



ANNUAL REPORT 2002 - 2003

FORTIS

FORTIS**FORTIS FINANCIAL SERVICES LIMITED****BOARD OF DIRECTORS**

Mr. Harpal Singh	Chairman
Mr. Vinay Kumar Kaul	
Mr. Malvinder Mohan Singh	
Mr. Shivinder Mohan Singh	
Mr. Umesh Kumar Khaitan	
Mr. V. M. Bhutani	
Mr. Sunil Godhwani	Managing Director

COMPANY SECRETARY

Mr. Ujjval Mehta

REGISTERED OFFICE

55, Hanuman Road
Connaught Place
New Delhi - 110 001.

CORPORATE OFFICE

210, Taj Building,
Dr. D.N. Road, Fort,
Mumbai - 400 001.

BRANCHES

Calcutta :
24, R.N. Mukherjee Road,
Calcutta 700 001.

Chennai :
8D, Century Plaza,
Anna Salai, Teynampet,
Chennai 600 018.

BANKERS

ABN Amro Bank
HDFC Bank Limited

AUDITORS

R.A. Patel & Co., Mumbai

ANNUAL GENERAL MEETING

Venue : Shah Auditorium
2, Raj Niwas Marg,
New Delhi -110 054.

Date : September 22nd, 2003

Day : Monday

Time : 3.00 p.m.

FORTIS**FORTIS FINANCIAL SERVICES LIMITED****Registered Office : 55, Hanuman Road, Connaught Place, New Delhi 110 001.****NOTICE**

NOTICE is hereby given that the **Eighth Annual General Meeting** of Fortis Financial Services Limited will be held on Monday, the 22nd September 2003 at 3.00 p.m. at Shah Auditorium, 2 Raj Niwas Marg, New Delhi-110 054 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Accounts for the year ended March 31, 2003 along with the Reports of Directors and Auditors.
2. To appoint a Director in place of Mr. Harpal Singh, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Shivinder Mohan Singh, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. V M Bhutani, who retires by rotation and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS

To consider and if thought fit, to pass the following resolution, with or without modification(s) as an **ordinary resolution** :-

5. To appoint M/s R V Shah & Co, Chartered Accountants as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration. M/s. R. A. Patel & Company, who holds office upto the conclusion of this Annual General Meeting, have expressed their desire to discontinue as Auditors of the Company due to certain personal reasons.

By Order of the Board

Ujval Mehta
Company Secretary

Dated: June 30, 2003

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The Register of Members and Transfer Books of the Company will remain closed from 18th September, 2003 to 22nd September 2003 (both days inclusive).
3. The Registered office address of the company has been changed from G-16, Marina Arcade, Connaught Circus, New Delhi - 110 001 to 55, Hanuman Road, Connaught Place, New Delhi - 110 001 with effect from July 31, 2003.

4. Members desiring any information as regards accounts are requested to write to the Company atleast 10 days before the meeting at 55, Hanuman Road, Connaught Place, New Delhi - 110 001 for the kind attention of Mr. Ujval Mehta, Company Secretary.
5. The instrument appointing the proxy should be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the meeting.
6. Members are requested, if desired, to avail the benefits of Nomination facility for the shares held by them.
7. Members/proxies are requested to bring the Annual Report along with duly filled attendance slips sent herewith for attending the meeting.
8. **Members/proxies attending the Annual General Meeting are hereby informed that the management of the Company has decided that no gifts / coupons shall be distributed.**
9. **Members are requested to note that the company has appointed M/s. Intime Spectrum Registry Limited A-31, 3rd Floor, Naraina Industrial Area, Phase I, Near PVR Naraina, New Delhi - 110 028, as a common agency for share registry work.**
10. Members are requested to address all their correspondence including change of address, transfer of shares etc. to the registered office or corporate office of the Company.
11. The shares of the Company are under Compulsory Demat for trading since June 28, 2001. The members are requested to convert their holding from physical shares into Demat form and send all DRF to our Mumbai office. For any query do write to our Company Secretary. The ISIN No. of the Company is INE991C01018.
12. Members of erstwhile The Empire Finance Company Limited (EFCL), who have not surrendered their Share Certificates of EFCL are requested to surrender the same to the Company and get Share Certificates of Fortis Financial Services Limited in exchange as per the approved exchange ratio.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173 OF THE COMPANIES ACT, 1956.**ITEM NO 5**

M/s R A Patel & Company, Statutory Auditors of the Company have expressed their desire to discontinue as Statutory Auditors of the company. The company have received notice to appoint M/s R V Shah & Company, Chartered Accounts, Mumbai as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the next Annual

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General Meeting at a remuneration as may be mutually decided by the Board of Directors in negotiation with M/s R V Shah & Company, Chartered Accountant.

The Board recommends the Resolution for approval of members.

None of the Directors of the Company are interested or concerned in the proposed resolution.

Brief Resume

Mr. R V Shah is the proprietor of M/s. R V Shah & Company and is a fellow member of The Institute of Chartered Accountants of India. He has over 29 years of experience in the fields of Finance, Audit and Taxation.

By Order of the Board

Place : Mumbai

Ujjval Mehta

Date : June 30, 2003

Company Secretary

1. Brief Resume and other information in respect of the Director seeking re-appointment at the Annual General Meeting;

(a) Mr. Harpal Singh

Mr. Harpal Singh (53), holds a B.A.(Honours) degree in Economics from the St. Stephens College, Delhi University and a Masters degree in Public Affairs from California State College at Hayward, California, U.S.A. He was appointed as a Chairman of the Company on July 29, 1999.

He started his career with Tata Administrative Service and has had a diverse and wide ranging corporate experience of over 27 years that includes senior positions held in Hindustan Motors, Shaw Wallace, Mahindra & Mahindra and Telco. He is / has been involved with educational institutions at the Governing Council level that include Doon School, Shriram School, Scindia School and Salwan Educational Trust. He is currently employed as the Chairman of M/s. Fortis Healthcare Limited.

He is the Chairman of the Shareholder's/Investor's Grievance committees of the Company.

Nature of expertise in specific functional area - Corporate Strategy planning and marketing.

Mr. Harpal Singh is a Director and member of Committees of the Boards of following Public companies:

Directorship in other companies :

- | | |
|-------------------------------------|--------------------------------|
| 1. Fortis Healthcare Limited | - Chairman & Managing Director |
| 2. Fortis Securities Limited | - Chairman |
| 3. SRL Ranbaxy Limited | - Managing Director |
| 4. Ranbaxy Laboratories Limited | - Director |
| 5. Mahindra Knowledge Park (Mohali) | - Director |

Member of the Committees of the Board :

Fortis Healthcare Limited

- Management Committee - Chairman
- Audit Committee

Ranbaxy Laboratories Limited

- Management Committee
- Audit Committee

Fortis Securities Limited

- Remuneration Committee

(b) Mr. Shivinder Mohan Singh

Mr. Shivinder Mohan Singh is a B.A. (Honours) degree in Mathematics from St. Stephens College, Delhi University, New Delhi and holds a Master Degree in Business Administration from the Fuqua School of Business, Duke University, Durham NC. He is currently employed as Executive Director with M/s. Fortis Healthcare Limited. He has earlier worked with M/s. Eli Lilly Ranbaxy Limited, New Delhi.

He is a member of the Shareholder's/Investor's Grievance committees of the Company.

Nature of expertise in specific functional area - Business Management

Mr Shivinder Mohan Singh is a Director of the Boards of the following public companies :

Directorship in other companies :

1. Oscar Investments Limited
2. Fortis Securities Limited
3. Fortis Healthcare Limited
4. Shimal Research Laboratories Limited
5. Fortis Healthcare Holdings Limited
6. Fortis Medical Centre Holdings Limited

(c) Mr. V M Bhutani

Mr V M Bhutani is a fellow member of Institute of Chartered Accountants of India. Mr V M Bhutani has over 37 years of experience in the fields of Finance, Banking, Taxation and Capital Market.

He is the Chairman of the Audit Committee and member of the Shareholder's/Investor's grievance committees of the Company.

Nature of expertise in specific functional area - Finance, Taxation and Capital Market.

Mr V M Bhutani is a Director and member of Committees of the Boards of the following public companies :

Directorship in other companies :

1. Central Bank of India
2. Fortis Healthcare Limited
3. Fortis Healthcare Holdings Limited
4. Oscar Investments Limited
5. Bhutani Fiscal Management Limited
6. Shimal Research Laboratories Limited

Member of the Committees of the Board :

Oscar Investments Limited

- Audit Committee - Chairman
- Shareholders/Investor's Grievance Committee- Chairman

Securities and Exchange Board of India (SEBI)

- Advisory Committee on Mutual Fund

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Eighth Annual Report of your Company with Audited Accounts for the year ended March 31, 2003.

FINANCIAL RESULTS

The summarized financial results are as under:

Particulars	Rs. lacs	
	Current Year	Previous year
Lease Rental & Other Income	1211.85	509.97
Income(Loss) from Capital Market Operations	58.66	(10.25)
Cash Loss	(39.90)	(608.95)
Depreciation	113.25	97.09
Loss for the year	(153.48)	(706.37)
Reversal / (Provision) under RBI Prudential norms	1557.81	(214.84)
Prior Period items	(76.30)	0
Profit/(Loss) after provision under RBI Prudential norms	1328.02	(921.21)
Appropriations		
Balance brought forward from last year	(8594.03)	(7672.82)
Balance carried forward	(7266.01)	(8594.03)

DIVIDEND

In view of the loss reported by the Company, your Directors have not recommended any dividend for the year.

CONSOLIDATED FINANCIAL STATEMENTS

As required under Clause 32 of the listing Agreements with the Stock Exchanges, Audited consolidated Financial statements form part of the Annual Report.

OPERATIONAL REVIEW

During the year under review, the Company earned a total income of Rs.1270.51 Lacs as compared to Rs.499.72 Lacs in the previous year. The Company has also been able to contain the loss for the year to Rs.153.48 Lacs as compared to Rs.706.37 Lacs in the previous year.

Looking to the overall economic scenario and other adverse factors prevailing in the NBFC Sector during the last several years, your company had decided not to do any fund based business and focus on recovery/settlement of overdue debts and other asset portfolio and also generate fee based income by focusing on non fund based activities.

Your Company has also made a significant effort in lowering its costs. The personnel and administrative expenses have been reduced from Rs.204.79 lacs to Rs.177.05 lacs. The borrowing cost has also come down marginally due to restructuring of loans.

FIXED DEPOSITS

The Company has not invited/received any fixed deposits during the year under review as per Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975. The Matured and unclaimed deposits aggregating to 0.88 lacs representing 15 deposit holders has been transferred to an escrow account with designated Bank as specified by Reserve Bank of India.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT**(i) NBFC Sector :**

The financial services sector is passing through a difficult stage with a number of constituents engaged primarily in recovery of past dues. The success of the strategies adopted by these companies depend to a large extent on the external environment and economic revival.

The setting up of asset reconstruction companies would lead to a focused management of the non-performing assets of banks and financial institutions which may help NBFC's also. This could, in turn, lead to opportunities in reconstruction of viable units. Further, while the slow pace of legal formalities is daunting, recent proposals to initiate wide ranging and sweeping reforms in the judicial processes may have a positive impact on the recoveries of dues.

(ii) Company's performance :

As in the previous year, the management continues to focus on the following activities :-

- Increase fee based activities.
- Maximise recovery from both corporate and retail clients.
- Reduce administrative expenses.

As a result of the above activities, the company has been able to reduce its costs and focus itself on recovery of overdues and non-fund based activities. However, recovery is still at a lower pace due to continued sickness of many industries, no marked improvement in economic activities, nature of debts and long time being taken in settlement of the Court Cases.

(iii) Outlook for the Company :

The company plans to strengthen the recovery process and maximize the collection by persuasion, arbitration and other legal processes apart from rescheduling of payment of overdues and waiver/concessions of interest.

The Company shall continue to lay thrust on fee based activities and minimise the costs of debt and administrative expenses.

(iv) Opportunities & Threats :

With the expectation of improvement in economic activity in the coming years, your company plans to take the opportunity of realizing the overdues as early as possible through legal and other remedial measures.

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In the current scenario, it is difficult to raise low cost funds and therefore there is hardly any opportunity for fund based activities in the near future. The stringent measures imposed by Reserve Bank of India is hampering the growth of NBFC's in a natural way which should be addressed by the authorities to have a healthy survival of the NBFC Sector.

(v) Risks & Concerns:

The Company continues to face large scale defaults. To combat the same, the Company has taken adequate legal and other steps.

(vi) Internal Control Systems and Adequacy thereof :

The Company has proper and adequate system of internal control looking to its size and business. The internal control systems of the Company are designed to ensure that the financial and other records are reliable, for preparing financial statements and other data, and for maintaining accountability of assets.

The Company has an Audit Committee of the Board of Directors which meets regularly to review, inter-alia, risk management policies, adequacy of internal controls and audit findings on the various aspects of the business.

(vii) Financial Performance

During the year under review, the Company earned a total income of Rs.1270.51 Lacs as compared to Rs.499.72 Lacs in the previous year. The Company has also been able to contain the loss for the year to Rs.153.48 Lacs as compared to Rs.706.37 Lacs in the previous years.

(viii) Human Resources:

The Company is deriving maximum output from the existing employees through motivation and in order to conserve cost, no recruitments have been made. The total number of employees in our organization was 21 as on 31st March, 2003.

SUBSIDIARY COMPANY

The audited statement of accounts of Fortis Securities Limited (FSL), a wholly owned subsidiary of the Company together with the Reports of Directors' and Auditors' for the year ended March 31, 2003 as required under Section 212 of the Companies Act are annexed.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of provisions of Section 217(2AA) of the Companies Act, 1956 your directors confirm as under:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed;
- (ii) that the directors had selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit or loss of the Company for that period ;
- (iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting

records in accordance with the provision of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

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

DIRECTORS

In accordance with the Articles of Association of the Company, Mr. Harpal Singh, Mr. Shivinder Mohan Singh and Mr. V M Bhutani retire by rotation as directors at the ensuing Annual General Meeting and are eligible for re-appointment.

STOCK EXCHANGE LISTING

The Equity Shares of the company are listed on the Stock Exchanges at Delhi and Mumbai. The Company confirms that it has paid annual listing fees due to the Stock Exchanges at Delhi and Mumbai for the year 2003-2004.

CORPORATE GOVERNANCE

A separate report on Corporate Governance is furnished as a part of the Directors' Report and the certificate from the Company's Auditors regarding compliance of conditions of Corporate Governance is annexed to the said Report.

AUDITORS'

M/s. R V Shah & Company, Chartered Accountant be and is hereby appointed as Statutory Auditors of the Company from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting in place of M/s. R. A. Patel & Co., Statutory Auditors of the Company who have expressed their desire to discontinue as Auditors of the Company due to certain personal reasons.

PARTICULAR WITH RESPECT OF CONSERVATION OF ENERGY/ TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING AND OUTGO

There are no particulars relevant to be furnished pertaining to conservation of energy/ technology absorption. Foreign exchange earning and outgo was nil.

PARTICULARS OF EMPLOYEES

None of the employees is in receipt of remuneration for the year, which in aggregate was more than the limit prescribed under Section 217(2A) of the Companies Act, 1956, and rules made thereunder.

ACKNOWLEDGEMENTS

Your Directors would like to express their grateful appreciation for the assistance and co-operation received from the Financial Institutions, Banks, Government Authorities and Shareholders during the year under review. Your Directors also wish to place on record their deep sense of appreciation for the committed services of the Executives and Staff of the Company.

On behalf of the Board of Directors

Place: New Delhi
 Date : July 2, 2003

Harpal Singh
 Chairman

REPORT ON CORPORATE GOVERNANCE**1. The Company's Philosophy on code of Corporate Governance**

Your company believes in attainment of highest levels of transparency in all facets of its operations. The Company is committed to maximize the shareholders value by adopting the principles of good corporate Governance in line with provisions stipulated in the listing agreement.

2. Board of Directors : Meeting and Attendance

The Board of directors comprises of seven Directors. The names and categories of the Directors on the Board, their attendance at Board Meetings during the year and at the last Annual General Meeting, as also the number of Directorships and Committee Memberships/Chairmanships held by them in Indian public companies as on March 31, 2003 are given below :-

During the year ended 31st March, 2003, Five Board Meetings were held on the following dates: (i) April 30 (ii) June 29 (iii) July 31 (iv) October 31 and (v) January 29, 2003.

Name of the Director	Category of Directorship	Attendance at		No of Directorship held in other public companies	No of Board Committee membership held in other companies	
		Board Meeting	Last AGM		Member	Chairman
Mr. Harpal Singh Chairman *	Non-Independent Non-Executive	5	Yes	5	2	1
Mr. Sunil Godhwani Managing Director **	Independent Executive	2	Yes	1	Nil	Nil
Mr V K Kaul	Independent Non-Executive	5	No	7	4	Nil
Mr Malvinder Mohan Singh	Promoter Non-Executive	4	Yes	8	6	1
Mr Shivinder Mohan Singh	Promoter Non-Executive	2	Yes	6	Nil	Nil
Mr U K Khaitan	Independent Non-Executive	None	No	12	Nil	Nil
Mr V M Bhutani	Independent Non-Executive	5	Yes	6	1	2

* Related to Promoters

** Appointed as Managing Director w.e.f 29th June, 2002.

Dates of Board Meetings are fixed in advance and agenda papers are circulated to Directors seven days before the meeting.

3. COMMITTEES OF THE BOARD**1. AUDIT COMMITTEE****Terms of Reference :**

The role of the audit committee includes overseeing the financial reporting process and disclosure of financial information, recommending appointment/removal of statutory auditors and fixing their remuneration, reviewing the financial statement before submission to the board, reviewing adequacy of internal control systems.

Minutes of meetings of the Audit Committee are circulated to members of the Committee and the Board is kept apprised.

FORTIS FINANCIAL SERVICES LIMITED**ANNUAL REPORT 2002-2003****Composition & Meetings :**

During the year the Audit Committee was reconstituted effective June 29, 2002 which now comprises of Mr. V. K. Kaul, Mr. Malvinder Mohan Singh & Mr. V M Bhutani. Mr. V M Bhutani has been appointed Chairman of the Audit Committee. During the year ended 31st March, 2003, four meetings of the Audit Committee were held :- June 29, July 31, October 31 and January 29. The attendance of the members at the meeting were as follows :

Name of the member	Status	No. of Meetings attended
Mr. V. M. Bhutani-Chairman	Independent	4
Mr. V. K. Kaul	Independent	4
Mr. Malvinder Mohan Singh	Promoter	3

Mr. Ujjval Mehta, Company Secretary is the Secretary of the Committee.

2. Remuneration of Directors/Remuneration Committee

No remuneration has been paid to any of the Director of the Company. Accordingly the need for remuneration committee has not arisen.

3. Shareholder's / Investor's Grievance Committee**i) Terms of reference**

The role of the committee includes monitoring and reviewing the mechanism of shares transfers and dematerialization of shares and looking into the redressing of shareholders complaints and other matters incidental thereto.

ii) Composition & Attendance of Meetings :-

During the year ended 31st March, 2003, Five Meetings of the committee was held :

Name of the Member	No of meetings attended
1. Mr. Harpal Singh-Chairman	5
2. Mr. Malvinder Mohan Singh	4
3. Mr. V.M. Bhutani	5
4. Mr. Shivinder Mohan Singh	2

The Company attends the investors grievances/correspondence expeditiously and usually reply is sent within a period of 15 days of receipt, except in cases that are constrained by disputes or legal impediments.

The shareholders/investors Grievance and share Transfer committee reviews the complaints received and the action taken by the company.

The Company has received 2 complaints from Stock Exchanges during the year ended 31st March, 2003 and all the complaints were resolved to the satisfaction of the shareholders. There was no share transfer request pending with the company as on 31st March, 2003.

Mr. Ujjval Mehta, Company Secretary is the Compliance Officer of the Company.

4. General Body Meeting

The last three Annual General Meetings of the Company were held at Shah Auditorium, 2 Raj Niwas Marg, New Delhi 110 054 as under :-

Year	Date	Day	Time
2001-2002	27.09.2002	Friday	3.00 p.m.
2000-2001	27.09.2001	Thursday	3.00 p.m.
1999-2000	18.09.2000	Monday	10.00 a.m.

No special resolution was put through postal ballot last year nor it is proposed to put any special resolution to vote through postal ballot this year.

5. Disclosures**A. Related Party Transactions**

The Company has not entered into any transaction of material nature with the promoters, the Director or the management, their subsidiary or relatives etc. that may have any potential conflict with the interests of the Company.

B. Compliance by the Company

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets during the last three years; no penalties or stricture have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authorities relating to the above.

6. Means of Communication

- (a) In compliance with the requirements of Listing Agreement, the Company regularly intimates unaudited as well as audited financial results to the Stock Exchanges immediately after they are taken on record by the Board. These financial results are normally published in the Pioneer (English newspaper) and Veer Arjun (Hindi newspaper). The results are not sent individually to the shareholders.
- (b) Management Discussion and Analysis report forms part of the Report of the Directors.

7. Shareholder's Information :

- (a) **8th Annual General Meeting** : Day : Monday, Date : 22nd September, 2003, Time : 3.00 p.m.
Venue : Shah Auditorium, 2 Raj Niwas Marg, New Delhi-110 054.

(b) Financial Calendar :

Financial Reporting for the quarter ending June 30, 2003	End July 2003
Financial Reporting for the quarter ending September 30, 2003	End October 2003
Financial Reporting for the quarter ending December 31, 2003	End January 2004
Financial Reporting for the quarter ending March 31, 2004	End June 2004
Annual General Meeting for the year ended March 31, 2004	End September 2004

- (c) **Dates of Book Closure** : September 18, 2003 to September 22, 2003 (both days inclusive).

(d) Listing on Stock Exchanges

The Equity Shares of the Company are listed on the Stock Exchanges at - Delhi and Mumbai. The Company confirms that it has paid annual listing fees due to all the above Stock Exchanges for the year 2003-2004.

(e) Stock Code

- | | |
|---|--------|
| 1. The Stock Exchange, Mumbai | 526927 |
| 2. The Delhi Stock Exchange Association Ltd | 06041 |

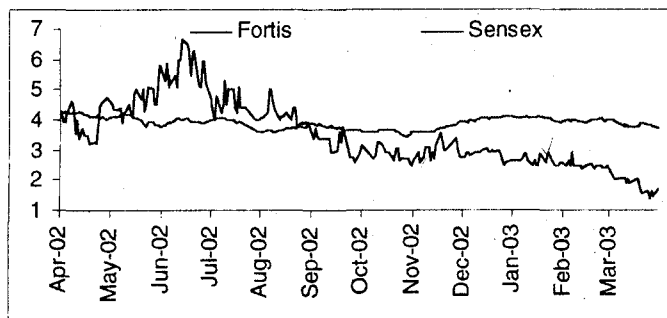
(f) Stock Market price for the year

Month	BSE	
	High (Rs.)	Low (Rs.)
April	4.25	3.40
May	4.75	3.20
June	5.85	4.30
July	6.65	4.00
August	5.30	4.00
September	4.40	2.90
October	3.25	2.60
November	3.05	2.50
December	3.55	2.80
January	2.95	2.50
February	2.95	2.35
March	2.50	1.60

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(g) Performance of FFSL share to broad based index (BSE Sensex)



(h) Registrar and Transfer Agents

The Company has appointed M/s. Intime Spectrum Registry Limited at A-31, 3rd Floor, Naraina Industrial Area, Phase I, Near PVR Naraina, New Delhi - 110 028, as its Registrar's and Share Transfer Agents for Physical and Dematerialized shares.

However, keeping in view the convenience of the shareholders, documents relating to shares will continue to be received by the Company at 210, Taj Building, 1st Floor, D.N. Road, Fort, Mumbai - 400 001. Telephone Number - 022-22073191. Email ID No. secretarial.mumbai@fortisindia.com.

(i) Share Transfer System

With a view to expedite the process of share transfers, the Board of Directors of the Company has delegated the power of share transfer to some of the Directors with appropriate individual limits. The delegated Director(s) attends the share transfer requirements at least once in a fortnight. The shares for transfers received in physical mode by the Company, are transferred expeditiously and thereafter option letter for simultaneous demat of shares are being sent within a period of 20 to 25 days from the date of receipt, provided the documents are complete and the shares under transfer are not under dispute. The share certificates duly endorsed are being returned immediately to those who do not opt for simultaneous transfer cum dematerialisation. Confirmation in respect of the requests for dematerialisation of shares is sent to the respective depositories i.e. National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) within 15 days.

(j) Distribution of Shareholding

a) Class-wise Distribution of Equity Shares as on 31st March, 2003 :

No. of Shares (In Rs.)	No. of Shareholders (In Nos.)	No. of Shareholding (In Rs.)	Percentage (%)
Upto 2500	18,147	1,79,37,150	6.94
2,501-5,000	1,496	57,59,670	2.23
5,001-10,000	581	45,27,510	1.75
10,001-20,000	221	32,11,570	1.24
20,001-30,000	59	14,81,270	0.57
30,001-40,000	20	6,96,100	0.27
40,001-50,000	21	9,71,410	0.38
50,001-1,00,000	37	25,32,220	0.97
1,00,001 and Above	32	22,14,86,850	85.65
TOTAL	20,614	25,86,03,750	100.00