

5th
ANNUAL REPORT
1998 - 99



ANNUAL REPORT

FICON LEASE AND FINANCE LIMITED

108, SARTHAK COMPLEX, B/H. WEEKENDER, SWASTIK CHAR RASTA,
C.G. ROAD, NAVRANGPURA, AHMEDABAD - 380 009.

BOARD OF DIRECTORS

BHANUPRASAD L. PATEL

Chariman/Managing Director

RIKEN B. PATEL

SATYENDRA K. JHA

BANKERS

DENA BANK

AUDITORS

M/S. P. DOSHI & ASSOCIATES

Chartered Accountants

306, Rajkamal Plaza,
Opp. High Court,
Ahmedabad - 380 014.

REGISTERED OFFICE

108, Sarthak Complex,
B/h. Weekender,
Swastik Char Rasta, C.G. Road,
Navrangpura, Ahmedabad - 380 009.

NOTICE TO THE MEMBERS

NOTICE is hereby given that the **FIFTH ANNUAL GENERAL MEETING** of the Members of **FICON LEASE & FINANCE LIMITED** will be held on Thursday, the 30th day of September, 1999 at 11.00 a. m. at 108, Sarthak Complex, B/h. Weekender, Swastik Char Rasta, C. G. Road, Ahmedabad - 380 009 to transact the following business :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Profit & Loss Account for the year ended on 31st March, 1999, Balance Sheet as on that date, Directors' Report and the Auditors' Report thereon.
2. To appoint Director in place of Mr. Satyendra K. Jha who retire by rotation and being eligible, offers himself for reappointment.
3. To appoint Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting and to fix their remuneration.

FOR AND ON BEHALF OF THE COMPANY

PLACE : Ahmedabad.

DATE : 31.08.99

CHAIRMAN

NOTES :

- a) 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. The instrument appointing a proxy must be deposited at the Registered Office of the Company not later than 48 hours before the time fixed for holding the Meeting.
- b) The Register of Members and the Share Transfer Books of the Company will remain closed from 27-9-99 to 04-10-99 (both days inclusive).
- c) The Members are requested to notify any change in their address to the Company quoting their folio number at earliest to avoid inconvenience at a later stage.
- d) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting, therefore, Members are requested to bring their copies of Annual Report to the Meeting.
- e) Shareholders seeking any information with regards to accounts are requested to write to the Company latest by 10th September, 1999 so as to enable the management to keep the information ready.

FOR AND ON BEHALF OF THE COMPANY

PLACE : Ahmedabad.

DATE : 31.08.99

CHAIRMAN

DIRECTOR'S REPORT

To

THE MEMBERS :

The Board of Directors have pleasure in presenting the Fifth Annual Report together with Audited Accounts for the year ended 31st March, 1999.

FINANCIAL RESULTS : The Financial results for the year are as under : (Rs. in Lacs)

	1998-1999	1997-1998
Sales & Operating Income	2166.71	823.81
Profit/(Loss) before Depreciation	(58.08)	(12.58)
Depreciation	2.90	3.73
Other Non cash Expenses	7.21	44.05
Provision for Taxation	-	-
Profit/(Loss) after Taxation	(68.19)	(60.36)
Profit/(Loss) for Appropriation	(68.19)	(60.36)
Appropriation :		
General Reserve	-	-
Proposed Dividend	-	-
Balance Carried Forward	(68.19)	(60.36)

DIVIDEND : In view of losses, your Directors do not recommend any dividend.

OPERATIONS : During the year under review, the company had mainly carried out trading activities of shares & securities and therefore the turn over of the company increased tremendously, but due to unpredictable market condition, and uncertainty of political stability of the country. The ups and downs in the market was very volatile and therefore the company has to suffer a huge loss of Rs. 58.08 Lacs. However, the company has totally stoped the activities relating to the capital market and diversified its business activities in the areas of trading and service related sectors.

DEPOSITS : The Company has not accepted any deposit from public during the year under review.

DIRECTORS : Mr. Satyendra K. Jha retires by rotation at the ensuing annual general meeting of the members and being eligible offers himself for reappointment.

CONSERVATION OF ENERGY ETC. : The Company has no activities having conservation of energy or technology absorption. The Company has no foreign exchange earnings and outgo during the period.

PARTICULARS OF EMPLOYEES : There are no employees of the Company who are in receipt of a remuneration in excess of the limit as prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

AUDITORS : M/s. P. Doshi & Associates, Chartered Accountants, Ahmedabad retires at the conclusion of the ensuing Annual General Meeting of the Company and being eligible offers themselves for reappointment.

AUDITORS REPORT : The comments in Auditor's report read with notes to the accounts in schedule - 16 are self explanatory.

LISTING OF THE COMPANY'S EQUITY SHARES : The Equity Shares of your Company continue to be listed during the year under review at the Ahmedabad and Mumbai Stock Exchanges. The Company has paid the annual listing fees for the financial year 1999 - 2000 to these Stock Exchanges. The listing of company's security on Mumbai Stock Exchange was suspended due to non-compliance of clause-16 of the listing agreement. However, the same was complied with subsequently and the trading in security was permitted by the stock exchange with effect from dated 16-11-1998.

Y2K COMPLIANCE : The Company has taken appropriate and effective steps to be Y2K compliant by Sept. '99. The expenditure to ensure Y2K compliance is not expected to have any material financial impact.

APPRECIATION : Your Directors wish to thank and acknowledge with gratitude the valuable & whole hearted Co-operation and assistance extended by the Customers, all the Employees, Bankers and Shareholders of the Company.

PLACE : Ahmedabad.

DATE : 31.08.99

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS
CHAIRMAN

AUDITORS' REPORT

To,
The Members,
Ficon Lease and Finance Limited
Ahmedabad-380 009.

We have audited the attached Balance Sheet of Ficon lease and Finance Limited as at 31st March, 1999 and also the Profit and Loss Account of the Company for the year ended on that date annexed thereto and report that :

1. As required by Manufacturing and Other Companies (Auditor's Report) order, 1988 issued by the company Law Board in terms selection 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and to the best of our knowledge and according to the information and explanation given to us during the course of the audit, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments referred to in paragraph(1) above :
 - (a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit:
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of the books.
 - (c) The Balance Sheet and Profit and Loss Account referred to in this report are in agreement with the books of account :
 - (d) In our opinion, the Profit & Loss Account and Balance Sheet comply with accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
 - (e) In our opinion and to the best of our information and according to the explanations given to us, the accounts read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view,
 - (i) in so far as it relates to the Balance Sheet of the state of affairs of the Company as at 31st March, 1999, and
 - (ii) in so far as it relates to the Profit and Loss Account of the loss for the year ended on that date.

For **P. Doshi & Associates,**
Chartered Accountants,

Date : 31-08-1999
Place : Ahmedabad

(Parthiv C. Doshi)
Proprietor

FICON LEASE AND FINANCE LIMITED

ANNEXURE TO THE AUDITOR'S REPORT

(Annexure referred to in paragraph 1 of the Auditors' Report of Even Date)

1. The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets including leased assets. As informed to us, the fixed assets of the Company including leased assets have been physically verified by the management during the year and no material discrepancies were noticed on such verification as compared with the available records.
2. None of the fixed assets have been revalued during the year.
3. As explained to us, the stock in trade of Equity Shares has been physically verified by the management at reasonable intervals during the year.
4. In our opinion and according to information and explanations given to us the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the Company, and the nature of its business.
5. As informed to us, no discrepancies were noticed on such physical verification as compared to book records.
6. As our opinion and on the basis of our examination, the valuation of stock in trade is fair and proper and in accordance with normally accepted accounting principles and is on the same basis as in earlier year.
7. The Company has not taken loans from Companies, firm or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 or Companies under the same management as defined under sub Section (1B) of Section 370 of the Companies Act, 1956.
8. The Company has not granted any loans to Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956 or Companies under the same management as defined under sub Section (1B) of Section 370 of the Companies Act, 1956.
9. Parties including staff to whom loans or advances in the nature of loans have been given by the Company are generally repaying the principal amounts, wherever stipulated, and are also regular in payment of interest, where applicable. In respect of amounts overdue, where repayment has not been stipulated in the ordinary course of business, we are given to understand that reasonable steps have been taken by the Company for recovery of the same.
10. In our opinion and according to the information and explanations given to us, it appears that there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase of assets.
11. According to the information and explanations given to us, there were no transactions of purchase and sale of shares and services made in pursuance of contracts or arrangements entered in the Register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 50000/- or more in respect of each party.
12. As the Company is dealing in Shares the question of determination of unserviceable or damaged stores, raw materials and finished goods does not arise.
13. The Company has not accepted deposits from the public to which the provisions of Section 58-A of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules 1975 apply.
14. We have been informed that the Company does not have any activity which generates any scrap or by-products and hence the question of maintenance of records for sale and disposal of realisable by products and scrap does not arise.
15. The company did not have any formal internal audit system during the year under review. However, the Company has explained that its internal control procedures involve reasonable internal checking of its financial records.
16. As informed to us, the Central government has not prescribed the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 by the Company.
17. According to the information and explanations given to us, the provisions of the Employee's Provident and Miscellaneous Provisions Act, 1952, and the Employee's state Insurance Act, 1948, are not applicable to the Company.
18. According to the records of the Company there are no undisputed amounts payable in respect of income-tax, wealth-tax, Sales-tax, custom duty and excise duty which were outstanding as at the year end, for a period of more than six months from the date they became payable.
19. According to the information and explanations given to us, no personal expenses, other than those payable under contractual obligations or in accordance with generally accepted business practices, were charged to the revenue account.
20. As the Company is a Finance Company, Clause-4(A)(XX) of the Order is not applicable to the Company.
21. In respect of service activities of the Company, there exists reasonable internal control system commensurate with the size of the Company and nature of its business.
22. We have been informed that the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
23. According to the management, the provisions of any special statute applicable to Chit Fund, Nidhi or Mutual benefit Society do not apply to the Company.
24. In our opinion and according to the information and explanations given to us, the company has maintained proper records of transactions and contracts of dealing in shares, securities and other investments and timely entries have been made therein. The same have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Companies Act, 1956 or where these are in the process of transfer to its name.

For **P. Doshi & Associates,**
Chartered Accountants,

Date : 31-08-1999
Place : Ahmedabad

(**Parthiv C. Doshi**)
Proprietor

FICON LEASE AND FINANCE LIMITED

108, Sarthak Complex, C.G. Road, Ahmedabad - 380 009.

BALANCE SHEET AS AT 31ST MARCH, 1999

SCHEDULE		AS AT 31/03/1999 RUPEES	AS AT 31/03/1998 RUPEES
(I) SOURCES OF FUNDS :			
1. Shareholders' Funds :			
Share Capital	1	50114000	50114000
Reserves and Surplus	2	107000	107000
Total		50221000	50221000
(II) APPLICATION OF FUNDS :			
1. Fixed Assets	3		
A. Gross Block		5885666	
B. Less : Depreciation		1068321	
C. Net Block		4817345	5225464
2. Investments	4	1501000	1917985
3. Current Assets, Loans and Advances :			
Inventories	5	4364980	7694832
Stock on Hire	-	13757	463549
Sundry Debtors	6	3086019	3364409
Cash and Bank Balance	7	125943	653388
Loans and Advances	8	24367295	25324821
		31957994	37500999
Less : Current Liabilities and Provisions	9	2028672	1748757
Net Current Assets		29929322	35752242
4. Miscellaneous Expenditure	10	1166348	1337269
5. Profit and Loss Account	—	12806985	5988040
Total		50221000	50221000
Accounting Policies and Notes on Accounts	16		

As per our Report of even date
For **P. DOSHI & ASSOCIATES**
Chartered Accountants

(Parthiv C. Doshi)
Proprietor

Ahmedabad
Date : 31-08-1999

For and on behalf of Board

Bhanuprasad L. Patel
Chairman/Managing Director

Riken B. Patel
Director

Ahmedabad
Date : 31-08-1999

FICON LEASE AND FINANCE LIMITED

108, Sarthak Complex, C.G. Road, Ahmedabad - 380 009.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 1999.

		1998 - 99	1997 - 98
SCHEDULE		RUPEES	RUPEES
INCOME :			
Sales and Income from Operations	11	216670973	82381084
Decrease in Stock	12	(3329852)	(7599630)
		<u>213341121</u>	<u>74781454</u>
EXPENDITURE :			
Purchase of Shares	-	217957549	74200338
Administrative Expenses	13	1115107	1417192
Interest	14	76330	421686
Non Cash Charges	15	1011080	4777793
		<u>220160066</u>	<u>80817009</u>
Loss for the year		(6818945)	(6035555)
Provision for Tax		0	0
Loss after tax		(6818945)	(6035555)
Balance as per last year		(5988040)	47515
Balance carried to Balance sheet		(12806985)	(5988040)
Accounting Policies and .	16		
Notes on Accounts			
As per our Report of even date		For and on behalf of Board	
For P. DOSHI & ASSOCIATES		Bhanuprasad L. Patel	
Chartered Accountants		Chairman/Managing Director	
(Parthiv C. Doshi)		Riken B. Patel	
Proprietor		Director	
Ahmedabad		Ahmedabad	
Date : 31-08-1999		Date : 31-08-1999	

FICON LEASE AND FINANCE LIMITED

108, Sarthak Complex, C.G. Road, Ahmedabad - 380 009.

SCHEDULE FORMING PART OF THE ACCOUNTS

	AS AT 31/03/1999 RUPEES	AS AT 31/03/1998 RUPEES
SCHEDULE - 1		
SHARE CAPITAL		
Authorised :		
5500000 Equity Shares of Rs. 10/- each	<u>55000000</u>	<u>55000000</u>
Issued. Subscribed and Paid up :		
5011400 (Previous Year 5011400)	50114000	50114000
Equity Shares of Rs. 10/-each Fully Paid up	<u>50114000</u>	<u>50114000</u>
	<u>50114000</u>	<u>50114000</u>
SCHEDULE - 2		
RESERVES AND SURPLUS		
General Reserve	107000	107000
	<u>107000</u>	<u>107000</u>

FICON LEASE AND FINANCE LIMITED

108, Sarthak Complex, C.G. Road, Ahmedabad - 380 009.

SCHEDULE FORMING PART OF THE ACCOUNTS

SCHDULE - 3

FIXED ASSETS

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Addition Deduction on				Addition Deduction on					
	As at 01.04.98 Rs.	During the Year Rs.	A/c of Sale / Transfer Rs.	As At 31.03.99 Rs.	As At 01.04.98 Rs.	During the Year Rs.	A/c of Sale / Transfer Rs.	As At 31.03.99 Rs.	As at 31.03.99, Rs.	As at 31.03.98 Rs.
On Lease :										
Solar System	2496448	0	0	2496448	397964	131813	0	529777	1966671	2098484
Computer	102750	0	102750	0	46864	3103	49967	0	0	55886
Vehicle	100000	0	100000	0	25998	8829	34827	0	0	74002
Total : (A)	2699198	0	202750	2496448	470826	143745	84794	529777	1966671	2228372
Previous Year	3164198	0	465000	2699198	470126	226829	226129	470826	2228372	2694072
Own Use :										
Building	1874678	0	0	1874678	73345	30557	0	103902	1770776	1801333
Furniture & Fixtures	961102	0	0	961102	156129	60131	0	216260	744842	804973
Computer	247750	0	0	247750	125223	40160	0	165383	82367	122527
Air Conditioner	170150	0	0	170150	21163	8082	0	29245	140905	148987
Office Equipments	119549	0	0	119549	12982	5679	0	18661	100888	106567
Vehicle	15989	0	0	15989	3284	1809	0	5093	10896	12705
Total : (B)	3389218	0	0	3389218	392126	146418	0	538544	2850674	2997092
Previous Year	3379968	9250	0	3389218	245942	146184	0	392126	2997092	3134026
Total: (A+B)	6088416	0	202750	5885666	862952	290163	84794	1068321	4817345	5225464
Previous Year	6544166	9250	465000	6088416	716068	373013	226129	862952	5225464	

SCHEDULE FORMING PART OF THE ACCOUNTS

	AS AT 31/03/1999 RUPEES	AS AT 31/03/1998 RUPEES
SCHDULES - 4		
INVESTMENTS :		
LONG TERM INVESTMENTS (QUOTED)		
1. 2,32,400 (2,32,400) Equity Shares of Rs. 10/-each partly paid up of Kasat Paper & Pulp Ltd.	1940800	1940800
2. 3,400 (Nil) Equity Shares of Rs. 10/- each fully Paid up of Jindal Photo Films Ltd.	NIL	612000
LONG TERM INVESTMENTS (UNQUOTED)		
1. 92,000 (92000) Equity Shares of Rs. 10/-each fully paid up of Tribhuvan Rasayan Ltd.(Note 3)	920000	920000
IN GOVERNMENT SECURITIES :		
1. 13.05% Government Stock 2007 (Face Value Rs. 1,30,000/-)	NIL	140355
	2860800	3613155
Less : Provision for Diminution in Value	1359800	1695170
	1501000	1917985
Note : (1) Aggregate cost of Quoted Investments Rs. 1940800/- (Prev. year Rs.2552800/-) (2) Aggregate market value of Quoted Investments Rs.581000/- (Prev. year Rs.857630/-) (3) Equity shares are not held in the name of the company.		
SCHEDULE - 5		
INVENTORIES :		
(As taken valued and certified by management)		
Stock of Equity shares	4364980	7694832
	4364980	7694832
SCHEDULE - 6		
SUNDRY DEBTORS		
(Unsecured but Considered Good unless otherwise mentioned)		
(a) Exceeding Six months	3072763	3152214
(b) Others	22736	226075
	3095499	3378289
Less : Provision for NPA (incl in (a) above)	9480	13880
	3086019	3364409
SCHEDULE - 7		
CASH AND BANK BALANCES		
Cash on hand	93793	148342
With Scheduled Banks in		
(a) Fixed Deposit Account	NIL	200000
(b) Current Accounts :	29545	302401
(Incl Rs. 7510/- (Prev. year Rs. 7510/-) in respect of share application refund and Rs.150/- (Prev. year Rs.150/-) in respect of unpaid dividend)		
(c) With Non-Scheduled Banks :		
Janta Sahkari Bank Ltd.	1675	1675
(Maximum Balance Rs.1675/-)		
(Previous Year Rs. 1675/-)		
Textile Traders Co-op Bank Ltd.	930	2605
(Maximum Bal. Rs. 930/-)		
(Previous Year Rs.970/-)		
	125943	653388

SCHEDULE FORMING PART OF THE ACCOUNTS

	AS AT 31/03/1999 RUPEES	AS AT 31/03/1998 RUPEES
SCHEDULE - 8		
LOANS AND ADVANCES :		
(Unsecured but Considered Good Unless otherwise mentioned)		
Loans to Companies	4891154	5088974
Less : Provision for NPA	NIL	989
Loans to Others	6151736	6138990
Less : Provision for NPA	499804	128690
Advances recoverable in cash or kind or for value to be received	13382336	13351226
Staff Loan	10479	14479
Deposits	56524	56524
Tax Deducted at Source	366832	750532
Interest receivable	8038	53775
	24367295	25324821
SCHEDULE - 9		
CURRENT LIABILITIES :		
Sundry Creditors	1928725	1513033
Other Liabilities	99947	235724
	2028672	1748757
SCHEDULE - 10		
MISCELLANEOUS EXPENDITURE :		
(To the extent not written off or adjusted)		
Preliminary and Public Issue Expenses :		
Balance as per last year	1337269	1508190
Less : Written off during the year	170921	170921
	1166348	1337269
SCHEDULE - 11		
SALES AND INCOME FROM OPERATIONS :		
Sale of Shares	215492158	79573393
Lease Income	41040	320120
Hire Purchase Income	45952	174383
Advisory Income (TDS Rs. NIL)	165000	300000
Previous year Rs. 15000/-)		
Interest(Gross)(TDS Rs.138436/-	898486	1942525
Previous year Rs.204545/-)		
Dividend (Gross)(TDS RS.Nil	21067	28907
Previous year Rs. NIL)		
Spot Income	1960	19362
Other Income	NIL	22394
Profit on sale of Investment	5310	NIL
	216670973	82381084
SCHEDULE - 12		
Decrease in Stock (Equity Shares) :		
Closing Stock	4364980	7694832
Less : Opening Stock	7694832	15294462
	(3329852)	(7599630)

SCHEDULE FORMING PART OF THE ACCOUNTS

	1998 - 99 RUPEES	1997 - 98 RUPEES
SCHEDULE -13		
ADMINISTRATIVE EXPENSES:		
Payments to and provisions for		
Employees Salary, Wages and Bonus	380098	341984
Staff Welfare	6072	10208
Rates and Taxes	40153	78561
Insurance	1870	1870
Electricity	19809	40230
Repairs and Maintainance	14712	13325
Legal and Professional Fees	215575	352950
Postage, Telephone and Telegraph	62170	56541
Printing and Stationery	30427	51685
Advertisement Expenses	11476	16463
Travelling Expenses	21292	32192
(Including Directors' Travelling		
Rs.20619/- Previous year Rs.29722/-)		
Conveyance	36133	44772
Audit Fees	12000	12000
Sale Tax	71275	NIL
Miscellaneous Expenses	71624	126935
Loss on sale of Leased Assets	117132	237476
Loss on sale of Investment	3289	NIL
	1115107	1417192
SCHEDULE -14		
INTEREST		
To Bank	17775	2959
To Others	58555	418727
	76330	421686
SCHEDULE -15		
NON CASH CHARGES		
1. Depreciation	290163	373013
2. Preliminary Expenses written off	170921	170921
3. Bad Debts Written off	44831	2484244
4. Provision for Diminution in value of Investments	139440	1695170
5. Provision for Non-Performing Assets	365725	54445
	1011080	4777793

SCHEDULE -16

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

(A) ACCOUNTING POLICIES:

(1) Basis of Accounting :

The financial statements have been prepared under historical cost convention on accrual basis.

(2) Fixed Assets :

Fixed assets are shown at cost less accumulated Depreciation.

(3) Investments :

Investments are Valued at cost.

(4) Inventories :

Inventories i.e. Stock in Trade of Equity Shares are valued at cost or market value whichever is lower.

(5) Stock on Hire :

Stock on hire has been valued at principal value of assets as reduced by capital recovery accrued up to 31-03-1999.

(6) Depreciation :

Depreciation on fixed assets is provided under straight line method at the rates and in the manner specified under Schedule XIV to the Companies Act, 1956.

(7) Preliminary and Public Issue Expenses :

One tenth written off every year.

(8) Income :

- Lease income and management fees on lease are accounted as per the terms of agreement.

- Dividend Income accounted for on receipt basis.

- No Income is recognised in respect to past dues if any on Non-Performing Assets.

(B) NOTES ON ACCOUNTS :

(1) Contingent Liabilities :

Uncalled liability on partly paid shares and debentures Rs. 81.59 Lacs. (Previous Year Rs.85.69 lacs)

(2) Estimated amount of contracts remaining to be executed on capital account and not provided for Net of Advance Rs. 6,95,000/- (Previous Year Rs. 11,75,000/-)

(3) Depreciation on Leased assets is Provided on Straight line method as per rates and in the manner prescribed in the Schedule XIV to the Companies Act, 1956 as against in the manner as recommended in the Guidance note of the Institute of Chartered Accountants of India.

(4) In the Opinion of the Board of Directors, the Current Assets, Loans and Advances have value on realisation in the ordinary course of business at least equal to the amount at which they are stated in the Balance Sheet.

(5) Balances in various accounts are Subject to confirmation by respective parties.

(6) Salaries include remuneration paid to a Managing Director Rs. 194994/- (Previous year Rs.1,91,246/-)

(7) Payments to Auditors :

1998-99

1997-98

Audit Fees

12000/-

12000/-

Other matters

6000/-

10500/-

(8) Particulars of Purchase, Sales and Stock of Equity Shares :

	1998-99		1997-98	
	Qty.	Value	Qty.	Value
		(Rs. in lacs)		(Rs. in lacs)
Opening Stock	2292100	76.95	3222650	152.94
Purchase	1503625	2179.58	503950	742.00
Sale	1657100	2154.92	1434500	795.73
Closing Stock	2138625	43.65	2292100	76.95

(9) Particulars of Stock in trade :

No.	Name of Company	No. of Shares	Value in Rupees
1.	INDIAN ACRYLIC LTD.	0 (700)	0 (1750)
2.	KALINDI RAIL LTD.	100 (100)	515 (535)
3.	PEARL ENERGY LTD.	1400 (1400)	1400 (1400)
4.	PATEL AIRTEMP LTD.	0 (800)	0 (14600)
5.	DHARENDRA AGRO IND LTD.	1000 (1000)	1250 (1250)
6.	GWALIAR TRANSMISSION LTD.	300 (300)	480 (630)
7.	OCEAN AGRO LTD.	1300 (1300)	16900 (20800)
8.	SHRIRAM TRANSMISSION LTD.	0 (500)	0 (4450)
9.	AHMEDNAGAR FORGINE LTD.	0 (300)	0 (5400)
10.	GANIPITAK YAKSHRAJ LTD.	100 (100)	100 (100)
11.	BISIL PLAST LTD.	1000 (1000)	1000 (1000)
12.	BENZO PETRO LTD.	10000 (10000)	8000 (9000)
13.	RELIC FINANCE LTD.	74900 (74900)	205975 (524300)
14.	INDO CREDIT & CAPITAL LTD.	39000 (49000)	42900 (98000)
15.	PHARMA OFFSET LTD.	44400 (48800)	66600 (158600)
16.	SARTHAK SECURITIES LTD.	100 (100)	250 (250)
17.	HEXONE PHARMA LTD.	6000 (6000)	7800 (7800)
18.	N.K. INDUSTRIES LTD.	0 (1200)	0 (9600)
19.	POWER TRACK CABLE LTD.	38300 (38300)	57450 (57450)
20.	DAMANIYA CAPITAL LTD.	200 (200)	200 (250)
21.	KANAYA FOOD LTD.	500 (500)	1475 (1750)
22.	ASIATIC INFRASTRUCTURE LTD.	6000 (6000)	3900 (3900)
23.	HINDUSTAN CREDIT & CAPITAL LTD.	1000 (1000)	1000 (1000)
24.	NEELKANTH ROCKMAN LTD.	37500 (50000)	18750 (50000)

25	INNOVATIVE MARRINE LTD.	100	200
		(100)	(200)
26	JINDAL PHOTO LTD.	100	3195
		(100)	(4035)
27	FORTISE FINANCE LTD.	200	1150
		(200)	(1210)
28	VEDANT HOTEL LTD.	1500	4350
		(1500)	(4350)
29	APPLE AMUSEMENT LTD.	1100	1100
		(1100)	(1100)
30	MFL STOCK BROKERS LTD.	50200	50200
		(50200)	(50200)
31	GUJ. MEDITECH LTD.	1000	600
		(1000)	(600)
32	RAHIL INVESTMENT LTD.	100	30
		(100)	(60)
33	LEELAC EXPORTS LTD.	1000	1300
		(1000)	(1300)
34	SIMMANDHAR CEMENT LTD.	100	100
		(100)	(100)
35	BOOM SECURITIES LTD.(PARTLY PAID UP)	0	0
		82000)	(0)
36	BOOM SECURITIES LTD.(FULLY PAID UP)	0	0
		(1000)	(1000)
37	ACCURATE EXPORT LTD.(PARTLY PAID UP)	576000	576000
		(576000)	(2246400)
38	RELIABLE PLASTIC (PARTLY PAID UP)	10000	0
		(10000)	(0)
39	DHRUV MAKHAN IND. LTD.	1203900	3015295
		(1203900)	(3015295)
40	KRISHNA CAPITAL LTD.	600	600
		(600)	(600)
41	KENGOLD (INDIA) LTD.	300	195
		(300)	(420)
42	JINDAL VIJAUNAGAR (10/10 PAID)	0	0
		(12200)	(58560)
43	ORBIT AIRFREIGHT LTD.	5600	50400
		(5600)	(50400)
44	ARMAN LEASE AND FINANCE LTD.	2100	2730
		(2100)	(7350)
45	K.Z. LEASING LTD.	900	990
		(900)	(990)
46	MORGAN STAINLY LTD.	0	0
		(1000)	(5700)
47	BANK OF PUNJAB	2800	30940
		(6800)	(99280)
48	ORIENT BANK OF COMMERCE	0	0
		(1900)	(126445)
49	RELIANCE CAPITAL	700	21700
		(3200)	(203040)
50	UTI UGS 2000	0	0
		(350)	(4428)

51	BAJAJ ELECTRICALS LTD (BONUS)	25	0
		(150)	(8550)
52	ORCHIED CHEMICAL LTD.	0	0
		(200)	(16850)
53	NAHAR EXPORT LTD.	0	0
		(300)	(5325)
54	COPRAN LTD.	0	0
		(100)	(10960)
55	AMRUT INDUSTRIES LTD.	700	1050
		(700)	(1750)
56	PATHEJA FORGIN LTD.	0	0
		(1500)	(9075)
57	EICHER LTD.	0	0
		(100)	(4490)
58	EICHER MOTOR LTD.	400	5120
		(600)	(7680)
59	GOETZE INDIA LTD.	0	0
		(100)	(4500)
60	LIC HOUSING	100	3805
		(300)	(13500)
61	EXPO GAS CONTAINER LTD.	0	0
		(500)	(1575)
62	ESSAR STEEL LTD.	100	870
		(17500)	(288750)
63	KALYANI SHARP	600	10800
		(900)	(16200)
64	GREAVES COTON LTD.	0	0
		(600)	(23700)
65	GANESH BENZO PLAST LTD.	200	2650
		(500)	(7675)
66	CHEMOX CHEMICALS LTD.	0	0
		(1000)	(3500)
67	IFCI	0	0
		(3500)	(109538)
68	RUCHI SOYA INDUSTRIES LTD.	0	0
		(200)	(3630)
69	SAMKERG PISTON	0	0
		(1300)	(21840)
70	BERGER PAINTS	0	0
		(600)	(49200)
71	HITECH DRILLING	0	0
		(300)	(20327)
72	MOTOROLA (INDIA) LTD.	800	2080
		(1300)	(3380)
73	INDIA GLYCOLS	0	0
		(200)	(4700)
74	VISAKA INDUSTRIES	0	0
		(500)	(4900)
75	BSES LTD.	0	0
		(200)	(36859)
76	ARYAN PESTICIDES LTD.	2000	68800
		(2000)	(159500)

77	ARYAN PESTICIDES LTD.(BONUS)	200 (200)	0 (0)
78	FINOLEX PIPES LTD.	400 (0)	5300 (0)
79	GTN TEXTILES LTD.	200 (0)	3800 (0)
80	RPG LIFE LINE LTD.	300 (0)	12915 (0)
81	PAPER PRODUCTS	200 (0)	13115 (0)
82	D & H WELDING LTD.	9800 (0)	24500 (0)
83	SRG INFO. LTD.	700 (0)	4755 (0)
84	RELIANCE PETROLEUM LTD.	500 (0)	8400 (0)
	TOTAL	2138625 (2292100)	4364980 (7694832)

Figures in the Brackets relates to previous year.

- 10) Loans and Advances include sum of Rs. 414160/- (previous year Rs. 414160/-) due from Companies under the same management. (Maximum Amount outstanding during the year Rs. 414160/-, previous year Rs.2414160/-)
- (11) No Provision for taxation for the year has been made in the accounts as in the opinion of the Company there would be no taxable income under the provisions of the Income Tax Act,1961.
- (12) Previous year figures have been regrouped/rearranged wherever necessary, to make it comparable with that of current year.
- (13) Additional information Pursuant to the Provisions of Part II of Schedule VI of the Companies Act, 1956.(Figures in brackets relates to previous year).
- (I) The deatails regarding Capacities Production, Consumption of Rawmaterials, components, etc. are not given since the Company is not engaged in manufacturing activities.
- (II) Expenditure in Foreign Currency Nil (Nil)
- (III) Earnings in Foreign Currency Nil (Nil)
- (IV) Remittance in Foreign Currency Nil (Nil)
- (14) Additional information as required under part IV of schedule VI to the Companies Act, 1956.
- Balance Sheet Abstract and Company's General Business Profile:
- (I) Registration Details
- Registration No. : 04-23470
- State Code : 04
- Balance Sheet Date : 31-03-1999
- (II) Capital Raised During the Year (Amount in Rs. Thousand)
- Public Issue Nil Right Issue Nil
- Bonus Issue Nil Private Issue Nil

(III) Position of Mobilisation and Deployment of funds(Amount in Rs.Lacs)

Total Liabilities	:	502.21
Total Assets	:	502.21
Sources of Funds		
Paid up Capital	:	501.14
Reserve and surplus	:	1.07
Unsecured Loans		
Application of Funds		
Net Fixed Assets	:	48.17
Investments	:	15.01
Net current Assets	:	299.29
Misc. Expenditure	:	11.67
Loss Account	:	(128.07)

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

Turnover	:	2166.71
Total Expenditure	:	2234.90
Loss before tax	:	(68.19)
Loss after tax	:	(68.19)
Earning per Share(Rs.)	-	
(Annualised)		
Divident Rate	-	

(V) Generic Names of three principal Products / Services of Company (As per monetary Terms)

Item Code No. (ITC Code)	
Product Description	No Applicable
Item Code No.(ITC Code)	
Product Description	Not Applicable
Item Code No. (ITC Code)	
Products Descriiption	Not Applicable

Signature to Schedules 1 to 16

For **P. DOSHI & ASSOCIATES**
Chartered Accountants

(Parthiv C. Doshi)
Proprietor

Ahmedabad

Date : 31-08-1999

For and on behalf of Board

Bhanuprasad L. Patel
Chairman/Managing Director

Riken B. Patel
Director

Ahmedabad

Date : 31-08-1999

FICON LEASE AND FINANCE LIMITED

108, Sarthak Complex, C.G. Road, Ahmedabad - 380 009.

CASH FLOW STATEMENT	1998-99 (RUPEES)	1997-98 (RUPEES)
A. CASH FLOW FROM OPERATING ACTIVITIES :		
Net Loss before tax & extra ordinary items	(6818945)	(6035555)
ADJUSTMENTS FOR		
Depreciation	290163	373013
Provisions Non-Performing Assets	365725	54445
Provision for Diminution in Value of Inv.	139440	1695170
Miscellaneous expenditure written off	170921	170921
Dividend	(21067)	(28907)
Interest paid	76330	421686
Interest Income	(898486)	(1942525)
Loss on sale of leased Asset	117132	237476
Profit on sale of Investment	(5310)	—
Loss on sale of Investment	3289	—
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES :	(6580808)	(5054276)
ADJUSTMENTS FOR :		
Trade & other receivables	1134909	6145871
Inventories	3329852	7599630
Trade Payables	279915	(7340909)
CASH GENERATED FROM OPERATIONS	(1836132)	1350316
Interest Paid	(76330)	(421686)
NET CASH FROM OPERATING ACTIVITIES	(1912462)	928630
B. CASH FLOW FORM INVESTING ACTIVITIES		
Purchase of fixed Assets	Nil	(9250)
Sale of Leased Assets	824	1395
Changes in Loans	185074	(79766)
Investment sold	279566	(140355)
Dividend received	21067	28907
Interest received	898486	1942525
NET CASH FLOW FORM INVESTING ACTIVITIES	1385017	1743456
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from issue of share capital ,	—	—
Proceeds form Loan Funds	—	(2911797)
Public issue expenses incurred	—	—
Dividend Paid	—	—
NET CASH FLOW FORM FINANCING ACTIVITIES	—	—
NET INCREASE IN CASH AND CASH EQUIVALENTS (A+B+C+)	(527445)	(239711)

CASH & CASH EQUIVALENTS AS AT 1ST APRIL (OPENING BALANCE)	653388	893099
CASH & CASH EQUIVALENTS AS AT 31ST MARCH (CLOSING BALANCE)	125943	653388

For and on behalf of Board

BHANUPRASAD L. PATEL
Chairman/Managing Director

RIKEN B. PATEL
Director

Ahmedabad
Date : 31-08-1999

AUDITORS' CERTIFICATE

To,
The Board of Directors
Ficon Lease and Finance Limited
Ahmedabad-380 009.

We have examined the attached Cash Flow Statement of Ficon Lease and Finance Limited for the year ended 31st March, 1999.

The statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet covered by our report of 31st August, 1999 to the members of the Company.

For **P. Doshi & Associates,**

Chartered Accountants,

Place : Ahmedabad
Date : 31st August, 1999

(Parthiv C. Doshi)
Proprietor

FICON LEASE AND FINANCE LIMITED

Registered Office : 108, Sarthak Complex, B/h. Weekender, Swastik Char Rasta, C.G. Road, Ahmedabad - 380 009.

PROXY FORM

Reg. Folio No. : No. Of Shares held.....

I/We

of

being a Member/Members of FICON LEASE AND FINANCE LIMITED
hereby Appoint of

.....failing himof.....

as my/our proxy to vote for me/us on my/our behalf at the ANNUAL GENERAL MEETING of the company to be held on Thursday the 30th September, 1999 at 11-00 a.m. and at any adjournment there of.

Signed this.....day of.....1999.

Signature

Affix
1 Rupees
Revenue
Stamp

NOTE : This form duly completed and signed must be deposited at the Registered office of the Company not less than 48 Hours before the Meeting.

FICON LEASE AND FINANCE LIMITED

Registered Office : 108, Sarthak Complex, B/h. Weekender, Swastik Char Rasta, C.G. Road, Ahmedabad - 380 009.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Annual General Meeting - September 30, 1999.

I hereby record my presence at the Annual General Meeting of the Company held at the FICON LEASE AND FINANCE LIMITED Registered Office : 108, Sarthak Complex, B/h. Weekender, Swastik Char Rasta, C.G. Road, Ahmedabad - 380 009. at 11.00 a.m.

Full Name of Member (in Block Letters).....

Reg. Folio No. : No. Of Shares held.....

Full Name of Proxy (in Block Letters).....

Member's / Proxy's Signature.....

BOOK - POST

To, _____

From :

FICON LEASE AND FINANCE LIMITED

REGISTERED OFFICE : 108, Sarthak Complex, B/h. Weekender,
Swastik Char Rasta, C.G. Road, Ahmedabad - 380 009.