

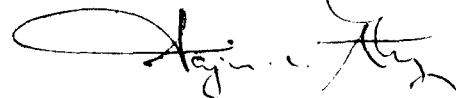
SURYANAGRI FINLEASE LIMITED.  
Regd.Off: 2nd Floor, Sarthik Annexe,  
Nr. Fun Republic, Satellite Road, Ahmedabad.

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 Tuesday, the 27th September, 2005, at 4.30 p.m. at the Registered Office of the Company at 2nd Floor, Sarthik Annexe, Nr. Fun Republic, Satellite Road, Ahmedabad - 380015, to transact the following business :-

1. To receive and adopt the Director's Report and Audited Balance sheet as at 31st March, 2005 with the documents required by law to be annexed thereto.
2. To appoint a Director in place of Shri Nilesh Patel, who retires by rotation and being eligible offers herself for re-appointment.
3. To appoint auditors and to fix their remuneration.

By Order of the Board



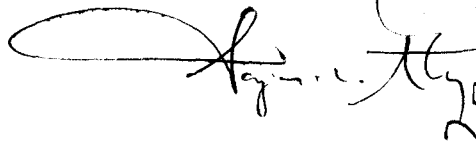
CHAIRMAN

Place : AHMEDABAD  
Date : 30.06.2004

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. 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.
4. Members are requested to bring their copies of Annual Report to the meeting.

True Copy

SURYANAGRI FINLEASE LTD.



DIRECTOR

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, 2005.

Financial Results	Rs. in lacs	
	For the year Ended 31.3.2005	For the year Ended 31.3.2004
Income from operations	92.13	48.28
Profit before depreciation and taxation	33.21	8.13
Depreciation	2.27	2.27
Taxation	---	---
Net Profit/(Loss).	30.94	5.86

**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 whole year under review the stock market flourished, hence the profit margins of the Company have been improved substantially. The net income of the company for the year under report was Rs. 92.13 lacs as compared to Rs. 48.28 lacs during the previous year. The operations of the company has been resulted into a net profit of Rs. 30.94 lacs as compared to Rs. 5.86 lacs for the preceding year.

**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 Nilesh Patel 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, 2005 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. 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, 2005

  
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	Attendence at last A.G.M.	No. of director ships held	No. of other committee of which member
Shri Sanjay C. Agarwal (Managing Director)	Executive	8	Yes	6	--
Shri Dinesh Gupta	Non- Independent	8	Yes	6	Two
Shri Rakesh Rajapati	Independent	5	Yes	2	--
Shri Nilesh Patel	Independent	7	N.A.	--	--
Shri Jignesh Patel	Independent	6	N.A.	2	--

During the year the meetings of the Board of directors of the company have been held on 09.04.2004, 30.06.2004, 31.07.2004, 10.09.2004, 30.10.2004, 04.12. 2004, 31.01.2005 and 25.03.2005

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 :

Shri Nilesh Patel retires by rotation at the forthcoming annual general meeting and being eligible offers for reappointment. He is 10th Std. pass, however he possess indepth knowledge in the field of business administration and public relation. He does not hold directorship in any other Company.

**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 30.06.2004, 31.07.2004, 30.10.2004 and 31.01.2005.

**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, 2005 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 Blue star complex, Nr. Old High Court, Navjivan, Ahmedabad -380014 at 11.45 a.m. on Friday, the 27th September, 2002, at 11.45 on Tuesday, the 30th September, 2003 and at 11.30 a.m. on Wednesday, 29th September, 2004 for the year 2001-02, 2002-03, and 2003-04 respectively.

During last three financial year, the Company has passed a special resolution at the Annual general meeting held on 29th September, 2004 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 Tuesday, the 27th September, 2005, at 4.30 p.m. at the Registered Office of the Company at 2nd Floor, Sarthik Annexe, Nr. Fun Republic, Satellite Road, Ahmedabad - 380015

**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 30.06.2005, for the second quarter ending on 30.09.2005, for the third quarter ending on 31.12.2005 and audited results for the year ending on 31.03.2006 will be published, respectively by end of July, 2005, October, 2005, January, 2006 and by end of June, 2006. The annual general meeting for the year ending March 2006 will be held by end of September, 2006.

**Date of Book Closure:**

The register of members and share transfer books of the company will remain close from Tuesday, the 20th September, 2005 to Thursday, the 22nd September, 2005 (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: 2nd Floor, Sarthik Annexe, Nr. Fun Republic, Satellite Road, Ahmedabad - 380015. Phone: 079-26927780-781.

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, 2nd Floor, Sarthik Annexe, Nr. Fun Republic, Satellite Road, Ahmedabad - 380015. Phone: 079-26927780-781.

**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 31.03.2005, 386700 number of shares have been demated and remaining 2977800 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
Promotors	2215200	65.83
Bodies Corporate	526080	15.63
Banks/Financial Inst.	NIL	-
Indian Public	623220	18.54
Total	3364500	100.00