

**11TH ANNUAL REPORT
2004-2005**



VAS ANIMATIONS & ENTERTAINMENT LTD.



VAS ANIMATIONS & ENTERTAINMENT LTD.

11th ANNUAL REPORT 2004-2005

✦ BOARD OF DIRECTORS ✦

MR. JAYESH VALIA	Chairman
MR. SHASHIKANT K. KITTUR	Director
MR. AJAY JANI	Director

✦ STATUTORY AUDITORS ✦

J. R. Shah & Associates

Chartered Accountants

✦ REGISTRARS & SHARE TRANSFER AGENTS ✦

Sharex Dynamic (India) Pvt. Ltd.

✦ BANKERS ✦

New India Co-op. Bank Ltd.

ICICI Bank Ltd.

✦ REGISTERED OFFICE ✦

401, Court Chambers, S. V. Road,

Borivli (West), Mumbai - 400 092.

10TH ANNUAL GENERAL MEETING

Date	: 30th September, 2005
Day	: Friday
Time	: 11.00 a.m.
Place	: Conference Hall, Sheth M. K. High School, Factory Lane, Borivli (W), Mumbai - 400 092.

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VAS ANIMATIONS & ENTERTAINMENT LIMITED**11TH ANNUAL REPORT
2004-2005****NOTICE**

Notice is hereby given that the Eleventh Annual General Meeting of the members of Vas Animations and Entertainment Limited will be held on Friday, September 30, 2005, at 11.00 a.m. at the Conference Hall, Sheth M. K. High School, Factory Lane, Borivli (West), Mumbai 400 092, to transact the following business:

ORDINARY BUSINESS

1. To receive; consider and adopt the Balance Sheet as at 31st March 2005, and the Profit and Loss Account for the year ended on that date along with the Directors' Report and the Auditors Report thereon.
2. To appoint a Director in place of Mr. Jayesh V. Valia who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint the Auditors, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

SPECIAL BUSINESS

4. To consider and if thought fit, to pass the following resolution, with or without modification(s) as a Special Resolution:

Mr. Ajay Jani be and is hereby appointed as a Director of the Company.

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/HERSELF AND A PROXY NEED NOT BE A MEMBER. THE INSTRUMENT OF PROXY SHOULD HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY, NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.
2. The Register of Members and The Share Transfer Registers will remain closed between September 24, 2005, and September 30, 2005, (both days inclusive).
3. An Explanatory Statement under Section 173 of the Companies Act, 1956, dated 31.8.2005 and forming part of this Notice dated 31.8.2005 is enclosed herewith.
4. The members are requested to :
 - a) Intimate changes, if any, in their registered addresses at an early date.
 - b) Quote ledger folio nos. in all their correspondence.
 - c) Bring copies of the Annual Report and the Attendance Slips at the Annual General Meeting.

Registered Office :

401, Court Chambers,
S. V. Road, Borivli (West),
Mumbai - 400 092.

Place : Mumbai

Date : 31/08/2005

BY ORDER OF THE BOARD

(JAYESH V. VALIA)
Chairman

**11TH ANNUAL REPORT
2004-2005**

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956, AND FORMING PART OF THE NOTICE CONVENING, THE 11TH ANNUAL GENERAL MEETING AND DATED 31.8.2005

ITEM NO.4**APPOINTMENT OF DIRECTOR**

Mr. Ajay Jani has been appointed as an Additional Director in the Board Meeting held on August 31, 2005. His tenure expires on 30th September 2005. Your Company has received a proposition from a member to appoint him. His appointment has to be approved by the members in the forthcoming Annual General Meeting otherwise he ceases to be a Director. So you are requested to approve his appointment.

The Directors recommend the resolution for members approval.

None of the Directors other than Mr. Ajay Jani is concerned or interested in the resolution. Mr. Ajay Jani is deemed to be interested in the resolution to the extent of his appointment.

Registered Office :

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S. V. Road, Borivli (West),
Mumbai - 400 092.

Place : Mumbai

Date : 31/08/2005

BY ORDER OF THE BOARD

(JAYESH V. VALIA)
Chairman

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VAS ANIMATIONS & ENTERTAINMENT LIMITED**11TH ANNUAL REPORT
2004-2005****DIRECTORS' REPORT**

To,
The Members,
Your Directors have pleasure in presenting their Eleventh Annual Report and the Statement of Audited Accounts of your Company for the year ended on 31st March, 2005.

FINANCIAL RESULTS :-

	Amount in Rupees	
	Year ended	9 months Period ended
	31.3.2005	31.3.2004
	(RS.)	(RS.)
Turnover	4645	2155288
Profit/(Loss) Before Depreciation, Interest & Taxation.	(155141)	(979633)
Profit/(Loss) Before Depreciation & Taxation	(155141)	(979633)
Profit/(Loss) After Depreciation & Taxation.	(178108)	(996888)
Surplus/(Deficit) of Profit and Loss Account of earlier year.	(996888)	1808856
Balance carried over to Balance Sheet.	(178108)	(996888)

DIVIDEND

Owing to losses, the Directors do not recommend any dividend.

FIXED DEPOSITS

The company has not invited or accepted any Fixed Deposits from the public during the year under review.

PARTICULARS OF EMPLOYEES

There were no employees who were in receipt of remuneration in excess of the amount prescribed under Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules 1975, during the year under review.

DIRECTORS RESPONSIBILITY STATEMENT

Statement under sub-section (2AA) of Section 217 of the Companies Act, 1956 :

In the preparation of the Annual Accounts:

- the applicable accounting standards have been followed and Wherever required, proper explanations relating to material departures have been given.
- 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 that period.

- proper and sufficient care has been taken 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.
- the Accounts have been prepared on a going concern basis.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO

Information in accordance with Section 217 (1) (e) of the Companies Act, 1956, read with the Companies (Disclosure Particulars in the Report of Board of Directors) Rules, 1988 is given in the Annexure B forming part of this report. Form A requiring disclosure of particulars with respect to Conservation of Energy is not applicable in the case of your company.

STOCK EXCHANGE

The Company is listed on the following Stock Exchange.

- The Stock Exchange - Mumbai.

Your Company is listed on Mumbai Stock Exchange and the Annual Listing fee is paid.

DIRECTORS

During the year under review, Mr. Jayesh V. Valia, Director, retires by rotation and being eligible offers himself for re-election.

AUDITORS

The Statutory Auditors M/s. J.R. Shah and Associates, Chartered Accountants, Mumbai, are eligible to be re-appointed. The Directors recommend M/s. J. R. Shah & Associates, Chartered Accountants, Mumbai, to be re-appointed as Statutory Audit

CORPORATE GOVERNANCE REPORT

Pursuant to Clause 49 of the Listing Agreement with The Stock Exchanges, the Management Discussion and Analysis and the Report on Corporate Governance together with Auditors Certificate form a part of the Annual Report.

The Auditors have qualified their report in respect of non-compliance of certain Corporate Governance norms referred to in the coverage on Corporate Governance Report forming part of the Annual Report. The said Corporate Governance Report on non-Compliance with Clause 49 of the Listing Agreement is self-explanatory and do not require further elucidation.

Your Company could not comply with the statutory requirements of formation of various Committees due to inadequacy of strength of Directors.

FOR AND ON BEHALF OF THE BOARD

(JAYESH V. VALIA)

Chairman

Place : Mumbai

Date : 31/08/2005

Particulars as required under Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 and forming part of Directors' Report for the year ended 31st March, 2005.

I. RESEARCH & DEVELOPMENT (R&D)

- | | |
|--|------|
| a) Specific areas in which R & D carried out by the Company. | None |
| b) Benefits derived as a result of the above R & D. | None |
| c) Further plan of action :- | None |
| d) Expenditure on Research & Development | Nil |

II. TECHNOLOGY ABSORPTION, ADAPTATION & INNOVATION

- | | |
|--|-----|
| a) Efforts in brief made towards Technology Absorption, adaptation and Innovation. | Nil |
| b) Benefit derived as a result of above effort | Nil |
| c) Particulars of Technology imported during last 5 years | Nil |

III. FOREIGN EXCHANGE EARNINGS & OUTGO

- | | | | | |
|--|---------------------|-----|----------------------|-----|
| a) Activities relating to exports and export plans : | Current Year
Rs. | Nil | Previous Year
Rs. | Nil |
| b) Total Foreign Exchange Used & Earned. | | | | |
| i) Foreign Exchange Used | Nil | Nil | | Nil |
| ii) Foreign Exchange Earned | Nil | Nil | | Nil |

FOR AND ON BEHALF OF THE BOARD

(JAYESH V. VALIA)

Chairman

Place : Mumbai

Date : 31/08/2005