



SHALIBHADRA

FINANCE LIMITED



ANNUAL ACCOUNTS

2001-2002

Shalibhadra

FINANCE LIMITED

BOARD OF DIRECTORS
SHRI MAYUR A. VORA
SHRI MINESH M. DOSHI
SHRI MUKUND H. DOSHI
SHRI SHASHIKANT A. VORA

Chairman
Managing Director
Director
Director

REGISTERED OFFICE
 103, Rewa Chambers,
 31, New Marine Lines,
 Mumbai - 400 020 India.

ADMINISTRATIVE OFFICE
 3, Kamat Industrial Estate,
 Opp. Siddhivinayak Temple,
 Prabhadevi,
 Mumbai- 400 025.

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BRANCHES

Vapi
 Bharuch
 Valsad
 Navsari

BANKERS
 Dena Bank

AUDITORS

M/s. Keswani & Keswani
 Chartered Accountants

ADVOCATES & SOLICITORS

Kanga & Co.,
 Mumbai.

SHARE TRANSFER SERVICE

103, Rewa Chambers
 31, New Marine Lines
 Mumbai - 400 020 India.

11th Annual General Meeting on Tuesday, 26th September, 2002 at 3.30 p.m. at 3, Kamat Industrial Estate, 396, Veer Savarkar Marg, Opp. Siddhivinayak Temple, Prabhadevi, Mumbai- 400 025.

Shareholders are requested to bring their copies of the Annual Report along with them at the Annual General Meeting.

Shalibhadra

FINANCE LIMITED

NOTICE

NOTICE is hereby given that the 11th ANNUAL GENERAL MEETING of the members of SHALIBHADRA FINANCE LIMITED will be held on Thursday 26th September, 2002 at 3.30 p.m., at Administrative Office at 3, Kamat Industrial Estate, Ground Floor, Opp, Siddhi Vinayak Temple, Prabhadevi, Mumbai – 400 025 to transact the following business.

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2002 and the Profit and Loss Account for the year ended on that date and the Report of Directors and Auditors thereon.
2. To appoint a Director in place of Shri Mukund H.Doshi, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint the Auditors and fix their remuneration.

SPECIAL BUSINESS:

To consider and if thought fit, to pass, with or without modifications, the following Resolutions as a Special Resolution.

4. "RESOLVED THAT the consent of the Company be and hereby given to the Board of directors to apply for delisting of equity shares from Ahmedabad Stock Exchange (Regional Stock Exchange) which the shares are listed from 01.04.95.

And that the Board of Directors be authorised to apply for delisting and all other matters pertaining thereto."

Registered Office:

103, Rewa Chambers,
31, New Marine Lines,
Mumbai – 400 020.
Tel: 200 41 42 / 200 59 34.

For and on behalf of Board of Directors

Place: MUMBAI

Date: 29th AUGUST 2002.

DIRECTORS

NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER. The instrument appointing a proxy must be deposited with the Company at its Registered Office no less than 48 hours before the time for holding meeting.
2. The share transfer Book and the Register of Members of the Company will remain closed from 09.09.2002 to 16.09.2002.
3. All members are requested to:
 - (i) Intimate any change of address, if any, to the Company quoting reference to their Registered Folio number.
 - (ii) Write to the Company for any information about accounts 10 days in advance of the Annual General Meeting.
 - (iii) Members/Proxies are requested to bring the copy of their Annual Report alongwith them and to produce the attendance slip at the entrance of the meeting hall.
4. All documents referred to in the Notice are open for inspection at the Registered Office of the Company during office hours on all working days, Saturdays and Holidays, between 11.00 a.m. and 1.00 p.m. upto date of the Annual General Meeting.
5. Explanatory statement under section 173(2) of the Companies act 1956.
1. There has been no trading in Ahmedabad Stock Exchange since beginning i.e. from 01.04.95 till date. Due to expansion by BOLT in all major cities, the shares can be traded easily on Bombay Stock Exchange from anywhere. Hence the Company will continue to maintain the listing of shares with the Stock Exchange Mumbai. The market liquidity of equity shares of the company will not be adversely affected. In view of above circumstances it's considered necessary to delist the equity shares from said Stock Exchange, subject to your approval and hence the resolution is set out in the notice para no. 4.

None of the Directors are concerned or interested in said resolution.

Shalibhadra FINANCE LIMITED

DIRECTORS REPORT

To,
The Members of
Shalibhadra Finance Limited.

Your directors present here with the 11th Annual Report of the company with the Audited Statements of the Accounts for the year ended March 31, 2002.

FINANCIAL RESULTS

The Financial results for year under review are summarised as follows:

	Current Year 2001 - 2002	Previous Year 2000 - 2001
	(in Rs.) 1,000	(in Rs.) 1,000
Particulars		
Business Income	10,447	10,521
Profit before Interest, Depreciation, Lease Equilisation Charges & Tax	4,828	4,949
Less: a. Interest	811	815
b. Depreciation	1,185	1,141
c. Lease Equilisation Charges	51	51
Profit before tax	2,781	2,994
Provision for Tax	1,050	1,200
Profit after tax	1,731	1,742
Transfer to General Reserve	800	800
Transfer to Special Reserve	375	373
Balance brought forward from Previous Year	745	176
Balance carried to Balance Sheet	1,301	745

DIVIDEND

The company has continued to progress and earned meagre profit in the year under review. To strengthen the financial resources, The Board regrets their inability to recommend any dividend for the year under review.

PERFORMANCE REVIEW:

The economy is sluggish. However the company is doing reasonably well on vehicle finance front due to decent growth in two wheeler industry. The financial consultancy and other non-fund based activities have not contributed much. The investment activity in stock market has also not contributed much due to continued bear phase.

OUTLOOK AND PROSPECTS:

The Company expect the growth in vehicle finance as well as financial consultancy and other non-fund based activities. You directors are sincerely putting efforts to improve profitability and financial strength of the Company and increase shareholders value in future.

B. Clause 32: Cash flow statement pursuant to clause 32 listing agreement is provided alongwith Notes to Accounts.

PUBLIC FIXED DEPOSITS:

The Company has no public deposit as of date and will not accept any deposit without prior approval of the statutory authorities concerned.

PRUDENTIAL NORMS:

The company is consistently complying with all the guidelines issued by the Reserve Bank of India for NBFC's with respect to capital adequacy, asset classification, provisioning and income recognition on non-performing assets.

The capital adequacy of the Company as on 31st March, 2002 is much higher than the minimum norms stipulated by the RBI for NBFC.

CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE

A separate section of Corporate Governance is included in Annual Report and the certificate for the company's Auditors confirming the Compliance of the conditions on the Corporate Governance as stipulated in the clause 49 of the Listing Agreement with stock exchange is annexed hereto.

DIRECTORS:

In accordance with the Articles of Association Shri Mukund H.Doshi who retires by rotation is eligible for the reappointment. Members are requested to reappoint him.

The Board of Directors shall be broad based by inclusion of non-executive Directors from various fields in due course.

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DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, it is hereby confirmed:

- 1) That in the preparation of the annual accounts for the financial year ended 31st March, 2002, the applicable accounting standards have been followed;
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as on 31st March, 2002 and of the profit of the Company for that period.
- 3) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) That the annual accounts for the financial year ended 31st March, 2002 are prepared on a 'going concern' basis.

PARTICULARS OF EMPLOYEES:

The company has not paid remuneration attracting the Provisions of Sec. 217 (2A) of the Companies Act, 1956.

PARTICULARS UNDER SECTION 217(1)(e) OF THE COMPANIES ACT, 1956:

Additional information required under the provisions of the above section read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988, regarding conservation of Energy, Technology Absorption are not applicable as the company is not carrying out any manufacturing operation.

FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, the company has neither earned any foreign exchange nor incurred any expenses.

AUDITORS:

M/s KESWANI & KESWANI, Chartered Accountants, retiring Auditors of the Company, retires at the ensuing Annual General Meeting of the Company and are eligible for re-appointment. Members are requested to appoint the auditors and fix their remuneration.

ACKNOWLEDGMENTS:

Your Directors wishes to place on record their appreciation to all the employees for their hard work, dedication, commitment and rendering impeccable service to every constituent of the company's customer and shareholders.

For And On Behalf Of the Board of Directors.

Place : Mumbai

DATED: 29TH AUGUST, 2002

MAYUR A. VORA
Chairman.

Shalibhadra **FINANCE LIMITED**

MANAGEMENT DISCUSSION AND ANALYSIS INDUSTRY STRUCTURE AND DEVELOPMENTS

The company has focus in the field of vehicle finance specially two wheeler segment, which is very encouraging due to growth of two wheeler industry.

OPPORTUNITIES AND THREATS :

Opportunities :

The Company has well located 4 branches with good dealer network and experienced staff. Two wheeler industry continue to look growing at good rate.

Threats

Recovery is causing a major problem. There is lot of competition from other players leading to reduction in rate of interest. The trade risk is unavoidable which one has to bear to avail the opportunities available.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has adequate system of Internal Check and control, costing and budgeting.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES.FRONT

The Company has a good team of young persons looking after business.

ENHANCING SHAREHOLDER VALUE

The creation of shareholders value is one of the prime objectives of the management. The Company is making all efforts to improve the shareholders value.

DISCLAIMER

Statements in this Management Discussion and Analysis describing the Company's objectives, projections and expectations may be " forward looking" within the meaning of applicable laws and regulations. Actual results might differ materially from those either expressed or implied. Important factors that might materially

Shalibhadra FINANCE LIMITED

CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance as per the format prescribed by SEBI and incorporated in clause 49 of Listing Agreement as applicable to the company is set out below :

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE :

The company is committed to good corporate governance and has started implementing corporate governance norms as prescribed by SEBI. The Company respects the rights of not only of its Shareholders but also of general public to the information on the performance of the Company and considers it self a trustee of its Shareholders.

2. BOARD OF DIRECTORS:

COMPOSITION AND CATEGORY

Present strength of the Board of Directors is four whose composition is given below:

- 1 Managing Director.
- 2 Promoter Directors.
- 3 Non-Executive Directors.

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETINGS AND THE LAST ANNUAL GENERAL MEETING

During the financial year ended March 31,2002, Twelve Board Meetings were held on 25th April 2001, 24th May 2001, 28th June 2001, 26th July 2001, 30th August 2001, 27th September 2001, 25th October 2001, 29th November 2001, 27th December 2001, 24th January 2002, 28th February 2002, 28th March 2002.

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on
		27 th September 2001.
Shri Minesh M.Doshi	12	Present
Shri Mayur A.Vora	12	Present
Shri Mukund H.Doshi	12	Present
Shri Shashikant a.Vora	12	Present

3. AUDIT COMMITTEE :

Company has formed Audit Committee comprising 3 Directors of the Company. Three meetings were held during the year on 25th October 2001, 24th January 2002 and 21st March 2002 to consider the financial statement and discussion on Internal control system of the Company.

Composition and the name of the members as on 31st March 2002 :

Shri Mayur A.Vora	Chairman.
Shri Mukund H. Doshi	Member.
Shri Shashikant A.Vora	Member.

4. REMUNERATION COMMITTEE :

The Company has formed Remuneration Committee. The remuneration committee comprises of three Directors. The remuneration payable to Managing Director is approved by the Board of Directors and Shareholders of the Company.

Composition and the name of the members as on 31st March 2002:

Shri Mayur A.Vora	Chairman
Shri Mukund H.Doshi	Member
Shri Shashikant H.Doshi	Member

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5. SHAREHOLDERS COMMITTEE:

NAME OF DIRECTORS, NO. OF COMPLAINTS, NO. OF COMPLAINTS NOT SATISFIED, NO. OF PENDING SHARE TRANSFER.

The Company's Shareholders Committee looks after share transfer as well as takes care of Investors Grievances. Members of the Committee are :

Shri Minesh M.Doshi

Shri Mukund H.Doshi

Shri Shashikant A.Vora

Company has attended the Investors Grievances / Correspondence promptly. There is no pending complaint as on 31st March 2002. There is no outstanding request for Share Transfer and dematerialisation as on 31st March 2002.

6. GENERAL BODY MEETINGS:

The last three Annual General Meeting of the Company were held as under:

Financial Year	Date	Time	Venue
1998-1999	29 th November 1999	3.30 p.m.	Administrative Office
1999-2000	29 th September 2000	3.30 p.m.	Administrative Office
2000-2001	27 th September 2001	3.30 p.m.	Administrative Office

During the period under report the Company has not an Extra Ordinary General Meeting.

7. DISCLOSURES:

The Company had taken and repaid loan from Minal Agencies Private Limited entered in the register maintained under Section 301 of the Companies Act, 1956 and terms and conditions of which are reasonable having regard to the prevailing market rate and they are prima facie not prejudicial to the interest of the Company.

Stock Exchange or SEBI has not imposed any fine, penalty or restriction for non-compliance of any matters relating to capital market during last three years.

8. MEANS OF COMMUNICATION:

The quarterly and half-yearly results are forthwith communicated to Mumbai Stock Exchange and Ahmedabad Stock Exchange after they are approved and taken on record by Board of the Directors of the Company.

Company's Management Discussion and Analysis for the year ended March 31st 2002 forms a part of and this Annual Report and is given under the section so captioned.

9. GENERAL SHAREHOLDER INFORMATION :

- Annual General Meeting : Date and Time : 26th September 2002, 3.30 p.m.
Venue : Administrative Office of the Company.
- Date of Book Closure : 9th September 2002 to 16th September 2002.
- Listing on Stock Exchange : Shares of the Company are listed on Mumbai Stock Exchange and Ahmedabad Stock Exchange. Annual Listing fees as prescribed have been paid for the calendar year 2002.