

S.V. TRADING & AGENCIES LTD.

BOARD OF DIRECTORS

SHRI RAJENDRA SOMANI
SHRI R.R. DHOOT
SHRI SURESH PARIKH
SHRI BHAIKAVDAS MIMANI
SHRI SURENDRA SOMANI

BANKERS

CENTRAL BANK OF INDIA
THE SANGLI BANK LTD.

AUDITORS

KHANDELWAL JAIN & CO.
Chartered Accountants
Mumbai - 400 020.

REGISTERED OFFICE

1076, Dr.E.Moses Rd.,
WORLI,
Mumbai - 400 018.

NOTICE

NOTICE is hereby given that the NINETEENTH Annual General Meeting of the Company will be held at the Registered Office of the Company at 1076, Dr.E.Moses Rd., Worli, Mumbai - 400 018, on Tuesday, the 27th August, 1999, at 11.00 A.M to transact the following business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 1999 and Profit & Loss A/c for the year ended on that date of the Company and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri R.R. Dhoot & Shri Surendra Somani who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

By Order of the Board

(RAJENDRA SOMANI)

Director

Mumbai.
August 27, 1999.

NOTE : 1] A Member entitled to attend and Vote is entitled to Appoint Proxy to attend and Vote instead of himself and the Proxy need not be a Member of the Company.

2] Any change of address of the Members be notified to the Company Quoting their Register Folio.

DIRECTORS REPORT

To,
The Members,

Your Director's have pleasure in presenting the NINETEENTH Annual Report together with the Audited Statement of Accounts for the year ended 31 st March,1999.

FINANCIAL HIGHLIGHTS :

	Rs in Lacs	
	Current Year	Previous Year
Gross Profit	116.26	103.78
Less : Interest	106.47	106.96
Depreciation	0.36	0.38
Provision for Income Tax	0.00	0.00
	-----	-----
Leaving a Balance	9.43	(3.56)
Balance Brought forward from Previous year	34.82	38.38
	-----	-----
Balance carried to Balance Sheet	44.25	34.82
	=====	=====

DIVIDENDS :

Although the Company has made a Net Profit of Rs9.43 Lacs during the year, Your Directors feel the need of creating adequate reserves to strengthen the Company and therefore do not recommend any Dividend for the year.

FIXED DEPOSITS :

During the year under review the Company has not accepted any Deposit from the Public.

SUBSIDIARY COMPANY :

The Statement of Subsidiary Company as required Under Section 212 of the Companies Act, 1956 as annexed hereto and form part of this report.

PARTICULARS OF EMPLOYEES :

None of the Employees are drawing salary and allowance exceeding Rs3,00,000/-P.A or Rs25,000/- P.M. hence provisions of Section 217(2A) of Companies Act are not applicable.

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

Since the Company has no manufacturing activities the disclosure of particulars as required Under Section 217 (1)(e) of the Companies Act,1956 read with the (Disclosures of Particulars in the Report of the Board of Directors) Rules 1988 are not applicable in so far as it relates to the conservation of energy and technology absorptions.

There were no Foreign Exchange Earning and Outgo during the year under review.

DIRECTORS :

Shri R.R Dhoot & Shri Surendra Somani, Directors of the Company retires by rotation and being eligible offers themselves for reappointment.

AUDITORS :

Members are requested to appoint Auditors for the Current Year and fix their remuneration. M/s Khandelwal Jain & Co., Chartered Accountants, the existing Auditors have informed their eligibility for re-appointment.

For and on behalf of the Board

RAJENDRA SOMANI Director
SURENDRA SOMANI Director

Place : Mumbai.

Date 27 th August,1999.

KHANDELWAL JAIN & CO.**CHARTERED ACCOUNTANTS**

• 12-B, BALDOTA BHAVAN, 5TH FL.,
117, MAHARSHI KARVE ROAD,
OPP. CHURCHGATE RLY. STATION,
MUMBAI-400 020.

TEL.: 2032655, 2032656
2032657, 2062151
FAX: (91-22) 2063402

AUDITORS' REPORT

The Shareholders,
S.V. TRADING & AGENCIES LIMITED

We have audited the attached Balance Sheet of **S.V. TRADING & AGENCIES LIMITED** as at 31st March, 1999 and also the annexed Profit & Loss Account of the Company for the year ended on that date, and report that:

1. 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, we annex hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
2. Further to our comments in the annexure referred to in paragraph 1 above, we state that :
 - (a) 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;
 - (b) in our opinion, proper books of account as required by law have been kept by the Company, so far as appears from our examination of the books;
 - (c) the Balance Sheet and Profit and Loss Account are in agreement with the books of accounts.
 - (d) in our opinion, the Profit and Loss Account and the Balance Sheet dealt with by this report comply with the mandatory accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) in our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
 - (i) in the case of the Balance Sheet of the state of affairs of the company as at 31st March, 1999 and
 - (ii) in the case of the Profit & Loss Account of the 'Profit' of the company for the year ended on that date.

Place : Mumbai
Date : 27th August, 1999



For **KHANDELWAL JAIN & CO.,**
Chartered Accountants,

Narendra Jain
(NARENDRA JAIN)
PARTNER

BRANCHES AT : AURANGABAD, PUNE, NEW DELHI & VISAKHAPATNAM

KHANDELWAL JAIN & CO.**CHARTERED ACCOUNTANTS**

12-B, BALDOTA BHAVAN, 5TH FL.,
117, MAHARSHI KARVE ROAD,
OPP. CHURCHGATE RLY. STATION,
MUMBAI-400 020.

TEL.: 2032655, 2032656
2032657, 2062151
FAX: (91 - 22) 2063402

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in Paragraph 1 of our report of Even date)

- 1) The Company has maintained proper records showing full particulars and including quantitative details and situation of fixed assets. We have been informed that the fixed assets have been physically verified by the Management during the year and no material discrepancies were noticed on such verification.
- 2) None of the fixed assets have been revalued during the year.
- 3) As per the information and explanations given to us, physical verification of inventories have been carried out by the management at reasonable intervals.
- 4) As per the information and explanations given to us, the procedures for physical verifications of inventories are reasonable and adequate in relation to the size of the Company and nature of its business.
- 5) As per the information and explanations given to us, no material discrepancies have been noticed on physical verification of inventories.
- 6) In our opinion, the valuation of the inventories is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
- 7) The rate of interest and terms and conditions of loans taken from parties listed in the register maintained under section 301 of the Companies Act, 1956 are prima facie not prejudicial to the interest of the company. As informed to us, there are no companies under the same management as defined under sub section (1-B) of Section 370 of the Companies Act, 1956.
- 8) According to the information and explanations given to us, the company has not given any loans to Companies, Firms and other parties listed in the register maintained under Section 301 of the Companies Act, 1956. As informed to us, there are no Companies under the same management as defined under sub-section (1-B) of Section 370 of the Companies Act, 1956.
- 9) The parties to whom the loans or advances in the nature of loans have been given by the Company are repaying the principal amount as stipulated wherever stipulations have been made and are also regular in payment of the interest wherever applicable.

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 with regards to purchase of other assets.

BRANCHES AT : AURANGABAD, PUNE, NEW DELHI & VISAKHAPATNAM



KHANDELWAL JAIN & CO.
CHARTERED ACCOUNTANTS

CONTINUATION SHEET

- 2 -

- 11) The Company has, during the year, not accepted any public deposits as defined in Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 12) There is no undisputed amounts payable in respect of income tax outstanding for more than six month as at the end of the year.
- 13) According to the information and explanations given to us and records of the Company examined by us, no personal expenses have been charged to Revenue Account, other than those payable under contractual obligations or in accordance with generally accepted business practice.
- 14) In respect of investment/financial activities, the Company has maintained proper records of transactions and contracts in respect of trading in shares and other securities and timely entries have been made therein. All shares, debentures and other securities have been held by the Company in its own name except to the extent of the exemption granted under Section 49 of the Companies Act, 1956 and save for certain shares which are either lodged for transfer or held with valid transfer forms.
- 15) Other Clauses of the para 4(A), (B), (C) & (D) of the said order are not applicable to the Company.

Report Junction
For KHANDELWAL JAIN & CO.,
Chartered Accountants,

Narendra Jain

(NARENDRA JAIN)
PARTNER

Place : Mumbai
Date : 27th August, 1999



BALANCE SHEET AT AS 31ST MARCH 1999

	Schedule	As at 31st March, 1999 Rupees	As at 31st March, 1998 Rupees
SOURCE OF FUNDS:			
Shareholders Funds:			
Share Capital	A	1,000,000	1,000,000
Reserve & Surplus	B	4,425,522	3,482,805
		5,425,522	4,482,805
Loan Funds:			
Unsecured Loans	C	86,448,845	74,038,884
		86,448,845	74,038,884
Total Funds Employed		91,874,367	78,521,689
APPLICATION OF FUNDS:			
Fixed Assets	D		
Gross Block		2,215,737	2,215,737
Less: Depreciation		574,245	537,861
		1,641,492	1,677,876
Investments	E	116,444,954	115,045,687
Current Assets Loans & Advances:			
Inventories	F	9,529,944	8,270,715
Sundry Debtors	G	165,280	449,531
Cash & Bank Balances	H	56,582	2,026,607
Other Current Assets	I	4,880,751	151,710
Loans & Advances	J	30,413,268	21,708,539
		45,045,825	32,607,102
Less: Current Liabilities & Provisions			
Current Liabilities	K	71,257,904	70,808,975
		71,257,904	70,808,975
Net Current Assets		(26,212,079)	(38,201,873)
Total Funds Utilised		91,874,367	78,521,689

Significant Accounting Policies and Notes to Accounts

N

As per our Report of even date
For KHANDELMAL JAIN & CO
Chartered Accountants

For and on behalf of the Board

Rajendra Somani
(Director)

Surendra Somani
(Director)

Narendra Jain
(Narendra Jain)
Partner



Mumbai
DATE : August 27, 1999