

SURYANAGRI FINLEASE LIMITED.

Regd.Off: Bluestar Complex, Nr. High Court Rly.Crossing,  
Navjivan, AHMEDABAD - 380014.

N O T I C E

NOTICE is hereby given that the Annual General Meeting of the members of the Company will be held on Wednesday, the 29th September, 2004, at 11.30 a.m. at the Registered Office of the Company at Blue Star Complex, Nr. High Court Railway Crossing, Ahmedabad 380 014, to transact the following business :-

ORDINARY BUSINESS

1. To receive and adopt the Director's Report and Audited Balance sheet as at 31st March, 2004 with the documents required by law to be annexed thereto.
2. To appoint a Director in place of Shri Dinesh Gupta, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint auditors and to fix their remuneration.

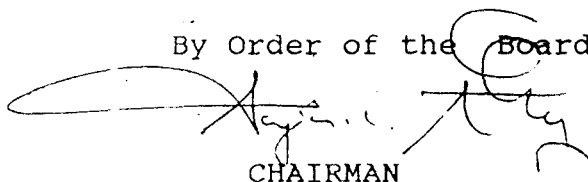
SPECIAL BUSINESS

4. To consider and, if thought fit, to pass with or without modifications, the following resolutions as a special Resolution.

RESOLVED THAT pursuant to the provisions of sections 198, 269, 309, Schedule XIII and other applicable provisions, if any, of the Companies Act, 1956, the approval of the Company be and is hereby accorded to the reappointment of Shri Sanjay C. Agrawal, as Managing Director of the Company for a period of Five years with effect from 27th June, 2004, on honorary basis.

FURTHER RESOLVED THAT the Board of Directors of the Company be and is hereby authorised to do all things, acts and deeds necessary therefore and incidental thereto to carry out this resolution.

By Order of the Board



CHAIRMAN

Place : AHMEDABAD  
Date : 30.06.2004

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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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY.
  2. The Proxies in order to be effective, must be lodged with the Company not less than 48 hours before the meeting.
  3. An explanatory statement pursuant to section 173(2) of the Companies Act, 1956, is annexed herewith.
  4. Members, seeking any information with regard to accounts are requested to write to the Company at an early date so as to enable the Company to keep the information ready.
  5. Members are requested to bring their copies of Annual Report to the meeting.

**EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 173 OF THE COMPANIES ACT, 1956.**

**ON ITEM NO.4**

As you know that Shri Sanjay C. Agrawal has been acting as the managing director of the since 27.06.1998 on honorary basis and on expiration of his present terms of appointment as managing director of the company. His educational qualification is B.Com and he is having vast knowledge of finance and administration. The the Board of directors of the Companyy, subject to the approval of the members at general meeting, has reappointed Shri Sanjay C. Agrawal as Managing Director of the Company for a period of five years w.e.f. 27th June, 2004, on honorary basis and inter alia on the following terms and conditions:

1. Term of Office: The Managing Director shall hold the office of Managing Director for a period of five years commencing from 27th June, 2004.

2. Remuneration: Except with the reimbursement of actual expenses incurred in relation to Company's business, the Managing Director shall not be paid or provided any remuneration or provided any perquisites.

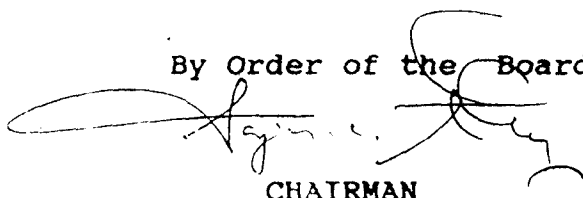
3. Powers and duties: The managing Director shall, subject to the superintendence, control and direction of the Board shall manage the business and day to day affairs of the Company and perform such duties as the Board of Directors of the Company shall from time to time determine and assign and shall exercise such powers which have been or from time to time may be assigned to or vested in him.

The text of the resolution together with the explanatory statement may be treated as an abstract of terms of appointment of Shri Sanjay C. Agrawal, as Managing Director of the Company, pursuant to section 302 of the Companies Act, 1956.

Except Shri Sanjay C. Agrawal no any director of the Company is concerned or interested in this resolution.

Place : AHMEDABAD  
Date : 30.06.2004

By Order of the Board



CHAIRMAN

**SURYANAGRI FINLEASE LTD  
AHMEDABAD**

**DIRECTORS REPORT**

**To the Members**

Your Directors have pleasure in presenting their report together with the audited Accounts for the year ended 31st March, 2004.

**Financial Results**

Rs. in lacs

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For the year                      For the year  
Ended 31.3.2004      Ended 31.3.2003

Income from operations	490.91	381.24
Profit/(loss) before depreciation and taxation	3.58	6.20
Depreciation	2.27	2.27
Taxation	--	--
Net Profit/(Loss).	5.85	8.47

**Dividend**

In view of carryforward losses for the previous years, your directors have not recommended any dividend for the year under report.

**Operations**

During the year under review the stock market flourish however considering unexpected ups and downs in the the Stock markets of the country, your company contined to limit its operations. The total income of the company was Rs. 490.91 lacs as compared to Rs. 381.24 lacs during the previous year. The operations of the company has been resulted into a net profit of Rs. 5.85 lacs.

**Fixed Deposits**

During the year under review, your Company has complied with the provisions of the Companies Act, 1956 and directions, guidelines and notifications issued by the Reserve Bank of India for acceptance of deposits by the company and there are neither any overdue deposits nor any deposit remained unpaid and the company do not have accepted any public deposit during the year under report.

**Directors**

Shri Dinesh Gupta retires by rotation and being eligible offer himself for reappointment.

**Directors' Responsibility statement**

As required under Section 217(2AA) of the Companies Act, 1956, your directors state that :-

A. in the preparation of annual accounts, the applicable accounting standards have been followed.

B. appropriate accounting polices have been selected and applied consistently and have 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, 2004 and of the profit of the Company for the year ended on that date.

C. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.

D. the annual accounts have been prepared on going concern basis.

#### **Corporate Governance**

Your company is complying with the code of corporate governance which has been introduced by the Securities and Exchange Board of India (SEBI). Please find a comprehensive report on corporate governance duly annexed herewith.

#### **Management discussion and analysis**

The company has two key areas of business operations viz. trading in shares and securities and Investments. Both these areas have been under constant pressure during last few years. Further there are unexpected ups and downs in the share markets and many of the shares and securities held by the company have not been quoting well. The company has been constantly striving to wriggle out of this difficult situation and make better profits. The company is hoping to do better during the times to come.

#### **Disclosures under Section 217 of the Companies Act.**

i. The provisions of Section 217 of the Companies Act, 1956, read with the Companies (particulars of Employees) Rules, 1975 do not apply as the Company has not employed any employee drawing remuneration in excess of the prescribed limits.

ii. Since the Company is not engaged in manufacturing activities, the particulars required to be included in terms of Section 217(1)(e) of the Companies Act, 1956 are not applicable.

iii. During the year under report there was no foreign exchange earnings and outgo.

#### **Auditors**

M/s Ashok Dhariwal & Co., Chartered Accountants, auditors of the Company, retires at the conclusion of the ensuing annual general meeting. The auditors being eligible for reappointment, the Board recommends their reappointment.

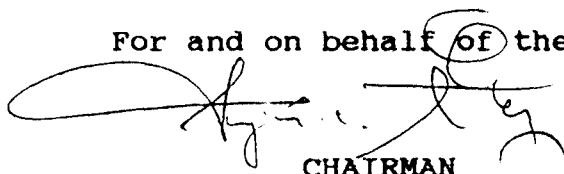
#### **Acknowledgement**

The Board of Directors wish to place on record their sincere appreciation and acknowledge with gratitude the efforts put in and co operation extended by bankers, shareholders, employees at all level and all other associated persons, bodies or agencies and look forward to their continued support.

For and on behalf of the Board.

Place : Ahmedabad

Date : 30th June, 2004



CHAIRMAN

## REPORT ON CORPORATE GOVERNANCE

## 1) Company's Philosophy:

The Company's philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity in all facts of its operations, and in all its interactions with its shareholders, employees, the government agencies, lenders etc.

## COMPOSITION OF BOARD OF DIRECTORS :

The composition of the Board of Directors are as under:

Name of Director	Category	No. of Board meeting attended	Attend- ence at last A.G.M.	No. of director ships held	No. of other committee of which member
Shri Sanjay C. Agarwal (Managing Director)	Executive	5	Yes	6	--
Shri Dinesh Gupta	Non-Independent	5	Yes	6	Two
Shri Rakesh Prajapati	Independent	5	Yes	2	--
Shri Nilesh Patel	Independent	4	N.A.	-	--
Shri Jignesh Patel	Independent	4	N.A.	2	--

During the year the meetings of the Board of directors of the company have been held on 02.06.2003, 30.06.2003, 31.07.2003, 31.10.2003 and 30.01.2004.

The Company is neither paying any salary nor providing any perquisite to its directors. Further, the company is not paying any sitting fees to directors.

The information required to be given for the Directors seeking appointment/reappointment at the Annual General Meeting as per clause 49 (VI) is as :

The terms of appointment of Shri Sanjay C. Agrawal as managing director of the company is proposed to be approved at the ensuing annual general meeting for a period of five years w.e.f. 27.06.2004. He has been acting as managing director of the since 1998, on honorary basis and the proposed approval is also on honorary basis. He is one of the promoter of the company. Shri Sanjay C. Agrawal is Commerce Graduate and possess more than ten years experience in various fields. He has great experties in the field of finance and business administration.

Shri Dinesh Gupta retires by ratation at the forthcoming annual general meeting and being eligible offers for reappointment. He is 11th Std. pass, however he possess indepth knowledge in the field of finance, commerce, business administration and public relation. He is also a director on the Board of Suryanagri Cement Ltd, Suryanagri Securities & Investments Ltd, Dhananjay Housing Ltd, City Gold Media Ltd, Lippi Systems Ltd, and City Gold Entertainment Ltd

#### Audit Committee :

The Company has constituted an audit Committee consisting of Shri Rakesh Prajapati, (Chairman), Shri Nilesh patel and Shri Jignesh Patel. The terms of reference of the committee are as is specified in clause 49 of the listing agreement. During the financial year the committee met four times on 30.06.2003, 31.07.2003, 31.10.2003 and 30.01.2004.

#### Shareholders / Investors Grievances Committee :

The Company has constituted Investor Grievances committee consisting of Shri Dinesh R. Gupta, (Chairman), Shri Nilesh patel and Shri Jignesh Patel. The terms of reference of the committee are as is specified in clause 49 of the listing agreement. The members of the committee normally twice in every month. No complaint was pending as on 31st March, 2004 and there were no investors/ shareholders complaints pending for a period exceeding one month.

#### General Body Meetings:

Last three Annual General Meetings were held at the registered office of the Company at Blue star complex, Nr. Old High Court, Navjivan, Ahmedabad -380014 at 11.00 a.m. on Monday, 24th September, 2001, at 11.45 a.m. on Friday, the 27th September, 2002 and at 11.45 on Tuesday, the 30th September, 2003 for the year 2001-01, 2001-02, and 2002-03 respectively.

During last three financial year, the Company has passed a special resolution at the Annual general meeting held on 24th September, 2001 for according consent of the company to the appointment of Shri Sanjay C. Agrawal as managing director of the company. During last three annual general meeting no resolution is proposed to be passed through postal ballot.

#### General Shareholders Information:

##### Annual General Meeting:

The annual general meeting of the company is scheduled to be held on Wednesday, the 29th September, 2004, at 11.30 a.m. at the Registered Office of the Company at Blue Star Complex, Nr. High Court Railway Crossing, Ahmedabad 380 014.

##### Financial Calendar Year:

The Financial year of the company is for a period of 12 months from 01st day of April to 31st day of March. The Financial results of the company is scheduled to be published as under:

Results for the first quarter ending on 30.06.2004, for the second quarter ending on 30.09.2004, for the third quarter ending on 31.12.2004 and audited results for the year ending on 31.03.2005 will be published, respectively by end of July, 2004, October, 2004, January, 2005 and by end of June, 2005. The annual general meeting for the year ending March 2005 will be held by end of September, 2005.

**Date of Book Closure:**

The register of members and share transfer books of the company will remain close from Tuesday, the 21st September, 2004 to Thursday, the 23rd September, 2004 (both days inclusive).

Dividend Payment Date: Not applicable.

**Listing on Stock Exchange and Stock Code:**

The Stock Exchange Ahmedabad, Stock Code No. : 57969

The Stock Exchange, Mumbai, Stock Code No. : 30867

ISIN No. for Equity shares of the Company: INE320C01010.

The equity shares of the company have been rarely traded during the year under report, hence monthly high and low quotation of the share not available.

Registered Office of the Company: Blue Star Complex, Nr. High Court Railway Crossing, Ahmedabad 380 014.

Registrar and Transfer Agent Pinnacle Shares Registry Private Limited, Near Asoka Mills, Naroda Road, Ahmedabad - 380 025 Tel : (079) 2204226, 2200591 Fax No. : (079) 2202963.

Investor Correspondence: Suryanagri Fin Lease Limited, Blue star complex, Nr. Old high Court, Navjivan, Ahmedabad - 380014. Ph.079-26431464, 26430928, Fax: 079-26442748.

**Means of Communication:**

The Company publishes its quarterly results in newspapers. Further Company also mails its annual report. However, the company do not sent the copies of quarterly results to its shareholders.

**Dematerialisation of Shares:**

As on 31.03.2004, 184700 number of shares have been demated and remaining 3179800 shares are in physical form.

Share Transfer System: The Company has appointed Pinnacle Registry Private Limited (RTA) for electronic connectivity of work as well as for the work of physical share transfers.

Shareholding pattern of the company as on 31st March, 2004 :

**Shareholding Pattern:**

Category	No. of Shares held	% of paid up capital
Promoters	2216200	65.87
Bodies Corporate	514000	15.28
Banks/Financial Inst.	NIL	-
Indian Public	634300	18.85
Total	3364500	100.00