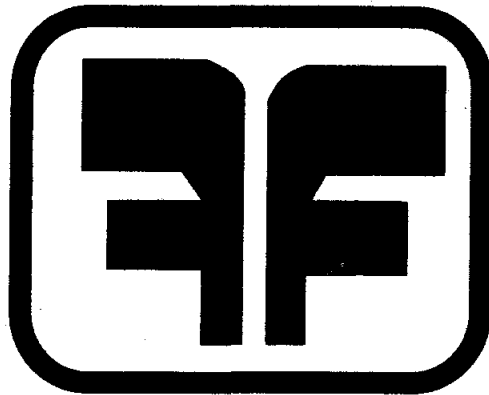


ELEVENTH ANNUAL REPORT

2001-2002



FORTUNE

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. Sohan C. Mehta	Director
Mrs. Sangeeta J. Poonja	Director

COMPANY SECRETARY

Mr. Muthiah Ganapathy

AUDITORS

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

LEGAL CONSULTANTS

M/s. Purohit & Co.,
Advocates

BANKERS

UTI Bank Limited
HDFC Bank Limited
ICICI Bank Limited

SHARE TRANSFER AGENT

Purva Sharegistry India Pvt. Ltd.
33, Printing House
28-D, Police Court Lane
Behind Old Handloom House
Fort, Mumbai - 400 001.
E-mail : busicomp@vsnl.com

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 Eleventh Annual General Meeting of the members of Fortune Financial Services (India) Limited will be held on Monday, the 16th September, 2002, at the Registered Office of the Company at 2nd Floor, K. K. Chambers, Sir. P.T. Marg, Fort, Mumbai - 400 001 at 11.00 a.m. to transact the following business :

AS ORDINARY BUSINESS :

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the year ended as on that date along with Schedules and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Nimish C. Shah, who retires by rotation and being eligible, offers himself for re-appointment.

AS SPECIAL BUSINESS :

3. To consider and if thought fit to pass with or without modification the following resolution as an Ordinary Resolution:

"RESOLVED THAT M/s Shah & Nair Associates, Chartered Accountants, Mumbai, be and is hereby appointed as the Statutory Auditors of the Company from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting at a remuneration fixed by the Board of Directors."

Registered Office :

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

By Order of the
Board of Directors

Muthiah Ganapathy
Company Secretary

Date : 29th July, 2002

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 pursuant to Section 173(2) of the Companies Act, 1956, with respect to Item No.3 of the Notice is annexed herewith and forms part of the 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 duly filed in for attending the Meeting;
 - (c) bring the copy of the Annual Report to the venue of the Meeting and
 - (d) write to the Company at least 10 days in advance of the Annual General Meeting for any information about accounts at this meeting.

5. The Register of Members and the Register of Share Transfer will remain closed from 14th September, 2002 to 16th September, 2002 to comply with requirement of Clause 16 and other applicable clauses of the Listing Agreement.
6. Members, in whose name Dividend warrant for the Financial year 1995-96, 1996-97 and 1997-98 issued by the Company and who have not yet encashed the same, are requested to encash the Dividend warrant immediately. Where any amount of dividend remains unclaimed or unpaid for a period of seven years from the date of its transfer to the Unpaid Dividend Account of the Company then the amount so unpaid or unclaimed will be transferred to the Investor Education and Protection Fund as set up in accordance with Section 205 (C) of the Companies Act, 1956 and no claims shall lie, thereafter, against the fund or the company.
7. 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, between 11.00 a.m. and 1.00 p.m., upto the date of Annual General Meeting.

EXPLANATORY STATEMENT UNDER SECTION 173(2) OF THE COMPANIES ACT, 1956 :

Item No. 3.

SPECIAL NOTICE

Under Section 190 of The Companies Act, 1956

Pursuant to Section 190 of the Companies Act, 1956, a Special Notice has been received by the Company proposing the appointment of M/s Shah & Nair Associates, Chartered Accountants, as the Statutory Auditors of the Company in accordance with Section 225 of the Act.

M/s. A. C. Shah Associates, Chartered Accountants, Mumbai the present Statutory Auditors who retire at the conclusion of the ensuing Annual General Meeting, have expressed the inability to continue as the Statutory Auditors.

It has been proposed to appoint M/s Shah & Nair Associates, Chartered Accountants, Mumbai, to hold the office of Statutory Auditors from the conclusion of this Annual General Meeting to the conclusion of the next Annual General Meeting.

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 an Ordinary Resolution.

Registered Office :

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

By Order of the
Board of Directors

Muthiah Ganapathy
Company Secretary

Date : 29th July, 2002



DIRECTORS' REPORT

To

The Members

Fortune Financial Services (India) Limited

Your Directors present the Eleventh Annual Report along with the Audited Accounts for the year ended 31st March, 2002 of your Company.

FINANCIAL RESULTS

	(Rupees in Lacs)	
	2001-02	2000-01
TOTAL INCOME	232.16	410.74
Profit before Depreciation and Tax	5.97	83.20
Less :		
Depreciation	101.86	175.87
Profit/(Loss) before tax	(95.89)	(92.67)
Provision for Tax - Current	(10.17)	(44.00)
- Deferred	64.94	—
Profit/(Loss) After Tax	(41.12)	(136.67)
Add: Balance brought forward from previous year	(527.40)	(388.95)
Less: Transferred from General Reserve	332.63	—
Less: Tax in respect of earlier years (Net).	1.38	1.78
Balance carried to Balance Sheet	(237.27)	(527.40)

DIVIDEND

Due to continuous sluggish market conditions which prevailed through out the financial year, your Company's business operations have resulted in a loss for the year under review. Therefore your Directors do not recommend any dividend for the year.

OPERATION AND FUTURE PROSPECTS

During the year under review, your Company has incurred a loss of Rs.41.12 Lacs as against a loss of Rs.136.67 Lacs for the previous year. The loss was mainly on account of the Company's policies towards provisioning of bad debts and non-recognition of lease rentals in respect of rentals not received.

Industrial growth during 2001-02 has been subdued, and the Central Statistical Organisation (CSO) estimates a growth of 3.3% in the industrial sector, substantially lower than the previous year's estimate of 6.20%. Notwithstanding this, overall GDP growth is estimated at 5.4%, as compared to 4.0% in the previous

year, largely because of superior growth in agriculture and select services. India will, however gain from a global economic recovery, which could be conducive to export growth and industrial production and consequent stock market recovery. Your Company would definitely benefit from increased volumes as a result of a rising stock market in the future.

Capital Market Operation

During the year under review, your Company commenced its full fledged broking operations getting an early breakthrough for empanelment with a leading US based Mutual Fund and is striving for empanelments with other leading FIs /MFs / Banks. Despite volatile market conditions during the year, your Company's performance was reasonably well. Your Company has registered a total brokerage income of Rs. 34.44 Lacs as against Rs. 53.46 Lacs from broking activities. Since your company's main focus is on this segment, all efforts are being made to improve the performance of this division by expanding its network through sub-brokers, personalized client services and dedicated marketing efforts.

Merchant Banking

Your Company has focussed its attention on the Investment Banking activities ranging from Private Placement of Equity Shares with Venture Capital Funds, Mutual Funds and Institutions, Issue Management, Corporate Restructuring, Placement of Debts etc. The major landmark achieved at the beginning of the year was managing the take over offer of Noble Explochem with total transaction size of Rs. 625 lacs. As a part of regular Issue Management activity, the Company managed one IPO, two Takeover offers and one Rights Issue. It is notable that despite worst market conditions, especially in the Primary Market segment, your company managed to maintain its revenue stream from this activity. Your company hopes to do well in the current year with a revival in the primary market.

Apart from the above, your Company has two mandates for secondary market placements and continues its efforts to strengthen its revenue stream from this activity.

Your Company continues to be in touch with nearly 40 Venture Capital Funds active in the Country for the placement of equity shares of various companies mandated to us. This has created one to one relations



Fortune Financial Services (India) Ltd.

with most of them, which the Management perceives will help to exploit for future dealings with them. The Management foresees a good market for Private Placement of Equity / Debt under the present depressed market conditions and a good revenue earning area for the Company.

Equity Research

The Broking activities of your Company continue to get support from the Equity Research Division. Research reports are submitted to various Financial Institutions, Banks, Foreign Institutional Investors with whom our broking outfits are empanelled along with high net-worth individuals and Corporate.

Other Non-Fund based activities

Your company is also actively involved in other non-fund-based activities such as syndication in Bills Discounting, Lease Finance, Hire Purchase Finance and other financial services. The net income from such operation during the year under review is Rs. 13.63 Lacs as against Rs. 43.91 Lacs of the previous year.

PRUDENTIAL NORMS

In spite of its non-NBFC status, your Company is consistently complying with all the guidelines issued by the Reserve Bank of India for Non-Banking Finance Companies with respect to capital adequacy, asset classification, provisioning and income recognition on non-performing assets.

SUBSIDIARY COMPANY

The Audited Statement of Accounts of Fortune Equity Brokers (India) Limited, a subsidiary of the Company for the year ended 31st March, 2002 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.

CORPORATE GOVERNANCE

According to the revised requirements of the Listing Agreement with the Stock Exchange, your company is required to comply with the provisions of the Corporate Governance on or before 31st March, 2003. The Company has already initiated steps with respect to the implementation of the same.

INSIDER TRADING

The SEBI (Insider Trading) (Amendment) Regulations, 2002 has made it mandatory for all the listed Companies to frame in house rules prohibiting, restricting the Connected Persons in possession of 'Price Sensitive Information' to deal in the securities of the company. The Company has already framed the Insider rules near to the one specified.

VOLUNTARY DE-LISTING OF SHARES

Pursuant to the Special Resolution passed at the 10th Annual General Meeting for Voluntary De-listing of the Shares from the Non-Regional Stock Exchanges at Ahmedabad, Delhi and Chennai, your Company completed all necessary formalities in this connection and is in the process of obtaining approval from the Stock Exchanges at Ahmedabad and Delhi.

The Exit Offer was sent to the members of the Company residing at Delhi, Haryana, Gujarat, and Tamil Nadu as on 23rd March, 2002, being the Record Date and 122 members from these regions holding 43,110 Equity Shares of Rs.10/- each of the Company representing 1.11% of the voting capital of the Company exercised their option and transferred the shares to the acquirers.

The Company has received a letter from Madras Stock Exchange Ltd. intimating that, the admission granted to the dealings on their Exchange for the Securities of your Company has been withdrawn and the quotation for the Securities of your Company has been removed from the "Daily Official List" of the Exchange with effect from 2nd July, 2002. The shares of the Company will continue to be listed with Regional Stock Exchange, Mumbai.

FIXED DEPOSITS

The Company has not accepted any deposits from the public during the year under review, to which the provisions of Section 58A of the Companies Act, 1956 and the rules made thereunder would apply.

DEREGISTRATION AS NON BANKING FINANCE COMPANY (NBFC)

Your Company was holding dual registration with Reserve Bank of India as well as Securities Exchange Board of India for NBFC and MBD activities respectively. As per the clause 2(b)(i) of SEBI (Merchant Bankers) Amendment Regulation 1997 the holder shall be a body corporate other than NBFC as defined under clause (f) of section 45-1 of RBI Act 1934 (2 of 1934). As directed



by SEBI vide their letter PMD/MBD/AK/3977/2002 dated March 11, 2002 your Company made an application with the Reserve Bank of India on March 15, 2002 requesting them to De-register your Company as a NBFC. Pursuant to the application Reserve Bank of India, Department of Non-Banking Supervision vide letter DNBS.MRO.No. 7390 / 12.06.30 / 2001-02 dated June 7, 2002 has de-registered your company as a NBFC.

AUDITORS

M/s A.C. Shah Associates, the Statutory Auditors of the Company hold office until the conclusion of the ensuing Annual General Meeting have expressed their inability to continue as the Statutory Auditors.

A Special Notice pursuant to Section 190 of the Companies Act, 1956 has been received proposing the appointment of M/s Shah & Nair Associates, Chartered Accountants as the Statutory Auditors for the Financial Year 2002-03. The Company has received a certificate from the Auditors to the effect that their appointment, if made, will be within the limits stipulated under Section 224(1B) of the Companies Act, 1956. Your Directors recommend their appointment as the Statutory Auditors of the Company.

DIRECTORS

Mr. Nimish C. Shah, Vice-Chairman and Joint Managing Director of the Company, retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re-appointment. Your Directors recommend his appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION

The provision of 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 are not applicable to your Company since your company is not a scheduled industry pursuant to the said rules.

FOREIGN EXCHANGE EARNING AND OUTGO

No foreign exchange was earned during the year under review. However an amount of Rs. 1.57 lacs has been spent on travelling abroad.

PERSONNEL

None of the employees of the Company were in receipt of remuneration in excess of the limits prescribed under the provisions of 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.

RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies Act, 1956 your Directors confirm the following:

- In the preparation of the annual accounts, the applicable accounting standards have been followed;
- Your Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the loss of the Company for the year ended;
- Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities; and
- Your Directors have prepared the attached Statement of Accounts for the year ended 31st March, 2002 on a going concern basis.

SHARES LISTED WITH

The Shares of the Company are listed in the following Stock Exchanges :

The Mumbai Stock Exchange, Dalal Street, Fort, Mumbai - 400 001,

The Ahmedabad Stock Exchange, Khamadenu Complex, Near Polytechnic, Panjara Pole, Ahmedabad - 380 015, and

The Delhi Stock Exchange, DSE House, 3/1, Asaf Ali Road, New Delhi - 110 002.

ACKNOWLEDGEMENT

Your Directors express their appreciation and sincere gratitude to the various Departments of the Central and State Governments, Financial Institutions, Bankers, Stock Exchange authorities, Clients and Shareholders for their valuable assistance and continued support. Your 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

J. T. Poonja
Chairman and
Managing Director

Mumbai, July 29, 2002


Fortune Financial Services (India) Ltd.

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, 2002 and the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the management of the Company. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes, examining on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.

- 1) As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable.
- 2) Further to our comments in the Annexure referred to above, we report that :
 - i) 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 ;
 - ii) In our opinion, proper books of account and records as specified in Rule 15 of the Securities Contracts (Regulation) Rules, 1957 have been kept so far as appears from our examination of such books ;
 - iii) The stock broker has complied with the requirements of the stock exchange so far as

they relate to maintenance of accounts and was regular in submitting the required accounting information to the stock exchange ;

- iv) The Balance Sheet and the Profit and Loss Account dealt with by this Report are in agreement with the books of account ;
- v) In our opinion, the Profit and Loss Account and Balance Sheet dealt with by this report are prepared in compliance with and comply with the accounting standards referred to in Section 211 (3C) of the Companies Act, 1956, to the extent applicable ;
- vi) On the basis of the written representations received from the directors as on 31st March, 2002 and taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2002 from being appointed as a director under Section 274 (1) (g) of the Companies Act, 1956 ;
- vii) 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 in conformity with the accounting principles generally accepted in India :
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2002 ;
 - and
 - b) 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

Nipun C. Shah
Partner

Address
4, Tarvotti Bhavan
203, P.D'Mello Road
Mumbai - 400 001

Mumbai, 28th June 2002



Annual Report 2001 - 2002

Annexure referred to in Paragraph (1) of the Auditors' Report to the Members of Fortune Financial Services (India) Limited for the year ended March 31, 2002

A)

- i) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. As explained to us, the Company has a system of physical verification of fixed assets once in a period of three years. However, no physical verification of fixed assets was conducted in the current year.
- ii) None of the fixed assets have been revalued during the year.
- iii) According to the information and explanations given to us, the Company has not taken any loans from companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and / or to the companies under same management as defined under Section 370 (1B) of the Companies Act, 1956.
- iv) According to the information and explanations given to us, the Company has not given any loans to companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 and / or to the companies under same management as defined under Section 370 (1B) of the Companies Act, 1956.
- v) The parties (including employees) to whom loans and advances have been given are generally 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 purchase of plant and machinery, equipment and other assets.
- vii) According to the information and explanations given to us, sale of services aggregating during the year to Rs. 50,000/- or more in respect of each party made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 have been made at prices which are reasonable having regard to the prevailing prices at which transactions for similar services have been made with other parties.

- viii) The Company has not accepted any deposits from the public.
- ix) The Company does not have an internal audit system.
- x) According to the records of the Company, the provident fund dues and Employees' State Insurance dues have generally been regularly deposited during the year with the appropriate authorities.
- xi) According to the information and explanations given to us, no undisputed amounts payable in respect of Income-tax, Wealth-tax, Sales Tax, Customs Duty and Excise Duty were outstanding as at March 31, 2002 for a period of more than six months from the date they became payable.
- xii) According to the information and explanations given to us, no personal expenses of employees and directors have been charged to the revenue account other than those payable under contractual obligations or in accordance with generally accepted business practices.
- xiii) The Company is not a sick industrial Company within the meaning of Section 3(1) (O) of the Sick Industrial Companies (Special Provisions) Act, 1985.

B)

- i) Adequate documents and records are maintained in cases where the Company has granted loans and advances on the basis of security by way of pledge of shares and other securities.
- ii) The Company has maintained proper records of the transactions and contracts of its deals in shares and also made timely entries therein. The investments are held by the Company in its own name.

For A. C. SHAH ASSOCIATES
Chartered Accountants

Nipun C. Shah
Partner

Mumbai, June 28, 2002


Fortune Financial Services (India) Ltd.
BALANCE SHEET AS AT 31st MARCH, 2002
(Rupees in Lacs)

	Schedule	As at 31-Mar-02	As at 31-Mar-01
SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	A	388.30	388.30
Reserves and Surplus	B	714.98	1,124.56
		1,103.28	1,512.86
Loan Funds			
Secured Loans	C	155.94	12.76
Deferred Tax Liability (Refer Schedule "P" Note IV - 5)		12.00	—
TOTAL		1,271.22	1,525.62
APPLICATION OF FUNDS			
Fixed Assets	D		
Gross Block		496.18	1,308.13
Less: Depreciation		87.92	730.12
Add : Lease Adjustment		—	104.82
Net Block		408.26	682.83
Investments	E	236.40	200.40
Current Assets, Loans and Advances			
Current Assets	F	538.19	324.51
Loans and Advances	G	154.18	285.89
		692.37	610.40
Less : Current Liabilities and Provisions	H		
Current Liabilities		141.70	257.69
Provisions		161.38	237.82
		303.08	495.51
Net Current Assets		389.29	114.89
Miscellaneous Expenditure (To the extent not written-off or adjusted)	I	—	0.10
Profit and Loss Account		237.27	527.40
TOTAL		1,271.22	1,525.62
Notes to Accounts	P		

In terms of our Report of even date

For and on behalf of the Board of Directors

For A. C. SHAH ASSOCIATES
Chartered Accountants

J. T. Poonja - Chairman & Managing Director

Nipun C. Shah
Partner

Nimish C. Shah - Vice Chairman & Jt. Managing Director

Mumbai, 28th June, 2002

Muthiah Ganapathy
Company Secretary

Sangeeta J. Poonja - Director



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PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2002

(Rupees in Lacs)

	Schedule	Year ended 31-Mar-02	Year ended 31-Mar-01
INCOME			
Lease and Hire Purchase Income	J	77.30	186.76
Syndication Income (Net)		13.63	43.91
Brokerage Income		34.44	53.46
Merchant Banking Income (Net)		41.30	72.70
Other Income	K	65.49	53.91
TOTAL		232.16	410.74
EXPENDITURE			
Operating Expenses	L	29.86	42.84
Loss on Capital Market Operations (Refer Schedule "P" Note IV - 12)		62.59	—
Personnel Expenses	M	46.15	59.76
Administrative and Other Expenses	N	86.71	210.20
Financial Expenses	O	0.88	14.74
Depreciation		101.86	175.87
TOTAL		328.05	503.41
PROFIT / (LOSS) BEFORE TAX		(95.89)	(92.67)
Provision for Taxation			
Current Tax		(10.17)	(44.00)
Deferred Tax (Refer Schedule "P" Note IV - 4)		64.94	—
PROFIT / (LOSS) AFTER TAX		(41.12)	(136.67)
Tax in-respect of earlier years (Net)		(1.38)	(1.78)
Loss brought forward from previous year		(527.40)	(388.95)
Transfer from General Reserve		332.63	—
BALANCE AVAILABLE FOR APPROPRIATION		(237.27)	(527.40)
APPROPRIATION			
Balance Carried to Balance Sheet		(237.27)	(527.40)
TOTAL		(237.27)	(527.40)
BASIC AND DILUTED EARNINGS PER SHARE OF RS.10/- EACH (Rs.)		(1.06)	(3.52)
NUMBER OF EQUITY SHARES		3,883,004	3,883,004
Notes to Accounts	P		

In terms of our Report of even date

For A. C. SHAH ASSOCIATES
Chartered Accountants

Nipun C. Shah
Partner

Mumbai, 28th June, 2002

Muthiah Ganapathy
Company Secretary

For and on behalf of the Board of Directors

J. T. Poonja - Chairman & Managing Director

Nimish C. Shah - Vice Chairman & Jt. Managing Director

Sangeeta J. Poonja - Director