

14th Annual Report 2007-2008



GLANCE FINANCE LIMITED

GLANCE FINANCE LTD.

BOARD OF DIRECTORS : MR. NARENDRA KARNAVAT (Chairman)
MR. TUSHAR AGARWAL
MRS. VANDANA VASUDEO
MR. HASMUKH GANDHI

COMPANY SECRETARY : [REDACTED]

STATUTORY AUDITORS : M/S. P. K. J. & CO.
OFFICE NO. 002, GULMOHAR COMPLEX,
OPP. ANUPAM CINEMA,
STATION ROAD, GOREGAON (E),
MUMBAI - 400 063.

PRINCIPAL BANKER : ABN AMRO BANK N. V.
SAKHAR BHAVAN,
NARIMAN POINT,
MUMBAI - 400 021.

REGISTERED OFFICE : 5, KITAB MAHAL,
192, DR. D. N. ROAD,
FORT, MUMBAI - 400 001.
TEL. 022 4066 6666 / 50
E-MAIL : glance@glancefin.com

**REGISTRAR & SHARE
TRANSFER AGENTS :** INTIME SPECTRUM REGISTRY LTD.
C-13, PANNALAL SILK MILLS COMPOUND,
L. B. S. MARG, BHANDUP (W),
MUMBAI - 400 078.
TEL. : 022 2592 3851

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NOTICE

NOTICE is hereby given that the Fourteenth Annual General Meeting of the Members of Glance Finance Limited will be held at Serai Mahila Mandal, 11A/1, Sindhi Colony, Opp. Sachanand Darbar, Sion (West), Mumbai - 400 022 on Monday, 29th September, 2008 at 9.00 a.m. to transact the following business :

ORDINARY BUSINESS

- 1) To receive, consider, approve and adopt the Audited Balance Sheet as at 31st March, 2008 and the Profit and Loss Account for the year ended on that date and the Directors Report and Auditors' Report thereon.
- 2) To appoint Director in place of Mr. Hasmukh Gandhi, who retires by rotation, and being eligible, offers himself 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 and for the purpose to pass the following resolution, which will be proposed as an ordinary resolution.

"RESOLVED THAT pursuant to the provisions of Section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. P. K. J. & Co., the retiring Auditors, be and are hereby re-appointed as the 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 that the Board of Directors' of the Company be and is hereby authorised to fix their remuneration for the said period and re-imbursement of actual out-of-pocket expenses, as may be incurred in the performance of their duties."

SPECIAL BUSINESS

RE-APPOINTMENT OF SHRI TUSHAR AGARWAL AS WHOLE TIME DIRECTOR OF THE COMPANY.

To consider and, if thought fit, to pass the following Resolution as Special Resolution;

"RESOLVED THAT pursuant to Section 198, 269, 309 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956, including any Statutory Modification or re-enactment thereof and subject to such approvals as may be necessary, consent of the Company, be and is hereby accorded for re-appointment of Shri Tushar Agarwal as Whole Time

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Director of the Company for a further period of three years with effect from 1st April 2008, at a remuneration not exceeding Rs. 2,50,000/- per month (including any cash allowances and perquisites which shall not include (i) contribution to Provident Fund, Super Annuation Fund, or Annuity Fund to the extent these either singly or put together are not taxable under the Income Tax Act, 1961, (ii) Gratuity payable at rate not exceeding half a months' salary for each completed year of service and (iii) Encashment of Leave at the end of the tenure) as may be fixed by the Board of Directors of the company which term shall be deemed to include the Remuneration Committee constituted by the Board from time to time, as agreed to by Shri Tushar Agarwal."

"RESOLVED FURTHER THAT the Board of Directors be and hereby authorised to alter and vary the Remuneration in such form and manner with such modifications as the Board may deem fit and agreed by Shri Tushar Agarwal.

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts, deeds and things and execute all such documents, instruments and writings as may be required to give effect to the aforesaid Resolution.

Registered Office :
5, Kitab Mahal,
192, Dr. D. N. Road,
Fort, Mumbai 400 001.

By Order of the Board of Directors
For GLANCE FINANCE LIMITED

sd/-

Dated : 2nd Sept. 2008

GLANCE FINANCE LTD.**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 THE PROXY NEED NOT BE A MEMBER.
- 2) Proxies, in order to be effective, should be duly stamped, completed, signed and deposited at the Registered Office of the Company not less than 48 hours before the Meeting. The Proxy Form is attached at the end of Annual Report.
- 3) The Members/Proxies should bring the Attendance Slip sent herewith duly filled in for attending the Meeting.
- 4) An explanatory Statement as required under Section 173 of the Companies Act, 1956 is annexed hereto and the papers/documents referred to therein are open for inspection at the Registered Office of the Company between 11.00 a.m. and 1.00 p.m. on any working day prior to the date of meeting.
- 5) The Register of Members and Share Transfer Books in respect of the Equity Shares of the Company will remain closed from 26th September, 2007 to 29th September, 2007 (both days inclusive).
- 6) Members are requested to notify change in address, if any immediately to the company at its Registrars Office M/s. Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078".
- 7) Members may avail nomination facility as provided under Section 109A of the Companies Act, 1956.
- 8) Pursuant to the requirements of the Listing Agreements of Stock Exchanges on Corporate Governance, the information about the Directors proposed to be appointed/re-appointed is given in the Annexure to the Notice.
- 9) Members desirous of getting any information about the accounts and operations of the Company are requested to write to the Company at least seven days before the date of the Meeting.
- 10) Shareholders are requested to bring their copy of Annual Report to the meeting.
- 11) Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID numbers for easy identification of attendance at the meeting.

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DETAILS OF DIRECTORS SEEKING APPOINTMENT / RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING :

(In pursuance of clause 49 of the Listing Agreement)

| | |
|--|--------------------|
| Name of Director : | Mr. Hasmukh Gandhi |
| Age : | 77 Years |
| Expertise in specific functional area : | Law |
| Qualifications : | L.L.B. |
| List of Companies in which outside Directorship held as on 31.03.2008 | 5 |
| Chairman/Member of the Committees of the Boards of the other companies on which he is a Director | Nil |

Explanatory Statement pursuant to Section 173(2) of the companies Act 1956.

RE-APPOINTMENT OF SHRI TUSHAR AGARWAL AS WHOLE TIME DIRECTOR OF THE COMPANY.

The term of Shri Tushar Agarwal as Whole Time Director expired on 31st March, 2008. The Board of Directors of the Company in its Meeting held on 27th June 2008 re-appointed Shri Tushar Agarwal as Whole Time Director for a further period of Three years with effect from 1st April, 2008 on terms and conditions as contained in agreement dated 27th June, 2008. The Company's financial performance has improved during the tenure of Shri Tushar Agarwal as Whole Time Director of the Company. The Remuneration of Shri Tushar Agarwal was not commensurate with the time and efforts he has devoted to the Company. Moreover the remuneration of Shri Tushar Agarwal was also not in sync with prevailing scale of remuneration which is being paid by the Companies engaged in financial sector.

The proposed resolution seeks ratification by the Members of the Company of the decision of the Board of Directors in re-appointing Shri Tushar Agarwal as Whole Time Director of the Company for a further period of three years with effect from 1st April 2008, at a remuneration not exceeding Rs. 2,50,000/- per month (inclusive of all cash allowances and perquisites, excluding Provident Fund, Superannuation Fund or Annuity Fund, Gratuity payment as per Company's Rules and encashment of Leave at the end of his tenure.) as may be fixed by the Board of Directors within the outer limit of Rs. 2,50,000/- per month.

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The information's as required in Schedule XIII Part II Section II (B) are as under.

- i. Payment of remuneration not exceeding Rs. 2,50,000/- per month (all inclusive) except certain perquisites as set out in the resolution has been approved by a Resolution passed by the Remuneration Committee.
- ii. The Company has not made any default in repayment of any of its debts or interest payable thereon for a continuous period of 30 days in the preceding Financial Year before the date of appointment of Shri Tushar Agarwal as Whole Time Director. The Company has not accepted any deposits nor issued any debentures.

I. General Information :

(a) Nature of Industry :

The Company is engaged in trading of securities, commodities, financing and financial / accounting consultancy services.

(b) Date of commencement of commercial production

Not applicable

(c) Financial performance of the Company

| Particulars | For the year ended | | |
|---|--------------------|----------------|----------------|
| | 31st Mar. 2008 | 31st Mar. 2007 | 31st Mar. 2006 |
| Sales - commodities | 927960 | 2617442 | -- |
| - shares | -- | -- | 372660 |
| Professional Fees | 27812296 | 3120533 | 2723016 |
| Interest Earned | 8870029 | 1046398 | 1032394 |
| Profit on Sale of Investment | 108591 | 3146094 | 143164 |
| Profit on settlement of future transactions | -- | 21928 | -- |
| Profit on Trading Shares | 148910 | -- | -- |
| Profit on Sale of Immovable Property | 343033 | -- | -- |
| Share of Profit of Partnership Firm | 2315479 | 1826000 | 1046096 |
| Other Income | 99576 | 164730 | 684236 |
| Increase/(Decrease) in stock | 2069560 | (2145000) | 1779330 |
| Total | 44421020 | 9798125 | 7780897 |
| Purchases (commodities) | 867563 | -- | 2145000 |
| Purchases (shares) | 29554146 | -- | -- |
| Loss in Derivatives | 1560798 | -- | 399935 |

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| | | | |
|--|----------|----------|----------|
| Administrative and other Expenses | 6865375 | 5141283 | 3732475 |
| Depreciation | 250104 | 231939 | 232740 |
| Total | 39097985 | 5373222 | 6510150 |
| Profit before Tax | 5323035 | 4424903 | 1270747 |
| Provision for Taxation (including deferred tax and FBT) | (786634) | (533874) | (242617) |
| Profit after Tax | 4536401 | 3891029 | 1028130 |

(d) Export Performance

Not Applicable

(e) Foreign investment or collaborators if any

Not Applicable

II. Information about the Appointee

(i) Back ground details

Shri Tushar Agarwal (42 years) is the promoter director of your company. He is engaged in non-funded services like Corporate Advisory, Investment Banking including wealth management, Loans Syndication, Equity, Private, International Trade Finance, Mergers/Amalgamations, Ownership Structures, etc. and funded services like Private / Angel Equity Funding, Real Estate, Stainless Steel Export Business, Equity and Commodity markets.

Past Remuneration

Shri Tushar Agarwal was appointed as Whole Time Director of the Company for a period of 5 years from 1st April, 2003 to 31st March, 2008. He was initially appointed at a remuneration of Rs. 25,000/- per month plus bonus equivalent to one month's salary and house rent allowance. The remuneration of Shri Tushar Agarwal was increased to Rs. 75,000/- per month plus one month's salary as bonus along with house rent allowance, with effect from 1st April 2007. He was paid a total remuneration of Rs. 9,75,000/- during the year ended 31st March, 2008.

(iii) Recognition or awards

During his tenure he passed his Chartered Accountant from the Institute of Chartered Accountants of India with a 6th rank.

(iv) Job Profile and his suitability

As a Whole Time Director Shri Tushar Agarwal looks after day to day management of the affairs of the Company under the overall control, guidance and supervision of the Board of Directors. Shri Tushar Agarwal has been instrumental in expansion of the business of the company and the

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financial performance of the company has significantly improved under the guidance of Shri Tushar Agarwal.

(v) Remuneration proposed

Rs. 2,50,000/- per month (all inclusive) maximum, excluding company's contribution towards Provident Fund, Superannuation Fund, Annuity Fund, Gratuity as per the rules of the Company and Leave Encashment at the end of his tenure. The remuneration of Shri Tushar Agarwal will be fixed by the Board of Directors of the Company from time to time within the overall limit of Rs. 2,50,000/- per month, excluding certain perquisites.

(vi) Comparative Remuneration profile with respect to Industry, size of the Company, etc.,

Since the industry comprises of a large number of players with diversified business of different size, scale and emphasis a comparative figure may not be available.

(vii) Pecuniary relationship directly or indirectly with the Company or relationship with the Managerial personnel

There is no pecuniary relationship of Shri Tushar Agarwal directly or indirectly with the company or any of its managerial personnel.

III. Other information

1) Reasons of loss or inadequate profits

The Company is engaged in financial services and trading in shares and commodities. The business in which the company is engaged has undergone changes over the years. The regulatory framework has also seen sea changes and only the Companies which have been keeping pace with the time and has adopted the contemporary practices with sound management have survived. The company has changed its business profile matching with the current trends. Shri Tushar Agarwal with his vast experience in financial sector has contributed immensely to the growth of the company.

The Company is a profit making company and its net worth as at 31st March, 2008 (excluding revaluation result) is Rs.649.27 Lacs. The reasons of inadequate profit, inter-area are volatility in the securities markets, cut throat competition, increase in overhead costs, etc.

(2) Steps taken or proposed to be taken for improvement

The Company has strengthened its internal control systems and procedures and has laid down procedures for risk assessment and minimisation. The company has also diversified its profit centres and the business activities of each division are strictly monitored. The company has also initiated cost cutting measures so as to withstand in the competitive environment. All these measures adopted by the company have shown perceptible results in the financial performance of the company.

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- (3) **Expected increase in productivity and profits in measurable terms**
The company is engaged in financial services and trading in shares and commodities. There are no norms for measuring the profitability vis-a vis volume of business. However due to improvement in systems and procedures and in house research the company has been able to improve its profitability. It is expected that the Profitability of the company will further improve under the dynamic leadership of Shri Tushar Agarwal.

IV Disclosures

- (1) **The shareholders of the Company shall be informed of the remuneration package of the managerial person**
The remuneration of Shri Tushar Agarwal will be fixed by the Board of Directors of the company within the overall limit of Rs. 2,50,000/- per month excluding certain perquisites.
- (2) **The following disclosures shall be mentioned in the Board of Director's Report under the heading "Corporate Governance" if any attached to the Annual Report:**
- (i) **All elements of remunerations package such as salary, benefits, bonuses, stock options, pensions, etc of all directors;**
The Corporate Governance Report discloses all the elements of remuneration package of Shri Tushar Agarwal. No other Director has been paid any managerial remuneration.
 - (ii) **Details of fixed components and performance linked incentives along with the performance criteria;**
Shri Tushar Agarwal has been paid fixed remuneration and bonus equivalent to one months salary aggregating to Rs. 9,75,000/-
 - (iii) **Service contracts, notice period, severance fees;**
The earlier agreement of Shri Tushar Agarwal has expired on 31 st March 2008. an agreement dated 27th June 2008 for re-appointment of Shri Tushar Agarwal for a further period of three years is available for inspection during business hours upto the date of Annual General Meeting at the Registered Office of the company. The agreement shall also be available for inspection at the venue of Annual General Meeting.
 - (iv) **Stock options details, if any, and whether the same has been issued at a discount as well as the period**
Not applicable.

Your Directors recommend the approval of proposed Resolution by the Members.
None of the Directors other than Shri Tushar Agarwal are interested in the Resolution.