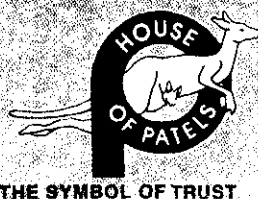


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**WALL STREET
FINANCE LTD.**



MR. A.S. PATEL
Chairman

MR. P.S.G. NAIR
Executive Director



MR. F.S. BROACHA
Director



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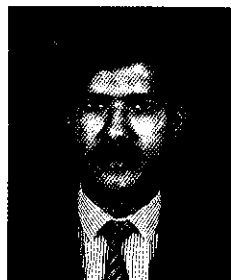


MR. D.K. CONTRACTOR
Advisor

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

12th Annual General Meeting : Friday, the 25th June, 1999 at 11.30 a.m. at
Sheila Rajeha 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*



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NOTICE

Notice is hereby given that the 12th 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 11.30 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 period ended 31st March, 1999 and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. F.J. DeSouza 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.
4. To consider and, if thought fit, to pass, with or without modifications, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 94 and all other applicable provisions, if any, of the Companies Act, 1956, the Authorised Share Capital of the Company be and is hereby altered from Rs.20,00,00,000 (Rupees twenty crores only) divided into 2,00,00,000 (two crores) Equity Shares of Rs. 10 (Rupees ten) each to Rs.20,00,00,000 (Rupees twenty crores only) divided into 1,00,00,000 (one crore) Equity shares of Rs. 10 (Rupees ten) each and 10,00,000 (ten lakhs) Cumulative Convertible Preference Shares of Rs. 100 (Rupees one hundred) each by

- (i) cancellation of 1,00,00,000 (one crore) Equity Shares of Rs. 10 each with consequential diminishment of the authorised capital from Rs. 20,00,00,000 to Rs. 10,00,00,000 and
- (ii) simultaneous creation of an additional 10,00,000 (ten lacs) Cumulative Convertible Preference Shares of Rs. 100 (Rupees one hundred) each".

5. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED that pursuant to the provisions of section 16 and all other applicable provisions, if any, of the Companies Act, 1956, the Memorandum of Association of the Company be and it is hereby altered by deleting existing Clause (v) thereof and substituting the following new Clause (v) in place and stead thereof :

'(v) The Authorised Share Capital of the Company is Rs.20,00,00,000 (Rupees twenty crores only) divided into 1,00,00,000 (one crore) Equity Shares of Rs. 10 (Rupees ten) each and 10,00,000 (ten lacs) Cumulative Convertible Preference Shares of Rs. 100 (Rupees one hundred) each'

6. To consider and, if thought fit, to pass the following resolution as a Special Resolution :

"RESOLVED that pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by deleting existing Article 3 thereof and substituting the following new Article 3 in place and stead thereof :

'3. The Authorised Share Capital of the Company is Rs. 20,00,00,000 (Rupees twenty crores only) divided into 1,00,00,000 (one crore) Equity Shares of Rs. 10 (Rupees ten) each and 10,00,000 (ten lacs) Cumulative Convertible Preference Shares of Rs. 100 (Rupees one hundred) each'

7. To consider and, if thought fit, to pass with or without modification, the following resolution as a Special Resolution:

" RESOLVED that pursuant to the provisions of section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered by addition of the following new Articles 6-A and 6-B, together with the marginal notes thereto, after the existing Article 6 hereof:

Cumulative	6-A Subject to the provisions of the Act, the
Convertible	Company shall have power to issue
Preference	Convertible Preference Shares and, upon
Shares	issue thereof, the following provisions
	shall apply and take effect :

- (a) The dividend payable on the said Shares shall be on a preferential basis and shall be at such rate as may be prescribed or permitted under the applicable rules and regulations prevailing at the relevant time;
- (b) The dividend shall be cumulative and arrears shall be payable to the shareholders registered with the Company on the date fixed for determining to whom the dividend then declared is to be paid;
- (c) All such shares shall be automatically converted into equity shares at par or at a premium, at any time after the expiry of 2 years from the date of allotment of the shares, as may be decided by the Board, subject to any


**WALL STREET
FINANCE LTD.**

applicable regulations or sanctions that may be in force at that time. Upon conversion into equity shares, the right to receive arrears of dividend, if any, on the preference shares upto the date of conversion shall devolve on the holder of the Equity shares registered with the Company on the date prescribed in the declaration of the said dividend;

- (d) Such conversion shall be deemed to be a redemption of the preference shares out of the proceeds of a fresh issue of shares;
- (e) The holder of Preference Shares shall have a right to vote only on resolutions which directly affect the rights attached to his Preference Shares. The Preference Shareholders shall also be entitled to vote on every resolution placed before the Company at any General Meeting until, and then only for so long as, their dividends are more than 2 years in arrears preceding the date thereof.

6-B Without in any way prejudicing the rights attached to the Cumulative Convertible Preference Shares (hereinafter called "the CCP Shares") the Directors may, in their discretion, issue such CCP Shares with an additional or preferred or special right or privilege including a right and entitlement to subscribe for cash at par in any Equity Shares issued by the Company in future, provided that such entitlement shall not in any event exceed such number of Equity shares as may be determined by the Directors. Provided further that such rights or privilege is personal to the CCP Shareholders and shall not be assignable or transferable to any person whatsoever. Any special right conferred on the holders of the CCP Shares under this Article shall ipso facto cease and determine on the date when the CCP Shares are converted into Equity Shares pursuant to the provisions of Article 6-A(c) above".

8. To consider and, if thought fit, to pass, with or without modification, the following resolution as a Special Resolution: "RESOLVED that pursuant to section 80, 81(1-A) and other applicable provisions if any, of the Companies Act, 1956 and subject to the approval, if required, of the Securities and Exchange Board of India (SEBI), the Reserve Bank of India, the Financial Institutions/Banks and such other approvals as may be necessary, consent of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called "the Board" which term shall include any Committee of the Board) to issue upto 6,00,000 Cumulative Convertible Preference Shares of Rs. 100 each, aggregating to Rs. 6,00,00,000 (Rupees six crores only), for cash at par and to offer the said shares for subscription for cash at par by way of private placement with Non-Resident Indians, Overseas Corporate Bodies and Foreign Institutional Investors at such time or times and in one or more branches and on such terms including conversion into equity shares at par or at a premium as the Board may deem fit;

RESOLVED FURTHER that the said Cumulative Convertible Preference Shares shall be subject to the Memorandum and Articles of Association of the Company and, upon conversion into Equity Shares, shall rank pari-passu with the existing Equity Shares of the Company, save and except that they will be entitled to dividend pro-rata from the date of conversion;

AND RESOLVED FURTHER that the Board be and is hereby authorised to do all such acts, deeds, matters and things as it may in its absolute discretion deem necessary proper or expedient and to settle any question, difficulty or doubt that may arise in regard to the offer, issue, allotment and utilisation of the proceeds of the issue of shares and to finalise and execute all such deeds, documents, agreements and writings as may be required or necessary for the purpose of giving effect to this resolution."

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.

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).
3. The relevant Explanatory Statement as required by Section 173 of the Companies Act, 1956 is annexed hereto.



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ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT AS REQUIRED BY SECTION 173 OF THE COMPANIES ACT, 1956

Item nos. 4, 5 & 6

The present authorised share capital of the Company is Rs.20,00,00,000 divided into 2,00,00,000 Equity Shares of Rs. 10 each and the issued subscribed and paid up capital is Rs.5,62,50,000.00 divided into 56,25,000 Equity Shares of Rs. 10 each.

With a view to facilitate the proposed issue of Preference Shares as set out in the resolution at item no.7 of the Notice, it is proposed to alter the existing authorised share capital by :

- (i) cancellation of 1,00,00,000 Equity shares of Rs. 10 each with consequential diminishment of the authorised capital from Rs.20,00,00,000 to Rs.10,00,00,000 and
- (ii) simultaneous creation of an additional 10,00,000 (ten lacs) Cumulative Convertible Preference Shares of Rs.100 (Rupees one hundred) each.

Section 94(e) of the Companies Act, 1956 permits such cancellation of shares with consequential diminishment in the Company's authorised share capital with regard to the shares which, at the date of passing of the resolution, have not been taken or agreed to be taken by any person. Hence the resolution at item 4 of the Notice. The resolutions at items 5 & 6 are consequential resolutions to record the said alteration in the authorised share capital in Clause (v) of the Company's Memorandum of Association and Article 3 of the Company's Articles of Association respectively.

None of the Directors is concerned or interested in the passing of the resolutions at these items.

Item No.7

In view of the proposed issue of 6,00,000 Cumulative Convertible Preference Shares of Rs.100 each in terms of the resolution at item No.7 of the Notice, it is necessary to add new Articles 6-A and 6-B incorporating therein the provisions applicable to the said 6,00,000 Cumulative Convertible Preference Shares of Rs. 100.

Section 31 of the Act requires a special resolution for amendment of the Articles of Association, hence the special resolution at item no.7. A print of the present Articles of Association of the Company is available for shareholders inspection at the registered office of the Company between the hours of 10.30 am to 12.30 pm on all working days (except Saturdays).

None of the Directors is concerned or interested in the passing of this resolution.

Item No. 8

The Company is in need of additional funds to meet the liquidity crunch prevailing in the market. Towards this end it is proposed to issue offer and allot, by way of private placement, upto 6,00,000 Cumulative Convertible Preference Shares of Rs.100 each, aggregating to Rs.6,00,00,000 to Non-Resident Indians, Overseas Corporate Bodies and Foreign Institutional Investors on such terms as the Board of Directors and the subscribing parties may decide. The funds generated out of the proposed issue will be used for meeting the Company's normal working capital requirements.

Section 81(1) of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to increase the subscribed capital of the Company by allotment of further shares, then such further shares shall be offered to the persons who, at the date of the offer, are the holders of the Equity Shares of the Company in proportion to the capital paid-up on those shares at that date. Sub section (1A)(a) however provides that notwithstanding anything contained in sub-section (1), further shares may be offered to any persons, whether members or not, in any manner whatsoever if a special resolution to that effect is passed by the company in general meeting. Hence the proposed resolution at item no.8 of the Notice which is commended for your acceptance.

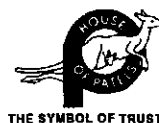
None of the Directors is concerned or interested in passing of this resolution

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.

Dated : 27th May, 1999.


**WALL STREET
FINANCE LTD.**

DIRECTORS' REPORT

To
The Members of Wall Street Finance Limited

Your Directors are pleased to present the 12th Annual Report of your Company alongwith the Audited Statements of Accounts for the six months period ended 31st March 1999.

FINANCIAL RESULTS

The financial results of the company for the period under review are summarised below:

	Period ended 31st March 1999 (6 months)	(Rs. in lacs) Year ended 30th Sept. 1998 (12 months)
Profit before Interest, Depreciation and Tax	658.96	1196.32
Less : Interest	290.54	796.20
Profit before Depreciation and Tax	368.42	400.12
Less : Depreciation	194.53	393.65
Operating Profit	173.89	6.47
Less : Provision for NPA as per RBI guidelines	118.27	245.66
Net profit/ (loss) before tax	55.62	(239.19)
Less : Provision for tax	Nil	Nil
Net profit/ (loss) after tax	55.62	(239.19)
Less : Prior years adjustments	8.91	29.09
Add : Balance brought forward	(240.04)	28.24
Profit available for appropriation / (loss)	(193.33)	(240.04)
Proposed Appropriations :		
Dividend	Nil	Nil
Balance of Profit/ (loss) carried to balance sheet	(193.33)	(240.04)

DIVIDEND

In view of the brought forward losses and in order to conserve the resources of the Company and deploy the same for the future requirements, your Directors do not recommend Dividend for the period under review.

OPERATIONS

The period under review continues to be the toughest period for the company since its inception. The general economic down-turn, compounded by pressure on the non-banking finance companies in particular, had a negative impact. On one hand, the slow down in the economy resulted in slow process of recovery and the amount already deployed resulting in large provisioning for NPAs while the negative perception about NBFCs put under pressure the Company's resource mobilisation programs for its forex activities. However, the company continues to comply with prudential norms laid down by the Reserve Bank of India. The capital adequacy ratio as on 30.9.98 was 19.30 percent as against 10% prescribed by Reserve Bank of India. For the current period, the company has made a provision of Rs.118.27 lacs for Non Performing Assets. Given your Company's recovery efforts your Directors are confident of making substantial recoveries out of the NPAs already provided for.

The Merchant Banking activities remained dormant due to the continued depressed market conditions and no signs of revival of primary markets.

As a proactive measure, initiated almost 2 years back, your company endeavored to shift the focus from financial services to forex and other related services. This is giving positive results. We hope this will take the company out of its present temporary difficulties and enable a faster growth in the coming years.

The Forex Division continues to make rapid strides both in volume and profitability, with volumes going up from Rs.1095.22 crores during the last year to Rs.681.98 crores for the six months period ended 31.3.99, an increase of 24.54 percent on an annualised basis.



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DIRECTORS' REPORT (Contd...)

During the period under report, the company received two additional licences for setting up offices for forex activities which have become operational since close of the accounting period.

The Money Transfer Services of Western Union has developed into a successful product and if the present trend is any indication, the product will generate substantial profits in the coming years.

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.118.27 lacs for the period ended 31.3.99 towards Non Performing Assets and has complied with the directives issued by the Reserve Bank of India regarding capital adequacy, asset classification and restrictions on credit and investments.

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

RESOURCE MOBILISATION

Since the company has curtailed its financing activities, the company is not able to meet the requirements for classifying as an "Hire Purchase/Leasing company" as per the Reserve Bank of India norms. Hence the company has decided to substantially reduce its deposit base. Keeping this in view, the company has repaid the deposits of Rs.181.62 lacs during October'98 to March'99.

Your company has fully complied with all the Reserve Bank of India directives on maintenance of liquid assets in respect of deposits.

The Company enjoys "at par" facilities for payment of interest for fixed deposit programs.

It is a matter of satisfaction that the company has successfully met its obligations to its depositors. Whilst the company has no unpaid deposits or interest outstanding except unclaimed deposits of Rs.135.08 lacs and the company is continuing its follow up to repay or renew them.

The Company has applied for Registration as a non-banking finance company within the time prescribed by Reserve Bank of India. The application is pending with Reserve Bank of India.

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

To augment the long term resources and also enhance the net owned funds of the company, the promoters will be injecting long term funds by way of Preferential capital aggregating to Rs.6 crores for which a separate resolution is placed for the consideration of the shareholders. This shows the confidence and commitment of the promoters towards the growth and stability of the company and to take the company forward. This will further reduce dependence of the company on short term resources and also ensure that the gearing will be at a reasonable level.

Further the company has also repaid substantial amounts to banks in respect of its Hire purchase/Leasing activities and the outstanding to banks as on 31.3.99 is Rs.4.68 crores, a substantial reduction from the original outstanding of Rs.10.72 crores.

The Company's outstandings had increased due to default and delay from its clients including those who previously had an unblemished payment track-record. The Company concentrated on an aggressive recovery drive from its clients and has succeeded partially. It has also instituted legal proceedings against some of the defaulting clients. However, even the positive results from it will accrue only over a period of time, given the delays in the judicial process.

The company is negotiating with banks for working capital for its forex activities and we are confident that seeing the profitability of this activity, the bankers would be inclined to grant working capital facilities. With additional finance available, the company will be able to generate additional profits from its forex activity.


**WALL STREET
FINANCE LTD.**

DIRECTORS' REPORT *(Contd...)*

FUTURE PROSPECTS

The general economic scenario and the environment in the financial sector particularly the NBFC segment continues to be challenging. The adversities which affected the operations of the company during the previous year continue to thwart the company's endeavours this year and are likely to persist for some more time atleast.

The Company has identified Forex and other services as the core sector for future growth of the company and accordingly its plans have been worked out for expanding this activity to a higher level. The Company may launch other new products like debit cards, forex broking, forex advisory services and commodity exchange subject to approval from RBI and other agencies which are considered necessary. The company has also identified the money transfer services of Western Union as a potential profit earner in the coming years.

Further the retirement or repayment of high cost debt will definitely improve the bottom line and the slow down of deployment in Hire Purchase/Leasing will reduce the charge of depreciation. All this indicate that various measures taken by the company to consolidate and expand its various activities have started yielding good results.

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 period ended 31st March 1999 are annexed.

DIRECTORS

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. F.J.deSouza 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 outflow 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 forming part of this report.

EMPLOYEES

Particulars of the 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 to date are not given as the same are not applicable.



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DIRECTORS' REPORT *(Contd...)*

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.

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