

SHERATON PROPERTIES & FINANCE LTD.

Regd. Office : Bhansali House, A-5 Veera Desai Road, Andheri (West),
Mumbai - 400 053, Phone : 2673 1779

NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of SHERATON PROPERTIES AND FINANCE LIMITED will be held on Tuesday, 20th September 2005 at 2.00 P.M at the registered office of the Company at A-5, Bhansali House, Veera Desai Road, Andheri (West), Mumbai – 400 053 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Statement of Accounts for the year ended 31st March 2005 and Balance Sheet as on that date alongwith the Reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. B. M. Bhansali who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint M/s B. L. Dasharda & Associates, Chartered Accountants, the retiring Auditors as Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

By order of the Board

Place: Mumbai
Dated: 30th June 2005

Director

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. Proxies, if any, in order to be effective must be received at the Company's Registered Office not later than 48 hours (fortyeight hours) before the time fixed for holding the meeting.
3. The Share Transfer Books and the Register of Members of the Company would remain closed from Friday, 9th September 2005 to Tuesday, 20th September 2005 (both days inclusive).

By order of the Board

Place: Mumbai
Dated: 30th June 2005

Director

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DIRECTORS' REPORT

To The Members,

The Directors have pleasure in presenting their Annual Report on the business operations of the Company alongwith the Statement of Audited Accounts for the year ended 31st March 2005.

Financial Results:

Particulars	(Amt. in Rs.)	
	Year Ended 31 st March 2005	Year Ended 31 st March 2004
Total Income	1,17,68,031	83,750
Profit before Tax	1,17,00,964	25
Less: Provision for Tax	232	0
Net Profit/(Loss) after Tax	1,17,00,732	25
Add: Balance of Profit & Loss A/c. brought forward from the previous year	45,504	45,479
Balance carried forward to Balance Sheet	1,17,46,236	45,504

Year under Review:

During the year under review, your Company generated a total Income of Rs. 1,17,68,031/- comprising mainly of profit on sale of investments. Against this, the total expenses was Rs. 67,067/- incurred by the Company. This has led to a huge profit of Rs. 1,17,00,964/- as compared to only Rs. 25/- before tax during the previous year. After providing for tax and adjusting thereto the balance forward from last year of Rs. 45,504/-, a balance of Rs. 1,17,46,236/- has been carried forward to the Balance Sheet.

Your Company continues to be cautiously optimistic about its growth prospects for the current financial year.

Dividend:

Your Directors have not recommended payment of dividend for the year under review considering the need to improve the net worth of the Company.

Directors

In accordance with the provisions of the Companies Act, 1956 and the Articles of Association of the Company, Mr. B. M. Bhansali, Director of the Company, shall retire by rotation at the forthcoming Annual General Meeting and is eligible for re-appointment. The Board of Directors recommends his re-appointment.

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Directors' Responsibility Statement:

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

- ♦ In the preparation of the annual accounts, the applicable standards have been followed.
- ♦ 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 at the end of the financial year and of the profit of the Company for that year.
- ♦ Your 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 for preventing and detecting fraud and other irregularities.
- ♦ Your Directors have prepared the attached Statement of Accounts for the year ended March 31, 2005 on a going concern basis.

Auditors:

M/s. B.L. Dasharda & Associates, Chartered Accountants, Auditors of the Company retire at the ensuing Annual General Meeting and are eligible for re-appointment. The Company has received a certificate from the Auditors to the effect that their appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956. The members are requested to appoint the Auditors and authorise the Board to fix their remuneration.

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.

Fixed Deposits:

The Company has not accepted or renewed any deposit from public during the year under review.

Secretarial Compliance Certificate:

Pursuant to the proviso to Section 383A(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.

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Particulars of Employees:

During the year under review, none of the employees of the Company was in receipt of remuneration aggregating Rs.24,00,000/- or more per annum, if employed throughout the year, or Rs.2,00,000/- or more per month, in case employed for part of the year. Hence, there are no particulars to be annexed to this report as required under Section 217 (2A) of the Companies Act, 1956 and the rules made thereunder.

Conservation of Energy, Technology Absorption, Foreign Exchange Earnings And Outgo:

The requirements of disclosures in terms of Section 217 (1)(e) of the Companies Act, 1956, read with the Companies (Disclosures of the Particulars in the Report of the Board of Directors) Rules, 1988 pertaining to the conservation of energy and technology absorption are not applicable to the Company due to the very nature of the industry in which it operates.

During the year under review, there was no foreign exchange earnings and outgo.

Acknowledgements:

The 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 Company's management. The Directors also convey their appreciation to the employees at all levels for their enormous personal efforts as well as collective contribution.

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For and on behalf of the Board

Place: Mumbai
Dated: 30th June 2005


Chairman

Rathi & Associates

COMPANY SECRETARIES

A-303, PRATHAMESH, 3RD FLOOR, RAGHUVANSHI MILLS COMPOUND, 11-12, SENAPATI BAPAT MARG, MUMBAI - 400 013
TEL: 2491 1222 / 333 / 444, 2491 9915 / 79 FAX : 2491 1666 ■ E-MAIL: associates.rathi@hathway.com

SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2005 IN RESPECT OF SHERATON PROPERTIES & FINANCE LIMITED

Registration No.: 11-36920
Nominal Capital: Rs. 1,25,00,000/-

To,
The Members
Sheraton Properties & Finance Limited
5-A, Bhansali House,
Off. Veera Desai Road,
Andheri (West),
Mumbai- 400 058.

We have examined the registers, records, books, and papers of **Sheraton Properties & Finance Limited**, ("the Company") as required to be maintained under the Companies Act, 1956, ("the Act") and the rules made there under and also the provisions contained in the Memorandum and Article of Association of the Company for the financial year ended on **31st March 2005** (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, We certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have duly recorded.
2. The company has filed the forms and returns as stated in **Annexure 'B'** to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities.
3. The Company, being a public limited company, comments are not required.
4. The Board of Directors duly met **Six** times respectively on **22nd April 2004, 29th June 2004, 30th July 2004, 13th August 2004, 30th October 2004 and 31st January 2005** in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No circular resolution was passed during the financial year.

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5. The company has closed its Register of Members from 10th September 2004 to 20th September 2004 and necessary compliance of section 154 of the Act has been made.
6. The Annual general meeting for the financial year ended on **31st March 2004** was convened on **20th September 2004**, after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extraordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its director or person or firms or companies referred to under section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from the Board of directors, members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company:
 - (i) has not made any allotment/transfer/transmission of securities during the financial year.
 - (ii) has not deposited any amount in a separate Bank Accounts as no dividend was declared during the financial year.
 - (iii) has not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) was not required to transfer any amount to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and the appointments of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year.

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16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposit including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowing during the financial year ended 31st March 2005.
25. The Company has not made any loan or advances or given guarantees or provided securities to other bodies corporate and consequently no entries have been made in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum with respect to situation of the company's registered office from one State to another during the year under scrutiny.
27. The Company has not altered the provisions of the Memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the Memorandum with respect to name of the company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to the share capital of the company during the year under scrutiny.

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