



# **Shalibhadra**

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## **FINANCE LIMITED**



### **ANNUAL ACCOUNTS**

### **2003 - 2004**

# **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,  
396, Veer Savarkar Marg,  
Prabhadevi,  
Mumbai- 400 025.

### **BRANCHES**

Vapi  
Bharuch  
Valsad  
Navsari

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### **BANKERS**

Dena Bank

### **AUDITORS**

M/s. Keswani & Keswani  
Chartered Accountants

### **ADVOCATES & SOLICITORS**

Kanga & Co.,  
Mumbai.

### **SHARE TRANSFER SERVICE**

3, Kamat Industrial Estate,  
396, Veer Savarkar Marg,  
Prabhadevi, Mumbai- 400 025 INDIA.

13th Annual General Meeting on Tuesday, 29th September, 2004 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 13<sup>th</sup> ANNUAL GENERAL MEETING of the members of SHALIBHADRA FINANCE LIMITED will be held on Wednesday 29<sup>th</sup> September, 2004 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 31<sup>st</sup> March, 2004 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.

**Registered Office:**

For and on behalf of Board of Directors

103, Rewa Chambers,

31, New Marine Lines,

Mumbai – 400 020.

Tel: 2200 4142 / 2200 5934.

**DIRECTORS**

Place : MUMBAI.

Date: 4<sup>th</sup> SEPTEMBER 2004.

### **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 24.08.2004 to 28.08.2004.
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.
  - (iv) Convert there shares in Demat form for easy liquidity or sale through Stock Exchange and safety.
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. In all correspondence with the Company, the members are requested to quote their members folio numbers and in case their shares are held in dematerialised form, quote their client ID Number and their DPID Number.
6. Information required to be furnished under the Listing Agreement.  
As required under the Listing Agreement with the Stock Exchanges, the particulars of Directors who are proposed to be appointed/ re-appointed are given below:-

Name	: Shri. Mukund H. Doshi
Date of Birth	: 16 <sup>th</sup> August .1938.
Qualification	: S. S. C.
Experience	: Wide experience in the line of Trading. He is a member of Audit Committee. Remuneration Committee & Shareholders Committee.

For and on behalf of Board of Directors

Place : MUMBAI.

Date: 4<sup>th</sup> SEPTEMBER 2004.

**DIRECTORS**

# Shalibhadra

## FINANCE LIMITED

### DIRECTORS REPORT

Your directors present here with the 13th Annual Report of the company with the Audited Statements of the Accounts for the year ended March 31, 2004.

#### FINANCIAL RESULTS:

The financial results for the year under review are summarised as follows:

Particulars	Current Year 2003 – 2004 (Rs.in '000)	Previous Year 2002 – 2003 (Rs.in '000)
Business Income	15,750.00	9972.00
Profit before Interest, Depreciation, Lease Equilisation Charges & Tax	7,205.00	4583.00
Less:	2922.00	1048.00
a. Interest	1305.00	1318.00
b. Depreciation		
Profit before tax	2978.00	2217.00
Provision for Tax	1500.00	1000.00
Profit after tax	1478.00	1217.00
Excess Provision of I.T of prior yrs. W/Back	-----	523
Transfer to General Reserve	1000	2000.00
Transfer to Special Reserve	350	350.00
Balance brought forward from Previous Year	691	1301.00
Balance carried to Balance Sheet	819	691.00

#### 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 company has done 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.

## **Shalibhadra** **FINANCE LIMITED**

### **CORPORATE GOVERNANCE & COMPLIANCE CERTIFICATE**

A separate section on Corporate Governance is included in the Annual Report and the certificate from 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 the Stock Exchange is annexed hereto.

### **OUTLOOK AND PROSPECTS:**

The Company expects the growth in vehicle finance. Our 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 along with 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 31<sup>st</sup> March, 2004 is much higher than the minimum norms stipulated by the RBI for NBFC.

### **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 independent Directors from various fields in due course.

## **Shalibhadra**

### **FINANCE LIMITED**

#### **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 31<sup>st</sup> March, 2004, the applicable accounting standards have been followed;
- 2) That the Directors have selected such accounting policies and applied them consistently and made judgments 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 31<sup>st</sup> March, 2004 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 safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- 4) That the annual accounts for the financial year ended 31<sup>st</sup> March, 2004 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.

Place : Mumbai

For And On Behalf Of the Board of Directors

DATED : 4<sup>TH</sup> SEPTEMBER 2004

**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 and Three 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.

#### **SEGMENT WISE PERFORMANCE**

The Company has mainly one reportable business segment namely 'Financial Services', hence no further disclosure is required under Accounting Standard (AS) 17 on segment reporting.

#### **OUTLOOK**

The Company expects the growth in vehicle finance. You directors are sincerely putting efforts to improve profitability and financial strength of the Company and increase shareholders value in future. Barring unforeseen circumstances, the management is confident that financial position of the Company would improve further in the near future.

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

#### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

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

#### **FINANCIAL PERFORMANCE**

During the year the operations have been satisfactory and profitable insofar as the Company has generated revenue of Rs.157.50 Lacs (Previous year Rs.99.72 Lacs ) and a profit after tax of Rs.14.78 (Previous Year Rs.12.17 Lacs ).

#### **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 affect the future performance of the company include the state of the Indian economy, changes in government regulation, tax laws and the state of the financial markets and others factors such as litigation.

#### **MATERIAL CHANGES AFTER THE DATE OF BALANCE SHEET**

Pursuant to provisions of Section 217(1)(d) of the Companies Act, 1956, there has been no material change and commitment affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the Balance Sheet relates and the date of the Report.

# 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 Director.

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

During the financial year ended March 31, 2004, Twelve Board Meetings were held on 24<sup>th</sup> April 2003, 29<sup>th</sup> May 2003, 26<sup>th</sup> June 2003, 31<sup>st</sup> July 2003, 28<sup>th</sup> August 2003, 25<sup>th</sup> September 2003, 30<sup>th</sup> October 2003, 27<sup>th</sup> November 2003, 24<sup>th</sup> December 2003, 29<sup>th</sup> January 2004, 26<sup>th</sup> February 2004, 25<sup>th</sup> March 2004.

Name of the Director	No. of Board Meetings attended	Attendance at last AGM held on 29 <sup>th</sup> September 2003.
Shri Minesh M.Doshi	12	Present
Shri Mayur A.Vora	10	Present
Shri Mukund H.Doshi	11	Present
Shri Shashikant A.Vora	8	Present

#### 3. DISCLOSURE REGARDING APPOINTMENT OR REAPPOINTMENT OF DIRECTORS:

In accordance with the provisions of the Companies Act, 1956, and Articles of Association of the Company, Mukund H.Doshi, Director of the Company, retire by rotation at the forthcoming Annual General Meeting and are eligible for reappointment. Shri Mukund H.Doshi offers himself for reappointment. The required details of Shri Mukund H.Doshi are provided in the Notice of the Annual General Meeting.

#### 4. AUDIT COMMITTEE :

Company has formed Audit Committee comprising 3 Directors of the Company. Three meetings were held during the year on 30<sup>th</sup> October 2003, 29<sup>th</sup> January 2004 and 25<sup>th</sup> March 2004 to consider the financial statement and discussion on Internal control system of the Company.

##### Composition and the name of the members as on 31<sup>st</sup> March 2004 :

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

#### 5. 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 31<sup>st</sup> March 2004:

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



# **Shalibhadra**

## **FINANCE LIMITED**

### **6. 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

Company has attended the Investors Grievances / Correspondence promptly. There is no pending complaint as on 31<sup>st</sup> March 2004. There is no outstanding request for Share Transfer and dematerialisation as on 31<sup>st</sup> March 2004.

### **7. GENERAL BODY MEETINGS:**

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

Financial Year	Date	Time	Venue
2000-2001	27 <sup>th</sup> September 2001	3.30 p.m.	Administrative Office
2001-2002	26 <sup>th</sup> September 2002	3.30 p.m.	Administrative Office
2002-2003	29 <sup>th</sup> September 2003	3.30 p.m.	Administrative Office

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

### **8. DISCLOSURES:**

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.

### **9. MEANS OF COMMUNICATION:**

The quarterly and half-yearly results are forthwith communicated to Mumbai 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 31<sup>st</sup> 2004 forms a part of and this Annual Report and is given under the section so captioned.

# Shalibhadra

## FINANCE LIMITED

### 10. GENERAL SHAREHOLDER INFORMATION :

1. Annual General Meeting : Date and Time : 29<sup>th</sup> September 2004. 3.30 p.m.  
Venue : Administrative Office of the Company.
2. Date of Book Closure : 24<sup>th</sup> August 2004 to 28<sup>th</sup> August 2004.
3. Listing on Stock Exchange : Shares of the Company are listed on Mumbai Stock Exchange. Annual Listing fees as prescribed have been paid for the calendar year 2004.
4. Financial Calander :

Financial Reporting for the Year ended March 31, 2004.	By End of April 2004 (Un audited)
Quarter ending June 30, 2003	By End of July 2003
Quarter ending September 30, 2003	By End of October 2003
Quarter ending December 31, 2003	By End of January 2004
Annual General Meeting for the year Ended March 31, 2004	September 29, 2004

5. Stock Code : BSE , Mumbai (Physical) – 11754  
BSE , Mumbai (Demat Segment) – 511754
6. Stock Market Data : The shares are not traded regularly in Stock Exchanges.
7. Share Transfer System:  
Share transfer application received in physical form and demat requests found in order are normally confirmed within reasonable time and posted /informed to the agencies within the requisite time.