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CS	NA		DPY	NA
RO	<input checked="" type="checkbox"/>		DIV	<input checked="" type="checkbox"/>
TRA	NA		AC	<input checked="" type="checkbox"/>
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ANNUAL

REPORT

1997 - 98



CEEJAY FINANCE LIMITED



5TH ANNUAL REPORT 1997-98

BOARD OF DIRECTORS	SHRI PRAFUL PATEL (Member of Parliament)	CHAIRMAN
	DEEPAK PATEL	MANAGING DIRECTOR
	HARSHAD DALAL	DIRECTOR
	KIRAN PATEL	DIRECTOR
	SHAILESH PATEL	DIRECTOR

STATUTORY AUDITORS M/S. KANTILAL PATEL & CO.
"PARITOSH", 2ND FLOOR,
USMANPURA, AHMEDABAD - 380 013.

INTERNAL AUDITORS VIPINCHANDRA C. SHAH & CO.
133-134, SANTRAM SUPER MARKET,
NR. LAXMI CINEMA,
NADIAD-387 001.

BANKERS BANK OF BARODA
UNION BANK OF INDIA
BANK OF PUNJAB LTD.
NATPUR CO-OPERATIVE BANK LTD.

REGD. OFFICE C. J. HOUSE,
MOTA PORE,
NADIAD - 387001.

CORPORATE OFFICE 603, HEMKOOT BUILDING,
ASHRAM ROAD,
AHMEDABAD - 380009.

**NOTICE**

NOTICE is hereby given that the Fifth Annual General Meeting of CEEJAY FINANCE LIMITED will held at "C.J. House", Mota Pore, Nadiad on Saturday, 26th September, 1998 at 11.00 A.M. to transact the following business :

ORDINARY BUSINESS

1. To receive, consider and adopt Balance Sheet as at 31st March, 1998 and the Profit & Loss Account of the Company for the year ended on that date and the Reports of the Board of Directors' and Auditors' thereon.
2. To declare Dividend for the year ended 31st March, 1998.
3. To appoint a Director in place of Shri Praful Patel who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Harshad Dalal who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint Auditors and to fix their remuneration.

SPECIAL BUSINESS :

6. To appoint Shri Shailesh Patel as a Director of the Company and to consider if thought fit, to pass with or without modifications the following resolution as an ORDINARY RESOLUTION.

"RESOLVED THAT pursuant to the Provisions of Section 257 and all other applicable provisions if any. of the Companies Act 1956, Shri Shailesh Patel be and is hereby appointed a Director of the Company liable to retire by rotation."

Registered Office :

C.J. House, Mota Pore,
Nadiad-387 001.

Date : 26th June, 1998

By order of the Board

Harshad Dalal
Director

CEEJAY FINANCE LIMITED**NOTES :**

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXY IN ORDER TO BE EFFECTIVE, MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The explanatory statement setting out the material facts concerning business under item No.6 is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will be closed from Friday 18th September, 1998 to Saturday 26th September, 1998 (both days inclusive).
4. The dividend as recommended by the directors, if sanctioned by the members, will be paid within 42 days from the date of the meeting to those members whose names stands on Register of members of the Company on 26th September, 1998.
5. The members are requested to intimate to the Company, change in their Registered Address, if any.

EXPLANATORY STATEMENT

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956.

ITEM NO. 6

As required Under Section 257 of the said Act, notice has been received from a member signifying their intention to propose Shri Shailesh Patel as a candidate for the office of Director. Your Directors recommend his appointment as a Director of the Company.

Shri Deepak Patel, Shri Kiran Patel and Shri Shailesh Patel are concerned to interested in the resolution.

Registered Office :

C.J. House, Mota Pore,
Nadiad-387 001.

Date : 26th June, 1998

By order of the Board

Harshad Dalal
Director

**DIRECTORS' REPORT**

To,
THE MEMBERS OF,
CEEJAY FINANCE LIMITED

Your Directors take pleasure in presenting the FIFTH Annual Report together with the audited Accounts for the year ended 31st March, 1998.

FINANCIAL RESULTS :

(Rs. in Lacs)

Particulars	Year ended 31-03-98	Year ended 31-03-97
Total Income	760.60	595.77
Profit before Interest, Depreciation & Tax	587.46	494.91
Interest	339.05	308.66
Profit before Depreciation & Tax	248.41	186.25
Depreciation	90.75	43.71
Provision for Tax	55.00	25.00
Profit after Tax	102.66	117.54
Balance of Profit brought forward from Previous Year	44.81	40.37
Profit available for Appropriation	147.47	157.91
APPROPRIATION		
Transferred to Statutory Reserves	20.53	23.50
Proposed Dividend	36.00	36.00
Tax on Dividend	3.60	3.60
Transfer to General Reserves	50.00	50.00
Balance Carried to Balance Sheet	37.34	44.81

DIVIDEND

In view of the encouraging performance of your Company, your Directors are glad to maintain a Dividend of 12% P.A. for the year under review amounting to Rs.36 Lacs.

CEEJAY FINANCE LIMITED**OPERATIONS**

Despite the year having been particularly difficult one for the financial Sector, your Company's well defined retail strategy ensured consistent growth. Your Company has performed exceedingly well with the lease and hire purchase business increased to Rs.1,851.36 lacs. The Stock on Hire also increased from Rs.2,221.76 lacs to Rs.2,463.93 lacs registering growth of 10.90%. The Gross income rose from Rs.595.77 lacs to Rs.760.61 lacs in the current year registering growth of 27.67%. The net profit of the Company is Rs. 102.66 lacs.

The Company has exceeded the total income projection as stated in the prospectus, however the net profit was under pressure mainly due to provision of Rs.63.26 lacs towards lease equalisation, Rs.51.80 lacs towards leased assets and Rs.21.29 lacs towards bad debts.

The assets of the Company are properly and adequately insured and recoveries are at satisfactory level.

RESOURCE MOBILISATION

Given the challenging Scenario of deep and persistent resource crunch in the economy, the most critical function during 1997-98 was the mobilisation of Resources to feed the asset based financing activities of your Company which account for the maximum share of your Company's business plan. RBI applied severe credit restrictions on Banks and Financial Institutions. In this grim scenario your Company successfully raised Rs.150 lacs from various Banks. During the current year your Directors are confident to mobilise resources from the Banks to achieve maximum permissible Bank Finance.

CAPITAL ADEQUACY / RBI REGISTRATION

The revised Guidelines issued by the R.B.I. for recognition of income, asset classification, investment accounting, provision for non performing assets and capital adequacy have been followed by your Company. Based on above, the capital adequacy works out to 26.62% as on 31st March, 1998 as against the minimum capital adequacy of 10% prescribed by R.B.I. The Company has also made the bad debts provisions in case of sub-standard and /or loss assets of the Company. The Company has been obtained Registration from Reserve Bank of India.

FIXED DEPOSITS

In the month of January '98, R.B.I. has announced strict fixed deposit norms to be followed by N.B.F.Cs. Accordingly your Company has discontinued to lay emphasis on Public Deposit mobilisation as an important resource raising activity. Aggregate deposits as on 31st March, 1998 stood at Rs.470.43 lacs. At the close of the year deposits amounting to Rs.1.70 lacs remained unclaimed or due to be renewed by 20 depositors. The Company has sent reminders before the due dates to all depositors. The Company does not have any claimed but unpaid deposits.



DIRECTORS

Shri Shailesh R. Patel who was appointed as an additional director during the year, holds office up to the ensuing Annual General Meeting and notice has been received from some members proposing his candidature for the office of Directors.

Shri Ramesh D. Thakore ceased to be Director of the Company w.e.f. 9-3-1998. Shri Praful Patel and Shri Harshad Dalal will retire by rotation and are eligible for re-appointment.

AUDITORS

Kantilal Patel & Co., Chartered Accountants, Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment.

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

The Company has no activities relating to conservation of energy or technology absorption. The Company has had no foreign exchange earnings or out goes during the year under review.

PARTICULARS OF EMPLOYEES

Statement of particulars of employees pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) rules, 1975, as amended and forming part of the Directors' Report for the year ended 31st March, 1998.

EMPLOYED THROUGHOUT THE YEAR AND RECEIPT OF REMUNERATION OF NOT LESS THAN RS.25,000/- PER MONTH.

Sr. No.	Name & Qualification of the Employee	Age in Years	Designation and Nature of Duties	Experience in years	Remuneration Rs.	Date of Commencement of employment	Last Employment Held
1.	Shri Deepak Patel	36	Mg. Director	10	3,00,000/-	31-05-1993	Nil

Notes :

- 1) The conditions of employment of the Managing Director is contractual.
- 2) Remuneration mentioned above includes salary.
- 3) Shri Deepak Patel is a relative of Shri Kiran Patel and Shailesh Patel, Directors of the Company.
- 4) None of the employees employed through out the year was in receipt of remuneration aggregating not less than Rs.3,00,000/- per annum.

CEEJAY FINANCE LIMITED**INFORMATION IN TERMS OF CLAUSE 43 OF LISTING AGREEMENT**

Your Company has given the following Profitability Projection in Prospectus dated 14-2-1995 and their comparisons with actual performance are given below.

Particulars	(Rs. in Lacs)	
	Year ended as on 31-03-1998	
	Projection	Actual
Total Income	577.20	760.61
Cash Profit	375.28	248.42
Profit after Tax	243.42	102.66

Reasons for variation are explained in para 3 of this Report relating to operations.

ACKNOWLEDGEMENTS

The Directors would like to place record their sincere appreciation to all the employees of their continued effort towards the growth of the Company and would also like to express their thanks to the Banks, Shareholders and Fixed Depositors for their support and contribution which enabled the Company to achieve its goals for the year.

For and on behalf of the Board

NADIAD.

Dated : 26th June, 1998

Praful Patel

Chairman.