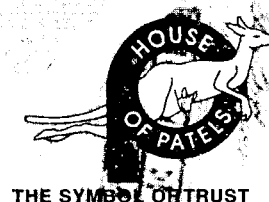


ANNUAL REPORT 1997-98

MD	BKC	<input checked="" type="checkbox"/>
CS	DPY	<input checked="" type="checkbox"/>
RE	DIV	<input checked="" type="checkbox"/>
TEA	AG	<input checked="" type="checkbox"/>
AGM	SHH	<input checked="" type="checkbox"/>
RE		<input checked="" type="checkbox"/>



**WALL STREET
FINANCE LTD.**



MR. A.S. PATEL
Chairman



MR. D.K. CONTRACTOR
Advisor

MR. P.S.G. NAIR
Executive Director



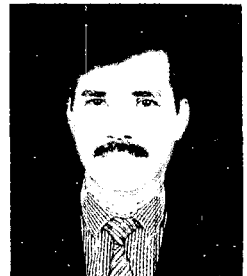
MR. F.S. BROACHA
Director

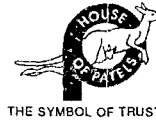


MR. S. KUMAR
Director



MR. F.J. de SOUZA
Director





**WALL STREET
FINANCE LTD.**

CHAIRMAN

Mr. A. S. Patel

EXECUTIVE DIRECTOR

Mr. P.S.G. Nair

DIRECTORS

Mr. Sushil Kumar

Mr. F.J. de Souza

Mr. F.S. Broacha

ADVISOR

Mr. D.K. Contractor

AUDITORS

M/s. Anil A. Mehta & Company
Chartered Accountants, Mumbai

LEGAL ADVISORS

M/s. Crawford Bayley & Company
Mr. F.S. Broacha

BANKERS

Bank of Baroda
Punjab National Bank
Allahabad Bank
Vijaya Bank
Central Bank of India
The Bank of Rajasthan Ltd.
Development Credit Bank Ltd.
Karnataka Bank Ltd.

REGISTERED AND CORPORATE OFFICE

"Natasha"
52, Hill Road,
Bandra (West),
Mumbai 400 050

REGISTRARS AND SHARE TRANSFER AGENTS

PCS Industries Limited
Hyfa Building No. 2,
Safed Pool,
Andheri - Kurla Road,
Mumbai 400 072

11th Annual General Meeting : Friday, the 25th June, 1999 at 10.30 a.m. at
Sheila Raheja Hall, Rotary Service Centre,
Juhu Tara Road, Santacruz, Mumbai 400 049

*Members are requested to bring their copy of the
Annual Report to the Annual General Meeting*



11TH ANNUAL REPORT 1997-98

NOTICE

Notice is hereby given that the 11th Annual General Meeting of the members of WALL STREET FINANCE LIMITED will be held at Sheila Raheja Hall, Rotary Service Centre, Juhu Tara Road, Santacruz, Mumbai 400 049, on Friday the 25th day of June 1999 at 10.30 am to transact the following business :

1. To receive, consider and adopt the audited Balance sheet and the Profit and Loss Account as at and for the year ended 30th September, 1998 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. F.S. Broacha who retires by rotation and being eligible, offers himself for reappointment.
3. To appoint auditors to hold office from the conclusion of this meeting till the conclusion of the next Annual General Meeting of the company and to fix their remuneration.

By Order of the Board
For **WALL STREET FINANCE LIMITED**

P.S.G. Nair
Executive Director

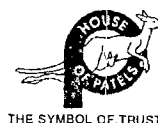
Registered Office :
"Natasha",
52, Hill Road,
Bandra (West),
Mumbai 400 050.

Report  junction.com

Dated : 27th May, 1999.

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 A PROXY NEED NOT BE A MEMBER.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from 21st June, 1999 to 25th June 1999 (both days inclusive).


**WALL STREET
FINANCE LTD.**

DIRECTORS' REPORT

To

The Members of Wall Street Finance Limited

Your Directors are pleased to present the 11th Annual Report of your Company alongwith the Audited Statements of Accounts for the year ended 30th September, 1998

FINANCIAL RESULTS

The financial results of the Company for the year under review are summarised below :

	(Rs. in lacs)	
	Year ended 30th Sept., 1998 (12 months)	Period ended 30th Sept., 1997 (18 months)
Profit before Interest, Depreciation and Tax	1196.32	1784.38
Less : Interest	796.20	1170.09
Profit before Depreciation and Tax	400.12	614.29
Less : Depreciation	393.65	503.14
Operating Profit	6.47	111.15
Less : Provision for NPA as per RBI guidelines	245.66	64.72
Net profit/ (loss) before tax	(239.19)	46.43
Less : Provision for tax	Nil	6.50
Net profit/ (loss) after tax	(239.19)	39.93
Less : Prior years adjustments	29.09	70.53
Add : Balance brought forward	28.24	58.84
Profit available for appropriation / (loss)	(240.04)	28.24
Proposed Appropriations :		
Dividend	Nil	Nil
Balance of Profit/ (loss) carried to balance sheet	(240.04)	28.24

DIVIDEND

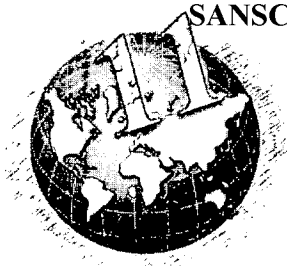
In view of the loss, your Directors do not recommend Dividend for the year under review.

OPERATIONS

The Directors had stated in their last report that the year ended 1996-97 was a turbulent year for the economy in general and for the Non-Banking Financial Companies (NBFCs) in particular. During the year under review, the economic conditions further worsened and all the adverse factors outlined in the report last year deteriorated. This affected all aspects of the Company's business activities. In spite of this, your Company has achieved a revenue turnover of Rs.21.08 crores. The profit before interest and depreciation and provisioning for non-performing assets, was Rs.11.96 crores. The company has made provision for Non-performing assets of Rs.2.45 crores to meet the Prudential norms of Reserve Bank of India. After provisions the loss for the year was Rs.2.39 crores compared to profit of Rs.0.46 crores for the period ended September'97 (18 months).

FINANCIAL SERVICES

Due to the slow down in the economy, recovery of monies became a major constraint for the company and further deployment has been curtailed. Strong measures taken by the company will result in substantial recovery of the provisions made for non-performing assets in the coming years. The company continues its policy of non-deployment in this sector until the recovery level reaches more than 80%.



11TH ANNUAL REPORT 1997-98

DIRECTORS' REPORT (Contd...)

MERCHANT BANKING DIVISION

The Merchant Banking activities continue to be stagnant as the primary capital market and secondary markets, showed no signs of recovery during the year under review. On the contrary, it has deteriorated further. The Company did not participate in any issues during the year as otherwise, it would have devolved on the company. The devolvments which have taken place during 1995-96 have been resolved as SEBI has cleared the Company of its stand and no liability existed on this account.

MONEY CHANGING BUSINESS

The Company has identified the Money Changing business as a core sector for the Company. Due to liberalization of bullion, there were surplus currencies which was more than the local demand which the company could utilize for stepping up exports. The company has exported currencies worth Rs. 903.32 crores compared to Rs. 144.41 crores during the previous period, an increase of 838.38 percent on an annualised basis. This has resulted in substantial improvement in the profitability of the company, but, because of other factors mentioned earlier it did not have any effect on the bottom line of the company.

The Company reported last year, the Money Transfer Services agreement entered with Western Union. This activity has taken off and has started generating revenue after initial teething problems. This product will generate substantial profit in the coming years and the company is planning to give more emphasis on marketing and support services for this product.

Kangaroo Express the other Money Transfer Service, continues to progress satisfactorily.

ACCOUNTS

Observations in the Auditors' Report read with relevant Notes forming part of the accounts are self explanatory and give the required information.

The Company has made a provision of Rs. 2.45 crores for the year ended 30.9.98 towards Non Performing Assets and have complied with the directives issued by Reserve Bank of India regarding capital adequacy, asset classification and restrictions on credit and investments.

The Company has two distinct divisions, Financial Services division and Money Changing Division. In the case of Money Changing activities, the general accounting principles which are considered appropriate are adopted, whereas in the case of financial services activities, prudential norms (Reserve Bank) Directions, 1998 are adopted for making provisions.

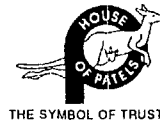
RESOURCE MOBILISATION

During the year, Reserve Bank of India revised its guidelines regarding acceptance of fixed deposits from the public. A ceiling has been imposed on the quantum of deposits which can be accepted by the company linked with the net owned funds and credit rating. The company has met the new guidelines of RBI by continuously reducing the deposits from Rs. 31.01 crores as on 30.9.97 to Rs.26.85 crores as on 30.9.98, a reduction of Rs.4.16 crores. This will result in substantial savings by way of interest in the coming years. The company's policy is to continuously bring down the deposits so that the company will come out of the ambit of NBFCs in 3 to 4 years. This is necessary in view of the fact that company is now focusing on forex and other related services which require substantial working capital. Being a NBFC, the exposure of the banks on this sector is restricted and getting adequate working capital for forex activities is difficult.

The company has no unpaid deposits or interest other than unclaimed for which the company has sent out reminders to the depositors. The company is continuing its follow-up to repay/renew them. The company has unclaimed deposits of Rs. 103.78 lacs representing 752 depositors.

The Company continues to have Credit Rating of investment grade to meet the requirements of Reserve Bank of India for accepting Fixed deposits.

Further, during the year the company has repaid Rs.2.94 crores to banks in respect of Hire Purchase/Leasing activities though there are substantial overdues from the clients. This has been made possible due to the profits generated from forex and support from the "House of Patels".


**WALL STREET
FINANCE LTD.**

DIRECTORS' REPORT (Contd...)

GENERAL

The company had taken permission from the shareholders to float a subsidiary company and transfer its forex business to the said subsidiary as a going concern. This has been put on hold as the company continues to have substantial fixed deposits to repay, and any action at this juncture will jeopardize the interest of the depositors and also lead to a loss of confidence of the public. The forex division therefore will not be spinning off till such time our deposits are repaid.

Other proposed diversification activities for the company are being looked into and if found feasible will be implemented in the current year.

Y2K - A project commenced in 1997 to ensure that all essential computer systems are Year 2000 compliant is expected to be completed by September 1999. The Company also has drawn up contingency plan to ensure that there is no major adverse effect on its operation and systems on account of external failures.

SUBSIDIARY COMPANY

As required under section 212 of the Companies Act, 1956, the audited statements of accounts, alongwith the report of the Board of Directors of Wall Street Capital Markets Limited, and the Auditors' Report thereon for the year ended 31st March 1998 are annexed.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. F.S. Broacha retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for reappointment.

AUDITORS

M/s. Anil A. Mehta & Company, Chartered Accountants, Mumbai, retire at the conclusion of the ensuing Annual General Meeting and being eligible have offered themselves for reappointment.

DISCLOSURES

Particulars under the Companies (Disclosure of particulars in the Report of Board of Directors) Rules, 1988 on Conservation of Energy and Technology Absorption are not applicable to your Company. Earnings and outflows, on account of foreign exchange have been disclosed in the notes to the accounts. Cashflow statement pursuant to clause 32 of the listing agreement is annexed herewith and forms part of this report.

EMPLOYEES

As required by the provisions of section 217 (2A) of the Companies Act, 1956, read with Companies (particulars of Employees) Rules, 1975, as amended, the names and other particulars of the employees are set out in the annexure to the Directors' Report.

APPRECIATION

Your Directors wish to place on record their warm appreciation for the timely assistance and support extended to your Company by the Bankers, Shareholders, Fixed Deposit Holders, Reserve Bank of India, Government Bodies and Employees and look forward to their continued support for the growth of your Company.

For and on behalf of the Board
for **WALL STREET FINANCE LTD.**

P.S.G. Nair
Executive Director

F.S. Broacha
Director

Mumbai, 27th May, 1999.



11TH ANNUAL REPORT 1997-98

ANNEXURE TO DIRECTORS' REPORT

STATEMENT PURSUANT TO SECTION 217 (2A) OF THE COMPANIES ACT, 1956, AND THE COMPANIES (PARTICULARS OF EMPLOYEES) RULES, 1975 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE YEAR ENDED 30TH SEPTEMBER, 1998.

Sr. No.	Name	Age (Years)	Designation & Nature of Duties	Remuneration (Rs.)	Qualification	Experience (Years)	Date of Commencement of Employment	Particulars of last Employment held
i.	Mr. P.S.G.Nair	55	Executive Director	324972/-	B.Sc. (Hons.), A.C.A.	31	01.04.95	Patel Roadways Ltd., Executive Director (Corporate Finance)
ii.	Mr. U.B. Sawant	46	Vice President	415166/-	B.Sc., D.M.M.	23	02.04.97	Ranbaxy Laboratories Ltd., Sales Manager
iii.	Mr. R.Nandkumar	48	AGM MIS	301632/-	B.Sc., MBA, CAIIB	26	14.07.97	Reliance Shares & Stock Borkers Ltd. Vice - President

NOTES

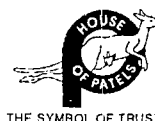
- 1) The employment was contractual for the employee at Sr. No. i). Other terms and conditions are as per the Company's Rules.
- 2) Remuneration received includes Salary, Company's contribution to Provident Fund, Medical, HRA, Gratuity and taxable value of perquisites computed in accordance with the provisions of Income-tax Act, 1961 and Rules thereunder.
- 3) None of the above employees were related to any Director of the Company.

For and on behalf of the Board
for **WALL STREET FINANCE LTD.**

P.S.G. Nair
Executive Director

F.S. Broacha
Director

Mumbai, 27th May, 1999.



**WALL STREET
FINANCE LTD.**

AUDITORS' REPORT

To,

THE MEMBERS OF WALL STREET FINANCE LIMITED

We have audited the attached Balance Sheet of WALL STREET FINANCE LIMITED as at 30th September, 1998 together with the Profit and Loss Account of the Company for the year ended on that date annexed thereto, and report that :

1. As required by the Manufacturing and Other Companies (Auditors' Report) Order, 1988 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the course of the audit, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to what is stated in the Annexure referred to in paragraph 1 above :
 - a. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet and Profit and Loss Account dealt with by this Report are in agreement with the books of account;
 - d. As stated in Note no. 2.2.2 (b) in Schedule "N", assets given on finance lease upto 31st March, 1995, which are not covered by the revised guidance notes on accounting for lease, are depreciated over the primary/extended period of lease irrespective of revenue earned - effect on the account not ascertained.
 - e. As stated in Notes no. 2.11 (a) to (d) and 2.12 of Schedule "N", amounts aggregating to Rs. 179.50 lacs included under Current Assets and Loans and Advances have been considered by the Management as good of recovery and have not been considered necessary for provisioning for the reasons stated therein.
 - f. In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon and our observations in paragraphs (d) and (e) above, give the information required by the Companies Act, 1956, in the manner so required and also give, subject to our observation in paragraphs (d) and (e) above, a true and fair view;
 - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 30th September, 1998.

and

 - ii) in the case of the Profit and Loss Account, of the **Loss** of the Company for the year ended on that date.

For and on behalf of
ANIL A. MEHTA & CO.
Chartered Accountants

ANIL A. MEHTA
Partner

Mumbai, 27th May, 1999.



11TH ANNUAL REPORT 1997-98

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph (1) of our Report of even date)

1. The Company has maintained Fixed Assets Register to show full particulars including quantitative details and situation of fixed assets. We are informed that owned Fixed Assets have been physically verified by the management and no material discrepancies were noticed on such verification. In respect of leased assets where physical verification has not been carried out, certificates from the lessees are being obtained.
2. The fixed assets have not been revalued during the year.
3. During the year, the company did not hold stocks of finished goods, stores, spare parts and / or raw materials, and hence we have no comments to offer on the physical verification, valuation, internal control procedures and determination of unserviceable or damaged goods.
4. The Company has taken loans from Companies listed in the register maintained under section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions of such loans are prima facie, not prejudicial to the interest of the company. We are informed that there are no Companies under the same Management as mentioned in Section 370 (1-B) of the Companies Act, 1956.
5. The Company has not granted any loan to a Company listed in the register maintained under section 301 of the Companies Act, 1956.
6. The Company has in the ordinary course of its business given inter-corporate advances, free of interest to other parties, who are generally repaying the principal amounts as stipulated, except in a few cases, in respect of which, as explained to us, the Company has taken reasonable steps for recovery of the principal amount.
7. There are adequate internal control procedures commensurate with the size of the Company and the nature of its business for purchase of assets and purchase and sale of foreign currencies.
8. As explained to us, services rendered by the Company in pursuance of contracts entered in Register maintained under section 301 of the Companies Act, 1956, aggregating during the year to Rs. 50,000/- (Rupees fifty thousand) or more in respect of each party were at prevailing market prices.
9. The Company has accepted deposits from the public which were in excess of the revised reduced limits prescribed by the directives of the Reserve Bank of India notified in January, 1998. The Company has been repaying the excess deposits in accordance with the time Schedule prescribed by the Reserve Bank of India. Meanwhile the limits have once again been increased wide notification dated 18th December, 1998 in accordance with which, the outstanding deposits are within such limits revised subsequent to the end of the year.
10. The Company does not have any realisable by-product or scrap.
11. The Company has an internal audit system, the scope and coverage of which needs to be enlarged to make it commensurate with the size and nature of Company's business.
12. Maintenance of cost records has not been prescribed by the Central Government under section 209 (1) (d) of the Companies Act, 1956, for any of the activities of the Company.
13. The Company is regular in depositing Provident Fund dues and Employees' State Insurance dues with the appropriate authorities.
14. There are no undisputed amounts payable in respect of Income Tax, Wealth-Tax, Customs Duty and Excise Duty, outstanding as on the last day of the financial year, for a period of more than six months from the date they become due and payable.
15. According to the information and explanations given to us, no personal expenses of Directors or Employees have been charged to revenue account other than those covered by contractual obligations or generally accepted business practices.