

ANNUAL REPORT
1998-1999

DBS PROPERTIES LIMITED



CERTIFIED TRUE COPY
For DBS PROPERTIES LIMITED


Company Secretary

DBS PROPERTIES LIMITED

Registered Office: Raheja Chambers, 213 Nariman Point, Mumbai 400021

PROXY FORM

I/We of
Being a member/members of DBS Properties Limited do hereby appoint
..... of (or failing him
..... of) as my/our
proxy and to vote for me/us on my/our behalf at the Fourteenth Annual General Meeting
of the company to be held on Thursday, September 30, 1999 at 11.00 a.m. and at any
adjournment thereof.

Signed this day of 1999

Signature.....

Affix
Re.1
Revenue
Stamp

Register Folio Number.....

Note: The proxy form duly completed must be deposited so as to reach the Registered
Office of the company not less than 48 hours before the time for holding the
aforesaid meeting. A member entitled to attend and vote at the meeting is entitled
to appoint a proxy to attend and vote instead of himself and the proxy need not be a
member.

DBS PROPERTIES LIMITED

Registered Office: Raheja Chambers, 213 Nariman Point, Mumbai 400021

ATTENDANCE SLIP

PLEASE COMPLETE THIS ATTENDANCE SLIP BEFORE YOU COME TO THE MEETING AND
HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

1. Name of the Attending Member.....
(In Block Letters)
2. Register Folio No.....
3. Name of Proxy (In Block Letters).....
(To be filled if the proxy attends instead of the member)

No. of Shares held.....

I hereby record my presence at the Fourteenth Annual General Meeting at Raheja
Chambers, 213 Nariman Point, Mumbai 400021 on Thursday, September 30, 1999 at
11.00 a.m.

.....
Member's/Proxy's Signature

DBS PROPERTIES LIMITED

BOARD OF DIRECTORS

Mr Shamsunder Aggarwal (Chairman)
Mr R V Shekar (Managing Director)
Mrs Perveez S Aggarwal
Mr R C Jain
Mr R Sankarnarayanan
Mr V Chander

REGISTERED OFFICE

Raheja Chambers
213, Nariman Point
Mumbai 400021

HEAD OFFICE

Shivasakti
31, G N Chetty Road, T Nagar
Chennai 600 017

BANKERS

Bank of Ceylon
Catholic Syrian Bank
Citibank N.A.
Indian Bank
State Bank of India
Corporation Bank

AUDITORS

G M Kapadia & Co.
Chartered Accountants
Mumbai

DBS PROPERTIES LIMITED

NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of Members of DBS Properties Limited will be held at the Registered Office of the Company, DBS Executive Center, Raheja Chambers, 213 Nariman Point, Mumbai – 400021 on Thursday, September 30, 1999 at 11.00 a .m. to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet as at March 31, 1999 and Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To declare dividend for the year ended March 31, 1999
3. To appoint a Director in the place of Mr.R C Jain, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint a Director in the place of Mr.R Sankarnarayanan, who retires by rotation and being eligible offers himself for reappointment.
5. To appoint Auditors and fix their remuneration.

By order of the Board

Shilpa Joshi
Asst. Company Secretary

REGISTERED OFFICE:
DBS Properties Limited
Raheja Chambers
213 Nariman Point
Mumbai 400021

Mumbai
Dated: September 6, 1999

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER.
2. PROXY TO BE VALID MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
3. The register of share transfer and the register of members will remain closed from Tuesday, September 28, 1999 to Thursday, September 30, 1999 (both days inclusive).
4. Dividend, if declared, will be paid to those members whose names appear on the register of members as on September 30, 1999.
5. Members are requested to notify change in address, if any, to the Company.

Report of the Board of Directors

To the Members

Your Directors have pleasure in submitting their Fourteenth Annual Report and the Audited Accounts for the year ended March 31, 1999

1. FINANCIAL RESULTS

	1998-99 Rs. in Lakhs	1997-98 Rs. in Lakhs
Turnover and other income	2005.62	2110.58
Profit for the year after all expenses But before depreciation and interest	317.97	348.71
Deducting from the above		
Interest	181.99	118.97
Depreciation	<u>18.14</u> 200.13	<u>13.55</u> 132.52
Operating profit for the year	117.84	216.19
Less: Provision for taxation	28.00	70.00
Add: Excess provision for tax for Earlier years	Nil	Nil
Profit after tax	<u>89.84</u>	<u>146.19</u>
Adding thereto		
Balance brought forward from Previous year	189.32	92.53
	<u>279.16</u>	<u>238.72</u>
Appropriation recommended		
Transfer to General Reserve	28.00	23.00
Proposed Dividend	12.00	24.00
Tax in Distributed profits	<u>1.20</u> 41.20	<u>2.40</u> 49.40
Balance carried forward	<u>237.96</u>	<u>189.32</u>

2. OPERATIONS

The extraordinary delay in obtaining approvals and sanctions caused havoc to the operations of the Company. The Company's main project The Atrium, a residential development was the victim of the delay which resulted in number of cancellations of bookings previously made by the customers in the earlier years, causing uncertainty about the fate of the project. However, the Company was successful in obtaining approvals and sanctions and re-launch the project during the year and the sales have now started to pick-up.

Demand for under construction project have been low. But, since The Atrium deliveries and occupancies have started, customers' confidence have been building up slowly leading to a fair number of bookings for under construction and ready to occupy apartments.

The company has launched two further projects for deliveries in 2000/2001 and difficulties with regard to sanctions and approvals are not likely to be encountered.

The Company had a strain on cash flow resources due to non-performance of their part of the contract by a local business house. The Company is planning to take legal steps for recovery of the money.

3. FUTURE OUTLOOK

The outlook of the Company for the coming year in spite of the difficulties mentioned above seems to be reasonably bright. The company continues to develop properties for upper segment of the market where though volumes are limited, the profitability is reasonable, by taking on mainly Joint Venture project limiting investments and consequently the interest burden.

Interest burden of the Company will progressively be reduced to more affordable levels which itself will lead to higher profitability in future years.

Sales of the main project The Atrium is now regularly taking place and the Company proposes to advertise to create an awareness so that in the remaining months of this year a substantial volume is sold.

4. DIVIDEND

As a move to conserve the resources for the deployment in the business, your Directors are pleased to recommend a dividend of 3.75% only on the paid up equity capital of Rs.3.20 crores.

5. DIRECTORATE

In compliance with the provisions of the Companies Act, 1956 and in accordance with Article 100 of the Company's Articles of Association, Mr. R C Jain and Mr. R Sankarnarayanan retire by rotation and being eligible offer themselves for re-election.

6. AUDITORS

The retiring Auditors M/s G M Kapadia & Co., Chartered Accountants, Mumbai are eligible for reappointment. They have furnished to the Company the requisite certificate of their eligibility for appointment as Auditors pursuant to section 224 (1B) of the Companies Act, 1956. The Board of Directors recommend to the members to appoint them as Auditors and fix their remuneration.

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

Pursuant to section 217(1) (e) of the companies Act, 1956 read with the Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988, particulars regarding foreign exchange earnings and expenditure appear as items 7 and 8 in the Notes on Accounts. The Company has no activity relating to conservation of energy or technology absorption.

8. YEAR 2000 COMPLIANCE

Status on Y2K Compliance:

- a. All the hardware and application software have been made Y2K compliant.
- b. The Company has sufficient internal resources to address any system disruption due to Y2K issues.

9. EMPLOYEES

The particulars of employees pursuant to section 217 (2A) of the Companies Act, 1956 are separately given and form part of this report.

10. ACKNOWLEDGEMENT

The Directors record their appreciation for the patronage extended by customers and to the banks and institutions for their support. The Company looks forward to their continued support in the years ahead. The Company also wishes to place on record its appreciation towards its managers and employees for their sincerity, dedication and hardwork during the year.

For and on Behalf of the Board

SHAMSUNDER AGGARWAL
CHAIRMAN

Mumbai
September 6, 1999

DBS PROPERTIES LIMITED

Particulars of employees as per Section 217(2A) of the Companies Act, 1956 and the rules made thereunder and forming part of the Directors' Report for the year ended 31st March, 1999 in respect of employees in receipt of remuneration aggregating to not less than Rs.6,00,000/- for the financial year or Rs.50,000/- per month

Name	Designation/ Nature of duties	Remuneration received	Nature of employment whether contractual or otherwise	Qualification	Experience (in years)	Date of commencement of employment	Age as on employment 31.03.98	Last employment
EMPLOYED THROUGHOUT THE YEAR								
R.V.Shelar	Managing Director	913909	Contractual	B.Com(Hons) A.C.A., A.C.S	28	15.10.1994	50	President DBS Leasing & Finance Ltd, Chennai
S.Muthusubramaniam	Vice President	675383	Contractual	B.Tech.Civil	27	14.03.1991	48	Asst.Gen.Manager A.A.Turki Corpn. Saudi Arabia

- Notes
- Remuneration includes Salary, Rent free accommodation, Company car, Medical benefits, Leave Encashment, Gratuity and Company's contribution to Provident and Pension funds
 - None of the employees is related to any Director of the Company.