

BOSS SECURITIES LIMITED
Regd. Off: 34/A/1, Journalists Colony, Road No. 3,
Banjara Hills, Hyderabad – 500 034.

BOARD OF DIRECTORS

Shri M.Srinivas Prasad
Shri Y.V.Bhanunarayan Rao
Shri B.Bhaskar
Shri S.V.Hanumantha Rao
Smt. M.Sunitha

Managing Director
Director
Director
Director
Director

AUDITORS

M/s. K.P.Associates
Chartered Accountants
302, Pooja Palace
Motilalnagar, Begumpet
HYDERABAD – 500 016.

BANKERS

State Bank of Hyderabad
Andhra Bank

REGISTERED OFFICE

34/A/1, Journalists Colony,
Road No 3, Banjara Hills,
Hyderabad – 500 034.

BOSS SECURITIES LIMITED
Regd. Off: 34/A/1, Journalists Colony, Road No. 3,
Banjara Hills, Hyderabad – 500 034.

NOTICE

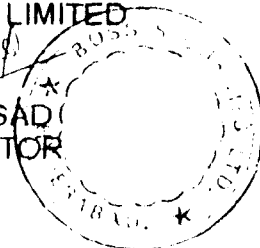
Notice is hereby given that the second Annual General Meeting of the shareholders of the Company will be held on Wednesday, the 30th day of September, 2004 at Registered Office of the Company situated at 34/A/1, Journalists Colony, Road No. 3, Banjara Hills, Hyderabad – 500 034 at 11 00 A.M. to transact the following business as :

ORDINARY BUSINESS :

1. To receive, consider and adopt the Audited Accounts of the Company for the year ended 31st March, 2004 together with the reports of directors and auditors thereon
2. To appoint a director in the place of Shri M. Srinivasa Prasad who being eligible offers himself for re-appointment.
3. To appoint auditors and fix their remuneration

For and on behalf of the Board
For BOSS SECURITIES LIMITED

M. S. Prasad
M. SRINIVAS PRASAD
MANAGING DIRECTOR



Place : Hyderabad
Date : 23-08-2004

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 such proxy need not be a member of the company.
2. The register of members and share transfer books will remain closed from 25th September, 2004 to September 30th, 2004 (both days inclusive) for the purpose of the ensuing Annual General Meeting of the Company
3. The proxy in order to be effective must be lodged at the registered office of the Company at least 48 hours before the meeting.
4. Explanatory Statement as required under section 173 (2) of the Companies Act, 1956 is annexed.
5. Members are requested to notify immediately any change in their address to the Registered Office quoting their registered Folio numbers.

BOSS SECURITIES LIMITED
Regd. Off: 34/A/1, Journalists Colony, Road No. 3,
Banjara Hills, Hyderabad – 500 034.

DIRECTORS REPORT

To the Share Holders,

Your Directors have pleasure in presenting their Ninth Annual Report of the Company together with the Audited Accounts of the Company for the year ended 31st March, 2004.

FINANCIAL RESULTS

During the year under review, the company earned a profit of Rs 0.08 lacs after providing for all expenses, depreciation and interest. The brought forwarded net surplus of previous year was Rs. 0.20 lacs and total net surplus carried forwarded to the next year was 2.20 lacs.

DIVIDEND:

Your Directors did not recommend dividend.

PARTICULARS OF EMPLOYMENT

There are no employees of the company drawing a salary of Rs. 25,000 per month or Rs.3,00,000 per annum and hence particulars of employees as required to be furnished under section 217 (2A) of the Companies Act, 1956 are not applicable.

AUDITORS

M/s.K.P. Associates , Chartered Accountants, Hyderabad, the Statutory Auditors of the Company hold office until the conclusion of the second annual General Meeting of the Company and your direction recommended them for re-appointment. The appointment, if made would be within the limits prescribed under section 224 (1-B) of the Companies Act, 1956.

AUDITOR'S QUALIFICATION

Your Directors invite your notice to the Auditor's qualification regarding loans and advances. The Directors are of the opinion that these advances are fully recoverable and considered good and these are short term advances. The Company shall henceforth make judicious and profitable investments.

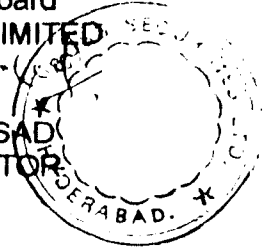
ACKNOWLEDGEMENTS

Your Directors thank the investors, banks and customers for the faith and trust reposed in them. Your Directors place on record their appreciation for the valuable contribution made by the employees during the year.

Place : Hyderabad
Date : 23-08-2004

For and on behalf of the Board
For BOSS SECURITIES LIMITED

M.S. - 100-100-100
M. SRINIVAS PRASAD
MANAGING DIRECTOR



AUDITORS REPORT

The Shareholders
Boss Securities Ltd.

We have examined the attached Balance Sheet of Boss Securities Ltd. as at 31st March, 2004 and the Profit & Loss Account for the year ended 31st March, 2004 and report that:

1. 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.
2. In our opinion proper books of accounts as required by law have been kept by the company so far as it appears from our examination of these books.
3. The Balance sheet and the profit and Loss account dealt with this Report are in agreement with the books of accounts

Further to the above we report that:

1. The Company has not made any provision in respect of debts aggregating to Rs.34747000 which are long outstanding and not yet recovered and the same are included in loans and advances. Consequently the loss for the year has been understated by Rs.34747000 and the current assets are overstated to the extent.

Subject to the above

In our opinion and to the best of our information and according to the explanations furnished to us the accounts read in connection with the notes there on give the information as required by the by the companies Act, 1956 in the manner so required and give a true and fair view:

- I) In the case of Balance Sheet of the state of affairs of the Company as at 31st March 2004.
- II) In the case of profit and Loss account of the profit for year ended on that date. As required by the manufacturing and other companies (Auditors Report) order 1988 issued by the company law Board in terms of section 227 (4-A) of the companies Act, 1956 and on the basis of such checks as we considered appropriate we report hereunder on the matters specified in paragraphs 4 & 5 of the said order to the extent applicable.

For K. P. Associates
Chartered Accountants

Umapathi
Partner

Place: Hyderabad
Date : 23.08.2004



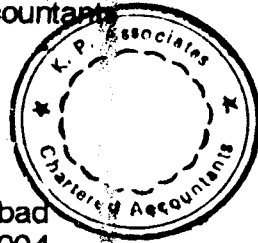
ANNEXURES TO THE AUDITORS REPORT:

- I) The company has maintained adequate records showing full particulars including quantitative details and situation of fixed assets in respect of completed assets. There is a system of verification of fixed assets at periodical intervals spread over a period and during the year completed fixed assets have been verified by the management. No material discrepancies have been noticed on such verification.
- II) None of the fixed assets have been revalued during the year.
- III) The Company has not taken any loans secured or unsecured from companies, firms and other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- IV) The company has made interest free advances in the nature of loans aggregating to Rs.34,74,70,000. In the absence of any interest and repayment stipulations, we are unable to comment on the same. The same is shown under the head current assets.
- V) According to the information and explanations given to us there are no transactions of purchase of goods and services made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs.50,000/- or more in respect of each party.
- VI) The company has not accepted any deposits from the public during the year.
- VII) The Company did not have an internal audit system during the year.
- VIII) In our opinion the internal control environment needs to be strengthened. So as to be commensurate with the size of the company and the nature of its business. The company has to improve its internal control procedures with regard to its operations of and in respect of purchase of equipment and other assets and for the sales of assets.
- IX) As explained to us the provisions of the Employees Provident Fund and Miscellaneous Provisions Act, 1952 and the provisions of Employees State Insurance Act are not applicable to the Company for this year.
- X) In our opinion and according to the explanations given to us no personal expenses have been charged to revenue accounts other than those payable under contractual obligations or in accordance with the generally accepted business practices.
- XI) The company is not a sick industrial company (Special Provisions) Act, 1985.
- XII) According to the information and explanations given to us there are no undisputed amounts payable in respect of Income-Tax, Sales Tax, Customs duty and Excise duty which are outstanding for a period of more than six months from the date they become payable.

- XIII) In our opinion the service activities of the company do not involve consumption of materials allocation of man-hours for ascertainment of cost of individual jobs consumption of stores and hence the requirement of reporting under clause 4 (B) (ii) 4(B) (iv) does not arise.
- XIV) The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- XV) WE are informed that the provisions of special statute applicable to Chit Fund, Nidhi Mutual Benefit Society are not applicable to the company.
- XVI) In our opinion clauses (iii), (iv), (vi), (xi), (xii), (xiv), (xv), (xvi), (xvii) of paragraph 4 (AO) and clauses (iii) and (iv) of paragraph 4(D) of the order are not applicable to the company.

For K.P. ASSOCIATES
Chartered Accountants


Umapathi
Partner



Place: Hyderabad
Date : 23.08.2004

MANDATORY REQUIREMENTS

Company's Philosophy on Code of Governance:

Boss Securities Ltd. (BSL) a constituent of the, is committed to the highest standards of corporate governance in all its activities and processes. Looks at corporate governance as the corner stone for sustained superior financial performance, for serving all its stakeholders and for instilling pride of association. Apart from drawing on the various legal provisions, the group practices are continuously benchmarked in terms of the CII Code and international studies. The entire process begins with the functioning of the board of directors, with trading professional, and exports serving as independent directors and represented in the various board committees. Systematic attempt is made to eliminate informational asymmetry between executive and non-executive directors.

Key elements of corporate governance are transparency, disclosure, supervision and internal controls, risk management, internal and external communications, and high standards or safety, health, accounting fidelity, product and service quality. The Board has empowered responsible persons to implement its broad policies and guidelines and has set up adequate review processes.

The Company has always believed in and progress on major aspects of Corporate Governance since its inception.

The following is a report on the status and progress on major aspects of corporate governance that mark the operations and management of the Company. In many areas, the compliance is ahead of the statutory requirements.

Board of Directors Composition:

The present strength of the Board is Five Directors. The Board comprises of Managing and Non-Executive Directors. One Director Viz., Managing Director and Whole time Director are Managing Directors. There are seven Non-Executive Directors. The Non-Executive Directors bring independent judgment in the Board's deliberating and decisions.

Attendance of each Director at the Board Meetings and the last AGM and details of other Directorships etc.

Name of the Directors	Category of Directorship	Attendance Particulars		No. of other directors ship and committee membership (other than BSL)	
		Board Meeting	Last AGM Directorships	Other Memberships	Committee
Shri.M.Srinivas Prasad	M.D	5	Yes	Nil	Nil
Shri.Y.V.Bhanunarayan Rao	NED	4	Yes	Nil	Nil
Shri. B.Bhaskar	NED	5	Yes	Nil	Nil
Shri. S.V.Hanumantha Rao	NED	3	Yes	Nil	Nil
Smt. M.Sunita	NED	5	Yes	Nil	Nil

- MD- Managing Director
- NED - Non-Executive Director

Directorships in private limited companies and associations as well as alternate Directorships are excluded.

Number of Board Meetings held and the dates on with held

Four Board Meetings were held during the years, as against the minimum requirement of 4 meetings. The dates on which the meetings were held are as follows: April 29th 2003 - July 25th 2003 - October 28th 2003 - January 30th, 2004

Audit Committee

Terms of Reference & Composition, Names of members and Chairman.

The Audit Committee comprises of Shri. B.Bhaskar, Chairman besides Shri. S.V.Hanumantha Rao, Smt.M.Sunita all being Non-Executive Directors. along with the statutory Auditors are invitees to the Meeting. The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under the listing Agreements with the stock exchanges.

Meeting and attendance during the year.

There were three meetings of the Audit Committee during the year 2002-2003. The attendance of each Member of the Committee is given below:

Name of the Director	No.of Meeting Attended
Shri.B.Bhaskar	4
Shri. S.V.Hanumantha Rao	3
Shri.M.Sunita	4

Policy

Managing Director:

The Compensation of the executive directors comprises of a fixed component and a performance incentive. The Compensation is determined based on levels of responsibility and scales prevailing in the industry. The commission/incentive is determined based on certain pre-agreed performance parameters.

The executive directors are not paid sitting fees for any Board/Committee meetings attended by them.

Non-Executive Directors:

The compensation of the non-executive directors is in the form of commission paid out of profits. Through the shares holders have approved payment of commission up to 1% of net profits of the Company for each year calculated as per the provisions of the Companies Act,1956, the commission paid to the directors is usually restricted to fixed sum. This sum is reviewed periodically taking into consideration various factors such as

performance of the company, time spent by the directors for attending to the affairs and business of the company and extent of responsibilities cast on directors under general law and other relevant factors. The aggregated commission paid to all Non-Executive directors currently is well within the limit of 1% of net profits as approved by the shareholders. The non-executive directors are also paid sitting fees as permitted under the relevant statutory provisions for every Board/Committee meeting attended by them.

b. Remuneration Committee

The Board of Director has constituted a Remuneration Committee, comprising of 3 (three) Non-Executive Directors, Viz. Shri.B.Bhaskar, Chairman, Shri.S.V.Hanumantha Rao and Smt. Y.V.Bhanunaryan Rao

The Remuneration Committee has been constituted to recommend/review the remuneration package/commission on profits of the Managing Directors.

The details of payments made to Non-Executive Directors in the Financial Year April 2000 to March 2001 is as follows:

Non – Executive Directors	Sitting Fee (in Rs.)	Commission @ (in Rs.)
Shri. B.Bhaskar	500	Nil
Shri. S.V.Hanumantija Rao	500	Nil
Smt. Y.V.Bhanunaryan Rao	250	Nil

C. Details of remuneration paid to the Managing Directors for the year.

The aggregate value of salary (including Company's contribution to provident fund, superannuation fund and group gratuity scheme),perquisites and commission paid in the financial year April-2001-March 2002 to Managing Directors is a follows:

Shri. M.Srinivasa Prasad

Rs.0.05 Lacs P.A

The agreement with the Managing Director is for a period of five years. Either party to the agreement is entitled to terminate the agreement by giving not less than 180 days notice in writing to the other party.

Investors/Shareholders Grievance Committee

Details of the Members, Compliance Officer, No. of Complaints received and pending and pending transfers as on close of the financial year.

Total No.of demat requests	No.of requests	No.of shares	Reasons for delay
Confirmed after 21 days	Nil	Nil	Nil
Pending for more than 21 days	Nil	Nil	Nil

The Board has constituted an Investors /Shareholders Grievance Committee consisting of, Smt.M.Sunita Chairman, a Non-Executive Director, Y.V.Bhanunaryan Rao and Sri.S.V.Hanumantha Rao, Director. The Committee looks into redressal of investors/ shareholders complaints. The Company had received very few complaints from the shareholders and all of them have been resolved by furnishing the requisite information/documents. The Company has no transfers pending at the close of the year.

General Body Meetings

Location and date/time of last three Annual General Meeting:

Year	Location	Date	Time
2000 – 01	Regd. Office of the Company	30.09.2001	11.00 A.M
2001 - 02	Regd. Office of the Company	30.09.2002	11.00 A.M
2002 – 03	Regd. Office of the Company	30.09.2003	11.00 A.M

Notes on Directors seeking appointment/re-appointment:

Disclosures:

Details of non-compliance by the Company, penalties, strictures imposed on the Company by Stock Exchanges SEBI or any statutory authority, on any matter related to capital markets, during the last one years.

There have been non such cases in the last one year.

Means of Communication:

Quarterly results are published in the following newspapers.

Andhra Prabha (Vernacular), Indian Express (English)

In addition, the first Half Yearly report of the Financial results is being mailed to all the shareholders.

Management Discussion & Analysis forms part of this Annual Report.

General Shareholder Information:

Date, Day, Time & Venue of AGM 30 September, 2004, Thursday 11.00 A..M
Regd.Office of the Company, 34/A/1, Journalists Colony, Road No.3, Banjarahills,
Hyderabad, A.P.

Financial Calendar

- | | |
|--|------------------------------|
| i) Financial Year | - April to March |
| ii) First Quarter Results | - Last Week of July, 2003 |
| iii) Second Quarter & Half-Yearly Results | - Last week of October, 2003 |
| iv) Third quarter Results | - Last Week of January, 2004 |
| v) Last Quarter & Results for the year ending- | Last week of June, 2004 |
| 31 st March, 2004 | |

*Provisional

Date of Book Closure

25-09-2003 to 30-09-2003 (both days inclusive)

Listing of shares

Company's shares are listed at:

The Hyderabad Stock Exchange Ltd., 3-6-275, Himayatnagar, Hyderabad – 500 029.

The Stock Exchange, Mumbai Phiroze Jeejeebhoy Towers, Dala Street, Mumbai-400 001

Madras Stock Exchange, "Exchange Building", No.11, Second Line, Beach,

The Stock Exchange, Ahmedabad, Kamadhenu Complex, Near Old Schivalaya, Opp.Sahajanand College, Panjarapole, Ahmedabad

The Delhi Stock Exchange Assn.Ltd., 3 & 4/4B, Asaf Ali Road, New Delhi

Due to financial crises the company listing fees for the year not paid to the above stock exchanges.

Stock Code

Stock Exchange, Mumbai : Scrip Code No.531537.

Please see Annexure 'A'

Registrar and Transfer Agents:
Registrars in Physical:

Mondkar Computers (P) Ltd.
21, Shakil Niwas, Mahakali Caves Road
Andheri (East)
Mumbai - 91

Compliance Officer M.Srinivasa Prasad, Managing Director

All the transfers received are processed and approved by the Share Transfer Committee at its meeting or by circular resolutions

Share holding pattern as on 31st March, 2004. Please see Annexure 'A'

Address for correspondence:

Boss Securities Ltd.
#151, Street No.2,
Begumpet,
Hyderabad

Email: bosssecurities@rediffmail.com

Nomination Facility

The Companies (Amendment) Act, 1999 has introduced through Section 109A, the facility of nomination to share/ debenture/deposit holders. The facility is mainly useful for all holders holding the shares/ debentures/deposits in single name.

Investors are advised to avail of this facility, especially investors holding securities in single name, to avoid the lengthy process of transmission formalities.

NON-MANDATORY REQUIREMENTS

a) Remuneration Committee

The Board has already constituted Remuneration Committee with two Directors

The Committee reviewed/recommendeded to the Board the remuneration package and commission on profits to the Managing Director.

b) Shareholder Rights

Quarterly financial results are published in leading news papers viz., In addition, first half yearly financial results, are also mailed to individual shareholders. Second half yearly results are not separately published as the audited results for the year are approved by the Board and then communicated to the shareholders through the Annual Report, and also published in the newspapers.

c) Postal Ballot

The concept of Postal Ballot has been introduced recently by the companies (Amendment) Act, 2000. The Company will comply with the provisions of law, in future as necessary.

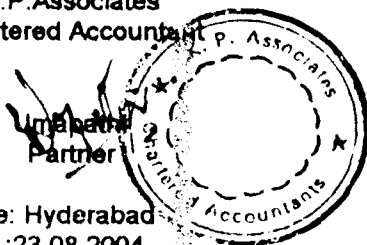
SHAREHOLDING PATTERN AS ON 31st MARCH, 2004

Sl.No.	Category	No.of Shares	%
1	Promoters	1684850	28.08
2	Banks, Financial Institutions & Insurance Companies	0	0
3	(Central / State Govt.Institutions / Non Govt.Inst.)		
4	Private Corporate Bodies	1150000	19.16
5	Indian Public	3185250	52.75
6	NRI / OCBs	0	0
	TOTAL	6000100	100.00

BOSS SECURITIES LTD.
BALANCE SHEET AS AT 31ST MARCH 2004

	As at 31.03.2004	As at 31.03.2003
SOURCES OF FUNDS		
1. Share Capital Funds		
a) Share Capital	55447000	55447000
b) Reserves and Surplus	242862	234710
2. Loan Funds		
a) Secured Loans	0	0
b) Unsecured Loans	0	0
	=====	=====
TOTAL	65689862	55681710
	=====	=====
APPLICATION OF FUNDS		
1. Fixed Assets:		
a) Gross Block	448801	448801
b) Less: Depreciation	95756	95756
	=====	=====
Net Block	353045	353045
	=====	=====
2. Incidental Expenses before Commercial Operations	467189	467189
3. Investments	17146375	17146375
4. Current Assets, Loans & Advances		
a) Cash & Bank Balance	248358	240206
b) Loans & Advances	35923450	35923450
	=====	=====
	36171808	36163656
	=====	=====
Less: Current Liabilities & Provisions	184640	184640
	=====	=====
NET CURRENT ASSETS	35987168	35979018
	=====	=====
4. Miscellaneous Expenditure : (to the extent no written off or adjusted) Preliminary Expenses	1738085	1738085
	=====	=====
TOTAL	55689862	55681710
	=====	=====

Accounting Policies and Notes on
Accounts
for K.P. Associates
Chartered Accountants



Place: Hyderabad
Date : 23.08.2004

for Boss Securities Ltd.

M. Srinivasa Prasad
Managing Director

S.V. Ramamurthy Rao
Director



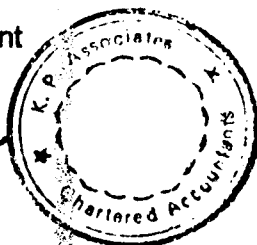
Place: Hyderabad
Date : 23.08.2004

BOSS SECURITIES LTD.
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2004

	As at 31.03.2004	As at 31.03.2003
I. INCOME		
Income from operations commission	216260	234450
II. EXPENDITURE		
Administrative & Selling Expenses	186188	192456
Depreciation	21920	21920
	=====	=====
TOTAL	208108	214376
	=====	=====
Profit / Loss before Tax	8152	20074
Provision for Tax	0	0
	=====	=====
Profit / Loss after Tax	8152	20074
Profit brought forward	211910	191836
	=====	=====
Surplues / Deficit carried over to B/S.	220062	211910
	=====	=====

As per our Report Attached:
to the Balance Sheet
for K.P.Associates
Chartered Accountant

Umapathi
Partner

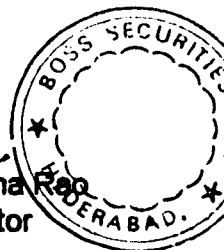


Place: Hyderabad
Date : 23.08.2004

for Boss Securities Ltd.

M.S. Prasad
M. Srinivasa Prasad
Managing Director

S.V. Hanumantha Rao
S.V. Hanumantha Rao
Director



Place: Hyderabad
Date : 23.08.2004

BOSS SECURITIES LTD.
SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2004

	As at 31.03.2004	As at 31.03.2003
A. SHARE CAPITAL		
AUTHORISED		
6250000 Equity Shares of Rs. 10/- each	62500000	62500000
ISSUED , SUBSCRIBED & PAID-UP		
6000100 Equity Shares of Rs. 10/-		
each full paid up	60001000	60001000
Less: Allotment Money due	4554000	4554000
	=====	=====
TOTAL	55447000	55447000
	=====	=====
Reserves & Surplus	22800	22800
Surplus as per Annexed P& L A/C.	220062	211910
	=====	=====
TOTAL	242862	234710
	=====	=====

BOSS SECURITIES LTD.

SCHEDULE - E

Particulars	Gross Block			Depreciation			Net Block	
	As on 01.04.2003	Addns./ Deln.	Total as on 31.03.2003	As on 31.03.2004	For the Year	Total as on 31.03.2004	As on 31.03.2004	As on 31.03.2003
1. Fax Machine	24000	-	24000	6634	3360	9994	14006	17366
2. Office Equipment	66300	-	66300	23027	12241	35268	51032	53275
3. Furniture & Fixtures	77350	-	77350	13778	4296	18074	59276	63572
4. Computers	111151	-	111151	16288	5632	21920	89231	94863
5. Vehicles	150000	-	150000	8200	2300	10500	139500	141800
	448801		448801	67927	27829	95756	353045	380874

BOSS SECURITIES LTD.
SCHEDULE FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH 2004
CURRENT ASSETS, LOANS & ADVANCES - SCHEDULE - G

	As at 31.03.2004	As at 31.03.2003
INVESTMENTS		
Satyakamal Agros Ltd.	4646375	4646375
Boss Industries Ltd.	12500000	12500000
	=====	=====
TOTAL	17146375	17146375
	=====	=====
CURRENT ASSETS		
Cash & Bank balances:		
Cash on hand	96338	92186
Balance with Schedule Banks	152020	148020
	=====	=====
TOTAL	248358	240206
	=====	=====
LOANS & ADVANCES		
(Un-Secured Loans)		
Loans to Others	35741950	35741950
Loand to Directors	136500	136500
	=====	=====
TOTAL	35878450	35878450
	=====	=====

SCHEDULE – M

SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS

a. **Accounting Methodology**

The Company adopts accrual system of accounting under Historical Costs convent.

b. **Fixed Assets**

All Fixed Assets are valued at historical cost of acquisition, including incidental charges.

c. **Depreciation**

In case of all Assets, depreciation is charged on straight line method at the rates press Schedule XIV of the Companies Act, 1956.

d. **Investments**

Investments made in share comprises of 12,50,000 Equity shares in Ms/. Boss Investments Limited which is a company under the same management as defined by section 370 () Companies Act , 1956 and 4,11,300 Equity shares in M/s. Sathya Kamal Agros Limited is a Company listed in the register maintained under section 301 of the Companies Act. The investments of the Company are valued at cost inclusive of expenses including acquisition where applicable. Provision for any permanent diminution, if any, in the investments is made to recognize a decline, other than temporary, for each investment.

II. NOTES TO ACCOUNTS

1. Expenses incurred during pre-incorporation period are amortized over a period of
2. Containment Liabilities not provided for – NIL
3. Estimated amount of contracts remaining to be executed on Capital Account advances) – NIL
4. Particulars of remuneration to Managing Director are as under :

Salary Basic	- NIL
Other Perks – HRA	- NIL
5. CIF value of import in respect of Capital Goods - NIL
6. Expenditure / Earnings in Foreign Currency - NIL
7. No. Provision for payment of Gratuity is made in the accounts, as this being first year operation no liability towards the same arises.
8. Net Incidental expenses incurred prior to commencement of operations to the tune of Rs. 4,67,189 Lakhs have been treated as Deferred Revenue Expenditure for being written off over a period of ten years.
9. 1,05,300 Shares purchases of M/s. Sathya Kamal Agros Limited are held with transfer deeds pending transfer in the name of the Company.
10. Additional Information pursuant to Part IV of Schedule VI of the Companies Act, 1956.
11. Figures of the previous year have been regrouped wherever necessary.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST, MARCH, 2004

Rupees

A. CASH FLOW FROM OPERATING ACTIVITIES

YEAR ENDED YEAR ENDED
31.03.2004 31.03.2003

Net (Loss) Profit before tax and extraordinary items	8154	20074
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Adjustment for:

Depreciation	21920	21920
Foreign Exchange Fluctuations	0	0
Reduction of Loans & Advances	0	0
Interest	0	0
Loss on assets written off	0	0
Loss on Sale of Vehicle	0	0
Preliminary Expenses Written Off	0	0
Loss/(Profit) on sale of shares	0	0
Operating (Loss)/Profit before working Capital Charges	30074	41994

Adjustment for:

Trade and other Receivables	0	0
Inventories	0	0
Trade Payables	0	0
Cash generated from (used in) operation	0	0
Interest due	0	0
Cash flow before extraordinary items	0	0
	0	0

Extraordinary Item:

Foreign Exchange Fluctuations	0	0
Dividend Income on Chills	0	0
Net Cash flow from operating activities	0	0
	0	0

B. CASH FLOW FROM FINANCING ACTIVITIES

Sales/Purchase of fixed assets	0	0
Sales/Purchase of Investments	0	0
Net cash Generated from investing activities	0	0

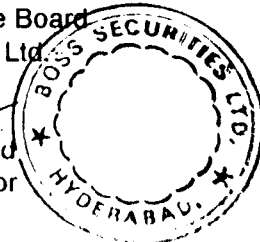
C. CASH FLOW FROM FINANCING ACTIVITIES

Proceeds from Borrowings	0	0
(Including Liability for Hire-Purchase Agreements)	0	0
Share Capital	0	0
Deferred revenue expenditure	0	0
Net cash flow from financing activities	0	0
Net Increase in cash and cash equivalents	30074	41994
Less: Opening in cash and cash equivalents	240206	265132
Closing cash and cash equivalents	248358	240206

Place : Hyderabad
Date: 23.08.2004

for and on behalf of the Board
for Boss Securities Ltd.

M. Srinivasa Prasad
Managing Director



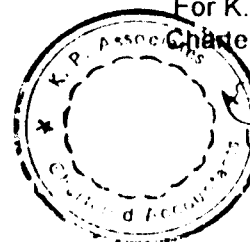
To

The Board of Directors

We have examined the attached Cash Flow Statement of Boss Securities Ltd., for the period ended 31st March, 2004 derived from the audited financial statements for the period ended 31st March, 2004 covered by our Report dated. To the members of the Company. The statement has been prepared by the Company in accordance with the requirements of Clause 32 of the Company's Listing Agreement with various Stock Exchanges.

Place : Hyderabad
Date : 23.08.2004

For K.P. & Associates
Chartered Accountants



Umapathi
Partner

- a. Registration Details
Registration No. : 19867
State Code No. : 01
Balance Sheet date : 31-03-2004
- b. Capital raised during the year
Public issue : NIL
Rights issue : N/A
Bonus issue : N/A
Private Placement : NIL
(Firm Allotment to the promoters And their Associate in Public Issues)
- c. Position of Mobilisation and deployment of funds
Total Liabilities : Rs.555 Lakhs (Rounded off)
Total Assets : Rs.555 Lakhs (Rounded off)
Source of Funds
Paid-up Capital
(Including share application monay) : Rs.554 Lakhs (Rounded off)
Reserve & Surplus : 2.42 Lakhs
Secured Loans : Nil
Unsecured Loans : Nil
Application of Funds
Net Fixed Assets
(including preoperative expenditure) : Rs.3.53 Lakhs (Rounded off)]
Investments : Rs.171.46 Lakhs (Rounded off)
Net Current Assets : Rs.361.59 Lakhs (Rounded off)
Miscellaneous Expenditure : Rs.17.36 Lakhs (Rounded off)
Accumulated Losses : Nil
- d. Schedule to the Balance sheet Performance of the Company
Turnover : 2,16,260
Total Expenditure : 2,08,108
Profit Before Tax : 8,152
Profit After Tax : 8,152
Earning per share in Rs. : ---
Dividend Rate % : ---
- e. Generic Name of Principal Product of Company
Item Code No. : ---
Product Description : Investment and Loan

12. Figures have been rounded off to the nearest rupees
13. Schedule 1 – 9 form an integral part of Accounts.