

21st ANNUAL GENERAL MEETING

VENUE : "Hall of Quest",
Nehru Planetarium, Nehru Centre,
Dr. Annie Besant Road, Worli,
Mumbai-400 018

On : Wednesday, 22nd September, 2004

At : 12:00 Noon

BOARD OF DIRECTORS

A. K. BHUWANIA : Chairman

G. D. BHUWANIA : Director

SAROJ BHUWANIA : Whole-time Director

REGISTERED OFFICE : Krishna House, Ground Floor,
Raghuvanshi Mills Compound,
Senapati Bapat Marg,
Lower Parel, Mumbai-400013

BANKERS : VIJAYA BANK

AUDITORS : M/s. M. L. BHUWANIA & CO.
Chartered Accountants

STOCK EXCHANGES : New Delhi, Calcutta and Kanpur

WEBSITE : www.priyagroup.com



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NOTICE

NOTICE is hereby given that the **Twenty First Annual General Meeting** of the members of **PRIYA INTERNATIONAL LIMITED** will be held at "Hall of Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400 018, on Wednesday, the 22nd day of September, 2004 at 12.00 noon to transact the following business :

ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2004 and Profit and Loss Account for the year ended on that date together with the Auditors' and Directors' Report thereon.
- 2) To declare dividend for the Financial Year 2003-2004.
- 3) To consider the retirement of Shri G.D. Bhuwania, who retires by rotation and being eligible offers himself for re-appointment.
- 4) To appoint Auditors and to fix their remuneration.

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 AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
- 2) The proxy form, in order to be effective, should be duly completed and deposited at the Registered Office of the Company not less than 48 HOURS BEFORE the time of the Meeting.
- 3) The Register of Members and the Share Transfer Books of the Company will remain closed from 16th September, 2004 to 22nd September, 2004 (both days inclusive).
- 4) Dividend recommended for the year ended March 31, 2004 if approved by the members will be paid to those eligible members whose names appear :
 - i. As Beneficial Owners, as on 22nd September, 2004, as per the list to be furnished by National Securities Depository Ltd. and Central Depository Services (India) Ltd., in respect of shares held in electronic form; and
 - ii. As Members in the Register of Members of the Company as on 22nd September, 2004.
- 5) Members who have not given the Bank Account Details earlier, are requested to send the same immediately to enable the company to pay dividend accordingly.
- 6) Members are requested to bring their copies of the Annual Report to the Meeting.
- 7) Members/proxies attending the Meeting should bring the Attendance Slip, duly filled, for handing over at the venue of the meeting.
- 8) (a) Members holding shares in physical form are requested to advise immediately change in their address, if any, quoting their Folio number(s) to the company.
(b) Members holding shares in electronic form are requested to advise immediately change in address, if any, quoting their Client ID no., to their respective Depository Participants.
- 9) Members are hereby informed that Dividends which remain unclaimed/unpaid over a period of 7 years from the date of transfer to the Unpaid Dividend Account shall be transferred by the Company, pursuant to sub-section (5) of Section 205A of the Companies Act, 1956, to a fund called the Investor Education and Protection Fund established by the Central Government under sub-section (1) of Section 205C of the Companies Act, 1956. Accordingly, the unpaid/unclaimed dividend for the year 1996-97 will become transferable at the end of seventh year to the said Investor Education and Protection Fund. Please note that no claim shall lie against the Fund or the Company in respect of the dividend amount so transferred to the Investor Education and Protection Fund. The shareholders are, therefore, advised to send their request for issue of Duplicate Dividend Warrants/revalidation of un-encashed Dividend Warrants to the company before the amount becomes due for transfer to the above Fund.
- 10) Members may avail of the facility of dematerialization by opening Demat Accounts with the Depository Participants of either National Securities Depository Limited or Central Depository Services (India) Limited and get the equity share certificates held by them dematerialised. The ISIN No. of the company is **INE557E01013**.
- 11) Members desirous of getting any information in respect of accounts of the company and proposed resolutions, are requested to send their queries in writing to the company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.

For and on behalf of the Board

A. K. Bhuwania
Chairman

Registered Office:

Krishna House, Ground Floor, Raghuvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel, Mumbai-400013

Place : Mumbai,

Dated : 12th June, 2004.

DIRECTORS' REPORT

To,
The Members,
Your Directors have pleasure in presenting the Twenty-first Annual Report along with the audited accounts for the financial year ended 31st March, 2004.

FINANCIAL RESULTS

	(Rs. in Lakhs)	
	Year Ended 31-03-2004	Year Ended 31-03-2003
Sales	419.56	207.83
Commission	129.59	133.97
	-----	-----
Other Income	549.15	341.80
	37.52	9.63
	-----	-----
	586.67	351.43
Profit before Tax and Extra ordinary items	55.80	30.54
Extra Ordinary Items	-3.95	0.00
	-----	-----
Profit before Tax	51.85	30.54
Less : Provision for taxation		
Current Tax	14.61	11.48
Provision for taxation Deferred Tax	(1.25)	(0.86)
	-----	-----
Profit After Tax	38.49	19.92
I.T.adjustments of earlier year		
- Current Tax	0.00	0.22
I.T Adjustments of earlier year		
- Deferred Tax	0.00	(3.79)
Transferred from Export Reserves	0.00	0.10
	-----	-----
	38.49	16.44
Add : Balance brought forward	129.19	131.04
	-----	-----
Profit available for appropriation	167.68	147.48
APPROPRIATIONS		
Proposed Dividend	14.94	14.94
Corporate Dividend Tax	1.91	1.91
General Reserve	2.00	1.44
Balance carried to Balance sheet	148.82	129.19
	-----	-----
	167.68	147.48

DIVIDEND

Your Directors are pleased to recommend a dividend of Rs 1.50 per share on 9,96,000 Equity shares of Rs.10/-. The dividend will absorb a sum of Rs. 14,94,000/-

OPERATIONS

This year company has made immense growth in terms of turnover as well as net profit. The turnover of your company has increased from Rs 207.83 Lakhs in the previous year to Rs. 419.56 Lakhs in the year under review resulting in increase of about 212.00 Lakhs. Your Company has registered Rs 21.31 Lakhs increase in its profits before tax. The profits after tax are Rs.38.49 Lakhs this year as compared to Rs 19.92 Lakhs in the last year.

Your Directors are hopeful for better results of the company for the current year.

The turnover of the Company is growing due to a thrust on the stock and sale business of specialty chemicals. The specialty chemicals dealt by your company find application in construction, chemical, water treatment and coating industries to name a few, which are undergoing a boom on an all India basis and the future outlook is quite promising.

DIRECTORS

As per the provisions of Section 256 of the Companies Act, 1956, Shri G. D. Bhuwania Director of the Company, is liable to retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

AUDITORS

M/s. M. L. Bhuwania & Co., Chartered Accountants who are to retire at the conclusion of the forthcoming Annual General meeting, have offered themselves for re-appointment as Auditors of the Company. A written certificate to the effect that their appointment, if made, would be within the prescribed limits under Section-224(1B) of the Companies Act, 1956, has been obtained by the Company from them. The members are requested to consider their reappointment and fix their remuneration.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO:

The information as required under Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Directors) Rules, 1988 is given below:

CONSERVATION OF ENERGY:

The scope for conservation of energy is limited in the type of industry in which your Company is engaged. However, the company continues to accord high priority to conservation of energy by opting for more power effective replacements of equipment and electrical installations. No specific investment proposals are envisaged.

Form "A" of Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 is not required to be filed as our industry is not included in the Schedule to the said Rules.

TECHNOLOGY ABSORPTION:

Your company continues to utilise the R & D facilities available with it. The Company has not imported any technology during the last five years.

FOREIGN EXCHANGE EARNINGS AND OUTGO

The relevant information in respect of the foreign exchange earnings and outgo has been given in the Notes forming part of the Accounts for the year ended March 31, 2004

PARTICULARS OF EMPLOYEES

As required under **Section 217(2A)** of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, the Company has no employees who were in receipt of the remuneration of Rs.24,00,000/- or more per annum during the year ended 31st March, 2004 or Rs.2,00,000/- or more per month during any part of the said year.

DIRECTORS' RESPONSIBILITY STATEMENT

In terms of **Section 217 (2AA)** of the Companies Act, 1956, the directors confirm that :

- i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed;
- ii) appropriate accounting policies have been selected and have 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 2003-04 and of the Profit or Loss of the company for the year ended 31/03/2004;

- iii) proper and sufficient care has been taken for the maintenance of adequate accounting records, in accordance with the provisions of the Companies Act, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) the annual accounts have been prepared on a going concern basis.

HUMAN RESOURCE

Your Company enjoys cordial relations with its employees. The key focus of your company is to attract, retain and develop talent. The Board wishes to place on record its appreciation of the contribution made by all employees during the year.

LISTING OF SHARES

Company's shares have been listed with Stock Exchanges- Calcutta, Kanpur and New Delhi. The listing fees for the financial year 2003-2004 were duly paid.

APPRECIATION

Your Directors wish to place on record their grateful thanks to the Bank and various Government Authorities for their valuable assistance and co-operation and for the trust and confidence reposed in the company by the shareholders.

For and on behalf of the Board

A. K. Bhuwania
Chairman

Registered Office:

Krishna House, Ground Floor,
Raghuvanshi Mills Compound,
Senapati Bapat Marg, Lower Parel,
Mumbai-400013

Place : Mumbai,

Dated : 12th June, 2004.

AUDITORS' REPORT

To the Members of

M/s. PRIYA INTERNATIONAL LTD.

1. We have audited the attached Balance Sheet of **Priya International Limited**, Mumbai as at 31st March 2004, and also the Profit and Loss Account and the Cash Flow Statement for the year ended on that date annexed thereto. 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 have conducted our audit in accordance with the 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 misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the 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 Government 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 paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :
 - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (iii) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet, Profit and 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.
 - (v) 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;

- (vi) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with other notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a. in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2004;
 - b. in the case of the Profit and Loss Account, of the Profit for the year ended on that date; and
 - c. in the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

For M. L. BHUWANIA & CO.
(Chartered Accountants)

(ASHISH BAIRAGRA)

Place : Mumbai

PARTNER

Date : 12th June, 2004

Membership No. 109931

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF
AUDITOR'S REPORT TO THE MEMBERS OF PRIYA
INTERNATIONAL LIMITED FOR THE YEAR ENDED
31ST MARCH 2004.**

1. The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets. We are informed that physical verification of a major portion of fixed assets as at 31st March, 2004 was conducted by the management during the year. In our opinion, the frequency of physical verification is reasonable. Having regard to the size of the operation of the Company and on the basis of explanations received, in our opinion, the net differences found on physical verification were not significant.
There was no substantial disposal of fixed assets during the year.
2. The management has conducted physical verification of inventory at reasonable intervals. 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. The Company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. During the year, the Company has not taken any loan from companies, firms and other parties covered in the register maintained under Section 301 of the Companies Act, 1956.

During the year, the Company has granted unsecured loan to a Company, covered in the register maintained under Section 301 of the Companies Act, 1956. The rate of interest and other terms and conditions are prima-facie not prejudicial to the interest of the Company. The party is regular in the payment of interest to the Company. There are no stipulations with respect to the repayment of the loan. The details are as under :

No. of parties	Total Amount of loan given Rs.	Maximum balance Outstanding during the year. Rs.	Amount receivable at the end of the year. Rs.
1	23930090	21610561	19808330

4. 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 for the purchase of inventory and fixed assets and for the sale of goods. During the course of our audit, no weakness has been noticed in the internal controls.
5. Based on the audit procedures applied by us and according to the information and explanations provided by the management we are of the opinion that the transactions that need to be entered into the register maintained under section 301 have been so entered. In respect of the transactions with parties with whom transactions of sale of goods exceeding value of Rupees Five Lakhs have been entered into during the year in pursuance of contracts or arrangements entered in the registers maintained under section 301 of the Companies Act, 1956, are at prices which are reasonable having regards to the prevailing market prices at the relevant time.
6. The Company has not accepted any deposits from the public. Hence, the directives issued by the Reserve Bank of India and the provisions of section 58A and 58AA of the act and the rules framed there under are not applicable to the Company.
7. The Company does not have a formal internal audit system.
8. The Central Government has not prescribed maintenance of cost record under Section 209(1) (d) of the Companies Act, 1956, for any of the products of the Company.
9. According to the records of the Company, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-tax, Sales-tax, Customs Duty, Excise Duty, Cess and other statutory dues applicable to it with the appropriate authorities. There are no statutory dues outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

According to the records of the Company, there are no dues of Customs Duty, Wealth-Tax, Excise Duty, Sales tax and Cess which have not been deposited on account of any dispute. The following are the disputed amounts in respect of Income Tax.

Description	Period	Amount (Rs.)	Forum where dispute is pending
Income Tax Dispute	2001-2002	246204	Commissioner of Income Tax (Appeals)

10. The Company has no accumulated losses at the end of the financial year on 31/03/2004. It has not incurred any cash loss during the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to the bank. The Company has no borrowings from financial institutions and does not have any borrowings by way of debentures.
12. Based on our examination of documents and records, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to the information and explanations given to us, the nature of activities of the Company does not attract any special statute application to chit fund and nidhi/mutual benefit fund/societies. Accordingly the provisions of clause no 4 (xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. Based on our audit procedures and on the information and explanations given by the management, we are of the opinion, the Company is not dealing / trading in shares, securities, debentures and other investment. Accordingly, clause 4 (xiv) of the Companies (Auditor's Report) Order, 2003 is not applicable to the Company.
15. According to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the information and explanation given to us and an overall examination of the Balance Sheet of the Company, we report that the term loans were applied for the purpose for which the loans were obtained.
17. According to the information and explanations given to us and on an overall examinations of the Balance Sheet of the Company, we report that no funds raised on short term basis have been used for long term investment by the Company. The Company has not borrowed any long term funds during the year.
18. The Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has not issued any debentures.
20. The Company has not raised any money through a public issue during the year.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our audit.

For M. L. BHUWANIA & CO.
(Chartered Accountants)

(ASHISH BAIRAGRA)
PARTNER

Place : Mumbai
Date : 12th June, 2004

Membership No. 109931



BALANCE SHEET AS AT 31ST MARCH, 2004

	SCHEDULE	AS AT 31.3.2004 Rs.	AS AT 31.3.2003 Rs.
I. SOURCES OF FUNDS			
SHAREHOLDERS' FUNDS			
SHARE CAPITAL	A	9,960,000	9,960,000
RESERVES AND SURPLUS	B	22,432,442	20,268,947
LOAN FUNDS			
SECURED LOANS	C	353,611	15,814
DEFERRED TAX LIABILITY (REFER NOTE NO 12 OF SCHEDULE P)		57,291	68,059
TOTAL		<u>32,803,344</u>	<u>30,312,820</u>
II. APPLICATION OF FUNDS			
FIXED ASSETS			
GROSS BLOCK	D	10,295,058	9,679,433
LESS: DEPRECIATION		8,214,550	7,867,490
NET BLOCK		<u>2,080,508</u>	<u>1,811,943</u>
INVESTMENTS			
DEFERRED TAX ASSETS (REFER NOTE NO 12 OF SCHEDULE P)	E	5,152,537	7,327,385
		1,191,459	1,077,234
CURRENT ASSETS, LOANS AND ADVANCES			
INVENTORIES	F	7,712,765	6,235,582
SUNDRY DEBTORS	G	4,508,480	4,098,641
CASH AND BANK BALANCE	H	2,155,520	3,770,187
LOANS AND ADVANCES	I	23,717,917	16,687,476
		<u>38,094,682</u>	<u>30,791,886</u>
LESS : CURRENT LIABILITES AND PROVISIONS			
CURRENT LIABILITES	J	6,100,283	4,930,959
PROVISIONS	K	7,615,559	5,764,669
		<u>13,715,842</u>	<u>10,695,628</u>
NET CURRENT ASSETS		<u>24,378,840</u>	<u>20,096,258</u>
TOTAL		<u>32,803,344</u>	<u>30,312,820</u>
NOTES ON ACCOUNTS	P		

AS PER OUR REPORT ATTACHED OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS

ASHISH BAIRAGRA
PARTNER
Membership No. 109931

A. K. BHUWANIA

CHAIRMAN

PLACE : MUMBAI
DATED : 12th JUNE, 2004.

SAROJ BHUWANIA

WHOLE-TIME DIRECTOR

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31 ST MARCH, 2004

	SCHEDULE	2003-2004 Rs.	2002-2003 Rs.
INCOME			
SALES		41,956,127	20,783,179
COMMISSION		12,959,359	13,396,888
MISCELLANEOUS INCOME	L	3,751,891	963,372
TOTAL		58,667,377	35,143,439
EXPENDITURE			
COST OF GOODS SOLD	M	35,279,732	14,836,405
PAYMENTS TO AND PROVISION FOR EMPLOYEES	N	5,397,252	4,871,288
OTHER EXPENSES	O	12,048,714	12,026,879
DEPRECIATION		361,738	355,246
TOTAL		53,087,436	32,089,818
PROFIT BEFORE TAXATION AND EXTRAORDINARY ITEMS		5,579,941	3,053,621
EXTRA ORDINARY ITEM:			
DIMINUTION IN VALUE OF INVESTMENTS		(354,420)	0
INVESTMENTS WRITTEN OFF		(40,600)	0
PROFIT BEFORE TAXATION		5,184,921	3,053,621
PROVISION FOR TAXATION - CURRENT TAX		1,461,000	1,148,000
- DEFERRED TAX		(124,993)	(86,223)
PROFIT AFTER TAX		3,848,914	1,991,844
INCOME TAX (CURRENT TAX) FOR EARLIER YEARS		0	21,693
INCOME TAX (DEFERRED TAX) FOR EARLIER YEARS		0	(379,317)
TRANSFERRED FROM EXPORT RESERVE		0	10,000
BALANCE BROUGHT FORWARD		12,918,947	13,104,184
PROFIT AVAILABLE FOR APPROPRIATION		16,767,861	14,748,404
APPROPRIATIONS :			
PROPOSED DIVIDEND		1,494,000	1,494,000
CORPORATE DIVIDEND TAX		191,419	191,419
GENERAL RESERVE		200,000	144,038
BALANCE CARRIED TO BALANCE SHEET		14,882,442	12,918,947
		16,767,861	14,748,404
BASIC AND DILUTED EARNING PER SHARE BEFORE EXTRA ORDINARY ITEMS (Net of Tax)		4.26	2.00
BASIC AND DILUTED EARNING PER SHARE AFTER EXTRA ORDINARY ITEMS		3.86	2.00

(REFER NOTE NO.11 OF SCHEDULE "P" OF NOTES ON ACCOUNTS)

NOTES ON ACCOUNTS

P

AS PER OUR REPORT ATTACHED OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR **M. L. BHUWANIA & CO.**
CHARTERED ACCOUNTANTS**ASHISH BAIRAGRA**
PARTNER
Membership No. 109931**A. K. BHUWANIA**

CHAIRMAN

PLACE : MUMBAI
DATED : 12th JUNE, 2004.**SAROJ BHUWANIA**

WHOLE-TIME DIRECTOR



SCHEDULES FORMING PART OF THE ACCOUNTS

	AS AT 31.3.2004 Rs.	AS AT 31.3.2003 Rs.
SCHEDULE - A		
SHARE CAPITAL		
AUTHORISED		
1000000 EQUITY SHARES OF RS 10/- EACH	10,000,000	10,000,000
	<u> </u>	<u> </u>
ISSUED, SUBSCRIBED AND PAID UP		
996000 EQUITY SHARES OF RS 10/- EACH FULLY PAID	9,960,000	9,960,000
	<u> </u>	<u> </u>
SCHEDULE - B		
RESERVES AND SURPLUS		
EXPORT RESERVE	0	10,000
LESS : TRANSFER TO PROFIT AND LOSS A/C	0	10,000
	<u> </u>	<u> </u>
	0	0
GENERAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	7,350,000	7,205,962
ADD: TRANSFER FROM PROFIT AND LOSS A/C	200,000	144,038
	<u> </u>	<u> </u>
	7,550,000	7,350,000
	<u> </u>	<u> </u>
PROFIT AND LOSS ACCOUNT	14,882,442	12,918,947
	<u> </u>	<u> </u>
	22,432,442	20,268,947
	<u> </u>	<u> </u>
SCHEDULE - C		
SECURED LOANS		
VEHICLE LOAN FROM FINANCE COMPANIES (Secured under Hire purchase Agreement of Vehicle)	0	15,814
VEHICLE LOAN FROM STANDARD CHARTERED BANK (Secured by Hypothecation of Vehicle)	353,611	0
	<u> </u>	<u> </u>
	353,611	15,814
	<u> </u>	<u> </u>

SCHEDULES FORMING PART OF THE ACCOUNTS

**SCHEDULE 'D'
FIXED ASSETS**

FIGURES IN RUPEES

SL NO	PARTICULARS	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		AS AT		AS AT		AS AT		FOR THE		AS AT	
		1/4/2003	ADDITIONS	DEDUCTIONS	31/3/2004	1/4/2003	YEAR	DEDUCTIONS	31/3/2004	31/3/2004	31/3/2003
		(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)	(Rs)
1	OFFICE PREMISES	1,036,034	0	0	1,036,034	456,263	28,989	0	485,252	550,782	579,771
2	FURNITURE & FIXTURES	1,838,663	0	0	1,838,663	1,465,724	67,501	0	1,533,225	305,438	372,939
3	OFFICE EQUIPMENT	1,388,521	158,175	85,960	1,460,736	913,538	69,528	14,678	968,388	492,348	474,983
4	VEHICLES	649,494	543,410	0	1,192,904	379,106	150,176	0	529,282	663,622	270,388
5	COMPUTERS	4,766,721	0	0	4,766,721	4,652,859	45,544	0	4,698,403	68,318	113,862
	TOTALS (Rs.)	9,679,433	701,585	85,960	10,295,058	7,867,490	361,738	14,678	8,214,550	2,080,508	1,811,943
	PREVIOUS YEAR (Rs.)	10,092,969	100,810	514,346	9,679,433	7,512,244	355,246	0	7,867,490	1,811,943	

SCHEDULES FORMING PART OF THE ACCOUNTS
SCHEDULE - E : INVESTMENTS (AT COST) (LONG TERM)
(OTHER THAN TRADE)

SL NO	PARTICULARS	FACE VALUE	CURRENT YEAR		PREVIOUS YEAR	
			NOS.	RS.	NOS.	RS.
	QUOTED					
A.	EQUITY SHARES (FULLY PAID UP)					
1	SAVITA CHEMICALS LTD. (Sold 2000 during the year)	10	0	0	2,000	96,191
2	GEOSERVICES (INDIA) LTD	10	5,800	58,000	5,800	58,000
3	ORIENT ORGANICS LTD	10	4,000	28,006	4,000	28,006
4	DHANUKA PESTICIDES LTD	10	2,000	20,000	2,000	20,000
5	ALPS EXPORT LTD	10	9,000	180,000	9,000	180,000
6	PRIYA LIMITED	10	275,800	4,481,500	275,800	4,481,500
7	AKAI IMPEX LTD	10	5,100	43,437	5,100	43,437
8	ALL METAL PROCESS INDUS. LTD	10	16,200	162,324	16,200	162,324
9	ASAHI FIBERS LTD.	10	6,000	18,036	6,000	18,036
10	BAGRI MINERALS & CHEM. LTD.	10	10,300	28,382	10,300	28,382
11	BITS LTD.	10	400	2,305	400	2,305
12	CHOLAMANDALAM INV.& FIN.LTD (Sold 10850 during the year)	10	0	0	10,850	402,254
13	J.K. PHARMA CHEM LTD.	10	20,900	141,357	20,900	141,357
14	JINDAL VIJAYNAGAR STEEL LTD. (Sold 36800 during the year)	10	0	0	36,800	237,691
15	K.J. INTERNATIONAL LTD.	10	2,000	25,551	2,000	25,551
16	KARISHMA FLORICULTURE LTD	10	400	1,202	400	1,202
17	ORIND EXPORTS LTD.	10	12,200	61,122	12,200	61,122
18	PSL HOLDING LTD. (Sold 21600 during the year)	10	0	0	21,600	497,787
19	PUNJAB COMMUNICATION LTD. (Sold 1600 during the year)	10	0	0	1,600	83,367
20	RAJINDER PIPES LTD.	10	6,200	55,912	6,200	55,912
21	SAI SERVICE STATION LTD. (Sold 200 during the year)	10	0	0	200	5,962
22	SAMRAT ASHOKA EXPORTS LTD	10	600	10,822	600	10,822
23	SAMTEL COLOR LTD. (Sold 36040 during the year)	10	0	0	36,040	424,848
24	STRELING GUARANTY & FINANCE LTD	10	15,100	52,956	15,100	52,956
25	VIA MEDIA INDIA LTD.	10	7,500	22,545	7,500	22,545
26	BANK OF INDIA (Sold 2000 during the year)	10	0	0	2,000	31,728
	EQUITY SHARES (PARTLY PAID UP)					
1	JINDAL VIJAYNAGAR STEEL LTD. (Investments written off during the year)	10	0	0	20,300	40,600
B.	DEBENTURES					
1	BALAJI HOTELS & ENTERPRISES LTD	1350	10	13,500	10	13,500
	TOTAL QUOTED			5,406,957		7,227,385
A	UNQUOTED					
1	EQUITY SHARES (FULLY PAID UP)					
1	GAURAV CHEMICALS PVT LTD	10	500	100,000	500	100,000
	TOTAL UNQUOTED			100,000		100,000
	TOTAL (RS)			5,506,957		7,327,385
	LESS: PROVISION FOR DIMINUTION IN VALUE OF INVESTMENTS			354,420		0
	NET VALUE OF INVESTMENTS			5,152,537		7,327,385
	AGGREGATED MARKET VALUE OF QUOTED INVESTMENTS			2,212,761		4,516,135

SCHEDULES FORMING PART OF THE ACCOUNTS

	AS AT 31.3.2004 Rs.	AS AT 31.3.2003 Rs.
SCHEDULE - F		
INVENTORIES		
(As valued and certified by the Management)		
(Valued at lower of Cost and Net Realisable Value)		
CHEMICALS	7,712,765	6,235,582
	<u>7,712,765</u>	<u>6,235,582</u>
SCHEDULE - G		
SUNDRY DEBTORS		
(UNSECURED, CONSIDERED GOOD)		
OUTSTANDING FOR MORE THAN 6 MONTHS	312,959	339,437
OTHER DEBTS	4,195,521	3,759,204
	<u>4,508,480</u>	<u>4,098,641</u>
SCHEDULE - H		
CASH AND BANK BALANCES		
CASH IN HAND	57,911	25,816
BALANCE WITH SCHEDULE BANK		
IN CURRENT AND OTHER ACCOUNTS	533,018	601,631
IN U.S. DOLLAR ACCOUNT	51,484	55,804
IN MARGIN MONEY ACCOUNT	1,513,107	3,086,936
	<u>2,155,520</u>	<u>3,770,187</u>
SCHEDULE - I		
LOANS AND ADVANCES		
(UNSECURED, CONSIDERED GOOD)		
INTER CORPORATE LOANS GIVEN	19,808,330	10,957,834
ADVANCES RECOVERABLE IN CASH OR IN KIND OR FOR VALUE TO BE RECEIVED	616,312	956,058
ADVANCE INCOME TAX	2,935,605	2,619,939
DEPOSITS	357,670	2,153,645
	<u>23,717,917</u>	<u>16,687,476</u>
SCHEDULE - J		
CURRENT LIABILITES		
SUNDRY CREDITORS	4,532,945	2,025,410
(REFER NOTE NO 8 OF SCHEDULE P)		
ADVANCE FROM CUSTOMERS	226,099	515,298
UNCLAIMED DIVIDEND	53,200	24,875
OTHER LIABILITES	1,288,039	2,365,376
	<u>6,100,283</u>	<u>4,930,959</u>
Note:- There is no amount due to be credited to Investor Education and Protection Fund		
SCHEDULE - K		
PROVISIONS		
PROVISION FOR TAXATION	2,609,000	1,148,000
PROVISION FOR GRATUITY	3,321,140	2,931,250
PROPOSED DIVIDEND	1,494,000	1,494,000
CORPORATE DIVIDEND TAX	191,419	191,419
	<u>7,615,559</u>	<u>5,764,669</u>

SCHEDULES FORMING PART OF THE ACCOUNTS

	Rs.	2003 - 2004 Rs.	2002 - 2003 Rs.
SCHEDULE - L			
MISCELLANEOUS INCOME			
PROFIT ON SALE OF FIXED ASSETS (NET)		0	72,404
PROFIT ON SALE OF INVESTMENTS (NET)		2,266,273	0
INTEREST RECEIVED (TDS Rs.261048, Previous year Rs.17918)	1,375,911		636,633
LESS: INTEREST PAID	191,252		25,724
		<u>1,184,659</u>	<u>610,909</u>
DIVIDEND (GROSS) (TDS Rs.5696, Previous year Rs.18885)		128,890	201,946
SERVICE CHARGES RECEIVED		40,439	76,253
PROFIT ON EXCHANGE RATE DIFFERENCE (NET)		130,305	0
OTHER INCOME		1,325	1,860
		<u>3,751,891</u>	<u>963,372</u>
SCHEDULE - M			
COST OF GOODS SOLD			
OPENING STOCK	6,235,582		6,632,247
ADD: PURCHASE OF GOODS	36,613,052		14,420,571
	<u>42,848,634</u>		<u>21,052,818</u>
LESS: CLOSING STOCK	7,712,765	35,135,869	6,235,582
PACKING MATERIAL CONSUMED		143,863	19,169
		<u>35,279,732</u>	<u>14,836,405</u>
SCHEDULE - N			
PAYMENTS TO AND PROVISION FOR EMPLOYEES			
SALARIES, BONUS, ALLOWANCES ETC.		4,471,294	4,268,486
CONTRIBUTION TO P F AND OTHER FUNDS		327,557	309,797
STAFF WELFARE EXPENSES		598,401	293,005
		<u>5,397,252</u>	<u>4,871,288</u>
SCHEDULE - O			
OTHER EXPENSES			
RENT, SERVICE AND WAREHOUSING CHGS		1,783,379	1,911,628
RATES AND TAXES		36,356	11,095
POSTAGE, TELEPHONE, TELEX AND FAX CHGS		1,157,437	1,176,877
BANK CHARGES		169,575	152,289
SALES PROMOTION EXPENSES		312,803	243,037
FREIGHT, CLEARING AND FORWARDING		446,105	379,607
SELLING AND ADVERTISEMENT EXPENSES		170,078	617,764
LEGAL AND PROFESSIONAL EXPENSES		422,597	237,825
ELECTRICITY CHARGES		527,663	896,481
SERVICE CHARGES PAID		719,632	552,044
TRAVELLING AND CONVEYANCE		3,417,408	1,889,885
REPAIRS AND MAINTENANCE - OTHERS		268,418	100,348
INSURANCE CHARGES		12,610	16,361
DIRECTORS REMUNERATION		120,000	300,000
AUDIT REMUNERATION			
AUDIT FEES	50,000		50,000
TAX AUDIT FEES	15,000		15,000
CERTIFICATION AND OTHER SERVICES	1,000		1,000
TAXATION MATTERS	56,000		20,000
SERVICE TAX	5,280	127,280	5,250
LOSS ON EXCHANGE RATE DIFFERENCE (NET)		0	137,854
LOSS ON SALE OF FIXED ASSET		31,282	0
SUNDRY BALANCES WRITE OFF (NET)		1,144,380	2,884,649
MISCELLANEOUS EXPENSES		1,181,711	427,885
		<u>12,048,714</u>	<u>12,026,879</u>

SCHEDULE P : NOTES ON ACCOUNTS**1. SIGNIFICANT ACCOUNTING POLICIES****A. ACCOUNTING METHOD :**

The Company follows the Mercantile system of accounting. Dividend is accounted as and when received.

B. FIXED ASSETS

All Fixed Assets are stated at Cost less Depreciation.

C. DEPRECIATION

Depreciation on Fixed assets are provided on the "Written Down Value" basis at the rates and in the manner specified in Schedule XIV of the Companies Act, 1956.

D. INVENTORIES

Inventories are valued at lower of cost and Net Realisable Value. Cost is arrived on First In First Out (FIFO) basis.

E. INVESTMENTS

Long term Investments are valued at cost, diminution in value of such investments (other than temporary decline) in the opinion of the management is provided for. Cost of Investment is arrived at on the basis of average cost at the time of sale.

F. RETIREMENT BENEFITS :

(i) Gratuity is accounted as per the provisions of the payment of Gratuity Act, 1972 on the assumption that gratuity is payable to employees at the end of the accounting year.

(ii) As per the policy of the Company, leave encashment is not a retirement benefit and hence not provided for.

(iii) Regular payments are made to Provident Fund and charged to the Profit & Loss Account.

G. FOREIGN EXCHANGE TRANSACTION :

(i) Foreign Exchange transactions are accounted at the rate of exchange prevailing on the date of transaction.

(ii) All Foreign Currency assets and liabilities other than for financing fixed assets at the end of the year are recorded at the exchange rate prevailing on that date. All exchange rate difference on account of such conversion is recognised in the Profit & Loss account. Exchange rate difference on account of changes in liability relating to Fixed Assets is adjusted in the cost of the Fixed assets.

H. TAXATION

(a) Provision for Income-tax is made on the basis of the estimated taxable income for the current accounting period in accordance with the Income-tax Act, 1961.

(b) Deferred tax resulting from timing differences between book and tax profits is accounted for under the liability method, the current rate of tax, to the extent that the timing differences are expected to crystallise.

2. CONTINGENT LIABILITIES NOT PROVIDED FOR :

Disputed Income tax liability Rs.2,46,204/- (Previous Year Rs.Nil) against which appeals are pending.

3. QUANTITATIVE DETAILS OF OPENING STOCK, PURCHASES, SALES & CLOSING STOCK.

PRODUCT	OPENING STOCK		PURCHASES		SALES		CLOSING STOCK	
	QUANTITY UNITS	VALUE RUPEES	QUANTITY UNITS	VALUE RUPEES	QUANTITY UNITS	VALUE RUPEES	QUANTITY UNITS	VALUE RUPEES
Chemicals (KGS)	12529 (10349)	6235582 (6632247)	61443 (31690)	19280552 (14420571)	52000 (29510)	24553627 (20783179)	21972 (12529)	7712765 (6235582)
Computer system, Sub-system, parts, peripherals (NOS)	0 (0)	0 (0)	7000 (0)	17332500 (0)	7000 (0)	17402500 (0)	0 (0)	0 (0)
TOTAL (RS.)	12529 (10349)	6235582 (6632247)	68443 (31690)	36613052 (14420571)	59000 (29510)	41956127 (20783179)	21972 (12529)	7712765 (6235582)

Note :-

1. Chemical sales include 100 kgs (Previous Year 2 kgs) in Chemicals of samples issued and 165 kgs (Previous Year NIL) of old non-saleable stock which has been written off during the year.
2. Purchase include chemical 200 kgs (Previous Year NIL) of samples received.

	2003-2004	2002-2003
	Rs.	Rs.
4. Earning in foreign exchange by way of commission	12,135,879	13,956,189
5. Value of Import on CIF Basis		
Traded goods	12,786,041	9,378,708
6. Expenditure in foreign currency		
For Travelling	634,891	29,700
7. Managerial Remuneration		
Remuneration to Whole time Directors.	120,000	300,000
8. There are no dues to Small Scale Industrial Undertakings.		
9. Segment Information For The Year Ended 31st March, 2004		

1. Information about Primary Business Segments

Rupees in Lakhs

	Indenting		Trading Chemicals		Trading Electronics		Unallocated		Total	
	2003 - 04	2002 - 03	2003 - 04	2002 - 03	2003 - 04	2002 - 03	2003 - 04	2002 - 03	2003 - 04	2002 - 03
Revenue										
External Customers	129.59	133.96	245.54	207.84	174.03	0.00	0.00	0.00	549.16	341.80
Inter-segment	-	-	-	-	-	-	-	-	-	-
Total Revenue	129.59	133.96	245.54	207.84	174.03	0.00	0.00	0.00	549.16	341.80
Result										
Segment Result	71.37	82.32	50.66	37.56	0.70	0.00	0.00	0.00	122.73	119.88
Unallocated expenditure net of unallocated income							(80.08)	(97.64)	(80.08)	(97.64)
Interest Income (net)	0.00	0.00	2.45	0.80	0.00	0.00	9.40	5.47	11.85	6.27
Dividend Income	0.00	0.00	0.00	0.00	0.00	0.00	1.29	2.02	1.29	2.02
Profit before taxation and exceptional items	71.37	82.32	53.11	38.36	0.70	0.00	(69.39)	(90.15)	55.80	30.53
Provision for taxation - Current Tax							14.61	11.48	14.61	11.48
Deferred Tax							(1.25)	(0.86)	(1.25)	(0.86)
Profit after taxation and before exceptional items	71.37	82.32	53.11	38.36	0.70	0.00	(82.75)	(100.77)	42.44	19.91
Exceptional items							(3.95)	0.00	(3.95)	0.00
Income tax for earlier years							0.00	(3.58)	0.00	(3.58)
Net Profit	71.37	82.32	53.11	38.36	0.70	0.00	(86.70)	(104.35)	38.49	16.33
Other Information										
Segment Assets	12.29	15.10	127.34	232.77	0.00	0.00	325.56	165.06	465.19	412.93
Segment Liabilities	1.68	0.00	50.25	27.06	0.00	0.00	72.48	52.30	124.41	79.36
Capital expenditure	0.00	0.00	0.00	0.00	0.00	0.00	7.02	1.01	7.02	1.01

2. Information about Secondary Business Segments

Rs. In Lakhs

	Within India		Outside India		Total	
	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03
Revenue by geographical market						
Total	419.56	207.84	129.59	133.96	549.16	341.80
Carrying amount of segment assets	419.56	207.84	129.59	133.96	549.16	341.80
Additions to fixed assets	465.19	412.93	0	0	465.19	412.93
	7.02	1.01	0	0	7.02	1.01

Notes :-

- (i) The company is organised into two main business segments, namely;
 Indenting Business
 Trading Business - comprising of Chemicals Sales and Electronic Sales.
 Segments have been identified and reported taking into account, the nature of products and services, the differing risks and returns, the organisation structure, and the internal financial reporting systems.
 - ii) Segment Revenue, Results, Assets and Liabilities include the respective amounts identifiable to each of the segments and amounts allocated on a reasonable basis.
10. Related parties disclosure in accordance with the Accounting Standard 18 issued by the Institute of Chartered Accountants of India and effective from April, 1, 2001.

(Amount in Rs.)

	Parties Where Control exists		Directors of the Company		TOTAL	
	2003-04	2002-03	2003-04	2002-03	2003-04	2002-03
Remuneration			120000	300000	120000	300000
Rent Paid			150000	600000	150000	600000
Sales of goods	17402500	-			17402500	-
Purchase of Licence	-	751503			-	751503
Purchase of Fixed Asset	-	5000			-	5000
Rendering of services	40439	76253			40439	76253
Receiving of services	180000	72000			180000	72000
Inter corporate deposits taken during the year	-	2357000			-	2357000
Inter corporate deposits given during the year	23930090	15870465			23930090	15870465
Outstanding on Inter corporate deposits	19808330	10957834			19808330	10957834
Interest Income on Intercorporate deposits	1095169	298544			1095169	298544
Outstanding service charges	215100	72000			215100	72000

Note:

Names of related parties and description of relationship:

1. Parties Where control exists
 - (a) Priya Limited
 - (b) Priya Chemicals
 - (c) Gaurav Chemicals Private Ltd.
 - (d) Brent Properties and Investment P.Ltd.
 - (e) Chesire Properties and Investment P.Ltd.
 - (f) Halifax Properties and Investment P.Ltd.
2. Directors of the Company
 - (a) Mrs. Saroj Bhuwania
 - (b) Mr A.K. Bhuwania



11. (A) Earning Per Share (EPS) excluding extraordinary items (net of tax expenses)- The numerator and denominator used to calculate Basic and Diluted Earnings per Share:

	2003 - 04	2002 - 03
Profit before extra ordinary items and Taxation	5579941	3053621
Less : Provision for tax (Net of extra ordinary items)	1461000	1148000
Add : Provision for Deferred tax (Net of extra ordinary items)	<u>(124993)</u>	<u>(86223)</u>
Profit and loss after taxation and before Extraordinary items(net of tax)	4243934	1991843
Weighted average number of Equity Share	996000	996000
Face value of each share (Rs.)	10	10
Basic & Diluted earning per share before extra ordinary items (Rs.)	4.26	2.00

(B) Earning Per Share (EPS) including extraordinary items (net of tax expenses)- The numerator and denominator used to calculate Basic and Diluted Earnings per Share:

	2003 - 04	2002 - 03
Profit attributable to the shareholders (Rs.)	3848914	1991844
Weighted average number of Equity Share outstanding during the year	996000	996000
Face value of each share (Rs.)	10	10
Basic & Diluted earning per share	3.86	2.00

12. Break-up of Deferred Tax Assets / Liabilities

Deferred tax Assets

On account of Provision for Gratuity allowable on payment basis under Income Tax Act, 1961. Rs.	<u>1191459</u>	<u>1077234</u>
	<u>1191459</u>	<u>1077234</u>

Deferred tax Liability

On account of difference in depreciation as per books and Income Tax Act, 1961 Rs.	<u>57291</u>	<u>68059</u>
	<u>57291</u>	<u>68059</u>

13. Figures in brackets relates to previous year. Previous year figures have been regrouped and/or rearranged wherever considered necessary to make them comparable with those of the current year.

14. Balances of Sundry Debtors, Creditors and Loans and Advances are subject to confirmation and consequential adjustment, if any.

15. In the opinion of Board of Directors, Current Assets, Loans and advances have value in the ordinary course of business atleast equal to the amount at which they are stated.

AS PER OUR REPORT ATTACHED OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS

ASHISH BAIRAGRA
PARTNER
Membership No. 109931

A. K. BHUWANIA

CHAIRMAN

PLACE : MUMBAI
DATED : 12th JUNE, 2004.

SAROJ BHUWANIA

WHOLE-TIME DIRECTOR

Additional information pursuant to part IV of Schedule VI to the Companies Act, 1956
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I Registration Details

Registration No.	86840	State Code	11
Balance Sheet Date	31 03 04	Date Month Year	

II Capital raised during the year (Amount in Rs. thousands)

Public issue	NIL	Right issue	NIL
Bonus issue	NIL	Private Placement	NIL

III Position of Mobilisation and Deployment of Fund (Amount in Rs. thousands)

Total Liabilities	46519	Total Assets	46519
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Sources of Funds

Paid up Capital	9960	Reserves and Surplus	22432
Secured Loans	354	Unsecured Loans	NIL

Application of Funds

Net Fixed Assets	2081	Investments	5153
Net Current Assets	24379	Net Deferred Tax Asset	1134
Misc. Expenditure	0		

IV Performance of Company (Amount in Rs. thousands)

Turnover	58667	Total Expenditure	53087
Profit Before Tax	5580	Profit after Tax	3849
Earning per share in Rs.	3.86	Dividend Rate %	15

V Generic Name of Three Principal Products/Services of Company

i	Item Code No (ITC Code)	847330.20
	Product description	Computer Mother Boards
ii	Item Code No (ITC Code)	380890.90
	Product description	Kathon
iii	Item Code No (ITC Code)	340490.90
	Product description	Lanco

FOR AND ON BEHALF OF THE BOARD

A. K. BHUWANIA

CHAIRMAN

PLACE : MUMBAI
DATED : 12th JUNE, 2004.

SAROJ BHUWANIA

WHOLE-TIME DIRECTOR

CASH FLOW STATEMENT

	2003-2004		2002-2003	
	Rs.	Rs.	Rs.	Rs.
A CASH FLOW FROM OPERATING ACTIVITIES				
NET PROFIT BEFORE TAX & BEFORE EXTRAORDINARY ITEMS		5,579,941		3,053,621
ADJUSTED FOR				
DEPRECIATION	361,738		355,246	
DIVIDEND RECEIVED	(128,890)		(201,946)	
EXCHANGE RATE DIFFERENCE	(120,036)		3,191	
INTEREST PAID	191,252		22,774	
INTEREST RECEIVED	(1,375,911)		(298,544)	
LOSS ON SALE OF FIXED ASSETS	31,282		(72,404)	
SUNDRY BALANCES WRITTEN OFF	1,144,380		0	
PROFIT ON SALE OF INVESTMENT	(2,266,273)	(2,162,458)	0	(191,683)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		3,417,483		2,861,938
WORKING CAPITAL CHANGES				
TRADE AND OTHER RECEIVABLES	(824,494)		3,462,479	
INVENTORIES	(1,477,183)		396,665	
TRADE PAYABLES / OTHER LIABILITIES	1,716,395		1,951,661	
LOANS AND ADVANCES	1,067,701	482,419	65,860	5,876,665
CASH GENERATED FROM OPERATIONS		3,899,902		8,738,603
DIRECT TAXES PAID (Net of Refund)		315,666		1,319,202
CASH FLOW BEFORE EXTRA ORDINARY ITEMS		3,584,236		7,419,401
EXTRA ORDINARY ITEMS		0		0
NET CASH FROM OPERATION ACTIVITIES (A)		3,584,236		7,419,401
B. CASH FLOW FROM INVESTING ACTIVITIES				
INTEREST RECEIVED	782,397		298,544	
INTER CORPORATE DEPOSITS	(7,979,837)		(10,957,834)	
PURCHASE OF FIXED ASSETS	(701,585)		(100,810)	
SALE OF FIXED ASSETS	40,000		586,750	
INVESTMENTS (NET)	4,046,101		0	
DIVIDEND RECEIVED	128,890		201,946	
NET CASH USED IN INVESTING ACTIVITIES (B)		(3,684,034)		(9,971,404)
C. CASH FLOW FROM FINANCING ACTIVITIES				
INTEREST PAID	(191,252)		(22,774)	
DIVIDEND PAID	(1,657,094)		(1,494,000)	
PROCEEDS FROM BORROWINGS	337,797		(177,498)	
NET CASH USED IN FINANCING ACTIVITIES (C)		(1,510,549)		(1,694,272)
NET CHANGES IN CASH AND BANK EQUIVALENTS		(1,610,347)		(4,246,275)
CASH AND BANK EQUIVALENTS				
OPENING BALANCE	3,770,187		8,017,978	
CASH AND BANK EQUIVALENTS				
CLOSING BALANCE	2,159,840	(1,610,347)	3,771,703	(4,246,275)

Note : Closing cash and bank balance excludes effect of loss on exchange rate difference of Rs.4320/- (Previous year loss of Rs.1516/-)
Previous years figures have been regrouped/rearranged wherever necessary to make them comparable with those of the current year.

AS PER OUR REPORT ATTACHED OF EVEN DATE

FOR AND ON BEHALF OF THE BOARD

FOR M. L. BHUWANIA & CO.
CHARTERED ACCOUNTANTS

ASHISH BAIRAGRA
PARTNER
Membership No. 109931

A. K. BHUWANIA

CHAIRMAN

PLACE : MUMBAI
DATED : 12th JUNE, 2004.

SAROJ BHUWANIA

WHOLE-TIME DIRECTOR



PRIYA INTERNATIONAL LIMITED

Regd. Office: Krishna House, Ground Floor,
Raghuvanshi Mills Compound, Senapati Bapat Marg,
Lower Parel, Mumbai-400013

PROXY FORM

Reg. Folio No. /Client ID No. _____

DP ID No. _____

I/We..... of
..... being a member/members of the above named
Company hereby appointof.....or
failing him of as my/our
proxy to vote for me/us on my/our behalf at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company to be held on
Wednesday, September 22, 2004 at 12.00 p.m. and at any adjournment(s) thereof.

Signed this day of 2004.

Signature.....(Affix Revenue Stamp).....

NOTE : This proxy form, in order to be effective, should be duly completed and deposited at the Registered Office of the
Company, not less than 48 HOURS BEFORE the meeting.

Tear Here



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ATTENDANCE SLIP

Regd. Folio No./Client ID No. _____

No. of shares held _____

DP ID No. _____

I certify that I am a Member/Proxy for the member of the Company.

I hereby record my presence at the TWENTY FIRST ANNUAL GENERAL MEETING of the Company to be held at "Hall of
Quest", Nehru Planetarium, Nehru Centre, Dr. Annie Besant Road, Worli, Mumbai-400018. on Wednesday, the 22nd day of
September, 2004 at 12. P.M.

Member's/ Proxy's name in BLOCK Letters

Signature of Member/Proxy

NOTE : Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting.
Members are requested to bring their copies of the Annual Report to the meeting.