

IMC FINANCE LIMITED

58, Bajaj Bhavan, Nariman Point, Mumbai – 400 021. Tel No. - 2202 6677.

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the members of IMC Finance Limited will be held at 11.30 A.M. on Friday 30th September, 2005 at the Registered Office of the company at 58, Bajaj Bhavan, 5th floor, Nariman Point, Mumbai - 400 021 to transact the following business:

ORDINARY BUSINESS :

1. To receive and adopt the Directors' Report and Audited Accounts for the year ended 31st March 2005 and Auditor's Report thereon.
2. To appoint a Director in place of Shri Paresh D.Shah , who retires by rotation and being eligible, offers himself for re-appointment
3. To appoint auditors for the current year to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

BY THE ORDER OF BOARD


DIRECTOR

Place : Mumbai

Dated : 31st August, 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 and the proxy need not be a member.
2. The Register of members and the Transfer Books of the Company will remain closed from 27th September 2005 to 30th September, 2005 (both days inclusive).

IMC FINANCE LIMITED

58, Bajaj Bhavan, Nariman Point, Mumbai – 400 021. Tel No.-2202 6677.

DIRECTORS' REPORT

To,
The Shareholders,

Your Directors have pleasure in presenting Twenty Third Annual Report and Audited Statement of Accounts for the year ended 31st March 2005.

FINANCIAL RESULTS :

The financial performance for the year is summarised below:

	Amount (Rs.)
Profit Before Tax	1,13,498
Less : Provision for taxation – Current	42,000
- Deferred	(60)

	71,558
Add:Balance B/fd from previous year	19,74,859

Balance carried to Balance Sheet	20,46,417

DIRECTORS :

Shri Paresh D. Shah retires by rotation and being eligible offers himself for re-appointment.

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IMC FINANCE LIMITED

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DIRECTORS' RESPONSIBILITY STATEMENT :

Pursuant to Section 217 (2AA) of the Companies Act, 2000, the Directors state as under:

1. That in the preparation of the annual accounts. The applicable accounting standards have been followed along with the proper explanation relating to material departures.
2. That the directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the period.
3. That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities.
4. That the directors have prepared the annual accounts on a going concern basis.

COMPLIANCE CERTIFICATE :

In accordance with Section 383A of the Companies Act, 1956, and Companies (Compliance Certificate) Rules, 2001, the Company has obtained a certificate from a secretary in the whole time practice confirming that the Company has complied with all the provisions of the Companies Act, 1956 and a copy of such certificate is attached to this Report.

AUDITORS :

M/s.B.L.Sharda & Co., Chartered Accountants, Auditors will retire at the ensuing Annual General Meeting and offers themselves for re-appointment.

BY THE ORDER OF BOARD


DIRECTOR

Place : Mumbai

Dated : 31st August, 2005

M/S. IMC FINANCE LTD.
59, BAJAJ BHAWAN,
NARIMAN POINT,
MUMBAI - 400 021.

MISC3

Prvs.Yr.Ending : 31/03/2005
Ward # : RANGE 3(2)
New P-A/c # : AAAC17975D
Resdntl.Status : Resident - 01
Return Due Dt. : 31/10/2005

Asst.Year : 2005-2006
Status : Domestic Company-12

Incrpn.Dt.: 07/09/1982

STATEMENT OF TOTAL INCOME

	Amount-Rs.	Amount - Rs.
BUSINESS INCOME		
Business & Profession. (As per Annexure)	113,663	1,13,663
GROSS TOTAL INCOME before Unabsorbed Loss		1,13,663
TOTAL INCOME (Rounded U/s.288A)		1,13,660

MAT CALCULATION

Book Profits as per Companies Act	113,498
7.50 % of Book Profit	8,510
Tax on TOTAL INCOME calculated for MAT purpose	39,781

Since TAX on TOTAL INCOME is not less than 7.5% of the
BOOK PROFIT as per Co's Act, MAT is not applicable.

TAX PAYABLE	39,781
Add :- Surcharge @ 2.50%	995
	40,776
Add :- Education Cess @ 2%	816
	41,592
Less :- Tax Deducted at Source. (As per Annexure)	51,746

FUNDABLE AMOUNT Rs/-

* Note : Prvs. Yr. L-Term Loss C/fd to subsequent Years.... 5,98,384

**** Refer Annexures ****

M/S. IMC FINANCE LTD.

MISC3

PAN # : AAAC17975D

ANNEXURES

Asst. Year : 2005-2006

BUSINESS AND PROFESSION

A.		
Net Profit as per Profit & Loss A/c		1,13,498
Add :- Disallowables / Considered Separately.		
a. Depreciation	204	204
		1,13,702
Less :- Depreciation as per Annexure		39
		1,13,663

Book Profits as per Companies Act 113,498

Clause 14 : Depreciation Allowable as per the Income-Tax Act, 1961.

Srl	..RateOpening	...Addition	Date of Addition/	Deductions	..Sub-Total	Opreciation	DisAllowed	..Allowable	Balance As
No. Description (%)		Balance	(Rs.)	Put To Use	(Rs.)	(Rs.)	(Rs.)	Deprectn. (Rs.)	Deprectn. (Rs.)	On 31/03/2005
MACHINERY & PLANT										
1. COMPUTER	60.00	66	0	/ /	0			0		
Total ::>>		66	0		0	66	39	0	39	27

T.D.S. & Advance Tax Paid

Tax Deducted at Source.

Interest

51,746

51,746

B. L. SARDA & CO.
 CHARTERED ACCOUNTANTS
B.L. SARDA
 B.Com., F.C.A.

61, Rajgir Chambers, 7th Floor,
 Opp. Old Custom House,
 12/14, Shahid Bhagat Singh Road,
 MUMBAI - 400 023.
 Tel : 22664618 / 22662752
 Fax: 22665136
 E-mail: blsco@vsnl.com

**AUDITOR'S REPORT TO THE MEMBERS OF
 IMC FINANCE LIMITED**

1. We have audited the attached Balance Sheet of IMC FINANCE LIMITED, as at 31st March, 2005 and also the Profit and Loss Account for the year ended on that date annexed thereto and the Cash Flow Statement of the Company for the year ended on that date. 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.
2. 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.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 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.
4. Further to our comments in the Annexure referred to above, we report that:
 - i. 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;
 - ii. 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;
 - iii. The Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - iv. In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - v. On the basis of written representations received from the directors, as on 31st March, 2005, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2005 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - vi. In our opinion and to the best of our information and according to the explanations given to us, the said accounts 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:
 - a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2005;
 - b. in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - c. in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For B.L. Sarda & Co.
 Chartered Accountants,

B.L. Sarda
 (B.L. Sarda)
 Proprietor
 Membership No.14568

CERTIFIED TRUE COPY

IMC FINANCE LIMITED

Place: Mumbai

Date **31 AUG. 2005**

Tanveer Khan
DIRECTOR

B. L. SARDA & CO.

CHARTERED ACCOUNTANTS

B.L. SARDA

B.Com., F.C.A.

61, Rajgir Chambers, 7th Floor,
Opp. Old Custom House,
12/14, Shahid Bhagat Singh Road,
MUMBAI - 400 023.
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E-mail: blsco@vsnl.com

M/S. IMC FINANCE LIMITED

ANNEXURE TO THE AUDITORS' REPORT REFERRED TO IN PARAGRAPH
THREE OF OUR REPORT OF EVEN DATE

- (1) In our opinion and according to the information and explanations given to us, the nature of the Company's business / activities during the year are such that clauses (ii), (iii), (iv), (v), (viii), (xiii), (xiv), (xviii), (xix), and (xx) of CARO, 2003 are not applicable to the company.
- (2) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) According to the information and explanations given to us, fixed assets of the Company have been physically verified by the Management at the year end which, in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.

(c) During the year, no fixed assets have been disposed off by the Company.
- (3) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits within the meaning of directives issued by the Reserve Bank of India and provisions of Section 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed thereunder. No order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any Other Tribunal.
- (4) *The Company does not have an internal audit system commensurate with its size and nature of its business.*
- (5) (a) The company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues applicable to it.

(b) According to the information and explanations given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess were in arrears, as at 31st March, 2005 for a period of more than six months from the date they became payable. There are no dues of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited on account of any dispute.
- (6) The Company has neither accumulated losses as at 31st March, 2005 nor it has incurred any cash losses during the financial year ended on that date and in the immediately preceding financial year.
- (7) Accordingly to the information and explanations given to us, the Company has not defaulted in repayment of dues to the bank. The company has not obtained any borrowings from any financial institutions or by way of debentures.
- (8) The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.

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