

GANON TRADING & FINANCE COMPANY LIMITED

Registered Office: 401-A, Natwar Chambers, 94, Nagindas Master Road, Mumbai - 400 023.

Corporate Address: 903, Dalamal House, 206, J.B. Marg, Nariman Point, Mumbai - 400 021. Tel: 22872539/22812252. Fax: 22853816.

NOTICE

NOTICE is hereby given that the Twentieth Annual General Meeting of the members of **GANON TRADING & FINANCE COMPANY LIMITED** will be held on Friday, 5th August, 2005 at 11.00 a.m. at the Registered Office of the Company at 401 A, Natwar Chambers, 94 Nagindas Master Road, Fort, Mumbai 400 023 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March 2005 and the Profit and Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mrs. Shrikantadevi Damani who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint M/s K.K. Khadaria & Co., Chartered Accountants, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration.

By order of the Board of Directors



Director

Place: Mumbai

Dated: 30th June, 2005

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.

2. The instrument appointing proxy should however be deposited at the registered office of the Company not less than forty eight hours before the commencement of the meeting.

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DIRECTORS' REPORT

To the Members,

Your Directors have pleasure in presenting their Twentieth Annual Report along with Audited Accounts for the year ended 31st March, 2005.

FINANCIAL RESULTS:-

(Amount in Rupees)

Particulars	Year ended 31-3-2005	Year ended 31-3-2004
Profit / (Loss) before Tax	905348	548132
Less: Provision for Tax		
- Current Tax	4789	NIL
- Deferred Tax	22568	(2069)
Profit / (Loss) after Tax	877991	550201
Less: Prior Year Tax Adjustments	NIL	17145
	877991	533056
Balance Brought Forward from Previous Year	6889802	6356747
Balance Brought Forward to Balance Sheet	7767793	6889802

DIVIDEND:-

The Directors do not recommend any dividend for the year under review.

DIRECTORS:-

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mrs. Shrikantadevi Damani, Director of the Company, retires by rotation and being eligible, offers herself for re-appointment at the ensuing Annual General Meeting.

PARTICULARS OF EMPLOYEES:-

During the year under review, none of the employees of the Company, whether employed for the whole year or part thereof, was in receipt of remuneration aggregating to or in excess of the limits specified under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, and hence, no particulars are required to be furnished in connection with the same.

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PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:-

Your Company being an Investment Company, the particulars required to be submitted pursuant to Section 217(1)(e) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988, do not apply.

During the year under review, the Company did not have any Foreign Exchange earnings or outgo.

PUBLIC DEPOSITS:-

During the year under review, the Company did not accept/renew any deposits within the meaning of the Section 58A of the Companies Act, 1956 read with the Companies (Acceptance of Deposits) Rules, 1975 as amended.

AUDITORS:-

M/s K. K. Khadaria & Co., Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a certificate of their eligibility for re-appointment under Section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue in the said office.

COMPLIANCE CERTIFICATE:-

Pursuant to the proviso to Section 383-A (1) of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules 2001, Secretarial Compliance Certificate from M/s. Rathi & Associates, Company Secretaries in Whole time Practice, is attached to this report.

DIRECTOR'S RESPONSIBILITY STATEMENT:-

As required under Section 217 (2AA) of the Companies Act, 1956, your Directors confirm the following:

- (i) In the preparation of Annual Accounts, the applicable accounting standards have been followed.

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- (ii) Your Directors have selected such accounting policies and applied them consistently and made judgments 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, 2005 and of the Profit and Loss Account of the Company for that year.
- (iii) Your Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) Your Directors have prepared the attached statement of accounts for the year ended 31st March 2005 on a going concern basis.

AUDITORS' REPORT:-

Observations made in the Auditors' Report are self explanatory and therefore, do not call for any further comments under Section 217(3) of the Companies Act, 1956.

ACKNOWLEDGMENTS:-

Your Directors wish to express their gratitude to the bankers, clients and all the business associates for their continuous support to the Company and to the Shareholders for the confidence reposed in the management. Your Directors record their appreciation of the employees at all levels for their enormous personal efforts as well as collective contribution to the success of your Company.

On behalf of the Board of Directors

Place: Mumbai

Date : 30th June, 2005



Gopikishan Damani
(Director)



Radhakishan Damani
(Director)

K. Khadaria & Co.

tered Accountants

A-1, HILLVIEW APARTMENTS,
J. P. ROAD, NR. NAVRANG CINEMA,
ANDHERI (W), MUMBAI - 400 058.
TEL. : 2624 11 65 / 2671 9097/98
TELE FAX : 2624 11 74

AUDITORS' REPORT**TO THE MEMBERS OF GANON TRADING & FINANCE COMPANY LIMITED**

We have audited the attached Balance Sheet of **GANON TRADING & FINANCE COMPANY LIMITED** as at 31st March, 2005, and also the Profit and Loss Account 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.

1. As required by the Companies (Auditor's Report) Order, 2003 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 the paragraphs 4 & 5 of the said Order.
2. Further to our comments on the Annexure referred to in paragraph 1 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 purpose 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 the books;
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow statement comply with Accounting Standards referred in subsection (3C) of Section 211 of the Companies Act, 1956;