sanjay Kumar Tayal, Shri Deepak Saruparia, Shri Som Prakash Arya and Shri B.R.Gupta were inducted into the Board of Directors of the Bank, after obtaining RBI's approval, w.e.f. 8.12.98. Shri Bulaki Das was appointed by RBI as Alternate Director to Shri S.L.Parmar w.e.f. 9.3.99 while Shri H.R.Khan and Shri M.S.Aradhey were appointed as Additional Directors by RBI w.e.f. 9.4.99 and 20.4.99, respectively.

Shri K.K.S.Chouhan, Director, expired on 08.06.99. The Board places on record its deep appreciation of the services rendered by Shri K.K.S.Chouhan.

The Board of Directors held 11 meetings and the Committee of Directors met 14 times and the Audit

Committee of the Board met 4 times during the year under review.

OUTLOOK FOR THE CURRENT YEAR

There have been continuous improvements in the economic scenario since the later half of 1998-99 and the trend is likely to gain momentum in the current year. Accordingly, the credit off-take is expected to pick up in the current year. The Bank has also taken various initiatives in the past one year towards cost control, better management of funds, improving the yield on loan and investment assets, reduction in the cost of deposits and increase in the non-interest income. To earn better yields and with a view to spread the credit risk among a larger number with low volume exposure, the Bank has been giving emphasis on building up a strong portfolio of loans in the specific segments of trade and services, housing and vehicle loans, etc. The impact of these initiatives is already visible and will fully reflect the current year's profitability.

The pro-active management of NPAs has been accorded top priority with emphasis on an accelerated recovery through legal process as well as compromises in accordance with the policy set by the Board in this regard. The Bank is also confident of opening the Right Issue of shares in the current year. The proceeds of the Rights Issue will not only augment capital resources of the Bank but will also result in improved profitability. The cumulative effect of all the aforesaid initiatives will result in lower cost of operations, better spreads and improved profitability.

Based on this assessment the Bank is hopeful to turn the corner and show profit in the current year.

ACKNOWLEDGEMENT

The Board of Directors gratefully acknowledge the continued co-operation and support of the Reserve Bank of India, Government of Rajasthan, valued customers and shareholders and places on record its appreciation of the dedicated services rendered by the employees at all levels.

For and on behalf of the Board

JAIPUR
24.07.99

P. K. TAYAL
Chairman of the Board meeting

**BALANCE SHEET AS ON 31ST MARCH, 1999**

(Rs. in thousands)

	Schedule	As on 31.3.99	As on 31.3.98
CAPITAL AND LIABILITIES			
Capital	1	17,93,54	17,93,54
Reserve & Surplus	2	1,69,04,31	1,72,51,25
Deposits	3	29,84,91,91	28,26,73,08
Borrowings	4	28,24,12	40,39,66
Other Liabilities and Provisions	5	4,70,97,46	3,53,18,09
Total		<u>36,71,11,34</u>	<u>34,10,75,62</u>
ASSETS			
Cash and balance with Reserve Bank of India	6	3,42,99,59	3,01,51,71
Balances with banks and money at call and short notice	7	2,67,76,90	2,50,84,74
Investments	8	10,90,04,46	9,99,34,19
Advances	9	14,87,46,16	14,80,28,63
Fixed Assets	10	79,52,43	84,31,65
Other Assets	11	4,03,31,80	2,94,44,70
Total		<u>36,71,11,34</u>	<u>34,10,75,62</u>
Contingent liabilities	12	5,63,45,19	6,26,24,71
Bills for collection		2,61,24,19	3,18,04,23
Significant Accounting Policies	17		
Notes forming part of Accounts	18		

The Schedules referred to above form an integral part of the Balance Sheet.

(O. P. Khetawat) Dy. Gen. Manager (F & A)	(N. C. Mehta) General Manager	(K.C.Sharma) General Manager	(I. Sada Siva Gupta) Managing Director & Chief Executive Officer
As per Our report of even date. For M/s M.L Sharma & Co Chartered Accountants	(P. K. Agrawal) Secretary		Directors P. K. Tayal D. B. Sogani Narendra Mohan Vinay Mittal V. K. Rungta Som Prakash Arya B. R. Gupta Deepak Saruparia Sanjay Kumar Tayal S. L. Parmar H. R. Khan M.S. Aradhey
(G.S.Sharma) Partner			
Place : Jaipur Dated : 08.07.1999			



PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 1999

(Rs. in thousands)

	Schedule	As on 31.3.99	As on 31.3.98
I. INCOME			
Interest earned	13	3,50,26,85	3,50,38,92
Other income	14	43,61,76	45,41,38
TOTAL		3,93,88,61	3,95,80,30
II. EXPENDITURE			
Interest expended	15	2,85,75,12	2,69,19,41
Operating expenses	16	1,19,30,13	97,78,87
Provisions & contingencies		56,29,30	1,16,66,07
Total		4,61,34,55	4,83,64,35
III. PROFIT/LOSS			
Net Profit/(loss) for the year		(67,45,94)	(87,84,05)
Profit/(loss) brought forward		(89,38,96)	17
Dividend of earlier year written back		-	1,79,35
Total		(1,56,84,90)	(86,04,53)
IV. APPROPRIATIONS			
Transfer to :			
Capital Reserves		20.81	3,52,37.
Statutory Reserves		-	-
Other Reserves		-	-
Proposed dividend		-	-
Tax on distributed profit		-	(17,94)
Balance carried over to balance sheet		(1,57,05,71)	(89,38,96)
Total		(1,56,84,90)	(86,04,53)
Significant Accounting Policies	17		
Notes forming part of Accounts	18		

The Schedules referred to above form an integral part of Balance Sheet.

(O. P. Khetawat)
Dy. Gen. Manager
(F & A)
As per Our report of even date.
For M/s M.L. Sharma & Co
Chartered Accountants

(G.S.Sharma)
Partner

Place : Jaipur
Dated : 08.07.1999

(N. C. Mehta)
General Manager

(P. K. Agrawal)
Secretary

(K.C.Sharma)
General Manager

(I. Sada Siva Gupta)
Managing Director
& Chief Executive Officer

Directors
P. K. Tayal
D. B. Sogani
Narendra Mohan
Vinay Mittal
V. K. Rungta
Som Prakash Arya
B. R. Gupta
Deepak Saruparia
Sanjay Kumar Tayal
S. L. Parmar
H. R. Khan
M.S. Aradhey