

Mahesh Soni

B.com A.C.A. F.C.S.

Practising Company Secretary

Tel.: 206 0788 / 201 9270

Fax : (022) 209 1374

8, Navi Wadi, Off. No. 6,

Dadiseh Agiary Lane,

Mumbai - 400 002.

Ref. No. _____

Date _____

SECRETARIAL COMPLIANCE CERTIFICATE

COMPANY NO. : 11-23923.

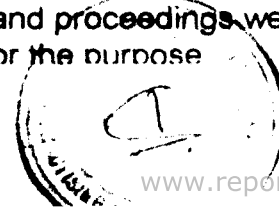
AUTHORISED SHARE CAPITAL : RS. 25,00,000/-.

PAID UP SHARE CAPITAL : RS. 24,35,700/-.

The Members,
M/s. GROWEL INVESTMENT LIMITED
 Growel House,
 Akurli Road,
 Kandivli [East],
Mumbai - 400 101.

I have examined the registers, records, books and papers of **M/s. GROWEL INVESTMENT 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 Articles of Association of the Company for the year ended on **MARCH 31, 2004**. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company and its officers, I 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 and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as required with the Registrar of Companies or other authorities as prescribed under the Act and the rules made hereunder wherever applicable as per **ANNEXURE - 'B'**.
3. The Company being a Public Limited Company, Comments not required.
4. The Board of Directors duly met 5 [FIVE] times during the aforesaid Financial Year i.e. on 26/04/2003, 30/06/2003, 31/07/2003, 31/10/2003, and 31/01/2004 and in respect of each meeting proper notices were given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members during the financial year.
6. The Company held its Annual General Meeting during the year in time i.e. on July 31, 2003 and in respect of which proper notice was given and proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.



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7. No Extra Ordinary General Meeting was held during the financial year.
8. The Company has not given or advanced any amount as defined in Section 295 of the Companies Act, 1956.
9. The Company has not entered into contracts falling within the purview of Section 297 of the Act.
10. The Company has entered necessary entries and particulars in the register maintained under Section 301 of the Companies Act, 1956.
11. As there were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approval from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. The Company has:
 - i. delivered all the certificates on allotment of Shares in accordance with the provisions of the Companies Act, 1956.
 - ii. duly complied with the requirements of Section 217 of the Act.
 - iii. other clauses are not applicable.
14. The Board of Directors of the Company is duly constituted.
15. The Company has not made any appointment of Managing Director during the financial year under scrutiny.
16. The company has not appointed any Sole Selling Agents during the year.
17. The company was not required to obtain any approvals of the 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 & rules made there under.
19. The Company has not issued any Equity Shares during the financial year.
20. The Company has not bought back any shares during the financial year.

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21. The Company has not issued any preference shares/debentures and hence the question of redemption of preference shares/debentures does not arise during the financial year under review.

22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registration of transfer of shares.

23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.

24. The Company has complied with the provisions of 293 (1) (d) of the Act.

25. The principal business of the Company being Investment, Provisions of Section 372A of the Act are not applicable to the Company.

26. The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from the one state to another during the year under scrutiny.

27. The Company has not altered the provisions of the Memorandum with respect to the Object 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.

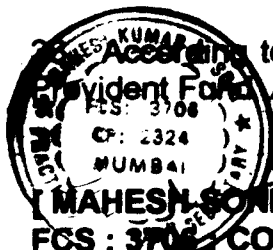
29. The Company has not altered the provisions of the Memorandum with respect to Share Capital of the company during the year under scrutiny.

30. The Company has not altered its Articles of Association during the year under scrutiny.

31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.

32. The Company has not received any money as security from its employees during the financial year.

33. According to the explanation given by the management, the Provisions of the Provident Fund Act were not applicable to the Company.



FCS : 3704 / COP : 2324.

Place : Mumbai.

Dated :

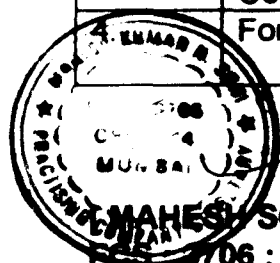
30 JUN 2004

ANNEXURE - 'A' TO THE SECRETARIAL COMPLIANCE CERTIFICATE :**Name of the Company : M/s. GROWEL INVESTMENT LIMITED.****DETAILS OF REGISTERS MAINTAINED:**

Sr. No.	Numb	Section Number	Name of Register
1.	108		Share Transfer Register
2.	150		Register of Members
3.	193		Minutes of all meetings of Board of Directors
4.	193(1)		Minutes of General Meetings
5.	301		Register of Contracts.
5.	303		Register of Directors.
6.	125		Register of Charge.
7.	209/210		Books of Accounts.

ANNEXURE - 'B' TO THE SECRETARIAL COMPLIANCE CERTIFICATE**Name of the Company : M/s. GROWEL INVESTMENT LIMITED.****DETAILS OF FORMS FILED WITH THE REGISTRAR OF COMPANIES:**

Sr. No.	Document/ Under Section	Filed on	Whether filed time	Whether additional paid
1.	Annual Return U/s. 159.	18/08/2003.	Yes.	No
2.	Balance Sheet U/s. 210.	28/08/2003.	Yes.	No
3.	Secretarial Compliance Certificate U/s. 383A.	28/08/2003.	Yes.	No
4.	Form 18 U/s. 146.	17/07/2003.	Yes.	No



MAHESH SONI]
REGD. OFFICE ; COP : 2324.

Place : Mumbai**Date : JUNE 30, 2004.**

M. M. NISSIM AND CO. (Regd.)
CHARTERED ACCOUNTANTS

Barodawala Mansion
 B-Wing, 3rd Floor,
 81, Dr. Annie Besant Road,
 Worli, Mumbai-400 018.
 Tel.: 494 9991 Fax: 494 9995
 E-mail: nissim@vsnl.net

Ref: _____

Date: _____

AUDITORS' REPORT
TO THE SHAREHOLDERS OF GROWEL INVESTMENT LIMITED,

We have audited the attached Balance Sheet of GROWEL INVESTMENT LIMITED, as at 31st March, 2004 and also the annexed Profit and Loss Account and the cash flow statement of the Company 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.

We conducted our audit in accordance with the Indian auditing standards issued by the Institute of Chartered Accountants of India. Our audit includes an examination, on a test basis, of evidence relevant to the amounts and disclosures in the financial statements, assessing the accounting principles used and significant estimates and judgements made by the management in the preparation of financial statements and evaluating the overall financial statement presentation.

We planned and performed our audit, so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial statements are free from material misstatements and to provide a reasonable basis for our opinion and report that :

- 1) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order. In our opinion and according to the information and explanations given to us, the nature of Company's business / activities during the year are such that Clause viii & xiii, are not applicable.
- 2) Further to our comments referred to in paragraph 1 above.
 - 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 account as required by law have been kept by the Company, so far as appears from our examination of the books.
 - c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement, dealt with by the Report are in agreement with the books of account.



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- d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement referred to in this report comply with the Accounting Standards referred to in Sub Section (3C) of Section 211 of the Companies Act, 1956.
 - e) On the basis of confirmation received from the Directors concerned and taken on record by the board, none of the Directors is disqualified from being appointed as Director under Clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- 3) In our opinion and to the best of our information and according to the explanations given to us, the accounts subject to Note No. 4 (a) & (b), regarding non provision for doubtful loans and advances read together with the other notes thereon, give the information as required by the Companies Act, 1956 in the manner so required and also give a true and fair view in conformity with the accounting principles generally accepted in India.
- i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2004.
 - ii) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
 - iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Place : Mumbai
Dated: 30th June, 2004



For M.M. Nissim & Co.
Chartered Accountants

[Signature]
P.P. BHANDARI
Partner
Mem. No.: 32218

M. M. NISSIM AND CO. (Regd.)
CHARTERED ACCOUNTANTS

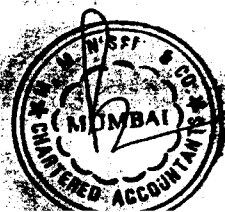
Barodawala Mansion
 B-Wing, 3rd Floor,
 81, Dr. Annie Besant Road,
 Worli, Mumbai-400 018.
 Tel.: 494 9991 Fax : 494 9995
 E-mail: nissim@vsnl.net

Ref: _____

Date _____

ANNEXURE REFERRED TO IN PARAGRAPH 1 OF THE AUDITORS' REPORT OF EVEN DATE

- i. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year, which in our opinion, is reasonable having regard to the size of the Company and the nature of its assets. No discrepancies were noticed on such verification.
- (c) The Company has not disposed off any substantial part of its Fixed Assets so as to affect its going concern.
- ii. (a) As explained to us, Inventory of shares has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion, the procedures of physical verification of Inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- (c) On the basis of our examination of the inventory records of the Company, we are of the opinion that the Company is maintaining proper records of its inventory. No discrepancies have been noticed on verification between the physical stocks and book records.
- iii. (a) The Company has during the year granted unsecured loans to two Companies listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.478.70 Lacs and the year end balance of Loans granted to such parties was Rs. 473.65 Lacs. The Company has also taken Unsecured loans from three companies and a party listed in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.693.36 Lacs and the year end balance of Loans granted to such parties was Rs.569.93 Lacs.
- (b) In our opinion, the rate of interest and other terms and conditions on which such Unsecured loans have been granted / taken are not, prima facie, prejudicial to the interest of the Company, except for a loan given to a Company referred to in Note NO.4(a) of Schedule M.
- (c) The Companies have repaid the principal amounts as stipulated and have been regular in the payment of interest, except for a loan given to a Company referred to in Note NO.4(a) of Schedule M.
- (d) There is no overdue amount of loans granted / taken from Companies listed in the register maintained under section 301 of the Companies Act, 1956, except for a loan given to a Company referred to in Note NO.4(a) of Schedule M.



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- iv. (a) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory, fixed assets and for sale of shares. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- v. (a) On the basis of the audit procedures performed by us and according to the information, explanations and representations given to us, we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956, have been so entered.
- (b) There are no transactions made in pursuance to contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 exceeding the value of rupees five lacs in respect of each party during the year.
- vi. The Company has not accepted any deposits from public to which the provisions of Section 58A and 58AA of the Companies Act, 1956 and the Rules framed thereunder would apply.
- vii. *The Company does not have a formal internal audit system.* However, in our opinion, there are adequate internal control procedures commensurate with the size and nature of its business.
- viii. (a) The Company is regular in depositing undisputed statutory dues including, Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Customs Duty, Excise Duty, Cess and other Statutory Dues applicable to it, with the appropriate authorities.
- (b) According to the information and explanation given to us, there are no dues of Sales Tax, Income Tax, Customs Duty, Wealth Tax, Excise Duty and cess which have not been deposited on account of any dispute.
- ix. The Company has neither accumulated losses at the end of the financial year nor has it incurred cash losses, in the financial year under report. The Company had incurred cash losses in the immediately preceding financial year.
- x. According to the information and explanations given to us, the Company has not obtained any borrowings from any financial institution, banks or by way of debentures.
- xi. As explained to us, the Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or any other securities.
- xii. The Company has maintained proper records of transactions and contracts in respect of trading in shares and timely entries have been made therein. The investments are held by the Company in its own name.
- xiii. According to the information and explanations given to us and the representations made by the management, the Company has not given any guarantee for loans taken by others from any bank or financial institution.
- xiv. According to the information and explanation given to us, the Company has not obtained any term loans.

