

**VIJAY GROWTH FINANCIAL SERVICES**



**15<sup>th</sup>**  
**ANNUAL REPORT 2001 - 02**



## **BOARD OF DIRECTORS**

Mr. D.B. Reddy  
Mr. P.V. Bhide, I.A.S.  
Mr. Sarath Naru  
Mr. M.S. Rama Krishna  
Mr. D.S. Sandeep  
Mr. S. Srinivasa Rao

Managing Director  
APIDC Nominee Director  
Director  
Director  
Director  
Alternate Director  
(from 24-08-2001 to 28-06-2002)

## **AUDIT COMMITTEE**

Mr. Sarath Naru  
Mr. P.V. Bhide, I.A.S.  
Mr. M.S. Rama Krishna

Chairman  
Director  
Director

## **GENERAL MANAGER (FIN.) & COMPANY SECRETARY**

Mr. K. Rajamohan Setty

## **REGISTERED OFFICE**

302, Classic Court,  
Erramanzil Colony,  
Somajiguda, Hyderabad- 500 082.  
Phone: 040-3321984/988, 3325884/885.  
Fax: 040-3322028

## **SHARE REGISTRARS**

(Depository Transfer Agents)

M/s. Sathguru Management Consultants Pvt. Limited  
Plot No. 15, Hindi Nagar,  
Panjagutta, Hyderabad- 500 034.  
Phone: 040-3354042, 3356507, 3350586

## **AUDITORS**

M/s. A.M. Reddy & Co.,  
Chartered Accountants,  
10-5-6/B, "My Home Plaza",  
103, II Floor, Masab Tank  
Hyderabad- 500 028.  
Phone: 040-3316426, 3316912

## **BANKERS**

HDFC Bank Limited  
ICICI Bank Limited  
Bank of Bahrain & Kuwait B.S.C.

<b>CONTENTS</b>	<b>Page No.</b>
Notice	1
Directors' Report	2 - 3
Corporate Governance Report	4 - 9
Auditors' Report	10 - 11
Balance Sheet	12
Profit & Loss Account	13
Schedules	14 - 21
Balance Sheet Abstract	22
Cash Flow Statement	23

**SHAREHOLDERS ARE ADVISED THAT THE COMPANY HAS DISCONTINUED THE PRACTICE OF DISTRIBUTION OF GIFTS TO THE SHAREHOLDERS AT THE ANNUAL GENERAL MEETING.**

**NOTICE**

Notice is hereby given that the **Fifteenth Annual General Meeting** of the members of the Company will be held on Monday the 30th September, 2002 at 11.00 a.m. at Jubilee Hills International Centre, Road No. 14, Jubilee Hills, Hyderabad - 500 033, to transact the following business:

**ORDINARY BUSINESS :**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2002 and Profit and Loss Account for the year ended as on that date and the Reports of the Directors' and the Auditors' thereon.
2. To appoint a Director in place of Mr. Sarath Naru, who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors and to fix their remuneration.

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies in order to be effective, should be lodged at the Company's Registered Office at least 48 hours before the commencement of the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 28<sup>th</sup> September, 2002 to 30<sup>th</sup> September, 2002 (both days inclusive)
4. Members seeking any information with regard to accounts are requested to write to the Company immediately so as to enable the management to keep the information ready.

**Additional Information on Director Retiring and Seeking Re-appointment**

**Mr. Sarath Naru:** B. Tech (IIT) and M.B.A. from University of Chicago. Presently with APIDC Venture Capital Limited in the capacity of Managing Director. He is also on the Boards of M/s. Inteq Software Limited, M/s. Dynam Venture East Private Limited, M/s. Ocean Sparkle Limited, and M/s. Naras Leathers Private Limited. He has vast experience in the fields of Venture Capitals, Investment Banking, Manufacturing and Marketing of Leather Products and Engineering components.

By order of the Board

**Registered Office**

302, Classic Court  
Erramanzil Colony,  
Hyderabad - 500 082.

Dated: 28<sup>th</sup> June, 2002

**K. Rajamohan Setty**  
G.M. (Fin.) & Co. Secy.



## DIRECTORS' REPORT

To  
The Members

Your Directors have pleasure in placing before you their Fifteenth Annual Report and Accounts for the year ended 31<sup>st</sup> March, 2002.

### FINANCIAL HIGHLIGHTS

(Rs. In Lakhs)

Particulars	2001-2002	2000-2001
Total Income	51.36	112.37
Total Expenditure	49.91	69.18
Profit before Interest and Depreciation	1.45	43.19
Interest	0.67	26.72
Depreciation	13.91	15.96
Profit /(Loss) after Interest and Depreciation	(13.13)	0.51
Net Profit/(Loss)	(13.13)	0.51

### REVIEW OF OPERATIONS

During the year under review the operations of the company have been affected very badly due to bearish conditions prevalent in the Indian and Overseas Bourses. As you are aware that the company is mainly concentrating on Stock Market activities, the operations and incomes directly reflect the performance of the Stock Markets. Further there were no lease transactions during the year, all accounts were closed during the previous year on account of the same there is no income from that activities. However, there was one Hire Purchase transaction which was closed during year. With the above, all transactions of Fund Based Activities came to an end, henceforth there will not be any transaction of such nature.

### FUTURE PROSPECTS

As per the available information the economic recovery is around the corner, and recovery of taxes is an indication of the recovery path. Indirect tax collection picked up substantially by 22.54% during April, 2002 to May 15, 2002. The total indirect tax growth at 22.54% is higher than the targeted rate of 21.36%. Further, according to the Asian Development Bank the growth will be around 6% in the year 2002 and 6.5% in the year 2003. On the top of it, globally all the economies are expected to do well. In the given background the bourses nationally and internationally are going to perform satisfactorily. Hence, your Directors are confident that in the coming years the performance of the company will be better.

### FIXED DEPOSITS

The Company do not have any outstanding deposits as on the date of balance sheet and decided not to accept any deposits from the Public.

### RBI PRUDENTIAL NORMS

Though your Company stopped Leasing, Hire-purchase and Bill Discounting activities, your Company continue to follow the norms prescribed for recognition of Income, asset classification and provisioning for the past transactions. Accordingly, during the year only realized incomes are taken into account while preparing the financial statements. During the year Company has not made any provision towards Non Performing Assets as there is no asset is left for provisioning.

### PARTICULARS OF EMPLOYEES

There is no employee in the Company, particulars of whom are required to be furnished under Section 217(2A) of the Companies Act, 1956.

**INFORMATION PURSUANT TO SECTION 217(1) (E) OF THE COMPANIES ACT, 1956, READ WITH (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.**

Since the Company is engaged in Non Fund Based Activities the particulars do not arise.

**DIRECTORS**

Mr. Sarath Naru, Director of the Company retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. Your Directors commend for passing the resolution. During the year Mr. S. Srinivasa Rao was appointed as an alternate director to Mr. D.S. Sandeep, however, he tendered resignation on personal grounds. Your Directors place on record their appreciation for the services rendered by him during the period.

**AUDIT OBSERVATIONS**

Point No. 10 of the Annexure to the Auditors' Report: There are some delays in depositing Provident Fund contributions due to unavoidable circumstances. The management is making efforts to regularize the same.

**AUDITORS**

The Company's Auditors M/s. A.M. Reddy & Co., Chartered Accountants, retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment.

**DIRECTORS' RESPONSIBILITY STATEMENT**

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

- i) in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) appropriate accounting policies have been selected and applied consistently and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March 2002 and of the profit of the Company for the said period.
- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv) The annual accounts have been prepared on a going concern basis.

**ACKNOWLEDGEMENT**

Your Directors place on record their appreciation of the valuable support extended by the fellow Members of Stock Exchanges, HDFC Bank Limited, ICICI Bank Limited, Bank of Bahrain and Kuwait B.S.C and APIDC Limited. Your Directors also place on record their appreciation for the valuable services rendered by all levels of employees.

For and on behalf of the Board

Place : Hyderabad  
Dated : 28th June, 2002

**D.B. Reddy**  
Managing Director

**P.V. Bhide**  
Director

## CORPORATE GOVERNANCE REPORT

### Company's Philosophy on Code of Governance :

Vijay Growth Financial Services Ltd, wishes to practice the principles of corporate governance with a view to make available all the necessary information to its shareholders.

### 1. Composition of the Board of Directors and Category

Name of the Director	Executive/Non-executive/Independent	No. of other Directorships in Public Limited Companies	No. of other Board Committees of which Members/Chairman
D B Reddy	Executive – Managing Director Promoter	3	NIL
P V Bhide, IAS	Non-executive Nominee of APIDC Independent	2	NIL
M S Ramakrishna	Non-executive Independent	6	NIL
Sarath Naru	Non-executive Independent	4	NIL
D.S. Sandeep	Non-executive Non-Independent	NIL	NIL

### 2. Board Meetings :

During the Financial Year 2001-2002 the Board of Directors met 4 times on the following dates:

28<sup>th</sup> April, 2001, 24<sup>th</sup> August, 2001, 13<sup>th</sup> November, 2001 and 29<sup>th</sup> January, 2002

The Attendance of Directors at these Board Meetings and at the previous Annual General Meeting was under:

Name of the Directors	No. of Meetings attended during the period 01.04.2001 to 31.03.2002	Whether present at the previous AGM
Mr. D B Reddy	4	Yes
Mr. P V Bhide	4	No
Mr. M S Ramakrishna	3	Yes
Mr. Sarath Naru	2	No
Mr. D.S. Sandeep	2	No

### 3. Audit Committee :

The Audit Committee was formed by the Board of Directors on 28<sup>th</sup> April , 2001. Brief Description of terms of reference are;

1. To look into the adequacy and compliance of internal control systems
2. To review the quarterly, half yearly and annual financial statements before submission to the Board.
3. To interact actively with the External Auditors from time to time and discuss about finalization of annual financial statements
4. To look into any other matter which may be referred to it by the Board

Composition, name of Members and Chairman:

1. Mr. Sarath Naru : Chairman
2. Mr. P.V. Bhide (APIDC Nominee) : Member
3. Mr. M.S. Rama Krishna : Member

**Meetings and attendance during the year**

Name of the Member	No. of Meetings held	Attendance
Mr. Sarath Naru	2	1
Mr. P V Bhide	2	2
Mr. M S Ramakrishna	2	2

Details of Complaints received and redressed during the year

S.No.	Particulars	Received	Redressed	Pending as on 31.03.2002
1.	Non-receipt of shares sent for Transfer	3	3	Nil

**5. Share Transfer Details :**

i)	No. of Transfers (Physical)	:	369
ii)	Average No. of Transfers per month (Physical)	:	31
iii)	No. of shares transferred (Physical)	:	4,04,200
iv)	Average No. of Shares transferred per month (Physical)	:	33,700
v)	No. of Transfers (Demat)	:	471
vi)	Average No. of Transfers per month (Demat)	:	39
vii)	No. of Shares Transferred (Demat)	:	3,15,600
viii)	Average No. of Shares transferred per month (Demat)	:	26,300
ix)	No. of pending Share Transfers	:	Nil

**6. Investors Grievances:**

Investors' grievances are looked after by Mr. K.Rajamohan Setty, General Manager (Fin) & Company Secretary.



## 7. Information on General Body Meetings :

The last 3 Annual General Meetings were held as under :

Date	Time	Venue
28.09.2001	03.00 PM	Jubilee Hills International Centre, Road No.14, Jubilee Hills, Hyderabad-500033
29.09.2000	11.00 AM	Jubilee Hills International Centre, Road No.14, Jubilee Hills, Hyderabad-500033
30.09.1999	11.00 AM	Jubilee Hills International Centre, Road No.14, Jubilee Hills, Hyderabad-500033

Whether special resolutions were put through postal ballot last year, details of voting pattern:

The Company has so far not passed any Resolution by Postal Ballot.

## 8. Disclosures :

- i) Disclosures on materially significant related party transactions i.e., transactions of the Company of material nature, with its promoters, directors or the management, their subsidiaries or their relatives etc. that may have potential conflicts with the interest of the company at large: NIL
- ii) Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchange or SEBI or other authority on any matter related to capital markets, during last three years: NIL

## 9. Means of Communication:

- i) Half-yearly Report is not being sent to each household of shareholders as shareholders are intimated through the press.
- ii) The Quarterly and Half-Yearly results are published in the Andhra Prabha and Business Standard.
- iii) Information released to the press at the time of declaration of results is also sent to all Stock Exchanges where the shares of the Company are listed for the benefit of investors.

## 10. General Shareholder Information:

### i) Annual General Meeting

Date	:	30-09-2002
Time	:	11.00 A.M.
Venue	:	Jubilee Hills International Centre, Road No.14, Jubilee Hills, Hyderabad-500033

### ii) Financial Calendar :

Normally the Financial Year of the Company is for a period of 12 months from 1<sup>st</sup> April to 31<sup>st</sup> March.

- iii) Book Closure : 28<sup>th</sup> September, 2002 to 30<sup>th</sup> September, 2002
- iv) Dividend payment Date: Not applicable as the Board has not recommended any dividend.
- v) Listing on Stock Exchanges

Shares of the Company are listed on the following Stock Exchanges.

S.No.	Name of the Stock Exchange	Address
1.	The Hyderabad Stock Exchange Ltd	3-6-275, Himayatnagar Hyderabad – 500 029
2.	The Madras Stock Exchange Ltd	Exchange Building Post Box No.183 11 Second Line Beach CHENNAI-600001
3.	The Stock Exchange - Ahmedabad	Kamadhenu Complex Opp: Sahajanand College Panjarapole AHMEDABAD-380015
4.	The Stock Exchange - Mumbai	Phiroze Jeejeebhoy Towers Dalal Street MUMBAI-400 001

The Company has paid Annual Listing Fees for the year 2002-2003 to the above Stock Exchanges.

- vi) Market Price Data: High, Low during each month in last financial year and Performance in comparison to broad-based indices such as BSE Sensex.

Month	Share Price of VGFSL(HSE)		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 2001	Nil	Nil	3676.82	3096.51
May 2001	4.35	2.95	3759.96	3420.14
June 2001	4.20	4.00	3651.32	3287.94
July 2001	4.20	3.90	3513.79	3241.66
August 2001	4.00	3.90	3359.07	3241.12
September 2001	4.40	4.00	3267.93	2594.87
October 2001	3.90	3.90	3083.65	2718.41
November 2001	3.75	3.00	3377.81	3003.95
December 2001	3.90	3.90	3500.20	3100.57
January 2002	Nil	Nil	3466.73	3243.32
February 2002	Nil	Nil	3758.11	3290.00
March 2002	3.15	3.15	3758.27	3454.27

## vii) Registrars and Transfer Agents:

The Company has in-house share transfer facility. Hence, transfer of shares in physical form may please be sent to the registered office of the Company.

## viii) Delegation of Share Transfer Formalities:

Since the Company's shares are compulsorily traded in demat segment on stock exchanges, bulk of the transfers take place in the electronic form. For expediting physical transfers, the Board has delegated share transfer formalities to the Share Transfer Committee, which meets 2 times in a month. Physical transfers are effected within the statutory period of one month. The Board has designated the Company Secretary as the Compliance Officer.

ix) a) Shareholding Pattern as on 31<sup>st</sup> March 2002 :

S.No.	Category	No. of Shares held	Percentage of Shareholding
1.	Promoters	1405240	28.10
2.	Mutual Funds and UTI	Nil	Nil
3.	Banks, Financial Institutions, Insurance Companies (Central/ State Govt. Institutions, Non-Government Institutions)	Nil	Nil
4.	Foreign Institutional Investors	Nil	Nil
5.	Private Corporate Bodies	76900	1.54
6.	Indian Public	3482660	69.65
7.	NRIs/OCBs	35200	0.71
	<b>Grand Total</b>	<b>5000000</b>	<b>100.00</b>

b) Distribution of shareholding as on 31<sup>st</sup> March 2002 :

Amount (Rs.)	PHYSICAL MODE		ELECTRONIC MODE		TOTAL		TOTAL	
	No. of Holders	No. of Shares	No. of Holders	No. of Shares	No. of Holders	%	No. of Shares	%
1 to 5000	4992	1107300	641	170780	5633	81.31	1278080	25.56
5001 to 10000	574	452200	179	149575	753	10.81	601775	12.04
10001 to 20000	196	284100	121	191265	317	4.57	475365	9.51
20001 to 30000	43	110700	45	118295	88	1.27	228995	4.58
30001 to 40000	16	55200	13	45100	29	0.42	100300	2.00
40001 to 50000	17	77100	7	31500	24	0.35	108600	2.17
50001 to 100000	26	197400	23	172050	49	0.71	369450	7.39
100001 & above	17	1347300	18	490135	35	0.50	1837435	36.75
Total	5875	3631300	1028	1368700	6928	100.00	5000000	100.00

## x) Dematerialization of shares and liquidity :

The Company's shares are available for dematerialization on both the Depositories viz., National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL).

Shares of the Company are compulsorily to be delivered in the demat form on Stock Exchanges by all investors. 13,68,700 shares amounting to 27.37% of the capital have been dematerialized by investors and bulk of transfers take place in the demat form.

**Demat ISIN Numbers :**

Equity Shares fully paid : INE533B01010

**xi) Address for Correspondence:**

Shareholders may correspond with the Company at the Registered Office of the Company.

The Company Secretary  
Vijay Growth Financial Services Limited  
302 Classic Court  
Erramanzil Colony  
Hyderabad-500082  
Phone: 3321984/3321988  
Fax: 040-3322028

The above Report has been placed before the Board at its meeting held on 28<sup>th</sup> June, 2002 and the same was approved.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

The Company has obtained a Certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated in the Listing Agreement with the Stock Exchanges. The said Corporate Governance Certificate is as under :

**CERTIFICATE**

To the Members of Vijay Growth Financial Services Ltd  
Hyderabad

We have examined the compliance of conditions of Corporate Governance by VIJAY GROWTH FINANCIAL SERVICES LTD, for the period of 12 months ended on 31<sup>st</sup> March 2002, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance note issued by the Institute of Chartered Accountants of India, we have to state that the Company has maintained records to show Investors' Grievances against the Company and have certified that as on 31<sup>st</sup> March, 2002 there were no investor grievances remaining unattended/pending for a period exceeding one month.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For A.M. Reddy & Co.,  
Chartered Accountants

Hyderabad  
Date : 28<sup>th</sup> June, 2002

A.V. Ramana Reddy  
Partner

**AUDITORS' REPORT**

The Members of

**VIJAY GROWTH FINANCIAL SERVICES LIMITED**

We have audited the attached Balance Sheet of M/s. Vijay Growth Financial Services Limited as at 31st March, 2002 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. 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 required 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 issued by the Central Government of India in terms of sub-Section (4A) of Section 227 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.

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 as required by law have been kept by the Company so far as appears from our examination of those books.
- (iii) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the Books of Account.
- (iv) In our opinion, the Balance Sheet and Profit and Loss Account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
- (v) On the basis of written representations received from the directors, as on 31st March, 2002, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2002 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (vi) In our opinion 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 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
  - ii) In the case of Profit and Loss Account, of the Loss for the year ended on that date.

for **A.M. REDDY & CO.**  
Chartered Accountants

Place : Hyderabad  
Date : 28.06.2002

**A.V. RAMANA REDDY**  
Partner

## **ANNEXURE TO AUDITORS' REPORT**

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

1. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets. The assets have been physically verified by the management during the year as per a programme of verification having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
2. None of the fixed assets have been revalued during the year.
3. According to the information and explanations given to us, the Company has not taken any loans from the Companies, firms or other parties listed in the register maintained under Section 301 and 372A(5) of the Companies Act, 1956.
4. The company has not granted any loans, secured or unsecured to the Companies, firms or other parties listed in the register maintained under Section 301 and 372A(5) of the Companies Act, 1956.
5. In respect of loans and advances and hire money due on stock on hire under hire purchase transactions entered into by the company in the ordinary course of business, where the instalments are over due, we are of the opinion that reasonable steps have been taken by the company for the recovery of the same.
6. 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 with regard to purchase of plant and machinery, equipment and other assets.
7. The company has made transactions of purchase or sale of goods, materials and services in pursuance of contracts or arrangement entered in the register(s) maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 50,000/- or more in respect of each party. However, the terms and conditions are not prejudicial to the interest of the Company.
8. The Company has not accepted any deposits from the public covered by the provisions of the Section 58A of the Companies Act, 1956.
9. In our opinion, according to the information and explanations given to us, the company has an internal audit system commensurate with the size and its nature of business.
10. The provisions of the Provident Fund Act are applicable to this company and is not regular in depositing the same with the appropriate authorities. The provisions of Employees State Insurance Act are not applicable to this Company.
11. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Customs Duty, Sales Tax and Excise Duty were outstanding as on 31st March, 2002 for a period of more than six months from the date they become payable.
12. According to the information and explanations given to us no personal expenses of employees or directors have been charged to revenue account, other than those payable under contractual obligations.
13. The Company is not a sick industrial company within meaning of clause (o) of sub-section 1 of Section 3 of the Sick Industrial Companies (Special Provisions) Act, 1985 (1 of 1986)
14. The company has maintained proper records of the transactions in respect of dealing in trading of shares, securities, debentures and timely entries have been made therein.
15. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
16. Item No. 4(A), iii, iv, v, vi, xii, xiv, xvi and 4(D) iii of the said order are not applicable to this Company.

for **A.M. REDDY & CO.**  
Chartered Accountants

Place : Hyderabad  
Date : 28.06.2002

**A.V. RAMANA REDDY**  
Partner



# BALANCE SHEET AS AT 31ST MARCH, 2002

PARTICULARS	SCHEDULES	AS AT 31.03.2002 Rs.	AS AT 31.03.2001 Rs.
<b>SOURCES OF FUNDS</b>			
<b>Shareholders' Funds</b>			
Capital	A	5,00,00,000	5,00,00,000
Reserves and Surplus	B	1,78,500	16,78,500
		<u>5,01,78,500</u>	<u>5,16,78,500</u>
<b>APPLICATION OF FUNDS</b>			
<b>Fixed Assets</b>			
Gross Block	C	3,31,87,382	3,33,28,028
Depreciation		<u>1,90,32,270</u>	<u>1,77,57,827</u>
Net Block		1,41,55,112	1,55,70,201
<b>Investments</b>			
	D	10,00,000	10,00,000
<b>Current Assets, loans, Advances &amp; Stock in Trade</b>			
Stock on Hire		0	36,000
Cash & Bank Balances	E	4,96,680	29,96,531
Lease, H.P and other Debtors	F	1,05,91,717	74,59,349
Other amounts receivables	G	65,53,782	67,82,653
Loans and Advances	H	22,04,655	44,87,756
Stock in Trade	I	1,51,71,733	2,34,43,886
		<u>3,50,18,567</u>	<u>4,52,06,175</u>
<b>Current Liabilities &amp; Provisions,</b>			
Liabilities	J	1,32,44,051	2,39,65,285
Provisions	K	75,41,584	75,56,582
		<u>2,07,85,635</u>	<u>3,15,21,867</u>
<b>Net Current Assets</b>		<b>1,42,32,932</b>	<b>1,36,84,308</b>
<b>Deferred Tax Liability</b>	L	<b>-41,01,797</b>	
Miscellaneous Expenditure (to the extent not written off)		9,76,540	14,23,270
Profit & Loss Account		<u>2,39,15,713</u>	<u>2,00,00,721</u>
		<u>5,01,78,500</u>	<u>5,16,78,500</u>
<b>Significant Accounting Policies</b>			
(Notes forming part of Accounts)			
Q			

Vide our report of even date

For **A.M. REDDY & CO.**  
Chartered Accountants

For and on behalf of the Board

**A.V. RAMANA REDDY**  
Partner

**D.B. REDDY**  
Managing Director

**P.V. BHIDE**  
Director

Place : Hyderabad  
Dated : 28th June, 2002

**K. RAJAMOHAN SETTY**  
G.M. (Fin.) & Co. Secy.


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

PARTICULARS	SCHEDULES	As on	As on
		31.03.2002	31.03.2001
		Rs.	Rs.
<b>INCOME</b>			
Income from Operations	M	22,46,407	1,01,87,392
Other Income	N	28,89,609	10,49,890
		<u>51,36,016</u>	<u>1,12,37,282</u>
<b>EXPENDITURE</b>			
Administration and other Expenses	O	49,91,434	69,17,702
Financial Expenses	P	66,610	26,71,825
Depreciation	C	13,91,167	15,96,445
		<u>64,49,211</u>	<u>1,11,85,972</u>
<b>PROFIT/(LOSS) FOR THE YEAR</b>		<b>-13,13,195</b>	<b>51,310</b>
Adjustment for Opening			
Deferred Tax Liability		-26,01,797	
Add: Profit/(Loss) Brought Forward from Previous Year		-2,00,00,721	-2,00,52,031
Balance carried to Balance Sheet		<u>-2,39,15,713</u>	<u>-2,00,00,721</u>
<b>Significant Accounting Policies</b>	Q		
(Notes forming part of Accounts)			

Vide our report of even date

For **A.M. REDDY & CO.**  
Chartered Accountants

For and on behalf of the Board

**A.V. RAMANA REDDY**  
Partner

**D.B. REDDY**  
Managing Director

**P.V. BHIDE**  
Director

Place : Hyderabad  
Dated : 28th June, 2002

**K. RAJAMOHAN SETTY**  
G.M. (Fin.) & Co. Secy.

**SCHEDULES FORMING PART OF ACCOUNTS**

	AS AT 31.03.2002 Rs.	AS AT 31.03.2001 Rs.
<b>SCHEDULE - A</b>		
<b>SHARE CAPITAL:</b>		
Authorised :		
50,00,000 Equity Shares of Rs. 10/- each	5,00,00,000	5,00,00,000
Issued, Subscribed and Paid up:		
50,00,000 Equity Shares of Rs. 10/- each Fully Paid	5,00,00,000	5,00,00,000
	<u>5,00,00,000</u>	<u>5,00,00,000</u>
<b>SCHEDULE - B</b>		
<b>RESERVES &amp; SURPLUS</b>		
General Reserve	0	15,00,000
Capital Reserve	1,78,500	1,78,500
	<u>1,78,500</u>	<u>16,78,500</u>

**SCHEDULE - C**

**FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION			NET BLOCK		
	Cost as on	Additions	Deletions	Total as on	Depn. Upto	For the	Deletions	Total As on	As on	As on
	31.03.2001 Rs.	During the year Rs.	During the year Rs.	31.03.2002 Rs.	31.03.2001 Rs.	Year Rs.	during the Year Rs.	31.03.2002 Rs.	31.03.2002 Rs.	31.03.2001 Rs.
<b>1. OWN ASSETS</b>										
Vehicles	3,54,946	0	0	3,54,946	2,25,845	32,271	0	2,58,116	96,830	1,29,101
Office Equipments	29,35,198	21,549	0	29,56,747	14,60,555	2,53,940	0	17,14,495	12,42,252	14,74,643
Furniture	30,50,995	0	0	30,50,995	10,75,707	1,64,348	0	12,40,055	18,10,940	19,75,288
<b>2. LEASED ASSETS</b>										
Plant & Machinery	2,45,88,794	0	0	2,45,88,794	1,28,02,011	8,57,454	0	1,36,59,465	1,09,29,330	1,17,86,783
Vehicles	15,99,120	0	162195	14,36,925	13,94,734	83,154	1,16,724	13,61,164	75,761	2,04,386
Computers	7,98,975	0	0	7,98,975	7,98,975	0		7,98,975	0	
<b>TOTAL</b>	<b>3,33,28,028</b>	<b>21,549</b>	<b>162195</b>	<b>3,31,87,382</b>	<b>1,77,57,827</b>	<b>13,91,167</b>	<b>1,16,724</b>	<b>1,90,32,270</b>	<b>1,41,55,112</b>	<b>1,55,70,201</b>
Previous year	3,24,53,779	11,70,630	296381	3,33,28,028	1,62,26,513	15,96,445	65,131	1,77,57,827	1,55,70,201	1,62,27,266

	AS AT 31.03.2002 Rs.	AS AT 31.03.2001 Rs.
<b>SCHEDULE - D</b>		
<b>INVESTMENTS</b>		
Dynam Venture East (Pvt.) Limited	10,00,000	10,00,000
	<u>10,00,000</u>	<u>10,00,000</u>
<b>SCHEDULE - E</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on Hand	31,005	8,244
With Schedule Banks - On Current Accounts	1,65,675	24,88,287
- On Deposit Accounts	3,00,000	5,00,000
	<u>4,96,680</u>	<u>29,96,531</u>
<b>SCHEDULE - F</b>		
<b>LEASE, H.P AND SUNDRY DEBTORS</b>		
Less than six months	0	0
More than six months	72,48,664	74,59,349
Amounts receivable from clients	33,43,053	0
	<u>1,05,91,717</u>	<u>74,59,349</u>
<b>SCHEDULE - G</b>		
<b>OTHER AMOUNTS RECEIVABLES</b>		
Margins with Exchanges	9,642	0
Other accrued interest etc.	37,43,140	39,81,653
Stock Exchanges Membership Fee	28,01,000	28,01,000
	<u>65,53,782</u>	<u>67,82,653</u>
<b>SCHEDULE - H</b>		
<b>LOANS AND ADVANCES</b>		
Staff and Others	2,91,217	20,86,680
Inter Corporate Deposits	7,82,117	7,82,117
Deposits with Govt. Departments	3,59,982	3,14,963
Bills Discounted	2,33,495	2,33,495
Tax Deducted at Source	5,11,844	4,64,720
Clients Advances	0	1,84,605
Advances to Suppliers	26,000	4,16,134
Pre-paid Expenses	0	5,042
	<u>22,04,655</u>	<u>44,87,756</u>

**SCHEDULE - I : STOCK IN TRADE**

Name of the Scrip	As at 31.03.2002		As at 31.03.2001	
	Qty	Amount	Qty.	Amount
<b>a. LISTED SECURITIES</b>				
Arvind Mills	2,000	29,300	0	0
Aftek Business	2,000	9,46,000	0	
Advance Micronics Limited	0	0	1,300	78,000
Danlaw Technologies Limited	0	0	425	2,12,500
Flair Investment & Fin. Ltd	11,100	1,19,325	10,400	1,07,952
Goldstone Tele	1,020	14,382	0	0
GVK Industries Limited	0	0	2,000	20,000
Geojit Securities Ltd	0	0	500	30,000
Infotech Enterprises Ltd	11	6,380	0	0
Indian Aluminium	0	0	600	78,660
Jindal Vijayanagar Steels Limited	1,500	3,000	1,500	3,000
JISCO Limited (NCD)	200	1,00,000	200	1,00,000
Kalinga Cements Limited	36,600	73,200	36,600	73,200
Kamini Ispat Limited	41,500	1,41,100	41,500	1,41,100
Mastek Ltd	1,000	3,61,000	0	0
Moschip Semiconductors Tech.	500	18,000	2,11,582	58,18,505
Nelco	200	4,000	0	0
Ortin Laboratories Limited	1,81,595	27,33,005	1,81,700	35,43,150
Polaris Lab	1,500	3,03,000	0	0
Saw Pipes Ltd	0	0	100	17,000
Southern Iron & Steels Limited	0	0	10,000	30,000
Swarna Securities Limited	1,43,400	3,51,330	1,43,400	3,51,330
Satyam Comp	5,000	13,30,000	0	0
Tanla Solutions Ltd	0	0	41,500	41,75,710
UTI Mastershare	39	381	39	449
Vijay Shrimp Farms Limited	11,000	26,400	11,000	26,400
Vimta Labs Limited	0	0	10,000	25,000
Virat Crane Limited	1,600	4,480	1,600	4,480
VTC Industries Limited	4,34,100	47,75,100	4,34,100	47,75,100
Zehtal Drugs Limited	200	2,000	200	2,000
<b>TOTAL - A</b>		<b>1,13,41,383</b>		<b>1,96,13,536</b>
<b>B. UNLISTED SECURITIES</b>				
Chemco Steels Limited	1,18,300	14,19,600	1,18,300	14,19,600
Moiria Re-rolling Mills Limited	25,000	1,93,750	25,000	1,93,750
Vita Biotics Limited	6,000	27,000	6,000	27,000
Computer Terminus Ltd	2,00,000	20,00,000	2,00,000	20,00,000
RDL Infotech	10,000	1,00,000	10,000	1,00,000
MDC Infotech	3,000	90,000	3,000	90,000
<b>TOTAL- B</b>		<b>38,30,350</b>		<b>38,30,350</b>
<b>GRAND TOTAL (A+B)</b>		<b>1,51,71,733</b>		<b>2,34,43,886</b>

	AS AT 31.03.2002 Rs.	AS AT 31.03.2001 Rs.
<b>SCHEDULE - J</b>		
<b>CURRENT LIABILITIES</b>		
Unmatured H.P. Finance Charges	0	16,398
Security Deposits	6,21,026	19,55,226
Creditors for Expenses	3,65,953	4,14,264
Other Advances	0	2,00,000
TDS Payable	1,22,978	1,86,339
Other Current Liabilities	1,04,96,229	1,19,80,429
Sundry Creditors	5,58,303	0
Bank Balances	6,06,562	59,94,527
Creditors for Investments	4,73,000	4,73,000
Amounts payable to Clients	0	27,45,102
	<u>1,32,44,051</u>	<u>2,39,65,285</u>
<b>SCHEDULE - K</b>		
<b>PROVISIONS</b>		
For Bad Debts	74,65,102	74,65,102
For Service Tax	3,020	2,400
For Employee Gratuity	73,462	89,080
For Taxation	0	0
	<u>75,41,584</u>	<u>75,56,582</u>
<b>SCHEDULE - L</b>		
<b>DEFERRED TAX LIABILITY</b>		
Opening Balance	0	0
Additions during the Year	41,01,797	0
Less : Adjusted with gen. Reserve	15,00,000	0
Less : Written Off during the Year	26,01,797	0
	<u>0</u>	<u>0</u>
<b>SCHEDULE - M</b>		
<b>INCOME FROM OPERATIONS</b>		
Brokerage	3,90,935	10,50,712
Commission	1,220	34,12,459
Trading Profit	18,54,252	57,24,221
	<u>22,46,407</u>	<u>1,01,87,392</u>
<b>SCHEDULE - N</b>		
<b>OTHER INCOME</b>		
Hire Purchase Finance Charges	14,733	19,644
Lease Rental - Previous year	14,84,200	0
Interest (TDS C.Y.Rs.1224.P.Y.Rs.Nil)	17,405	1,28,608
Miscellaneous Income	13,13,453	8,20,155
Gratuity Provision (Reversal of Earlier Years)	15,618	0
Dividend	44,199	81,483
	<u>28,89,609</u>	<u>10,49,890</u>

	31.03.2002 Rs.	31.03.2001 Rs.
<b>SCHEDULE - O</b>		
<b>ADMINISTRATION &amp; OTHER EXPENSES</b>		
Salaries - Managing Director	2,88,000	2,88,000
Salaries - Executives and Staff	8,23,797	7,69,037
Contribution to Provident Fund	1,16,294	1,05,925
Bonus & Exgratia	0	95,485
Staff Welfare Expenses	85,900	1,17,316
Office Maintenance	1,28,369	38,250
Rent	4,44,930	4,32,350
Printing & Stationery	63,623	1,11,738
Postage and Communication Charges	6,52,319	4,66,923
Travelling Expenses	2,83,762	8,44,164
Subscriptions and Advertisements	1,90,968	1,17,779
Electricity Charges	1,37,576	1,53,900
Vehicle Maintenance	97,641	94,806
Audit Fee	31,500	31,500
A.G.M and Board Meeting Expenses	23,900	22,250
Share Transfer Expenses	68,365	3,13,006
Loss on sale of shares	0	0
Loss on Sale of Assets	28,471	1,31,250
Provision for Bad Debts	0	2,26,686
Service Tax Upcountry Brokers &	43,741	2,43,271
H.S.E- D.C. and Renewal Charges	54,029	32,005
Handling and Transaction charges	7,601	12,44,013
Provision for Gratuity	0	39,396
Capital Issue Expenses Written Off	4,46,733	4,46,733
Miscellaneous Expenses	9,73,915	5,51,919
	<u>49,91,434</u>	<u>69,17,702</u>
<b>SCHEDULE - P</b>		
<b>FINANCIAL EXPENSES</b>		
Interest on Inter Corporate Deposits	39,128	57,686
Interest on Fixed Deposits		3,45,210
Badala Charges	0	17,44,204
Bank Charges	27,482	96,441
Car Loan Finance Charges		9,784
Loss on chit Investment		4,18,500
	<u>66,610</u>	<u>26,71,825</u>

**SCHEDULE - Q****NOTES ON ACCOUNTS :****1. DISCLOSURE OF ACCOUNTING POLICIES:****a) General:**

The financial statements are prepared under the historical cost convention and comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

**b) Fixed Assets:**

All fixed assets are stated at cost of acquisition and any attributable cost for bringing the asset to working condition.

**c) Foreign Exchange Transactions**

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction.

**d) Investments**

Investments made by the company are primarily of long term nature and are valued at cost. Provisions will be made for decline, other than temporary, in the value of investments.

**e) Income recognition**

i) Income and Expenditure are accounted on accrual basis except as stated below:-

ii) In pursuance of the Non-Banking Finance Companies, Prudential norms (Reserve Bank) Directions, 1988, the income on Hire Purchase, Lease and other Loan Accounts which have been classified as Non Performing Assets has been accounted for on realization basis.

iii) Dividends on Investments are accounted for as and when received.

**f) Valuation of Stock in Trade**

Quoted Shares/Securities are valued at cost or market value whichever is lower (as per the market quotations available as on the date of Balance Sheet)

Unquoted Share/Securities are valued at cost.

**g) Depreciation**

Depreciation on fixed assets is provided on straight line method at the rates specified in Schedule XIV of the Companies Act, 1956 on pro-rata basis.

**h) Retirement Benefits**

Gratuity: Liability towards gratuity is provided on the basis of actuarial valuation made by an independent actuary

Provident Fund: Contributions paid to the prescribed authority are charged to revenue every year. Leave Encashment is charged to revenue in the year of payment.

**2. Miscellaneous Expenditure:**

The Company is amortizing Miscellaneous Expenditure representing Public Issue Expenditure over a period of 10 years.

3. There is no employee in the Company, particulars of whom are required to be furnished under Section 217(2A), of the Companies Act, 1956.

4. Balances of Creditors, Loans, Advances and Other Balances are subject to confirmation with the respective parties.

5. There were no contingent liabilities in the company

<b>6. Auditors Remuneration</b>	<b>Current Year</b>	<b>Previous Year</b>
As Auditors	<b>31,500</b>	31,500
<b>7. Managerial Remuneration</b>		
- Managing Director		
Salary	<b>2,88,000</b>	2,88,000
Contribution to PF	<b>21,600</b>	21,600
<b>8. Expenditure in Foreign Currency</b>		
Travelling Expenses	<b>29,517</b>	Nil
<b>9. Earnings in Foreign Currency</b>		
Service Charges Received	<b>3,11,049</b>	Nil

**10. Transactions with the Related Parties pursuant to Accounting Standard 18**

Sl. No.	Name	Relationship	Amount involved Rs.	Balance as on 31.03.02 Rs.
<b>A</b>	<b>Payment of Remuneration</b>			
	1. D. B. Reddy	Managing Director	309600	Nil

11. In compliance with the Accounting Standards - AS -22 relating to "Accounting for taxes on income" issued by the Institute of Chartered Accountants of India the company has adjusted the deferred tax liability arising out of time differences for the period upto 31.03.2001 of Rs. 4101797 party in General Reserve account and the balance adjusted in the Profit & Loss Appropriation account and no deferred tax liability was calculated for the year since the company is in losses.

**12. Earnings per Share**

**The numerators and denominators used for calculation of EPS**

	<b>Year ended 31.03.2002 Rs.</b>	<b>Year ended 31.03.2001 Rs.</b>
a) Loss / Profit as per Profit & Loss A/c.(A)	<b>-13,13,195</b>	51,310
b) No. of Equity Shares (B)	<b>50,00,000</b>	50,00,000
c) Nominal value of Share	<b>10</b>	10
d) Earning per Share	<b>-0.26</b>	0.01

13. Paise have been rounded off to the nearest rupee.

14. Previous year figures were regrouped wherever necessary.

**Notes :** Schedules and statement on accounting policies form an integral part of the balance sheet and profit and loss account.

Vide our report of even date

For **A.M. REDDY & CO.**  
Chartered Accountants

For and on behalf of the Board

**A.V. RAMANA REDDY**  
Partner

**D.B. REDDY**  
Managing Director

**P.V. BHIDE**  
Director

Place : Hyderabad  
Dated : 28th June, 2002

**K. RAJAMOHAN SETTY**  
G.M. (Fin.) & Co. Secy.

**STATEMENT PURSUANT TO PART IV OF THE COMPANIES ACT, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. REGISTRATION DETAILS :**

Registration No : 7120  
State Code : 01  
Balance Sheet Date : 31-03-2002

**II. CAPITAL RAISED DURING THE YEAR: (Rs in 000's)**

Public Issue	:	Nil	Bonus Issue	:	Nil
Private placement	:	Nil	Rights Issue	:	Nil

**III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS: (Rs.in 000's)**

Total Liabilities	:	50179	Total Assets	:	50179
-------------------	---	-------	--------------	---	-------

**SOURCES OF FUNDS**

Paid up Capital	:	50000
Share Application Money	:	Nil
Reserves & Surplus	:	179
Secured Loans	:	0
Unsecured Loans	:	0

**APPLICATION OF FUNDS**

Net Fixed Assets	:	14155
Investments	:	1000
Net Current Assets	:	14233
Misc.Expenditure	:	977
Accumulated Losses	:	23916

**IV. PERFORMANCE OF COMPANY (Amt. in Rs. 000's):**

Total Income	:	5136	Profit after Tax	:	(1313)
Total Expenditure	:	6449	Earnings Per Share (Rs.)	:	(0.010)
Profit before Tax	:	(1313)	Dividend Rate	:	Nil

**V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF COMPANY  
(AS PER MONETARY TERMS)**

Product Description : Share Broking and Investment Banking Activities

Vide our report of even date

For **A.M. REDDY & CO.**  
Chartered Accountants

For and on behalf of the Board

**A.V. RAMANA REDDY**  
Partner

**D.B. REDDY**  
Managing Director

**P.V. BHIDE**  
Director

Place : Hyderabad  
Dated : 28th June, 2002

**K. RAJAMOHAN SETTY**  
G.M. (Fin.) & Co. Secy.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2002**

(Amt.in Rs)

Particulars	31.03.2002	31.03.2001
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit before Tax and Extraordinary Items	-13,13,195	51,310
Adjustments for:		
Depreciation	13,91,167	15,96,445
Miscellaneous Expenses Written Off	4,46,733	4,46,733
Provision for Bad Debts	0	2,26,686
Loss on Sale of Fixed Assets	28,471	1,31,250
Dividend	44,199	-81,483
<b>Operating Profit before Working Capital Changes</b>	<b>5,97,375</b>	<b>23,70,941</b>
Adjustments for:		
Loans	0	-36,14,013
Current Assets	75,99,356	78,85,361
Current Liabilities	-1,07,36,232	-1,64,16,903
Direct Taxes Paid	0	
<b>Net Cash Flow From Operating Activities (A)</b>	<b>-25,39,501</b>	<b>-97,74,614</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of Fixed Assets	-21,549	-11,70,630
Sale of Fixed Assets	17,000	1,00,000
Sale of Investments	0	10,00,000
Dividend Received	44,199	81,483
<b>Net Cash used in Investing Activities</b>	<b>39,650</b>	<b>10,853</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from Issue of Shares	0	0
Proceeds from Long Term Borrowings	0	0
Repayment of Finance Lease Liabilities	0	0
Dividend Paid	0	0
	0	0
<b>NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C)</b>	<b>-24,99,851</b>	<b>-97,63,761</b>
Opening Cash and Cash Equivalents	29,96,531	1,27,60,292
Closing Cash and Cash Equivalents	4,96,680	29,96,531

For and on behalf of the Board

**D.B. REDDY**

Managing Director

**P.V. BHIDE**

Director

Place : Hyderabad

Dated : 28th June, 2002

**K. RAJAMOHAN SETTY**

G.M. (Fin.) &amp; Co. Secy.

**AUDITORS' CERTIFICATE**

We have examined the above Cash Flow Statement of Vijay Growth Financial Services Limited for the year ended March 31, 2002. The statement has been prepared by the Company in accordance with the requirements of Listing Agreement Clause 32 of The Hyderabad Stock Exchange Limited and in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company Covered by our report of 28th June, 2002 to the members of the Company.

For **A.M. REDDY & CO.**  
Chartered Accountants

Place : Hyderabad

Date : 28th June, 2002

**A.V. RAMANA REDDY**  
Partner



### VIJAY GROWTH FINANCIAL SERVICES LIMITED

Regd. Office: 302, Classic Court, Erramanzil Colony, Somajiguda, Hyderabad - 500 082

#### ATTENDANCE SLIP

Name :

Folio/D.P.I.D. No. :

Number of Shares :

I hereby record my presence at the **FIFTEENTH ANNUAL GENERAL MEETING** of the Company at Jubilee Hills International Centre, Road No. 14, Jubilee Hills, Hyderabad-500 033 at 11.00 a.m. on 30<sup>th</sup> September, 2002.

SIGNATURE OF THE ATTENDING MEMBER/PROXY :

Note: Shareholder/Proxyholder wishing to attend the meeting must bring this Attendance Slip to the meeting and hand it over at the entrance duly signed.

### VIJAY GROWTH FINANCIAL SERVICES LIMITED

Regd. Office: 302, Classic Court, Erramanzil Colony, Somajiguda, Hyderabad - 500 082

#### PROXY

I/We.....of..... in the district of .....being a Member of the Company, hereby appoint Mr/Ms..... of..... in the district of.....or failing him Mr/Ms. ....of .....in the district of..... as my proxy to attend and vote for me/us and on my/our behalf at the Fifteenth Annual General Meeting of the Company, to be held on Monday the 30<sup>th</sup> September, 2002 and at any adjournment thereof.

Signed this..... day of ..... 2002

Folio/DP ID No.....

Number of Shares..... Signature .....

Affix 30  
paise  
Revenue  
Stamp

This form is to be used.....\*in favour of..... the resolution. Unless otherwise instructed, the  
\*against

Proxy will vote as he thinks fit.

\*Strike out whichever is not desired

**Note:** The Proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of the holding the Meeting.

**BOOK POST  
PRINTED MATTER**

*If undelivered, please return to:*



**VIJAY GROWTH FINANCIAL SERVICES LTD.**

302, Classic Court, Erramanzil Colony,  
Somajiguda, Hyderabad - 500 082