

21st

Annual Report

2003-2004

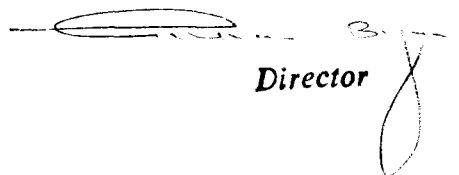
Report  Junction.com



GSB FINANCE LIMITED

815, Stock Exchange Tower, 8th Floor, Dalal Street, Mumbai - 400 023.

For GSB FINANCE LTD.


Director



BOARD OF DIRECTORS

SHRI G.S.BIYANI

Chairman

SHRI R.S.BIYANI

Whole time Director

SMT.SUSHMA BIYANI

SMT.NEELAM BIYANI

RITIKA BIYANI

AUDITORS

S.K.RATHI & CO.

Chartered Accountants.

REGISTERED OFFICE.

815, Stock Exchange Tower,

8th Floor, Dalal Street,

MUMBAI – 400 023

BANKERS

BANK OF INDIA

ICICI BANK LTD.

THE SOUTH INDIA BANK.

TRANSFER AGENT

System Support Services

209, Copper Chimney Building,

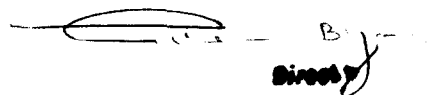
Shivalik Industrial Estate, Next to Park Davis,

Andheri-Kurla Road, Andheri (East),

Mumbai – 400 059

Tel.: 022-28500835

For GSB FINANCE LTD.


Director



NOTICE TO THE MEMBERS

Notice is hereby given that the 21st Annual General Meeting of the members of GSB Finance Ltd. will be held at the Registered Office of the Company at 815, Stock Exchange Tower, 8th Floor, Dalal Street, Mumbai – 400 023 on Thursday, the 30th September, 2004 at 11.00 A.M. to transact the following business: -

ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Balance Sheet of the Company as at 31st March 2004 together with the Profit and Loss Account for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Smt. Neelam R. Biyani, who retires by rotation and being eligible, offers herself for re-appointment.
3. To appoint Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting of the Company and to fix their remuneration.

For and on behalf of the Board
For GSB FINANCE LTD

Registered Office:
815, Stock Exchange Tower, 8th Floor,
Dalal Street, Mumbai – 400 023.
Dated: 30th June, 2004

G. S. BIYANI
Chairman

NOTES

1. A member entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and a proxy need not be a member of the Company.
2. The instrument appointing a proxy, in order to be effective, should reach the Registered Office of the Company not less than 48 hours before the meeting.
3. The Register of the members and Share Transfer Books of the Company shall remain closed from 23/09/2004 to 30/09/2004 (inclusive of both the days)
4. Members desiring any information on the accounts of the Company are requested to write to the Company at least 10 days in advance, so as to enable the Company to keep the information ready.
5. Members are requested to notify changes in mailing addresses, if any.

ATTESTED BY

For GSB FINANCE LTD.

2

Direct



DIRECTORS' REPORT

The Members,

Your Directors' have pleasure in presenting the 21st Annual Reports together with Audited Statement of Accounts for the year ended 31st March 2004.

FINANCIAL RESULTS:

	(Rs. in Lacs)	
	<u>2003-2004</u>	<u>2002-2003</u>
Profit before Depreciation & Tax	190.50	35.24
Depreciation	0.74	0.69
Provision for Taxation	15.00	2.72
Tax for earlier year w/off.	7.82	-
Profit / (Loss) after Tax	166.94	31.84
Add: Balance B/F	(176.46)	(208.30)
	<u>(9.52)</u>	<u>(176.46)</u>

PERFORMANCE:

The year under review again has been of significant development for secondary market. The year have seen upward movement in the equity market, this year volumes and price range were on upward movement, various risk management tools implemented by SEBI, have brought out fair trade practice in the market. However, company in current year has shown turnaround performance, by posting net operating profit before tax at Rs.189.76 Lacs.

Management is of the view that industrial recovery and positive attitude by the government for capital market will lead to favorable movement in the stock prices and this will help company in earning substantially, if market remains to be favorable. However, there is concern on monsoon front in current year this may lead to decline in demand in rural economy which are mainly depend on agriculture and this may effect capital market growth. However, Management is of the opinion that in spite of overall economic situation market remain conducive to the speculation and forecasts generally works, but dealing in the stock and securities always carries some elements of risk which is to be taken care of appropriately.

DIVIDEND:

Your Directors regret their inability to recommend any dividend for the year under review.

DIRECTORS:

Smt. Neelam R. Biyani, Director of the Company retires by relation at the forth coming Annual General Meeting under the provisions of Articles of Association of the Company and being eligible, offer herself for re-appointment.



DEPOSITS

The Company has not accepted and/or renewed any public deposit during the year.

AUDITORS:

M/S. S. K. Rathi & Co., Chartered Accountants who are the Auditors of the Company hold the Office till the conclusion of ensuing Annual General Meeting and being eligible offer themselves for re-appointment. The Company has received consent from the Auditors pursuant to Section 224 of the Companies Act, 1956.

AUDIT REPORT

Report of the auditors read with the notes on accounts is self-explanatory and need no elaboration.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors hereby state:

- (a) That in preparation of the annual accounts for the financial year ended 31st March 2004, the applicable accounting standards had been followed with proper explanations relating to material departures;
- (b) That we have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent, so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year under review;
- (c) That we have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting the fraud and other irregularities;
- (d) That we have prepared the annual accounts for the financial year ended 31st March 2004 on a "going concern" basis.

CORPORATE GOVERNANCE

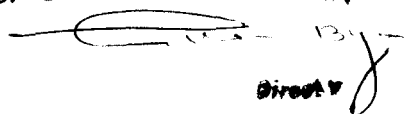
The Company has complied with the requirements regarding Corporate Governance as required under Clause 49 of the Listing Agreement entered into with the Stock Exchanges, where the Company's shares are listed. A report on the Corporate Governance in this regard is made a part of this Annual Report and a Certificate from the Auditors of the Company regarding compliance of the conditions of the Corporate Governance is attached to this report.

DELISTING OF SHARES FROM VARIOUS STOCK EXCHANGE

The Company has applied for delisting from The Calcutta Stock Exchange Association Ltd, Uttar Pradesh Stock Exchange Association Ltd and Jaipur Stock Exchange. The Company has complied with formalities of delisting and the application is still pending for delisting.

For GSB FINANCE LTD.

4


Director



PARTICULARS OF EMPLOYEES

The Company has no employee employed during the year drawing salaries in excess of the limits prescribed u/s 217(2A) of the Companies Act, 1956.

CONSERVATION OF ENERGY

The Company is engaged in the business of trading and dealings in shares and securities and consequently various disclosures required u/s 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosures of Particulars in the Report of the Directors) Rules, 1988 are not applicable to this Company.

FOREIGN EXCHANGE EARNINGS & OUTGO:

During the year under review	-	Earnings	- Nil
	-	Outgo	- Newzealand \$3000 = Rs.90, 300/-

ACKNOWLEDGEMENT:

Your Directors wish to express their gratitude to the officials of the Stock Broking Houses, Stock Exchanges, company's bankers and shareholders who have extended their valuable support to the Company. Directors are also grateful to the staff and employees of the Company for their devotion and relentless services.

Report Junction.com

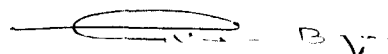
For and on behalf of the Board
For GSB FINANCE LTD

(G. S. Biyani)
Chairman

Registered Office:
815, Stock Exchange Tower, 8th Floor,
Dalal Street, Mumbai – 400 023.

Dated: 30th June, 2004

For GSB FINANCE LTD.


Director



REPORT ON CORPORATE GOVERNANCE

1. GSB FINANCE LIMITED'S PHILOSOPHY ON CODE OF GOVERNANCE :

The Company has incorporated the sound Corporate Governance practices. Further the Board lays emphasis on transparency, accountability and integrity in all its operations and dealings with outsiders. Your Company has adopted some of the best practices in corporate governance much before the Code was formulated. The following are the detailed practices on Corporate Governance in your Company:

2. BOARD OF DIRECTORS

(a) Composition of the Board : (for the financial year 2003-2004)

Director	No. of Meetings attended	* No. of outside Directorship held	Total No. of Membership / Chairmanship of Committees across all Companies	
			Member	Chairman
Mr. Girdhari S. Biyani	6	2	-	-
Mr. Ramakant S. Biyani	6	3	-	-
Smt. Sushma G. Biyani	6	1	-	-
Smt. Neelam Biyani	6	1	-	-
Ms. Ritika G. Biyani	6	-	-	-

(Excluding Alternate Directorship and Directorship in private limited companies, foreign companies and Section 25 Companies.)

All the Directors have attended the last Annual General Meeting held on 26th September, 2003.

6 (Six) Board Meeting were held during the financial year 2003-2004. The dates on which the meeting were held are given below:

30.04.2003, 31.07.2003, 06.10.2003, 31.10.2003, 19.12.2003 and 30.01.2004

3. AUDIT COMMITTEE:

The following Executive Directors are the members of the Audit Committee :

1. Shri. Girdhari S. Biyani Chairman of the Committee
2. Shri. Ramakant Biyani Director
3. Smt. Sushma Biyani Director

Statutory Auditors, M/s. S. K. Rathi & Co., C.A., Internal Auditors M/s. Sajjan Poddar & Associates, C.A. attended the meetings of the Committee as invitees. The Committee met four times during the year 2003-2004 on 28.04.2003, 24.07.2003, 30.10.2003 and 27.01.2004 as against the minimum requirement of 3 meetings.

The Audit Committee held discussions with the Statutory Auditors on the "Limited Review" of the half-yearly accounts, matters relating to compliance of accounting standards, their observations arising from the annual audit of the Company's accounts and other related matters.

4. REMUNERATION OF DIRECTORS:

The Company does not pay any remuneration except sitting fees for attending the Board / Committee Meeting to Non-executive Directors.

For GSB FINANCE LTD.

6

[Signature]
Director



Disclosure of Non-mandatory requirement:

The Board has not constituted a Remuneration Committee, as it is not mandatory. The same will be constituted as and when the need will arise.

5. SHAREHOLDERS COMMITTEE :

The Shareholders / Investors Grievance and Share Transfer Committee consists of 2 Non-executive and Managing Director viz.,

- | | |
|-----------------------------|---------------------------|
| 1. Shri. Girdhari S. Biyani | Chairman of the Committee |
| 2. Smt. Neelam Biyani | Director |
| 3. Ms. Ritika G. Biyani | Director |
| Compliance Officer : | Shri. Ramasre Pande, |

During the year, the Company has not received any complaint letters from the shareholders. There were no pending complaint letters from the shareholders as on 31.03.2004

Delivery of equity shares of the Company by all investors / shareholders is now mandatory in the dematerialised form in all Stock Exchanges.

6. GENERAL BODY MEETINGS:

Location and time, where last AGM held:

Year	Location	Date	Time
2002-2003	78/80, Alli Chambers, Tamarind Lane, Fort, Mumbai - 400 023	26-09-2003	10.30 A.M.

7. Means of Communication :

The quarterly results are published in the newspapers viz., Financial Express and Lok Sanket. The Company currently does not have a website. Official news releases and presentations made to analysts are sent to the Stock Exchanges, where the Company's shares are listed.

8. Disclosure of Non-mandatory requirement:

Quarterly results are published in the newspapers and released to the Stock Exchanges immediately after the Board Meeting and are not sent to the shareholders.

9. Shareholder Information :

i) Annual General Meeting

Date : 30.09.2004

Time : 11.00 A.M.

Venue : 815, Stock Exchange Tower, 8th Floor, Dalal Street, Mumbai - 400 023

(The Company has changed the registered office of the Company from 78/80, Alli Chambers, Tamarind Lane, Fort, Mumbai - 400 023 to 815, Stock Exchange Tower, 8th Floor, Dalal Street, Mumbai - 400 023 w.e.f. 19/12/2003)

ii) Financial Calendar

Financial reporting for

Quarter ending June 30, 2004	:	End of July 2004
Quarter ending Sept. 30, 2004	:	End of October 2004
Quarter ending Dec. 31, 2004	:	End of January, 2005
Quarter ending March 31, 2005	:	End of June 2005

For GSB FINANCE LTD.

7

Director



- Annual General Meeting for the
Year ended March 31, 2005 : End of September 2005
- iii) Dates of Book Closure : 23.09.2004 to 30.09.2004 (both days inclusive)
- iv) Dividend payment date : —
- v) Listing on Stock Exchanges at :
 1. The Stock Exchange, Mumbai
 2. The Calcutta Stock Exchange Association Ltd
 3. Uttar Pradesh Stock Exchange Association Limited
 4. Jaipur Stock Exchange
- vi) Demat ISIN Number in NSDL and CDSL : INE 777C01011
- vii) Stock Market Data: (in Rupees)

Year 2003-2004	Bombay Stock Exchange	
	Month's High Price	Month's Low Price
April	1.00	0.80
May	0.90	0.45
June	0.86	0.35
July	1.03	0.39
August	6.24	0.63
September	4.67	1.35
October	2.16	1.22
November	2.44	1.30
December	5.57	1.75
January	5.37	3.01
February	4.21	2.16
March	3.50	1.46

- viii) Registrar and Share Transfer Agents
System Support Services

209, Copper Chimney Building,
Shivalik Industrial Estate, Next to Park Davis,
Andheri-Kurla Road, Andheri (East),
Mumbai – 400 059
Tel.: 022-28500835

- ix) Share Transfer System

Share Transfers are registered and returned within a period of 30 days from the date of receipt, if the documents are clear in all respects. The power to approve transfer of securities has been delegated by the Board to the Shareholders / Investors Grievance and Share Transfer Committee, which meets once in a fortnight. Share transfer requests are processed within an average of 15 days from the date of receipt. Letters are sent to the shareholders after transfer of shares in their names giving an option for dematerialisation of shares of the

For GSB FINANCE LTD.

8

Director