



**Nat West
Capital
Services
Limited**

MD	/		BKC	/
CS	/		DPY	/
RO	/		DIV	/
TRA	/		AC	/
AGM	/	/	SH	/
YE	/	/		/

4th

Annual Report

1996-97

Report  junction.com

NAT WEST CAPITAL SERVICES LIMITED

Corp. Office : 6-2-953, 1st Floor, Krishna Plaza, Khairatabad, Hyderabad - 500 004.

Tel. 3327994 (4 Lines) Fax : 3394799



NAT WEST CAPITAL SERVICES LIMITED

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Board of Directors

S.Ravi - Chairman
C.Prasanna
Pawan Jhunjunwala
O.Bangaru Raju
P.Vaidyanathan
Ch. A.R.Sudhakar
G.C.S.Raju

AUDITORS

S.VENKATADRI & COMPANY
Chartered Accountants
1408, Babukhan Estate
Basheerbagh
Hyderabad - 500 001.

COMPANY SECRETARY

E.N.Krishnan

BANKERS

ANDHRA BANK
Industrial Finance Branch
Ameerpet, Hyderabad.

THE INDUSIND BANK LIMITED
Begumpet
Hyderabad.

THE VYSYA BANK LIMITED
Abid Road Branch
Hyderabad.

THE FEDERAL BANK LIMITED
Lakdi-Ka-Pul Branch
Hyderabad.

CORPORATE OFFICE

6-2-953, First Floor
Krishna Plaza
Khairatabad
Hyderabad - 500 004.

REGISTERED OFFICE

2-1-184, Chandrannakunta
Suryapet - 508 213
Nalgonda District
Andhra Pradesh.

NAT WEST CAPITAL SERVICES LIMITED



Notice

NOTICE is hereby given that the Fourth Annual General Meeting of NAT WEST CAPITAL SERVICES LIMITED will be held on Wednesday, the 24th December, 1997 at 11.00 A.M. at the Registered Office of the Company at 2-1-184, Chandrannakunta, Suryapet - 508 213, Nalgonda District, Andhra Pradesh, to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended 31st March, 1997, the Directors Report and the report of Auditors thereon.
2. To declare Dividend on the Equity Shares.
3. To elect a Director in place of Shri Ch. A.R. Sudhakar, who retires by rotation and being eligible, offers himself for reappointment.
4. To elect a Director in place of Shri O. Bangaru Raju, who retires by rotation and being eligible, offers himself for reappointment.

5. To appoint Auditors, and to fix their remuneration.

SPECIAL BUSINESS

6. To consider and if thought fit to pass with or without modification(s), the following resolution as an Ordinary Resolution;

"RESOLVED that Shri G.C.S. Raju, who was appointed as an Additional Director of the Company with effect from 4th November, 1996 pursuant to Article 97 of the Articles of Association of the Company and who holds office upto the date of this Annual General Meeting, but who is eligible for appointment and in respect of whom the Company has received notice in writing proposing his candidature for the office of Director under Section 257 of the Companies Act, 1956, be and is hereby appointed as Director, whose office is liable for determination by rotation".

Hyderabad
November 25, 1997

S. Ravi
Chairman

Notes :

1. A Member entitled to attend and vote at the General Meeting may appoint a proxy, who need not be a Member, to attend and vote on a poll, on his behalf. Such proxies should be deposited at the Registered Office of the Company not less than Forty Eight hours before the commencement of the Meeting.
2. In accordance with Section 173 of the Companies Act, 1956, an Explanatory Statement in respect of Item No.6, being an item of Special Business, is annexed to the Notice of the Meeting.
3. The Register of Members will remain closed from December 22nd to 24th, 1997 (both days inclusive) for purpose of payment of Dividend, if approved.
4. Dividend if approved will be paid to those shareholders whose names appear in the Register of Members of the Company as on December 24, 1997 or to their Mandatees.
5. Shareholders are requested to furnish change of address, if any, immediately to the Company at its Corporate Office, 6-2-953, 1st Floor, Krishna Plaza, Khairatabad, Hyderabad - 500 004, Andhra Pradesh.
6. Shareholders who have multiple folios in identical names or joint names in the same order are requested to intimate to the Company these folios to enable the Company to consolidate all such shareholdings into one folio.
7. Members desirous of obtaining any information concerning the Accounts and operations of the Company are requested to send their queries atleast Seven Days before the date of the Meeting to the Company, so that the information required may be made available at the Meeting.

NAT WEST CAPITAL SERVICES LIMITED**Annexure to Notice**

Explanatory Statement as required by Section 173 of the Companies Act, 1956

ITEM NO.6

Pursuant to Section 260 of the Companies Act, 1956 and Article 97 of Articles of Association of the Company, Shri G.C.S.Raju was appointed as Additional Director with effect from 4th November, 1996 to hold office upto the date of the Fourth Annual General Meeting of the Company.

Notice as required under Section 257 of the Companies Act, 1956 has been received by the Company from a member proposing the appointment of Shri G.C.S.Raju as a Director of the Company. Shri G.C.S.Raju has already filed

with the Company his consent under Section 264 (1) of the Companies Act, 1956 to act as a Director, if appointed.

None of the Directors except Shri G.C.S.Raju are concerned or interested in this resolution.

Your Directors commend the resolution for approval.

Hyderabad
November 25, 1997

S.Ravi
Chairman

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NAT WEST CAPITAL SERVICES LIMITED


 Nat West
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Directors Report

To the Members.

Your Directors have pleasure in presenting their Fourth Annual Report together with Audited Statement of Accounts for the year ended 31st March, 1997.

FINANCIAL PERFORMANCE

	* Year ended March 31st 1997	(Rs. in lakhs) Year ended March 31st 1996
INCOME		
Profit before depreciation and Tax	137.85	174.19
Less : Depreciation	49.95	31.87
Profit before Tax	87.90	142.32
Less : Provision for Tax	11.34	—
Profit after Tax	76.56	142.32
Previous year Adjustment	—	—
Add : Balance of Profit and Loss		
Account brought forward	103.19	15.94
Disposable Profit	179.75	158.26

APPROPRIATIONS

General Reserve	18.75	25.00
Proposed Dividend	33.87	30.07
Tax on Dividend	3.39	—
Balance carried to Balance Sheet	123.74	103.19

Disclosure pursuant to Clause 43 of the Listing Agreement

Particulars	Projections as per Prospectus dated 20.01.1995 Rs. in lakhs	*Performance as on 31.03.1997 Rs. in lakhs
HP & Lease and Other Income	1541.12	375.67
Net Profit after Tax	755.53	76.56
EPS (Rupees)	25.18	2.03

* The current year figures are not comparable with those of the previous year, as the current year figures include the effect of amalgamation of M/s. Esteem Capital Services Limited with your Company.

The fall in income from Hire Purchase and Lease business as compared to the Projections was due to the adverse conditions in the financial sector, and tougher prudential lending norms adopted by the company has substantially reduced credit offtake as also the fallout of changing laws under lease.

NAT WEST CAPITAL SERVICES LIMITED



PERFORMANCE

The Economy in general and the financial sector in particular was plagued with instability and general uncertainty in respect of resource mobilisation as well as deployment. In spite of the same, your company has been able to register a growth in Gross Income during the year ended 1996-97 of Rs.375.67 lakhs as compared to Rs.250.32 lakhs during 1995-96. However the Net Income was lower at Rs.76.56 lakhs during the year under review as compared to Rs.142.32 lakhs in the previous year, due to high interest on funds and the applicability of taxation provision as per section 115JA (MAT) of Income Tax Act, 1961.

MERGER

Your Directors are pleased to inform that consequent upon the consents and approvals from the various authorities in terms of the Scheme of amalgamation between Esteem Capital Services Limited and its members and Nat West Capital Services Limited and its members for the amalgamation of Esteem Capital Services Limited with Nat West Capital Services Limited, Esteem Capital Services Limited amalgamated with your Company and all its assets and liabilities stood transferred and vested in your Company with effect from 1st October, 1996 as per the Scheme.

Your Directors take pleasure in welcoming the shareholders, employees and all other constituents of Esteem Capital Services Limited for a long lasting relationship of mutual benefit and growth.

DIVIDEND

In order to conserve resources for redeployment through internal accruals, your Directors recommend a conservative dividend of 10% per Equity Share, as in the previous year. But due to increase in the Share Capital of the Company consequent to the amalgamation of M/s Esteem Capital Services Limited with the Company, the dividend, if approved shall absorb an amount of Rs.37.27 lakhs (inclusive of Dividend Tax Rs.3.38 lakhs).

FUTURE PROSPECTS AND PLAN

The steadfast adherence to the long term goal set up by the Company to attain leadership through excellence in all fields has enabled your Company to confidently face the adverse fallout in the financial sector confidently. Your Company is making all efforts to tap local business by further expanding in untapped potential areas of Andhra Pradesh and Karnataka, as well as consolidating its position in the existing areas covered by net work of branches at Bangalore, Bombay, Vizag, Vijayawada, Rajahmundry, Amalapuram and Kakinada.

FIXED DEPOSITS

The Fixed Deposits mobilisation from Public rose to Rs.303.05 lakhs from Rs.53.74 lakhs for the year 1996-97. During the year, ICRA rating of MA- for Fixed Deposits was maintained.

Your Company has repaid all Fixed Deposits, which have matured during the year. Deposits matured but unclaimed amounted to Rs. 72,874. Your Company is making continuous efforts to activate the depositors to renew/claim these deposits.

DIRECTORS

Shri Ch. A.R.Sudhakar, Director and Shri O.Bangaru Raju, Director retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Shri G.C.S Raju has been appointed as Additional Director by the Board of Directors on 4th November, 1996, pursuant to article 97 of the Articles of Association of the Company. As the term of above mentioned additional director expires with the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

Shri B Baskaran, Director resigned from the Board during the year. The Directors place on record their deep appreciation of the valuable guidance and services rendered by Shri B Baskaran during the tenure of his office as Director of the Company.