

SURYAKRUPA FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2001

As at 31st
March, 2000
Rupees

	Schedule No.	Rupees	Rupees
SOURCE OF FUNDS:			
1. SHAREHOLDERS' FUNDS:			
Share Capital	1	99,98,000	99,98,000
2. LOAN FUNDS:			
(a) Secured Loans	2	4,86,553	7,69,557
(b) Unsecured Loans	3	26,60,106	27,09,658
		<u>31,46,659</u>	<u>34,79,215</u>
TOTAL		<u>1,31,44,659</u>	<u>1,34,77,215</u>
II. APPLICATION OF FUNDS:			
1. FIXED ASSETS:	4		
(a) Gross Block		50,694	1,80,898
(b) Less: Depreciation		<u>31,839</u>	<u>1,34,205</u>
(c) Net Block		18,855	46,693
2. CURRENT ASSETS, LOANS AND ADVANCES:			
(a) Sundry Debtors	5	-	2,73,586
(b) Cash and Bank Balances	6	3,117	25,678
(c) Loans and Advances	7	1,88,045	2,13,790
		<u>1,91,162</u>	<u>5,13,054</u>
Less: CURRENT LIABILITIES AND PROVISIONS:			
Liabilities	8	<u>10,67,858</u>	<u>9,04,348</u>
NET CURRENT ASSETS		(8,76,696)	(3,91,294)
TOTAL C/F		(8,57,841)	(3,44,601)

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SURYAKRUPA FINANCE LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2001

	Schedule No.	Rupees	Rupees	As at 31st March, 2000 Rupees
TOTAL B/F			(8,57,841)	(3,44,601)
3. Profit and Loss Account Balance			1,40,02,500	1,38,21,816
TOTAL			<u>1,31,44,659</u>	<u>1,34,77,215</u>

Significant Accounting Policies
and Notes forming part of the
Balance Sheet and Profit & Loss
Account

12

As per our attached Report
of even date

Y.N.MAFATLAL

CHAIRMAN

MS.A.Y.MAFATLAL

VICE-CHAIRPERSON

For C.C. CHOKSHI & CO.
CHARTERED ACCOUNTANTS

A.M.DESAI

DIRECTOR

R.LAXMINARAYAN
PARTNER.

MUMBAI
DATED : 13th July,2001.

MUMBAI
DATED : 13th July,2001.

SURYAKRUPA FINANCE LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2001

	Schedule No.	Rupees	Previous Year Rupees
INCOME:			
Other Income	9	3,32,483	1,06,403
EXPENDITURE:			
Administrative & other Expenses	10	2,43,725	5,91,335
Interest	11	16,996	1,40,354
Depreciation		8,412	15,223
Provision for Non-Performing Assets		2,24,034	10,77,630
Reversal of Income of Non-Performing Assets		-	6,309
		<u>5,13,167</u>	<u>18,30,851</u>
Profit/(Loss) for the year		(1,80,684)	(17,24,448)
(Loss) Balance brought forward from Previous Year		(1,38,21,816)	(1,20,97,368)
Loss carried to Balance Sheet		<u>(1,40,02,500)</u>	<u>(1,38,21,816)</u>

As per our attached Report
of even date

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SURYAKRUPA FINANCE LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - 1

	Rupees	As at 31st March, 2000 Rupees
SHARE CAPITAL		
Authorised:		
25,00,000 Equity Shares of Rs.10/- each	2,50,00,000	2,50,00,000
	<u>2,50,00,000</u>	<u>2,50,00,000</u>
ISSUED:		
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
	<u>1,00,00,000</u>	<u>1,00,00,000</u>
Subscribed and Paid-up:		
10,00,000 Equity Shares of Rs.10/- each	1,00,00,000	1,00,00,000
Less: Calls unpaid - By others	2,000	2,000
TOTAL	<u>99,98,000</u>	<u>99,98,000</u>

SCHEDULE - 2

SECURED LOANS

From Banks :

Cash Credit Accounts (See Note below)	4,86,553	7,69,557
	<u>4,86,553</u>	<u>7,69,557</u>
TOTAL	<u>4,86,553</u>	<u>7,69,557</u>

Note:

Secured by hypothecation of specified
hired out assets.

SCHEDULE - 3

UNSECURED LOANS

Security Deposit from a Lessee/Hirer	21,29,401	21,78,953
Interest accrued & due	5,30,705	5,30,705
TOTAL	<u>26,60,106</u>	<u>27,09,658</u>

SURYAKRUPA FINANCE LIMITED

SCHEDULE - 4

FIXED ASSETS

ASSETS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost as on 1.4.2000	Additions during the year	Deduction during the year	Total as on 31.3.2001	To 31.3.2000	For the year	Deduction during the year	Total as on 31.3.2001	As on 31.3.2001	As on 31.3.2000
	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees	Rupees
Furniture and Fixtures	33,004	-	-	33,004	10,810	2,047	-	21,857	11,837	13,884
Office Equipment	17,000	-	-	17,000	9,175	807	-	9,982	7,018	7,825
Vehicle	1,30,204	-	1,30,204	-	1,05,220	5,558	1,10,778	-	-	24,984
TOTAL	1,80,008	-	1,30,204	50,004	1,34,205	8,412	1,10,778	31,830	18,855	46,693
Previous Year Total	85,17,773	-	83,36,875	1,80,898	47,33,530	15,223	46,14,557	1,34,205	46,693	-

SCHEDULE - 5

SUNDRY DEBTORS

Unsecured:

	Rupees	As at 31st March, 2000 Rupees
Debts outstanding for a period exceeding Six Months	13,92,798	17,67,350
Other Debts	-	-
	<u>13,92,798</u>	<u>17,67,350</u>
Less: Provision for Doubtful Debts	13,92,798	14,93,764
TOTAL	<u>-</u>	<u>2,73,586</u>

Note

Sundry Debtors Include:

1. Considered good	-	2,73,586
2. Considered Doubtful	13,92,798	14,93,764
TOTAL	<u>13,92,798</u>	<u>17,67,350</u>

SURYAKRUPA FINANCE LIMITED

SCHEDULE - 6

	Rupees	As at 31st March, 2000 Rupees
<u>CASH AND BANK BALANCES</u>		
Balance With Scheduled Bank :		
In Current Accounts	3,117	20,678
In Term Deposit Account (Subject to a lien of the bank for guarantees provided on behalf of the company)	-	5,000
TOTAL	<u>3,117</u>	<u>25,678</u>

SCHEDULE - 7

LOANS AND ADVANCES (Unsecured)

Bills of Exchange	4,19,402	4,19,402
Less: Provision for Doubtful Advance	<u>4,19,402</u>	<u>4,19,402</u>
	-	-
Advances recoverable in cash or in kind or for value to be received	11,55,089	11,87,144
Less: Provision for Doubtful Advance	<u>10,00,834</u>	<u>10,07,144</u>
	1,54,255	1,80,000
Advance Payment of Income Tax	<u>33,790</u>	<u>33,790</u>
TOTAL	<u>1,88,045</u>	<u>2,13,790</u>

Note:

1 Considered Good	1,88,045	2,13,790
2 Considered Doubtful	<u>14,20,236</u>	<u>14,26,546</u>
TOTAL	<u>16,08,281</u>	<u>16,40,336</u>

SCHEDULE - 8

LIABILITIES

Sundry Creditors other than small scale Industries	<u>10,67,858</u>	<u>9,04,348</u>
TOTAL	<u>10,67,858</u>	<u>9,04,348</u>

SURYAKRUPA FINANCE LIMITED

SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT

SCHEDULE - 9

	Rupees	Previous Year Rupees
OTHER INCOME		
Interest on loans, deposits etc. (Tax deducted at source Rs.NIL previous year Rs.1,779/-)	174	8,897
Dividend on other long term Investments (Gross)	-	1,500
Miscellaneous Income	1,000	-
Provision for expenses no longer required	3,31,309	96,006
TOTAL	<u>3,32,483</u>	<u>1,06,403</u>

SURYAKRUPA FINANCE LIMITED

SCHEDULE - 10

	Rupees	Previous Year Rupees
ADMINISTRATIVE AND OTHER EXPENSES		
Rates and Taxes	1,700	-
Salaries and Allowances	1,64,422	3,42,570
Staff Welfare Expenses	10,780	21,894
Printing, Stationery, Postage, Telegram & Telephone charges	15,411	31,611
Travelling and Conveyance Expenses	1,661	18,872
Advertisement Expenses	-	2,226
Miscellaneous Expenses	6,962	5,491
Listing Fees	15,000	25,500
Directors' Fees	500	7,500
Legal & Professional Charges	12,575	37,575
Auditors Remuneration	20,000	20,000
Motor Car Expenses	10,288	78,096
Loss on sale of Assets	4,426	-
TOTAL	<u>2,63,725</u>	<u>5,91,335</u>

Note:

Miscellaneous expenses include
Filing Fees, Office expenses etc.

SCHEDULE - 11

INTEREST

On Bank Cash Credit Accounts etc.	16,996	1,40,354
TOTAL	<u>16,996</u>	<u>1,40,354</u>

SURYAKRUPA FINANCE LIMITED

SCHEDULE - 12

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO THE BALANCE SHEET AND PROFIT AND LOSS ACCOUNT.

1. Significant Accounting Policies adopted in the preparation and presentation of financial statements:

A. FIXED ASSETS :

Fixed Assets are recorded at Cost. They are stated at historical costs in the books of account.

Depreciation :

Depreciation on assets held for own use has been provided on straight line basis in accordance with the provisions of Section 205(2)(b) of the Companies Act, 1956 at the rates specified in Schedule XIV to the said Act. Depreciation on assets acquired/purchased during the year is provided on pro-rata basis according to the period each asset is put to use during the year. Similarly depreciation on assets sold is provided on prorata basis upto the date of sale.

B. Treatment of Contingent Liabilities :

Contingent Liabilities are disclosed by way of note on Balance Sheet. Provision is made in accounts for those liabilities which are likely to materialise after the year end and having effect on the position stated in the Balance Sheet as at the year-end.

C. Revenue Recognition :

- (i) Revenue in respect of Interest, Overdue Compensation Charges etc. is recognised only when it is reasonably certain that the ultimate collection will be made.
- (ii) Hire Purchase Finance charges recovered are accounted on straight line basis i.e., the total revenue under the Hire Purchase Agreements is distributed equally and evenly over the period of Agreements, irrespective of the present value of net investments outstanding in the Hire Purchase Agreements.
- (iii) Company has followed the prudential norms for income recognition and provisioning for Non Performing Assets as prescribed by Reserve Bank of India for Non Banking Financial Companies

2. Payments to Auditors:

	Rupees	Previous Year Rupees
(a) As Auditors	20,000	20,000
(b) In any other manner (certification work etc.)	11,000	-
(c) Service Tax on above	1,550	1,000
	<u>31,550</u>	<u>21,000</u>

3. The company has accumulated losses of Rs. 1,40,02,500/- as at 31st March, 2001 which exceeds the paid-up capital of the company. The company has not entered into any leasing/hire purchase transaction with any party during the year. The existing receivables under Hire-purchase agreement have become non-performing assets in terms of the Non Banking Financial Companies' directions issued by the Reserve Bank of India. Steps are being taken to recover the outstanding amount under Hire-purchase agreement.

Under the circumstances the accounts of the company have been prepared on the basis of a going concern and the same is dependent upon the availability of continued finance.

4. The corresponding amounts for previous year have been regrouped, wherever necessary.
5. Balances in respect of Sundry debtors and Sundry creditors are subject to confirmation and adjustments, if any.
6. Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No. 41487

State Code 11

Balance Sheet Date 31.03.2001

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue

NIL

Rights Issue

NIL

Bonus Issue

NIL

Private Placement

NIL

III. Position of Mobilisation and Deployment of Funds
(Amount in Rs. Thousands)

Total Liabilities

14213

Total Assets

14213

Sources of Funds

Paid-up Capital

9998

Reserves & Surplus

Nil

Secured Loans

486

Unsecured Loans

2660

Application of Funds

Net Fixed Assets

19

Investments

-

Net Current Assets

- 877

Misc. Expenditure

-

Accumulated Losses

14002

IV. Performance of Company (Amount in Rs. Thousands)

Turnover	Total Expenditure
332	513
+ - Profit/Loss Before Tax	+ - Profit/Loss After Tax
- 181	- 181
Earning Per Share in Rs.	Dividend rate %
-	-

V. Generic Name of Three Principal Products/Services of Company
(as per monetary terms)

Item Code No. N.A.
(ITC Code)

Product
Description FINANCIAL AND TRADING ACTIVITIES

Signatures to Schedules 1 to 12

As per our attached Report of even date.	Y.N.MAFATLAL	CHAIRMAN
For C. C. CHOKSHI & CO.	MS.A.Y.MAFATLAL	VICE-CHAIRPERSON
Chartered Accountants	A.M.DESAI	DIRECTOR

R.LAXMINARAYAN
Partner

Mumbai
Dated: 13th July,2001.

Mumbai
Dated: 13th July,2001.

SURYAKRUPA FINANCE LIMITED

Cash Flow Statement for the year ended 31st March, 2001

A. Cash Flow from Operating Activities

	For the year ended 31.3.2001 Rs.	For the year ended 31.3.2000 Rs.
Net Profit/(Loss) Before Tax and Extraordinary Items :	(1,80,684)	(17,24,448)
Adjustments for :		
Add: Depreciation	8,412	15,223
Interest paid	16,996	1,40,354
Provision for NPA	2,24,034	10,83,939
Loss on sale of Fixed Assets	4,426	
Less: Dividend received	-	1,500
Interest received	174	8,897
Provision no longer required	3,31,309	96,006
Operating Profit before working capital changes	(2,58,299)	(5,91,335)
Add: Decrease in Trade and other receivables	4,06,607	4,37,877
Add: Increase/(Decrease) in Trade Payable	1,63,510	81,689
Cash Generation from Operations	3,11,818	(71,769)
Less: Interest paid	16,996	1,40,354
Add: Direct Tax	-	(1,779)
Net Cash from operating Activities	<u>2,94,882</u>	<u>(2,13,902)</u>

B. Cash Flow from Investing Activities

Purchase of Fixed Assets	Nil	Nil
Sales of Fixed Assets	15,000	Nil
Acquisitions of Companies	Nil	Nil
Purchase of Investments	Nil	Nil
Sales of Investments	Nil	10,000
Interest Received	174	8,897
Dividend Received	Nil	1,500
Net Cash from Investing Activities	<u>15,174</u>	<u>20,397</u>

C. Cash Flow from Financing Activities

Repayment of Long Term Borrowing	(3,32,557)	39,307
Proceeds from Issue of Share Capital	Nil	Nil
Proceeds from Long Terms Borrowings	Nil	Nil
Repayment of Finance Lease Liabilities	Nil	Nil
Dividend Paid	Nil	Nil
Net Cash used in Financing Activities	(3,32,557)	39,307
Net (Decrease)/Increase in Cash and Cash Equivalents (A+B+C)	(22,561)	(1,54,198)
Cash and Cash Equivalents (Opening Balance)	25,678	1,76,876
Cash and Cash Equivalents (Closing Balance)	3,117	25,678
Net (Decrease)/Increase in Cash and Cash Equivalents	(22,561)	(1,54,198)

Y.N.MAFATLAL	CHAIRMAN
MS.A.Y.MAFATLAL	VICE-CHAIRPERSON
A.M.DESAI	DIRECTOR

Mumbai, Dated: 13th July, 2001.

To,
The Board of Directors,
Suryakrupa Finance Limited

AUDITORS' CERTIFICATE

We have examined the attached Cash Flow Statement of Suryakrupa Finance Limited for the year ended 31st March, 2001. The Statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Bombay Stock Exchange and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the Company covered by our report of even date to the members of the Company.

For C.C. CHOKSHI & CO.
CHARTERED ACCOUNTANTS

R. LAXMINARAYAN
PARTNER

Mumbai, 13th July, 2001.