



**27th Annual Report  
2011-2012**

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**BOARD OF DIRECTORS**

Mr. Dharmendra G. Siraj  
**Chairman**

Mr. Chetan D. Mehra  
Dr. Punyadeo Ojha  
Mr. Neelkamal V. Siraj  
Mr. Hitesh V. Siraj  
Mr. Vishnu P. Kamath  
Mr. Kishore M. Vussonji  
Mr. Upkar Singh Kohli  
Ms. Smita V. Davda

Mr. B. S. Shetty  
**Managing Director**

Ms. Sai Katkar  
**Company Secretary**

**BANKERS**

Axis Bank  
IndusInd Bank

**AUDITORS**

M/s. Sharp & Tannan,  
Chartered Accountants

**REGISTERED OFFICE**

Empire House, 214, Dr. D.N. Road,  
Ent. A. K. Nayak Marg, Fort  
Mumbai - 400 001

**CORPORATE OFFICE**

# 50, Ground Floor,  
Millennium Towers, Queens Road,  
Bangalore- 560 051

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**27<sup>th</sup> ANNUAL GENERAL MEETING OF  
WEIZMANN FOREX LTD.**

***Wednesday 26<sup>th</sup> September 2012 at 3:30 PM***

***Or soon after the conclusion of Annual  
General Meeting of Karma Energy Ltd.  
convened for the same day whichever is  
later***

At Textile Committee Auditorium, P. Balu Road,  
Prabhadevi Chowk,  
Prabhadevi, Mumbai- 4000025

**REGISTRAR AND SHARE TRANSFER AGENTS**

Bigshare Services Pvt. Ltd.  
E-2/3 Ansa Industrial Estate,  
Saki Vihar Road, Saki Naka,  
Andheri (E), Mumbai - 400 071.  
Tel. No. 40430200 Fax No. 28475207

As a measure of economy copies of the Annual Report will not be distributed at the Annual General Meeting.  
Shareholders are requested to kindly bring their copies to the Meeting.

**NOTICE**

**NOTICE** is hereby given that the 27th Annual General Meeting of **WEIZMANN FOREX LIMITED** will be held on 26th September 2012 at 3:30 PM or soon after the conclusion of the Annual General Meeting of Karma Energy Ltd. convened for the same day, whichever is later at Textile Committee Auditorium, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai- 400025, to transact the following business:

**ORDINARY BUSINESS:**

- To receive consider, and adopt the Audited Profit & Loss Account for the year ended 31st March, 2012 and the Balance sheet as on the even date together with the Reports of the Directors and Auditors thereon.
- To declare dividend on Equity Shares.
- To appoint Director in place of Mr. D. G. Siraj, who retires by rotation and being eligible, offers himself for re-appointment as a Director of the Company.
- To appoint Director in place of Mr. N. V. Siraj, who retires by rotation and being eligible, offers himself for re-appointment as a Director of the Company.
- To appoint Sharp & Tannan, Chartered Accountants, who retire at the ensuing Annual General Meeting, as the Statutory Auditors of the company from conclusion of this meeting to the conclusion of next Annual General Meeting, and fix their remuneration.

**SPECIAL BUSINESS:**

- \*6. To consider and if deemed fit, to pass, with or without modifications, through postal ballot, the following Resolution as a **Special Resolution:**

**RESOLVED THAT** in pursuance of the Section 192A, 292, 372A and other applicable provisions of the Companies Act, 1956, or any amendments or modifications thereof (including any ordinance or statutory modification, re-enactment thereof for the time being in force) and subject to consent and approvals of and permissions as may be necessary under any statute for time being in force, or any other approvals as may be required from lenders, consent and approvals of the Members be and are hereby accorded to the Board of Directors of the Company to make/ give from time to time any loan or loans to body corporate, for the amount exceeding the limits specified in section 372A of the Companies Act, 1956, as per details mentioned herein below:

| Particulars | Name of Company                       | Amount (Rs. In Crore) | Purpose                             |
|-------------|---------------------------------------|-----------------------|-------------------------------------|
| Loan        | Windia Infrastructure Finance Limited | 15.00                 | Funding Working Capital Requirement |

**RESOLVED FURTHER THAT** the Board of Directors be and is hereby authorized to delegate all or any of the powers herein conferred, to any Committee of Directors or any one or more Directors of the Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board of Directors of the Company and/or Committee of Directors constituted for this purpose be and is hereby authorised to take all such actions and to give all such directions as may be necessary or desirable and also to settle any question or difficulty that may arise in regard to the proposed loan made and further to do all such acts, deeds, matters and things and to execute all such deeds, documents and writings as may be necessary, desirable or expedient in connection therewith.

**Note:** Consent of the Shareholders to the Special Resolution at Item No. 6 of the Notice, is required to be obtained by means of the Postal Ballot in accordance with Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution through Postal Ballot) Rules, 2011.

**For and on behalf of the Board**

Sd/-

**Sai Katkar**

**Company Secretary**

Place: Mumbai

Date: 13th August 2012

**Details of Directors seeking reappointment are as follows:**  
(In pursuance to Clause 49 IV (G) of the Listing Agreement)

| Name of Director                                                                                                                                                        | Mr. Dharmendra G. Siraj                                                                                                                                                                                                                                                                                                                                                           | Mr. Neelkamal V. Siraj                                                                                                           |
|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|----------------------------------------------------------------------------------------------------------------------------------|
| Date of Birth                                                                                                                                                           | 28-12-1951                                                                                                                                                                                                                                                                                                                                                                        | 25-06-1953                                                                                                                       |
| Date of appointment                                                                                                                                                     | 01-09-2005                                                                                                                                                                                                                                                                                                                                                                        | 01-09-2005                                                                                                                       |
| Qualifications                                                                                                                                                          | Diploma in Management Studies from London, UK                                                                                                                                                                                                                                                                                                                                     | Commerce Graduate                                                                                                                |
| Expertise in specific functional areas                                                                                                                                  | Has over 40 years experience in exports, engineering industry and financial services. Served the Exports Promotion Panel of the Cotton Textile Export Promotion Council and has traveled extensively including to South East Asia as a delegate for Promotion of Textile Exports from India                                                                                       | Has over 38 years experience in textile industry particularly relating to manufacture, exports and marketing of Textile products |
| Shareholding in Company as on 13th August 2012                                                                                                                          | 1112740 Equity shares of Rs. 10/- each.                                                                                                                                                                                                                                                                                                                                           | 450 Equity shares of Rs. 10/- each.                                                                                              |
| List of other Public Limited Companies in which directorship is held as on 13th August 2012 (Excluding Private Limited Companies, Foreign Company & Section 25 Company) | Baledh Energy Projects Ltd.<br>Brahmi Hydro-Electric Power Projects Ltd.<br>Joiner Hydro-Power Projects Ltd.<br>Kaidar Energy Projects Ltd.<br>Kambam Valley Energy Projects Ltd.<br>Karma Energy Ltd.<br>Kondaibari Energy Ltd.<br>Malayamarutha Energy Projects Ltd.<br>Vajharpada Energy Ltd.<br>Vedang Tours and Travels Ltd.<br>Weizmann International Ltd.<br>Weizmann Ltd. | Baledh Energy Projects Ltd.<br>Dabripada Energy Ltd.<br>Karma Energy Ltd.<br>Weizmann Ltd.<br>Weizmann International Ltd.        |
| Chairman/ Member of Committees of Board across all Public Limited Companies in which he is Director                                                                     | <b>Audit Committee:</b><br>Weizmann Forex Limited (Member)<br>Karma Energy Limited (Member)<br>Weizmann Limited (Member)<br><b>Investor Grievance Committee:</b> Weizmann Forex Ltd. (Chairman)<br>Karma Energy Limited (Member)<br>Weizmann Limited (Member)                                                                                                                     | ---                                                                                                                              |
| Relationship of Directors inter-se                                                                                                                                      | Not applicable                                                                                                                                                                                                                                                                                                                                                                    | Mr. Neelkamal Siraj is related to Director Mr. Hitesh Siraj as per Section 6 of the Companies Act, 1956.                         |

**Explanatory Statement to Item No. 6:**

As per the provisions of Section 372A of the Companies Act, 1956, the Board of Directors of a Company can make any loan, investment or give guarantee or provide any security beyond the prescribed ceiling of—

- a) Sixty percent of the aggregate of the paid up share capital and free reserves or,
- b) One hundred percent of its free reserves, whichever is more, if Special Resolution is passed by the Shareholders of the lending Company.

Since the amount mentioned at the table in the resolution is in excess of above prescribed limits, approval of the Shareholders by means of Special resolution through Postal Ballot is required. This permission is sought pursuant to the provisions of Section 372A read with Section 192A and 292 of the Companies Act, 1956 to give powers to the Board of Directors for making further loans.

These loans will be made out of own /surplus funds, the objective of which is optimum utilization of funds of the Company. The loans will be made on terms and conditions most beneficial to the Company / at prevailing market rates.

The Directors are satisfied that it would be in the interest of the Company and its shareholders and accordingly recommend the Resolutions for your approval by exercising your votes through a Postal Ballot.

Mr. Dharmendra Siraj, Mr. Chetan Mehra, Mr. Neelkamal Siraj and Mr. Hitesh Siraj, Directors of the Company are deemed to be

concerned or interested in this resolution.

The Consent of the Shareholders to the above Resolution is required to be obtained by means of the Postal Ballot in accordance with Section 192A of the Companies Act, 1956 read with the Companies (Passing of the Resolution through Postal Ballot) Rules, 2011.

The Company has appointed Mr. Navneet Pandya as a Scrutinizer for conducting postal ballot process in accordance with the law and in a fair and transparent manner.

You are requested to carefully read the instructions printed in the Postal Ballot Form and return the form duly completed and signed in the enclosed self addressed postage pre-paid envelope so as to reach the Scrutinizer on or before the close of working hours (1800 hrs) on 21st September 2012. Your assent or dissent received at the address of the Scrutinizer after, 21st September 2012 would be strictly treated as if a reply from you has not been received, which is in accordance with the Postal ballot Rules aforesaid.

The results of the Voting/Postal Ballots will be announced at the Annual General Meeting of the Company on 26th September 2012 at Textile Committee Auditorium, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai- 400025. The result will also be displayed on the website of the Company.

**For and on behalf of the Board**  
Sd/-  
**Sai Katkar**  
Company Secretary

Place: Mumbai  
Date: 13th August 2012

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**NOTES**

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE PROXIES TO BE EFFECTIVE, SHOULD BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and Share Transfer Books of the Company will be closed from 25th September 2012 to 26th September 2012 (both days inclusive) for the purpose of payment of Dividend. In respect of shares held in electronic form, the Dividend will be paid on the basis of ownership as per the details furnished by the Depositories for the purpose.
3. Dividend on equity shares will be payable to those members whose names appear on the Company's Register of members on 24th September 2012.
4. Shareholders are requested to notify immediately any change in their address to the Registered Office of the Company quoting their Folio Number and if the shares are held in dematerialised form, this information should be sent to their respective Depository Participants.
5. Information on Directors recommended for re-appointment at the Annual General Meeting in terms of Clause 49 of the Listing Agreement.
6. The Ministry of Corporate Affairs has undertaken a "Green Initiative in Corporate Governance" and allowed Companies to share documents with its shareholders through electronic mode. In this regard, Company has initiated process of obtaining consents of shareholders for communication in electronic mode.
7. Copies of Balance Sheet including Profit and Loss Account, Schedules and Notes to Accounts along with the Auditor's report thereon is available for inspection at the Registered Office of the Company during working hours for a period of twenty-one days before the date of Annual General Meeting.



## DIRECTORS' REPORT

### TO THE MEMBERS OF WEIZMANN FOREX LIMITED

The Directors are pleased to present the Annual Report and the Audited Statement of Accounts for the year ended 31st March 2012.

#### 1. Financial Results:

(Rs. In Lakh)

| Particulars                                                                                                                       | 2011-12   | 2010-11    |
|-----------------------------------------------------------------------------------------------------------------------------------|-----------|------------|
| Total Income including exceptional items                                                                                          | 424102.87 | 346,361.94 |
| Profit before Tax                                                                                                                 | 3061.28   | 2,041.49   |
| Less: Income Tax                                                                                                                  | 613.00    | 430.00     |
| Less: Deferred Tax                                                                                                                | 710.44    | 458.57     |
| Less: MAT Credit                                                                                                                  | (303.69)  | (186.75)   |
| Profit/ (Loss) After Tax                                                                                                          | 2041.53   | 1,339.67   |
| Add: balance brought forward from Previous Year                                                                                   | -----     | -----      |
| Available Surplus                                                                                                                 | 2041.53   | 1,339.67   |
| Director's recommendation for Appropriation:                                                                                      |           |            |
| Transfer to General Reserve                                                                                                       | 154.00    | 100.47     |
| Proposed Dividend on Equity Shares @ 20% i. e. Rs. 2 per equity share of Rs. 10 each. (2010-11: Rs. 2 per equity share i. e. 20%) | 231.29    | 231.29     |
| Dividend Distribution Tax                                                                                                         | 37.51     | 37.51      |
| Surplus/ (Deficit) carried to Balance Sheet                                                                                       | 2568.83   | 950.10     |

#### 2. Dividend:

Your Directors recommend Dividend of 20% i.e. Rs. 2 per equity share, for the financial year ended 31st March 2012 (Previous Year: 20% i. e. Rs. 2 per equity share).

#### 3. Performance:

Your Company is a Registered Authorised Dealer Category II licensed by the Reserve Bank of India to provide the various services relating to Money Changing and is one of the Principal Representatives of Western Union Financial services, USA for money transfer services. The company has established its own branches of over 170 plus, about 240 extension counters exclusively for Western Union Money Transfer and has tied up with entities including public sector and private sector banks, NBFCs, large corporations as sub representatives and the aggregate outlets engaged in Western Union money transfer services for your company is over 46000 spread across India.

Your Company also markets for Co-branded Citibank World Money card (CWM) issued by Citibank and Travel Money Card issued by Axis Bank Ltd.

The company has tied up for money transfer with entities all over the country and they include leading Public and Private Sector Banks viz. Bank of Maharashtra, Canara Bank, Central Bank of India, Corporation Bank, Dena Bank, IDBI, Dhanalakshmi Bank, Federal Bank, Indian Bank, Indian Overseas Bank, Punjab National Bank, Oriental Bank of Commerce, South Indian Bank, UCO Bank, Bharat Co-operative Bank, Nainital Bank, North Malabar Gramin Bank, The Lakshmi Vilas Bank, Pallavan Grama Bank, Cosmos Co-op Bank,

Abhyudaya Co. Op. Bank, Uttar Bihar Grameen Bank, Rajkot Nagarik Sahakari Bank, Allahabad Bank. Other entities include Stock Holding Corporation, BPCL Outlets, Centrum Direct, Muthdoot Finance, Mannapuram Finance & Leasing, India Infoline Finance Ltd. etc.

During the year under review on a standalone basis, your Company posted a Total Income of Rs. 424102.87 Lakh (previous year Rs. 346358.87 Lakh) resulting in a net profit of Rs. 2041.53 Lakh (previous year Rs. 1339.67 Lakh).

#### 4. Environment Protection:

The need for protecting our environment from the onslaught of pollution in air, water and land need no overemphasis. With fossil fuel like coal and oil depleting day by day, the entire world is seized of the danger lurking around the corner when our future generations would be deprived of electricity for their activities. Global warming, Greenhouse effect etc have become the norm of the day. Hence it is imperative that every commercial establishment must contribute one way or other to save our "Earth" in the interest of posterity.

Your company being engaged in service activities of money changing and money transfer has little direct opportunity for reduction of impact of carbon emission through designing or carrying out research on own products.

With the above objective in mind your company had decided to invest in renewable energy sources like wind power project which is one of the most environment friendly, clean and green energy generation. The renewable energy from wind power project replaces the need for generating equivalent power from conventional sources and thus reduction in carbon emission into the atmosphere.

Your company invested in wind power projects in Tamil Nadu and Maharashtra of aggregate capacity of 7.2 MW entailing an outgo of INR40 crore. Based on availability of good projects like Wind Power or Solar Power contributing to the environment your company will as a long-term objective of playing its part in protection of environment will invest in renewable energy projects in future.

#### 5. Subsidiary and Joint Venture Companies:

Vedang Tours and Travels Limited, was a Subsidiary Company of your Company. Your Company sold part of its shareholding in Vedang Tours and Travels Limited during the year 2011-12. Consequently as on 31st March 2012, Company has no subsidiary company.

During the financial year 2011-12, Company further invested in a Joint venture Company Horizon Remit SDN BHD, Malaysia. Holding of Company is around 49.99% and value of Investment is Rs. 408.28 Lakhs as on 31st March 2012. The said Joint Venture Company is an agent of Western Union Network (Ireland) Limited. The Company is engaged in business of Money transfer both outward and inward in Malaysia. There are 16 branches across Malaysia.

#### 6. Directors:

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company Mr. D. G. Siraj and Mr. N. V. Siraj, retire by rotation and being eligible offer themselves for re-appointment.

Attention of the Members is invited to the relevant items in the Notice of the Annual General Meeting and the explanatory statement thereto.

#### 7. Directors' Responsibility Statement:

Pursuant to Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

- that in preparation of Annual Accounts for the year ended 31st March 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- that the Directors have selected such accounting policies and applied

them consistently and made judgement and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March 2012 and the Profit and Loss Account for the year ended 31st March 2012;

- c. 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 preventing and detecting fraud and other irregularities.
- d. that the Directors have prepared the annual accounts on a going concern basis.

**9. Particulars of the Employees:**

The Company does not have any employees, whose particulars are required to be given under the provisions of Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of the Employees) Rules, 1975, as amended up to date.

**9. Disclosures of Particulars:**

Information as per The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 relating to the disclosure of particulars regarding Conservation of Energy, Research and Development, technology absorption are not applicable to the Company.

The details of Foreign Exchange earnings and outgo are as follows:

(Rs. in Lakh)

|                                        | YEAR ENDED<br>31st March 2012 | YEAR ENDED<br>31st March 2011 |
|----------------------------------------|-------------------------------|-------------------------------|
| <b>Foreign Exchange:</b>               |                               |                               |
| <b>Earnings in Foreign Exchange</b>    |                               |                               |
| Exports of Foreign Currency            | 123823.46                     | 106159.29                     |
| Receipts from money transfer           | 909202.32                     | 704337.93                     |
| Interest                               | 1.21                          | 1.72                          |
| <b>Expenditure in Foreign Exchange</b> |                               |                               |
| Travelling expenses                    | 4.41                          | 8.31                          |

**10. Fixed Deposits:**

Your Company has not accepted any fixed Deposits during the year, within the meaning of Section 58A of the Companies Act, 1956.

**11. Auditors:**

M/s. Sharp & Tannan, Chartered Accountants, Statutory Auditors of the Company retire at the forthcoming Annual General Meeting and are eligible for re-appointment for which they have given their consent. The members will be required to appoint Auditors for the current year and fix their remuneration.

As required under provisions of Section 224 of the Companies Act, 1956, the Company has obtained written confirmation from the

auditors proposed to be reappointed to the effect that their re-appointment, if made at the ensuing Annual General Meeting will be within the limits specified in Section 224 (1B) of the Companies Act, 1956.

**12. Cost Audit:**

As per Order of the Ministry of Corporate Affairs, dated 2nd May 2011, and pursuant to Section 233B of the Companies Act, 1956, Company is required to get Cost records audited by a Practising Cost Accountant under Cost Accounting Records (Electricity Industry) Rules, 2011, from the financial year beginning 1st April 2011.

Mr. K. N. Satyanarayan, Practising Cost Accountant was appointed as Cost Auditor to carry out audit of the Cost records of the Company for the financial year 2012-13 vide Resolution passed by the Board of Directors in their meeting held on 15th May 2012.

**13. Auditor's Report:**

The observations of the Auditors in their Report, read with notes annexed to the accounts, are self-explanatory.

**14. Corporate Governance:**

Your Company has complied with Corporate Governance requirement as per Clause 49 of the Listing Agreement with Stock Exchanges. A Report on Corporate Governance is annexed as Annexure I forming part of this Report. Auditors Certificate on Corporate Governance forms part of Corporate Governance Report.

**15. Management Discussion and Analysis Report:**

Management Discussion and Analysis Report as required under the Listing Agreement with Stock Exchanges is annexed as Annexure II forming part of this Report.

**16. Acknowledgement:**

Your Directors express their grateful appreciation for the assistance and co-operation received from Reserve Bank of India, Western Union Financial Services Inc., Government Authorities, Bankers, Lending Institutions, Suppliers and Customers during the year under review. Your Directors place on record their appreciation for the committed services of the executives and staff of the Company.

**For and on behalf of the Board**

Sd/-

**Dharmendra G. Siraj**  
**Chairman**

Place: Mumbai  
Date: 13th August 2012





## ANNEXURE I TO DIRECTOR'S REPORT REPORT ON CORPORATE GOVERNANCE

### 1. Company's philosophy on Corporate Governance Code:

Weizmann Forex Limited is committed to high standards of Corporate Governance, as it believes that good corporate Governance is essential for achieving long-term corporate goals. The Company respects and values the rights of its stakeholders to secure information about the Company and its performance. Company assigns responsibilities and entrusts authority among different participants in the organization viz. the Board of Directors, the senior management, employees etc. This Compliance Report is prepared and given below is in conformity with the mandatory requirements of the Listing Agreement with the Stock Exchanges.

### 2. Board of Directors:

#### I) Composition and size of the Board:

The Company is managed by the Managing Director under supervision of the Board of Directors ('The Board'). The current strength of Board is ten. Since the Company has a Non-executive Chairman, who is part of Promoter Group of the Company, the Board meets the stipulated requirement of at least one-half of the Board comprising of Independent Directors.

The Composition and the category of Directors on the Board of the Company as at March 31, 2012 were as under:

| Category                          | Particulars of the Director                                                                                         |
|-----------------------------------|---------------------------------------------------------------------------------------------------------------------|
| Non- Executive<br>Non-Independent | Mr. Dharmendra G. Siraj – Chairman<br>Mr. Chetan D. Mehra<br>Mr. Neelkamal V. Siraj<br>Mr. Hitesh V. Siraj          |
| Non- Executive Independent        | Dr. Punyadeo Ojha<br>Mr. Vishnu P. Kamath<br>Mr. Upkar Singh Kohli<br>Mr. Kishore M. Vussonji<br>Ms. Smita V. Davda |
| Executive                         | Mr. B. S. Shetty - Managing Director                                                                                |

All Directors are liable to retire by rotation.

#### II. Conduct of Board Proceedings:

The day-to-day activities of the Company are conducted by the executives of the Company under the direction of the Managing Director and the overall supervision of the Board. During the financial year 2011-12, the Board held four meetings on 15-06-2011, 10-08-2011, 08-11-2011 and 08-02-2012.

The Board periodically reviews Compliance Report of all laws applicable to the Company and takes steps to rectify deviations, if any. The Board also reviews and discusses the performance of the Company, its future plans, strategies and other pertinent issues relating to the Company.

#### III. Attendance of Directors:

Attendance of Directors at the Board Meetings held during 2011-12 and the last AGM held on 30th September 2012:

| Directors                | Board Meetings held during tenure of Directors | Meetings attended | Attendance at last AGM | No. of Directorships in other companies* | Committee Chairmanships/ Memberships |
|--------------------------|------------------------------------------------|-------------------|------------------------|------------------------------------------|--------------------------------------|
| Mr. Dharmendra G. Siraj  | 4                                              | 4                 | Yes                    | 12                                       | 4                                    |
| Mr. Chetan D. Mehra*     | 4                                              | 2                 | Yes                    | 10                                       | 1                                    |
| Mr. Neelkamal V. Siraj   | 4                                              | 4                 | Yes                    | 5                                        | ---                                  |
| Mr. Hitesh V. Siraj      | 4                                              | 2                 | Yes                    | 3                                        | ---                                  |
| Mr. Punyadeo Ojha #      | 4                                              | 4                 | Yes                    | 2                                        | 2                                    |
| Mr. Vishnu P. Kamath*    | 4                                              | 3                 | Yes                    | 9                                        | 7                                    |
| Mr. Kishore M. Vussonji# | 4                                              | 3                 | Yes                    | 5                                        | 2                                    |
| Mr. Upkar Singh Kohli#   | 4                                              | 3                 | Yes                    | 9                                        | 5                                    |
| Ms. Smita V. Davda#      | 4                                              | 4                 | Yes                    | ---                                      | ---                                  |
| Mr. B. S. Shetty         | 4                                              | 4                 | Yes                    | 2                                        | 1                                    |

A sitting fee of Rs. 2,000/- per meeting is paid to Directors (except Managing Director), for attending every Board Meeting.

\* Excluding private limited companies, foreign companies and Section 25 companies. Mr. N. V. Siraj and Mr. H. V. Siraj are relatives in terms of provisions of Companies Act, 1956.

None of the Directors hold directorship in more than 15 public limited companies. No director holds membership of more than 10 Committees of Board nor is any Director holds Chairmanship of more than 5 Committees.

#### 3. Audit Committee:

The Audit Committee is working according to the terms of Section 292A of the Companies Act, 1956 and Listing Agreement which includes duties and functions generally indicated in Clause 49 of the Listing Agreement and also such other functions as may be specifically delegated to it by the Board from time to time.

The Audit Committee meetings were held on 10-08-2011, 08-11-2011 and 08-02-2012 during the year ended 31st March 2012.

The Company Secretary acts as a Secretary to the Committee.

The Composition of Audit Committee and the attendance of the Members at the Audit Committee Meetings are as under:

| Name of Director    | Category                   | Committee Designation | No. of Meetings held | No. of Meetings attended |
|---------------------|----------------------------|-----------------------|----------------------|--------------------------|
| Vishnu P. Kamath    | Non- executive Independent | Chairman              | 3                    | 3                        |
| Dharmendra G. Siraj | Non- executive             | Member                | 3                    | 3                        |
| Smita V. Davda      | Non- executive Independent | Member                | 3                    | 3                        |

Note: No sitting fee is paid to the Members for attending Audit Committee Meetings.

#### 4. Remuneration Committee:

The Company has one executive director on the Board i. e. Managing Director, whose appointment and remuneration is fixed by the Board of Directors and approved by the members. Refer to Note No. 2.26 of the Notes to the Financial Statements attached to the Annual Financial Statements as of 31st March 2012 for the details of remuneration to Managing Director. The revision, if any, to the terms of Remuneration of Managing Director is approved by Members at the Annual General Meeting. No remuneration is paid to Non-Executive Directors except sitting fees for the Board Meetings attended.

In view of above, the Company does not have a Remuneration Committee.

**5. Transactions with Non-executive Directors:**

No significant or material transactions have been made with the Non- Executive Directors vis-à-vis the Company.

**6. Details of Shareholding of Non- Executive Directors**

| Sr. No. | Name of Directors       | No. of Shares held as on 31st March 2012 |
|---------|-------------------------|------------------------------------------|
| 1.      | Mr. Dharmendra G. Siraj | 11,12,740                                |
| 2.      | Mr. Chetan D. Mehra     | 14,64,000                                |
| 3.      | Mr. Neelkamal V. Siraj  | 450                                      |
| 4.      | Mr. Hitesh V. Siraj     | Nil                                      |
| 5.      | Mr. Punyadeo D. Ojha    | Nil                                      |
| 6.      | Mr. Vishnu P. Kamath    | Nil                                      |
| 7.      | Mr. Kishore M. Vussonji | Nil                                      |
| 8.      | Mr. Upkar Singh Kohli   | Nil                                      |
| 9.      | Ms. Smita V. Davda      | 36,500                                   |

**7. Investors' Grievance Committee:**

The Company has constituted Investor Grievance Committee in accordance with the requirements of Clause 49 of the Listing Agreement. The said Committee is constituted to look into redressing investor's complaints pertaining to transfer/ transmission of shares, non- receipt of dividend/ annual report of the Company.

The composition of the Committee is as under:

| Name of Director        | Category       | Committee Designation | No. of Meetings held | No. of Meetings attended |
|-------------------------|----------------|-----------------------|----------------------|--------------------------|
| Mr. Dharmendra G. Siraj | Non- Executive | Chairman              | 3                    | 3                        |
| Mr. Vishnu P. Kamath    | Independent    | Member                | 3                    | 2                        |
| Ms. Smita V. Davda      | Independent    | Member                | 3                    | 3                        |

Investor Grievance Committee Meetings were held on 10-08-2011, 08-11-2011 and 08-02-2012 during the year 2011-12.

No pending complaints to be resolved during the year.

**8. Sub- Committee of Board of Directors:**

**Composition:**

| Name of Director        | Category      | Committee Designation |
|-------------------------|---------------|-----------------------|
| Mr. Dharmendra G. Siraj | Non-Executive | Chairman              |
| Mr. Chetan D. Mehra     | Non-Executive | Member                |
| Mr. Neelkamal V. Siraj  | Non-Executive | Member                |
| Mr. Hitesh V. Siraj     | Non-Executive | Member                |

The Sub- Committee normally deals with the following matters:

- Transfer/ Transmission/ Transportation of shares, Deletion, issue of duplicate share certificates, consolidation of share certificates/ subdivision of share certificates.
- Review of dematerialisation of shares.
- Bank Account operations and related matters including opening, Changes/ modifications in signatory details or monetary limit details, closing of Bank Accounts & matters incidental therewith.
- Approve foreign exchange derivative contracts.
- Authorise Directors, Executives to enter into Derivative contracts relating to Foreign Exchange.
- To accept/ authorise Directors/ Executives of the Company to take necessary steps/ actions/ deeds by signing of various documents as required by the lenders including Banks/Financial Institutions, for availing funded/ non-funded financial assistance to be sanctioned/ sanctioned by them.

- Normal day-to-day matters and all other matters as prescribed and delegated to Sub-Committee by the Board of Directors from time to time.

Twelve Sub-Committee meetings were held during the Financial Year ended 31st March 2012.

**9. General Body Meetings:**

Details of the last Three Annual general Meetings (AGMs):

| Financial Year | Date                | Time     | Location where the AGM held                                                                          |
|----------------|---------------------|----------|------------------------------------------------------------------------------------------------------|
| 2010-11        | 30th September 2011 | 05:00 PM | M. C. Ghia Hall, 4th Floor, Hargovindas Building, 18/20, K. Dubhash Marg, Kala Ghoda, Mumbai- 400001 |
| 2009-10        | 30th September 2010 | 11:30 AM | Empire House, 214 Dr. D. N. Road, Fort, Mumbai- 400 001.                                             |
| 2008-09        | 30th September 2009 | 5.00 PM  | 26 Gobind Mahal, 86B, Netaji Subhash Road, Marine Drive, Mumbai- 400002.                             |

Pursuant to Section 192A of the Companies Act, 1956 read with Companies (Passing of Resolution by Postal Ballot) Rules, 2001, a Special Resolution was passed in the Annual General Meeting held on 30th September 2011, the details of which are as follows:

Subject matter of Special resolution:

Approval for providing Loan to an Associate Company-Tapi Energy Projects Ltd. up to Rs.25 crore

| Particulars                                                 | No. of Members | No. of Shares of Rs.10/- each | % to Total Postal Ballot forms received |
|-------------------------------------------------------------|----------------|-------------------------------|-----------------------------------------|
| Members of the Company from whom Ballot papers are received | 39             | ----                          | ----                                    |
| Invalid Ballot forms received                               | Nil            | ----                          | ----                                    |
| Valid Ballot forms received                                 | 39             | 9380910                       | 100.00                                  |
| In Favour of the Resolution                                 | 39             | 9380910                       | 100.00                                  |
| Against the Resolution                                      | NIL            | NIL                           | NIL                                     |

In view of the above, the above said Special Resolution, for which the consent was sought from the members through postal Ballot exercise, was duly passed unanimously.

**10. Disclosures:**

- Related Party transactions as required to be compiled under Accounting Standard 18 (AS-18) are furnished under Note No. 2.31 of the Notes to the Financial Statements attached to the Annual Financial Statements as of 31-03-2012.
- Accounting Policies and treatments: The Company has adopted accounting treatments which are in conformance with those prescribed by applicable Accounting Standards.
- Insider Trading: The Company has the Insider Trading Code, framed by the Management, in accordance with the SEBI Regulations. The code is posted on the Website of the Company [www.weizmannforex.com](http://www.weizmannforex.com)
- There has neither been any non-compliance of any legal provision nor any penalty, stricture imposed by the Stock Exchange or SEBI or any other authorities on any matters related to Capital Market during the Financial year.
- Risk Management : Risk Management & evaluation is an ongoing process within the organization. Your company has a risk Management Policy & it is periodically reviewed by the Board of Directors.





f) The company has provided details of Directors seeking appointment/reappointment in the Notice of Annual General Meeting provided with Annual report. Quarterly Financial result & Shareholding patterns are available on website of the Company [www.weizmannforex.com](http://www.weizmannforex.com).

#### 11. Code of Conduct:

The Code of Conduct for the Directors and Senior Management of the Company has been laid down by the Board and the same is posted on the website of the Company [www.weizmannforex.com](http://www.weizmannforex.com). For the year under review, all Directors & Senior Management of the Company has confirmed their adherence to the provisions of the said code. The Declaration by Managing Director regarding the same forms part of this Report.

#### 12. Subsidiary Companies :

Your Company does not have any material listed/non-listed company.

#### 13. Means of Communication:

Half yearly report sent to each Shareholder : No

Quarterly Results published : Business Standard Daily (English)  
Tarun Bharat Daily (Marathi)

Any website where displayed : [www.bseindia.com](http://www.bseindia.com)  
[www.nseindia.com](http://www.nseindia.com)  
[www.weizmannforex.com](http://www.weizmannforex.com)

Whether any advertisement also displayed Official news releases and presentations Made to Institutions or Investors/ Analysts : No

Whether Management Discussion and Analysis forms part of Annual Report : Yes

Whether Shareholders information section Forms part of Annual Report : Yes

#### 14. General Shareholder Information:

##### a) 27th Annual General Meeting- Day, Date and Venue:

| Day       | Date                | Time    | Venue                                                                                            |
|-----------|---------------------|---------|--------------------------------------------------------------------------------------------------|
| Wednesday | 26th September 2012 | 3:30 PM | Textile Committee Auditorium,<br>P. Balu Road,<br>Prabhadevi Chowk,<br>Prabhadevi, Mumbai-400025 |

##### b) Financial Calendar:

Financial Year: 1st April 2012 to 31st March 2013

##### Adoption of Quarterly Results:

##### For the quarter ended

30th June 2012 : 13th August 2012  
30th September 2012 : On or before 14th November 2012  
31st December 2012 : On or before 14th February 2013  
31st March 2013 : On or before 15th May 2013

**Book Closure Date** : 25th September 2012 to 26th September 2012.

**Dividend payment** : On or before 25th October 2012.

##### c) Listing on Stock Exchanges :BSE and NSE

Listing Fees, Custodial Fees: Company has paid, within stipulated time, Annual Listing Fees prescribed by both Stock Exchanges

and Annual Custodial Fees pertaining to Depositories NSDL and CDSL for the financial year 2012-13.

**d) Stock Exchange Codes :**  
Bombay Stock Exchange Limited : 533452  
National Stock Exchange of India Limited : WEIZFOREX

##### e) Market Price Data\*/ Performance:

Trading of equity shares of the Company on both the Stock Exchanges BSE and NSE commenced on 28th June 2011. The relevant data for year 2011-12:

| Month    | BSE  |     | Sensex |       | NSE  |     | Nifty** |      |
|----------|------|-----|--------|-------|------|-----|---------|------|
|          | High | Low | High   | Low   | High | Low | High    | Low  |
| Jun 2011 | 77   | 39  | 18873  | 17314 | 84   | 38  | 8103    | 7632 |
| Jul 2011 | 97   | 53  | 19132  | 18132 | 97   | 54  | 8215    | 8005 |
| Aug 2011 | 91   | 66  | 18440  | 15766 | 90   | 69  | 8007    | 7044 |
| Sep 2011 | 86   | 70  | 17212  | 15801 | 90   | 70  | 7513    | 7072 |
| Oct 2011 | 80   | 64  | 17908  | 15745 | 77   | 63  | 7267    | 6824 |
| Nov 2011 | 72   | 53  | 17702  | 15479 | 70   | 53  | 7323    | 6467 |
| Dec 2011 | 66   | 43  | 17004  | 15136 | 69   | 41  | 6835    | 6037 |
| Jan 2012 | 62   | 53  | 17259  | 15358 | 61   | 52  | 8377    | 6096 |
| Feb 2012 | 74   | 59  | 18524  | 17062 | 75   | 57  | 7981    | 7188 |
| Mar 2012 | 69   | 55  | 18041  | 16921 | 73   | 55  | 7886    | 7468 |

\* Sources : [www.bseindia.com](http://www.bseindia.com) & [www.nseindia.com](http://www.nseindia.com)

\*\* Nifty CNX Midcap

##### f) Registrar & Transfer Agents:

Bigshare Services Private Limited  
Address: E 2/3, Ansa Industrial Estate, Saki Vihar Road, Saki Naka, Andheri East, Mumbai- 400 072.  
Tel : 022-28470652 Fax: 022-28475207  
Email : [info@bigshareonline.com](mailto:info@bigshareonline.com)  
Website: [www.bigshareonline.com](http://www.bigshareonline.com)

##### g) Share Transfer System:

With a view to expedite the process of share transfer, the Board of Directors has delegated the powers of share transfers to the Sub-Committee of Board of Directors of Board of Directors. Shares lodged in physical form with the Company/ Registrar & Share Transfer Agent are transferred expeditiously. The confirmation in respect of the request for dematerialisation of shares is sent to the respective depositories i.e. NSDL and CDSL after duly transferred.

##### h) Dematerialisation of Shares and Liquidity of Shares:

The Company's shares in dematerialisation form are available for trading in depository system of both NSDL and CDSL. As at 31st March 2012, 10655179 Equity shares representing 92.14% of 11564357 paid-up shares are held in demat form. The shares of the Company are included in B Category at the Bombay Stock Exchange. The shares are also traded on National Stock Exchange of India Limited.

As per SEBI Circular ISD/3/2011 dated 17th June 2011, Equity shares of the Company are permitted to be traded in the normal segment of the Exchange only if the Company holds 100% of the Promoter and Promoter Group Shareholding in dematerialised form latest by quarter ending 30th September 2011. Company completed process of converting the Shareholding of Promoter and Promoter Group, held in physical form, into dematerialised form within the stipulated period of time. Consequently, 100% of the Promoter and Promoter group shareholding is in dematerialised form.

**Break-up of Physical & Demat shareholding as on 31st March 2012:**

| Category                       | Shareholding as on 31st March 2012 | % as to total no. of shares |
|--------------------------------|------------------------------------|-----------------------------|
| Shares in Demat Mode with NSDL | 8268356                            | 71.50                       |
| Shares in Demat Mode with CDSL | 2386823                            | 20.64                       |
| Shares in Physical mode        | 909178                             | 7.86                        |
| <b>Total</b>                   | <b>11564357</b>                    | <b>100.00</b>               |

|                |             |               |                 |               |
|----------------|-------------|---------------|-----------------|---------------|
| 2001-3000      | 21          | 0.24          | 50954           | 0.44          |
| 3001-4000      | 19          | 0.22          | 65151           | 0.56          |
| 4001-5000      | 7           | 0.08          | 31693           | 0.27          |
| 5001-10000     | 25          | 0.28          | 170873          | 1.48          |
| 10001-99999999 | 42          | 0.51          | 10056700        | 86.96         |
| <b>Total</b>   | <b>8807</b> | <b>100.00</b> | <b>11564357</b> | <b>100.00</b> |

**i) Shareholding Pattern as on 31st March 2012:**

| Sr.       | Category                             | No. of shares   | % of Shareholding |
|-----------|--------------------------------------|-----------------|-------------------|
| <b>A.</b> | <b>Promoter &amp; Promoter Group</b> |                 |                   |
|           | Indian Promoters                     | 86,26,301       | 74.59             |
| <b>B.</b> | <b>Non-Promoters</b>                 |                 |                   |
|           | a) Mutual Firms & UTI                | -               | -                 |
|           | b) Banks, FI, Insurance Co.          | 199             | 0.001             |
|           | c) FI's                              | -               | -                 |
| <b>C.</b> | <b>Others</b>                        |                 |                   |
|           | a) Corporate Bodies                  | 155473          | 1.34              |
|           | b) Indian Public                     | 2337403         | 20.21             |
|           | c) NRIs/ OCB                         | 108951          | 0.94              |
|           | d) Any Other                         | 336030          | 2.91              |
|           | <b>Grand Total</b>                   | <b>11564357</b> | <b>100.00</b>     |

**j) Distribution of Shareholding as on 31st March 2012:**

| Range     | No. of share holders | Percentage of Total share-holders | Shares held | Percentage of total shares |
|-----------|----------------------|-----------------------------------|-------------|----------------------------|
| 1-500     | 8290                 | 94.10                             | 837239      | 7.24                       |
| 501-1000  | 276                  | 3.13                              | 183163      | 1.59                       |
| 1001-2000 | 127                  | 1.44                              | 168584      | 1.46                       |

**k) Outstanding GDR's/ ADR's/ Warrants or any convertible instruments, conversion date and likely impact on equity** : Not Applicable

**l) Wind Power Plant Location** : Tenkasi, Tamil Nadu

**m) Address for Correspondence** : Empire House,  
214 Dr. D. N. Road,  
Ent. A. K. Nayak Marg,  
Fort, Mumbai- 400 001.

**n) Email id for investor complaints:**  
investorsgrievance@weizmannforex.com

**Declaration**

As provided under Clause 49 of the Listing Agreement, entered with Bombay Stock Exchange Limited and National Stock Exchange of India Limited, I confirm that the Board Members and Senior Management of the Company have confirmed compliance with code of conduct, as applicable to them, for the year ended 31st March 2012.

**For WEIZMANN FOREX LIMITED**

Place: Mumbai  
Date: 13th August 2012

**B. S. Shetty**  
Managing Director

**Certificate on Compliance of Conditions of Corporate Governance**

**To the members of Weizmann Forex Limited**

We have examined the compliance of conditions of Corporate Governance by Weizmann Forex Limited ('the Company') for the year ended 31st March, 2012 as stipulated in Clause 49 of the Listing Agreement entered into by the Company with the stock exchanges.

The compliance of conditions of corporate governance is the responsibility of the management.

Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanation given to us we certify that the Company has complied in all material respects with the conditions of corporate governance as stipulated in the above mentioned Listing Agreement.

We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013

Mumbai, 13th August, 2012



## ANNEXURE II TO THE DIRECTORS REPORT

### MANAGEMENT DISCUSSION AND ANALYSIS REPORT

#### BUSINESS REVIEW

The principal focus areas of the company is money changing and money transfer. Your company as RBI Licensed Authorized Dealer Category II for money changing and RBI Registered one of the Principal Representatives of Western Union Financial Services USA for money transfer is one of the leading players in both these core areas. The company offers a number of products like currency exchange, travelers cheques, travel cards, bulk exports of currencies and caters to various segment of customers such as leisure outbound travelers, business travelers, travelers on migration, overseas education and living expenses, medical treatment, inbound tourist, remittance by tour operators, fee for participating in global conferences, crew wages, film shooting, emigration consultancy fees, visa fees, membership and subscription to international organization and inbound international money transfer. The company also exports and imports currencies in bulk based on the need in the country.

The company has 170 own branches and 240 exclusive extension counters for money transfer, about 9000 subagents including tie up with over a dozen public sector and private sector banks, and presence in Pan India in over 46000 locations by far largest in the world. To leverage on the wide reach the company has developed over a period, it is also into allied activities of IATA registered Travel, Insurance Broking and Smart Mobile Top Up. Further as part of discharge of corporate social responsibility, the company is also engaged in wind power generation since wind power is considered as clean and green non polluting power replacing to some extent polluting power generation from conventional sources like oil, gas and thus not only contributing to the conservation of ever depleting fossil fuel but also contributing its might in combating Global Warming.

The wide reach which the company has built up has facilitated higher visibility of its brand and an opportunity to service customers even in small towns and remote places. The company understands the importance of brand building and brand awareness. In order to sustain the market share and future growth it has been ever expanding in its chosen core areas. The continuous efforts in this direction has yielded increased profits to the company.

#### OUTLOOK, OPPORTUNITIES AND THREATS

The foreign tourists arrival in 2011 was about 6.29 million as compared to 5.78 million in the previous year and more than 4 million as compared to a decade back. The said statistics released by Ministry of Tourism reflects the foreign tourist choosing India as one of their choice destination for leisure and exploring the rich historical background of the country. A direct contribution of improvement in tourism is an improvement in money changing business with more encashments forthcoming.

Post opening of the economy couple of decades back, the disposable income in the hands of the Indians especially the middle class has increased substantially and this too has contributed to quantum increase in the Leisure Travelers to overseas and also increase in the business travel with both Indian corporate as well as overseas entities setting up shops in the other countries. As per World Bank estimate, India continues to be world's largest recipient of remittances in the last four years with 2011 clocking a figure of \$ 58 Billion. The major chunk of receipt as per statistics released by Migration Policy Institute is 58% from Asia including Gulf, 27% from America, 13% from Europe and Indian Emigrants abroad is about 72% in Asian countries, 15% in America and 10% in Europe. This has augured well for inward remittances from overseas. Taking the cue recently RBI has liberalized the number of remittances that could be effected in a year from 12 to 30.

However, despite business being upbeat there has been dampness caused by many a natural disasters across the world and the continued economic stability in European countries coupled with slow process on the policies in India contributed by many a local factors, reduction in students taking up overseas education in favoured destination like Australia, Europe and even US on account of visa restrictions and in some quarters racism raising its ugly head. Added to the woes is the high volatility in Indian rupees vis-à-vis all major currencies in the last couple of years. The INR rate for USD as on 31.03.2011 was Rs.44.72 ;

31.03.2012 Rs.50.88 and as of 31.07.2012 Rs.55.52, making travel expenses very dear to travelers and also the same having a bearing on margins of the company. However, increased realization in Indian rupees for foreign currency has also facilitated higher inbound remittances into India.

Your company has also invested in a Joint Venture Company Horizon Remit Sdn Bhd, Malaysia which too is an agent of Western Union Overseas in Malaysia where both outbound and inbound remittances are permitted and in fact outbound remittances is about 75% of the total. The company has about 16 branches. The business of the joint venture is in the process of being consolidated. Bank Negara Malaysia the equivalent of RBI keeps a close watch in the operations of entities engaged in both money changing and money transfer and provides exhaustive guidelines for business operations. Recently there has been revamping of legislations applicable to money transfer and money changing necessitating obtaining fresh licenses, new players entering the arena and business becoming more competitive. As compared to India, Malaysia do not allow appointment of subagents unless the entity themselves is a principal money transfer company. This has been an impediment for growth in the business.

Though adequate regulations exist in regulating the business, any entity in the organized sector has to counter the menace of parallel markets. Your company with its established systems, experienced professionals, extensive reach is sufficiently prepared to achieve growth.

#### RISKS AND CONCERNS

The Board of your company has laid down detailed policies on risk management, customer acceptance policy, customer identification procedures, monitoring of transactions to ensure that there is timely identification of business risks and operational risks, evaluation of their impact, and mitigation of the same through appropriate measures. Open risks, if any, are adequately covered by insuring such risks.

The risks on account of volatility in the exchange rate is inherent in the nature of business of your company. On account of the company being a leading player in both money changing and money transfer there is an automatic hedge in respect of volatility of exchange rate in the market.

As is vogue in many a business and more particularly in the exciting and enticing business of money changing faces the risks of customers, employees integrity, skilled manpower, rising inflation, volatility in exchange rate, general economic condition. The company with its elaborate "Know Your Customer" norms, well laid down policies in employee selection, defined training periodically for updating the skill and through systems and controls substantially mitigate such risks emanating from such customers and its elaborate internal control and internal audit systems has facilitated in significantly allaying the risks emanating from such employees.

#### INTERNAL CONTROL SYSTEM

The company has elaborate internal control and internal audit systems. The company has installed an online software package which connects all its branches and extension counters with detailed processes being put in place for recording entries, the discipline to be followed in timely completion of accounting, the monitoring by senior level personnel. In addition the company has large in house internal audit systems with regional headquarters and audit personnel virtually in all principal cities catering to the audit needs of all the nearby branches and locations so that audits are carried out in a timely manner and deviations, if any, are plugged at the earliest. The systems developments have been an ongoing process so that the company derives maximum benefits from its online software system in the form of various control reports for monitoring the operations at various levels.

The company has also elaborate compliance monitoring systems which apart from being essential as part of business and company's policies is a must as per the requirement of the regulatory body RBI. The company has separate compliance personnel for its main business verticals of money changing and money transfer and reports on suspicious transactions to the prescribed authorities. The company has also implemented and elaborate record management system as part of its compliance with anti money laundering

regulations The company follows appropriate credit approval policy and the same is continuously monitored so as to ensure the funds which are the critical inputs for the nature of business of the company is effectively and efficiently managed.

Taking into consideration the large number of own outlets and the software system being online the company has laid down and follows a proper framework of ensuring system security and data security.

The company regularly updates various manuals in the field of operating, software and internal audits so that it facilitates the employees to carry out their respective activities in a organized manner.

The Management Discussions and Analysis explaining the objectives of the company, the opportunities and threats, the outlook for the future, the risks and concerns have to be read with the meaning of relevant applicable laws and regulations. The actual physical performance may differ materially from those explained hereinabove. As in any other business the performance of the company is totally dependent on market conditions of demand and supply, the volatility of exchange rate, the Government regulations, the economy of the country and other factors.

#### **MATERIAL DEVELOPMENT IN HUMAN RESOURCES**

Apart from availability of adequate funds in a timely manner, the success of the business of your company is totally dependent on availability of trained, experienced human resources and people with high ethics and integrity. The company continuously evolves policies to create a work culture and value system in the company so that each employee receives the adequate space, freedom and guidance to bring out their full potential and provide personal growth opportunities within the organization. In fact company's human resources have been the largest driver of profitably servicing its customers. The total human resource strength is around 1800.

The company has appropriate systems of rewarding its valued employees and has introduced variable pay system so that the employees can realize their potential with their enhanced performance.

The company has put in place continuous training programmes so that each and every personnel of the company imbibes adequate knowledge of ever changing rules and regulations affecting the operations of the company, the knowledge on system operations and is equipped to deliver the valued customers of the company and maintains highest order of service quality.

### **AUDITORS' REPORT TO THE MEMBERS OF WEIZMANN FOREX LIMITED**

We have audited the attached Balance sheet of Weizmann Forex Limited as at 31st March, 2012, the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date, annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

In accordance with the provisions of Section 227 of the Companies Act 1956, we report that:

1. As required by the Companies (Auditor's Report) Order, 2003 and as amended by the Companies (Auditor's Report) (Amendment) Order, 2004 (together the 'Order') issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure, a statement on the matters specified in paragraphs 4 and 5 of the said Order.
2. Further to our comments in the Annexure referred to above, we report that:
  - (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, Statement of Profit and Loss and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (d) In our opinion, the Statement of Profit and Loss, the Balance Sheet and the Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Section 211(3C) of the Companies Act, 1956; and
  - (e) On the basis of the written representations received from directors of the Company as at 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as at 31st March, 2012 from being appointed as a director in terms of Section 274 (1)(g) of the Companies Act, 1956.

In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012; and
- (ii) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (iii) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date..

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013

Mumbai, 13th August, 2012



### ANNEXURE TO THE AUDITORS' REPORT

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

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) We are informed that these fixed assets of the Company have been physically verified by the management during the year which, in our opinion is reasonable having regard to the size of the Company and the nature of the assets and no material discrepancies were noticed on such verification.
- (c) The Company has not disposed of any substantial part of its fixed assets during the year so as to affect its going concern status.
2. (a) We are informed that the inventory is physically verified by the management during the year. The frequency of such verification, in our opinion, is reasonable.
- (b) As per the information given to us, the procedures of physical verification of inventory followed by the management are, in our opinion, reasonable and adequate in relation to the size of the Company and nature of its business.
- (c) The Company is maintaining proper records of inventory. No discrepancies were noticed on such physical verification.
3. (a) According to the information and explanations given to us, the Company has granted an unsecured loan to two parties covered in the register maintained under Section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 2496.35 lacs and the year-end balance was Rs 83.64 lacs.
- (b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of loan given by the company, are *prima facie* not prejudicial to the interest of the company.
- (c) In our opinion and according to the information and explanations given to us, the receipt of the principle amount and the interest are regular and there are no overdue amounts.
- (d) According to the information and explanation given to us, the Company has taken unsecured loan from two parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 84.88 lacs and the year-end balance was Rs. 9.50 lacs.
- (e) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of loan taken by the Company, are *prima facie* not prejudicial to the interest of the company.
- (f) In our opinion and according to the information and explanations given to us, the payment of the principle amount and interest are also regular.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services rendered. Further, on the basis of our examination of the books and records of the company, and according to the information and explanations given to us, we have neither come across nor have been informed of any continuing failure to correct major weakness in the aforesaid internal control systems.
5. (a) According to the information and explanations given to us, we are of the opinion that the particulars of the contracts or arrangements that need to be entered into the register maintain in pursuance of Section 301 of Companies Act, 1956 have been so entered.
- (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements and exceeding value of Rupees five lakhs in respect of any party during the year have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public to which the directives issued by the Reserve Bank of India and the provisions of Section 58A, 58AA and any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder apply.
7. In our opinion, the Company is having internal audit system commensurate with the size of the Company and the nature of its business.
8. We have broadly reviewed the books of account maintained by the company pursuant to the rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies

Act, 1956 in respect of wind power business and are of the opinion that *prima facie* the prescribed accounts and records have been made and maintained. We have, however, not made a detailed examination of the records with a view to determining whether they are accurate or complete.

9. (a) According to the information and explanations given to us, the Company is regular in depositing undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, service tax, cess and other statutory dues as applicable with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues as at the last day of the financial year for a period exceeding six months from the date they became payable.
- (b) According to the information and explanations given to us, the Company have no dues of income tax, service tax, and other statutory dues which have not been deposited with the appropriate authorities on account of any dispute.
10. The Company has no accumulated losses as at 31st March, 2012 and it has not incurred any cash losses in the financial year ended on that date and in the immediately preceding financial year.
11. According to the records of the Company examined by us and the information and explanations given to us, the Company has not defaulted in repayment of dues to bank as at the balance sheet date. The Company has not issued any debentures. Accordingly, paragraph 4 (xi) of the Order is not applicable.
12. According to the information and explanations given to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities. Accordingly, paragraph 4 (xii) of the Order is not applicable.
13. The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company is not dealing or trading in securities, debentures and other investments. Accordingly, paragraph 4 (xiv) of the Order is not applicable.
15. In our opinion and according to the information and explanations given to us, the terms and conditions of guarantees given by the Company for loans taken by joint venture and other from bank or financial institutions are not *prima facie* prejudicial to the interests of the Company.
16. According to the information and explanations given to us, the term loans have been applied for the purposes for which they were obtained.
17. According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investments. Accordingly, paragraph 4 (xvii) of the Order is not applicable.
18. The Company has not made any preferential allotment of shares to parties and companies covered in register maintained under Section 301 of the Companies Act, 1956, during the year. Accordingly, paragraph 4 (xviii) of the Order is not applicable.
19. The Company has not issued any debentures during the year. Hence, paragraph 4 (xix) of the Order is not applicable.
20. The Company has not raised any money by public issues during the year. Accordingly, paragraph 4 (xx) of the Order is not applicable.
21. During the course of our examination of books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instances of material fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013

Mumbai, 13th August, 2012



**BALANCE SHEET AS AT MARCH 31, 2012**

| Particulars                              | Note No. | Rs. in Lakh             |                         |
|------------------------------------------|----------|-------------------------|-------------------------|
|                                          |          | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| <b>EQUITY AND LIABILITIES</b>            |          |                         |                         |
| <b>(1) Shareholders' Funds</b>           |          |                         |                         |
| (a) Share capital                        | 2.1      | 1,156.44                | 1,156.44                |
| (b) Reserves and surplus                 | 2.2      | 5,154.41                | 3,381.68                |
|                                          |          | <b>6,310.85</b>         | <b>4,538.12</b>         |
| <b>(2) Non-current Liabilities</b>       |          |                         |                         |
| (a) Long-term borrowings                 | 2.3      | 3,976.79                | 804.02                  |
| (b) Deferred tax liabilities (Net)       | 2.4      | 1,242.00                | 531.56                  |
| (c) Other long-term liabilities          |          | -                       | -                       |
| (d) Long-term provisions                 | 2.5      | 175.12                  | 142.56                  |
|                                          |          | <b>5,393.91</b>         | <b>1,478.14</b>         |
| <b>(3) Current Liabilities</b>           |          |                         |                         |
| (a) Short-term borrowings                | 2.6      | 8,403.42                | 7,356.15                |
| (b) Trade payables                       | 2.7      | 3,876.17                | 6,671.80                |
| (c) Other current liabilities            | 2.8      | 1,252.45                | 760.13                  |
| (d) Short-term provisions                | 2.9      | 994.93                  | 799.96                  |
|                                          |          | <b>14,526.97</b>        | <b>15,588.04</b>        |
| <b>Total</b>                             |          | <b>26,231.73</b>        | <b>21,604.30</b>        |
| <b>ASSETS</b>                            |          |                         |                         |
| <b>(1) Non-current Assets</b>            |          |                         |                         |
| (a) Fixed assets                         |          |                         |                         |
| (i) Tangible assets                      | 2.10     | 4,769.35                | 4,872.25                |
| (ii) Intangible assets                   | 2.10     | 301.17                  | 380.35                  |
| (b) Non-current investments              | 2.11     | 415.88                  | 308.32                  |
| (c) Long-term loans and advances         | 2.12     | 2,156.11                | 1,089.97                |
| (d) Other non-current assets             |          | -                       | -                       |
|                                          |          | <b>7,642.51</b>         | <b>6,650.89</b>         |
| <b>(2) Current Assets</b>                |          |                         |                         |
| (a) Current investments                  |          | -                       | -                       |
| (b) Inventories                          | 2.13     | 2,009.69                | 1,664.99                |
| (c) Trade receivables                    | 2.14     | 7,791.44                | 4,589.69                |
| (d) Cash and bank balances               | 2.15     | 5,813.11                | 5,595.04                |
| (e) Short-term loans and advances        | 2.16     | 2,078.90                | 2,467.05                |
| (f) Other current assets                 | 2.17     | 896.08                  | 636.64                  |
|                                          |          | <b>18,589.22</b>        | <b>14,953.41</b>        |
| <b>Total</b>                             |          | <b>26,231.73</b>        | <b>21,604.30</b>        |
| <b>Significant Accounting Policies</b>   | 1        |                         |                         |
| <b>Notes to the Financial Statements</b> | 2        |                         |                         |

The accompanying notes form an integral part of the financial statements  
As per our report attached

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013  
Mumbai, 13th August, 2012

For and on behalf of the Board  
**D. G. SIRAJ** - Chairman

**B. S. SHETTY** - Managing Director

**SAI KATKAR** - Company Secretary

Mumbai, 13th August, 2012




**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2012**

Rs. in Lakh

| Particulars                                      | Note No. | For the year ended March 31, 2012 | For the year ended March 31, 2011 |
|--------------------------------------------------|----------|-----------------------------------|-----------------------------------|
| Revenue from operations                          | 2.18     | 422,583.73                        | 345,804.75                        |
| Other income                                     | 2.19     | 1,516.30                          | 557.19                            |
| <b>Total Revenue</b>                             |          | <b>424,100.03</b>                 | <b>346,361.94</b>                 |
| <b>Expenses</b>                                  |          |                                   |                                   |
| Cost of sales                                    | 2.20     |                                   |                                   |
| Purchases                                        |          | 409,603.31                        | 335,389.99                        |
| Changes in inventories of stock-in-trade         |          | (344.70)                          | (425.12)                          |
| Employee benefits                                | 2.21     | 2,836.56                          | 2,595.34                          |
| Finance costs                                    | 2.22     | 1,332.16                          | 700.66                            |
| Depreciation and amortisation                    |          | 417.74                            | 223.89                            |
| Other expenses                                   | 2.23     | 7,196.52                          | 5,835.69                          |
| <b>Total Expenses</b>                            |          | <b>421,041.59</b>                 | <b>344,320.45</b>                 |
| <b>Profit before extraordinary items and tax</b> |          | <b>3,058.44</b>                   | <b>2,041.49</b>                   |
| Extraordinary items                              | 2.24     | 2.84                              | -                                 |
| Profit before tax                                |          | <b>3,061.28</b>                   | <b>2,041.49</b>                   |
| Tax expense                                      |          |                                   |                                   |
| Current tax                                      |          | <b>613.00</b>                     | <b>430.00</b>                     |
| Mat credit entitlement                           |          | <b>(303.69)</b>                   | <b>(186.75)</b>                   |
| Deferred tax                                     |          | <b>710.44</b>                     | <b>458.57</b>                     |
| <b>Profit after tax carried to Balance Sheet</b> |          | <b>2,041.53</b>                   | <b>1,339.67</b>                   |
| Earnings Per Share:                              |          |                                   |                                   |
| Basic : before extraordinary items (Rs.)         | 2.25     | 17.63                             | 11.58                             |
| Diluted : before extraordinary items (Rs.)       | 2.25     | 17.63                             | 11.58                             |
| Basic : after extraordinary items (Rs.)          | 2.25     | 17.65                             | 11.58                             |
| Diluted : after extraordinary items (Rs.)        | 2.25     | 17.65                             | 11.58                             |
| Face value per equity share Rs.                  |          | 10.00                             | 10.00                             |
| <b>Significant Accounting Policies</b>           | <b>1</b> |                                   |                                   |
| <b>Notes to the Financial Statements</b>         | <b>2</b> |                                   |                                   |

The accompanying notes form an integral part of the financial statements  
As per our report attached

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013  
Mumbai, 13th August, 2012

For and on behalf of the Board  
**D. G. SIRAJ** - Chairman

**B. S. SHETTY** - Managing Director

**SAI KATKAR** - Company Secretary

Mumbai, 13th August, 2012

**CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**

Rs. in Lakh

| Particulars                                                                      | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
|----------------------------------------------------------------------------------|--------------------------------------|--------------------------------------|
| <b>1 Cash flows from operating activities</b>                                    |                                      |                                      |
| <b>Profit before tax (excluding extra ordinary items)</b>                        | <b>3,058.44</b>                      | <b>2,041.49</b>                      |
| Adjustment for:                                                                  |                                      |                                      |
| Depreciation / amortisation                                                      | 417.74                               | 223.89                               |
| Interest income                                                                  | (365.94)                             | (110.23)                             |
| Interest expenses                                                                | 1,332.16                             | 700.66                               |
| Provision for leave encashment                                                   | 32.56                                | 34.17                                |
| Provision for bonus                                                              | 86.66                                | 76.43                                |
| (Profit)/Loss on sale of fixed assets                                            | (88.88)                              | 30.40                                |
| Bad debts written-off                                                            | 57.60                                | 22.17                                |
| <b>Operating profit before working capital adjustment</b>                        | <b>4,530.34</b>                      | <b>3,018.98</b>                      |
| (Increase)/decrease in inventories                                               | (344.70)                             | (425.12)                             |
| (Increase)/decrease in trade receivables                                         | (3,259.35)                           | (1,270.56)                           |
| (Increase)/decrease in loans and advances and other assets                       | 888.79                               | (1,927.01)                           |
| (Increase)/decrease in trade payables and other liabilities                      | (3,076.80)                           | 3,461.70                             |
| <b>Cash generated from Operations</b>                                            | <b>(1,261.72)</b>                    | <b>2,857.99</b>                      |
| Direct taxes paid (net)                                                          | (410.71)                             | (371.31)                             |
| <b>Net cash (used in)/from operating activities</b>                              | <b>(1,672.43)</b>                    | <b>2,486.68</b>                      |
|                                                                                  | [1]                                  |                                      |
| <b>2 Cash flows from investing activities</b>                                    |                                      |                                      |
| <b>Add : Inflows from investing activities</b>                                   |                                      |                                      |
| Proceeds from sale of fixed assets                                               | 1,973.68                             | 27.77                                |
| Divestment of stake in subsidiary                                                | 28.35                                | -                                    |
| Interest income                                                                  | 365.94                               | 109.93                               |
|                                                                                  | <b>2,367.97</b>                      | <b>137.70</b>                        |
| <b>Less: Outflows from investing activities</b>                                  |                                      |                                      |
| Purchase of fixed assets                                                         | (2,120.45)                           | (4,159.07)                           |
| Purchases of investments                                                         | (135.91)                             | (272.54)                             |
|                                                                                  | <b>(2,256.36)</b>                    | <b>(4,431.61)</b>                    |
| <b>Net cash (used in)/from investing activities (before extraordinary items)</b> | <b>111.61</b>                        | <b>(4,293.90)</b>                    |
| Extraordinary items                                                              | 2.84                                 | -                                    |
| <b>Net cash (used in)/from investing activities (after extraordinary items)</b>  | <b>114.45</b>                        | <b>(4,293.90)</b>                    |
|                                                                                  | [2]                                  |                                      |
| <b>3 Cash flows from financing activities</b>                                    |                                      |                                      |
| <b>Add : Inflows from financing activities</b>                                   |                                      |                                      |
| Secured loans                                                                    | 4,252.37                             | 3,669.40                             |
|                                                                                  | <b>4,252.37</b>                      | <b>3,669.40</b>                      |
| <b>Less : Outflows from financing activities</b>                                 |                                      |                                      |
| Unsecured loans                                                                  | (32.34)                              | (10.29)                              |
| Interest expenses                                                                | (1,332.16)                           | (684.49)                             |
| Intercompany deposits                                                            | (1,111.82)                           | (633.02)                             |
|                                                                                  | <b>(2,476.32)</b>                    | <b>(1,327.80)</b>                    |
| <b>Net cash from financing activities</b>                                        | <b>1,776.04</b>                      | <b>2,341.59</b>                      |
|                                                                                  | [3]                                  |                                      |
| <b>Net increase in cash and cash equivalents [1+2+3]</b>                         | <b>218.07</b>                        | <b>534.36</b>                        |
| Inflows on acquisition of assets on demerger (net)                               | -                                    | 5,057.94                             |
| <b>Net increase in cash and cash equivalents</b>                                 | <b>218.07</b>                        | <b>5,592.30</b>                      |
| <b>Cash and cash equivalents at beginning of the year</b>                        | <b>5,595.04</b>                      | <b>2.74</b>                          |
| <b>Cash and cash equivalents at end of the year</b>                              | <b>5,813.11</b>                      | <b>5,595.04</b>                      |

**Notes :**

- The cash flow statement has been prepared under the indirect method as set out in Accounting Standard (AS) 3 Cash Flow Statements.
- Cash and cash equivalents at the end of the year represents cash and bank balances.
- The reported cash flow statement for the year 2010-11 is inclusive of movements resulting from demerger of forex business of Weizmann Limited as at 1st April, 2010.
- Figures for the previous year have been re-grouped wherever necessary.

As per our report attached

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013  
Mumbai, 13th August, 2012

For and on behalf of the Board

**D. G. SIRAJ** - Chairman

**B. S. SHETTY** - Managing Director

**SAI KATKAR** - Company Secretary

Mumbai, 13th August, 2012



## NOTES TO THE FINANCIAL STATEMENTS : MARCH 31, 2012.

### 1. SIGNIFICANT ACCOUNTING POLICIES

#### 1.1 BASIS OF PREPARATION OF FINANCIAL STATEMENTS :

The financial statements have been prepared on historical cost basis and in accordance with the provisions of the Companies Act, 1956, and the accounting standards as specified in the Companies (Accounting Standards) Rules, 2006 (as amended). All income and expenditure having a material bearing on financial statements are recognised on accrual basis.

#### 1.2 USE OF ESTIMATES:

The preparation of the financial statements in conformity with GAAP requires that the management make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities and commitments as at the date of financial statements and the reported amounts of revenue and expenses during the reporting period. Examples of such estimates include the useful life of tangible and intangible fixed assets, allowance for doubtful debts / advances, future obligations in respect of retirement benefit plans, etc. Although such estimates are made on a reasonable and prudent basis taking into account all available information, actual results could differ from these estimates and such differences are recognised in the period in which the results are ascertained. Any revision to accounting estimates is recognised prospectively in current and future period.

#### 1.3 REVENUE RECOGNITION :

- Sales of foreign currencies/encashed traveller's cheques is recognised when the delivery is completed and invoice raised.
- Income on money transfer is recognised when the payment is made to beneficiaries of remittance on behalf of Western Union Financial Services Inc.
- Commission is recognised on sale of currency/encashed traveller's cheque.
- Other operational income represents income earned from activities incidental to the business and is recognised when the right to receive the income is established as per the terms of the contract.
- Interest income on deposits, securities and loans is recognised at the agreed rate on time proportion basis.
- Income from sale of power is recognised on the basis of meter reading recorded and confirmed by the Electricity Board Authorities upto the last months meter reading of the financial year.
- Income from sale of entitlements from wind power projects are accounted for as and when sold.

#### 1.4 FIXED ASSETS:

**Tangible assets** are stated at cost less accumulated depreciation. Cost for this purposes includes all attributable costs for bringing the assets to its location and condition. The cost of fixed assets also includes the exchange differences arising in respect of liabilities incurred for the purpose of their acquisition.

Asset costing Rs. 5,000 or less are fully depreciated in the year of acquisition.

**Intangible assets** are recognised when it is probable that the future economic benefits that are attributable to the asset will flow to the Company and the cost of the asset can be measured reliably.

Administrative and other general overhead expenses that are specifically attributable to acquisition of intangible assets are allocated and capitalised as a part of the cost of the intangible assets.

Amortisation on impaired assets is provided by adjusting the amortisation charges in the remaining periods so as to allocate the asset's revised carrying amount over its remaining useful life.

#### 1.5 DEPRECIATION / AMORTIZATION:

**Tangible assets** including leased out assets are depreciated on straight line method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, as amended.

**Intangible assets** are amortised over their estimated useful life as under:

- |                             |            |
|-----------------------------|------------|
| (a) Goodwill                | - 10 years |
| (b) Licenses and franchises | - 10 years |
| (c) Computer software       | - 3 years  |

#### 1.6 INVESTMENTS:

- Non-current investments are carried at cost, after providing for any diminution in value, to recognise a decline other than temporary in nature.
- Current investments are carried at lower of cost and fair value. The determination of carrying amount of such investments is done on the basis of weighted average cost of each individual investment.

#### 1.7 IMPAIRMENT OF ASSETS:

As at each balance sheet date, the carrying amount of assets is tested for impairment so as to determine:

- the provision for impairment loss, if any; and
  - the reversal of impairment loss recognised in previous periods, if any.
- Impairment loss is recognised when the carrying amount of an asset exceeds its recoverable amount.

Recoverable amount is determined :

- in the case of an individual asset, at the higher of net selling price and the value in use; and
- in the case of cash generating unit ( a group of assets that generates identified, independent cash flows), at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life.)

#### 1.8 INVENTORIES:

Foreign currencies - notes and paid documents on hand are valued at lower of average cost and inter bank rate as on the last day of the financial year for each currency.

#### 1.9 FOREIGN CURRENCY TRANSACTIONS:

Purchases and sales of foreign currencies and traveller's cheques are accounted at the contracted rates. Other transactions in foreign currencies are initially recognised at the rate at which the transaction is entered into. On settlement of such transactions the profit/loss arising from exchange differences is recognised in the Statement of profit and loss. Receipts of foreign exchange in money transfer are accounted on the prevalent bank conversion rate or forward contract rate as the case may be and the profit / loss arising from exchange differences is recognised in the Statement of profit and loss. Assets and liabilities denominated in foreign currencies are restated at the rates prevailing at the year end. The profit/loss so determined are also recognised in the Statement of profit and loss.

#### 1.10 TAXES ON INCOME:

- Tax on income for the current period is determined on the basis of taxable income and tax credits computed in accordance with the provisions of Income Tax Act, 1961, and based on the expected outcome of assessments / appeals.
- Deferred tax is recognised on timing differences between the accounted income and the taxable income for the year, and quantified using the tax rates and laws as applicable.

- Deferred tax assets relating to unabsorbed depreciation / business losses / losses under the head 'capital gains' are recognised and carried forward to the extent there is a virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- Other deferred tax assets are recognised and carried forward to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.
- Minimum Alternate Tax (MAT) credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period. In the year in which the MAT credit becomes eligible to be recognised as an asset in accordance with the Guidance Note issued by the Institute of Chartered Accountants of India, the said asset is created by way of a credit to the Statement of Profit and Loss.

#### 1.11 EMPLOYEE BENEFITS:

##### (a) Short term employee benefits

All Employee benefits falling due wholly within twelve months of rendering the service are classified as short term employee benefits. The benefits, like, salaries, wages, short term compensated absences and bonus are recognised in the period in which the employee renders this related services.

##### (b) Post-employment benefits

(1) **Defined contribution plans** : Company's contribution paid/payable during the year to Provident fund, and ESIC are recognised in Statement of Profit and Loss.

(2) **Defined benefit plans** : Company has covered its gratuity liability with Life Insurance Corporation of India (LIC). Any amount payable to the employees in the year of separation in excess of amount received from LIC is charged to Statement of Profit and Loss.

##### (c) Long-term employee benefits

Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the balance sheet date.

#### 1.12 SEGMENT ACCOUNTING:

- Revenue and expenses distinctly identifiable to a segment are recognised in that segment. Identified expenses cost, administrative overheads and depreciation on fixed assets. Expenses that are identifiable with or allocable to segments have been considered for determining segment results.
- Unallocated expenses and income are those which are not attributable or allocable to any of the specific business segment.

- Assets and liabilities which arise as a result of operating activities of the segment are recognised in that segment. Fixed Assets which are exclusively used by the segment or allocated on a reasonable basis are also included.

#### 1.13 ACCOUNTING FOR INTEREST IN JOINT VENTURE:

Interest in Jointly Controlled Entities are accounted as follows :

Incorporated jointly controlled entities :

- Income on investments in incorporated jointly controlled entities is recognised when the right to receive the same is established.
- Investment in such joint ventures is carried at cost after providing for any permanent diminution in value.

#### 1.14 PROVISIONS, CONTINGENT LIABILITIES

##### CONTINGENT ASSETS AND COMMITMENTS:

- Provisions are recognised for liabilities that can be measured only by using a substantial degree of estimation, if
  - the company has a present obligation as a result of a past event;
  - a probable outflow of resources is expected to settle the obligation; and
  - the amount of the obligation can be reliably estimated.
- Reimbursements by another party, expected in respect of expenditure required to settle a provision, is recognised when it is virtually certain that the reimbursement will be received if, obligation is settled.
- Contingent liability is disclosed in the case of:
  - a present obligation arising from past events, when it is not probable that an outflow of resources will be required to settle the obligation;
  - a present obligation when no reliable estimate is possible;
  - a possible obligation arising from past events, unless the probability of outflow of resources is not remote.
- Contingent assets are neither recognised nor disclosed.
- Provisions, contingent liabilities, contingent assets and commitments are reviewed at each balance sheet date.

#### 1.15 EXTRAORDINARY ITEMS:

Income or expenses that arise from events or transactions that are clearly distinct from the ordinary activities of the Company are classified as extraordinary items. Specific disclosure of such events / transaction is made in the financial statements. Similarly, any external event beyond the control of the Company, significantly impacting income or expense, is also treated as extraordinary item and disclosed as such.

#### 1.16 CASH AND CASH EQUIVALENTS:

- Cash comprises cash on hand and demand deposits with banks.
- Cash equivalents are short-term, highly liquid investment that are readily convertible into known amounts of cash and which are subject to an insignificant risk of changes in value.

#### 1.17 CURRENT / NON-CURRENT:

All assets and liabilities are presented as Current or Non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI of the Companies Act, 1956. Based on the nature of the products and services, the Company has ascertained its operating cycle as twelve months for the purpose of Current / Non-current classification of assets and liabilities.

## 2. NOTES TO THE FINANCIAL STATEMENTS : MARCH 31, 2012.

### 2.1 SHARE CAPITAL

|                                          | Rs. in Lakh             |                         |
|------------------------------------------|-------------------------|-------------------------|
|                                          | As At March 31,<br>2012 | As At March 31,<br>2011 |
| <b>AUTHORISED</b>                        |                         |                         |
| 1,50,00,000 Equity Shares of Rs. 10 each | 1,500.00                | 1,500.00                |
| <b>ISSUED, SUBSCRIBED AND FULLY PAID</b> |                         |                         |
| 11,564,357 Equity Shares of Rs.10 each   | 1,156.44                | 1,156.44                |

The reconciliation of the number of shares outstanding and the amount of the share capital as at March 31, 2012 and March 31, 2011 is set out below.

|                                               | As At March 31, 2012 |             | As At March 31, 2011 |             |
|-----------------------------------------------|----------------------|-------------|----------------------|-------------|
|                                               | No. of shares        | Rs. in lakh | No. of shares        | Rs. in lakh |
| Number of shares at the beginning of the year | 11,564,357           | 1,156.44    | 11,564,357           | 1,156.44    |
| Number of shares at the end of the year       | 11,564,357           | 1,156.44    | 11,564,357           | 1,156.44    |

Statement showing shareholders holding more than 5% shares.

| Name of the shareholder               | Category       | As At March 31, 2012 |              | As At March 31, 2011 |              |
|---------------------------------------|----------------|----------------------|--------------|----------------------|--------------|
|                                       |                | No. of shares held   | % of holding | No. of shares held   | % of holding |
| Windia Infrastructure Finance Limited | Promoter Group | 2,184,600            | 18.89        | 2,184,600            | 18.89        |
| Chetan D. Mehra                       | Promoter       | 1,464,000            | 12.66        | 1,464,000            | 12.66        |
| Sitex India Private Limited           | Promoter Group | 1,220,859            | 10.56        | 1,220,859            | 10.56        |
| Dharmendra G. Siraj                   | Promoter Group | 1,112,740            | 9.62         | 1,112,740            | 9.62         |
| Purvaja Projects Limited              | Promoter Group | 840,000              | 7.26         | 840,000              | 7.26         |

Terms / rights attached to equity shares

- The Company has only one class of Equity Shares having par value of Rs. 10 per share.
- Each holder of Equity Shares is entitled to one vote per share.
- The dividend on Equity Shares proposed by Board of Directors is subject to approval of shareholders in the ensuing Annual General Meeting.
- In the event of liquidation of the Company, the holder of Equity Shares will be entitled to receive the remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.
- The Company has neither issued any bonus shares nor bought back any equity shares in the last five years immediately preceding the balance sheet date.
- The Company in financial year 2010-11 had issued 11514357 equity shares of face value of Rs. 10 each pursuant to Composite Scheme of Arrangement under Sections 391 to 394 of the Companies Act 1956, sanctioned by the Hon'ble High Court of Bombay on October 29, 2010, pursuant to which the forex business undertaking of the de-merged Company Weizmann Limited stood vested in the Company with effect from de-merge Appointed date April 1,2010 and the Shares were issued in the proportion of 2 equity shares of face value of Rs. 10 each of the Company for every 3 equity shares held by the Shareholders in the de-merged Company Weizmann Limited.

### 2.2 RESERVES AND SURPLUS

|                                                         | Rs. in Lakh             |                         |
|---------------------------------------------------------|-------------------------|-------------------------|
|                                                         | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| <b>General Reserve</b>                                  |                         |                         |
| As per last Balance sheet                               | 2,431.58                | -                       |
| Add : Addition on demerger                              | -                       | 2,331.11                |
| Add : Transfer from Statement of profit and loss        | 154.00                  | 100.47                  |
| Closing balance                                         | 2,585.58                | 2,431.58                |
| <b>Surplus, balance in Statement of profit and loss</b> |                         |                         |
| As per last Balance                                     | 950.10                  | (20.30)                 |
| Add : - Profit for the year                             | 2,041.53                | 1,339.67                |
| Amount available for appropriation                      | 2,991.63                | 1,319.37                |
| Appropriations:                                         |                         |                         |
| Transfer to General reserve                             | 154.00                  | 100.47                  |
| Proposed dividend                                       | 231.29                  | 231.29                  |
| Dividend distribution tax                               | 37.51                   | 37.51                   |
| Closing balance                                         | 2,568.83                | 950.10                  |
|                                                         | 5,154.41                | 3,381.68                |



The Board of Directors has recommended a dividend of Rs. 2 per share for the year ended March 31, 2012 (Previous year Rs. 2 per share) on the number of shares outstanding as on the record date. The provision for dividend has been made in the books of account for 11,564,357 equity shares outstanding as at March 31, 2012 amounting to Rs. 231.29 lakh.

### 2.3 LONG-TERM BORROWINGS

|                                                                                                                                                       | Rs. in Lakh             |                         |
|-------------------------------------------------------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                                                                       | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Term loans ;<br>From Banks<br>(Secured by specific assets, receivables and corporate guarantee amounting to<br>Rs. 1000 lakh of the Weizmann Limited) | 3,976.79                | 804.02                  |
|                                                                                                                                                       | <u>3,976.79</u>         | <u>804.02</u>           |

#### Terms of repayment of term loans

| Name of the Bank                | Nature of Security | Tenure<br>(Months) | Repayment<br>commencement<br>date | Current<br>maturities of<br>long term debts** | Balance         | Total           |
|---------------------------------|--------------------|--------------------|-----------------------------------|-----------------------------------------------|-----------------|-----------------|
| <i>Term Loans</i>               |                    |                    |                                   |                                               |                 |                 |
| Axis Bank Limited               | Receivables        | 65                 | Mar 31, 2012                      | 192.53                                        | 802.92          | 995.45          |
| Axis Bank Limited               | Receivables        | 60                 | Sep 25, 2007                      | 67.82                                         | 27.78           | 95.60           |
| Axis Bank Limited               | Wind Mill 7.2 MW   | 60                 | Jun 19, 2012                      | 252.28                                        | 2,620.49        | 2,872.77        |
| Axis Bank Limited               | Fixed Assets       | 60                 | various dates                     | 272.99                                        | 410.83          | 683.82          |
| Axis Bank Limited               | Vehicles           | 60                 | various dates                     | 9.85                                          | 23.08           | 32.93           |
| HDFC Bank Limited               | Vehicles           | 60                 | various dates                     | 3.16                                          | 6.96            | 10.12           |
| The Saraswat Co-op Bank Limited | Vehicles           | 84                 | Feb 21, 2012                      | 9.00                                          | 77.45           | 86.45           |
| The Saraswat Co-op Bank Limited | Vehicles           | 60                 | Feb 23, 2010                      | 1.97                                          | 3.86            | 5.83            |
| The Saraswat Co-op Bank Limited | Vehicles           | 36                 | Aug 13, 2010                      | 1.67                                          | 0.55            | 2.22            |
| Kotak Mahindra Bank Limited     | Vehicles           | 60                 | Apr 10, 2012                      | 0.55                                          | 2.87            | 3.42            |
| <b>Total</b>                    |                    |                    |                                   | <b>811.83</b>                                 | <b>3,976.79</b> | <b>4,788.62</b> |

(\*\* amount disclosed under the head 'Other Current Liabilities' - Refer Note 2.8)

### 2.4 DEFERRED TAX (net)

|                                                                      | Rs. in Lakh             |                         |
|----------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                      | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| <b>Deferred tax assets</b>                                           |                         |                         |
| Expenses on merger                                                   | 2.00                    | 6.45                    |
| Unpaid leave encashment                                              | 57.00                   | 46.25                   |
| Unpaid bonus                                                         | <u>34.00</u>            | <u>30.56</u>            |
|                                                                      | <b>93.00</b>            | <b>83.27</b>            |
| <b>Deferred tax liabilities</b>                                      |                         |                         |
| Difference between book depreciation and tax depreciation            | 937.00                  | 614.82                  |
| Items giving rise to timing differences                              | <u>398.00</u>           | <u>-</u>                |
|                                                                      | <b>1,335.00</b>         | <b>614.82</b>           |
| <b>Net deferred tax liabilities</b>                                  | <u><b>1,242.00</b></u>  | <u><b>531.56</b></u>    |
| <b>Incremental liability charged to Statement of profit and loss</b> | <b>710.44</b>           | <b>458.57</b>           |

### 2.5 LONG-TERM PROVISIONS

|                                 | Rs. in Lakh             |                         |
|---------------------------------|-------------------------|-------------------------|
|                                 | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Provision for employee benefits |                         |                         |
| Leave encashment                | 175.12                  | 142.56                  |

**2.6 SHORT-TERM BORROWINGS**

|                                             | Rs. in Lakh             |                         |
|---------------------------------------------|-------------------------|-------------------------|
|                                             | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Secured                                     |                         |                         |
| (a) Loans repayable on demand               |                         |                         |
| From Banks                                  | 8,394.37                | 7,314.76                |
| Unsecured                                   |                         |                         |
| (a) Loans and advances from related parties | 9.05                    | 16.92                   |
| (b) Other loans and advances                | -                       | 24.47                   |
|                                             | <u>8,403.42</u>         | <u>7,356.15</u>         |

(Loans repayable on demand from Banks are secured by hypothecation of inventory and receivables)

**2.7 TRADE PAYABLES**

|                                               | Rs. in Lakh             |                         |
|-----------------------------------------------|-------------------------|-------------------------|
|                                               | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Due to micro and small enterprises            | -                       | -                       |
| Due to other than micro and small enterprises | 3,876.17                | 6,671.80                |
|                                               | <u>3,876.17</u>         | <u>6,671.80</u>         |

[Note : Based on the information of status of suppliers to the extent received by the Company, there are no micro and small enterprises included in trade payables to whom the payments are outstanding for a period of more than 45 days. Further, the Company has not received any Memorandum (as required to be filed by the suppliers with the notified authority under the Micro, Small and Medium Enterprises Development Act, 2006) claiming their status. Consequently, the amount paid / payable to these during the year is Rs. Nil; ( Previous year: Rs. Nil)]

**2.8 OTHER CURRENT LIABILITIES**

|                                       | Rs. in Lakh             |                         |
|---------------------------------------|-------------------------|-------------------------|
|                                       | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Salaries and benefits                 | 118.68                  | 176.35                  |
| Advances received from clients        | 159.58                  | 41.95                   |
| Current maturities of long-term debts | 761.06                  | 343.84                  |
| Interest accrued and due              | 50.77                   | 39.23                   |
| Unpaid dividends*                     | 5.44                    | -                       |
| Other liabilities                     |                         |                         |
| Provision for expenses                | 22.12                   | 41.32                   |
| Withholding and other taxes payable   | 53.86                   | 54.54                   |
| Other payables                        | 80.94                   | 62.90                   |
|                                       | <u>1,252.45</u>         | <u>760.13</u>           |

(\*There are no amounts outstanding and due to be credited to Investor Education and Protection Fund as at March 31, 2012)

**2.9 SHORT-TERM PROVISIONS**

|                                     | Rs. in Lakh             |                         |
|-------------------------------------|-------------------------|-------------------------|
|                                     | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| (a) Provision for employee benefits |                         |                         |
| Bonus and incentives                | 113.13                  | 101.16                  |
| (b) Others                          |                         |                         |
| Proposed dividend                   | 231.29                  | 231.29                  |
| Dividend distribution tax           | 37.51                   | 37.51                   |
| Current taxes                       | 613.00                  | 430.00                  |
|                                     | <u>994.93</u>           | <u>799.96</u>           |





**NOTES TO THE FINANCIAL STATEMENTS : MARCH 31, 2012**  
**2.10 FIXED ASSETS**

Rs. in Lakh

| Nature Of Asset          | Gross block (at cost) |                 |                 |                      | Depreciation / Amortization |               |               |                     | Net Block            |                      |
|--------------------------|-----------------------|-----------------|-----------------|----------------------|-----------------------------|---------------|---------------|---------------------|----------------------|----------------------|
|                          | As at April 1, 2011   | Additions       | Deductions      | As at March 31, 2012 | Upto March 31, 2011         | For the year  | Deductions    | Upto March 31, 2012 | As at March 31, 2012 | As at March 31, 2011 |
| <b>Tangible Assets</b>   |                       |                 |                 |                      |                             |               |               |                     |                      |                      |
| Land                     | 174.00                | 54.00           | 87.00           | 141.00               | -                           | -             | -             | -                   | 141.00               | 174.00               |
| Plant and machinery      |                       |                 |                 |                      |                             |               |               |                     |                      |                      |
| Office Equipment         | 270.51                | 39.24           | 4.70            | 305.05               | 70.31                       | 12.98         | 0.60          | 82.69               | 222.36               | 200.20               |
| Computers                | 407.21                | 44.47           | 8.07            | 443.61               | 194.53                      | 59.41         | 3.89          | 250.05              | 193.56               | 212.68               |
| Furniture and fixtures   | 595.04                | 47.21           | 9.97            | 632.28               | 142.32                      | 44.74         | 1.59          | 185.47              | 446.81               | 452.72               |
| Vehicles                 | 87.44                 | 128.14          | -               | 215.58               | 16.24                       | 10.61         | -             | 26.85               | 188.73               | 71.20                |
| Windmill                 | 3,762.00              | 1,796.01        | 1,881.00        | 3,677.01             | 0.54                        | 199.44        | 99.86         | 100.12              | 3,576.89             | 3,761.46             |
|                          | <b>5,296.20</b>       | <b>2,109.07</b> | <b>1,990.74</b> | <b>5,414.53</b>      | <b>423.94</b>               | <b>327.18</b> | <b>105.94</b> | <b>645.18</b>       | <b>4,769.35</b>      | <b>4,872.25</b>      |
| <b>Intangible Assets</b> |                       |                 |                 |                      |                             |               |               |                     |                      |                      |
| Goodwill                 | 126.00                | -               | -               | 126.00               | 125.10                      | 0.10          | -             | 125.20              | 0.80                 | 0.90                 |
| Licences and franchises  | 551.00                | -               | -               | 551.00               | 232.63                      | 55.10         | -             | 287.73              | 263.27               | 318.37               |
| Computer software        | 137.80                | 11.38           | -               | 149.18               | 76.73                       | 35.36         | -             | 112.09              | 37.10                | 61.08                |
|                          | <b>814.80</b>         | <b>11.38</b>    | <b>-</b>        | <b>826.18</b>        | <b>434.46</b>               | <b>90.56</b>  | <b>-</b>      | <b>525.02</b>       | <b>301.17</b>        | <b>380.35</b>        |
| <b>Total</b>             | <b>6,111.00</b>       | <b>2,120.45</b> | <b>1,990.74</b> | <b>6,240.71</b>      | <b>858.40</b>               | <b>417.74</b> | <b>105.94</b> | <b>1,170.20</b>     | <b>5,070.52</b>      | <b>5,252.60</b>      |
| Previous year            | 2.47                  | 6,180.68        | 72.15           | 6,111.00             | 1.39                        | 870.93        | 13.92         | 858.40              | 5,252.60             | 6,109.61             |

## 2.11 NON-CURRENT INVESTMENTS

|                                                                                                       | Rs. in Lakh             |                         |
|-------------------------------------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                                                       | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| <b>Investments in fully paid equity instruments</b>                                                   |                         |                         |
| Unquoted :                                                                                            |                         |                         |
| <b>Subsidiary</b>                                                                                     |                         |                         |
| Vedang Tours & Travels Limited                                                                        | -                       | 35.05                   |
| Nil; (Previous year 350,000) shares of Rs. 10 each<br>(283,500 shares sold during the year)           |                         |                         |
| <b>Joint Venture</b>                                                                                  |                         |                         |
| Horizon Remit Sdn. Bhd.                                                                               | 408.28                  | 272.39                  |
| 2,659,797 (Previous year 1,799,797) shares of 1 RM each<br>(860,000 shares purchased during the year) |                         |                         |
| <b>Associate</b>                                                                                      |                         |                         |
| Avirodh Financial Services Limited                                                                    | 0.15                    | 0.15                    |
| 30000 Shares of Rs. 10 each                                                                           |                         |                         |
| <b>Others</b>                                                                                         |                         |                         |
| Vedang Tours & Travels Limited                                                                        | 6.70                    | -                       |
| 66,500 shares of Rs. 10 each                                                                          |                         |                         |
| The Malad Sahakari Bank Limited                                                                       | 0.50                    | 0.50                    |
| 5,000 shares of Rs. 10 each fully paid                                                                |                         |                         |
| The Saraswat Co-operative Bank Limited                                                                | 0.25                    | 0.23                    |
| 2,500 (Previous year 2,303) shares of Rs. 10 each<br>(197 shares purchased during the year)           |                         |                         |
|                                                                                                       | <u>415.88</u>           | <u>308.32</u>           |

## 2.12 LONG-TERM LOANS AND ADVANCES

|                            | Rs. in Lakh             |                         |
|----------------------------|-------------------------|-------------------------|
|                            | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Unsecured, considered good |                         |                         |
| Deposits                   | 1,065.43                | 1,033.49                |
| Inter corporate deposits   | 50.00                   | 50.00                   |
| Others                     | 1,040.68                | 6.48                    |
|                            | <u>2,156.11</u>         | <u>1,089.97</u>         |

## 2.13 INVENTORIES

|                                                    | Rs. in Lakh             |                         |
|----------------------------------------------------|-------------------------|-------------------------|
|                                                    | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| (As taken, valued and certified by the management) |                         |                         |
| Foreign currencies - notes and paid documents      | 2,009.69                | 1,664.99                |
|                                                    | <u>2,009.69</u>         | <u>1,664.99</u>         |

**2.14 TRADE RECEIVABLES**

|                                    | Rs. in Lakh             |                         |
|------------------------------------|-------------------------|-------------------------|
|                                    | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Unsecured, considered good         |                         |                         |
| Receivables overdue for six months | 540.73                  | 79.24                   |
| Other debts                        | 7,250.71                | 4,510.45                |
|                                    | <u>7,791.44</u>         | <u>4,589.69</u>         |

[Note: Some of the advances, trade receivables, trade payables are subject to confirmation / reconciliations, if any. In respect of trade receivables overdue for six months, the Company has initiated suitable legal actions in all major cases and does not envisage the need for any provision against the same. In the opinion of management the balances as appearing in the books of account are fully realisable in the normal course of business]

**2.15 CASH AND BANK BALANCES**

|                                                       | Rs. in Lakh             |                         |
|-------------------------------------------------------|-------------------------|-------------------------|
|                                                       | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Cash and cash equivalents                             |                         |                         |
| Balances with banks :                                 |                         |                         |
| - In current accounts                                 | 3,597.66                | 4,008.58                |
| Cash on hand                                          | 1,906.19                | 1,465.16                |
| Other bank balances :                                 |                         |                         |
| - Earmarked balances with bank for unpaid dividend    | 5.44                    | -                       |
| - Fixed deposit with banks                            |                         |                         |
| Maturity more than 3 months but less than 12 months** | 142.83                  | 61.03                   |
| Maturity more than 12 months                          | 160.99                  | 60.27                   |
|                                                       | <u>5,813.11</u>         | <u>5,595.04</u>         |

(\*\* Rs. 116 lakh pledged as security with the bank)

**2.16 SHORT-TERM LOANS AND ADVANCES**

|                                               | Rs. in Lakh             |                         |
|-----------------------------------------------|-------------------------|-------------------------|
|                                               | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Unsecured, considered good                    |                         |                         |
| Inter corporate deposits                      | 1,744.83                | 633.01                  |
| Others                                        |                         |                         |
| For supply of goods and rendering of services | 95.19                   | 1,779.32                |
| Interest accrued and due                      | 12.89                   | 18.81                   |
| Loans and advances to employees               | 17.53                   | 23.70                   |
| Prepaid expenses                              | 208.46                  | 12.22                   |
|                                               | <u>2,078.90</u>         | <u>2,467.05</u>         |

**2.17 OTHER CURRENT ASSETS**

|                                              | Rs. in Lakh             |                         |
|----------------------------------------------|-------------------------|-------------------------|
|                                              | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Advance payment of taxes (current year)      | 373.20                  | 366.53                  |
| Advance payment of taxes (net of provisions) | 0.74                    | 4.88                    |
| MAT Credit entitlement                       | 490.44                  | 186.75                  |
| Withholding and other taxes receivable       | 31.70                   | 78.48                   |
|                                              | <u>896.08</u>           | <u>636.64</u>           |

## 2.18 REVENUE FROM OPERATIONS

|                                | Rs. in Lakh                          |                                      |
|--------------------------------|--------------------------------------|--------------------------------------|
|                                | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| Sales                          | 412,614.55                           | 338,120.64                           |
| Income from money transfer     | 9,130.75                             | 7,374.63                             |
| Income from sale of wind power | 195.96                               | 0.01                                 |
| Sales of airtime               | 315.83                               | 100.74                               |
| Commission from issuers        | 270.85                               | 186.23                               |
| Others                         | 55.79                                | 22.50                                |
|                                | <u>422,583.73</u>                    | <u>345,804.75</u>                    |

## 2.19 OTHER INCOME

|                                                                     | Rs. in Lakh                          |                                      |
|---------------------------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                                     | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| Interest income                                                     |                                      |                                      |
| - Short term deposits                                               | 14.82                                | 11.09                                |
| - Inter corporate deposits                                          | 350.36                               | 98.79                                |
| - Others                                                            | 0.76                                 | 0.35                                 |
| (Tax deducted at source Rs.36.85 lakh; Previous year Rs. 9.88 lakh) | <u>365.94</u>                        | <u>110.23</u>                        |
| Profit/(loss) on sale of fixed assets (net)                         | 88.88                                | 3.07                                 |
| Miscellaneous income                                                | 1,061.48                             | 443.89                               |
|                                                                     | <u>1,516.30</u>                      | <u>557.19</u>                        |

## 2.20 COST OF SALES

|                                                | Rs. in Lakh                          |                                      |
|------------------------------------------------|--------------------------------------|--------------------------------------|
|                                                | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| <b>Purchases</b>                               |                                      |                                      |
| Foreign currencies - Notes and paid documents  | 409,296.34                           | 335,292.08                           |
| Purchases of Airtime                           | 306.97                               | 97.91                                |
|                                                | <u>409,603.31</u>                    | <u>335,389.99</u>                    |
| <b>Changes in inventories - Stock-in-trade</b> |                                      |                                      |
| Opening Stock                                  | 1,664.99                             | 1,239.87                             |
| Less : Closing Stock                           | <u>2,009.69</u>                      | <u>1,664.99</u>                      |
|                                                | <u>(344.70)</u>                      | <u>(425.12)</u>                      |
|                                                | <u>409,258.61</u>                    | <u>334,964.87</u>                    |

## 2.21 EMPLOYEE BENEFITS

|                                            | Rs. in Lakh                          |                                      |
|--------------------------------------------|--------------------------------------|--------------------------------------|
|                                            | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| Salaries, wages and bonus                  | 2,344.20                             | 2,090.30                             |
| Contributions to provident and other funds | 193.51                               | 179.34                               |
| Gratuity                                   | 30.54                                | 53.12                                |
| Leave encashment                           | 76.60                                | 71.47                                |
| Staff welfare expenses                     | 191.71                               | 201.11                               |
|                                            | <u>2,836.56</u>                      | <u>2,595.34</u>                      |

**2.22 FINANCE COSTS**

|                       | Rs. in Lakh                          |                                      |
|-----------------------|--------------------------------------|--------------------------------------|
|                       | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| Interest expenses     |                                      |                                      |
| Long-term borrowings  | 774.99                               | 149.54                               |
| Short-term borrowings | 557.17                               | 551.12                               |
|                       | <u>1,332.16</u>                      | <u>700.66</u>                        |

**2.23 OTHER EXPENSES**

|                                      | Rs. in Lakh                          |                                      |
|--------------------------------------|--------------------------------------|--------------------------------------|
|                                      | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| Agency commission / incentives       | 3,580.51                             | 2,881.28                             |
| Business promotion and advertisement | 517.56                               | 543.80                               |
| Rent                                 | 1,057.59                             | 536.75                               |
| Rates and taxes                      | 5.32                                 | 2.38                                 |
| Insurance                            | 19.30                                | 15.91                                |
| Travelling and conveyance            | 560.46                               | 467.43                               |
| Electricity charges                  | 71.69                                | 75.85                                |
| Legal and professional charges       | 340.46                               | 485.97                               |
| Repairs and maintenance-others       | 75.72                                | 60.14                                |
| Printing and stationery              | 108.12                               | 94.59                                |
| Bad debts written off                | 57.60                                | 22.17                                |
| Miscellaneous expenses               | 802.19                               | 649.42                               |
|                                      | <u>7,196.52</u>                      | <u>5,835.69</u>                      |

**2.24 EXTRAORDINARY ITEMS**

|                                 | Rs. in Lakh                          |                                      |
|---------------------------------|--------------------------------------|--------------------------------------|
|                                 | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| Net gain on sale of investments | <u>2.84</u>                          | <u>-</u>                             |

**2.25 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 20 EARNINGS PER SHARE**

|                                                      |             | Rs. in Lakh                          |                                      |
|------------------------------------------------------|-------------|--------------------------------------|--------------------------------------|
|                                                      |             | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| <b>Earnings per share before extraordinary items</b> |             |                                      |                                      |
| a) Profit after taxes excluding extraordinary items  | Rs. in lakh | 2,038.69                             | 1,339.67                             |
| b) Number of equity shares outstanding               |             | 11,564,357                           | 11,564,357                           |
| c) Nominal value per share                           | Rs. / share | 10.00                                | 10.00                                |
| d) Earnings per share (Basic and Diluted)            | Rs.         | 17.63                                | 11.58                                |
| <b>Earnings per share after extraordinary items</b>  |             |                                      |                                      |
| a) Profit after taxes including extraordinary items  | Rs. in lakh | 2,041.53                             | 1,339.67                             |
| b) Number of equity shares outstanding               |             | 11,564,357                           | 11,564,357                           |
| c) Nominal value per share                           | Rs. / share | 10.00                                | 10.00                                |
| d) Earnings per share (Basic and Diluted)            | Rs.         | 17.65                                | 11.58                                |

**2.26 PAYMENT TO AUDITORS (including service tax)**

|                           | Rs. in Lakh                            |                                        |
|---------------------------|----------------------------------------|----------------------------------------|
|                           | For the year ended<br>March 31st, 2012 | For the year ended<br>March 31st, 2011 |
| Audit fees                | 6.74                                   | 2.65                                   |
| Tax audit fees            | 1.69                                   | 1.21                                   |
| Other services            | 4.12                                   | -                                      |
| Reimbursement of expenses | 0.10                                   | 1.78                                   |
|                           | <u>12.65</u>                           | <u>5.64</u>                            |

**2.27 STATEMENT SHOWING PURCHASES, SALES AND GROSS INCOME FROM SERVICES UNDER BROAD HEADS**

|                                          | Rs. in Lakh  |              |
|------------------------------------------|--------------|--------------|
|                                          | Purchase     | Sales        |
| <b>PURCHASES AND SALES FROM SERVICES</b> |              |              |
| 1. Forex Business                        | 409,296.34   | 412,614.55   |
|                                          | (335,292.08) | (338,120.64) |
| 2. Wind power generation                 | -            | 195.96       |
|                                          | -            | (0.01)       |
| 3. Airtime                               | 306.97       | 315.83       |
|                                          | (97.91)      | (100.74)     |
| <b>GROSS INCOME FROM SERVICES</b>        |              |              |
| 1. Money transfer business Income        |              | 9,130.75     |
|                                          |              | (7,374.63)   |

Note : - Figures in brackets represent previous year figures.

**2.28 EARNINGS AND EXPENDITURE IN FOREIGN CURRENCY**

|                                              | Rs. in Lakh                          |                                      |
|----------------------------------------------|--------------------------------------|--------------------------------------|
|                                              | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
| <b>(a) Expenditure in foreign currency :</b> |                                      |                                      |
| Others - travelling                          | 4.41                                 | 8.31                                 |
| <b>(b) Earnings in foreign exchange :</b>    |                                      |                                      |
| Export of foreign currencies                 | 123,823.46                           | 106,159.29                           |
| Receipt from money transfer                  | 909,202.32                           | 704,337.93                           |
| Interest                                     | 1.21                                 | 1.72                                 |

**2.29 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 15 EMPLOYEE BENEFITS**

The Employee's Gratuity Fund Scheme managed by Life Insurance Corporation of India (LIC) is a defined benefit plan. The present value of obligation is determined based on valuation using the Projected Unit Credit method.

|                                                                | Rs. in Lakh             |                         |
|----------------------------------------------------------------|-------------------------|-------------------------|
|                                                                | As at<br>March 31, 2012 | As at<br>March 31, 2011 |
| <b>Reconciliation of changes in defined benefit obligation</b> |                         |                         |
| Present Value of obligations as at the beginning of year       | 105.36                  | 50.29                   |
| Interest cost                                                  | 8.43                    | 4.02                    |
| Current service cost                                           | 21.99                   | 14.34                   |
| Benefits paid                                                  | (6.57)                  | (1.66)                  |
| Actuarial (gain)/loss on obligations                           | 7.76                    | 38.36                   |
| Present Value of obligations as at the end of year             | <u>136.97</u>           | <u>105.36</u>           |





## 2.29 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 15 EMPLOYEE BENEFITS

Rs. in Lakh

|                                                               | As at<br>March 31, 2012 | As at<br>March 31, 2012 |
|---------------------------------------------------------------|-------------------------|-------------------------|
| <b>Reconciliation of changes in Fair Value of Plan Assets</b> |                         |                         |
| Fair Value of plan assets at the beginning of year            | 116.40                  | 59.05                   |
| Expected return of plan assets                                | 10.73                   | 6.41                    |
| Contributions                                                 | 29.90                   | 52.59                   |
| Benefits paid                                                 | (6.57)                  | (1.66)                  |
| Actuarial gain/(loss) on plan assets                          | -                       | -                       |
| Fair Value of plan assets at end of the year                  | 150.46                  | 116.40                  |
| <b>Reconciliation of fair value of assets and obligations</b> |                         |                         |
| Present Value of obligations as at the end of year            | 136.97                  | 105.36                  |
| Fair Value of plan assets at end of the year                  | 150.46                  | 116.40                  |
| Funded status                                                 | 13.49                   | 11.04                   |
| Net assets / (liability) recognised in the Balance sheet      | (13.49)                 | (11.04)                 |
| <b>Expenses recognised during the year</b>                    |                         |                         |
| Current service cost                                          | 21.99                   | 14.34                   |
| Interest cost                                                 | 8.43                    | 4.02                    |
| Expected return on plan assets                                | (10.73)                 | (6.41)                  |
| Net Actuarial (gain)/loss recognised in the year              | 7.76                    | 38.36                   |
| Expenses recognised in Statement of profit and loss           | 27.45                   | 50.32                   |
| <b>Actuarial Assumptions</b>                                  |                         |                         |
| Discount rate                                                 |                         |                         |
| Salary escalation                                             | 8.00%                   | 8.00%                   |
| Mortality pre-retirement rate                                 | 4.00%                   | 4.00%                   |
|                                                               | LIC                     | LIC                     |
|                                                               | (1994-96)               | (1994-96)               |
|                                                               | Ultimate Table          | Ultimate Table          |

## 2.30 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 20 EARNINGS PER SHARE

Information about business segments :

Rs. in Lakh

| Nature of Transaction         | 2011-12 / March 31, 2012 |          |            |            | 2010-11 / March 31, 2011 |          |          |            |
|-------------------------------|--------------------------|----------|------------|------------|--------------------------|----------|----------|------------|
|                               | Foreign Exchange         | Power    | Others     | Total      | Foreign Exchange         | Power    | Others   | Total      |
| Operating income              | 422,071.94               | 195.96   | 315.83     | 422,583.73 | 345,782.30               | 0.01     | -        | 345,782.31 |
| Other income                  | 1,050.50                 | 99.86    | 365.94     | 1,516.30   | 435.93                   | -        | 110.23   | 546.16     |
| Total revenue                 | 423,122.44               | 295.82   | 681.77     | 424,100.03 | 346,218.23               | 0.01     | 110.23   | 346,328.47 |
| Operating results             | 4,142.68                 | 284.41   | (36.49)    | 4,390.60   | 2,646.96                 | (0.54)   | (14.50)  | 2,631.92   |
| Finance charges               |                          |          | 1,332.16   | 1,332.16   | -                        | -        | 590.43   | 590.43     |
| Segment results               | 4,142.68                 | 284.41   | (1,368.65) | 3,058.44   | 2,646.96                 | (0.54)   | (604.93) | 2,041.49   |
| Extraordinary items           |                          |          |            | 2.84       |                          |          |          | -          |
| <b>Un-allocable expenses</b>  |                          |          |            |            |                          |          |          |            |
| Profit before tax             |                          |          |            | 3,061.28   |                          |          |          | 2,041.49   |
| Tax expenses                  |                          |          |            | 1,019.75   |                          |          |          | 701.82     |
| Profit after                  |                          |          |            | 2,041.53   |                          |          |          | 1,339.67   |
| <b>OTHER INFORMATION</b>      |                          |          |            |            |                          |          |          |            |
| Segment Assets                | 18,984.70                | 3,868.12 | 3,378.91   | 26,231.73  | 15,998.03                | 3,935.49 | 1,670.79 | 21,604.30  |
| Segment Liabilities           | 2,185.73                 | 3,499.95 | 14,235.21  | 19,920.88  | 4,816.76                 | 2,744.63 | 9,504.80 | 17,066.19  |
| Capital expenditure           | 270.44                   | 1,850.01 | -          | 2,120.45   | 223.07                   | 3,936.00 | -        | 4,159.07   |
| Depreciation                  | 218.30                   | 199.44   | -          | 417.74     | 223.35                   | 0.54     | -        | 223.89     |
| Non cash expenses/(income)    |                          |          |            |            |                          |          |          |            |
| Other than depreciation (net) |                          |          |            | 0.10       |                          |          |          | 0.10       |

Segment reporting : Segment identification, reportable segments and definition of each reportable segment :

**1. Primary / secondary segment reporting format :**

- (a) The risk-return profile of the Company's business is determined predominantly by the nature of its products and services. Accordingly, the business segments constitute the primary segments for the disclosure of segment information.  
 (b) The Company predominantly operates in domestic areas hence no geographical segments have been identified.

**2. Segment identification :**

Business segments have been identified on the basis of the nature of products / services, the risk-return profile of individual businesses, the organisation structure and the internal reporting system of the Company.

**3. Reportable segments :**

Reportable segments have been identified as per the criteria specified in Accounting Standard (AS) 17 " Segment Reporting".

**4. Segment composition :**

Foreign exchange segment comprises of purchase and sale of foreign currencies, notes and paid documents including income received from money transfer business.

Power segment comprises of generation and sale of wind power energy.

Other segment includes sale and purchase of airtime, travel business, insurance services etc.

**2.31 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 18 RELATED PARTY DISCLOSURES**

**(a) Related parties and their relationship:**

| Subsidiary                                                 | Joint Venture                                    |
|------------------------------------------------------------|--------------------------------------------------|
| Vedang Tours and Travels Limited<br>(upto January 8, 2012) | Horizon Remit Sdn. Bhd.<br>(Country - Malaysia ) |

Key Management Personnel

Mr. B. S. Shetty

Managing Director

**(b) Transactions with related parties:**

| Nature of Transaction             | Party Name                       | Relationship             | 2011-12 | 2010-11 |
|-----------------------------------|----------------------------------|--------------------------|---------|---------|
| Reimbursement of expenses         | Vedang Tours and Travels Limited | Subsidiary               | 15.93   | 39.16   |
| Interest expenditure              | Vedang Tours and Travels Limited | Subsidiary               | 1.36    | 3.56    |
| Inter corporate deposits taken    | Vedang Tours and Travels Limited | Subsidiary               | 25.00   | 38.94   |
| Unsecured short term loan payable | Vedang Tours and Travels Limited | Subsidiary               | 9.05    | 16.92   |
| Subscription to equity capital    | Horizon Remit Sdn. Bhd.          | Joint Venture            | 135.89  | 272.39  |
| Managerial remuneration           | Mr. B. S. Shetty                 | Key Management Personnel | 47.85   | 37.85   |

**2.32 DISCLOSURES PURSUANT TO ACCOUNTING STANDARD (AS) 27 FINANCIAL REPORTING OF INTERESTS IN JOINT VENTURE**

**Jointly controlled entity by the company**

| Name of the Company     | Country of Incorporation | % holding |
|-------------------------|--------------------------|-----------|
| Horizon Remit Sdn. Bhd. | Malaysia                 | 49.07     |


**Interest in Assets, Liabilities, Income and Expenses with respect to Jointly Controlled Entity**

|                                    | Rs. in Lakh             |                         |
|------------------------------------|-------------------------|-------------------------|
|                                    | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| Fixed assets                       | 62.42                   | 68.46                   |
| Current assets, loans and advances |                         |                         |
| Sundry debtors                     | -                       | -                       |
| Cash and bank balances             | 10.60                   | 8.40                    |
| Loans and advances                 | 114.10                  | 86.17                   |
| <b>Liabilities</b>                 |                         |                         |
| Loan funds                         | -                       | -                       |
| Secured loans                      | -                       | -                       |
| Unsecured loans                    | -                       | -                       |
| Current liabilities and provisions |                         |                         |
| Liabilities                        | 91.97                   | 53.57                   |
| Provisions                         | -                       | 0.01                    |

|                                  | For the year ended<br>March 31, 2012 | For the year ended<br>March 31, 2011 |
|----------------------------------|--------------------------------------|--------------------------------------|
| <b>Income</b>                    |                                      |                                      |
| Sales and operating income       | 154.34                               | 185.02                               |
| Other income                     | (0.94)                               | 4.54                                 |
| <b>Expenses</b>                  |                                      |                                      |
| Operating expenses               | 293.82                               | 261.21                               |
| Finance costs                    | -                                    | -                                    |
| Depreciation                     | 15.89                                | 15.72                                |
| Preliminary expenses written-off | -                                    | -                                    |
| Provision for taxation           | -                                    | 0.01                                 |
| <b>Other matters</b>             |                                      |                                      |
| Contingent liabilities           | -                                    | -                                    |

Note : - Above figures has been based on audited financials upto December 31, 2011 and the figures for 3 months are based on the unaudited financials certified by the management. The assets and liabilities, both monetary and non-monetary of the non-integral foreign operation are translated at the closing rate and income and expenses are translated at the average rate.

**2.33 DISCLOSURES AS PER CLAUSE 32 OF THE LISTING AGREEMENT**

- (a) Loans and advances to subsidiary companies : Rs. Nil
- (b) Loans and advances to associate companies : Rs. Nil
- (c) Loans and advances to associate companies / firms in which directors are interested (excluding subsidiary and associate companies):

|                      | Rs. in Lakh             |                                                   |
|----------------------|-------------------------|---------------------------------------------------|
|                      | As at<br>March 31, 2012 | Maximum Balance<br>Outstanding during<br>the year |
| Karma Energy Limited | Nil                     | 1,716.33                                          |

**2.34 CONTINGENT LIABILITIES AND COMMITMENTS** (to the extent not provided for)

|                                                                          | Rs. in Lakh             |                         |
|--------------------------------------------------------------------------|-------------------------|-------------------------|
|                                                                          | As At<br>March 31, 2012 | As At<br>March 31, 2011 |
| (a) Contingent liabilities                                               |                         |                         |
| Corporate guarantees issued on behalf of Group company and Joint Venture | 2,308.00                | 2,469.00                |
| (b) Commitments                                                          | -                       | -                       |

**2.35** The Company uses forward exchange contracts to hedge against its foreign currency exposures related to the underlying transactions and firm commitments. The Company does not enter into any derivative instruments for trading or speculative purposes.

The forward exchange contracts outstanding as at March 31, 2012 are as under

| Currency exchange               | USD/INR  |
|---------------------------------|----------|
| (a) Number of buy contracts     | 8        |
| (b) Aggregate amount (Rs. lakh) | 280.77   |
| (c) Number of sale contracts    | 81       |
| (d) Aggregate amount (Rs. lakh) | 14280.82 |

**2.36** During the year ended March 31, 2012, the Revised Schedule VI notified under the Companies Act, 1956 has become applicable to the Company. The Company has reclassified previous years figures to confirm to this years classification. It significantly impacts presentation and disclosures made in the financial statements, particularly presentation of the Balance sheet. However it does not impact recognition and measurement principals followed for the preparation of the financial statements.

The accompanying note 1 and 2 form an integral part of the financial statements

**SHARP & TANNAN**  
Chartered Accountants  
Registration No. 109982W  
by the hand of

**MILIND P. PHADKE**  
Partner  
Membership No. 033013  
Mumbai, 13th August, 2012

For and on behalf of the Board

**D. G. SIRAJ** - Chairman

**B. S. SHETTY** - Managing Director

**SAI KATKAR** - Company Secretary

Mumbai, 13th August, 2012



Registered Office: Empire House, 214, Dr. D.N. Road, Ent. A.K. Nayak Marg, Fort, Mumbai- 400 001.

ATTENDANCE SLIP

I, hereby record my presence at the 27TH ANNUAL GENERAL MEETING of WEIZMANN FOREX LTD. held at Textile Committee Auditorium, P. Balu Road, Prabhadevi Chowk, Prabhadevi, Mumbai- 4000025, at 3.30 p.m. or soon after the conclusion of Annual General Meeting of Karma Energy Ltd. convened for the same day whichever is later on Wednesday 26th September, 2012.

Form with fields: Full Name of the Shareholder (in block letters), Signature of Shareholder, Folio No./DP-ID & Client ID No., No. of shares held, Full Name of Proxy (in block letters), Signature of Proxy

Note : Shareholders attending the Meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

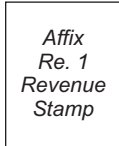


Registered Office: Empire House, 214, Dr. D.N. Road, Ent. A.K. Nayak Marg, Fort, Mumbai- 400 001.

REGD. FOLIO NO. \_\_\_\_\_
DPID.\* \_\_\_\_\_
Client ID.\* \_\_\_\_\_ NO. OF SHARES HELD : \_\_\_\_\_

PROXY FORM

I/We, \_\_\_\_\_ of \_\_\_\_\_
being a member/members of above named Company hereby appoint \_\_\_\_\_
of \_\_\_\_\_ or failing him/her \_\_\_\_\_
of \_\_\_\_\_ as my / our proxy to vote for me / us and on my / our behalf at
the 27TH ANNUAL GENERAL MEETING of WEIZMANN FOREX LTD. held on Wednesday 26th September, 2012, at 3.30
p.m. or soon after the conclusion of Annual General Meeting of Karma Energy Ltd. convened for the same day whichever is
later and at any adjournment thereof.



Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2012

Signature of Shareholder(s)

\*Applicable for investors holding shares in electronic form

Note : The Proxy form must be deposited at the Registered Office of the Company at Empire House 214, Dr. D. N. Road, Ent., A.K. Nayak Marg, Fort, Mumbai - 400 001 not later than 48 hours before the time of holding the meeting. The Proxy need not be a member of the Company.

**BOOK-POST**

*If Undelivered please return to:*

**WEIZMANN FOREX LIMITED**

Empire House Basement,  
214, Dr. D. N. Road,  
Ent. A. K. Nayak Marg, Fort,  
Mumbai - 400 001.

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