

SARASWATI COMMERCIAL (INDIA) LTD

Regd. Office : 15 Chittaranjan Avenue, 4th Flr., Calcutta 700072

NOTICE

NOTICE is hereby given that Sixteenth Annual General Meeting of the members of Saraswati Commercial (India) Limited will be held at the Registered Office of the Company on Wednesday the 29th September 1999 at 10.00 A.M. to transact the following business :

1. To consider and adopt the Profit & Loss Account for the year ended 31st March 1999 and Balance Sheet as at that date and the Directors Report and Auditors Report thereon.
2. To appoint a Director in place of Shri Parag Shah who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration

BY ORDER OF THE BOARD

Jaysukhlal N. Shah
JAYSUKHLAL N. SHAH
DIRECTOR

Place : Calcutta

Date : 10th August 1999

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. A Proxy need not be a member.
2. The Register of members of the Company will remain closed from 24th September 99 to 29th September 1999 (Both days inclusive)

CERTIFIED TRUE COPY

FOR SARASWATI COMMERCIAL (INDIA) LIMITED

Hemant K. D. Sengupta
DIRECTOR/AUTHORISED SIGNATORY

16TH ANNUAL REPORT

SARASWATI COMMERCIAL (INDIA) LIMITED

DIRECTOR'S REPORT

Dear Shareholders,

We have pleasure in presenting to you the 16th Annual Report of your Company together with the Audited Balance Sheet and the Profit & Loss Account for the year ended 31st March 1999.

1) FINANCIAL RESULTS

	For the Year ended March 31, 1999 (Rs. in Lacs)	For the Year ended March 31, 1998 (Rs. in Lacs)
Profit before Tax	56.90	13.50
Add Income tax for earlier year	0.10	0.11
Provision for taxation	18.00	3.00
Net Profit	38.79	10.60
Add Profit Brought Forward	16.69	6.09
Profit available for appropriation	55.49	16.69
Less Transfer to General Reserve	--	-
Balance carried to Balance Sheet	55.49	16.69

2) DIVIDEND

With a view to conserve resources the Directors do not recommend any dividend for the year.

3) DIRECTORS

Shri Parag Shah retires by rotation and being eligible, offer themselves for reappointment.

4) AUDITORS

The term of M/s. Sandeep Ajmera & Associates, Chartered Accountants as Auditors of the Company expires at the conclusion of this Annual General Meeting and are eligible for reappointment.

5) SUBSIDIARY COMPANIES

The statement required under section 212 of the Companies Act 1956 in respect of subsidiary companies are annexed hereto.

6) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO :

The Directors have nothing to report on the aforesaid matter as the company is not engaged in any manufacturing, has no foreign collaboration and has not exported any goods and services.

7) PARTICULARS OF EMPLOYEES

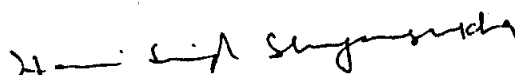
Provisions of Section 217(2A) of the Companies Act 1956 are not applicable as no employees was in receipt of remuneration to the extent laid down therein.

8) APPRECIATION

Your Directors wish to place on record their appreciation of services of the staff of the Company which have contributed to the good management of the Company's affairs and administration.

9) Computer Hardware and Software are being updated with contingency plans to ensure Y2k complince.

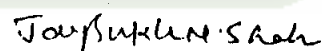
FOR AND ON BEHALF OF THE BOARD



HARISINGH SHYAMSUKHA
Director

Place : Calcutta

Date : 10th August 1999



JAYSUKHLAL N. SHAH
Director

Sandeep Ajmera & Associates

CHARTERED ACCOUNTANTS

Phone Off : 201 55 04

: 201 86 48

Fax : 201 86 48

Resi. : 875 53 87

: 874 97 05

Jain Bhavan, 4th Floor,
80, Dr. M. B. Velkar Street,
Jagannath Shanker Seth Road, -
MUMBAI-400 002.

Ref. No. /

Date /

A U D I T O R ' S R E P O R T

**REPORT TO THE MEMBERS OF
SARASWATI COMMERCIAL (INDIA) LIMITED.**

We have audited the attached Balance Sheet of SARASWATI COMMERCIAL (INDIA) LIMITED, as at 31st March, 1999 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto, and report that:

- a). We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes 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 those books;
- c). The Balance Sheet and Profit and Loss Account dealt with by our report are in agreement with the books of accounts.
- d). In our opinion, the Profit and Loss Account and Balance Sheet comply with the 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 Balance Sheet and the Profit and Loss Account, read together with the notes thereon appearing on the Schedule - 'XIV' and elsewhere, give the information required by the Companies Act, 1956, in the manner so required and give a true and correct view.

We also state, of the Balance Sheet, of the state of affairs of the Company as at 31st March, 1999, and

of the Profit and Loss Account of the Company for the year ended on that date.

As required by the Manufacturing and other Companies (Auditors' Report) Order, 1988 issued by the Ministry of Commerce and Industry, Government of India, in pursuance of sub-section (3C) of section 211 of the Companies Act, 1956, we have given the following information and explanations in addition to our report during the course of audit, we further report that:

1. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets. Physical verification of assets has been conducted by the management at reasonable intervals and no material discrepancies were noticed in such verification.

2. None of the fixed assets have been revalued during the year.
3. Physical verification has been conducted by the Management at regular intervals in regard of shares and debentures.
4. In our opinion and according to the information and explanations given to us, the procedures followed by the Management for physical verification of shares and debentures are reasonable and adequate in relation to the size of the Company and the nature of its business.
5. As explained to us, there were no material discrepancies noticed on physical verification of shares and debentures.
6. On the basis of our examination, the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and the basis of valuation is same as in the preceeding year.
7. The Company has not taken secured or unsecured loans from the Companies, firms or parties listed in the register maintained under section 301 of the Companies Act, 1956 or from the companies under the same management as defined under sub-section (1P) of Section 370 of the Companies Act, 1956.
8. The Company has not granted unsecured loans to Companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956. The Company has not granted any loans to Companies under sub-section (1C) of section 370 of the Companies Act, 1956.
9. The Company has given temporary unsecured loans without stipulation regarding payment. Interest accrued on the loans have been duly accounted for.
10. 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 and sales of shares and debentures and other assets.
11. We have been informed that the Company has not entered into any transaction for the purchase or sale of goods and materials and services made in pursuance of contracts or agreements made under section 301 of the Companies Act, 1956 aggregating to Rs. 50,000/- or more during the year under review in respect of each party.
12. The Company has not accepted any deposit from the public under section 18A of the Companies Act, 1956 and rules framed thereunder during the year under review.
13. In our opinion, the Company has an adequate internal audit system commensurate with the size and nature of its business.
14. The Company is not required to maintain cost records under section 209 (1) (d) of the Companies Act, 1956.



Sandeep Ajmera & Associates

CHARTERED ACCOUNTANTS

Continuation Sheet

15. As informed to us provisions of Employees Provident Fund & Miscellaneous Provisions Act, 1952 and Employees State Insurance Act, are not Applicable to the Company
16. According to the information and explanations given to us, there were no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax Custom Duty & Excise Duty, which have remained outstanding as at the last day of the financial year concerned for a period of more than six months from the date they became payable.
17. On the basis of our examination of records and according to the information and explanations given to us, no personal expenses have been charged to revenue account.
18. Adequate documents and records are maintained in cases where loans and advances have been granted against the pledge of Shares, Debentures and other Securities.
19. The Company has maintained proper records of transactions and contracts in respect of trading in shares, debentures and other securities and that timely entries have been made therein. All Shares, Debentures and other Securities have been held by the Company in its own name save for certain shares which are either lodged for transfer or held with valid transfer forms.
20. Other clauses of the aforesaid order are not Applicable to the Company.

As required by the Non Banking Financial Companies Auditor's Report, (Reserve Bank) Directions, 1998. We further state that we have submitted a Report to the Board of Directors of the Company containing a statement on the matters as specified in the said directions namely the following:

- i) The Company Incorporated prior to January 9, 1997 had applied for Registration as provided in section 45 1A of the Reserve Bank of India Act, 1934 (2 of 1934) and has been granted Registration Certificate No. 05-00094 dated 18.2.1998.
- ii) The Board of Directors has passed a Resolution for non-acceptance of any Public Deposits on 21.4.1998.
- iii) The Company has not accepted any Public Deposits during the year under reference.
- iv) The Company has complied with the prudential norms relating to Income recognition accounting standards asset classification and provisioning for bad and doubtful debts as applicable to it.

For SANDEEP AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sandeep Ajmera
(SANDEEP AJMERA)
PROPRIETOR

PLACE : MUMBAI

DATED : 11 AUG 1999



SARASWATI COMMERCIAL (INDIA) LIMITED

BALANCE SHEET AS AT 31ST MARCH, 1999

SCHEDULE	AS 31.03.1999	AT AS 31.03.1998	AT
	RS	RS	
SOURCE OF FUNDS:			
1. SHARE HOLDER'S FUNDS:			
a). Share Capital	I	6400000.00	6400000.00
b). Reserves and Surplus	II	41472782.56	37593006.94
2. LOAN FUNDS			
a). Unsecured Loans	III	191776.45	2078356.45
TOTAL Rs....		48064559.01	46071363.39
1. APPLICATION OF FUNDS			
1. FIXED ASSETS (AT COST)			
i). Gross Block	IV	4784.20	764.20
ii). Less: Depreciation		4441.20	345.20
iii). Net Block		343.00	419.00
2. INVESTMENTS (AT COST)			
	V	6261626.00	6111000.60
3. CURRENT ASSETS, LOANS AND ADVANCES			
i). Stock In Trade	VI	18438297.65	16201146.85
ii). Sundry Debtors	VII	307022.40	557803.60
iii). Cash and Bank Balances	VIII	98268.86	2625619.93
iv). Loans and Advances	IX	24560627.10	21103398.41
		43908216.01	40487968.79

(Contd.....2/-)



	AT AS	AT
	31.03.1999	31.03.1998
	RS	RS
Less:		
CURRENT LIABILITIES AND		
PROVISIONS:		
a). Current Liabilities	49283.00	92231.00
b). Provisions		
Provision for Taxation	2100000.00	488030.00
	2149283.00	580261.00
Net Current Assets	41758933.01	39907707.79

4. MISCELLANEOUS EXPENDITURE:

(To the extent not written off or adjusted)

'XI'

43657.00 52236.00

48064559.01 46071363.39

NOTES ON ACCOUNTS

'XIV'

IN TERMS OF OUR ATTACHED REPORT
OF EVEN DATE

For AND ON BEHALF OF THE
BOARD OF DIRECTORS

For SANDEEP AJMERA & ASSOCIATES
CHARTERED ACCOUNTANTS

Sandeep Ajmera
(SANDEEP AJMERA)
PROPRIETOR

For Saraswati Commercial (India) Ltd.,

Jaybhikre Shah

Director

Hanish Shyamsunder

DIRECTORS

PLACE : MUMBAI

DATE: 11 AUG 1999

