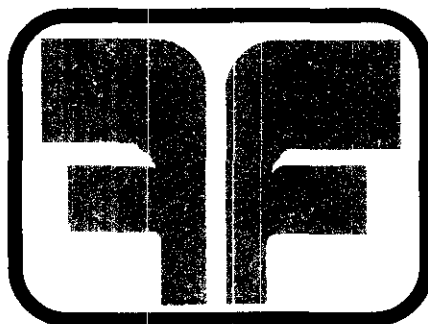


NINTH ANNUAL REPORT 1999 - 2000

CERTIFIED COPY
For Fortune Financial Service (India) Ltd.,

Chairman and Managing Director.

Report  Junction.com



FORTUNE FINANCIAL SERVICES (INDIA) LIMITED



FORTUNE FINANCIAL SERVICES (INDIA) LIMITED

BOARD OF DIRECTORS

Mr. J.T. Poonja	Chairman & Managing Director
Mr. Nimish C. Shah	Vice Chairman & Jt. Managing Director
Mr. Ketan Dalal	Director
Mr. Sohan Mehta	Director
Mrs. Sangeeta J. Poonja	Director
Mrs. Tara Gajria	Director

AUDITORS

M/s. A.C. Shah Associates
Chartered Accountants

BANKER

Bank of Madura Ltd.

REGISTERED OFFICE

2nd Floor, K.K. Chambers
Sir P.T. Marg
Fort, Mumbai - 400 001

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NOTICE

NOTICE is hereby given that the Ninth Annual General Meeting of the members of Fortune Financial Services (India) Limited will be held on Thursday, the 31st day of August, 2000 at the Registered Office of the Company at 2nd Floor, K. K. Chambers, Sir P. T. Marg, Fort, Mumbai - 400001 at 10.30 a.m. to transact the following business :

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2000 and the Profit and Loss Account for the year ended as on that date alongwith Schedules and the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Sangeeta Poonja, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors of the Company and to fix their remuneration.

AS SPECIAL BUSINESS :

ITEM NO. 4

To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**

"RESOLVED THAT pursuant to the provisions of Section 198, 269, 309 and other applicable provisions, if any, of the Companies Act, 1956 the Company hereby accords its approval to the re-appointment of Mr. J. T. Poonja, Chairman & Managing Director of the Company, for a period of five years with effect from 1st August, 2000 at a remuneration and upon the terms and conditions as set out in the draft agreement, placed before this meeting and initialled by the Chairman for the purpose of identification, which agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the remuneration, terms and conditions of the said appointment and/or agreement, subject to the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments thereto or any statutory modification or re-enactment thereof from time to time, as may be agreed to between the Directors and Mr. J. T. Poonja."

ITEM NO. 5

To consider and, if thought fit, to pass with or without modifications, the following resolution as an **Ordinary Resolution**.

"RESOLVED THAT in partial modification of the resolution passed by the members at the Fifth Annual General Meeting of the Company held on 21st June, 1996, approving the appointment of Mr. Nimish C. Shah, Vice Chairman & Joint Managing Director of the Company with the liberty to the Board of Directors of the Company to alter and vary the remuneration, terms and conditions of the said appointment,

and pursuant to the provisions of Section 198, 269, 309, 310 and all other applicable provisions, if any, of the Companies Act, 1956, the Company hereby accords its approval to the increase and revision in terms of remuneration and perquisites to Mr. Nimish C. Shah Vice-Chairman & Joint Managing Director of the Company, under the provisions of the amended Schedule XIII of the Companies Act, 1956 with effect from 1st August, 2000 until the expiry of the current period of his appointment, as set out in the draft supplemental agreement, placed before this meeting and initialled by the Chairman for the purpose of identification, which agreement is hereby specifically sanctioned with liberty to the Directors to alter and vary the remuneration, terms and conditions from time to time, of the said appointment and/or agreement, subject to the limits specified in Schedule XIII to the Companies Act, 1956, or any amendments thereto or any statutory modification or re-enactment thereof from time to time, as may be agreed to between the Directors and Mr. Nimish C. Shah."

ITEM NO. 6

To consider and, if thought fit, to pass with or without modifications, the following resolution as a **Special Resolution**.

"RESOLVED THAT the Company do apply for delisting of its shares from the Stock Exchanges at Ahmedabad, Chennai and Delhi, and the Board of Directors of the Company be and is hereby authorised to do all such acts, deeds, and things which may be necessary, usual, expedient or proper to give effect to this resolution".

ITEM NO. 7

To consider and, if thought fit, with or without modifications, to pass the following resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Sunil N. Mehta who was appointed as an Additional Director of the Company by the Board of Directors and who holds office up to the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 257 of the Companies Act, 1956, proposing his candidature for the office of a Director, be and is hereby appointed a Director of the Company liable to retire by rotation."

Registered Office :

For and on behalf of the
Board of Directors

2nd Floor, K.K. Chambers
Sir P.T. Marg, Fort
Mumbai 400 001.

J.T. POONJA

Date : 31st July, 2000

Chairman & Managing Director



FORTUNE FINANCIAL SERVICES (INDIA) LIMITED

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.**
2. Proxies, in order to be effective, must be lodged with the Company not less than 48 hours before the time of the meeting.
3. Explanatory statement with respect to Item No.4 to 7 is annexed and forms part of this Notice.
4. Members are requested to :
 - (a) immediately intimate change of address, if any, to the Company quoting reference of their Registered Folio Number;
 - (b) produce the Attendance Slip at the Entrance of the Meeting hall;
 - (c) bring the copy of the Annual Report to the venue of the Meeting and
 - (d) write to the Company atleast 10 days in advance of the Annual General Meeting for any information about accounts at the meeting.
5. The Register of Members and the Register of Share Transfer will remain closed from 12th August, 2000 to 14th August, 2000, to comply with requirement of Clause 16 and other applicable provisions of the Listing Agreement.
6. Members, in whose name Dividend warrant for the Financial year 1995-96 and 1996-97 issued by the Company and who have not yet encashed the same, are requested to encash the Dividend warrant immediately.
6. All the documents referred in the Notice and Explanatory Statement are available for inspection at the Registered Office of the Company during office hours on all working days except Saturdays and Holidays between 11.00 a.m. and 1.00 p.m. upto the date of the Annual General Meeting.

Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956

Item No.4

Mr. J.T. Poonja is associated with the business from the inception of the Company and has vast knowledge and experience in the field of Banking, finance and related activities. In view of the expanding business of the Company, the Board of Directors at their meeting held on 31st July, 2000 has re-appointed Mr. J. T. Poonja, subject to approval of the

members, as Chairman and Managing Director of the Company for a period of five years from 1st August, 2000, on the following principal terms and conditions :

I. Period of Appointment : 5 years. (1st August, 2000 to 31st July, 2005)

II. Salary : Rs.75,000/- (Rupees Seventy Five Thousand Only) per month with an annual increment in a scale of Rs. 75,000/- - Rs.5,000/- - Rs.95,000/-.

III. Commission : The appointee will be paid such amount by way of commission, in addition to the salary and perquisites payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceilings stipulated under Sections 198 and 309 of the Act and Schedule XIII, as may be applicable from time to time.

The specific amount payable as commission to the appointee will be based on certain performance criteria to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board of Directors and adopted by the Shareholders.

IV. Perquisites : Perquisites (as detailed in Categories 'A' and 'B' given below) shall be restricted to an amount equal to the annual salary.

CATEGORY 'A'

House Rent Allowance : @ 20 % of Salary.

Medical Reimbursement : Expenses incurred for self and his family subject to a ceiling of one month's salary in a year or five months' salary over a period of five years.

Leave Travel : For the Managing Director and his family, once in a year incurred in accordance with the rules specified by the Company.

Club Fees : Fees of clubs subject to maximum two clubs. This will not include life membership fees and admission fees.

Personal Accident : Premium not to exceed Insurance Rs.5,000/- per annum.

Explanation : Family means the spouse, dependant children and parents of the appointee.

CATEGORY 'B'

The following will not be considered as perquisites :

- i) The contributions to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or

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put together are not taxable under the Income-Tax Act, 1961;

- ii) Gratuity not exceeding half a month's salary for every completed year of service ;
- iii) Encashment of leave at the end of the tenure and
- iv) Provision of car for use on Company's business and telephone at residence. However, personal long distance calls and use of car for private purpose shall be billed by the Company.

OTHER TERMS AND CONDITIONS :

- i) The Managing Director will be entitled to one month's leave with full pay and allowance for every eleven months' of service. Such leave may be accumulated in accordance with the Company's rules and practices in force from time to time.
- ii) **Minimum Remuneration :** The remuneration, terms and conditions of the said appointment of the Managing Director may be varied from time to time subject to the conditions of Schedule XIII to the Companies Act, 1956, or any amendments made hereafter, as may be agreed to, between the Directors and appointee.
- iii) If at any time the Managing Director ceases to be a Director of the Company for any cause whatsoever, he will cease to be the Managing Director in terms of the Agreement and such Agreement shall terminate forthwith.
- iv) The Managing Director is appointed by virtue of his Directorship in the Company and his appointment is subject to the provisions of Section 283(1) of the Companies Act, 1956.

This may be treated as an abstract of the terms of re-appointment of Mr. J. T. Poonja Chairman and Managing Director of the Company pursuant to Section 302 of the Companies Act, 1956.

None of the Directors, other than Mr. J. T. Poonja and Mrs. Sangeeta J. Poonja, wife of Mr. Poonja, of the Company, are in any way concerned or interested in the said resolution.

Your Directors recommend the resolution for approval by the members of the Company.

Item No.5

Mr. Nimish C. Shah was appointed as Vice-Chairman and Joint-Managing Director of the Company for a period of five years from 1st July, 1996. In view of the expanding business of the Company, the Board of Directors has revised the existing remuneration in accordance with the provisions of Schedule XIII to the Act till his current terms of office i.e. upto 30th June, 2001 on the following principal and conditions :

Salary : Rs.75,000/- (Rupees Seventy Five Thousand Only)

per month with an annual increment in a scale of Rs. 75,000/- - Rs.5,000/- - Rs.95,000/-.

Commission : The appointee will be paid such amount by way of commission, in addition to the salary and perquisites payable, calculated with reference to the net profits of the Company in a particular financial year, as may be determined by the Board of Directors of the Company at the end of each financial year, subject to the overall ceilings stipulated under Sections 198 and 309 of the Act and Schedule XIII, as may be applicable from time to time.

The specific amount payable as commission to the appointee will be based on certain performance criteria to be laid down by the Board and will be payable annually after the Annual Accounts have been approved by the Board of Directors and adopted by the Shareholders.

Perquisites : Perquisites (as detailed in Categories 'A' and 'B' given below) shall be restricted to an amount equal to the annual salary.

CATEGORY 'A'

House Rent Allowance : @ 20 % of Salary.

Medical Reimbursement : Expenses incurred for self and his family subject to a ceiling of one month's salary in a year or five months' salary over a period of five years.

Leave Travel : For the appointee and his family, once in a year incurred in accordance with any rules specified by the Company.

Club Fees : Fees of clubs subject to maximum two clubs. This will not include life membership fees and admission fees.

Personal Accident : Premium not to exceed Insurance Rs.5,000/- per annum.

Explanation : Family means the spouse, dependant children and parents of the appointee.

CATEGORY 'B'

The following will not be considered as perquisites :

- i) The contributions to Provident Fund and Superannuation Fund or Annuity Fund to the extent these either singly or put together are not taxable under the Income-Tax Act, 1961;
- ii) Gratuity not exceeding half a month's salary for every completed year of service ;
- iii) Encashment of leave at the end of the tenure and
- iv) Provision of car for use on Company's business and telephone at residence. However, personal long distance calls and use of car for private purpose shall be billed by the Company.



FORTUNE FINANCIAL SERVICES (INDIA) LIMITED

OTHER TERMS AND CONDITIONS :

- i) The appointee will be entitled to one month's leave with full pay and allowance for every eleven months' of service. Such leave may be accumulated in accordance with the Company's rules and practices in force from time to time.
- ii) **Minimum Remuneration :** The remuneration, terms and conditions of the said appointment of the appointee may be varied from time to time subject to the conditions of Schedule XIII to the Companies Act, 1956, or any amendments made hereafter, as may be agreed to, between the Directors and appointee.

All other terms and conditions of the appointment of Mr. Nimish C. Shah, remain unchanged.

This may be treated as an abstract of the revision of the terms of appointment of Mr. Nimish C. Shah, Vice Chairman and Joint Managing Director of the Company pursuant to Section 302 of the Companies Act, 1956.

None of the Directors, other than Mr. Nimish C. Shah, of the Company is in any way concerned or interested in the said resolution.

Your Directors recommend the resolution for approval by the members of the Company.

Item No.6

The Shares of the Company are listed with the Stock Exchanges at Ahmedabad, Chennai, Delhi and Mumbai. Considering the fact that the shares are thinly/rarely traded at

the Stock Exchange at Ahmedabad, Chennai and Delhi, the Board of Directors is of the view that it would be advisable in the interest of the Company to apply for delisting of its shares from the said three Stock Exchanges in accordance with the provisions of applicable laws.

None of the Directors, may be deemed to be concerned or interested in the said resolution.

Your Directors recommend the resolution for approval by the members of the Company as a special resolution.

Item No. 7

Mr. Sunil N. Mehta was appointed as an Additional Director on 31st July, 2000. Mr. Sunil N. Mehta, has vast experience in share broking business. Pursuant to the provisions of Section 257 of the Companies Act, 1956, the Company has received a notice in writing proposing his candidature for the office of a Director of the Company liable to retire by rotation. Considering the advantage of Mr. Mehta's association, your Directors recommend his said appointment.

Except Mr. Sunil N. Mehta, no other Directors may be deemed to be concerned or interested in the above resolution.

**For and on behalf of the
Board of Directors**

Place : Mumbai
Date : 31st July, 2000

J.T. POONJA
Chairman & Managing Director

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DIRECTORS' REPORT

To

The Members

Your Directors present the Ninth Annual Report on the business and operations of the Company together with Audited Statement of Accounts for the year ended 31st March, 2000.

1. FINANCIAL RESULTS :

	1999-2000	(Rs. in lacs) 1998-99
GROSS INCOME	508.89	694.41
Profit before depreciation and writing-off Bad Debts	251.11	307.87
Less :		
Depreciation	251.57	305.20
Bad Debts Written-Off	131.53	283.41
Profit/(Loss) before tax	(131.99)	(280.74)
Less : Provision for tax	47.17	—
Profit / (Loss) After Tax	(179.16)	(280.74)
Add : Balance brought forward from earlier year	(208.96)	73.00
Less : Tax in respect of earlier years (Net)	Nil	1.22
Balance carried to Balance Sheet	(388.12)	(208.96)

2. DIVIDEND :

Your Directors have not recommended any dividend for the year due to loss incurred by the Company.

3. ECONOMIC AND OVERALL BUSINESS SCENARIO :

The market has shown signs of improvement in 1999 – 2000 aided by revival in demand globally in commodity sectors such as Steel, Non-Ferrous Metals and Paper leading to a rise in price realisations. The highlights of the year was the continued excellent performance of the computer software sector alongwith Media and telecom which led to a sharp turnaround in the stock market sentiments and BSE Sensex peaked to a level of 6150 in February, 2000.

The Reserve Bank of India has continued its easy money policy during the year. Major variables like GDP and Industrial growth for F.Y. 2000 – 01 are expected to be around 6.5% and 5% respectively. With a good monsoon expected this year, agriculture production is expected to maintain its growth rate.

4. OPERATIONS AND FUTURE PROSPECTS :

During the year 1999-2000, your Company has incurred a loss of Rs.179.16 lacs as against a loss of Rs. 280.74 lacs for

the previous year. The reason for the loss was mainly on account of the Company's policies regarding provisioning for bad debts and non-recognition of lease rentals in respect of rentals not received.

The Company's efforts in consolidating itself in the fee based services has started paying dividends. Your Company concluded two major deals involving a FMCG Company and a well known media Company's private placement of equity shares during the year. The Company has also got the mandates for Initial Public Offerings of the above two Companies. Besides, your Company has moved aggressively into private placement market with 3 other mandates in hand-one dotcom and two media companies, which are under execution.

The members will be pleased to know that your Company has applied for corporate membership of The Stock Exchange, Mumbai, and the Company hopes to operationalise its broking activities by September this year. Alongwith its subsidiary Fortune Equity Brokers (India) Limited (Formerly Good Fortune Advisory Services Limited) which has a NSE membership, your Company will offer a complete broking services to its clientele. The Company is hopeful of a much improved performance in the current year.

5. BUY BACK OF SHARES :

Your Company became the first Company in India to go in for buy back of its shares, subsequent to the Guidelines for Buy back of shares coming into effect from January, 1999. Considering the overall market conditions, your Directors decided to utilise the excess funds generated out of stringent recoveries to reduce the share capital and successfully made a second Buy Back during the year.

The Company had offered to buy back 25% of its paid-up share capital (Rs.435 lacs) at an offer price of Rs.10/- each against the average market quoted price of Rs.5.65 and against the said offer the Company received valid applications for 470100 shares for buy back, and consequent to the buy back and extinguishment of shares, the paid-up equity share capital of the Company has reduced to Rs.388 lacs. Further, in accordance with Section 77A of the Companies (Amendment) Act, 1999 the Board of Directors has transferred Rs. 47.01 lacs from the General Reserves to Capital Redemption Reserves Account.

6. DELISTING OF SHARES

Considering the fact that the shares are thinly/rarely traded at the Stock Exchange at Ahmedabad, Chennai and Delhi, the Board of Directors is of the view that it would be advisable in the interest of the Company to apply for delisting of its shares from the said three Stock Exchanges in accordance with the provisions of applicable laws.



FORTUNE FINANCIAL SERVICES (INDIA) LIMITED

7. DISCLOSURE UNDER THE LISTING AGREEMENT :

- a) Cash flow statement pursuant to clause 32 of the listing agreement is annexed to the audited accounts and forms part of this report.
- b) The Company had ensured Y2K compliance requirements and smoothly started operations in the year 2000 without any hindrance to the operations at a nominal cost to the Company.

8. PRUDENTIAL NORMS :

The Company is consistently complying with all the guidelines issued by the Reserve Bank of India for NBFCs with respect to capital adequacy, asset classification, provisioning and income recognition on non-performing assets.

The capital adequacy of the Company as on September, 1999, was 65.52 % as against the minimum norm of 10% stipulated by the Reserve Bank of India.

9. SUBSIDIARY COMPANY :

The Audited Statements of Accounts of Hazel Finvest Limited, a wholly owned subsidiary of the Company, and of Fortune Equity Brokers (India) Limited (Formerly Good Fortune Advisory Services Limited) for the year ended 31st March, 2000 along with the Reports of the Board of Directors and Auditors thereon are attached in accordance with the provisions of Section 212 of the Companies Act, 1956.

10. FIXED DEPOSITS :

The Company has not accepted/renewed deposits from public and others during the year under review. The outstanding Fixed Deposit of Rs.17.65 lacs as on 31st March, 1999 was paid in October 1999 on its maturity.

The Company has also been fully complying with all Reserve Bank of India Guidelines on maintenance of liquid assets on its portfolio of deposits, during the year under review.

11. AUDITORS :

M/s A.C. Shah Associates, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The Company has received a certificate from the Auditors to the effect that their re-appointment if made, will be within the limits stipulated under Section 224(1B) of the Companies Act, 1956.

12. DIRECTORS :

Mrs. Sangeeta Poonja, Director of the Company retires by rotation at the ensuing Annual General Meeting and being

eligible, has offered herself for re-appointment. Your Directors recommend her re-appointment.

Mrs. Tara Gajria was appointed as an Additional Director by the Board of Directors on 20th September, 1999 and holds office upto the date of the ensuing Annual General Meeting. Mrs. Gajria on account of her pre-occupation has intimated her inability to continue in the office of Director after the ensuing Annual General Meeting.

Mr. Sunil N. Mehta appointed as an Additional Director on 31st July, 2000 and holds office upto the date of this Annual General Meeting.

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

The Company not being a manufacturing Company, the information with regard to conservation of energy, technology absorption etc. required to be disclosed under The Companies (disclosure of particulars in the report of Board of Directors) Rules, 1988; is not applicable to the Company.

FOREIGN EXCHANGE EARNING AND OUTGO :

No Foreign Exchange was earned during the year under review and towards travelling expenses the Foreign Exchange used was Rs.1.78,367/-.

14. PERSONNEL :

The information required under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particular of Employees) Rules, 1975, as amended by the Companies Amendment Act, 1988, is annexed and forming part of this report.

15. ACKNOWLEDGEMENT :

The Directors express their appreciation and sincere gratitude to the various Departments of the Central and State Governments, Financial Institutions, Bankers, Clients, Depositors and Shareholders for their support. The Directors also record their appreciation for the sincere and dedicated efforts of staff at the various levels of the Company.

FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS

Place : Mumbai
Date : 31st July, 2000

J. T. POONJA
Chairman & Managing Director

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ANNEXURE TO THE DIRECTORS' REPORT

PARTICULARS OF THE EMPLOYEES AS REQUIRED UNDER SECTION 217(2A) OF THE COMPANIES ACT, AND COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 (FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2000)

Name & Qualification	Age	Designation / Date of Appointment	Remuneration Gross Rs.	No. of years of Experience	Last Employment
Mr. J.T. Poonja M.A. (Economics)	60	Chairman & Managing Director (1st August, 1995)	11,09,892/-	33	Vijaya Bank Assistant General Manager (18)
Mr. Nimish C. Shah B. Com., MBA (USA)	36	Vice Chairman & Jt. Managing Director (1st July, 1996)	10,69,992/-	14	CIFCO Finance Ltd. (6)

1. The above employment are contractual.
2. The above employment are subject to the rules and regulations of the Company.
3. None of the Employees is related to any Director of the Company. Mr. J.T. Poonja, Chairman & Managing Director of the Company is husband of Mrs. Sangeeta J. Poonja, a Director of the Company.
4. Remuneration includes salary, allowances, commission and taxable value of perquisites.

FOR AND ON BEHALF OF THE
BOARD OF DIRECTORS

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Place : Mumbai
Date : 31st July, 2000

J. T. POONJA
Chairman & Managing Director



FORTUNE FINANCIAL SERVICES (INDIA) LIMITED

AUDITORS' REPORT

To the Members of
Fortune Financial Services (India) Limited

We have audited the attached Balance Sheet of Fortune Financial Services (India) Limited as at 31st March, 2000 and the Profit and 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(4A) of the Companies Act, 1956, and on the basis of such checks as we considered appropriate, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph (1) above :-
 - 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 such books;
 - c) the Balance Sheet and the Profit and Loss Account dealt with by this Report are in agreement with the books of account;

- 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 prescribed by the Institute of Chartered Accountants of India ;
- e) in our opinion and to the best of our information and according to the explanations given to us, the accounts read 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 31 st March, 2000,
 - and
 - ii) in the case of the Profit and Loss Account, of the Loss for the year ended on that date.

For A.C. SHAH ASSOCIATES
Chartered Accountants

Place : Mumbai
Dated : 26th June, 2000

Nipun C. Shah
Partner