

**MANSUKHBHAI FINANCIAL SERVICES LTD.****DIRECTORS' REPORT**

Dear Members,

Your Directors have pleasure in submitting their Annual Report together with the Audited Statement of accounts for the year ended 31st March 1999.

**FINANCIAL RESULTS**

The working results of the company for the year ended 31st March 1999, are as follows :-

	<u>AS ON</u> <u>31.3.99</u>	<u>AS ON</u> <u>31.3.98</u>
GROSS PROFIT BEFORE DEPRECIATION	(2,66,932)	(4,02,099)
LESS : DEPRECIATION	<u>15,67,922</u>	<u>15,67,011</u>
NET PROFIT/LOSS BEFORE TAX	(18,34,854)	(19,69,110)
PROVISION FOR TAX	-	-
PROFIT/LOSS AFTER TAX	(18,34,854)	(19,69,110)
ADD : BALANCE BROUGHT FORWARD	<u>(32,81,685)</u>	<u>(13,12,574)</u>
BALANCE CARRIED TO BALANCE SHEET	<u>(51,16,539)</u>	<u>(32,81,685)</u>

During the year under report the Company has earned Income of Rs.2.56 Lakhs against the previous year's Income of Rs.4.13 Lakhs. As such there is Loss of Rs.18.34 Lakhs During the year. Your Directors do not recommend any dividend for the year.

The share market was very critical and hence the company has closed down the share broking business since December 1997.

**FIXED DEPOSIT :**

The Company has not accepted any deposit to which the provisions of Sec. 58-A of the companies Act, 1956 are applicable.

**PARTICULARS REGARDING EMPLOYEES :**

There is no employees who is in receipt of remuneration exceeding the limit specified under Section 217 (2A) of the Companies Act, 1956.

**POLLUTION AND ENERGY CONSERVATION ETC :**

Pursuant to Section 217 (1) (a) of the Companies Act, 1956 the information required in respect of pollution and energy conservation is not applicable in this case.

**DIRECTORATE :**

Smt. Manjula Shah, Director of the Company retire by rotation but being eligible offers herself for reappointment. You are requested to appoint Director in her place.

**INSURANCE :**

The property of the Company is adequately insured against various perils.

**AUDITORS :**

You are requested to appoint auditors from the conclusion of ensuing Annual General Meeting up to the conclusion of next Annual General Meeting and fix their remuneration. The present Auditors M/S Jignesh V. Shah & Co. Chartered Accountant, Ahmedabad has shown their inability to work as auditors from 01-04-99. Some share holders have suggested the name of S. K. Jain & Co. Chartered Accountants to appoint as Auditors and they are eligible for appointment as Auditors of the Company.

**APPRECIATION :**

The Board places on record the appreciation of the sincere and devoted services rendered by all the employees and the continued support and confidence of the Shareholders. The Board also expresses their sincere thanks to the Banks and all other well wishers.

**Y2K Compliance:-**

The company has already upgraded its system to make Y2K Compliant. The cost of the same have been met from internal resources.

Registered Office :  
302, 'SAMRUDDHI',  
Opp. Gujarat High Court,  
Near Income Tax Circle,  
Ashram Road,  
Ahmedabad-380 014.

**FOR MANSUKHBHAI FINANCIAL SERVICES LTD.  
FOR AND ON BEHALF OF THE BOARD,**

**(M. J. SHAH)  
CHAIRMAN.**

Date : 31-08-99.  
Place : AHMEDABAD.

**jignesh v. shah & co.**

CHARTERED ACCOUNTANTS

jignesh shah  
F.C.A., LL.B.404-B, HAREKRISHNA COMPLEX,  
PRITAMNAGAR, ELLISBRIDGE,  
AHMEDABAD-380 006,  
PH. : 6578234, 6577096  
FAX : 079-6577096**AUDITOR'S REPORT TO THE MEMBERS OF  
MANSUKHBHAI FINANCIAL SERVICES LIMITED**

We have audited the attached Balance Sheet of MANSUKHBHAI FINANCIAL SERVICES LIMITED., AS AT 31ST MARCH., 1999 and report that :

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
2. In our opinion proper books of accounts as required by law have been kept by the company so far as appears from our examination of such books.
3. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
4. In our opinion and to the best of our information and according to the explanations given to us the Balance Sheet and the Profit and Loss account together with the notes appearing thereon, given in the prescribed manner the information required by the Companies Act, 1956 give a true and fair view:
  - (i) in the case of balance sheet of the state of affairs as at 31st March., 1999.
  - (ii) in the case of Profit & Loss Account of the Loss for the year ended on that date.
5. As required by the manufacturing and other Companies (Auditors Report) order 1988, issued by the Company Law Board in terms of Section 227 (4-A) of the Companies Act 1956 and on the basis of such checks as we considered appropriate and according to the information and explanations given to us we report as under :
  - (i) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. These fixed assets have been physically verified by the management at reasonable intervals and no discrepancies have been noticed on such verification.
  - (ii) None of the fixed assets have been revalued during the year.



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**jignesh v. shah & co.**

CHARTERED ACCOUNTANTS

jignesh shah  
F.C.A., LL.B.404-B, HAREKRISHNA COMPLEX,  
PRITAMNAGAR, ELLISBRIDGE,  
AHMEDABAD-380 006.  
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- (iii) The company has not taken any loan, secured or unsecured from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or from Companies under the same management within the meaning of Section 370(1-B) of the Companies Act, 1956.
- (iv) The company has not granted any loan, secured or unsecured to companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956 or from Companies under the same management within the meaning of Section 370(1B) of the Companies Act, 1956.
- (v) The parties to whom loans or advances in the nature of loans were given by the Company, are repaying the principal amounts as stipulated and are also regular in payment of interest, wherever applicable.
- (vi) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of equipments and other assets.
- (vii) In our opinion and according to the information and explanations given to us, there was no transactions of purchase of goods and sale of goods and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50,000/- or more in respect of each party.
- (viii) The Company has not accepted any deposit from the public as defined in Section 58A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1978 during the year.
- (ix) The Company has an internal audit system commensurate with its size and nature of business.
- (x) As explained, the requirement of maintenance of cost records under Section 209(1)(D) of the Companies Act, 1956 is not applicable.
- (xi) As explained the provisions of Employees Provident Fund Act and other allied Act does not apply to the Company.

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