

VINAYAK VANIJYA LTD.

PRAGATI TOWER, 26 RAJENDRA PLACE, NEW DELHI.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 19th Annual General Meeting of the Share Holders of Vinayak Vanijya Ltd will be held at its registered office Pragati Tower, 26-Rajendra Place, New Delhi on 30/9/2004 at 4-30 P.M. at the Registered Office of the Company.

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2004 and the Profit and Loss Account for the year ended on that date and the reports of the Directors and Auditors thereon.
2. To Appoint a Director in place of Sh. Deepak Aggarwal who retires by rotation.
3. To appoint Auditors, to hold office from the conclusion of the Annual General Meeting to the conclusion of the next Annual General Meeting and to fix their remuneration.

Special Business

4. To pass with or without modification the following Resolution as special Resolution.
"Resolved that transactions with following entities be and are hereby approved."
 - a. Associate Leasing
 - b. Samco Leasing & Industries
 - c. Distinctive Properties & Leasing Ltd.
 - d. Shinewell Leasing Ltd.
 - e. Mrs. Amita Gupta
 - f. Pragati Construction Co.(Devika Chambers)
 - g. Ankit Leasing & Finance Co.Ltd.

5. To pass with or without modification the following resolution as Special Resolution.

"Resolved that Smt. Krishna Kumari be and is hereby appointed as whole time Director of the Company in terms of the agreement approved by the Directors.

For VINAYAK VANIJYA LTD. By order of the Board


DIRECTOR

PLACE : NEW DELHI
DATED : 31/7/2004

VINAYAK VANIJYA LIMITED

PRAGATI TOWER, 26 RAJENDRA PLACE, NEW DELHI-110008.

EXPLANATORY STATEMENT

Pursuant to Section 173 (2) of the Companies Act 1956

Item No. 4

As the Directors of the Company are interested in the referred entities directly/indirectly, special resolution is required to approve the transactions. Hence this resolution.


"The Directors are interested to the extent of their holdings.

Item No. 5

Smt. Krishna Kumari has a 40 years of experience in Business. She was appointed as whole time director. Your approval is required to pass the resolution and retification of Directors.

"No other directors other than Smt. Krishna Kumari is interested in the resolution".

For VINAYAK VANIJYA LTD. Board.



Director

Place : New Delhi

Date : 31/7/2004

Director

5. DIRECTORS

Sh. Deepak Aggarwal retires by rotation and being eligible offers herself for reappointment.

6. Audit Comments :

The closing stock has been consistently valued at cost and therefore following the consistency fair value as prescribed by AS-13 has not been followed but the accounting standards provided by Income Tax authorities has been followed regarding valuation of closing stock on cost basis as per the past practice.

7. Information in accordance with Companies Act, disclosure of particulars in the Report of Board of Directors Rules 1988 & forming part of the Directors Report.

A. Form A - Disclosure of particulars with respect to conservation of Energy : Not Applicable.

B. Form B - Disclosure of Particulars with respect to Technology absorption : Not Applicable.

C. Form C - Foreign Exchange Earnings & outgo : Nil

Board placed its appreciation for their contribution.

For and on behalf of the Board of Directors

For VINAYAK VANIJYA LTD. For VINAYAK VANIJYA LTD.

Krishna
(KRISHNA KUMARI) **Director**
DIRECTOR

Deepak
(DEEPAK AGGARWAL) **Director**
DIRECTOR

PLACE : NEW DELHI.

DATED : 31/7/2004

VINAYAK VANIJYA LTD

Pragati Tower, 26 Rajendra Place, New Delhi - 110 008

DIRECTOR'S REPORT

TO

Members,

Your Directors have pleasure in submitting the 19th Annual Report and the Audited Accounts of the Company for the year ended 31st March, 2004.

1. FINANCIAL RESULTS

This years activities have resulted in Profit of Rs. 1724902.00 as against Loss of Rs. 136580.00 during the previous year.

2. AUDITORS

The retiring Auditors being eligible, are willing to continue in office. The board recommends their reappointment. Their reappointment will require approval of the members by a ordinary resolution.

3. PARTICULARS OF EMPLOYEES

It is to state that no employee of the company was paid remuneration of Rs. 12,00,000/- or more was employed throughout the year or Rs. 1,00,000/- per month or more for a part of the year.

4. DIRECTORS RESPONSIBILITY STATEMENT

Pursuant to the provisions of section 217 (2AA) of the Companies Act, 1956, as amended, the Directors responsibility statement, forming part of the report, has been given in the annexure.

For VINAYAK VANIJYA LTD. **For VINAYAK VANIJYA LTD.**
Director *Director*
Director **Director**

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VINAYAK VANIJYA LTD.

Pragati Tower, 26 Rajendra Place, New Delhi - 110 008

ANNEXURE TO DIRECTOR REPORT**Directors Responsibility Statement**

In terms of Section 217 (2AA) read with Section 292A of the Companies Act, 1956, we the Directors of VINAYAK VANIJYA LTD state in respect of F.Y. 2003-2004 that :

- i. In the preparation annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures.
- ii. The 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 as at 31st March, 2004 and of Profit & Loss Account for the year ended 31st March, 2004
- iii. The 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.
- iv. The Directors have prepared the annual accounts on a going concern basis.
- v. Based on the above and the internal audit system, the board opines that the company has internal control system commensurate with the size of the company and the nature of business.

On behalf of the Board of Directors
For VINAYAK VANIJYA LTD **For VINAYAK VANIJYA LTD.**

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Director
DIRECTOR

Sh. G. S. S.

Director
DIRECTOR

Place : New Delhi

Date : 31/7/2004

J. M. Gulati & Co.
CHARTERED ACCOUNTANTS

Office : 323 22 51
323 69 70
Resi. : 467 36 81
Office : 307, ESSEL HOUSE,
10-ASAF ALI ROAD,
NEW DELHI - 110002
Resi. : D - 33, ANAND NIKETAN,
NEW DELHI - 110 021

Dated 31/07/2004

Auditors Report

TO THE MEMBERS OF VINAYAK VANIJYA LTD.

- We have audited the attached Balance Sheet of VINAYAK VANIJYA LTD. as at 31st March, 2004 and also the annexed Profit & Loss account and also the cash flow statement 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 about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
 3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Govt. of India in terms of sub-section (4A) of section 227 of the companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 & 5 of the said order.
 4. Further to our comments in the annexure referred to above, we report that :
 - a) We have obtained all the information and explanations, 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 appears from our examination of those books.

CERTIFIED TRUE COPY

For VINAYAK VANIJYA LTD.

[Signature]

Director



L. M. Gulati & Co.
CHARTERED ACCOUNTANTS

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Dated: 31/07/2004

: 2 :

- c) The Balance Sheet and Profit & Loss Account and cash flow Statement dealt with by this report are in agreement with the books of account.
- d) In our opinion, the Balance Sheet and Profit & Loss account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in Sub-section (3C) of Section 211 of the Companies Act, 1956, except as referred to in paragraph 4(f) of our main auditor's report.
- 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 companies act, 1956.
- f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note 6 on schedule XIII regarding value of closing stock of share held as stock in trade not brought down to their fair value, which is not in accordance with accounting standard 13 issued by the institute of Chartered Accountants of India. Had the value of closing stock been brought down to their fair value, the profit for the year, without considering the impact, if any, on deferred tax asset arising out of it, would have been lower by Rs. 710774.83 and the reserve and surplus would have been lower by Rs. 710774.83. And read together with the other notes and the significant accounting policies thereon give the information required by the Companies Act 1956, in the manner so required and give true and fair view in conformity with the accounting principles generally accepted in India:-



CERTIFIED TRUE COPY
For VINAYAK VANIYA LTD.

[Signature]
Director

S. M. Gulati & Co.
CHARTERED ACCOUNTANTS

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Resi. : 467 36 81
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Dated.....

:3:

- a) In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2004 ; and
- b) In the case of the Profit & Loss Account, of the Profit for the year ended on that date.
- c) In the case of the Cash Flow Statement, of the cash flow for the year ended on that date.

Report Junction

For S.M. Gulati & Co.
Chartered Accountants

PLACE : NEW DELHI
DATED : 31/07/2004

S. M. Gulati
(S.M. Gulati)
Partner



CERTIFIED TRUE COPY

For VINAYAK VANIJA LTD.

Vinayak Vanija
Director