

**CHAIRMAN**

*Mr. Asgar S. Patel*

**WHOLE-TIME DIRECTOR**

*Mr. Sameer Mardolkar*

**DIRECTORS**

*Mr. P. S. G. Nair*

*Mr. Farrokh S. Broacha*

*Mr. Vinod Agnani*

*Mr. Khizer Ahmed*

**MANAGER**

*Mr. Bhaskar Rao P.*

**COMPANY SECRETARY**

*Mr. Haroon N. Mansuri*

**AUDITORS**

M/s. Anil A. Mehta & Company  
Chartered Accountants, Mumbai

**LEGAL ADVISORS**

M/s. Crawford Bayley & Company  
Mr. F. S. Broacha

**BANKERS**

Bank of Baroda  
Vijaya Bank  
UTI Bank Limited  
State Bank of Bikaner and Jaipur

**REGISTERED AND CORPORATE OFFICE**

"Natasha",  
52, Hill Road,  
Bandra (West),  
Mumbai-400 050.

**REGISTRARS AND SHARE TRANSFER AGENTS**

M/s. Computronics Financial Services (I) Limited.  
1, Mittal Chambers,  
Nariman Point,  
Mumbai 400 021.

Contents	Page No.
Notice	2-11
Directors' Report	12-15
Report on Corporate Governance	16-21
Management Discussion and Analysis Report	22
Auditors' Report	23-25
Balance Sheet	26
Profit and Loss Account	27
Schedules (A to O)	28-34
Notes to Accounts (Sch. - P)	35-41
Balance Sheet Abstract	42
Cash Flow Statement	43-44

17th Annual General Meeting : Monday, 25<sup>th</sup> October, 2004 at 11.00 a.m at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai 400 049.

*Members are requested to bring their copy of the Annual Report to the Annual General Meeting*



## NOTICE

NOTICE is hereby given that the 17<sup>th</sup> Annual General Meeting of the members of WALL STREET FINANCE LIMITED will be held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai-400 049, on Monday, 25<sup>th</sup> day of October, 2004 at 11.00 a.m to transact the following business:

1. To receive, consider and adopt the audited Balance Sheet and the Profit and Loss Account as at and for the year ended 31<sup>st</sup> March, 2004 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Asgar S. Patel, who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Khizer Ahmed, who retires by rotation and, being eligible, offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this Meeting till the conclusion of the next Annual General Meeting of the Company, and to fix their remuneration.
5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that Mr. P. S. G. Nair an Additional Director of the Company, who, under section 260 of the Companies Act, 1956 holds office only up to the date of this Annual general meeting and in respect of whom the Company has received a notice in writing from a member under section 257 and other applicable provisions, if any, of the said Act proposing his candidature for the office of the Director of the Company, be and is hereby appointed as a Director of the Company.”

6. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that consent of the members be and is hereby accorded, pursuant to the provisions of sections 269, 309, 198, 310, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) to the appointment of Mr. Sameer Mardolkar as Whole-Time Director of the Company for a period of 1 (one) year and 243 (Two Hundred Forty Three) days with effect from 1<sup>st</sup> August, 2004 on the terms and conditions (including remuneration and minimum remuneration payable to him in case of absence or inadequacy of profits in any year), as set out in the draft agreement between the Company and Mr. Mardolkar produced at this meeting and, for the purpose of identification, initialed by the Chairman hereof;

RESOLVED FURTHER that the Board be and is hereby authorized to execute the Agreement, in terms of the said draft, with such alterations, changes and / or variations in the remuneration payable to Mr. Mardolkar as may be agreed between the Directors and Mr. Mardolkar provided that the said remuneration as altered, changed or varied shall be within the limits prescribed therefore under Schedule XIII of the Act for the time being and from time to time in force;

AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorized to execute all such documents and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper.”

7. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

“RESOLVED that consent of the members be and is hereby accorded, pursuant to the provisions of sections 387, 388, 198, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956 (“the Act”) to the appointment of Mr. Bhaskar Rao P. as Manager of the Company (designated as “Chief Operating Officer”) for a period of 3 years with effect from 1<sup>st</sup> April, 2004 on the terms and conditions (including remuneration and minimum remuneration payable to him in case of absence or inadequacy of profits in any year), as set out in the draft agreement between the



**WALL STREET  
FINANCE LTD.**

Company and Mr. Bhaskar Rao P. produced at this meeting and, for the purpose of identification, and initialed by the Chairman thereof;

RESOLVED FURTHER that the Board be and is hereby authorized to execute the Agreement, in terms of the said draft, with such alterations, changes and or variations in the remuneration payable to Mr. Bhaskar Rao P. as may be agreed between the Directors and Mr. Bhaskar Rao P. provided that the said remuneration as altered, changed or varied shall be within the limits prescribed therefore under Schedule XIII of the Act for the time being and from time to time in force;

AND RESOLVED FURTHER that for the purpose of giving effect to this Resolution, the Board be and is hereby authorised to execute all such documents and to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary, expedient or proper”.

***Registered Office :***

‘Natasha’, 52 Hill Road,  
Bandra (West),  
Mumbai-400 050.

Dated : 23<sup>rd</sup> September, 2004

By order of the Board

**HAROON N. MANSURI**  
**Company Secretary**



## 17TH ANNUAL REPORT 2003-2004

### NOTES :

1. The relevant Explanatory Statement as required by Section 173 (2) of the Companies Act, 1956 is annexed hereto, in regards to item nos. 5, 6 & 7 of the notice.
2. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, AND A PROXY NEED NOT BE A MEMBER. IN ORDER PROXIES TO BE EFFECTIVE PROXIES MUST REACH BE DEPOSITED AT THE COMPANY'S REGISTERED OFFICE NOT LESS THAN 48 HOURS BEFORE THE MEETING.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 19<sup>th</sup> October, 2004 to 25<sup>th</sup> October, 2004 (both days inclusive).
4. All unclaimed dividends up to the final dividend for the year 1995-96 have been transferred either to the General Revenue Account of the Central Government or to the credit of the Investor Education and Protection Fund ('the Fund'), as the case may be. Shareholders are hereby informed that the Company will be obliged to transfer any money lying in the Unpaid Dividend Accounts, for the years thereafter, to the credit of the said Fund, pursuant to Section 205C of the Companies Act, 1956 ("The Act"). In accordance with the provisions of said Section, no claim shall lie against the Company or the Fund in respect of individual amounts of dividends remaining unclaimed and unpaid for a period of seven years from the dates they became first due for payment and no payment shall be made in respect of any such claims.
5. Members are requested to :
  - a) intimate to the Company or its present Registrar & Share Transfer Agents viz. M/s. Computronics Financial Services (I) Limited, 1 Mittal Chambers, Nariman Point, Mumbai – 400 021, changes if any, in their present address at an early date;
  - b) quote the Folio No. in all correspondence ;
  - c) members who hold shares in dematerialized form are requested to bring their client ID and DP ID numbers for easy identification of attendance at the meeting ;
  - d) members holding shares under multiple folios in the identical order of names are requested to consolidate their holding in to one folio.

### INFORMATION ABOUT DIRECTORS PROPOSED TO BE APPOINTED / RE-APPOINTED

{ In pursuance to Clause 49 of the Listing Agreement }

- 1) **NAME** : MR. ASGAR S. PATEL
- AGE** : 65 years
- QUALIFICATIONS** : B. A.
- EXPERTISE** : One of the pioneers of the organized transportation of goods in India with vast experience in the fields of Finance, Forex, Couriers, Construction and Logistics.
- PARTICULARS OF APPOINTMENT/ RE-APPOINTMENT** : Mr. Asgar S. Patel the Chairman of the Company since its inception, retires by rotation at ensuing Annual General Meeting and is proposed to be re-appointed as the Director of the Company.

<b>OTHER DIRECTORSHIPS</b>	<b>NAME OF THE COMPANY</b>	<b>POSITION HELD</b>
	a) Patel Roadways Limited	Chairman
	b) Patel On – Board Couriers Limited	Chairman
	c) Wall Street Housing & Finance Corporation Limited	Chairman
	d) Wall Street Securities & Investments (India) Limited	Chairman
	e) Wall Street.Com India Limited	Chairman
	f) Springfield Hotels Limited	Chairman
	g) Natasha Constructions Limited	Director
	h) Patel Institute of Transport Management & Research	Director
	i) World Wide Instant Remittances Pvt. Ltd.	Director
	j) Money Changers Association	Director



**\*CHAIRMANSHIP(S)  
/MEMBERSHIP(S) OF  
COMMITTEES AS ON  
31/03/2004**

2) **NAME** : MR. KHIZER AHMED

**AGE** : 63 years

**QUALIFICATIONS** : M.A (Economics), CAIIB

**EXPERTISE** : Mr. Khizer Ahmed retired as Executive Director from Reserve Bank of India (RBI), after an illustrious career wherein he handled plethora of functions like Exchange Control, Banking Supervision, Management of Public Debt and Foreign Exchange Reserve etc. He has also served as the faculty member of Banker's Training College at Mumbai and on the Boards of esteemed organization like Canara Bank and Export Credit and Guarantee Corporation of India.

**PARTICULARS OF  
APPOINTMENT/  
RE-APPOINTMENT** : Mr. Khizer Ahmed is a Director of the Company since 30<sup>th</sup> January, 2003. He retires by rotation at the ensuing Annual General Meeting and is proposed to be re-appointed as a Director of the Company.

**OTHER DIRECTORSHIPS** : NIL

<b>*CHAIRMANSHIP(S) /MEMBERSHIP(S) OF COMMITTEES AS ON 31/03/2004</b>	<b>NAME OF THE COMPANY</b>	<b>TYPE OF COMMITTEE</b>	<b>POSITION HELD</b>
	a) Wall Street Finance Limited	Audit Committee	Member
	b) Wall Street Finance Limited	Remuneration Committee	Member

3) **NAME** : MR. P. S. G. NAIR

**AGE** : 60 years

**QUALIFICATIONS** : B.Sc. (Hons.), A.C.A.

**EXPERTISE** : Mr. P. S. G. Nair has vast experience in the fields of Accountancy, Audit, Finance, Forex, Company Law and Taxation matters.

**PARTICULARS OF  
APPOINTMENT/  
RE-APPOINTMENT** : Mr. Nair was re-appointed by the Board of Directors as the Whole-time Director with effect from 1<sup>st</sup> April, 2003 up to 31<sup>st</sup> March, 2006. However, Mr. Nair has resigned as a Whole-Time Director w.e.f 28<sup>th</sup> July, 2004. The Board has accepted his resignation in a meeting held on 29<sup>th</sup> April 2004.

However, concerning his experience and knowledge on NBFC & Forex matters, the Board of Directors has appointed him as an Additional Director in the Board Meeting held on 30<sup>th</sup> July, 2004.

<b>OTHER DIRECTORSHIPS</b>	<b>NAME OF THE COMPANY</b>	<b>POSITION HELD</b>
	a) Patel Roadways Ltd.	Director
	b) Wall Street Securities & Investments (India) Ltd.	Director
	c) Yasmin Finance & Trading Pvt. Ltd.	Director
	d) Transways Combines Pvt. Ltd.	Director
	e) Patel Management Consultancy Pvt. Ltd.	Director
	f) Wall Street Housing & Finance Corporation Ltd.	Director
	g) Springfield Hotels Ltd.	Director



## 17TH ANNUAL REPORT 2003-2004

<b>*CHAIRMANSHIP(S) /MEMBERSHIP(S) OF COMMITTEES AS ON 31/03/2004</b>	<b>: NAME OF THE COMPANY</b>	<b>TYPE OF COMMITTEE</b>	<b>POSITION HELD</b>
	a) Patel Roadways Limited	Audit Committee	Chairman
	b) Patel Roadways Limited	Shareholders Grievance Committee	Chairman
	c) Patel Roadways Limited	Remuneration Committee	Member
	d) Wall Street Housing & Finance Corporation Limited	Audit Committee	Chairman
	e) Wall Street Housing & Finance Corporation Limited	Shareholders Grievance Committee	Chairman
	f) Wall Street Finance Limited	Shareholders Grievance Committee	Member
<b>4) NAME</b>	<b>: MR. SAMEER MARDOLKAR</b>		
<b>AGE</b>	<b>: 40 years</b>		
<b>QUALIFICATIONS</b>	<b>: B. Sc., M B A in Marketing and Diploma in Advertising</b>		
<b>EXPERTISE</b>	<b>: Mr. Mardolkar has a vast experience in the filed of Marketing, Business Development and Strategic Planning.</b>		
<b>PARTICULARS OF APPOINTMENT/ RE-APPOINTMENT</b>	<b>: Mr. Mardolkar was appointed by the Board of Directors as the Whole-Time Director with effect from 1<sup>st</sup> August 2004, subject to the approval of members at the Annual General Meeting. Member's approval is sought for the appointment of Mr. Sameer Mardolkar as the Whole-Time Director at the ensuing Annual General Meeting.</b>		
<b>OTHER DIRECTORSHIPS</b>	<b>: NAME OF THE COMPANY</b>		<b>POSITION HELD</b>
	a) Patel Institute of Transport Management & Research		Director
	b) Wall Street.Com India Limited		Director
<b>*CHAIRMANSHIP(S) /MEMBERSHIP(S) OF COMMITTEES AS ON 31/03/2004</b>	<b>: NIL</b>		

\* Chairmanship(s)/ Membership(s) of Committees as conceived under clause 49 of the Listing Agreement are only mentioned.



## **ANNEXURE TO THE NOTICE**

Explanatory Statement as required by Section 173 of the Companies Act, 1956

### **Item No. 5**

Mr. P.S.G. Nair was appointed as an Additional Director of the Company at the Meeting of the Board of Directors of the Company held on 30<sup>th</sup> July 2004. The Company has, pursuant to section 257 of the Companies Act, 1956, received a notice along with a deposit of Rs.500/- (Rupees Five Hundred only) from a member proposing the candidature of Mr. P.S.G. Nair for the office of Director.

Mr. P.S.G. Nair is an Honors Graduate from Science faculty and an Associate Member of the Institute of Chartered Accountants of India. Mr. Nair has more than three decades of experience in the fields of Accounting, Audit, Finance, Forex, Taxation and Company law matters

Your Directors feel that his presence on the Board will be beneficial to the Company and therefore recommend the passing of the resolution at item no. 5 of the Notice.

Save and except Mr. P.S.G. Nair, none of the Directors is concerned or interested in the passing of this resolution.

### **Item No. 6**

Your Directors have, subject to the approval of the Company's members in the General Meeting, appointed Mr. Sameer Mardolkar as the Whole-time Director of the Company, for a period of one year and 243 days from 1<sup>st</sup> August, 2004, on the terms and subject to conditions set out in the draft agreement referred to in the resolution at item no.6 of the Notice. The material terms, including remuneration, of the said Agreement are as follows:

(A) PERIOD : One year and 243 days i.e. from 1<sup>st</sup> August, 2004 to 31<sup>st</sup> March, 2006.

(B) REMUNERATION :

- (i) a salary of Rs. 54,500/- (Rupees Fifty four thousand five hundred only) with liberty to the Board to grant or withhold increments as deemed fit;
- (ii) Medical reimbursement of Rs. 1,250/- per month.
- (iii) Use of a motor-car of the Company, with driver, for the Company's business. All running and maintenance expenses therefore to be borne and paid by the Company provided that the cost of petrol for personal use, if any, of the car shall be reimbursed by the Whole-time Director to the Company;
- (iv) Benefit of the Company's Provident Fund Scheme and the Superannuation or Annuity Fund Scheme for the time being in force;
- (v) Gratuity in accordance with the Rules of the Company for the time being;
- (vi) 24 days Privilege leave for each completed year of service, the said leave being accumulatable and encashable as per Company's policy;
- (vii) Benefit of 10 days sick and 6 days casual leave per year as per the Company's policy;
- (viii) Personal accident insurance cover (Group Policy) at the cost of the company, premium thereof as may be determined by the Insurance Company;
- (ix) Mediclaim insurance for self, spouse and a child at the cost of the Company. The Premium for which not to exceed Rs.12,000/- per year, subject to normal increase in premium by the insurance company from year to year.
- (x) Use of a fixed line telephone for the Company's business at the Whole-time Director's residence and a mobile telephone. Provided that the cost of personal long distance calls, if any, shall be reimbursed by the Whole-time Director to the Company;

Provided that the under mentioned prerequisites, namely:

- (a) contribution to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, singly or put together, are not taxable under the Income-tax Act, 1961 for the time being and from time to time in force;



## 17TH ANNUAL REPORT 2003-2004

---

- (b) gratuity payable at the rate not exceeding half a month's salary for each completed year of service; and
- (c) encashment of privilege leave at the end of the Whole-time Director's tenure of service,

shall not be included in the computation of the prescribed limit as set out in the Schedule XIII to the Companies Act, 1956 ("the Act").

The remuneration including the perquisites above mentioned shall, nevertheless, be paid and allowed to the Whole-time Director as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year.

### (C) OTHER TERMS:

- (i) The Whole-time Director shall not, without Board's approval, engage himself in any business, occupation or employment competing with the company's business.
- (ii) The Whole-time Director shall not divulge or disclose any confidential information or knowledge as to the business and affairs of the company.
- (iii) In the event of the death of the Whole-time Director during the term of the Agreement the Company shall pay to his legal heirs, his full salary and other emoluments for that month and for three months thereafter.
- (iv) Both parties are entitled to terminate the agreement by giving 90 day's notice in writing.

Mr. Sameer Mardolkar is a Graduate from the Science Faculty and also has Masters degree in Marketing Management from the Mumbai University. In addition to this he has a diploma in Advertising Management from Mumbai University. Mr. Mardolkar has more than 18 years experience in the fields of Marketing, Project Planning and Co-ordination and General Management. Mr. Mardolkar has successfully handled Forex division of the company for two years.

The appointment and payment of remuneration to Mr. Sameer Mardolkar, as the Whole-time Director of the Company, has been approved by the Remuneration Committee of the Board of Directors of the Company at their meeting held on 30<sup>th</sup> July 2004. The Remuneration Committee, while approving the appointment and remuneration of Mr. Mardolkar took in to account the qualifications and experience of Mr. Mardolkar as well as the responsibilities to be shouldered by him as well as his past performance and past remuneration along with the financial position of the Company and trend in the industry,. The remuneration payable to Mr. Mardolkar is in conformity with table B of clause 1 of section II of Schedule XIII to the Companies Act, 1956 and that the minimum remuneration payable to in the case of loss or inadequacy of profits was also within the limits prescribed under section II of part II of the Schedule XIII to the Companies Act, 1956.

Your Directors are of the view that the appointment of Mr. Sameer Mardolkar as Whole-time Director is in the interest of the Company and shareholders and, accordingly, commend the resolution at item no. 6 of the Notice for the approval of members.

The draft agreement between the Company and Mr. Sameer Mardolkar, is available for the inspection of members at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays.

Mr. Sameer Mardolkar is concerned/interested in the passing of the resolution at item no. 6 of the Notice as it relates to his appointment and the remuneration payable to him.

None of the other Directors is concerned or interested in the passing of the resolution at this item.

This Explanation together with the accompanying Notice is and shall be treated as an abstract of the terms of contract and memorandum of interest under section 302 of the Companies Act, 1956.

### ITEM NO.7

Your Directors have, subject to approval of Company's members at the General Meeting, appointed Mr. Bhaskar Rao P. as the Manager (designated as the 'Chief Operating Officer') under the Companies Act, 1956, for a period of three years from 1<sup>st</sup> April 2004, on the terms and subject to conditions set out in the draft agreement referred to in the resolution at item no.7 of the Notice. The material terms, including remuneration, of the said agreement are as follows:





(A) PERIOD : Three years from 1<sup>st</sup> April, 2004 i.e. up to 31<sup>st</sup> March, 2007.

(B) REMUNERATION :

- (i) A Basic salary of Rs. 45,300/-, with liberty to the Board to grant or withhold increments as deemed fit;
- (ii) H.R.A of Rs.10,615/- per month;
- (iii) Fixed Allowance of Rs. 5,733/- per month;
- (iv) Medical Allowance of Rs. 1,250/- per month;
- (v) Use of a motor-car with driver for the Company's business;
- (vi) Benefit of the Company's Provident Fund Scheme and the Superannuation or Annuity Fund Scheme for the time being in force;
- (vii) Gratuity in accordance with the Rules of the Company;
- (viii) Benefit of sick and casual leave in accordance with the rules of the Company for the time being and from time to time in force;
- (ix) 24 days Privilege leave with full pay and allowances for each completed year of service, the said leave being accumulatable and encashable;
- (x) Leave Travel Allowance for self and the family as per the Rules of the Company;
- (xi) Personal Accident Insurance cover at the cost of the Company, provided the actual premium thereof does not exceed Rs. 4,000/- per year;
- (xii) Use of telephone at the residence of the Manager, provided that the cost of personal long distance calls, if any, shall be reimbursed by the Manager to the Company;
- (xiii) Fees including subscription of clubs wherein the Manager is, or may become, a member of, subject to maximum of two clubs;

Provided that the under mentioned perquisites, namely:

- (a) contributions to Provident Fund, Superannuation Fund or Annuity Fund to the extent these, singly or put together, are not taxable under the Income-tax Act, 1961;
- (b) Gratuity payable at the rate not exceeding half a months salary for each completed year of service; and
- (c) encashment of leave, at the end of the Manager's tenure of service, shall not be included in the computation of the prescribed limit set out in the Schedule XIII.

provided that the remuneration paid shall not in any financial year exceed 5 (five) percent of net profits of the Company (where the Company has only one managerial personnel) OR 10 (ten) percent of net profits (where the Company has more than one managerial personnel) for all of them put together.

The remuneration including the perquisites above mentioned shall, nevertheless, be paid as minimum remuneration for any financial year in case of absence or inadequacy of profits for such year.

(C) **OTHER MAJOR TERMS :**

- (i) The Manager shall not, without Board's approval, engage himself in any business, occupation or employment competing with the company's business.
- (ii) The Manager shall not divulge or disclose any confidential information or knowledge as to the business and affairs of the company.
- (iii) In the event of the death of the Manager during the term of the agreement, the Company shall pay to his legal heirs, his full salary and other emoluments for that month and for three months thereafter.
- (iv) Both parties are entitled to terminate the agreement by giving 90 day's notice in writing, without assigning any reason.



## 17TH ANNUAL REPORT 2003-2004

Mr. Bhaskar Rao P. is a Graduate from Science faculty, M. A. in Economics, CAIIB a Diploma in International Banking from Indian Institute of Bankers and also an MBA in Banking & Finance from Indira Gandhi National Open University. Mr. Bhaskar Rao P. has more than 16 years experience in the fields of Money Management, Finance, International Banking Foreign exchange and remittances with leading banks. Mr. Bhaskar has successfully handled the Southern Region of the Company for the last three years.

The appointment and payment of remuneration to Mr. Bhaskar Rao P. as the Manager of the Company, has been approved by the Remuneration Committee of the Board of Directors of the Company at their meeting held on 20<sup>th</sup> April, 2004. The Remuneration Committee, while approving the appointment and remuneration of Mr. Bhaskar took into account the financial position of the Company, trend in the industry, qualifications and experience of Mr. Bhaskar as well as his past performance and past remuneration.

In view of the Remuneration Committee, Mr. Bhaskar has requisite qualifications and experience to handle operations of the Company and his past performance, has been satisfactory.

Your Directors are of the view that the appointment of Mr. Bhaskar Rao P. as the Manager is in the interest of the Company and shareholders and accordingly, commend the resolution at item no. 7 of the notice for the approval of members.

The draft agreement between the Company and Mr. Bhaskar Rao P. is available for the inspection of members at the Registered Office of the Company between 10.30 a.m. to 12.30 p.m. on all working days except Saturdays.

Mr. Bhaskar Rao P. is concerned/interested in the passing of the resolution at item no. 7 of the Notice as it relates to his appointment and the remuneration payable to him.

None of the Director is concerned or interested in the passing of the resolution at item no.7 of the Notice.

This Explanation together with the accompanying Notice is and shall be treated as an abstract of the terms of contract and memorandum of interest under section 302 of the Companies Act, 1956.

The information as required under table B of Clause 1 of section II of Part II of Schedule XIII to the Companies Act, 1956 is given below :

### I General Information :

#### 1. Nature of industry

The Company is engaged in the business of Money Changing, Inward Remittances, Hire Purchase, Leasing, Bill Discounting and other Financial Services.

#### 2. The date of commencement of commercial production or services : 12<sup>th</sup> May, 1986

#### 3. Financial performance based on given indicators as per audited financial results for the year ended 31<sup>st</sup> March, 2004.

Particulars	Amount (Rs. lacs)
Sales & Other Income	2296.85
Profit after tax as per Profit & Loss Account	86.00
Accumulated Profit	40.70
Net worth	1,253.26

#### 4. Export performance & net foreign exchange collaborations

Particulars	Amount (Rs. lacs)
Export performance (export of foreign currencies)	48,225.39
Net foreign Exchange Collaborations	NIL

#### 5. Foreign Investments or Collaborations, if any – Not Applicable



**II Information about the appointees :**

Sr. No.	Particulars	Whole Time Director	Manager
1.	Name	Mr. Sameer Mardolkar	Mr. Bhaskar Rao P.
2.	Age	40 years	43 years
3.	Qualifications	B. Sc., M B A in Marketing Management and Diploma in Advertising	B. Sc., M. A. in Economics, CAIIB, Diploma in International Banking and MBA in Banking & Finance
4.	Expertise	Has more than 18 years of experience in Marketing, Project planning & co-ordination and General Management	Has more than 16 years of experience in the fields of Money Management, Finance, International Banking, Foreign Exchange and remittances with leading banks.
5.	Other Directorships	a) Patel Institute of Transport Management & Research – Director b) Wall Street. Com India Ltd. – Director	NIL
6.	Chairmanship(s)/Membership(s) of the Committees as on 31.03.2004	NIL	NIL
7.	Past remuneration during the Financial year ended 31 <sup>st</sup> March, 2004	For four months from Patel Roadways Ltd. Rs. 1,85,400/- Vice President - South Rs. 5,75,004/-	From Wall Street Finance Ltd. for the Fin. Year 2003-2004 as Asst.
8.	Recognition of awards	NIL	NIL
9.	Remuneration proposed	Rs. 54,500/- p. m. plus perquisites and benefits as mentioned above p.m. plus perquisites and benefits as mentioned above	Rs. 45,300/-, H. R. A. Rs. 10,615/- & Fixed Allowance Rs. 5,733/-
10.	Comparative remuneration profile with respect to industry, Size of the Company, profile of the position and the person	After taking in to consideration the size of the Company, the profile of the appointees, the respective responsibilities to be shouldered by them, the remuneration proposed appears to be reasonable and at par with other companies of same size in the industry.	
11.	Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel, if any	NIL	NIL

**III Other Information :**

1. Reasons for loss or inadequate profits

The Company has been consistently making profits. However, considering the responsibilities that will be shouldered, the remuneration payable to Mr. Sameer Mardolkar and Mr. Bhasker Rao P. falls under Schedule XIII of the Companies Act, 1956.

2. Steps taken or proposed to be taken for improvement.

And

3. Expected increase in productivity and profits in measurable terms

The Company has implemented various corrective steps and cost reduction measures so as to improve its operational efficiencies. These include in reduction in fixed costs, prompt and better customer service, better product mix etc. The Company is also exploring the possibilities of increasing new service areas and adding new branches which may yield better performance of the Company.

Registered Office :  
'Natasha', 52 Hill Road,  
Bandra (West),  
Mumbai-400 050.  
Dated : 23<sup>rd</sup> September, 2004.

By order of the Board

**HAROON N. MANSURI**  
Company Secretary



## DIRECTORS' REPORT

To

The Members of Wall Street Finance Limited

Your Directors are pleased to present the 17<sup>th</sup> Annual Report of your Company along with the Audited Statement of Accounts for the year ended 31<sup>st</sup> March, 2004. The Company has obtained the necessary approval from the Registrar of Companies, Maharashtra, Mumbai for holding the general body meeting beyond the period of twelve months from the date of last Annual General meeting.

### FINANCIAL RESULTS

The financial results of the Company for the year under review are summarised below :

	<b>Year ended 31<sup>st</sup> March, 2004 (Rs. lacs)</b>	Year ended 31 <sup>st</sup> March, 2003 (Rs. lacs)
Profit before interest, depreciation and tax	<b>404.03</b>	661.16
Less : interest	<b>270.91</b>	386.77
Profit before depreciation and tax	<b>133.12</b>	274.39
Less : depreciation	<b>44.62</b>	80.55
Operating profit	<b>88.50</b>	193.84
Less : provision for NPA as per RBI guidelines	-	134.79
Net Profit / (Loss) before tax	<b>88.50</b>	59.05
Less : provision for tax :		
a) Current tax	-	4.75
b) Wealth tax	<b>2.50</b>	2.50
c) Deferred tax	-	22.61
Profit / (Loss) after tax	<b>86.00</b>	29.19
Add : Provision for deferred tax for previous years	-	48.52
Profit before appropriations	<b>86.00</b>	77.71
Less : short provision for tax for earlier years	<b>6.26</b>	-
Less : transfer to statutory reserve u/s 45 1C of RBI Act, 1934	<b>17.70</b>	34.82
Add : balance of Profit / (Loss) brought forward	<b>(21.34)</b>	(64.23)
Surplus / (deficit) carried to Balance Sheet	<b>40.70</b>	(21.34)

### DIVIDEND

Though the Company has made a modest profit for the year in order to conserve the resources of the Company and deploy the same for future requirements, your Directors do not recommend dividend for the year under review.

### OPERATIONS

Foreign Exchange and Inward Remittances are the two main business areas of your Company for the last few years. Though your Company is a registered Non-Banking Finance Company (NBFC), it has refrained from re-entering the financing business, as the current market scenario and the interest regime are not conducive for this business. However, your Company is focused on recovering all its over dues from its defaulters as far as NBFC activities are concerned.

During the year 2003-04, your Company was able to establish itself firmly in the wholesale forex market as the major exporter of surplus foreign currencies, inspite of increasing competition, especially from new generation private sector banks. The total exports of foreign currency during the year touched Rs. 482.25 crores as against Rs. 420.34 crores in the



## **DIRECTORS' REPORT** (Contd...)

previous year, a growth of nearly 15%. Your Company has adopted the franchisee route to increase its network throughout the country, with the objective of reaching the ultimate retail customers to procure foreign currencies. Your Company has more than 100 franchisees in operation and believes this strategy would help your Company to stay ahead of competition in terms of volumes and margins.

With plastic money slowly replacing hard currency and travellers cheques, your Company has tied-up with UTI Bank, to market their Travel Currency Cards, and is today one of their largest channel partners for this product. We expect a large market shift from travellers cheques to such prepaid currency cards in the near future and your Company is fully geared to exploit this emerging market. Your Company has also installed UTI Bank EDC machines to provide cash withdrawal facilities against international debit and credit cards for its customers. Continuing our retail initiative, we have also tied-up with ICICI Lombard for marketing their Overseas Travel Insurance Policies. Your Company has also associated itself with ICICI Prudential to market their entire range of life insurance services on a referral basis.

The Inward Remittance business continues to grow at a rapid pace. As you might be aware, your Company is one of the largest agents of Western Union amongst 25 main agents in South Asia and was adjudged the best agent consecutively for three years, from 2001 onwards. During the year 2003-2004, your Company paid out more than Rs. 500 crores through its network of 2030 agents. The Inward Remittance market itself is growing at a very high growth rate and your Company is ideally poised to take advantage of this opportunity and improve its volumes and profitability through this business over the next few years.

### **ACCOUNTS**

Observations in the Auditors' Report read with relevant notes forming part of the accounts are self-explanatory and give the required information.

The members may recall the resolution passed in the last annual general meeting for set-off of reserves against the Non Performing Assets as on 31<sup>st</sup> March 2003. Accordingly the Company had filed the necessary petition in the High Court Judicature at Bombay for seeking their confirmation for reduction of the capital as on 1<sup>st</sup> April 2003. Your Directors are pleased to inform you that the High Court Judicature at Bombay has passed the necessary order, confirming the Company to reduce the capital as envisaged in the special resolution passed by the shareholders at the AGM held on 29<sup>th</sup> September 2003.

Based on the above order, the Company has given effect to the said resolution, in the accounts, by setting-off an amount of Rs. 822.00 lacs out of the balance outstanding to the credit of reserves other than the statutory reserves (credited as per the Reserve Bank of India Act, 1934) of the Company as on 31<sup>st</sup> March 2003 against Non Performing Assets. The Balance Sheet of your Company now reflects the real networth of the Company and gives a better picture on the return on investments.

You will be pleased to observe that even after the reduction of capital, the paid up capital of the Company remains unchanged and the Company's financial position continues to remain sound.

You will also be pleased to note that though we have set-off the NPAs against the reserves, the Company continues to vigorously follow-up on the legal proceedings to recover the amounts due from various parties. Such amounts, as and when recovered, will be recognized / accounted as Company's income and will be available for distribution to the shareholders.

Your Company, has two distinct activities namely, Foreign Exchange and Inward Remittance Services in addition to its erstwhile financial services division. In case of foreign exchange and inward remittance activities, the general accounting principles, which are considered appropriate are adopted, whereas in the case of financial services, prudential norms (Reserve Bank) Directions, 1998, are adopted for making provisions.

### **RESOURCE MOBILISATION**

With the continuous fall in the interest rates, our focus has been to reduce high cost deposits and long-terms debts. We continued with our policy of not accepting fresh deposits but only renewing existing deposits of minimum Rs.10,000/- at the discretion of the deposit holders and that too for a minimum period of three years. The interest has also been brought down to a modest 9%. These steps have resulted in a reduction in the deposit base of your Company as desired, which now stands at Rs. 1064.68 lacs as on 31<sup>st</sup> March 2004 as against Rs. 1286.11 lacs as on 31<sup>st</sup> March 2003, a net reduction of Rs. 221.43 lacs. As on date, your Company has fully repaid all its bankers in respect of the term loan taken for HP/Leasing activities and presently has bank facilities only for its foreign exchange and inward remittance business.



## **DIRECTORS' REPORT** (Contd...)

### **FUTURE PROSPECTS:**

With the continuous liberalization of the economy and the expected capital account convertibility, coupled with the revival of the economy has created a boom in the leisure/travel business. This augments well for the foreign exchange business of your Company and we expect a minimum 15% growth in the export of foreign currencies. Development of the franchisee network will extend our reach to the end customer thereby improving the foreign currency volumes and margins.

We also expect to continue our rapid growth in the inward remittance business and the trend indicates that during the current year we will be able to deliver improved results both in volumes and profitability. In addition, the new retail products like UTI Bank Travel Currency Cards and ICICI Lombard Overseas Travel Insurance Policies will augment the retail revenue stream. As such, your Company is confident of emerging stronger and more profitable in the coming years.

### **GENERAL:**

Your Company continues to be registered as a Non-Banking Finance Company (NBFC) and is required to meet the various prudential norms of RBI. The capital adequacy of your Company as on 31<sup>st</sup> March, 2004 is 55.02% on the basis of the returns submitted to the Reserve Bank of India, as against the requirement of 15%. Though your Company is permitted to accept deposits, our focus has been to reduce the deposit base and the various steps mentioned elsewhere has given us the desired results. As mentioned earlier, your Company has stopped accepting fresh deposits from 1<sup>st</sup> January 2002.

As you might be aware, your Company is an Authorized Money Changer, licenced by the Reserve Bank of India and the present license is valid up to 31<sup>st</sup> December 2005. Similarly, the licenses issued by RBI to your Company for Inward Money Remittance have also been suitably renewed for a period of one year.

Your Company continues to honour all its obligations with respect to repayment of deposits and other statutory payments on due dates. Your Company continues to enjoy at par facilities for payment of interest to fixed deposits holders. Your Company has no overdue deposits other than unclaimed deposits aggregating to Rs. 59.94 lacs as on 31<sup>st</sup> March 2004, for which reminders have been sent to the concerned deposit holders. Your Company continues to have a minimum investment rating.

The Company does not have any unclaimed deposits, which are required to be transferred to the Investor Education and Protection Fund.

### **DIRECTORS**

During the year under consideration, Mr. Michael Mascarenhas, resigned as a Director of the Company. The Board of Directors sincerely appreciate the contribution of Mr. Michael Mascarenhas as a Director of the Company.

Mr. A.S. Patel and Mr. Khizer Ahmed, Directors of the Company, retire by rotation at the ensuing annual general meeting and, being eligible, have offered themselves for re-appointment.

Mr. P.S.G. Nair has resigned as the Whole-time Director of the Company, effective from 28<sup>th</sup> July 2004. He has been appointed as an Additional Director by the Board of Directors of the Company at their meeting held on 30<sup>th</sup> July 2004. It is proposed to appoint him as a Director of the company at the ensuing annual general meeting. The Company has received a notice with the deposit of Rs. 500/- from a member, proposing the candidature of Mr. Nair for the office of Director under section 257 of the Companies Act, 1956.

The Board of Directors subject to the approval of the members in the Annual General Meeting appointed Mr. Sameer Mardolkar as the Whole Time Director Company for the period of one year and 243 days from 1<sup>st</sup> August, 2004.

### **MANAGER**

The Board of Directors, subject to the approval of members at the ensuing Annual General Meeting, appointed Mr. Bhaskar Rao P. as the Manager (designated as "Chief Operating Officer") under the Companies Act, 1956, for the period of three years from 1<sup>st</sup> April 2004.

### **AUDITORS**

M/s Anil A. Mehta & Company, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing annual general meeting and being eligible have offered themselves for re-appointment.



## **DIRECTORS' REPORT** (Contd...)

### **CORPORATE GOVERNANCE**

To comply with conditions of Corporate Governance, pursuant to clause 49 of the listing agreement with the Stock Exchange, a Management Discussion and Analysis Report, Corporate Governance Report and Auditors' Certificate, are included in the Annual Report.

### **DELISTING OF SHARES**

The ordinary Shares of the Company have been delisted from the Stock exchanges of Bangalore, Cochin, New Delhi and Pune. The shares of the company are now listed on The Stock Exchange – Mumbai only.

### **DISCLOSURES**

Particulars under the Companies (Disclosures of particulars in the Report of Board of Directors) Rules, 1988 on Conservation of Energy and Technology Absorption are not applicable to your Company. Earnings and outflow on account of foreign exchange have been disclosed in the notes to the accounts. Cash flow statement pursuant to clause 32 of the listing agreement forms part of this annual report.

### **EMPLOYEES**

There were no employees during the year under consideration, drawing remuneration as per the limits prescribed u/s 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975, and in respect of whom, a statement is required to be enclosed to this Report.

### **DIRECTORS RESPONSIBILITY STATEMENT**

The Board of Directors of the company confirm that :

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
- (ii) the selected accounting policies were applied consistently and the Directors made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31<sup>st</sup> March, 2004 and of the profit of the company for the year ended on that date;
- (iii) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) the Annual Accounts have been prepared on a going concern basis.

### **APPRECIATION**

Your Directors would like to place on record their appreciation for the assistance received from Reserve Bank of India, bankers, shareholders, fixed deposit holders, credit rating agency, business associates and customers during the year under review.

For and on behalf of the Board

For **WALL STREET FINANCE LIMITED**

*Registered Office :*  
'Natasha', 52 Hill Road,  
Bandra (West),  
Mumbai-400 050.

**Sameer Mardolkor**  
Whole-time Director

**P. S. G. Nair**  
Director

**Vinod Agnani**  
Director

**F. S. Broacha**  
Director

**Khizer Ahmed**  
Director

Mumbai, 23<sup>rd</sup> September, 2004



## REPORT ON CORPORATE GOVERNANCE

[Pursuant to clause 49(VII) of the listing agreement]

### (a) Company's philosophy on the Corporate Governance :

The Company strongly believes in the values of transparency, professionalism and accountability, which are the mainstay of good corporate governance. The Company has consistently practiced good corporate governance and will endeavor to improve on it on the ongoing basis.

### (b) The Board of Directors :

The Board of Directors has a judicious mix of Executive and Non-Executive Directors. The Board of Directors comprises of a Non-Executive Chairman, one Whole-time Director and four Non-Executive Directors.

During the financial year ended 31<sup>st</sup> March, 2004, ten Board Meetings were held as under :

1 <sup>st</sup> April, 2003	29 <sup>th</sup> April, 2003	29 <sup>th</sup> July, 2003	14 <sup>th</sup> August, 2003
26 <sup>th</sup> September, 2003	29 <sup>th</sup> September, 2003	30 <sup>th</sup> October, 2003	5 <sup>th</sup> December, 2003
7 <sup>th</sup> January, 2004	27 <sup>th</sup> January, 2004	–	–

The composition of the Board of Directors as at 31<sup>st</sup> March, 2004, their attendance at board meetings held during the year ended on that date and also at the last annual general meeting as also number of other directorships and chairmanships/memberships of committees held by them as at that date are as given below:

Sr. No.	Name of the Director	Category of Directorship	No. of Board Meetings Attended	Attendance at the last A.G.M.	No. of other Directorships (Incl. Private Limited Companies)	Committee Chairmanships/ Memberships	
						Chairman	Member
1	Mr. Asgar S. Patel	NEC	3	Yes	10	–	–
2	Mr. P.S.G. Nair	WTD	8	Yes	7	4	2
3	Mr. F.S. Broacha	NED	9	Yes	6	2	7
4	Mr. Vinod Agnani	NED	10	Yes	2	1	1
5	Mr. Mohammed Tariq	NED *	–	No	–	–	–
6	Mr. Michael Mascarenhas	NED **	–	No	–	–	–
7	Mr. Khizer Ahmed	NED	4	No	–	–	2

\* Ceased to be a Director with effect from 29<sup>th</sup> April, 2003.

\*\* Ceased to be a Director with effect from 2<sup>nd</sup> January, 2004

NEC – Non-Executive Chairman

WTD – Whole-time Director

NED – Non-Executive Director

### (c) Audit Committee :

#### 1. Terms of reference :

The scope of work of the Audit Committee includes areas prescribed by clause 49II (D) of the listing agreement and Section 292A of the Companies Act, 1956.

#### 2. Composition :

The Audit Committee comprises of 3 Non-Executive Directors. The Committee met 4 times during the year ended 31<sup>st</sup> March, 2004. The composition of the Audit Committee and attendance of members at meetings of the Committee are as follows:

Sr. No	Name of Member	Status	No. of Meetings Attended
1.	Mr. Vinod Agnani	Chairman	4
2.	Mr. F. S. Broacha	Member	3
3.	Mr. Khizer Ahmed	Member	2





## **CORPORATE GOVERNANCE** (Contd...)

### (d) **Shareholders' Grievance Committee :**

#### **1. Terms of reference :**

To oversee redressal of shareholders'/investors' complaints like transfer of shares, non-receipt of balance sheet, non-receipt of declared dividend etc.

#### **2. Composition :**

The Shareholders' Grievance Committee comprises of a Non-Executive Director and the Whole-time Director i.e. Mr. F. S. Broacha and Mr. P. S. G. Nair. Mr. F. S. Broacha is the Chairman of the Committee.

The Committee met twice during the year ended 31<sup>st</sup> March, 2004. Attendance of members of the Committee at their meetings was as follows:

<i>Sr. No</i>	<i>Name of Member</i>	<i>Status</i>	<i>No. of Meetings Attended</i>
1.	Mr. F. S. Broacha	Chairman	2
2.	Mr. P. S. G. Nair	Member	2

During the year 2003-2004, 12 complaints were received from shareholders/investors.

These complaints have been replied to the satisfaction of the complainants. All valid transfers received during the year 2003-2004 have been acted upon by the company. Pending transfers as at 31<sup>st</sup> March, 2004 have since been given effect to.

### (e) **Remuneration Committee :**

#### **1. Terms of reference :**

To review, assess and recommend appointment of the Executive Director(s)/Manager under the Companies Act, 1956 (The Manager) from time to time, to periodically review remuneration package of the Executive and non-Executive Directors/ the Manager and to recommend suitable revision of remuneration and compensation payable to the non-executive Directors in accordance with the Companies Act, 1956.

#### **2. Composition :**

The Remuneration Committee comprises of 3 Non-Executive Directors i.e. Mr. F. S. Broacha, Mr. Khizer Ahmed and Mr. Vinod Agnani. Mr. F.S. Broacha is the Chairman of the Remuneration Committee.

The Remuneration Committee met on 20<sup>th</sup> April, 2004, to consider the appointment of Mr. Bhaskar Rao P as the Manager of the Company. Based on the recommendations of the Remuneration Committee, the Board of Directors, subject to the approval of the Shareholders at the ensuing Annual General Meeting, have appointed, Mr. Bhaskar Rao P as the Manager as defined under Section 2 (24) of the Companies Act, 1956 for a period of three years commencing from 1<sup>st</sup> April 2004 up to 31<sup>st</sup> March, 2007. All members of the Audit Committee were present at the said meeting of the Remuneration Committee.

#### **3. Details of the Managerial Remuneration paid during the year ended 31<sup>st</sup> March, 2004 :**

Besides the Whole-time Director, the Company does not have any other Executive Director. Details of the remuneration paid to the Whole-time Director, during the year ended 31<sup>st</sup> March, 2004, are given in Notes to Accounts. The Company has not paid any remuneration to Non-Executive Directors during the year ended 31<sup>st</sup> March, 2004, except sitting fees for attending meetings of the Board of Directors and committees thereof and consultancy charges for the professional services rendered by the Directors.

(f) Transfer of shares of the Company are processed by the Share Transfer Agents, Computronics Financial Services (India) Limited and are approved by the Share Transfer Committee. The Share Transfer Committee comprises of 3 Directors of the Company including the Whole-time Director. The Share Transfer Committee met 31 times during the year ended 31<sup>st</sup> March, 2004 and approved transfer of shares of the Company.



## CORPORATE GOVERNANCE (Contd...)

### (g) General body meetings :

Details of the last 3 annual general meetings of the Company are given below :

<i>Year</i>	<i>Date</i>	<i>Time</i>	<i>Venue</i>
2003	29.9.2003	11.30 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz, Mumbai 400 49.
2002	25.9.2002	11.30 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz, Mumbai 400 49.
2001	27.9.2001	11.30 a.m.	Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz, Mumbai 400 49.

No special resolutions were put through the postal ballot last year. No special resolutions on the matters required to be put through the postal ballot are placed for the shareholders' approval at this meeting.

### (h) Disclosures :

1. During the year ended 31<sup>st</sup> March, 2004, there were no transactions of material nature entered into by the Company with the Directors of the Company or their relatives, that has potential conflict with the interest of the Company.
2. There were no instances of Non-compliances on any matter related to the capital markets, during the year ended 31<sup>st</sup> March, 2004.

### (i) Means of communication :

1. Quarterly results of the Company are published in the Free Press Journal (English) and Navshakti (Marathi) newspapers. They are also displayed on the web-page of the Company's group web-site having domain name [www.patel-india.com](http://www.patel-india.com). The quarterly results and shareholding pattern are also available on SEBI's website [www.sebi.gov.in](http://www.sebi.gov.in)
2. Management Discussion and Analysis Report forms part of the annual report.

### (j) General shareholders' information :

1. The Annual General Meeting of the Company for the year 2004 is proposed to be held on 25<sup>th</sup> October, 2004 at the Sheila Raheja Hall, Rotary Service Centre, Juhu-Tara Road, Santacruz (West), Mumbai – 400 049, at 11.00 a.m.
2. **Financial calendar :**

Annual results of the previous year	– End September
Mailing of annual reports	– Early October
First quarter results	– End July
Annual general meeting	– End October
Second quarter results	– End October
Third quarter results	– End January
3. The Book closure will be from 19<sup>th</sup> October, 2004 to 25<sup>th</sup> October, 2004 (both days inclusive).
4. The equity shares of the Company are listed on the stock exchanges at Mumbai, Bangalore, Delhi, Cochin and Pune. In view of low share trading volume, the Company has initiated delisting procedure for Bangalore, Delhi, Cochin and Pune stock exchanges.



**CORPORATE GOVERNANCE** (Contd...)

**5. Stock Code : 511147**

The Monthly High and Low quotations of shares traded on the Stock Exchange, Mumbai are as follows:

<i>Month</i>	<i>Price (Rs.)</i>	
	<i>High</i>	<i>Low</i>
April 2003	3.50	1.10
May 2003	3.40	2.00
June 2003	3.18	2.06
July 2003	3.00	1.93
August 2003	5.00	2.34
September 2003	4.00	1.96
October 2003	4.74	2.01
November 2003	3.29	1.84
December 2003	6.20	2.25
January 2004	5.00	2.40
February 2004	3.00	2.07
March 2004	3.00	1.60

**6. Registrar and Share Transfer Agent :**

The share transfer work of the Company is being looked after by the Share Transfer Agents (STA), Computronics Financial Services (India) Ltd. having office at 1 Mittal Chambers, Nariman Point, Mumbai – 400 021. The STA have the required infrastructure to carry out the share transfer work for the shares in the physical as well as in the dematerialised form including the necessary connectivity with depositories. The STA also accepts and deals with investors' complaints.

**7. Share Transfer System :**

Company's shares are traded in the Stock exchange compulsorily in the dematerialised form. Shares in the physical form which are lodged with the STA for transfer are processed subject to the option under compulsory transfer-cum-demat procedures and the share certificates are either dematted or returned to the concerned person, after transfer.

**8. Distribution of shareholding as on 31<sup>st</sup> March, 2004 :**

<i>No. of Shares</i>	<i>No. of Share Holders</i>	<i>% of Share Holders</i>	<i>Share Holding</i>	<i>% of Shares Held</i>
Up to 500	6,857	82.98	1,472,219	12.67
501-1000	958	11.59	694,610	5.98
1001-2000	269	3.25	379,454	3.26
2001-3000	80	0.97	195,742	1.68
3001-4000	25	0.30	88,834	0.76
4001-5000	24	0.29	110,969	0.96
5001-10000	15	0.18	96,998	0.83
10001 and above	36	0.44	8,586,174	73.86
<b>TOTAL</b>	<b>8,264</b>	<b>100.00</b>	<b>11,625,000</b>	<b>100.00</b>

**CORPORATE GOVERNANCE** (Contd...)**9. The shareholding pattern of the Company as on 31<sup>st</sup> March, 2004 :**

<i>Category</i>	<i>No. of Shares Held</i>	<i>% Shareholding</i>
Promoters' holding (Including Indian and NRI Promoters, Group Companies and Group O.C.Bs)	84,84,878	72.98
Scheduled Banks	500	0.01
Corporate Bodies (Other than Group Companies)	1,14,567	0.98
Non-Resident Indians (Other than Promoters)	425	0.01
Indian Public	30,24,630	26.02
<b>TOTAL</b>	<b>1,16,25,000</b>	<b>100.00</b>

**10. Dematerialisation of shares :**

As on 31<sup>st</sup> March, 2004, 7.16% of the Company's total shares representing 8,32,205 equity shares are held in the dematerialised form and rest of the 92.84% of the equity shares representing 1,07,92,795 equity shares are held in the physical (paper) form.

**11. Address for correspondence :**

The Registered and Corporate Office of the Company is situated at "Natasha", 52 Hill Road, Bandra (West), Mumbai - 400 050.

The shareholder correspondence should be addressed to Computronics Financial Services (India) Limited, 1 Mittal Chambers, Nariman Point, Mumbai - 400 021, the Registrars and Share Transfer Agents of the Company.

Shareholders holding shares in the dematerialised form should address their correspondence to their respective Depository Participants (DP).

**12. The Company has adopted the following non-mandatory requirement on the Corporate Governance recommended under clause 49 of the Listing Agreement.**

A Remuneration Committee comprising of 3 non-executive Directors of the Company is formed for reviewing and deciding the appointment(s) of and remuneration payable to the Executive/Non-Executive Directors and/or the Manager under the Companies Act, 1956, if any, as and when required.



**WALL STREET  
FINANCE LTD.**

## **REPORT REGARDING COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE**

The Members of  
Wall Street Finance Limited,  
Mumbai

We have examined the compliance of conditions of Corporate Governance by Wall Street Finance Limited for the year ended 31<sup>st</sup> March, 2004, as stipulated in Clause 49 of the listing agreement of the 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.

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 in all material respects with the conditions of Corporate Governance as stipulated in the above mentioned listing agreement.

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 Grievance Committee.

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

**For ANIL A. MEHTA & CO.**  
Chartered Accountants

Place : Mumbai  
Date : 23<sup>rd</sup> September, 2004

**Anil A. Mehta**  
Partner (F-30529)



## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

(Within the limits set by the Company's competitive position)

Your Company belongs to a large multinational group, namely, the House of Patels, which has a track record of more than four decades. The Group has interests in the logistics, foreign exchange and remittance businesses with a strong presence in India as well as in the major financial markets of the world.

Your Company was established in 1986 to exploit the large potential of the financial services industry in India. Your Company offered the entire range of financial services like fixed deposits, leasing and hire purchase to the general public. However, in the mid-nineties your Company shifted focus to the foreign exchange and money changing business and set-up a large network of foreign exchange offices throughout the country. Infact, it was one of the first private sector organizations to receive a Full Fledged Money Changers license from RBI.

Today, your Company operates 23 branches as an Authorized Money Changer (AMC) licensed by the RBI. Within the foreign exchange business, your Company has specialized in wholesale foreign exchange and export of currencies and has emerged as a leading player in this field. Your Company strategically extended its network through appointment of franchisees to improve its reach in the wholesale foreign exchange market. The other area which your Company has entered is the Inward Remittance market by tying-up with Western Union Financial Services, USA, the largest money transfer company in the world. In the late 90's, this industry was in its nascent stage and your Company has the first mover advantage resulting in a distinct advantage over its competitors. Today your Company operates one of the largest sub-agent network for inward remittance services in the country. Infact, your Company has been the No. 1 agent of Western Union in South Asia, consistently for the last three years.

On the forex front, your Company is able to leverage on the Group's worldwide presence with respect to export of foreign currencies. On the retail front, your Company associated itself with UTI Bank to market their Travel Currency Cards, which is a product of the future. Your Company is also associated with ICICI Lombard and ICICI Prudential to market their Overseas Travel Insurance and Life Insurance products, respectively. The objective of your Company is to exploit its excellent infrastructure at 23 branches by adding new products to its existing portfolio thereby increasing revenues on a marginal cost basis. The future prospects for foreign exchange and inward remittances are bright in view of the continued liberalization policies adopted by the government and your Company is confident of leveraging its strong brand equity, to convert opportunities into profits for years to come.

Both the products of your Company are exposed to normal business risks but your Company is fully protected through stringent compliance norms and adequate insurance covers including employment fidelity, storage and transit risks.

Your Company has been adopting aggressive marketing strategies in the field to increase its market share with a view to increasing profitability. The financial performance with respect to the two core products of your Company has been satisfying during the year under review and the prospects for the year 2004-05 are encouraging.

Your Company has satisfactory internal control systems, the adequacy of which has been reported by the Auditors in their report as required under the Companies (Auditor's Report) Order, 2003. The discussion on financial performance of the Company is covered in the Directors' Report. The segment-wise performance is available in Schedule – P (10) to the Audited Accounts of the Company. There has been no material development on the Human Resource/Industrial Relations front during the year. The number of people employed as on March 31, 2004 was 191.



## AUDITORS' REPORT

To,

THE MEMBERS OF WALL STREET FINANCE LIMITED

We have audited the attached Balance Sheet of **WALL STREET FINANCE LIMITED**, as at March 31, 2004, and the related 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 the 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.

1. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of 'The Companies Act, 1956' of India (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (a) 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;
  - (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 those 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 Act;
  - (e) On the basis of written representations received from the directors, as on March 31, 2004 and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2004 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - (f) As stated in Notes nos. 2.1 to 2.2 of Schedule "P", amounts aggregating to Rs. 74.53 lacs included under Debtors and Loans and Advances have been considered by the Management as good of recovery and have not been considered necessary for provisioning for the reasons stated therein.
  - (g) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements together with the notes thereon and subject to our comments in paragraph (f) above, give in the prescribed manner the information required by the Act 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 at March 31, 2004;
    - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date ; and
    - (iii) in the case of the Cash Flow statement for the year ended on that date.

**For Anil A. Mehta & Co.**  
Chartered Accountants

**Anil A. Mehta**  
Partner (F-30529)

Place : Mumbai  
Date : 23<sup>rd</sup> September, 2004



## ANNEXURE TO THE AUDITORS' REPORT

[Referred to in paragraph 1 of the Auditors' Report of even date on the financial statements for the year ended 31<sup>st</sup> March, 2004]

1. (a) The company has maintained proper records for most of its fixed assets giving quantitative details and the situation of fixed assets.  
(b) The company has a phased programme of verification and accordingly the verification for the same was undertaken during the year. The company is in the process of reconciling with book records. The company anticipates no material discrepancies between the book records and the physical verification.  
(c) The assets disposed off during the year are not significant and do not affect the going concern assumption.
2. (a) The stocks of foreign currency has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.  
(b) In our opinion, the procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.  
(c) On the basis of our examination of the inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks of foreign currency as compared to book records were not material and have been properly dealt with in the books of account.
3. (a) The company has not taken or given any loans to companies listed in the register maintained under section 301 of the Companies Act, 1956. Accordingly, clause 3 (b), (c) and (d) of the Order 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 the nature of its business for the purchase of foreign currency, fixed assets and for the sale of foreign currency.
5. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register in pursuance of Section 301 of Act. Consequently, requirement of clauses v(b) of the Order is not applicable.
6. In respect of deposits accepted from public, the company has complied with the directions issued by the Reserve Bank of India under the Non Banking Financial Companies acceptance of Public Deposits (Reserve Bank) Directions 1998. As per the information provided to us, the Company has not received any order from Company Law Board with regard to deposits.
7. As per the requirements of Reserve Bank of India, the company has a system of concurrent audit for all the branches undertaking the transactions as FFMC, through different firms of Chartered Accountants for undertaking the said Concurrent Audit. A review of such audit reports indicates that the concurrent audit system is working satisfactorily. As regards overall Internal Audit system, except for few areas where the scope and coverage needs to be enlarged, the company has a proper system of internal audit to commensurate with the size and nature of company's business.
8. The Central Government of India has not prescribed the maintenance of cost records under clause (d) of sub-section (1) of Section 209 of the Act for any of the products of the company.
9. (a) According to the information and explanations given to us and the records of the company examined by us, in our opinion, the company is regular in depositing the undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income-tax, sales-tax, wealth tax, customs duty, excise duty, cess and other material statutory dues as applicable with the appropriate authorities except as under :

Sr No.	Name of Statute	Unpaid Amount	Remarks
1.	Income Tax	Rs. 6.20 Lacs	Relating to A.Y.1998-99
2.	Investor education and protection fund	Rs. 3.21 Lacs	Deposited in government treasury on 13/09/2004

- (b) According to the information and explanations given to us and the records of the company examined by us, there are no dues of sales tax, income tax, customs duty, wealth-tax, excise duty and cess, which have not been deposited on account of any dispute.





10. The company has no accumulated losses as at March 31, 2004 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the records of the company examined by us and the information and explanation given to us, the company has not defaulted in repayment of term loan installments to the bank except for procedural delays during the year. However, as at year end, the term loans have been repaid in full.
12. 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. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the company.
14. In our opinion, the company is not a dealer or trader in shares, securities, debentures and other investments. The company is holding certain shares/ government approved securities as Investments for which proper records have been kept.
15. In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
16. The company has utilised the term loans taken by the company and have been applied for the purpose for which they were obtained.
17. On the basis of an overall examination of the balance sheet of the company, in our opinion, and according to the information and explanations given to us, there are no funds raised on a short-term basis, which have been used for long-term investment, and vice versa.
18. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
19. The company has not issued any debentures and is accordingly not required to create securities in respect of debentures.
20. The company has not raised any money by public issues during the year.
21. Based on our audit procedures performed and information and explanations given to us by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

**For Anil A. Mehta & Co.**  
Chartered Accountants

**Anil A. Mehta**  
Partner (F-30529)

Place : Mumbai  
Date : 23<sup>rd</sup> September, 2004



## 17TH ANNUAL REPORT 2003-2004

### BALANCE SHEET AS AT 31ST MARCH, 2004

	Schedules	(Rs. lacs)	As at 31.03.2004 (Rs. lacs)	As at 31.03.2003 (Rs. lacs)
<b>SOURCES OF FUNDS</b>				
<b>Shareholders' funds</b>				
Share capital	"A"	1,159.77		1,159.77
Reserves and surplus	"B"	93.49		835.75
			1,253.26	1,995.52
<b>Loan funds</b>				
Secured loans	"C"	721.88		929.48
Unsecured loans	"D"	1,257.75		1,424.65
			1,979.63	2,354.13
<b>TOTAL</b>			<b>3,232.89</b>	<b>4,349.65</b>
<b>APPLICATION OF FUNDS</b>				
<b>Fixed assets</b>				
Gross block	"E"	1,027.92		2,552.80
Less : depreciation		368.94		1,777.83
Net block		658.98		774.97
Add : lease equalisation reserve		-		245.72
Capital work in progress (Including capital advances)		230.81		230.81
			889.79	1,251.50
<b>Investments</b>				
Deferred tax asset	"F"		355.72	462.58
			18.20	18.20
<b>Current assets, loans and advances</b>				
Interest accrued on investments		6.85		27.90
Inventories	"G"	525.38		842.85
Sundry debtors	"H"	354.72		1,538.72
Cash and bank balances	"I"	947.66		920.43
Loans and advances	"J"	1,012.46		785.37
		2,847.07		4,115.27
<b>Less : Current liabilities and provisions</b>				
Current liabilities	"K"	875.39		1,475.35
Provisions		2.50		22.55
		877.89		1,497.90
<b>Net current assets</b>			<b>1,969.18</b>	<b>2,617.37</b>
<b>TOTAL</b>			<b>3,232.89</b>	<b>4,349.65</b>
Notes to accounts	"P"			

As per our report of even date

For and on behalf of

**Anil A. Mehta & Co.**  
Chartered Accountants

**Anil Mehta**  
Partner (F-30529)

Mumbai, 23<sup>rd</sup> September, 2004

**P. S. G. Nair**  
Director

**Khizer Ahmed**  
Director

For and on behalf of the Board

For **WALL STREET FINANCE LTD.**

**Sameer Mardolkar**  
Whole-time Director

**Vinod Agnani**  
Director

**Bhaskar Rao P.**  
Manager

**F. S. Broacha**  
Director

**Haroon N. Mansuri**  
Company Secretary


**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2004**

	<i>Schedules</i>	<i>(Rs. lacs)</i>	<i>Current Year ended 31.03.2004 (Rs. lacs)</i>	<i>Previous Year ended 31.03.2003 (Rs. lacs)</i>
<b>INCOME</b>	"L"		<b>2,296.85</b>	1,890.89
<b>EXPENDITURE</b>				
Payments to and provisions for employees	"M"	<b>270.84</b>		252.29
Administrative and other expenses	"N"	<b>1,621.98</b>		977.44
Interest	"O"	<b>270.91</b>		386.77
Depreciation		<b>44.62</b>		80.55
			<b>2,208.35</b>	1697.05
Operating profit			<b>88.50</b>	193.84
Less : provision for non-performing assets (as per RBI guidelines)				
(a) provision for doubtful debts (Including income reversal of Rs. 0.00 lacs) (P. Y. Rs. 0.02 lacs)			—	78.92
(b) reduction in lease equalisation reserve			—	55.87
			—	134.79
Profit/(Loss) before tax			<b>88.50</b>	59.05
Less : provision for taxation				
(a) Current tax		—		4.75
(b) Wealth tax		<b>2.50</b>		2.50
(c) Deferred tax		—		22.61
			<b>2.50</b>	29.86
Profit/(Loss) after tax			<b>86.00</b>	29.19
Add : provision for deferred tax for previous years			—	48.52
Less : short provision for tax for earlier years			<b>6.26</b>	—
Profit before appropriation			<b>79.74</b>	77.71
Add : transfer from share premium a/c ( note – 5 Sch. P)		<b>307.05</b>		—
Add : transfer from general reserve a/c ( note – 5 Sch. P)		<b>514.95</b>		—
		<b>822.00</b>		—
Less : set off against non performing assets written off		<b>822.00</b>		—
			—	—
Less : transfer to statutory reserve u/s. 45 1 C of RBI Act, 1934			<b>17.70</b>	34.82
Add : balance of profit/(loss) brought forward			<b>(21.34)</b>	(64.23)
Surplus(deficit) carried to Balance Sheet			<b>40.70</b>	(21.34)
Notes to accounts	"P"			

As per our report of even date  
For and on behalf of

**Anil A. Mehta & Co.**  
*Chartered Accountants*

**Anil Mehta**  
*Partner (F-30529)*

Mumbai, 23<sup>rd</sup> September, 2004

**P. S. G. Nair**  
*Director*

**Khizer Ahmed**  
*Director*

For and on behalf of the Board  
For **WALL STREET FINANCE LTD.**

**Sameer Mardolkar**  
*Whole-time Director*

**Vinod Agnani**  
*Director*

**Bhaskar Rao P.**  
*Manager*

**F. S. Broacha**  
*Director*

**Haroon N. Mansuri**  
*Company Secretary*



17TH ANNUAL REPORT 2003-2004

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2004**

	(Rs. lacs)	As at 31.03.2004 (Rs. lacs)	As at 31.03.2003 (Rs. lacs)
<b>SCHEDULE "A"</b>			
<b>SHARE CAPITAL</b>			
<b>AUTHORISED</b>			
1,20,00,000 Equity shares of Rs. 10/- each (P.Y.1,20,00,000 Equity shares)		1,200.00	1,200.00
10,00,000 Cumulative convertible preference shares of Rs. 100/-each (P.Y.10,00,000)		1,000.00	1,000.00
		<u>2,200.00</u>	<u>2,200.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP CAPITAL</b>			
1,16,25,000 (P.Y.1,16,25,000) Equity shares of Rs.10/- each (of the above 18,75,000 shares are allotted as fully paid-up by way of bonus shares)		1,162.50	1,162.50
Less : allotment money receivable		2.73	2.73
TOTAL		<u>1,159.77</u>	<u>1,159.77</u>
<b>SCHEDULE "B"</b>			
<b>RESERVES AND SURPLUS</b>			
Share premium account	312.50		312.50
Less : allotment money receivable	5.45		5.45
	<u>307.05</u>		<u>307.05</u>
Transfer to Profit & Loss account (note – 5 Sch. P)	<u>307.05</u>	-	-
		-	307.05
Investment allowance reserve			
As per last Balance Sheet	-		6.10
Less : transferred to general reserve	-		6.10
	<u>-</u>		<u>-</u>
General reserve			
As per last Balance Sheet	515.22		509.12
Add : transferred from investment allowance reserve	-		6.10
	<u>515.22</u>		<u>515.22</u>
Transfer to Profit & Loss account (note – 5 Sch. P)	<u>514.95</u>	0.27	-
		0.27	515.22
Statutory reserve u/s. 45 1C of RBI Act, 1934			
As per last Balance Sheet	34.82		-
Transferred during the year	17.70		34.82
	<u>52.52</u>		<u>34.82</u>
Balance in Profit and Loss account		40.70	(21.34)
TOTAL		<u>93.49</u>	<u>835.75</u>
<b>SCHEDULE "C"</b>			
<b>SECURED LOANS</b>			
From banks			
Cash credit/overdraft/demand loans		710.15	844.50
Term loans		-	65.58
(Amount due within one year Rs. Nil P.Y. Rs.65.58 lacs)			
Vehicle loans		11.73	19.40
( Secured by hypothecation of vehicles)			
(Amount due within one year Rs. 8.51 lacs P.Y. Rs.8.47 lacs)			
TOTAL		<u>721.88</u>	<u>929.48</u>


**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT  
31ST MARCH, 2004 (Contd...)**

*As at*  
**31.03.2004**  
*(Rs. lacs)*

*As at*  
*31.03.2003*  
*(Rs. lacs)*

**SCHEDULE "C" (Contd...)**
**Notes :**

1. The overdrafts/cash credits are secured by lien of fixed deposits with the banks, debtors, hypothecation of foreign currency stocks and personal guarantee of the Chairman.
2. Term loans are secured by hypothecation/charge on current assets consisting of hire purchase/lease assets with all rights, both present and future and personal guarantee of the Chairman.

**SCHEDULE "D"**
**UNSECURED LOANS**

Fixed deposits	<b>1,064.68</b>	1,286.11
<i>(Amount due within one year Rs.212.57 lacs P.Y. Rs. 756.54 lacs)</i>		
Inter-corporate deposits	<b>174.06</b>	120.56
Security deposits	<b>19.01</b>	17.98
<b>TOTAL</b>	<b>1,257.75</b>	1,424.65

**SCHEDULE "E"**
**FIXED ASSETS**

**(Rs. lacs)**

Description	Gross block			Depreciation				Net block		
	As at 1.4.2003	Additions during the year	Deductions during the year	As at 31.3.2004	As at 1.4.2003	For the year	Deductions during the year	As at 31.3.2004	As at 31.3.2004	As at 31.3.2003
<b>Leased assets</b>										
Plant and machinery	1,553.04	-	1,553.04	-	1,452.90	-	1,452.90	-	-	100.14
<b>Assets for own use</b>										
Land	211.65	-	-	211.65	-	-	-	-	211.65	211.65
Building	124.51	0.18	-	124.69	10.18	2.03	-	12.21	112.48	114.33
Plant & machinery	28.77	-	-	28.77	6.16	1.37	-	7.53	21.24	22.61
Furniture & fixtures	223.06	4.96	-	228.02	96.40	13.96	-	110.36	117.66	126.67
Office equipments	97.46	3.60	0.22	100.84	30.21	4.89	0.08	35.02	65.82	67.25
Vehicles	108.08	14.19	3.78	118.49	22.79	10.38	0.53	32.64	85.85	84.97
Computers	195.24	9.23	-	204.47	156.39	11.47	-	167.86	36.61	38.86
Air conditioners	10.99	-	-	10.99	2.80	0.52	-	3.32	7.67	8.49
<b>TOTAL</b>	2,552.80	32.16	1,557.04	1,027.92	1,777.83	44.62	1,453.51	368.94	658.98	774.97
Previous year	2,495.31	75.08	17.59	2,552.80	1,708.59	80.55	11.31	1,777.83	774.97	-



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2004** (Contd...)

	(Rs. lacs)	As at 31.03.2004 (Rs. lacs)	As at 31.03.2003 (Rs. lacs)
<b>SCHEDULE "F"</b>			
<b>INVESTMENTS</b> (at cost) (non-trade) (long term)			
<b>Government securities – for SLR purpose</b>			
		<b>11.00</b>	11.00
		<b>11.00</b>	11.00
		<b>11.00</b>	11.00
- (10)	HPSEB Bonds 17.50%	-	10.00
57 (57)	HPSFCL Bonds 14.50%	<b>22.80</b>	57.00
15 (15)	HPSFCL Bonds 17%	<b>6.00</b>	10.50
- (19)	KSEB Bonds 17%	-	7.60
- (30)	RSEB Bonds 17.50%	-	6.00
15 (15)	UPFC Bonds 12.75%	<b>15.00</b>	15.00
10 (10)	KBJNL Bonds 15.75%	<b>2.50</b>	5.00
- (48)	KBJNL Bonds 15.75%	-	48.00
10 (10)	MJP Bonds 13.50%	<b>10.00</b>	10.00
43 (43)	KBJNL Bonds 13%	<b>43.00</b>	43.00
40 (40)	GIICL Bonds 12.50%	<b>40.00</b>	40.00
		<b>172.30</b>	285.10
<b>Quoted – fully paid up equity shares of Rs. 10/- each</b>			
45 (45)	U T I Master Share	<b>0.01</b>	0.01
2400 (2400)	U T I Master Gain '92	<b>0.54</b>	0.54
58 (58)	Tata Iron & Steel Co. Ltd.	<b>0.07</b>	0.07
- (17)	Tata Sponge Iron Ltd.	-	0.02
100 (100)	Arvind Products Ltd.	<b>0.09</b>	0.09
50 (50)	Lakshmi Auto Components Ltd.	<b>0.02</b>	0.02
3750 (3750)	Whirlpool of India Ltd.	<b>6.90</b>	6.90
4400 (4400)	Auriferous Aqua Farms Ltd.	<b>0.44</b>	0.44
393400 (393400)	Patel Roadways Ltd.	<b>46.69</b>	46.73
230000 (230000)	Patel On-Board Couriers Ltd.	<b>36.12</b>	36.12
3000 (3000)	Real Value Appliances Ltd.	<b>0.01</b>	0.01
1300 (1300)	United Credit Ltd.	<b>0.13</b>	0.13
34500 (34500)	Aditya Global Techno Corporations Ltd.	<b>8.33</b>	8.33
14900 (14900)	Ishita Drugs and Industries Ltd.	<b>5.95</b>	5.95
17027 (17027)	Karnataka Bank Ltd.	<b>7.44</b>	7.44
150000 (-)	Rane Computers Consultancy Ltd.	<b>6.00</b>	-
<b>Partly paid up equity shares</b>			
145700 (145700)	Malvika Steel Ltd.	<b>14.57</b>	14.57
		<b>133.31</b>	127.37
<b>Unquoted : fully paid up equity shares of Rs. 10/- each</b>			
1000 (1000)	Development Credit Bank Ltd.	<b>0.10</b>	0.10
166667 (166667)	Bell Granito Ceramica Ltd.	<b>50.00</b>	50.00
70 (70)	Wall Street Securities & Investments (I) Ltd.	<b>0.01</b>	0.01
		<b>50.11</b>	50.11
<b>TOTAL</b>		<b>355.72</b>	<b>462.58</b>

**Notes :**

- Aggregate value of quoted investments  
Cost 305.61 412.47  
Market value 228.17 324.99
- Aggregate value of unquoted investments  
Cost 50.11 50.11
- Figures in brackets represent previous years nos.



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT  
31ST MARCH, 2004 (Contd...)**

	<i>(Rs. lacs)</i>	<i>As at 31.03.2004 (Rs. lacs)</i>	<i>As at 31.03.2003 (Rs. lacs)</i>
<b>SCHEDULE "G"</b>			
<b>INVENTORIES</b>			
Stock on hire		<b>0.60</b>	0.68
(At agreement value less installments due)			
Stock of foreign currency		<b>524.78</b>	842.17
(As taken, valued and certified by the management)			
TOTAL		<u><b>525.38</b></u>	<u>842.85</u>
<b>SCHEDULE "H"</b>			
<b>SUNDRY DEBTORS (Unsecured)</b>			
Outstanding for more than six months			
Considered good		<b>62.14</b>	553.46
Considered doubtful		-	452.83
		<u><b>62.14</b></u>	<u>1,006.29</u>
Other debts			
Considered good		<b>292.58</b>	985.26
		<u><b>354.72</b></u>	<u>1,991.55</u>
Less : provision as per RBI guidelines		-	452.83
TOTAL		<u><b>354.72</b></u>	<u>1,538.72</u>
<b>SCHEDULE "I"</b>			
<b>CASH AND BANK BALANCES</b>			
Cash on hand		<b>109.75</b>	65.94
Funds in transit		-	8.53
In current accounts		<b>621.25</b>	433.57
In deposit accounts		<b>216.66</b>	412.39
(Pledged for working capital & other facilities Rs. 163.82 lacs P. Y. Rs. 338.66 lacs)			
TOTAL		<u><b>947.66</b></u>	<u>920.43</u>



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT  
31ST MARCH, 2004** (Contd...)

	<i>(Rs. lacs)</i>	<i>As at 31.03.2004 (Rs. lacs)</i>	<i>As at 31.03.2003 (Rs. lacs)</i>
<b>SCHEDULE "J"</b>			
<b>LOANS AND ADVANCES</b>			
(Unsecured, considered good unless otherwise stated)			
Secured loans against fixed deposits		2.97	25.32
Unsecured loans considered good		6.00	15.00
Trade bills discounted			
Considered good		—	2.20
Considered doubtful		—	3.06
		—	5.26
Less : provision as per RBI guidelines		—	3.06
		—	2.20
Income tax		151.65	141.87
Premises deposits		430.25	430.25
Claims receivable		234.45	28.63
Advances recoverable in cash or in kind or for value to be received		187.14	142.10
TOTAL		<u>1,012.46</u>	<u>785.37</u>
<b>SCHEDULE "K"</b>			
<b>CURRENT LIABILITIES AND PROVISIONS</b>			
<b>Current liabilities</b>			
Sundry creditors		694.28	1,107.93
Advance from customers		4.40	16.57
Unpaid dividend		3.21	6.84
Other liabilities		12.53	15.03
Book overdraft		110.04	269.03
Interest accrued on fixed deposits		50.93	59.95
		875.39	1,475.35
<b>Provisions</b>			
For income tax		—	20.05
For wealth tax		2.50	2.50
TOTAL		<u>877.89</u>	<u>1,497.90</u>





**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR  
THE YEAR ENDED 31ST MARCH, 2004 (Contd...)**

	<i>Current Year Ended 31.03.2004 (Rs. lacs)</i>	<i>Previous Year Ended 31.03.2003 (Rs. lacs)</i>
<b>SCHEDULE "L"</b>		
<b>INCOME</b>		
Forex & remittance based income (refer note no. 1)	<b>1,641.59</b>	1,236.54
Fee based income (refer note no. 2)	<b>49.93</b>	495.37
Other income (refer note no. 3)	<b>605.33</b>	158.98
TOTAL	<b>2,296.85</b>	1,890.89

**NOTES :**

1. Forex & remittance based income includes foreign currency business Rs.473.83 lacs (P.Y. Rs.411.87 lacs), money transfer business Rs.1,167.76 lacs (P.Y. Rs.824.67 lacs).
2. Fee based income includes consultancy services Rs. 48.93 lacs (P.Y. Rs. 493.21 lacs), financial allied service Rs. 1.00 lac (P.Y.Rs. 2.16 lacs).
3. Other income includes interest / rent Rs.84.04 lacs (P.Y. Rs.128.75 lacs), recovery of past dues Rs.29.43 lacs (P.Y. Rs.Nil), profit on sale of assets Rs.Nil (P.Y. Rs.0.57 lacs), dividend Rs. 0.47 lacs (P.Y. Rs.0.30 lacs), interest on income tax refund Rs.6.96 lacs (P.Y.Rs.3.92 lacs), sundry balances written back Rs.21.79 lacs (P.Y.Rs.18.00 lacs), provision for doubtful debts written back Rs.452.83 lacs (P.Y.Rs.Nil), other miscellaneous income Rs. 9.81 lacs (P.Y.Rs.7.44 lacs).

**SCHEDULE "M"**

**PAYMENTS TO AND PROVISIONS FOR EMPLOYEES**

Salary, bonus, gratuity and allowances	<b>243.45</b>	226.53
Contribution to provident fund	<b>20.53</b>	18.35
Staff welfare expenses	<b>6.86</b>	7.41
TOTAL	<b>270.84</b>	252.29



**SCHEDULES FORMING PART OF THE PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2004** (Contd...)

	<i>Current Year Ended 31.03.2004 (Rs. lacs)</i>	<i>Previous Year Ended 31.03.2003 (Rs. lacs)</i>
<b>SCHEDULE "N"</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
Freight and export expenses	36.94	26.17
Insurance charges	25.31	19.53
Rent, rates & taxes	53.17	38.18
Electricity	23.93	24.18
Printing, stationery and periodicals	26.52	28.16
Conveyance and travelling	89.69	86.14
Communication expenses	59.22	71.27
Brokerage and commission	616.19	400.58
Advertisement and business promotion	71.75	86.71
Legal and professional fees	32.80	40.65
Directors sitting fees	1.20	1.23
Repairs and maintenance – others	14.75	10.51
Auditors remuneration	4.88	3.26
Bank charges	42.26	42.31
Loss on sale of assets	0.70	2.15
Exchange loss	30.98	40.75
Sundry balances written off	10.85	12.59
Bad debts written off	452.83	0.17
Miscellaneous expenses	28.01	42.90
TOTAL	1,621.98	977.44
<b>SCHEDULE "O"</b>		
<b>INTEREST</b>		
On bank borrowings	116.42	157.11
On fixed deposits	133.33	218.73
On others	21.16	10.93
TOTAL	270.91	386.77



## **SCHEDULE “P”**

### **NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2004**

#### **I SIGNIFICANT ACCOUNTING POLICIES**

##### **1. BASIS OF PREPARATION OF FINANCIAL STATEMENTS**

The financial statements are prepared under the historical cost convention, in accordance with Indian Generally Accepted Accounting Principles (“GAAP”) comprising the mandatory accounting standards issued by the Institute of Chartered Accountants of India, guidelines issued by RBI as applicable to Non-Banking Financial Companies and the provisions of the Companies Act, 1956, on the accrual basis, as adopted consistently by the Company.

##### **2. INCOME RECOGNITION**

- 2.1 Income from money changing business is reflected in the accounts, net of cost of sales of currencies.
- 2.2 Income from money transfer services are accounted on completion of transaction with the end customer.
- 2.3 Revenue on time and material contracts is recognized as the related costs are incurred.
- 2.4 Income from consultancy, commission is recognized on satisfactory completion of the contract.
- 2.5 Loss on insurance claim is recognized on settlement of claim..
- 2.6 Dividend is recognized when the right to receive dividend is established.
- 2.7 Interest on deployment of surplus funds is recognized using time-proportion method, based on interest rates implicit in the transaction.
- 2.8 Income from rentals is recognized on period basis.
- 2.9 Recovery proceeds realized from debts written off as bad debts is accounted as income in the year of receipt.

##### **3. DEPRECIATION**

Depreciation is provided on Straight Line Method at the rates prescribed under Schedule XIV to the Companies Act, 1956.

##### **4. FOREIGN CURRENCY TRANSACTIONS**

Transactions concluded during the year have been arrived at on the basis of actual rate realized. All current assets and liabilities determinable in foreign currency, including stock of foreign currency, have been valued at the rates prevailing on 31<sup>st</sup> March, 2004 in accordance with the Accounting Standard 11 (AS 11) issued by the ICAI. The exchange difference on restatement of assets/liabilities and arising out of receipt/payments of foreign currency are recognized in the Profit and Loss account.

##### **5. RETIREMENT BENEFITS**

Retirement benefits are dealt with in the following manner :

- 5.1 The Company has taken a policy with Life Insurance Corporation of India under the Group Gratuity Scheme to cover gratuity liability and the premium is accrued on yearly basis.
- 5.2 Liability on account of encashment of leave to employees is provided on the basis of actuarial valuation.

##### **6. INVESTMENTS**

As per Reserve Bank of India guidelines, investments of the Company, held on a long-term basis, are valued at cost. The cost price is considered as fair market value for marketable listed securities where price quotations are not available.

##### **7. PRUDENTIAL NORMS**

The Company carries on two distinct business activities, viz. financing and money changing. For the purpose of identifying the assets as Non Performing Assets (NPA) or otherwise, the Company follows generally accepted accounting principles in case of its money changing activities and follows the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 in case of finance activities.



**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2004** (Contd...)

**II GENERAL**

1. Contingent liabilities not provided for :
  - 1.1 Arrears of dividend on erstwhile preference shares (since converted to equity shares) Rs. 82.76 lacs (P.Y. Rs. 82.76 lacs).
  - 1.2 Unpaid liability on 1,45,700 partly paid-up shares of Malvika Steels Ltd. Rs.43.71 lacs (P.Y. Rs.43.71 lacs).
2. Debtors and loans & advances include an amount of :
  - 2.1 Rs. 53.88 lacs (P.Y. Rs.53.88 lacs) due from a party for which payment was made by them by bank pay orders which could not be encashed as it were impounded by the Government Authorities after the same were deposited in the Company's bank account. The Company is aggressively pursuing legal action in the matter and according to the findings of Reserve Bank of India and further confirmed by the Enforcement Directorate in their adjudication order, the Company is not in violation of any of the control norms as laid down by Reserve Bank of India. As per Court Orders, the said amount is retained in bank fixed deposit in the name of the Company jointly with the government authorities. The Company is confident of getting the money back on completion of the legal proceedings.
  - 2.2 Rs. 20.65 lacs (P.Y. Rs.20.63 lacs) being an insurance claim for loss of foreign currencies / cash by the Company under insurance policies. Loss, if any, will be accounted for on settlement of claims, subject to Reserve Bank of India approval, where required.
3. The Company has preferred an appeal against the Order passed by the Income Tax Authorities. Pending outcome of the appeal, no provision has been made in accounts for aggregate demand of Rs. 119.20 lacs including interest of Rs. 63.25 lacs, as the Company is confident of demand being set aside. Such demand has been adjusted against other refunds due to the Company.
4. In the opinion of the Board, current assets, loans and advances have value equal to the amount shown in the Balance Sheet, if realized in the ordinary course of business.
5. Pursuant to the approval of members at the annual general meeting of the Company held on 29<sup>th</sup> September, 2003 and as confirmed by the High Court of Judicature at Bombay vide its Order dated 9<sup>th</sup> September, 2004, amounts of Rs. 514.95 lacs and Rs.307.05 lacs have been transferred from general reserve and share premium account respectively to the Profit & Loss account and adjusted against write off of Company's leased assets, lease equalisation reserve and receivables. Accordingly, the share capital (to mean general reserve account and share premium account) stand reduced by Rs. 822.00 lacs in accordance with section 78(1) read with section 100 of Companies Act, 1956.
6. Towards the end of the year, there was a major robbery at one of the branches of the Company and a sum of Rs. 211.80 lacs comprising of Indian and foreign currencies were stolen. The necessary insurance claim has been lodged and the Company is confident of recovering such claim.

7. Managerial Remuneration

	For the year ended 31.03.2004 (Rs. lacs)	For the year ended 31.03.2003 (Rs. lacs)
Salaries	5.41	3.60
Employer's contribution to provident fund	0.65	0.43
Perquisites	0.19	0.14

Managerial remuneration paid to Mr. Sameer Mardolkar as a Manager under the Companies Act, 1956 is for the period August 2003 – November 2003 is included.

8. Purchase & sale of currencies / travellers cheques
  - 8.1 Purchases 69,346.43 57,586.26
  - 8.2 Sales (including exports) 70,044.96 57,994.59



**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR  
ENDED MARCH 31, 2004 (Contd...)**

	For the year ended 31.03.2004 (Rs. lacs)	For the year ended 31.03.2003 (Rs. lacs)
9. 9.1 Earnings in foreign currency		
9.1.1 Export of foreign currencies	48,225.39	42,034.47
9.1.2 Money transfer services	1,167.76	824.67
9.1.3 Consultancy services & commission	39.29	412.49
9.2 Expenditure in foreign currency		
9.2.1 Travel expenses	14.01	9.31
9.2.2 Domestic sale and purchase of currency is not included		

10. Segment reporting

The Company recognises financial & allied services and forex as the two primary segments. Income from financial & allied services division comprise of financial and allied services, back office operations and consultancy income.

Income from forex division comprise of purchase & sale of foreign currency, traveller cheques, money transfer services related activities.

Segment results include revenue less interest expense, operating expense and provisions, if any, for that segment. Segment capital employed represents the net assets in that segment. It excludes capital and tax related assets.

Business Segment

Particulars	For the year ended 31.03.2004			For the year ended 31.03.2003		
	Financial & allied services	Forex	Total	Financial & allied services	Forex	Total
Segment revenue						
Gross income	566.84	1730.01	2296.85	411.13	1,479.76	1,890.89
Result						
Segment result	-78.91	313.05	234.14	-112.38	326.84	214.46
Less : unallocable expenditure (net)			145.64			155.41
Profit before tax (PBT)			88.50			59.05
Less : provision for taxation			2.50			29.86
Profit after tax			86.00			29.19
Other information						
Segment assets	1210.57	2517.86	3728.43	2,291.11	3,181.24	5,472.35
Unallocable assets			382.35			375.20
Total assets			4110.78			5,847.55
Segment liabilities	1301.95	1549.86	2851.81	1,575.28	2,247.36	3,822.64
Unallocable liabilities			5.71			29.39
Total liabilities			2857.52			3,852.03
Cost of assets acquired during the year	0.12	32.04	32.16	5.90	69.18	75.08
Depreciation	11.10	33.52	44.62	49.50	31.05	80.55
Non-cash expenses other than depreciation (NPA provision)	0.00	0.00	0.00	113.24	21.55	134.79

The nature of Company's activities are such that do not have separate identifiable geographical segments.



**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2004** (Contd...)

11. Related party transactions

Related party relationships :

(a) Key managerial personnel : Mr. P. S. G. Nair & Mr. Sameer Mardolkar  
Remuneration paid as per clause 7 above.

12. The Company does not have taxable income computed under the regular provisions of Income Tax Act, 1961 and also under section 115JB (Minimum Alternate Tax).

13. Deferred taxes

In accordance with Accounting Standard-22 – Accounting for Taxes on income, the deferred tax liability for the year is Rs. 17.12 lacs. The company can recognize substantial deferred tax asset in view of adequate tax losses arising out of write off of leased assets / receivables. However, as a prudent accounting measure and in absence of virtual certainty of adequate profitability to absorb total deferred tax asset, the Company has recognized the tax asset only to the extent of Rs. 17.12 lacs to offset the deferred tax liability resulting in no effect on the Profit and Loss account.

14. Earnings per share (“EPS”) computed in accordance with Accounting Standard 20: “Earnings per share”:

Basic earning per share:

Particulars		31.03.2004	31.03.2003
Profit after tax as per accounts (Rs.lacs)	A	86.00	29.19
Weighted average number of shares issued (Nos. in lacs)	B	116.25	116.25
Basic EPS (Rs.)	A/B	0.74	0.25

The Company has no instruments which are potentially convertible into equity. Hence no diluted EPS is calculated.

15. Auditors remuneration (including service tax) :

(Rs. lacs)

Particulars	31.03.2004	31.03.2003
Audit fees	2.76	2.10
Tax audit fees	1.11	0.30
Certification & others services	0.78	0.78
Out-of-pocket expenses	0.23	0.08

16. There are no dues outstanding for more than 30 days in excess of Rs.1.00 lac to small scale undertakings.

17. Schedule to the Balance Sheet of a Non-Banking Financial Company as required in terms of Paragraph 9BB of Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998

(Rs. lacs)

	Particulars	Amount outstanding	Amount overdue
	Liabilities side :		
1.	Loans and advances availed by the NBFCs Inclusive of interest accrued thereon but not paid :		
	(a) Debentures : Secured	-	-
	: Unsecured	-	-
	(other than falling within the meaning of public deposits*)		



**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR  
ENDED MARCH 31, 2004 (Contd...)**

(b) Deferred credits		-	-
(c) Term loans		-	-
(d) Inter-corporate loans and borrowing		174.06	-
(e) Commercial paper		-	-
(f) Public deposits		1115.61	-
(g) Other loans (specify nature)			
i) CC/OD/DL from banks	710.15		
ii) Vehicle loans	11.73		
iii) Security deposits	19.01	740.89	-
2. Break-up of (1) (f) above (outstanding public deposits inclusive of interest accrued thereon but not paid):			
(a) In the form of unsecured debentures		-	-
(b) In the form of partly secured debentures i.e. debentures where there is a shortfall in the value of security		-	-
(c) Other public deposits		1115.61	-
Assets side :		Amount outstanding	
3. Break-up of loans and advances including Bills receivables [other than those included in (4) below] :			
(a) Secured		2.97	
(b) Unsecured		6.00	
(c) Statutory payments, premises deposits and others		<u>1003.49</u>	
		<u>1012.46</u>	
4. Break up of leased assets and stock on hire And hypothecation loans counting towards EL / HP activities :			
(i) Lease assets including lease rentals under sundry debtors :			
(a) Financial lease		-	
(b) Operating lease		-	
(ii) Stock on hire including hire charges under sundry debtors :			
(a) Assets on hire		0.60	
(b) Repossessed assets		-	
(iii) Hypothecation loans counting towards EL / HP activities			
(a) Loans where assets have been repossessed		-	
(b) Loans other than (a) above		-	



**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED MARCH 31, 2004** (Contd...)

5.	Break-up of investments :			
	Current investments :			
	1. Quoted :			
	(i) Shares : (a) Equity			-
	(b) Preference			-
	(ii) Debentures and bonds			-
	(iii) Units of mutual funds			-
	(iv) Government securities			-
	(v) Others (please specify)			-
	2. Unquoted :			
	(i) Shares : (a) Equity			-
	(b) Preference			-
	(ii) Debentures and bonds			-
	(iii) Units of mutual funds			-
	(iv) Government securities			-
	(v) Others (please specify)			-
	Long term investments :			
	1. Quoted :			
	(i) Shares : (a) Equity		133.31	
	(b) Preference			-
	(ii) Debentures and bonds			-
	(iii) Units of mutual funds			-
	(iv) Government securities			-
	(v) Others (please specify)			-
	2. Unquoted :			
	(i) Shares : (a) Equity		50.11	
	(b) Preference			-
	(ii) Debentures and bonds			-
	(iii) Units of mutual funds			-
	(iv) Government securities		172.30	
	(v) Others (please specify)			-
6.	Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances : (further categorization of point 3 and 4 above)			
	Category	Amount net of provisions		
		Secured	Unsecured	Total
	1. Related Parties			
	(a) Subsidiaries	-	-	-
	(b) Companies in the same group	-	-	-
	(c) Other related parties	-	-	-
	2. Other than related parties	2.97	1010.09	1013.06
	Total	2.97	1010.09	1013.06





**NOTES ANNEXED TO AND FORMING PART OF THE ACCOUNTS FOR THE YEAR  
ENDED MARCH 31, 2004** (Contd...)

7.	Investors group-wise classification of all investments (current and long term) In shares and securities (both quoted and unquoted) :		
	Category	Market Value / Break up or fair value or NAV	Book Value (Net of Provisions)
	1. Related Parties		
	(a) Subsidiaries	-	
	(b) Companies in the same group	-	
	(c) Other related parties	-	
	2. Other than related parties	* 242.96	355.72
	Total	242.96	355.72
	* Refer to I – 6 above		
8.	Other information		
	Particulars		Amount
	(i) Gross non-performing assets		
	(a) Related parties		-
	(b) Other than related parties		-
	(ii) Net non-performing assets		
	(a) Related parties		-
	(b) Other than related parties		-
	(iii) Assets acquired in satisfaction of debt		-

18. Previous year's figures have been regrouped / reclassified wherever necessary to make them comparable with those of current year.

For and on behalf of the Board  
For **WALL STREET FINANCE LTD.**

**Sameer Mardolkar**  
Whole-time Director

**P. S. G. Nair**  
Director

**Vinod Agnani**  
Director

**F. S. Broacha**  
Director

**Khizer Ahmed**  
Director

**Bhaskar Rao P.**  
Manager

**Haroon N. Mansuri**  
Company Secretary

Mumbai, 23<sup>rd</sup> September, 2004



**Statement pursuant to Part IV of Schedule VI to the Companies Act, 1956  
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

**I. Registration Details**

Registration No.      State Code    
Balance Sheet Date            
Date Month Year

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

Public issue     
Bonus issue

**III. Position of mobilisation and deployment of funds (Amount in Rs. Thousands)**

Total liabilities        
Total assets

**Sources of Funds**

Paid-up-capital        
Reserves & Surplus      
Secured loans       
Unsecured loans

**Application of funds**

Net fixed assets       
Investments       
Deferred tax asset      
Net current assets        
Miscellaneous expenditure     
Accumulated losses

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

Turnover        
Total expenditure        
+ - Profit/(Loss) before tax        
+ - Profit/(Loss) after tax

(Please tick appropriate box (+) for profit, (-) for loss)

Earning per share in Rs.      
Dividend rate %

**V. Generic names of three principal products/services of Company (As per monetary terms)**

Product description  
Item Code No. (ITC Code)  i)               
Item Code No. (ITC Code)  ii)               
Item Code No. (ITC Code)  iii)

For and on behalf of the Board  
For WALL STREET FINANCE LTD.

**Sameer Mardolkar**  
Whole-time Director

**P. S. G. Nair**  
Director

**Vinod Agnani**  
Director

**F. S. Broacha**  
Director

**Khizer Ahmed**  
Director

**Bhaskar Rao P.**  
Manager

**Haroon N. Mansuri**  
Company Secretary

Mumbai, 23<sup>rd</sup> September, 2004



**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2004**

(Pursuant to clause 32 of the listing agreement)

	For the year ended 31.03.2004 (Rs. lacs)	For the year ended 31.03.2003 (Rs. lacs)
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net profit before tax & extraordinary items	<b>88.50</b>	59.05
Adjustment for:		
Profit on sale of assets	–	–0.57
Loss on sale of assets	<b>0.70</b>	2.15
Depreciation	<b>44.62</b>	80.55
Provision for NPA including income reversal	–	78.92
Bad debts written off	<b>452.83</b>	12.76
Provision for bad debts writtten back	<b>–452.83</b>	–0.17
Interest paid	<b>270.91</b>	386.77
Interest / dividend income	<b>–84.51</b>	–129.05
Transfer to/(from) lease equalisation reserve	–	55.87
Operating profit before working capital changes	<b>320.22</b>	546.28
Adjustment for:		
Trade and other receivables	<b>490.54</b>	–255.97
Inventories	<b>317.47</b>	9.87
Trade payables	<b>–620.01</b>	148.87
	<b>188.00</b>	–97.23
Interest received	<b>84.04</b>	144.87
Cash generated from operations	<b>592.26</b>	593.92
Interest paid	<b>–270.91</b>	–386.77
Provision for tax	<b>–8.76</b>	18.66
Direct taxes paid	<b>–9.78</b>	–24.02
Cash flow before extraordinary items	<b>302.81</b>	201.79
Extraordinary Items	–	–
<b>Net cash flow from operating activities</b>	<b>302.81</b>	201.79
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Purchase of fixed assets	<b>–32.16</b>	–75.08
Sale of fixed assets	<b>2.70</b>	42.55
Investment (net)	<b>127.91</b>	19.07
Dividend received	<b>0.47</b>	0.30
<b>Net Cash used in investing activities</b>	<b>98.92</b>	–13.16

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2004** (Contd...)

	For the year ended 31.03.2004 (Rs. lacs)	For the year ended 31.03.2003 (Rs. lacs)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds from additional bank borrowings	-142.02	-365.04
Repayments of finance lease liabilities	-65.58	-106.23
Repayment of deposits (net)	-166.90	-448.13
<b>Net cash used in financing activities</b>	<u>-374.50</u>	<u>-919.40</u>
<b>Net increase in cash and cash equivalents ( A+B+C )</b>	<u>27.23</u>	<u>-730.77</u>
Cash and cash equivalents as at 01.04.2003 (Opening Balance)	920.43	1651.20
Cash and cash equivalents as at 31.03.2004 (Closing Balance)	<u>947.66</u>	<u>920.43</u>
	<u>27.23</u>	<u>-730.77</u>

For and on behalf of the Board  
For **WALL STREET FINANCE LTD.**

**Sameer Mardolkar**  
*Whole-time Director*

**P. S. G. Nair**  
*Director*

**Vinod Agnani**  
*Director*

**F. S. Broacha**  
*Director*

Mumbai, 23<sup>rd</sup> September, 2004

**Khizer Ahmed**  
*Director*

**Bhaskar Rao P.**  
*Manager*

**Haroon N. Mansuri**  
*Company Secretary*

**AUDITORS' CERTIFICATE**

We have examined the attached cash flow statement of Wall Street Finance Ltd. for the year ended 31.03.2004. The statement has been prepared by the Company in accordance with the requirements of listing agreement Clause 32 and is based on and in agreement with the corresponding Profit and Loss account and Balance Sheet of the Company.

For and on behalf of  
**Anil A. Mehta & Co.**  
*Chartered Accountants*

Mumbai, 23<sup>rd</sup> September, 2004.

**Anil A. Mehta**  
*Partner (F-30529)*



# WALL STREET FINANCE LTD.

## ATTENDANCE SLIP

Registered Office : 'Natasha', 52 Hill Road, Bandra (West), Mumbai - 400 050.

I/We hereby record my/our presence at the Seventeenth Annual General Meeting of the Company held at the Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz (West), Mumbai - 400 049 on Monday, 25th October, 2004 at 11.00 a.m.

Client ID	
DP ID	
L. F. No.	
No. of shares held	

Name of the Shareholder (In Block Letters)	
Signature of the Shareholder	
Name of the Proxy (In Block Letters)	
Signature of the Proxy	

### NOTES :

1. You are requested to sign and hand over this slip at the entrance of the meeting venue.
2. If you intend to appoint proxy to attend the meeting instead of yourself, the proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding meeting.
3. Members are requested to bring their copy of the annual report with them to the meeting as additional copies of the same will not be made available at the meeting.

..... TEAR HERE .....



# WALL STREET FINANCE LTD.

## FORM OF PROXY

Registered Office : 'Natasha', 52 Hill Road, Bandra (West), Mumbai - 400 050.

I/We \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ being a member/members of the above named  
Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_  
in the district of \_\_\_\_\_ or failing him \_\_\_\_\_  
of \_\_\_\_\_ in the district of \_\_\_\_\_ as my/our proxy to vote for  
me / us on my / our behalf at the Seventeenth Annual General Meeting of the Company to be held on Monday,  
25th October, 2004 at 11.00 a.m. and at any adjournment or adjournments thereof.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2004.

Please affix 1 rupee Revenue Stamp
---

Signature

Note : This form in order to be effective shall be duly stamped, completed and signed and must be deposited at the Registered Office of the Company not less than 48 hours before the meeting.

**Book-Post**

To,



*If undelivered, please return to :*

Computronics Financial Services ( I ) Limited  
1, Mittal Chambers,  
Nariman Point,  
Mumbai-400 021.