

MARVEL CAPITAL & FINANCE (INDIA) LIMITED

Report  TENTH  ion.com
ANNUAL REPORT
2003-2004

CERTIFIED TRUE COPY
MARVEL CAPITAL & FINANCE (INDIA) LTD.

Sapnita K. S. S.

DIRECTOR

MARVEL CAPITAL & FINANCE (INDIA) LIMITED

BOARD OF DIRECTORS

Shri Laxmi Kumar Saboo	Chairman
Smt. Shalini Saboo	Managing Director
Shri Sanjiv Mehrotra	Director
Shri Sanjay Gupta	Director

BANKERS

Sangli Urban Co-op. Bank Ltd.

AUDITORS'

Sanjay Dosi

Chartered Accountant,

502, Manavsthal, Gokuldham,

Goregaon (East),

Mumbai - 400 063

Tel. : 28421509

REGISTERED OFFICE

20, Podar Chambers ,

S. A. Brelvi Road,

Fort ,

Mumbai- 400 023.

ADMINISTRATIVE OFFICE

Unit No. 2, 1ST Floor,

Mahalaxmi Industrial Estate,

Gandhi Nagar,

Lower Parel (w),

Mumbai 400 013.

NOTICE IS HEREBY GIVEN THAT THE TENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF MARVEL CAPITAL & FINANCE (INDIA) LIMITED WILL BE HELD ON 29TH SEPTEMBER, 2004 AT 11.30 A. M. AT MAHALAXMI INDUSTRIAL ESTATE, UNIT NO. 2, 1ST FLOOR, GANDHI NAGAR, LOWER PAREL (W), MUMBAI - 400 013 TO TRANSACT THE FOLLOWING THE BUSINESS:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt Profit & Loss Account for the year ended 31st March, 2004 and the Balance Sheet as at that date, the Reports of Directors and the Auditors thereon.
- 2 To appoint a Director in place of Shri Sanjay Gupta & Sanjiv Mehrotra who retire by rotation and being eligible, offers themselves for reappointment .
3. To appoint Auditors to hold office until the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

NOTES :

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 OF THE COMPANY.

- 1 The Register of Members and Share Transfer Books of the Company will remain closed from 27.09.2004 to 29.09.2004 (both days inclusive) for the purpose of Annual General Meeting.
- 2 Members desiring any information as regards to Accounts are requested to write 7 days in advance to the company before the date of meeting to enable the management to keep full information ready.
- 3 The members are requested to :
 - a) Intimate to Registrar & Transfer Agent, Sharex (India) Pvt. Ltd. at 17/B, Dena Bank Bldg , 2nd Floor, Horniman Circle, Fort, Mumbai- 400 001 for changes, if any, in their Registered addresses at an early date.
 - b) Quote Ledger Folio numbers in all correspondence.
 - c) Bring a copy of the Annual Report and Attendance slip to the Annual General Meeting.

For Marvel Capital & Finance (India) Ltd.



Shalini Saboo

MANAGING DIRECTOR

Registered Office:
20, Podar Chambers,
S. A. Brelvi Road,
Fort, Mumbai - 400 023.
Date : 30th August, 2004.

MARVEL CAPITAL & FINANCE (INDIA) LIMITED**DIRECTORS' REPORT**

To the Members,

Your Directors hereby present their Tenth Annual Report on the business and operations of your company and audited statement of accounts for the year ended 31st March, 2004.

FINANCIAL RESULTS:

	Year Ended 31.03.2004 (Rs. in Lacs)	Year Ended 31.03.2003 (Rs. in Lacs)
Total Income	142.04	117.50
Total Expenditure	115.40	75.62
Profit/(Loss) before Depreciation	26.64	41.88
Depreciation	11.96	11.96
Profit/(Loss) Before Tax	14.68	29.92
Provision for Taxation (Deferred Tax)	(14.12)	4.39
Profit/(Loss) After Tax	0.56	34.31
Appropriations	(134.55)	(168.86)
Balance transferred to Balance sheet	(133.98)	(134.55)

DIVIDEND:

In view of the insufficient profit, the Directors have not recommended any Dividend for the year ended 31st March, 2004.

OPERATIONS :

Due to sluggish market conditions, the performance of the company for the year ended on 31st March, 2004 is not improved over the previous year.

COMPANY 'S PERFORMANCE:

With the overall improvement in economic activities the Company was able to increase Sales & Other income during the year 2003-04 to Rs. 134.98 Lacs as compare to Rs. 116.09 Lacs in the previous year.

Due to execution of certain specific orders in medical transcription & software business activities, the Profit before tax was at Rs. 14.69 Lacs as compare to profit of Rs. 29.92 Lacs in the previous year. However after providing taxation including deferred tax the Company reported Net Profit of Rs. 0.57 Lacs as compare to Net profit of Rs. 34.31 Lacs in the previous year.

PRUDENTIAL NORMS AND GUIDELINES FOR NON-BANKING FINANCIAL COMPANIES:

The Directors wish to state that your company continues to comply with all the prudential norms prescribed by the RBI governing capital adequacy, provisioning of bad and doubtful debts and income recognition norms.

PUBLIC DEPOSITS:

The company has not accepted any deposits under section 58A of the Companies Act, 1956 from the public during the year.

SUBSIDIARY COMPANY:

As required under Section 212 of the Companies Act, 1956, the audited statement of accounts along with the reports of its Board of directors and Auditors thereon of M/s Harsvin Fintech Limited for the year ended 31st March, 2004 are annexed hereto.

STOCK EXCHANGE LISTINGS :

Equity Shares of the Company are listed on The Mumbai Stock Exchange. The Equity Shares of the company were voluntarily De-listed from The Ahmedabad Stock Exchange with effective from 08.04.2004. The Company confirms that it has paid annual listing fees to the above Exchanges for the year 2004-2005.

PARTICULARS REGARDING EMPLOYEES:

Information required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 is not applicable to the Company during the year under review.

DIRECTORS:

Shri Sanjay Gupta retires by rotation at the ensuing Annual General Meeting of the Company and being eligible offers himself for re-appointment. Your Directors recommend his reappointment.

During the year, Shri Navin Gupta, resigned from the Board, with effective from 29th November, 2003. The Board placed on record its appreciation for the valuable guidance received from himself during the tenure as Director of the company.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to section 217 (2AA) of the Companies Act, 1956 the Directors' confirm that:

1. In the preparation of the annual account for the year ended 31st March, 2004 , the applicable accounting standards have been followed except as stated in the Notes to Accounts attached to the Annual accounts.
2. appropriate accounting policies have been selected and applied consistently, and have made judgements and estimates that are reasonable and prudent so as to give a True & Fair View of the state of affairs of the Company as at March, 31 2004, and profit of the Company for the year.
3. 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;
4. the annual accounts have been prepared on a going concern basis.

DEPOSITORY SYSTEM :

Securities & Exchange Board of India (SEBI) has made compulsory trading of the company's Equity shares in dematerialised form mandatory. In line with this , the company has entered into Tripartite Agreement with Central Depository Services (India) Limited and Sharex India (Pvt.) Ltd. , Registrars for depository system. The company has also into a Tripartite Agreement with National Securities Depository Ltd.(NSDL) and Sharex India (Pvt.) Ltd. , Registrars for depository system. The shareholders are requested to send thier shares for dematerialisation at the earliest.

AUDITORS:

Members are requested to appoint Auditors and fix their remuneration . Sanjay Dosi, the retiring Auditor, is eligible for re-appointment . The company has received a certificate from him to the effect that his appointment, if made, will be within the prescribed limit under section 224(1-B).of the Companies Act, 1956.

AUDITORS' REPORT :

The notes to the accounts referred to in the Auditors' Report are self explanatory and therefore do not call for any further explanation.

FOREIGN EXCHANGE EARNING AND OUTGO:

Foreign Exchange Earnings Rs. 8369446
Foreign Exchange outgoing Rs. Nil

MANAGEMENT DISCUSSION AND ANALYSIS:

As per clause 49 of the Listing Agreement with Stock Exchange, your company is required to give a note on management discussion and analysis with regards to company perception. A report on the same is given separately as Annexure- 'I'

CORPORATE GOVERNANCE:

As per Clause 49 of the Listing Agreements with Stock Exchanges, your Company was required to implement the code of Corporate Governance. Accordingly, your company has complied in all material respects with the features of the said code. A report on the same is given separately as Annexure- 'II'.

ACKNOWLEDGMENTS:

Your Directors would like to express their grateful appreciation for the assistance and continued co-operation extended by all its employees, Banks, Government Authorities, shareholders and all other business associates towards efficient operation of your company.

For and on behalf of Board of Directors



Shalini Saboo
MANAGING DIRECTOR

Registered Office:
20, Podar Chambers,
S. A. Brelvi Road,
Fort, Mumbai-400023.

Date: 30th August, 2004

ANNEXURE - 'I' TO THE DIRECTORS' REPORT**MANAGEMENT DISCUSSION AND ANALYSIS REPORT:****(a) FINANCIAL & MEDICAL TRANSCRIPTION SECTOR:**

The overall economy has performed well in the year 2003-04 with a GDP growth of about 8%. However, despite various economic and financial reforms, no major improvement is seen in the sector of financial & Medical Transcription business. The prolonged adverse factors prevailing in the same sector has continued to hamper the growth of concerned companies. Due to continued slow down in U. S. A. economy & steep competition in Medical Transcription sector, there is no significant growth as expected in the similar business.

(b) SEGMENT -WISE PERFORMANCE :

Segments have been identified in line with the Accounting Standard on Segment Reporting (AS-17), taking into account the company's organisation structure as well as the differential risks and return of these segments. Segment Revenue Results and Capital Employed figures includes expenses incurred at corporate level, which relate to the company as a whole.

(c) OUTLOOK FOR THE COMPANY:

With the improvement in economic activities your Company is expected to increase the business activities in future. However, considering the adverse factors prevailing in medical transcription business Sector and unable to infusion of fresh fund of its own or via strategic investor. The company has no option but to sale its M. T. division and concentrate on its financial & investment banking business.

(d) OPPORTUNITIES & THREATS :

The Company is totally relied on financial & Medical Transcription business, presently it is very difficult to compete in the market. Company is facing tight competition from big organization having wide network and sound financial conditions.

(e) RISKS & CONCERNS :

The Company is engaged in the business of finance and by its very nature is exposed to credit and investment risk. The company is also engaged in Medical Transcription & software business & the same business has been facing severe competition from the big companies which are in the similar business for longer time.

(f) INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY :

The Company has not proper and adequate system of internal control looking to its size and business. The internal control system of the Company is designed to ensure that the financial and other records are reliable, for preparing financial statements and other data, and for maintaining accountability of assets.

(g) HUMAN RESOURCES :

The Company is deriving maximum output from the existing employees through motivation. There has been no material development in human resources during the year under review.

ANNEXURE - 'II' TO THE DIRECTORS' REPORT

REPORT ON CORPORATE GOVERNANCE:

1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The Company believes in the principle of good corporate governance in pursuit of overall excellence over the year. The Company's Board of Directors support the board principle of corporate governance and lays strong emphasis on transparency, accountability and integrity in functioning of the company.

2. BOARD OF DIRECTORS**A) Board Composition:**

Name of Directors	Designation	Executive/ Non-Executive/ Independent	No. of other Public Limited Companies in which Director	No. of Committee Chairmanship/ Membership Chairman	Member
Shri Laxmi Kumar Saboo	Chairman	Promoter/ Non-Executive	1	1	1
Smt. Shalini Saboo	Managing Director	Promoter/ Executive	1		1
Shri Navin Gupta *	Director	Non -Executive/ Independent	Nil		
Shri Sanjay Gupta	Director	Non -Executive/ Independent	Nil		1
Shri Sanjiv Mehrotra	Director	Non -Executive/ Independent	1	2	2

*Shri Navin Gupta resigned as Director on 29.11.2003

B) Board Procedure:

The Board of Directors comprises of a Managing Director, Executive director, Non-Executive Director.

During the financial year, Six Board Meetings were held on 30th April, 2003, 31st July, 2003, 16th August, 2003, 30th October, 2003, 29th November, 2003, and 31st January, 2004.

Attendance of each director at the Board Meetings and last Annual General Meeting:

Name of Director	No. of Board Meetings attended	Attendance at last AGM held On 29.09.2003
Shri Laxmi Kumar Saboo	6 out of 6	Yes
Smt. Shalini Saboo	6 out of 6	Yes
Shri Sanjay Gupta	5 out of 6	No
Shri Sanjiv Mehrotra	5 out of 6	Yes
Shri Navin Gupta *	4 out of 4	Yes

3. AUDIT COMMITTEE:

Terms of Reference and composition, Names of Members and Chairman

The Audit Committee comprises of Shri Sanjay Gupta, member, Smt. Shalini Saboo, member and Sanjiv Mehrotra, Chairman. The terms of reference of this committee cover all matters specified for audit Committees under the Listing Agreement.

Three meetings were held on 30.04.2003, 16.08.2003 and 31.01.2004

Attendance of Member:

Name of Member	No. of Meetings Attended
Shri Sanjiv Mehrotra	3
Shri Sanjay Gupta	3
Smt. Shalini Saboo	3

4. INVESTORS'/SHAREHOLDERS' GRIEVANCE COMMITTEE

The company's Investors'/Shareholders' Grievance Committee met four times during the year. The Members of the Committee are Shri Sanjay Gupta, Member, Shri Sanjiv Mehrotra, Member and Laxmi Kumar Saboo, Chairman. Shri Akhilesh Kothari, the compliance Officer of the Company.

The Company's Registrars Sharex Dynamic (India) Pvt. Ltd. had not received any letters/complaints during the financial year.

5. REMUNERATION COMMITTEE:

The company does not have a formal Remuneration Committee. However, all decision regarding the remuneration of Executive directors are taken by the Board of directors subject to approval from shareholders at Annual General Meeting and central Government, wherever required as per the provisions of Companies Act, 1956.