

REGAL FINANCE & CONSULTANTS PRIVATE LIMITED

DIRECTORS' REPORT

The Directors have pleasure in presenting their Second Annual Report together with the Audited Statements of Account for the year ended March 31, 1994.

<u>FINANCIAL RESULTS :</u>		<u>CURRENT YEAR</u>	<u>PREVIOUS YEAR</u>
Gross Income	Rs.	4,92,751	7,49,021
Profit Before Tax	Rs.	44,510	20,569
Tax	Rs.	27,000	12,000
Profit After Tax	Rs.	17,510	8,569
Balance brought from Previous Year	Rs.	8,569	-
		26,079	8,569
Proposed Dividend	Rs.	5,220	-
Balance carried forward	Rs.	20,859	8,569
	Rs.	26,079	8,569

OPERATIONS :

The Company has performed satisfactorily and earned moderate profits during the year under review. Considering the buoyant market conditions and the liberalised financial sector, the company proposes to cautiously expand its activities further during the current year.

DIVIDEND :

Your Directors are pleased to recommend maiden dividend of Rs.1/- per share of Rs.10/- (10%) subject to deduction of tax at source.

AUDITORS :

M/s. Sandeep Rathi & Associates, Chartered Accountants, Auditors of the company retire, and have expressed unwillingness to be reappointed for next year due to personal reasons. M/s Balwant Jain & Co., Chartered Accountants have given the requisite certificate u/s 224 of the Companies Act, 1956 and are eligible for appointment as Auditors of the Company.

EMPLOYEES :

The Company had no employee covered by section 217(2-A) of the Companies Act, 1956.

On behalf of the Board of Directors,

Bombay
Sept.5, 1994.

B.N. Iyer
B.N. IYER
DIRECTOR

NOTICE


The 2ND Annual General Meeting of REGAL FINANCE & CONSULTANTS PRIVATE LIMITED will be held on Friday, 30th September, 1994 at 4.00 p.m. at the Registered Office of the Company to transact the following business :-

ORDINARY BUSINESS :

1. To receive and adopt the audited accounts for the year ended 31st March, 1994 and the reports of the Directors and the Auditors thereon.
2. To declare dividend.
3. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

By Order of the Board of Directors,

Bombay,
Sept. 5, 1994


B.N. IYER
D I R E C T O R

Sandeep Rath

B. Com., A. C. A.

SANDEEP RATHI & ASSOCIATES

CHARTERED ACCOUNTANTS

61, Alaknanda, J. V. P. D. Scheme,

Gulmohar Cross Road No. 10,

Juhu, Bombay-400 049.

Tel. : 620 37 18

REGAL FINANCE & CONSULTANTS PVT. LTD.
AUDITORS' REPORT

Date 24/4/1994

To,
THE MEMBERS OF
REGAL FINANCE & CONSULTANTS PVT. LTD.,

We have audited the attached Balance Sheet of REGAL FINANCE & CONSULTANTS PVT. LTD, as at 31st March, 1994 and 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, 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 are necessary for the purpose of our audit;
 - b. Proper books of account as required by law have been kept by the Company so far as appears from examination of such books;
 - c. The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with the Books of Account;
 - d. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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, 1994 and
 - ii) In the case of the Profit and Loss Account of the Profit of the Company for the period ended on that date.

Bombay



For SANDEEP RATHI & ASSOCIATES
Chartered Accountants,

Sandeep Rathi

SANDEEP RATHI.
PROPRIETOR

Date 5th Sept, 1994

REGAL FINANCE & CONSULTANTS PVT LTD.

(Annexure to Auditors' Report)

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

1. The Company is an Investment Company. The Company did not own any fixed assets.
2. As the company does not own any fixed assets, the question of revaluation do not arise .
3. In our opinion, the rate of interest and the terms and conditions on which loans have been obtained from Companies, Firms or other parties listed in the register maintained under Section 301 and 370(1C) of the Companies Act, 1956 wherever applicable, are not prima facie prejudicial to the interests of the Company.
4. The Company has not given any loans or advances to companies, firms or other parties listed in the register maintained under Sec.301 and/or companies under the same management as defined under Sec. 370(1B) of Companies Act during the period.
5. Directives issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956 and Rules framed thereunder are not applicable as the Company has not accepted deposits.
6. In the present case, as the paidup capital of the Company does not exceed Rs.25,00,000/, the question of examining the adequacy of internal audit system of the Company, commensurate with its and nature of business does not arise.
7. The Company has maintained proper records of the transactions and contracts in respect of Shares and securities and has also made timely entries therein. All the shares are held by the Company in its own name.
8. According to the records of the Company, there were no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty outstanding as at 31st March 1994 for a period of more than six months from the date they became payable.

2/-.....

Sandeep Rathi

B. Com., A. C. A.

SANDEEP RATHI & ASSOCIATES

CHARTERED ACCOUNTANTS

61, Alaknanda, J. V. P. D. Scheme,

Gulmohar Cross Road No. 10,

Juhu, Bombay-400 049.

Tel. : 620 37 18


Date _____

- 2 -

9. According to the records of the Company and as per explanations given to us, the Company is not liable under Provident Fund Act & Employees' State Insurance Act.
10. On the basis of our examination of the books and according to the information and explanations given to us, there are no personal expenses charged to revenue account.
11. In our opinion, the Company is not a Sick Industrial Company within the meaning of Clause (1) of Sub-Section (1) of Sec.3 of the Sick Industrial Companies (Special Provisions) Act 1985.

For **SANDEEP RATHI & ASSOCIATES.**
Chartered Accountants,

Bombay


SANDEEP RATHI
Proprietor



REGAL FINANCE & CONSULTANTS P. LTD.

BALANCE SHEET

	Schedule	As at March 31, 1994		As at March 31, 1993	
Sources of Funds		Rupees	Rupees	Rupees	Rupees
SHAREHOLDERS' FUNDS					
Share Capital	A	52,200		52,200	
Reserves & Surplus	B	20,859	73,059	8,569	60,769
LOAN FUNDS					
Secured Loans	C	-		26,250	
Unsecured Loans	D	349,650	349,650	173,850	200,100
			422,709		260,869
Application of Funds					
INVESTMENTS					
	E		39,475		29,475
CURRENT ASSETS, LOANS & ADVANC	F	430,279		306,059	
Less :					
CURRENT LIABILITIES & PROVISIONS	G	49,420		77,305	
Net Current Assets			380,859		228,754
MISCELLANEOUS EXPENDITURE					
Preliminary Expenses					
(To the extent not written off)			2,375		2,640
			422,709		260,869
Schedules A to G & Notes in Schedule J form part of this Balance Sheet					

As per our Report annexed
For SANDEEP RATHI & ASSOCIATES
Chartered Accountants

SANDEEP RATHI
Proprietor

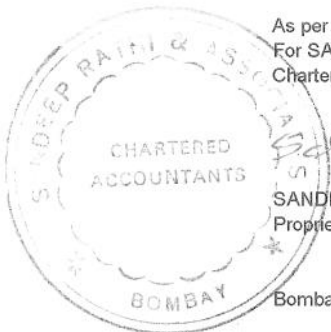
Bombay, September 5, 1994.

For REGAL FINANCE & CONSULTANTS P.LTD.

Meenakshi Narayanan
MEENAKSHI NARAYANAN

B.N.IYER
Directors

Bombay, September 5, 1994.



REGAL FINANCE & CONSULTANTS P. LTD.

PROFIT AND LOSS ACCOUNT

	Schedule	For the year ended March 31, 1994 Rupees	For the year ended March 31, 1993 Rupees
INCOME			
Sale of Shares/Securities		390,740	517,869
Closing Stock of Shares/Securities		98,916	223,070
Dividends (T.D.S. Rs.175 - Previous Year Nil)		714	-
Interest		2,381	6,993
Other Income		-	1,089
		492,751	749,021
EXPENDITURE			
Opening Stock of Shares/Securities		223,070	-
Purchase of Shares/Securities		167,478	688,748
Administrative Expenses	H	46,663	32,835
Interest	I	10,765	6,869
Depreciation		265	-
		448,241	728,452
PROFIT BEFORE TAX		44,510	20,569
Provision for Taxation		27,000	12,000
PROFIT AFTER TAX		17,510	8,569
Balance brought forward from last year		8,569	-
AMOUNT AVAILABLE FOR APPROPRIATION		26,078	8,569
APPROPRIATIONS			
Proposed Dividend (subject to deduction of tax at source)		5,220	-
Transfer to General Reserve		20,000	-
Balance carried to Balance Sheet		859	8,569
		26,079	8,569
Schedules H & Notes in Schedule J form part of this Profit & Loss Account			

As per our Report annexed
For SANDEEP RATHI & ASSOCIATES
Chartered Accountants

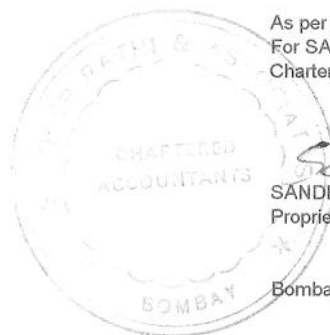
SANDEEP RATHI
Proprietor

Bombay, September 5, 1994.

For REGAL FINANCE & CONSULTANTS P.LTD.

Meenakshi Narayanan
MEENAKSHI NARAYANAI }
B.N.IYER } Directors
}

Bombay, September 5, 1994.



REGAL FINANCE & CONSULTANTS PRIVATE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1994

(Rupees)

SCHEDULE 'A'	CURRENT YEAR	PREVIOUS YEAR
AUTHORISED SHARE CAPITAL		
9980 Equity Shares of Rs.10/- each	99,800	99,800
20 Redeemable Preference Shares of Rs.10/- each	200	200
	100,000	100,000
ISSUED & PAID UP SHARE CAPITAL		
5220 Equity Shares of Rs.10/- each fully paid up.	52,200	52,200
SCHEDULE 'B'		
RESERVES & SURPLUS		
General Reserve		
As per last year	-	-
Add : Transfer from Profit & Loss Account	20,000	-
	20,000	-
Profit & Loss Account	859	8,569
	20,859	8,569
SCHEDULE 'C'		
SECURED LOANS		
From Scheduled bank against security of Fixed Deposit Receipts	-	26,250
	-	26,250
SCHEDULE 'D'		
UNSECURED LOANS		
From Directors & Shareholders	314,150	173,850
From Companies	35,500	-
	349,650	173,850



REGAL FINANCE & CONSULTANTS P LTD

SCHEDULE FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1994

(Rupees)

SCHEDULE 'E'				
INVESTMENTS	CURRENT YEAR		PREVIOUS YEAR	
QUOTED	NO.	AMOUNT	NO.	AMOUNT
Equity Shares				
ICI Ltd.	30	1,350	30	1,350
SPIC Ltd.	50	3,125	50	3,125
UTI Mastergain 1992	1,000	10,000	1,000	10,000
Hindustan Oil Exploration Ltd.	1,000	20,000	1,000	10,000
		34,475		24,475
UNQUOTED				
Equity Shares				
Patni Engg. Ltd.	500	5,000	500	5,000
		39,475		29,475
Market Value of Quoted Investments		66,000		52,000



REGAL FINANCE & CONSULTANTS PRIVATE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1994

	(Rupees)	
SCHEDULE 'F'	CURRENT YEAR	PREVIOUS YEAR
CURRENT ASSETS, LOANS & ADVANCES		
A) Current Assets		
Short Term Investments (Stock in Trade of Equity Shares & Units)	98,916	223,070
Debtors (Unsecured, Considered good)		
- Outstanding for more than six months	-	-
- Others	300,000	10,000
Cash-in-hand	13,842	17,171
Balances with Scheduled Banks		
- in Current Accounts	2,946	1,118
- in Fixed Deposit Accounts	-	35,000
	415,704	286,359
B) Loans & Advances (Unsecured, considered good)		
Advances recoverable in cash or kind	600	5,900
Advance tax & TDS	13,975	13,800
	430,279	306,059
	=====	=====

SCHEDULE 'G'		
CURRENT LIABILITIES & PROVISIONS		
Current Liabilities		
Creditors	4,000	59,605
Other Liabilities	1,200	5,700
	5,200	65,305
Provisions		
Proposed Dividend	5,220	-
Provision for Income-Tax	39,000	12,000
	44,220	12,000
	49,420	77,305
	=====	=====



REGAL FINANCE & CONSULTANTS PRIVATE LIMITED

SCHEDULE FORMING PART OF THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED 31ST MARCH, 1994

(Rupees)

SCHEDULE 'H'	CURRENT YEAR	PREVIOUS YEAR
ADMINISTRATIVE EXPENSES		
Salaries	23,600	6,000
Staff Welfare	2,500	-
Office Rent	7,200	9,000
Telephone xpenses	3,977	4,209
Conveyance Expenses	1,200	1,441
Directors' Fees	2,000	4,000
Audit Fees	2,000	2,000
Books & Periodicals	2,486	3,183
Profession Tax	600	600
Miscellaneous Expenses	1,100	2,402
	46,663	32,835

SCHEDULE 'I'	CURRENT YEAR	PREVIOUS YEAR
INTEREST		
On Fixed Loans	1,700	5,100
On Other Loans for working capital	8,810	1,500
	10,510	6,600
Bank Charges	255	269
	10,765	6,869



REGAL FINANCE & CONSULTANTS PRIVATE LIMITED

SCHEDULE FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1994 AND THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON THAT DATE

SCHEDULE 'E' :

NOTES TO ACCOUNTS

A) SIGNIFICANT ACCOUNTING POLICIES

1. METHOD OF ACCOUNTING

The accounts have been drawn up on the historical cost basis of accounting.

2. ACCRUAL CONCEPT

The Company adopts accrual system in accounting for its Income and Expenditure unless stated otherwise.

3. INVESTMENTS

Investments are valued at cost including brokerage, stamp duty etc.

4. CURRENT ASSETS

Current Assets are stated at cost or market value, whichever is lower.

B) Previous year's figures have been regrouped wherever necessary.

As per our Report annexed
For SANDEEP RATHI & ASSOCIATES

For REGAL FINANCE & CONSULTANTS
PVT.LTD.

SANDEEP RATHI
Proprietor

MEENAKSHI NARAYANAN
B.N.IYER

}
}
}
} Directors
}
}

Bombay, Sept.5, 1994.

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SCHEDULE FORMING PART OF THE BALANCE SHEET
AS AT 31ST MARCH, 1994 AND THE PROFIT & LOSS ACCOUNT
FOR THE YEAR ENDED ON THAT DATE

NOTES TO ACCOUNTS

1. METHOD OF ACCOUNTING

2. ACCRUAL CONCEPT

3. INVESTMENTS

4. CURRENT ASSETS

Current Assets are stated at cost or market value, whichever is lower.

B) Previous year's figures have been regrouped wherever necessary.

As per our Report annexed For REGAL FINANCE & CONSULTANTS
For SANDEEP RATHI & ASSOCIATES PVT.LTD.

	MEENAKSHI NARAYANAN	}
		}
		}
		}
		}
SANDEEP RATHI		}
Proprietor	B.N.IYER	}

Bombay, Sept. 5, 1994.

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NOTICE

The 1st Annual General Meeting of REGAL FINANCE & CONSULTANTS PRIVATE LIMITED will be held on 30th June, 1993 at 4.00 p.m. at the Registered Office of the Company to transact the following business :-

ORDINARY BUSINESS :

1. To receive and adopt the audited accounts for the year ended 31st March, 1993 and the reports of the Directors and the Auditors thereon.
2. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

By Order of the Board of Directors,

Bombay,
June 1, 1993

B.N.IYER
D I R E C T O R

1ST ANNUAL REPORT

REGAL FINANCE & CONSULTANTS PRIVATE LIMITED
ANNUAL ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 1993

4, WEST VIEW, 7, AMRIT VAN,
GOREGAON (EAST), BOMBAY - 400 063.

Sandeep Rathi

B. Com., A. C. A.

SANDEEP RATHI & ASSOCIATES

CHARTERED ACCOUNTANTS

61, Alaknanda, J. V. P. D. Scheme,

Gulmohar Cross Road No. 10,

Juhu, Bombay-400 049.

Tel. : 620 37 18

Date 15th Sept '93

REGAL FINANCE & CONSULTANTS PVT LTD.

(Annexure to Auditors' Report)

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

1. The Company is an Investment Company. The Company did not own any fixed assets.
2. As the company does not own any fixed assets, the question of revaluation do not arise .
3. In our opinion, the rate of interest and the terms and conditions on which loans have been obtained from Companies, Firms or other parties listed in the register maintained under Section 301 and 370(1C) of the Companies Act, 1956 wherever applicable, are not prima facie prejudicial to the interests of the Company.
4. The Company has not given any loans or advances to companies, firms or other parties listed in the register maintained under Sec.301 and/or companies under the same management as defined under Sec. 370(1B) of Companies Act during the period.
5. Directives issued by the Reserve Bank of India and the provisions of Section 58A of the Companies Act, 1956 and Rules framed thereunder are not applicable as the Company has not accepted deposits.
6. In the present case, as the paidup capital of the Company does not exceed Rs.25,00,000/, the question of examining the adequacy of internal audit system of the Company, commensurate with its and nature of business does not arise.
7. The Company has maintained proper records of the transactions and contracts in respect of Shares and securities and has also made timely entries therein. All the shares are held by the Company in its own name.
8. According to the records of the Company, there were no undisputed amounts payable in respect of income tax, wealth tax, sales tax, customs duty and excise duty outstanding as at 31st March 1993, for a period of more than six months from the date they became payable.
9. According to the records of the Company and as per explanations given to us, the Company is not liable under Provident Fund Act & Employees' State Insurance Act.