

PEOPLES INVESTMENTS LIMITED

Mumbai

28TH ANNUAL REPORT AND ACCOUNTS FOR THE YEAR ENDED 31ST MARCH, 2004

DIRECTORS : SHRI PRADEEP KUMAR BHANDARI

: SHRI PRATAP R. JAIN

: SHRI RAMKARAN GANERIWALA

BANKERS : BANK OF INDIA, BALLARD ESTATE

AUDITORS : M/S. R.K. KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

REGISTERED OFFICE : NEW HIND HOUSE
3, NARROTTAM MORARJI MARG,
BALLARD ESTATE,
MUMBAI – 400 001.

PEOPLES INVESTMENTS LTD.

NOTICE

NOTICE is hereby given that the Twenty-Eighth Annual General Meeting of Peoples Investments Limited will be held at the registered office of the Company at 3, Narrottam Morarjee Marg, Ballard Estate, Mumbai - 400001 on Monday 9th August, 2004 at 4.30 p.m to transact the following ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statements of Account together with Directors' Report as also the Auditors' Report thereon for the year ended March 31, 2004.
2. To appoint a Director in place of Shri P.K.Bhandari who retires by rotation and, being eligible, offers himself for re-appointment.
3. To appoint Messrs. R.K. Khandelwal & Co., Chartered Accountants as Auditors of the Company from the conclusion of this meeting till the conclusion of the next Annual General Meeting and fix their remuneration.

NOTES

1. ANY MEMBER OF THE COMPANY ENTITLED TO ATTEND AND VOTE AT THE MEETING SHALL BE ENTITLED TO APPOINT ANOTHER PERSON (WHETHER A MEMBER OR NOT) AS HIS PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF. MEMBERS ARE REQUESTED TO DEPOSIT THE PROXY FORMS NOT LESS THAN 48 HOURS BEFORE THE SCHEDULED TIME OF THE MEETING.
2. The register of Members and the share transfer book of the Company shall remain closed from Monday 2nd August, 2004 to Monday 9th August, 2004 (both days inclusive).

FOR AND ON BEHALF OF THE BOARD


R. K. GANERIWALA
DIRECTOR

Registered Office:
3, Narrottam Morarjee Marg,
Ballard Estate,
Mumbai - 400 001.

Place : Mumbai
Date : 15th June, 2004

PEOPLES INVESTMENTS LIMITED

DIRECTORS' REPORT

To,
The Members

Your Directors are pleased to present their twenty-eighth Annual Report together with the audited statements of account for the year ended 31st March 2004.

1. FINANCIAL RESULTS

	Current Year (Rs in lacs)	Previous Year (Rs in lacs)
Income from dividend, interest and sale of investments	0.84	1.62
Less : Administrative Expenses	0.53	0.87
Profit before Tax	0.31	0.75
Less: Provision for Taxation	0.03	0.28
	0.28	0.47
Less: Short provision for taxation of earlier year	0.15	-
	0.13	0.47
Add: Loss brought forward from previous year	(6.94)	((7.41)
Balance carried forward	(6.81)	(6.94)

2. DIVIDEND

In view of the carried forward losses the Directors regret their inability to declare any dividend.

3. WORKING

During the year under review gross income from Dividend, Interest and sale of Investments was Rs. 0.84 lacs (Previous year Rs. 1.62 lacs)

4. PUBLIC DEPOSIT

During the year under review the Company has not invited / accepted / renewed any deposit from public within the meaning of Section 58-A of the Companies Act, 1956.

5. PERSONNEL

There is no employee of which particulars are required to be furnished under section 217(2A) of the Companies Act, 1956.

6. DIRECTORS

Shri P.K.Bhandari, Director, retires by rotation at the forthcoming Annual General Meeting and, being eligible, offers himself for re-appointment.

7. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO.

Information relating to conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable as the company does not carry on any manufacturing activity.

8. AUDITORS

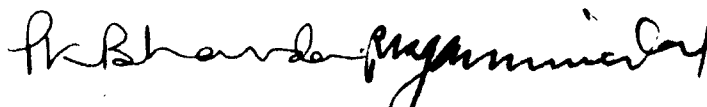
The Auditors M/s R.K.Khandelwal & Co., Chartered Accountants, retire at the ensuing meeting and being eligible, offer themselves for re-appointment.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors state that:

- (i) in preparation of the annual accounts, the applicable accounting standards have been followed along with proper explanations relating to material departure, if any ;
- (ii) 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 and loss of the company for that period ;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities ;
- (iv) the directors have prepared the annual accounts on a going concern basis.

FOR AND ON BEHALF OF THE BOARD



P. K. BHANDARI R. K. GANERIWALA
DIRECTORS

Place : Mumbai
Date : 15th June, 2004

R. K. KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

107/110, TRINITY,
S. S. GAIKWAD MARG,
(A.P. MARKET), DHOBI TALAO,
MUMBAI - 400 002.
TELEPHONES : 2207 71 01/02
TELEFAX : 2207 71 01

AUDITORS' REPORT

To,
The Members of
Peoples Investments Limited.

1. We have audited the attached Balance Sheet of PEOPLES INVESTMENTS LIMITED as at 31st March, 2004 and also annexed Profit and Loss Account 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 whether the financial statements are free of material misstatement. An audit includes, examining on the 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 presentation of the financial statements. We believe that our audit provides a reasonable basis for our opinion.
3. As required by Companies Auditor's Report Order, (CARO) 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956 (Act), we enclose in the annexure a statement on the matters specified in paragraph 4 & 5 of the said Order.
4. Further to our comment in the annexure referred to above, we report that :
 - a) We have obtained all information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of these books;
 - c) The Balance Sheet and the Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - d) In our opinion the Balance Sheet and Profit and Loss Account have been prepared in compliance with the Accounting Standard referred to in Section 211 (3C) of the Act, to the extent applicable;

R. K. KHANDELWAL & CO.
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- e) On the basis of written representations received from the Directors as on 31st March, 2004 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2004 from being appointed as a Director in terms of clause (g) of Sub-section (1) of Section 274 of the Act.
- f) In our opinion and to the best of information and according to the explanations given to us, the accounts read with the notes thereon give the information required by the Act 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, 2004 and
 - ii) In the case of Profit and Loss account, of the profit for the year ended on that date.

For R.K. KHANDELWAL & CO.
CHARTERED ACCOUNTANTS


R. K. KHANDELWAL
PARTNER
Membership No. 30054

Place : Mumbai

Dated: 15th June, 2004

R. K. KHANDELWAL & CO.
CHARTERED ACCOUNTANTS

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**ANNEXURE TO THE AUDITORS REPORT TO THE MEMBER OF PEOPLES
INVESTMENTS LIMITED ON THE ACCOUNTS FOR THE PERIOD ENDED
31st MARCH, 2004.**

(Referred to in paragraph 3 of our report of even date)

1. The Company is an Investment Company and have no fixed Assets. Therefore clauses 1.1, 1.2 and 1.3 of Companies (Auditor's Report) Order 2003 is not applicable.
2. The Company has no inventories. Therefore clauses 2.1, 2.2 and 2.3 are not applicable.
3. (a) We are informed that the Company has not granted or taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under Section 301 of the companies Act, 1956.
(b) As the Company has not granted or taken any loans, secured or unsecured, to/from companies, firms or other parties listed in the register maintained under Section 301 of the Companies Act, 1956, Clause (iii) (b) of the Order is not applicable.
(c) No loans and advance in the nature of loans are given by the Company to other parties.
4. The Company has not taken any loans from other parties.

As the Company has not taken or granted any loan, there is no question of overdue amount of loans taken or granted by the Company.
5. In our opinion, and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business for the purchase and sale of investments. During the course of our audit, no major weakness has been noticed in the internal controls.
6. (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the transactions that need to be entered into the registers maintained under Section 301 have been so entered.

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R. K. KHANDELWAL & CO.
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(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956, and have been made at prices which are reasonable having regard to prevailing market prices as available with the Company.

7. The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made thereunder. Hence the Clause (vi) of the order is not applicable.
8. The Company has an adequate internal audit system commensurate with size and nature of its business.
9. The Central Government has not prescribed maintenance of cost records under section 209 (1)(d) of the Companies act, 1956.
10. (a) According to the information and explanations given to us, there are no undisputed statutory dues payable in respect of provident fund, investor education and protection fund, employees state insurance, income tax, sales tax, wealth-tax, custom duty, excise-duty, cess which are outstanding as on 31st March, 2004, for a period of more than six months from the date they became payable.

(b) According to the information and explanations given to us and the records examined by us, there is no disputed amount of sales tax, income tax, custom tax, wealth tax, excise duty, cess and other statutory dues which is not deposited.
11. The Company has not incurred cash losses during the financial year covered by our audit and there is no cash losses in the immediately preceeding financial year. The accumulated losses of the Company at the end of the financial year covered by our audit is less than 50% of its net worth.
12. Based on our examination of the record and the information and explanations given to us, the Company has not granted any loans and/or advances on the basis of security by way of pledge of shares, debentures and other securities.
13. Clause (xiii) of the Order is not applicable to the Company as the Company is not a Chit fund company or nidhi/mutual benefit fund/society.

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