

DIL VIKAS FINANCE LIMITED
317, Maker Chambers V, 221 Nariman Point, Mumbai - 400 021

NOTICE

Notice is hereby given that the 22nd Annual General Meeting of the Members of Dil Vikas Finance Limited will be held on Monday the 22nd day of July 2002 at 3.30 p.m. at the Registered Office of the company at 317, Maker Chamber V, 221, Nariman Point, Mumbai - 400 021 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March 2002 and the Profit and Loss Account for the year ended on that date together with the Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Sri G.A. Rego who retires by rotation as per the provisions of Section 256 at this Annual General Meeting and being eligible offer himself for reappointment.
3. To appoint M/s. Vasudev Pai & Company, Chartered Accountants, Bangalore, as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

By Order of the Board
of Directors

Director

Place : Mumbai
Dated : 28.06.2002

Note:

- i) A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member.
- ii) The Register of members and Share Transfer Registers will remain closed from 15th July 2002 to 22nd July 2002 (both days inclusive)
- iii) Members are requested to intimate change of address (if any) to the Company at its registered office.

REPORT OF THE DIRECTORS

TO THE MEMBERS,

Your Directors have pleasure in presenting the Twenty-second Annual Report of the Company together with the Audited Accounts for the year ended 31st March 2002.

1. FINANCIAL RESULTS:

	31.03.2002 ----- Rs.	31.03.2001 ----- Rs.
Gross Profit/(Loss)	(36,36,498)	34,91,511
Less: Depreciation	4,36,273	6,91,499
Net Profit/(Loss)	(40,72,771)	28,00,012
Less: Provision for Taxation	-	-
Profit/(Loss) after Tax	(40,72,771)	28,00,012
Add: Balance brought forward from previous year	37,81,130	37,85,443
Less: Extraordinary Expenditure	5,30,14,600	28,78,200
Add/(Less): Prior Period expenses	1,88,407	73,875
Profit available for appropriation	-	37,81,130
Add: Amount transferred from General Reserve	5,00,00,000	-
Surplus/(Deficit) carried to Balance Sheet	(34,94,648)	37,81,130

2. OPERATIONS:

The brokerage activities of the company has been temporarily non-operational on account of pending decision regarding the dominant shareholder to be resolved consequent upon the death of the erstwhile director and dominant shareholder.

3. PROSPECTS FOR THE YEAR 2002 - 2003:

The Company proposes to restart the brokerage activities once the pending decision regarding the dominant shareholder is resolved.

The Reserve Bank of India has vide its monetary and credit policy of 2002-2003, para 105 announced discontinuation of the Satellite dealer system. Due to this the Company is not in a position to participate in screen based trading of Government Securities as a Satellite Dealer.

DIVIDEND:

The Directors do not recommend payment of any dividend for the year.

FIXED DEPOSITS:

The Company has neither accepted any deposits from the public nor from shareholders/directors during the year under review.

DIRECTORS:

In accordance with the provisions of Sec.256 of the Companies Act, 1956, Mr G.A. Rego, Director retires by rotation at the forthcoming Annual General Meeting and being eligible offers himself for reappointment.

The Board recommends his appointment.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

In view of the nature of activities of the Company, the provisions relating to conservation of energy and technology absorption are not applicable to the Company.

There were no foreign exchange earnings or out go during the year under consideration.

PARTICULARS OF EMPLOYEES:

Information pursuant to Section 217(2A) of the Act read with the Companies (Particulars of Employees) Rules 1975 as amended by the Companies (Particulars of Employees) Amendment rule 1999 forms part of this report.

DIRECTORS' RESPONSIBILITY STATEMENT:

As required pursuant to the Companies (Amendment) Act, 2000, the Board of Directors confirm as under:

i) that in the preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.

ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at 31st March 2002 and of the Profit/Loss of the company for the year under review:

iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities: and

iv) that the directors had prepared the annual accounts on going concern basis.

CORPORATE GOVERNANCE:

Your Company is committed to good Corporate Governance with objective of enhancing the long term value for share holders and at the same time protecting the interest of other stakeholders and adopting a methodology which enhance effectiveness, better utilisation of resources and harmonious relations between different interest groups.

Pursuant to Clause 49 of the listing agreement, Corporate Governance Reports are enclosed herewith.

AUDITORS:

M/s. Vasudev Pai & Company, Chartered Accountants, Auditors of the Company will retire at the conclusion of the forthcoming Annual General Meeting and being eligible offer, themselves for reappointment. The observations made by the Auditors in their report and the relative notes on accounts are self explanatory.

ACKNOWLEDGEMENTS:

Your Directors place on record the co-operation extended by employees and wish to thank the Bankers, Shareholders, Employees, the RBI, the Clients and all those associated with the Company.

On Behalf of the Board of
- Directors -


CHAIRMAN

Place : Mumbai
Dated : 28.06.02

REPORT ON CORPORATE GOVERNANCE:

A. CORPORATE GOVERNANCE PHILOSOPHY:

The Company is committed to good corporate governance. The basic philosophy of corporate governance in the Company is to achieve business excellence and dedicate itself to increasing long term shareholder value, keeping in view the needs and interests of all its stake holders.

B. BOARD OF DIRECTORS;

The total number of Directors in the Board are 4. The attendance of each director at the Board of Directors meetings is as follows:

Name of the Director	No. of Meetings held	Attendance Board Meetings	Particulars AGM
K MohanRam Pai (Appointed as Director w.e.f. 30.06.2001)	5	4	Yes
Pranav Sanghvi (Appointed as Director w.e.f. 30.06.2001)	5	4	No
P.M Shenoy (Appointed as Director w.e.f. 30.06.2001)	5	4	Yes
G.A. Rego (Appointed as Director w.e.f. 30.06.2001)	5	2	No
P.R. Krishnamurthy (Ceased to be Director w.e.f. 07.06.2001)	1	1	No
Dilnavaz Shroff (Ceased to be Director w.e.f. 30.06.2001)	2	2	No
Ramila Gandhi (Ceased to be Director w.e.f. 30.06.2001)	2	2	No
D.K. Vora (Ceased to be Director w.e.f. 30.06.2001)	2	1	No

I.M. D'Souza (Ceased to be Director w.e.f. 30.06.2001)	2	-	No
Nihal Dalvi (Ceased to be Director w.e.f. 30.06.2001)	2	-	No
R.P. Iyer (Ceased to be Director w.e.f. 30.06.2001)	2	-	No

NUMBER OF BOARD MEETINGS HELD AND THE DATES ON WHICH HELD:
Five Board meetings were held during the financial year 2001-02.
The dates on which the meetings were held are as follows:
07.06.01, 30.06.01, 31.07.01, 30.10.01, 25.01.02

C. AUDIT COMMITTEE:

Audit committee is comprising of three Directors as follows:

1. Mr K MohanRam Pai
2. Mr Pranav Sanghvi
3. Mr P.M. Shenoy

The committee met three times during the financial year ended 31.03.02. Mr. K MohanRam Pai and Mr. Pranav Sanghvi attended all three meetings which Mr P.M. Shenoy attended two.

D. REMUNERATION TO DIRECTORS:

During the financial year 2001-02, no remuneration was paid to any of the Directors. The sitting fees paid for the year 2001-2002 to the Directors for attending Board meetings are as follows:

	Rs.
1. Mr. D.K. Vora	- 750.00
2. Mrs. Dilnavaz Shroff	- 750.00
3. Mr.K MohanRam Pai	- 2000.00
4. Mr.P.M. Shenoy	- 2000.00
5. Mr.Pranav Sanghvi	- 2000.00
6. Mr G.A. Rego	- 1000.00

F. GENERAL BODY MEETING:

Location and time, where last three Annual General Meetings were held:

Year	AGM	Location	Date	Times
1998-99	AGM	507, Vardhaman Chambers 17/G, Cawasji Patel Street, Fort. Mumbai - 400 001	16.07.99	4.00pm
1999-00	AGM	317, Maker Chambers V, 221, Nariman Point, Mumbai - 400 021	02.09.00	11.00am
2000-01	AGM	317, Maker Chambers V, 221, Nariman Point, Mumbai - 400 021	27.09.01	4.00pm

F. DISCLOSURES:

There have been no materially significant related party transactions with the company's Promoters, Directors, the Management, the Subsidiaries or relatives which may have potential conflict with the interests of the Company in large during the financial year 2001-2002.

There have been no instances of Non-compliance by the company on any matters related to capital markets, nor have any penalty been imposed on the company by the Stock Exchange or SEBI or any statutory authority on such matters.

G. COMMUNICATIONS:

The Company has been publishing the Quarterly/Annual results in one English newspaper (Free press Journal) and one vernacular (Nav Shakti, Marathi) newspaper.

H. GENERAL SHAREHOLDERS INFORMATION:

1. Annual General Meeting:

Date & Time : 22nd July 2002 at 3.30 p.m.
Venue : 317, Maker Chambers V, 221,
Nariman Point, Fort, Mumbai-400021

2. Share Transfer System:

Share transfer requests received in physical form are registered within an average 35 days from date of receipt. Security transfer system is done in house.

3. Book Closure Date for the purpose of up-dation of Records:

22.08.2002 to 27.08.2002

1. Distribution of Share holding as on 31.03.2002:

Share holding of the Nominal Value of Rs.10/-	No. of Shareholder	% of total Shareholders	Amount (Rs.)	% of Amount
Upto 5000	42	55.26	69580	0.70
5001-10000	1	1.32	5500	0.06
10001-20000	5	6.58	78150	0.78
20001-30000	2	2.63	44000	0.44
30001-40000	-	-	-	-
40001-50000	-	-	-	-
50001-100000	5	6.58	394610	3.95
100001 & above	21	27.63	9408160	94.08
Total	76	100.00	10000000	100.00

5. Share holding Pattern as on 31.03.2002

Category	No. of Shares held	% of holding
Promoters Holding	490351	49.04
Directors & their Relatives	Nil	Nil
Private Corporate Bodies	650	0.06
Indian Public	508999	50.90
Total	1000000	100.00

6. Address for Correspondence:
 Dil Vikas Finance Limited
 317, Maker Chambers V,
 221 Nariman Point,
 Mumbai - 400 021.

For DIL VIKAS FINANCE LIMITED.


 DIRECTOR.

Vasudev Pai & Co.

Chartered Accountants

Auditors' Certificate on compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To the members of Dil Vikas Finance Ltd.

1. We have examined the compliance of conditions of corporate governance by Dil Vikas Finance Ltd. for the year ended on 31st 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 procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

4. We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/ Investors Grievance Committee.

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

for VASUDEV PAI & CO.,
CHARTERED ACCOUNTANTS,

Vasudev Pai

(T VASUDEV PAI)

Proprietor



Place: Mumbai

Dated: 28.06.02

For DIL VIKAS FINANCE LIMITED.

[Signature]
DIRECTOR.

AUDITORS' REPORT

To
The Members
Dil Vikas Finance Ltd.

We have audited the attached Balance Sheet of M/s. Dil Vikas Finance Ltd., 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 standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provide 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 in above, we report that:

1. 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.
2. In our opinion, proper books of accounts as required by law have been kept by the Company so far as appears from our examination of those books.
3. The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of accounts.

Vasudev Pai & Co.

Chartered Accountants

:: 2 ::

4. In our opinion the Balance Sheet and the Profit & Loss Account read with Notes on Accounts comply with the accounting standards referred to in sub-section (3C) of Section 211 of the Companies Act 1956;

5. On the basis of the written representation received from the Directors, and taken on record by the Board of Directors, we report that no Director is disqualified as on 31st March 2002 from being appointed as Directors of the Company in terms of Clause (g) of Subsection (1) of Section 274 of the Companies Act, 1956.

6. In our opinion and to the best of our information and according to the explanations given to us, the said Balance Sheet and Profit & Loss account together with the Notes thereon and in particular Note no.3 and 6 of Schedule 'N' regarding registration fees payable to SEBI and confirmation of balances of debtors, creditors etc., respectively give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in the conformity with the accounting principles generally accepted in India:

a) in the case of the Balance Sheet, of the State of affairs of the Company as at 31st March 2002,

And

b) in the case of the Profit and Loss Account, of the Loss of the Company for the year ended on that date.

for VASUDEV PAI & CO.,
CHARTERED ACCOUNTANTS,



Vasudev Pai

(T. VASUDEV PAI)

Proprietor

Place : Mumbai
Dated : 28.06.02

"CERTIFIED TRUE COPY"
For DIL VIKAS FINANCE LIMITED


DIRECTOR.

ANNEXURE TO AUDITOR'S REPORT
(Referred to in para (3) of our report of even date)

1. The Company has maintained records showing certain particulars of fixed assets which require to be modified to indicate the quantity and situation of the fixed assets. All the assets have not been physically verified by the management during the year, but there is a regular program of verification which in our opinion is reasonable having regard to the size of the company and the nature of its business. No material discrepancies were noticed on such verification.
2. The fixed assets have not been revalued during the year.
3. The securities held as stock-in-trade and in the custody of the Company have been physically verified by the management at close of the year. For Securities with the custodian and depository participants, statements from them have been obtained on regular basis.
4. In our opinion and according to the information and explanations given to us, the procedure of physical verification of stocks followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
5. No material discrepancies have been noticed on physical verification of stocks as compared to book records.
6. On the basis of our examination of stock records, we are of the opinion that the valuation of stocks is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
7. The Company has not taken any loans, secured or unsecured from companies or other parties required to be listed in the register to be maintained under Section 301.
8. The Company has not granted any loans secured or unsecured to Companies, firms or other parties required to be listed in the register to be maintained under Section 301.

:: 2 ::

9 The Company has given interest free loans to its employees who are repaying the principle amount as stipulated.

10 The Company has an adequate internal control procedures commensurate with the size of the Company and the nature of its business in respect of purchase of assets and purchase and sale of securities.

11. According to the information and explanations given to us, the transaction of purchase and sale of shares and securities made in pursuance of contract or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs.50,000/- (Rupees: Fifty thousand) or more in respect of each party have been made at prices which are reasonable, having regard to prevailing market prices for such shares and securities.

12 The Company has not accepted any deposits from the public during the year under report and the provisions of Section 58A of the Companies Act, 1956 and the rules framed there under are not applicable to the Company.

13 The Company does not have any formal internal audit system.

14. According to the records of the Company, Provident Fund and Employees State Insurance dues have generally been regularly deposited with the appropriate authorities.

15. According to the information and explanations given to us, there are no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty and Excise Duty outstanding for a period of more than six months as at 31st March, 2002 from the date they become payable.

16. The Company has a policy of authorising expenditure based on reasonable checks and balances. The policy is intended to ensure that expenses are authorised on the basis of contractual obligations or accepted business practices having regard to the Company's business needs and exigencies. In terms of these observations, we have not come across any expenses charged to revenue accounts, which in our opinion and judgment and to the best of our knowledge and belief could be regarded as personal expenses nor have any such expenses been reported to us.

Vasudev Pai & Co.

Chartered Accountants

:: 3 ::

17. According to the information and explanations given to us, the Company has not granted loans and advances on the basis of securities by way of pledge of shares, debentures and any other similar securities.

18. The provisions of any special statute applicable to Chit Fund, Nidhi or mutual benefit society are not applicable to the Company.

19. In our opinion and explanations given to us, the Company has maintained proper records of transactions and contracts in respect of shares, debentures and other securities and timely entries have been made therein. All investments have been held by the company in its own name except to the extent of exemption granted under section 49 of the Companies Act, 1956.

20. This being a Share & Securities Broking Company, this report includes matters specified in the above order as far as they are applicable to this company.



for VASUDEV PAI & CO.,
CHARTERED ACCOUNTANTS,

Vasudev Pa.

(~~VASUDEV PAI~~)
Proprietor

Place : Mumbai
Dated : 28.06.02

"CERTIFIED TRUE COPY"

For DIL VIKAS FINANCE LIMITED

[Signature]
DIRECTOR.

DIL VIKAS FINANCE LIMITED

Balance Sheet as at 31.03.2002

DESCRIPTION	SCH	AS AT 31.03.2002	AS AT 31.03.2001
(Amount in Rupees)			
SOURCE OF FUNDS			
1 Share Holders Fund			
a) Share Capital	A	10,000,000	10,000,000
b) Reserves and Surplus	B	23,891,292	76,881,130
2 Loans & Borrowings			
a) Secured Loans	C	-	5,096,740
		33,891,292	91,977,870
APPLICATION OF FUNDS			
1 Fixed Assets	D		
i) Gross Block		5,035,519	6,593,848
Less: Depreciation Reserve		- 3,768,377	- 4,191,232
		1,267,142	2,402,596
2 Investments	E	2,051,760	53,114,100
3 Current Assets, Loans & Advances	F		
a) Stock in Trade	F-1	155,964	233,919
b) Sundry Debtors	F-2	203,829	19,118,125
c) Cash & Bank Balance	F-3	2,891,890	2,432,592
d) Other Current Assets	F-4	51,164	165,137
e) Loans & Advances	F-5	27,622,708	31,287,042
		30,925,555	33,236,815
Less: Current Liabilities & Provisions	G		
a) Liabilities	G-1	- 4,519,104	- 16,655,641
b) Provisions	G-2	- 120,000	- 120,000
Net Current Assets		26,286,451	36,461,174
4 Misc. Expenditure & Losses (to the extent not written off)			
Profit & Loss Account		3,487,008	
Deferred Tax Asset (Net)		798,931	
		33,891,292	91,977,870

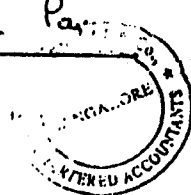
This is the Balance Sheet referred to in our Report of even date.

For T. VASUDEV PAI & CO.
Chartered Accountants

T. VASUDEV PAI.

PLACE : MUMBAI

DATED : 28 06 02



For Notes forming Part of Accounts refer Schedule "N" Annexed

For And On Behalf Of The Board

[Signature]
DIRECTOR

[Signature]
DIRECTOR

"CERTIFIED TRUE COPY"
For DIL VIKAS FINANCE LIMITED.

PLACE : MUMBAI

DATED : 28 06 02

[Signature]
DIRECTOR.

DIL VIKAS FINANCE LIMITED

Profit & Loss Account for the year ended 31.03.2002

DESCRIPTION	SCH	AS AT 31.03.2002	AS AT 31.03.2001
(Amount in Rupees)			
INCOME			
a) Capital & Money Market operations	H	1,236,957	19,440,610
b) Other Income	I	339,238	839,694
		1,576,195	20,280,304
EXPENDITURE			
a) Operating Expenses	J	1,599,102	7,044,837
b) Administrative & other expenses	K	3,441,553	9,299,830
c) Finance charges	L	172,038	444,126
d) Depreciation	D	436,273	691,499
		5,648,966	17,480,292
Net Profit / (Loss) before Tax		(4,072,771)	2,800,012
Less: Registration Fees payable to SEBI		-	(1,878,200)
Transfer Cost paid to NSE written off		-	(1,000,000)
Loss on Sale of Investment		(53,014,600)	
Add: Prior period expenses		(188,407)	73,875
Profit/(Loss) for the year before taxation		(57,275,778)	(4,313)
Less: Deferred Taxation		7,640	
Add: Amount transferred from General Reserve		50,000,000	
Add: Balance Brought forward from Previous year		3,781,130	3,785,443
Balance transferred to Balance Sheet		(3,487,008)	3,781,130

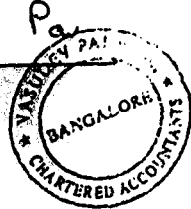
This is the Profit and Loss Account referred to in our Report of even date

For Notes forming Part of Accounts refer Schedule "N" Annexed

For T. VASUDEV PAI & CO.
Chartered Accountants

For And On Behalf Of The Board

T. Vasudeva Pai
T. VASUDEV PAI



[Signature]
DIRECTOR

[Signature]
DIRECTOR

PLACE : MUMBAI
DATED : 28 06 02

PLACE : MUMBAI
DATED : 28 06 02

"CERTIFIED TRUE COPY"
For DIL VIKAS FINANCE LIMITED

[Signature]
DIRECTOR

DIL VIKAS FINANCE LIMITED

Schedule to Balance Sheet as at 31st March 2002

	AS AT 31ST MARCH	
	2002 RUPEES	2001 RUPEES
A		
<u>SHARE CAPITAL</u>		
Authorised 50,00,000 Equity Shares of Rs.10/- each	<u>50,000,000</u>	<u>50,000,000</u>
Issued, Subscribed and Paid-up: 10,00,000 Equity Shares of Rs.10/- each fully paid up	<u>10,000,000</u>	<u>10,000,000</u>
B		
<u>RESERVES AND SURPLUS:</u>		
General Reserve: As per Last Balance Sheet	73,100,000	73,100,000
Less: Transferred to Profit & Loss Account	(50,000,000)	-
Add: Deferred Tax Asset as on 01.04.01	791,292	-
	<u>23,891,292</u>	<u>73,100,000</u>
Profit and Loss Account: Surplus as per Profit & Loss Account annexed	-	3,781,130
	<u>23,891,292</u>	<u>76,881,130</u>
C		
<u>SECURED LOANS</u> (Guaranteed by a Director of the Company)		
From Bank: Overdraft Account (Secured by stock-in-trade, book debts and receivables)	<u>-</u>	<u>5,096,740</u>

DIL VIKAS FINANCE LIMITED

"D" FIXED ASSETS

ASSETS.	COST				DEPRECIATION				NET BLOCK	
	As Per Last Balance Sheet	Additions during the year	Deductions during the year	Balance of Cost	Written off Upto Last year	Written off during the year	Depreciated on Account of Sale/ Discarded	TOTAL written off	As At 31st March 2002 Rupees	2001 Rupees
Computers	3,238,432	-	-	3,238,432	2,762,472	190,384	-	2,952,856	285,576	475,960
Office Equipment and Electrical Installation	1,124,385	-	-	1,124,385	419,478	98,053	-	517,531	606,854	704,907
Furniture and Fixtures	672,702	-	-	672,702	215,178	82,812	-	297,990	374,712	457,524
Vehicles	1,558,329	-	1,558,329	-	794,124	65,024	859,148	-	-	764,205
TOTAL	6,593,848	-	1,558,329	5,035,519	4,191,252	436,273	859,148	3,768,377	1,267,142	2,402,596
PREVIOUS YEAR	7,801,727	389,960	1,597,839	6,593,848	3,909,320	691,499	409,567	4,191,252	2,402,596	3,892,407

E. INVESTMENTS (AT COST)

Long Term - Non Trade Unquoted Equity Shares	FACE VALUE	AS AT 31ST MARCH	
		2002 RUPEES	2001 RUPEES
In Other Companies :			
128235 (Nil) of Trinity Die Forgers Ltd.	1282350	2051760	-
Nil (1989990) of E'L Dorado Guranlee Limited	-	-	53,114,100
		2,051,760	53,114,100
		2,051,760	53,114,100
Aggregate Value of Unquoted Investments		2,051,760	53,114,100

F. CURRENT ASSETS, LOANS AND ADVANCES :

F-1 Stock in Trade : (As taken Valued and Certified by the Management) (Valued At Cost or realisable Value whichever is less)			
a) Quoted Equity Shares		100,620	138,575
b) Quoted Government Securities		55,344	95,344
		155,964	233,919
		155,964	233,919
F-2 Sundry Debtors : (Unsecured, Considered Good)			
a) Due for period exceeding six months		101,329	11,541
b) Other Debts		99,500	19,073,584
		200,829	19,085,125
		200,829	19,085,125

F-3 Cash and Bank Balances :

Cash and Stamps in hand	1,712	23,920
Balances with Scheduled Banks in		
a) Current Accounts	190,178	1,783,672
b) Deposit Accounts (Receipts pledged with Bank)	2,500,000	625,000
	<u>2,891,890</u>	<u>2,432,592</u>
	-----	-----

F-4 Other Current Assets :

Interest Accrued on Deposit with Banks	51,164	165,137
	-----	-----

**F-5 Loans and Advances :
(Unsecured, Considered Good)**

a) Loans to Company Staff	4,108	77,915
b) Deposit with National Stock Exchange of India Limited	19,543,251	20,000,425
c) Other Deposits and Advances	7,244,199	7,882,519
d) Advance Recoverable in Cash or in Kind or for Value to be Received	60,039	2,027,588
e) Prepaid Expenses.	97,424	317,051
f) Advance Tax and Tax Deducted At Source	673,686	981,510
	<u>27,622,708</u>	<u>31,287,041</u>
	-----	-----

G. CURRENT LIABILITIES AND PROVISIONS :

G-1 Liabilities :

Sundry Creditors	3,915,556	11,961,116
Advances received	121,162	978,787
Other Liabilities	112,601	225,208
Outstanding Liabilities for Expenses.	319,784	490,210
	<u>4,519,104</u>	<u>16,655,641</u>
	-----	-----

G-2 Provisions :

Provision for Taxation	120,000	120,000
	<u>120,000</u>	<u>120,000</u>
	-----	-----

DIL VIKAS FINANCE LIMITED

SCHEDULES TO PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2002

	<u>SCHEDULE ANNEXED</u>	<u>2001-02 RUPEES</u>	<u>2000-01 RUPEES</u>
H. <u>CAPITAL AND MONEY MARKET OPERATIONS :</u>			
Brokerage		1,210,552	10,967,856
Referral Fees		-	7,807,150
Surplus on sale of stock in trade	M	26,405	665,604
		<u>1,236,957</u>	<u>19,440,610</u>
		-----	-----
I. <u>OTHER INCOME :</u>			
Income from Trading Operations (Net)		-	1,293
Interest on Deposits (Gross)		196,809	79,851
Interest on Others		-	66
Interest on Government Securities		7,413	11,691
Advisory Charges		-	181,000
Dividend		102,588	1,010
Interest on Income Tax Refund		-	179,583
Miscellaneous Income		32,428	56,201

Professional Fees	-	90,000
	<u>3,19,238</u>	<u>839,694</u>
	-----	-----

J. OPERATING EXPENSES :

Transaction Costs and Service Tax	646,111	2,920,244
Telephone, Postage and Telegrams	608,327	2,132,615
Membership, Subscription and Registration	244,664	713,799
Advisory Charges	- 100,000	1,248,149
	<u>1,599,102</u>	<u>7,044,837</u>
	-----	-----

K. ADMINISTRATIVE AND OTHER EXPENSES :

Employees' Remuneration and Benefits :

Salaries, Bonus and Perquisites	1,916,583	4,761,432
Contribution to Provident Fund and Other Funds	200,393	593,815
Welfare Expenses	44,027	178,761
	<u>2,161,003</u>	<u>5,534,038</u>
	-----	-----
Rent, Rates and Taxes	534,027	1,297,433
Insurance	19,426	59,456
Travelling and Conveyance	37,718	139,324

Repairs & Maintenance - Others	104,559	260,159
Electricity Expenses	172,128	199,782
Printing and Stationery	17,636	215,761
Business Promotion	14,063	119,962
Vehicle Expenses	86,172	365,192
Advertisement	19,024	20,093
Membership, Subscription and Registration	13,425	133,500
Legal and Professional Fees	2,450	184,250
Vandha Account	-	14,619
Auditors' Remuneration :		
Audit Fees	36,750	50,000
Tax Audit Fees	-	25,000
Income Tax Matters	-	5,000
Other Services Charges	9,740	25,000
Certifications	2,000	5,000
Reimbursement of Expenses	-	9,188
Directors Sitting Fees	8,500	10,000
Computer Software Expenses	11,000	50,950
Loss on Sale/Write off of Assets (Net)	62,181	136,772
Balance written off	1,110	17,389
Donation	-	856

Miscellaneous Expenses

68,342

120,506

3,441,553

9,299,830

L. **FINANCE CHARGES :**

Interest to Others

25,915

8,924

Bank Charges, Commissions and Processing Charges

47,227

76,195

Interest paid to Bank

98,896

359,007

172,038

444,126

SCHEDULE TO THE ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2002

"N" NOTES

1. SIGNIFICANT ACCOUNTING POLICIES:

a) Basis of Accounting: The accounts are prepared in accordance with the accounting principles and are on the accrual basis of accounting.

b) Revenue Recognition:

i) Brokerage Income is recognised as per the bills raised.

ii) Merchant Banking and Advisory Fees are accrued as revenue as per the terms of contract. Underwriting Commission is recognised as revenue on closure of the respective issue.

iii) Interest on Government Securities/Dividend have been accounted on receipt basis.

c) Fixed Assets and Depreciation:

i) Fixed Assets are state at historical cost less accumulated depreciation.

ii) Depreciation of Fixed Assets is provided on written down value method as per Schedule XIV of the Companies Act, 1956.

iii) Depreciation on Additions/deletions have been accounted on pro-rata basis.

d) Investments: Investments (Long Term) are stated at cost. Surplus/Deficit on sale of Investments is debited/credited to the Profit & Loss Account.

e) Stock-in-Trade: Trading Stocks are valued at lower of Cost or Realisable Value.

f) Sundry Debtors: Specific debts identified as irrecoverable are written off.

g) Retirement Benefits:

i) The Company's contribution towards Provident Fund and Family Pension Fund are charged to the Profit and Loss Account.

ii) The Company has Group Gratuity-cum-Life Assurance Scheme with Life Insurance Corporation of India for all eligible employees as per Companies Policies. This Scheme is approved by the Income Tax Authorities. The Company's contribution to this scheme is charged to revenue.

h) **Privilege Leave Encashment:** Employees are entitled to accumulate leave and claim encashment thereof on superannuation or resignation. The encashment of leave is accounted for in the year of payment.

i) The Company has accounted for Deferred Tax in accordance with the Accounting Standard - 22 "Accounting for Taxes on Income", issued by the Council of Institute of Chartered Accountants of India. Accordingly, the deferred tax asset of Rs.7,91,292/- have been recognised for timing difference identified as on 01.04.2001 with a corresponding credit to General Reserve.

The Deferred tax during the year for timing difference is accounted using tax rates/laws that have been enacted, the net difference arising thereon is credited to Profit & Loss Account.

2) Contingent Liability not provided for Rs.25,00,000/- being Guarantee given by bank on behalf of the Company for which Fixed Deposit of Rs.25,00,000/- is pledged with bank as security.

3) In accordance with the order of the Supreme Court dated 1st February 2001 in the case of BSE Brokers Forum and the report dated 1st December 1992 of the R.S. Bhat Committee for determining the basis of calculation of turnover, the company has provided an amount of Rs.18,78,200/- as registration fees payable to the Securities and Exchange Board of India based on the turnover for the five financial years ended 31st March 1998.

4) In the opinion of the Board the Current Assets, Loans and Advances are not less than the values stated if realised in the ordinary course of business. Provisions for Depreciation and all known liabilities are adequate and not in excess of the amounts reasonably necessary. There are no contingent liability other than those stated above.

5) Sundry debtors include Rs.Nil (PY Rs.43,79,111/-) amount due from a company in which directors are interested.

6) Deposit balance with NSC and the balances of Debtors and Creditors are subject to confirmations.

7) Related Party Transaction: Nil

8) No provision for taxation has been under Section 115JB of the Income Tax Act, 1961, in view of the losses incurred for the year and the brought forward losses under the Income Tax Act, 1961.

DIL VIKAS FINANCE LIMITED
317, Maker Chambers V, 221 Nariman Point, Mumbai - 400 021

ADDITIONAL INFORMATION AS REQUIRED UNDER PART IV OF SCHEDULE VI
OF THE COMPANIES ACT, 1956:

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE:

1. REGISTRATION DETAILS:

Registration No.	:	29614
State Code	:	11
Balance Sheet date	:	31.03.02

2. CAPITAL RAISED DURING THE YEAR:

Public Issue	:	Nil
Rights Issue	:	Nil
Bonus Issue	:	Nil
Private Placement	:	Nil
Further Issue	:	Nil

3. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS:

		(Rs. in Thousands)
Total liabilities:		33100
Total Assets:		33100

Sources of funds:

Paid-up Capital	:	10000
Reserves and Surplus	:	23100
Secured loans	:	-
Unsecured loans	:	-

Application of funds:

Net Fixed Assets	:	1267.1
Investments	:	2051.8
Net Current Assets	:	26286.5
Accumulated Losses	:	3494.6

4. PERFORMANCE OF COMPANY:

Turnover	:	1576.2
Total Expenditure	:	58851.9
Profit/loss before Tax	:	(57275.7)
Profit/loss after Tax	:	(57275.7)
Earning per Share (Rs.)	:	-
Dividend rate	:	-

5. Generic names of three principal products/services of Company:

Item Code No. (ITC Code)		
i. Broking	-	NA
ii. Capital & Money Market Operations	-	NA
iii. Financial Services	-	NA

DIL VIKAS FINANCE LIMITED

ANNEXURE PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2002

	(Rs. in Lacs)	
	CURRENT YEAR	PREVIOUS YEAR
A. CASH FLOW FROM OPERATING ACTIVITIES :		
a) Net Profit (Loss) Before Tax and Extraordinary Items	(40.73)	28.00
Adjustments For :		
Depreciation	4.36	6.91
Interest Paid	1.25	3.68
Interest and Dividend Income	(3.07)	(1.29)
Other Income	-	-
Others	-	-
Balance written off	0.01	0.10
Loss on Sale of fixed Assets (Net)	0.62	1.37
b) Operating Profit Before Working Capital Changes	<u>(37.56)</u>	<u>38.77</u>
Adjustments For :		
Trade and Other Receivables	189.14	(14.69)
Inventories	0.78	90.14
Loans and Advances	33.56	228.56
Other Current Assets	1.14	(0.62)
Trade Payables	(121.37)	(283.87)
c) Cash Generated from Operations	<u>65.89</u>	<u>58.29</u>
Interest Paid	(1.25)	(3.68)
Direct Taxes Paid	3.08	4.51
Interest Tax Paid	-	-
d) Cash Flow Before Extraordinary Items	<u>67.52</u>	<u>59.12</u>
Extraordinary Items	(1.88)	0.74
Net Cash Flow from Operating Activities	A 65.64	A 59.86

B. CASH FLOW FROM INVESTING ACTIVITIES :

Sale of Fixed Assets	6.37	0.52
Purchase of Fixed Assets	-	(3.90)
Sale of Investments	0.99	-
Purchase of Investments	(20.52)	-
Interest Received	2.04	1.25
Dividend Received	1.03	0.04
Net Cash used in Investing Activities	B	B
	(10.09)	(2.09)

C) CASH FLOW FROM FINANCING ACTIVITIES :

Proceeds from Issue of Share Capital	-	-
Proceeds from Long Term Borrowings	(50.96)	(48.57)
Dividend Paid	-	-
Net Cash used in Financing Activities	C	C
	(50.96)	(48.57)

D. NET INCREASE (DECREASE) IN CASH AND CASH EQUIVALENT : (A+B+C)

	4.89	11.20
Cash and Cash Equivalent at beginning of the year	24.33	13.13
Cash and Cash Equivalent at end of the year	28.92	24.33

For T. VASUDEV PAI & CO.
Chartered Accountants

J. Vasudev
T. VASUDEV PAI



PLACE : MUMBAI

DATED : 28 06 02

For And On Behalf (Of the Board.

[Signature]
DIRECTOR DIRECTOR

PLACE : MUMBAI

DATED : 28 06 02

"CERTIFIED TRUE COPY"
For DIL VIKAS FINANCE LIMITED

[Signature]
DIRECTOR