



DIL VIKAS FINANCE LIMITED

Registered Office : 317, Maker Chambers V, 221, Nariman Point, Mumbai - 400 021.
Telephone : 2287 1377 / 2287 1378 • Fax : (022) 2284 6016

DILVIKAS FINANCE LIMITED

DIRECTOR'S REPORT

To,
The Members,

Your Directors have pleasure in submitting the 28th Annual Report of the Company and audited accounts for the year-ended March 31st, 2008

Operational & Financial Results

The Financial results for the year under review is as follows :

(Figures in Rupees)

Year Ended Year Ended
March 31st, 2008 March 31st, 2007

Gross Income	495,211	695,462
Profit/(Loss) from operation	(210,418)	152,289
Loss on-Investments and other adjust	5,711	10,482
Profit/(Loss) after Tax	(206,753)	159,967
Balance in P & L Brought Forward	(4,298,555)	(4,458,523)
Transfer from General Reserve	-	-
Balance in P & L carried forward	(4,505,308)	(4,298,556)

The year under review was not satisfactory for your company. The gross total loss reported is Rs. 206753/- as against a profit of Rs.159142/- in the preceding previous year.

Dividend

Due to losses and insufficient Distributable profit of the company, your directors do not recommend any dividend for the year under review.

Future outlook

The Company is in stiff competition in its line of business which will effect the future of the company.



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Listing of Securities :

Equity shares of your company are listed on The Stock Exchange , Mumbai and that the Listing fees have been Paid.

Fixed Deposits:

Your Company has not accepted deposits attracting section 58A of the Companies Act 1956 and consequently there is no unpaid/unclaimed Deposit.

Compliance Certificate:

As per the requirement of the section 383(A) of the Companies Act, 1956, the compliance certificate from the practicing Company Secretary, Jayshree A.Lalpuria & Co. Company Secretaries, is annexed herewith.

Auditors:

The current auditors of the Company M/s. T Vasudev Pai & Company, Chartered Accountants Accountants have expressed their unwillingness to continue in the office as auditors of the Company. Your Directors have appointed M/s. Sadhana D. Shah & Company, Chartered Accountants to fill in the casual vacancy thus caused. The new auditors shall hold office till the ensuing Annual General Meeting and shall be eligible for re-appointment.

Auditors Report

With reference to point 7 of the Annexure of the Auditors Report, the Company would like to state that since the volume of activity is minimal, there is no internal audit system in place.

Directors:

In accordance with the provisions of Companies Act, 1956 and the Articles of the company, Shri PM Shenoy retire by rotation at the forthcoming AGM, and being eligible ,offer themselves for re-appointment.

Energy & Technology Absorption:

The particulars related to Conservation of Energy and Technology Absorption are not applicable to the Company.



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Directors' Responsibility Statement

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to directors' responsibility statement, it is hereby confirmed:

- a) That in the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) That 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 at the end of the financial year and of the profit or loss of the company for the year under review;
- c) That the directors had taken proper and sufficient care 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;
- d) That the directors had prepared the accounts for the financial year ended 31st March, 2008 on a 'going concern' basis

Foreign Exchange Earnings/Outgoing

Earnings in Foreign Exchange: Rs. nil

Outgo in Foreign Exchange: Rs nil

Particular relating to Employees u/s. 217 (2A)

There are no employees drawing a salary of Rs. 2,00,000/- per month or Rs. 24,00,000/- per annum.

Acknowledgments

Your Directors acknowledge with thanks the support provided by the Company's bankers, clients, auditors, employees and shareholders.

For and on behalf of the Board


Director

Place: Mumbai
Date: 30/06/2008

COMPLIANCE CERTIFICATE

[Under Section 383A of the Companies Act, 1956 &
Rule 3 of Companies (Compliance Certificate) Rules, 2001]

The Members,
M/s. Dil Vikas Finance Ltd.
317, Maker Chambers V,
221, Nariman Point,
MUMBAI-400 021.

Company No: 11-21614
Authorised Capital: Rs. 5,00,00,000/-
Paid up Capital: Rs. 1,00,00,000/-

We have examined the registers, records, books and papers of M/S. DIL VIKAS FINANCE LIMITED as required to be maintained under the Companies Act, 1956, and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2008. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in *Annexure 'A'* to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in *Annexure 'B'* to this certificate, with the Registrar of Companies, under the Act and rules made thereunder. However, no forms or returns were required to be filed with the Regional Director, Central Government, Company Law Board or other authorities.
3. The Company has the minimum prescribed paid-up capital and the Company being a public limited company, restriction on maximum number of members, subscription for shares and acceptance of deposits are not applicable.
4. The Board of Directors duly met **Five** times respectively on **28th April 2007, 30th June 2007, 31st July 2007, 31st October 2007, and 31st January 2008** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the minutes book maintained for the purpose. No circular resolution was passed during the financial year.
5. The Company closed its Register of Members from **13th November 2007 to 20th November 2007 (both days inclusive)** and necessary compliance of Section 154 of the Act has been made except giving of newspaper advertisement.



6. The Annual General Meeting for the financial year ended on **31st March, 2007** was held on **20th November, 2007** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year ended 31st March, 2008.
8. The Company has not advanced any loan to any of its Directors or persons or firms or companies referred under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.
10. The Company has made necessary entries in the Register maintained under Section 301 of the Act during the year.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or the Central Government as the case may be.
12. The Company has not issued any duplicate Share Certificates during the financial year.
13. The Company:
 - a. was not required to deliver any share certificate as there was no allotment/transfer/transmission of securities during the financial year.
 - b. was not required to deposit any amount in a separate Bank Account as no dividend was declared during the financial year.
 - c. was not required to post warrants for dividend to any member of the company as no dividend was declared during the financial year.
 - d. was not required to transfer the amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund as there were no such cases.
 - e. has duly complied with the requirements of Section 217 of the Companies Act, 1956.
14. The Board of Directors of the Company is duly constituted. There was no appointment of Additional Directors, Alternate Directors or Directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director/Whole-time Director/Manager during the financial year.



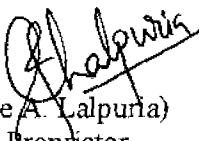
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, and/or such authorities prescribed under the various provisions of the Act during the financial year. The 27th Annual General Meeting of the Company for the year ended 31st March 2007 was held on 20th November 2007 which should have been held on or before 29th September 2007. However the Company has not obtained any approval from Registrar of Companies, Maharashtra for holding the said AGM beyond the statutory period of 29th September 2007.
18. The Directors have disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares/ debentures/ other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. The Company has no preference shares and debentures, and hence the question of redemption does not arise.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited/accepted any deposits from the public including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not borrowed any amount from directors, members, public, financial institutions during the financial year ended 31st March 2008 and the amount borrowed by the Company from others is within the borrowing limits of the Company.
25. During the year, the Company has not made loans and investments, and has not given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to the situation of the Company's Registered Office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to change in the name of the Company during the year under scrutiny.



29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association during the financial year.
31. We have not come across any such instances of prosecution or show cause notices for the alleged offences under the Act, nor the management has informed us about the same.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not constituted any Provident Fund u/s. 418 of the Companies Act, 1956 and hence provisions of Section 418 of the Act do not apply to the Company.

For **JAYSHREE A. LALPURIA & CO.,**
PRACTISING COMPANY SECRETARIES




(Jayshree A. Lalpuria)
Proprietor
ACS: 17629 CP: 7109

Place: Mumbai
Date: 28th June 2008

DIL VIKAS FINANCE LIMITED

ANNEXURE 'A'

Registers as maintained by the Company

<u>Sr. No.</u>	<u>Name of Register</u>	<u>Section/Rule</u> <u>Under Companies Act, 1956</u>
1.	Register of Charges	Section 143
2	Register of Members and Index thereto and share transfer	Section 150-151
3	Minutes Book of meetings of Board of Directors and Committee thereof	Section 193
4.	Minutes Book of General Meetings..	Section 193
5.	Books of Accounts.	Section 209
6.	Register of Contracts in which Directors are interested.	Section 301(1)
7.	Register of Companies, firms in which directors are interested.	Section 301(3)
8.	Register giving particulars of Directors, Managing Director, Manager and Secretary.	Section 303
9.	Register giving details of Directors Shareholding.	Section 307

ANNEXURE 'B'

Forms and Returns as filed by the Company during the year ended 31st March, 2008

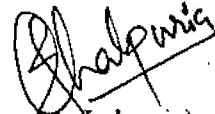
With the Registrar of Companies:

Sr. No.	Form / Return No.	Filed under Section	Particulars	Date of filing	Whether filed in time Yes/No	If delay in filing, additional fees paid Yes/No
			NIL			

With Regional Director : Not Applicable
With Central Government or other authorities : Not Applicable

For **JAYSHREE A. LALPURIA & CO.,**
PRACTISING COMPANY SECRETARIES




(Jayshree A. Lalpuria)
Proprietor

Place: Mumbai
Date: 28th June 2008

D-173

DIL VIKAS FINANCE LIMITED

317, Maker Chambers V, 221, Nariman Point, Mumbai 400 021

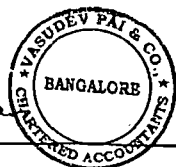
BALANCE SHEET AS ON 31/03/2008

DESCRIPTION	SCH	AS AT 31.03.2008	AS AT 31.03.2007
(Amount in Rupees)			
SOURCE OF FUNDS			
1 Share Holders Fund			
a) Share Capital	A	1,00,00,000	1,00,00,000
b) Reserves and Surplus	B	2,38,91,292	2,38,91,292
		<u>3,38,91,292</u>	<u>3,38,91,292</u>
2 Unsecured Loans & Advances :	C	8,44,790	6,75,000
	Total	<u>3,47,36,082</u>	<u>3,45,66,292</u>
APPLICATION OF FUNDS			
1 fixed Assets	D		
i) Gross Block		49,85,190	49,69,159
Less: Depreciation		45,72,989	44,86,719
		<u>4,12,201</u>	<u>4,82,440</u>
2 Investments	E	20,51,760	20,51,760
3 Current Assets, Loans & Advances	F		
a) Stock in Trade		-	-
b) Sundry Debtors		3,51,828	3,51,828
c) Cash & Bank Balance	G	25,58,200	25,51,951
d) Other Current Assets		21,679	800
e) Loans & Advances	H	2,71,27,668	2,71,08,948
		<u>3,00,59,375</u>	<u>3,00,13,527</u>
Less: Current Liabilities & Provisions	I		
a) Liabilities		(31,32,670)	(31,16,434)
b) Provisions		(3,919)	(2,896)
Net Current Assets		<u>2,69,22,786</u>	<u>2,68,94,197</u>
4 Misc. Expenditure & Losses (to the extent not Written off) Profit & Loss Account		45,05,308	42,98,555
Deferred Tax Asset (Net)		8,44,027	8,39,339
		<u>3,47,36,081</u>	<u>3,45,66,292</u>

For Notes forming part of Accounts refer Schedule - I Annexed

This is the Balance Sheet referred
to in our Report of Even Datefor VASUDEV PAI & CO.
Chartered Accountants

J. Vasudev Pai

T. Vasudev Pai
ProprietorPlace: Mumbai
Date :30/06/2008

For and on behalf of the Board of Directors

P. M. C.

Director

Director
Place: Mumbai
Date :30/06/2008

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

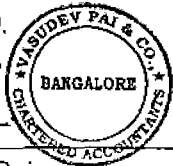
Profit & Loss Account for the year ended on 31/03/2008

DESCRIPTION	SCH	AS AT 31.03.2008	AS AT 31.03.2007
(Amount in Rupees)			
INCOME			
a) Other Income	J	4,95,211	6,95,462
b) Closing Stock of Securities		-	-
		4,95,211	6,95,462
EXPENDITURE			
a) Opening Stock of Securities		-	-
b) Administrative & other expenses	K	6,19,358	4,40,074
d) Depreciation		86,271	1,03,098
		7,05,629	5,43,172
Net Profit / (LOSS) before Tax.		(2,10,418)	1,52,290
Add/(Less): Deferred Taxation		4,688	9,080
Less : Provision for FBT		1,023	1,402
Profit/(Loss) for the year after taxation		(2,06,753)	1,59,968
Add: Balance Brought forward from Previous year		(42,98,555)	(44,58,523)
Balance transferred to Balance Sheet		(45,05,308)	(42,98,555)

For Notes forming part of Accounts refer Schedule - I Annexed

This is the Balance Sheet referred to in our Report of Even Date

for VASUDEV PAI & CO.
Chartered Accountants



J. Vasudewa Pai
T. Vasudev Pai
Proprietor

For and on behalf of the Board of Directors

[Signature]
Director

[Signature]
Director

Place: Mumbai
Date : 30/06/2008

Place: Mumbai
Date : 30/06/2008



DIL VIKAS FINANCE LIMITED

317, Maker Chambers V, 221, Narimanpoint, Mumbai 400 021

Schedule to Balance Sheet and Profit & Loss Account as at 31st March 2008

	31/03/2008	31/03/2007
	<u>RUPEES</u>	<u>RUPEES</u>
A <u>SHARE CAPITAL</u>		
<u>Authorised</u>		
50,00,000 Equity Shares of Rs.10/- each	<u>5,00,00,000</u>	<u>5,00,00,000</u>
<u>Issued, Subscribed and Paid-up:</u>		
10,00,000 Equity Share of 'Rs. 10/- each fully paid up	<u>1,00,00,000</u>	<u>1,00,00,000</u>
B <u>Unsecured Loans & Advances :</u>		
El Dorado Investments Co.P.Ltd.	3,35,000	3,35,000
Security Deposits for Nariman Point Office	3,00,000	3,00,000
Amoha Traders P.Ltd.	2,09,790	40,000
	<u>8,44,790</u>	<u>6,75,000</u>
C <u>RESERVES AND SURPLUS:</u>		
General Reserve:		
As per Last Balance Sheet	<u>2,38,91,292</u>	<u>2,38,91,292</u>
	<u>2,38,91,292</u>	<u>2,38,91,292</u>
E <u>INVESTMENTS AT COST:</u>		
Long Term - Non Trade	Face value	
Unquoted Equity Shares in other Companies:		
128235 ES of Trinity Die Forges Ltd.	10/- 20,51,760	20,51,760
	<u>20,51,760</u>	<u>20,51,760</u>
F <u>CURRENT ASSETS, LOANS AND ADVANCES :</u>		
Stock-in- Trade:		
(As taken valued and certified by the Management at lower of cost or market value)		
a) Quoted Equity shares	-	-
b) Quoted Government Securities	-	-
	<u>-</u>	<u>-</u>
Sundry Debtors:		
(Unsecured, Considered Good)		
Due for period exceeding six months	<u>3,51,828</u>	<u>3,51,828</u>
	<u>3,51,828</u>	<u>3,51,828</u>
Other current Assets :		
Pre-paid exp.	21,679	800
	<u>21,679</u>	<u>800</u>



P. Dhruv
Arul

G Cash and Bank Balances:

Cash in hand	442	442
Balance with Scheduled Banks in Current Accounts		
Canara Bank 21163	4,893	4,893
Canara Bank 50154	6,128	6,128
Global Trust Bank - 2000101154	1,652	1,652
Syndicate Bank A/c. no.27725	22,480	16,171
Bank of India Current A/c.4293	1,483	1,483
Canara Bank 154	42	42
CITI Bank (OTC Settle)No.475101	1,216	1,216
Punjab & Sind Bank A/c. no.3055	2,794	2,794
Indusind Bank 0006-552332-050	636	636
Vysya Bank Ltd. 500011006709	4,448	4,448
Indusind Bank Ltd. 0006-552332	94	94
Bank of India	11,891	11,951
	<u>57,758</u>	<u>51,509</u>
Deposit Accounts (Receipts pledged with Bank)	25,00,000	25,00,000
	<u>25,58,200</u>	<u>25,51,951</u>

H Loans and Advances:

(Unsecured, Considered good)		
Loans to Company Staff	17,900	17,900
Deposit with National Stock Exchange of India Ltd.	1,95,43,251	1,95,43,251
Other Deposits	69,07,885	69,07,885
Advance Recoverable in Cash or in kind or for value to be received	1,29,780	1,29,780
Advance Tax and Tax Deducted at Source	2,19,442	2,00,722
Accrued Interest	3,09,410	3,09,410
	<u>2,71,27,668</u>	<u>2,71,08,948</u>

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I	<u>CURRENT LIABILITIES & PROVISIONS :</u>	31/03/2008	31/03/2007
	Liabilities:		
	Sundry Creditors	27,28,129	27,28,129
	Other Liabilities	2,16,959	2,41,959
	Outstanding Liabilities for Expenses	1,87,582	1,46,346
		<u>31,32,670</u>	<u>31,16,434</u>
	Provisions :		
	Provision for Taxation	3,919	2,896
		<u>3,919</u>	<u>2,896</u>
J	<u>OTHER INCOME:</u>		
	Interest on Deposits(Gross)	-	-
	Interest on Government Securities	-	6,230
	Redemption of Govt. Securities	-	-
	Dividend	2,87,211	1,69,232
	Interest received / others)	-	-
	Miscellaneous Income	-	52,000
	Profit on Sale of Assets	-	-
	Professional fees recd.	2,08,000	4,68,000
	Rent recd.	-	-
		<u>4,95,211</u>	<u>6,95,462</u>
K	<u>ADMINISTRATIVE AND OTHER EXPENSES:</u>		
	<u>Employees' Remuneration and Benefits:</u>		
	Salaries, Bonus and Perquisites	9,060	1,09,600
	Contribution to Provident Fund and Other	-	-
	Gratuity paid	-	-
	Welfare Expenses	-	267
		<u>9,060</u>	<u>1,09,867</u>
	Telephone, Postage and Telegrams	17,015	20,076
	Rent, Rates and Taxes	-	55,000
	Cable & Internet Chgs.	19,488	-
	Travelling and Conveyance	-	3,249
	Professional Tax	-	2,500
	Electricity Expenses .	2,161	7,500
	Printing and Stationery & Courier Exp.	2,084	3,374
	Repair & Maintenance	4,65,887	76,917
	General Expenses	70	-
	Listing Expenses	20,240	10,200
	NSE Transaction Charges	-	-
	Advertisement	12,094	12,710
	Service chgs.for share transfer	10,000	-
	Legal and Professional Fees	49,663	83,511
	Bank Charges, Commissions & Processing	360	1,493
	ROC Filing fees	-	39,074
	Auditor's Remuneration:		
	Audit Fees	11,236	11,236
	Out of Pocket expense		
	Other Service Charges		
	Directors Sitting Fees		
	Computer Software Expenses		3,367
		<u>6,19,358</u>	<u>4,40,074</u>



[Handwritten signatures and initials]

Schedule D
FIXED ASSETS:

Description	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As on 01/04/07	Addition	As on 31/03/08	As on 01/04/07	For the year	As on 31/03/08	As on 31/03/07	As on 31/03/08
Computers	40%	31,63,232	-	31,63,232	31,13,173	20,024	31,33,197	50,059	30,035
Office equipments & Electrical Installation	13.91%	11,33,225	16,031	11,49,256	8,38,919	41,256	8,80,174	2,94,306	2,69,082
Furniture & Fixture	18.10%	6,72,702	-	6,72,702	5,34,627	24,992	5,59,619	1,38,075	1,13,083
		49,69,159	16,031	49,85,190	44,86,719	86,271	45,72,989	4,82,440	4,12,201

Schedule D (As per Income Tax Act'1961)
FIXED ASSETS:

Description	Rate	GROSS BLOCK			DEPRECIATION			NET BLOCK	
		As on 01/04/07	Addition	As on 31/03/08		For the year		As on 31/03/08	
Computers	60%	12,591	-	12,591		7,555		5,036	
Office equipments & Electrical Installation	15%	1,11,096	16,031	1,27,127		17,867		1,09,261	
Furniture & Fixture	10%	4,56,795	-	4,56,795		45,680		4,11,116	
		5,80,482	16,031	5,96,513		71,101		5,25,412	



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DILVIKAS FINANCE LIMITED

DIRECTOR'S REPORT

To,
The Members,
Your Directors have pleasure in submitting the 28th Annual Report of the Company and audited accounts for the year-ended March 31st, 2008

Operational & Financial Results

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(Figures in Rupees)
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Dividend

Due to losses and insufficient Distributable profit of the company, your directors do not recommend any dividend for the year under review.

Future outlook

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Signature


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Equity shares of your company are listed on The Stock Exchange , Mumbai and that the Listing fees have been Paid.

Fixed Deposits:

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Compliance Certificate

As per the requirement of the section 383(A) of the Companies Act, 1956, the compliance certificate from the practicing Company Secretary, Jayshree A.Lalpuria & Co. Company Secretaries, is annexed herewith.

Auditors

The auditors M/s. T Vasudev Pai & Company, Chartered Accountants retire at the ensuing Annual General Meeting and are eligible for re-appointment.

Directors

In accordance with the provisions of Companies Act, 1956 and the Articles of tile company, Shri PM Shenoy retire by rotation at the forthcoming AGM, and being eligible ,offer themselves for re-appointment.

Energy & Technology Absorption

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Directors' Responsibility Statemen!

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to directors' responsibility statement, it is hereby confirmed:

- rn) That in the preparation of the annual accounts for the financial year ended 31st March, 2008, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- n) That 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 at the end of the financial year and of the profit or loss of the company for the year under review;

R. O. W. C. >

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0) That the directors had taken proper and sufficient care 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;

p) That the directors had prepared the accounts for the financial year ended 31st March, 2008 on a 'going concern' basis

Foreign Exchange Earnings/Outgoing

Earnings in Foreign Exchange: Rs. nil

Outgo in Foreign Exchange: Rs nil

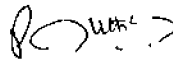
Particular relating to Employees u/s.217 (2A)

NIL

Acknowledgments

Your Directors acknowledge with thanks the support provided by the Company's bankers, clients, auditors, employees and shareholders.

For and on behalf of the Board


Director


Director



Place: Mumbai
Date: 30/06/2008



AUDITORS' REPORT

To the Members of
DIL VIKAS FINANCE LTD.

We have audited the attached Balance Sheet of Dil Vikas Finance Ltd., as at 31st March 2008 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 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 provides a reasonable basis for our opinion.

We report as follows:

1. As required by the Companies (Auditor's Report) Order, 2003 as amended by Companies (Auditor's Report)(Amendment) Order 2004 issued by the Central Government of India, in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in the paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 1 above.
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief 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, Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, 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;
 - e) On the basis of the written representations received from the Directors as on 31st March 2008 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March 2008 from being appointed as Director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;





Vasudev Pai & Co.

Chartered Accountants

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f) Attention is invited to the following:

- a) Non-payment of Turnover Fee with interest to SEBI, as referred to in Note no. II 6(ii) of Schedule 'L'.
- b) Implication on profitability if any, due to un-reconciled transactions of Sundry Debtors, Advance & Deposits Recoverable, Sundry Creditors, Balance in Other Liability at the end of the year as referred to in Note No. II (2) of Schedule 'L'.

The overdue debts and advance recoverable etc., as mentioned above in respect of which we are unable to form an opinion as to the quantum of debts and advances which, should ultimately become irrecoverable / payable.

- c) Non recognition of interest income accrued on deposits due to non availability of necessary details and confirmations from Banks. The details of deposits are as referred to in note no. II 6(i) of Schedule 'L'.

The issues as referred in (a), (b) & (c) could not be quantified and hence the effect on accounts could not be ascertained

- g) In our opinion and to the best of our information and according to the explanations given to us, **subject to our comments in Para f (a) to (c) and its consequential effect on profitability and financial statement**, the said statement of account, read together with the Company's Accounting Policies and the Notes on Accounts thereon **as detailed in Schedule 'L'**, 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;

- (i) in the case of the Balance Sheet, of the State of Affairs of the Company as on 31st March 2008 and
- (ii) in the case of Profit and Loss Account, of the Loss of the Company for the year ended on that date
- (iii) in the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

for VASUDEV PAI AND COMPANY
Chartered Accountant

J. Vasudewa Pa.

T VASUDEV PAI
Proprietor



Place : Mumbai
Dated: 30.06.2008



ANNEXURE TO THE AUDITOR'S REPORT
Referred to in paragraph 1 of our Report of even date:

1. a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
b) Fixed assets have not been physically verified by the management during the year,
c) During the year, the Company has not disposed of substantial/major part of fixed assets and going concern status of the Company is not affected
2. The Company does not have any inventory at the end of the year, hence Clauses ii (a) to ii (c) are not applicable.
3. According to the information and explanations given to us, the company has neither granted nor taken any loans secured or unsecured to/from the companies, firms or other parties covered in the Register maintained under Section 301 of the Companies Act, 1956 and as such Clause iii (a) to iii (d) are not applicable.
4. 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 nature of its business with regard to the purchase of fixed assets and for sale of goods and services. During the course of audit, we have not observed any continuing failure to correct major weakness in internal controls.
5. According to the information and explanations given to us, there are no transactions made in pursuance of the contracts or arrangements that need to be entered in the Register maintained under Section 301 of the Companies Act 1956.
6. The Company has not accepted any deposits from the public and consequently the provisions of Section 58A & 58AA of the Companies Act, 1956 and rules framed there under and directions issued by the Reserve Bank of India are not applicable.
7. *The Company is not having any formal internal audit system during the year under review.*
8. According to the information and explanations given to us Central Government has not prescribed maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956.





Vasudev Pai & Co.

Chartered Accountants

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17. According to the information and explanations given to us, during the year no funds have been raised on short-term basis, which have been utilized for any long-term investment purposes.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures and hence no securities required to be created in respect thereof.
20. The Company has not raised any money through a public issue during the year.
21. According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

for VASUDEV PAI AND COMPANY
Chartered Accountant

J. Vasudev Pai

T VASUDEV PAI
Proprietor



Place : Mumbai
Dated: 30.06.2008



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9. i) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance and Income-Tax dues with the appropriate authorities and there were no arrears under the above head which were due for more than six months from the date they became payable as at the close of the year.
ii) Keeping in view the present operations of the company the statutes relating to Sales Tax, Wealth-Tax, Customs Duty, Excise Duty, Investors Education and Protection Fund and Cess are not applicable to the Company.
iii) There are no dues of Provident Fund, Employees State Insurance, Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and Cess which have been disputed and lying pending as at the close of the year.
10. The Company has accumulated loss which is less than 50% of its net worth as at 31st March 2008. The Company has incurred cash losses during the current financial year and not incurred in the immediately preceding financial year.
11. In our opinion and according to the explanations given to us the Company has not borrowed any amounts from banks, financial institutions or from debentures holders during the year under Audit.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion the Company is not a Chit Fund, Nidhi or Mutual Benefit Fund/Society. Therefore Clause 4(xiii) of the Companies (Auditors Report) Order 2003 is not applicable to the Company.
14. During the year the Company has not dealt or traded in shares, securities, debentures and other investments. Therefore the provisions of Clause 4(xiv) of the Companies (Auditors Report) Order 2003 as amended are not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from any banks or financial institutions.
16. In our opinion and according to information and explanations given to us, the Company has not availed any term loan during the year, accordingly Clause 4(xvi) of the Companies (Auditors Report) Order 2003 is not applicable.



DIL VIKAS FINANCE LIMITED
317, Maker Chambers V, 221 Nariman Point, Mumbai - 400021

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.	:	21614
State Code	:	11
Balance Sheet date	:	31/03/2008

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 Lakhs)

Total Liabilities :	:	347.36
Total Assets :	:	347.36

Sources of funds:

Paid-up Capital	:	100
Reserves and Surplus	:	238.91

Application of funds:

Net Fixed Assets	:	4.12
Investments	:	20.51
Net Current Assets	:	269.23
Accumulated Losses	:	45.05
Deferred Tax Asset(Net)	:	8.44

4 PERFORMANCE OF COMPANY:

Turnover	:	4.95
Total Expenditure	:	6.19
Profit/loss before Tax	:	(2.10)
Profit/loss after Tax	:	(2.07)
Earning per Share (Rs.)	:	(0.21)
Dividend rate	:	-

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

Item Code No. (ITC Code)

- i) Broking
- ii) Capital & Money Marker Operations
- iii) Financial Services

[Handwritten Signature]



DIL VIKAS FINANCE LIMITED

317, Maker Chambers V, 221 Nariman Point, Mumbai - 400021

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.08

A. CASH FLOW FROM OPERATING ACTIVITIES :

Net Profit / (Loss) before Taxes	(2,06,753)
Adjustments for:	
Depreciation	86,271
Dividend receipts considered separately	(2,87,211)
	<u>(4,07,693)</u>
Operating Profit before changes in working capital	
Adjustments for	
Trade & other receivables	(39,599)
Trade payable	17,259
Unsecured Loans & Advances	1,69,790
Addition to Fixed Assets	(16,031)
Addition to Deferred Tax Assets	(4,688)
Net cash generated from operations	<u><u>(2,80,963)</u></u>

B. CASH FLOW FROM INVESTING ACTIVITIES :

Cash generated from Dividend	2,87,211
	<u>2,87,211</u>
Net cash generated from investing activities	<u><u>2,87,211</u></u>

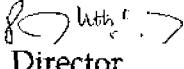
C. TOTAL INCREASE OR DECREASE IN CASH &

CASH EQUIVALENTS DURING THE YEAR (A to B) 6,248

D. Opening Cash & cash equivalents 25,51,951
Closing Cash & cash equivalents 25,58,200

Net increase/(decrease) in cash & cash equivalents 6,248

Place: MUMBAI
Dated: 30/06/2008

for and on behalf of the Board of
Directors

Director

Place: Mumbai
Dated: 30/06/2008



Schedules forming parts of Accounts for the year ended 31st March, 2008

Schedule "L" : - Significant Accounting Policies & Notes on Accounts

I. Significant Accounting Policies

a) Basis of Accounting

The financial statements have been prepared under historical cost convention on an accrual basis & comply with the Accounting Standards referred to in section 211 (3C) of the Companies Act, 1956. (Except in the case of Deferred Taxes not updated for the year and provision for retirement benefits of the Employee, Leave Salary & Bonus which are recorded on Cash Basis).

b) Revenue Recognition

All income and expenditure have a material bearing on the financial statements are recognised on accrual basis except Interest on Government Securities and Dividend which have been accounted on receipt basis.

c) Fixed Assets

Fixed Assets are stated at cost of acquisition or construction less accumulated depreciation. The cost of fixed assets includes taxes, duties, freight and other incidental expenses but net of Cenvat availed related to acquisition and installation of the respective fixed assets. Depreciation on Additions / deletions has been accounted on pro-rata basis. The Company had paid Rs.68 lacs to Brooklyn Hills & Properties P.Ltd. towards deposit for occupying office No.317 at Makers Chambers V, Nariman point, Mumbai 400 021. The office belongs to Manoj Trivedi/ Nandita Trivedi from whom Brooklyn Hills & Properties P.Ltd. agreed to purchase the said premises. Due to some dispute still the title deeds has not been transferred to Brooklyn Hills & Properties P.Ltd. and the society bills are still coming in the name of Nandita Trivedi. This deal was done in 1997-98. The Due to insufficient fund to Brooklyn Hills & Properties P.Ltd. could not refund the deposit and therefore the company has stopped paying lease rent to Brooklyn Hills & Properties P.Ltd. but has retained th possession of the said premises.

d) Impairment of Fixed Assets:

At the end of each year, the Company determines whether a provision should be made for impairment loss on fixed assets by considering the indication that an impairment loss may have occurred in accordance with Accounting Standard 28 on "Impairment of Assets" issued by the ICAI. Where the recoverable amount of any fixed assets is lower than its carrying amount, a provision for impairment loss on fixed assets is made for the difference

e) Depreciation

Depreciation on Fixed Assets has been provided on 'Written Down Value Method' as per the rates and in the manner specified in Scheduled XIV of the Companies Act, 1956.

f) Valuation of Inventories

Closing stock of Shares are valued at lower of cost or market value. It is shown at NIL cost, as informed by management they are not in existence.

Schedules forming parts of Accounts for the year ended 31st March, 2008

g) Investment

Investments that is intended to be held for more than a year from the date of acquisition are classified as long term investment and are carried at cost less any provision for permanent diminution in value.

h) Retirement Benefits :

1. The Company's contribution towards Provident Fund and Family Pension Fund are charged to the Profit and Loss Account.
2. 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.

i) 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.

j) Provisions and Contingent Liabilities

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

k) Accounting for Taxation on Income :

Current Taxes

Provision for current income-tax is recognized in accordance with the provisions of Indian Income-tax Act, 1961 and is made annually based on the tax liability after taking credit for tax allowances and exemptions. No provision for taxation has been made 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

Deferred Taxes

Deferred tax assets and liabilities are recognized for the future tax consequences attributable to timing differences that result between the profits offered for income taxes and the profits as per the financial statements. Deferred tax assets and liabilities are measured using the tax rates and the tax laws that have been enacted or substantially enacted at the balance sheet date. The effect of a change in tax rates on deferred tax and assets or liabilities are recognized in the period that

Schedules forming parts of Accounts for the year ended 31st March, 2008

includes the enactment date. Deferred tax Assets are recognized only to the extent there is reasonable certainty that the assets can be realized in the future.

Fringe Benefits

Provisions for Fringe Benefits Tax (FBT) have been recognized on the basis of harmonious contextual interpretation of the provision of the Income Tax Act, 1961.

II. Notes On Accounts

- 1) In the opinion of the board, the Current Assets, Loans & Advances are approximately of the value stated and realizable in the ordinary course of business. The Provision of all known liabilities is adequate and not in excess of the amount reasonably necessary.
- 2) The Balances and classifications of sundry debtors & creditors, loans and advances, Other liabilities and Deposits including deposits with NSE are subject to confirmation and reconciliation and are taken as per books of accounts.
- 3) In absence of relevant details, Deferred Tax Assets are not reviewed as at the Balance Sheet date.
- 4) As informed to us, closing stock of Shares are valued at lower of cost or market value which is shown at NIL cost. In absence of relevant details, we are unable to verify the same.
- 5) The balances of the following bank accounts are subject to confirmation by the bank and are taken as per the books.

Name of the bank	Account no	Balance as at 31/3/2008
Canara Bank	21163	4893
Canara Bank	50154	6128
Global Trust Bank -	2000101154	1652
Bank of India	Current A/c.4293	1483
Canara Bank	154	42
CITI Bank (OTC Settle)	No.475101	1216
Punjab & Sind Bank	A/c. no.3055	2794
Indusind Bank	0006-552332-50	636

Schedules forming parts of Accounts for the year ended 31st March, 2008

Vysya Bank Ltd.	500011006709	4448
Indusind Bank Ltd.	0006-552332	94

6) Contingent Liabilities not provided for:

i) Contingent liability not provided for Rs.25,00,000/- being guarantee given by bank on behalf of the company for which Fixed Deposits of Rs.25,00,000/- is pledged with bank as security.

ii) The company has received an intimation from SEBI for payment towards Provisional Turnover fee liability (NSC) and Interest on it upto the date, the amount of which is not yet ascertained due to some dispute with NSE, The company has not made any additional provision towards the said liability other than the provision of Rs.18.78 lacs made during the earlier years.

7) Managerial Remuneration

Particulars	2007-08 Amount (Rs.)	2006-07 Amount (Rs.)
To Managing & Executive Directors	NIL	NIL

8) Remuneration to Auditors

Particulars	2007-08 Amount (Rs.)	2006-07 Amount (Rs.)
Statutory Audit Fees	10,000	10,000
Service Tax	1236	1236
Total	11,236	11,236

9) Expenditure In Foreign Currency

NIL

10) Earning Per Share (EPS):

Particulars	Year Ended 31.03.2007	Year Ended 31.03.2006
A Weighted average number of equity shares of Rs. 10/- each		
i. Number of shares at the beginning of the year	10,00,000	10,00,000
ii. Number of shares at the end of the year	10,00,000	10,00,000
iii. Weighted average number of Equity Shares outstanding	10,00,000	10,00,000

Schedules forming parts of Accounts for the year ended 31st March, 2008

	during the year		
B	Net Profit / (Loss) after tax available for equity shareholders (Rs.)	(206753)	159968
C	Basic and diluted income / (Loss) per share (in rupees) {B/A (iii)}	0.21	0.16

- The basic earnings per share ("EPS") are computed by dividing the net profit /(loss) after tax for the year by the weighted average number of equity shares outstanding during the year.
- The Company does not have any dilutive potential equity shares. Consequently the basic and diluted earning per share of the company remains the same.

11) **Related parties transactions : NIL**

12) **Primary Segment Reporting:**

The company's main business is dealing in shares and securities and financial activities. There is no reportable segment as per accounting standard 17 on Segmental reporting.

13) Previous year's figures have been regrouped / reclassified and rearranged wherever necessary to confirm current year's classification.

As per our Report of even date attached

For Vasudev Pai & Co.
Chartered Accountants

J. Vasudev Pai

T. Vasudev Pai
Proprietor
Mem. No. 20906



For and on behalf of the Board

[Signature]

Director

[Signature]
Director



Place : Mumbai
Date : 30th June, 2008