

Abhinav Capital Services Limited

Board Of Directors :

1. Mr. Chetan Karia - Chairman
2. Mr. Kamlesh Kotak – Executive Director
3. Mr. Girish Desai - Independent Director
4. Mr. A. K. Jain - Independent Director

Bankers:

Bank of India

Stock Exchange Branch, Mumbai-400023.

Auditors:

M/s BRV & Associates

Chartered Accountants

7/10, Botawala Building, 1st Floor,
Horniman Circle, Fort, Mumbai 400 001.

Share Transfer Agent :

Adroit Corporate Services Private Limited

19, Jaferbhoy Industrial Estate, Makwana Road,
Marol Naka, Andheri (East), Mumbai 400 059.

Tel No. : 2859 4060 / 2859 6060

Fax No. : 2850 3748

Registered Office of Company:

Athena House, Row house No.4,
Rajnigandha, Gokuldham, Goregaon (E.),
Mumbai-400063.

Tel. 28425907

Fax: 28426526

E-mail: abhinavcapital@yahoo.co.in
complaint@abhinavcapital.com

CONTENTS

Sr. No.	Particulars	Page No.
1.	Notice of AGM.	
2.	Director's Report.	
3.	Management Discussion and Analysis.	
4.	Report on Corporate Governance.	
5.	Auditors' Report.	
6.	Chairman's Declaration on Code of Conduct & Auditor's Certificate of Corporate Governance	
7.	Balance Sheet.	
8.	Profit and Loss Account.	
9.	Schedules of Balance Sheet & Profit & Loss Account.	
10.	Notes Forming Part of Accounts.	
11.	Cash Flow Statement.	
12.	Balance Sheet Abstract as per Companies Act, 1956.	
13.	Net Owned Fund & Schedule 9BB of the NBFC Regulations	
	14. Proxy Form / Attendance Slip	

NOTICE

NOTICE is hereby given that the Annual General Meeting of the members of **ABHINAV CAPITAL SERVICES LIMITED** will be held on Monday 14th September, 2009 at 11.00 A.M. at Company's Registered Office at Athena House, Row House No. 4, Rajnigandha, Gokuldham, Goregaon (East), Mumbai 400 063 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Profit and Loss Account for the financial year ended on 31st March 2009 and Balance Sheet as on that date.
2. To appoint a Director in place of Mr. Girish Desai, who retires by rotation and being eligible, offers him for re-appointment.
3. To appoint M/s. BRV & Associates, Chartered Accountants, retiring auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting and to fix their remuneration

For and on behalf of the Board of Directors,
For Abhinav Capital Services Limited

Place: Mumbai
Date: 29th June 2009

Chetan Karia
Chairman

Note:

1. Proxies in order to be valid must reach to the Registered Office of the Company not less than 48 hours before the date of the meeting.
2. Members are requested to intimate immediately any change in the Residential Address of the Company.
3. The relevant Explanatory Statement pursuant to section 173 of the Companies Act, 1956 is annexed hereto
4. The Register of members and Share Transfer Books of the Company will remain closed from 11.09.2009 to 14.09.2009 (both days inclusive)

DIRECTORS' REPORT

Your Directors have pleasure in presenting the Annual Report of **ABHINAV CAPITAL SERVICES LIMITED** with the Audited Statement of Accounts for the year ended on March 31, 2009.

Financial Highlights:

The financial performance of the Company for the year ended 31st March 2009 is summarized below:

(Rupees in Lakhs)

	Current Year	Previous Year
Gross Total Income	32.88	64.16
Total Expenditure	53.14	54.38
Profit before Taxation	(20.26)	9.77
Provision for Taxation/Deferred Taxation	0.22	1.31
Profit After Taxation	(20.74)	8.30

Performance of the Company

During the year under review, the Company has suffered loss of Rs.20.26 lakhs in compared to last year profit of Rs 9.77 lakhs. The loss is mainly due to decrease in stock market and worldwide recession scenario in finance and capital. Over the years, Your company has created a good port folio hence your management expects this will continue to yield better prospects to the mutual interest of both the small investors and the company, the performance of the company, its business activities has been comprehensively covered in the management discussion and analysis report. Your Directors expects turnaround in current financial year.

Future Prospects

The Indian economy faced significant slow down in growth momentum in 2008-09, driven by severe downturn in the global economy on the back of sustained pressure on the global financial system. The stock market, as a result experienced severe setback with the sensex falling sharply below 8000 points and Nifty falling below 2600 points. However with the formation of new government the market has slightly recovered and it is hoped that the market will improve further which shall enable the company to tap the opportunities, for the growth of the company and its investors.

Directors

Mr. Girish Desai Director is retiring by rotation at the ensuing Annual General Meeting of the Company and is eligible for re-appointment & he has offered himself for re-appointment.

Dividend

In view of loss during the year under review, the Directors do not recommend the payment of dividend for the year under review.

Public Deposits

During the year under review, the Company has not accepted any public deposits as defined under section 58A of the Companies Act, 1956.

Particulars regarding Foreign Exchange Earning and outgo, Conservation of Energy and Technology absorption

Information pursuant to Foreign Exchange, Conservation of Energy and Technology absorption as required under the provisions of Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 is not applicable to the Company.

Particulars of Employees

The Company does not have any employee whose particulars are required to be given pursuant to the provisions of Section 217(2A) of the Company read with the Companies (Particulars of Employees) Rules, 1975.

Auditors

The retiring auditors, M/s. BRV & Associates, Chartered Accountants, retires at the ensuing Annual General Meeting of the Company and being eligible, offer themselves for re-appointment. The members are requested to re-appoint them.

Audit Committee

The Company has appointed Audit Committee as required under Section 292A of the Companies Act, 1956. The Audit Committee has met regularly and forwarded its reports. There are no adverse marks given by the Audit Committee.

RBI Guidelines

Your Company is Complying with all the requirements of Reserve Bank of India for Non Banking Finance Company. In terms of paragraph 9BB of the NBFC Regulations, the particulars as applicable to the company are appended to the Balance sheet.

Directors' Responsibility Statement

Pursuant to the provisions of Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company do hereby confirmed as follows:

- i) That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- ii) That the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent

so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for that period;

- iii) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- iv) That the Directors had prepared the annual accounts on a going concern basis.

Corporate Governance & Management Discussion & Analysis Statement

The Company has taken adequate steps to ensure that the conditions of Corporate Governance as stipulated in clause 49 of the Listing Agreements of the Stock Exchange are complied with. A detailed report on Corporate Governance has been included in this report along with a certificate from the auditors of the company regarding compliance of conditions of Corporate Governance. Further, a separate Management Discussion and Analysis report is also given in this report.

Acknowledgement

Your Directors thank the clients for the confidence in the Company, which has enabled the Company to reach to a new level of customer satisfaction. The Board places acknowledgment to the employees for their teamwork and professional approach for the Company's image.

Your Directors would like to express their gratitude for the continuous support and guidance received from Company's lenders, bankers, the Government departments, and SEBI and Stock Exchange officials.

For and on behalf of the Board of Directors,
For Abhinav Capital Services Limited

Place: Mumbai
Date: 29th June 2009

Chetan Karia
Chairman

MANAGEMENT DISCUSSION & ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS.

BUSINESS SCENARIO

Non-Banking Finance Companies (NBFCs) are an integral part of the country's financial system because of their complementary as well as competitive role. They act as a critical link in the overall financial system catering to a large market of niche customers. As a result of consolidation and restructuring in the financial sector and liberalisation and globalisation of markets only few strong NBFCs now remain in business. However, competition continues to be intense, as the Indian and foreign banks have entered the retail lending business in a big way, thereby exerting pressure on margins. The erstwhile providers of funds have now become competitors. NBFCs can sustain in this competitive environment only through optimization of funding costs, identification of potential business areas, widening geographical reach, and use of technology, cost efficiencies, strict credit monitoring and raising the level of customer service.

On the regulatory front, NBFCs are regulated by the Reserve Bank of India (RBI) almost at par with banks. All the prudential norms for asset classification, income recognition, provisioning etc., are applicable to NBFCs in India.

The year 2008-09 saw the worst global financial and economic crisis in 60 years. The crisis had a severe knock-on effect on the developing and emerging economies and caused India to lose much sheen from the stellar economic performance of the past years. It started the beginning of cyclical downturn in India's economy and India's GDP growth, which was 9% during 2007-08 slowed to 5.3% in the third quarter of 2008- 09

The Company's main object is Non-banking Finance activities. The market for this activity offers high potential for growth. The Company has already started Giving loan & Inter Corporate Deposit to the corporate clients

Company is operating business from Mumbai.

Economy Overview

The Indian economy entered the financial year 2008-09 with the buoyant growth rate. However the growth momentum was moderated because of global economic turmoil. Like all emerging economies, India too has been impacted by the crisis. As per the revised estimates for the year 2008-09 the GDP for the year grew at 6.7 per cent as against 9.1 per cent in the previous year. This meltdown had hit the capital markets severely. However the fiscal stimulus packages of government and monetary easing and regulatory action of Reserve bank have helped to arrest the moderation in growth and kept financial markets functioning normally. It is expected that the measures being taken by Government in India , the slowdown may be arrested and possibly reversed.

Industry Overview

The current situation prevailing in India and the world has its effect on Indian financial sector. The markets became vulnerable to the economic downfall. However with the formation of new government, new development taking place in the infrastructure and other tertiary sectors and with the government initiating various measures, the markets have started showing improvements.

OPPORTUNITIES AND THREATS

In financial services business, effective risk management has become very crucial. As an NBFC, Your Company is exposed to credit risk, liquidity risk and interest rate risks. Your company has in place suitable mechanisms to effectively reduce such risks. All these risks are continuously analysed and reviewed at various levels of management through an effective information system.

The Financing industry is becoming increasingly competitive, and Abhinav's growth will depend on its ability to compete effectively. As Indian Stock Market is in well shape compared to the world market, there are huge opportunities in financial market. Company can make good gain from this market. The Company is having excellent Research Department. The Company is having team of Expert advisor, who is helping the Company in making good Investment. The Company is exposed to all risks & threat which Financial Market & Non Banking Finance Company faces. The company is also facing risk of heavy ups and down in stock market which can be minimize due to risk management system of our company.

Review Of Operations

During the year total income of the company is Rs.32.88 lakhs as compared to previous year figure of Rs 64.80 lakhs As a result of which company has suffered a loss of Rs. 20.26lakhs in comparison to previous year profit of Rs. 9.77 lakhs. The loss is mainly due to decrease in stock market and worldwide recession scenario in finance and capital market Over the years, your company has created a good port folio hence your management expects this will continue to yield better prospects to the mutual interest of both the small investors and the company.

SEGMENT-WISE PERFORMANCE

The Company's main business is Investments & Inter Corporate Deposit to the Corporate Sector.

During the year under review, the Company suffered a loss of Rs. 20.26 Lakhs due to Stock market downturn and recession in world economy.

The Company's total investments made by the company were Rs10.91 crores. All Investments are made in listed and non-listed securities (As annexed to schedule 'D' attached with Balance sheet)

During the year the Company has mainly concentrated on Investment in Stock Market & Loans & ICD Market The main reason is that company is concentrated on investment business and stopped high risk trading activities during the financial year under review. Further Company is diversifying its activities from Investment in shares to Corporate Loan & deposit.

SUBSIDIARY COMPANY

As there are no subsidiaries of the company, investment made in subsidiaries is NIL

OUTLOOK 2009-10

A significant portion of the company's income arises from investment and trading operation, which are largely dependent on the conditions of the stock market. The stock market activity depends largely upon the economic growth momentum and a combination of several factors like low inflation, growing domestic savings, surging portfolio investments into India etc. The unusual developments in the global economy indicate heightened uncertainties and new challenges for the emerging market economies like India. However, several policy measures introduced by the government to reduce the growing rate of inflation, consistently increasing savings and investment rate and achieve expected moderate GDP growth rate compared to other competing emerging markets and healthy corporate earnings which has the potential to attract strong foreign capital flows in the Indian capital market. The management is of the view that the company will be able to reasonably perform in the context of given economic environment by continuing its efforts to reach new client segment with the service capability.

RISKS & CONCERNS.

Increased competition and market volatility has enhanced the importance of risk management in Share Trading business. The sustainability of the business is derived from the following:

- * Identification of the diverse risks faced by the company.
- * The evolution of appropriate systems and processes to measure and monitor them.
- * Risk management through appropriate mitigation strategies within the policy framework.
- * Monitoring the progress of the implementation of such strategies and subjecting them to periodical audit and review.
- * Reporting these risk mitigation results to the appropriate managerial levels.

There is the risk of loss from inadequate or failed systems, processes or procedures. These may be attributed to human failure or technical problems given the increased use of technology and staff turnover.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUENCY

The company has a comprehensive internal control and security system, which provides for appropriate checks and balances. Its internal audit process reviews internal controls and compliance of the control systems. The system is continuously upgraded based on market developments and the company's Cumulative experience.

FULFILMENT OF RBI NORMS AND STANDARDS

The Company has fulfilled all RBI Norms and complied with it.

CAUTIONARY STATEMENT

This report describing the companies activities, projections about future estimates, assumptions with regard to global economic conditions, government policies, etc may contain "forward looking statements" based on the information available with the company. Forward-looking statements are based on certain assumptions and expectations of future events. These statements are subject to certain risks and uncertainties. The company cannot guarantee that these assumptions and expectations are accurate or will be realized. The actual results may be different from those expressed or implied since the company's operations are affected by the many external and internal factors, which are beyond the control of the management. Hence the company assumes no responsibility in respect of forward-looking statements that may be amended or modified in future on the basis of subsequent developments, information or events.

Company follows all Mandatory Accounting Standards.

For and on behalf of the Board of Directors,
For Abhinav Capital Services Limited

Place: Mumbai

Date: 29th June 2009

Chetan Karia
Chairman

REPORT ON CORPORATE GOVERNANCE

CORPORATE GOVERNANCE PHILOSOPHY

The Company firmly believes in and has proactively adopted the best policies of corporate governance to ensure transparency, professionalism and accountability in its dealing with shareholders, customers, creditors, Employees and every person who comes in contact with the Company

Board of Directors

The company has non-executive chairman and number of non-executive directors is more than 50% of total number of directors.

None of the directors on the board of directors on the board is a member of more than 10 committees or chairman of more than 5 committees as specified in the clause 49 of listing agreement. Necessary disclosures regarding committee positions have been made by the directors.

The strength of the board of directors is 4 directors. The board comprised of non-executive chairman, executive director/ independent directors.

Name of Director	Executive / Non Executive / Independent	No. Of Outsider Directorship		No. Of outside Committee position held	
		Public	Private	Member	Chairman
Mr. Girish Desai	Independent	1	-	-	-
Mr. Amar K. Jain	Independent	1	2	-	-
Mr. Chetan Karia Mr. Kamlesh Kotak	Executive Executive	-	-	-	-

The senior management has made disclosures to the board confirming that there are no material, financial or commercial transactions between them and the company, which could have potential conflict of interest with company at large.

The board met 4 times during the year i.e. , 27th June 2008, 31st July 2008,30th October 2008 and 30th January 2009

The following table gives the attendance record of the directors at the board as well as Annual General Meeting.

DIRECTORS	NO of Board Meetings held	No of Meeting attended	Attendance at the AGM
Mr. Chetan Karia	04	04	Yes
Mr. Girish Desai	04	03	Yes
Mr. Amar K. Jain	04	02	Yes
Mr.Kamlesh Kotak	04	04	Yes

Notes

1. None of the Directors are related to any other director
2. None of the Directors holds Directorship in more than 15 public limited Companies nor is a member of more than Ten Committees across all Companies in which he is a Director

Committees of the Board

The Committees of the Board Constituted when the Code become applicable to the Company. The role and the responsibilities of each of the Committee is well defined. The Board has constitutes the following Committees.

AUDIT COMMITTEE:

The company has constituted an audit committee in the year 2006. The role, powers and functions of the audit committee are as per guidelines stated in the clause 49 of the listing agreements with the stock exchanges read with section 292A of the companies' act 1956. The terms of reference of the audit committee inter-alia are broadly as under:

1. To oversee the company's financial reporting process and the disclosure of its financial information, to ensure that the financial statement is correct, sufficient and credible.
2. To recommend to the board, the appointment and reappointment of statutory auditors, fixation of audit fees and also approval for payment of any other services.
3. To review with the management, the annual financial statements before submission to the board for approval, with particular reference to:
 - a) Matters required to be included in the director's responsibility statement in boards report, in terms of clause (2AA) of section 217 of companies' act 1956.
 - b) Changes, if any, in accounting policies and practices and reasons for the same.
 - c) Major accounting entries involving estimates based on the exercise of judgment by management.
 - d) Significant adjustments made in financial statement arising out of audit findings.
 - e) Compliance with listing and other legal requirements relating to financial statements.
 - f) Disclosure of related party transactions.
 - g) Qualifications in the draft audit report.
4. To review with the management, the quarterly financial statements before submission to the board for approval.
5. To review with management, performance of statutory and internal auditors and adequacy of the internal control systems.

6. To review the status on utilization of IPO proceeds.
7. To review the adequacy of internal control system, including the structure of internal audit department, staffing of the department, reporting structure coverage and frequency of internal audit.
8. Discussion with internal auditors for any significant findings and follow up there on.
9. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.
10. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
11. To review the functioning of whistle blower mechanism, if and when introduced.
12. Carrying out such other function as may be specifically referred to the committee by the board of directors and /or other committee(s) of the directors of the company.

The Audit Committee was Constituted with Two independent Non Executive Director and one executive director viz

1 Mr. A.K. Jain	Chairman	Independent Non Executive Director
2 Mr.Kamlesh Kotak	Member	Executive Director
3 Mr.Girish Desai	Member	Independent Non Executive Director

Meeting and attendance during the year

During the year under report four meetings of the Committee were held and all the directors were present in all the meeting.

During the year under report, the Audit Committee reviewed the quarterly and annual financial results before the Board took the same on record. The Committee also reviewed internal audit report and internal control systems and procedures and recommended desired improvements to the Board to strengthen the same. As a measure of good corporate governance, representatives of statutory Auditors were regularly invited to the meeting of the audit Committee and made significant contribution to the deliberations at the Committee meetings.

INVESTOR GREVIANCE & SHARE TRANSFER COMMITTEE

The composition of the Committee is as under

1. Mr.Chetan Karia	Chairman	Non -Independent Non Executive Director
2. Mr. A.K. Jain	Member	Independent Non Executive Director
3. Mr. Girish Desai	Member	Independent Non Executive Director

During the year under report the Committee met two times
Mr. Chetan Karia act as a Compliance officer and has been regularly interacting with the Share Transfer Agents to ensure that the complaints of the investors are attended to without undue delay and where deemed expedient the complaints are referred to the Committee or discussed at the meetings. The Company has not received any complaint during the year.

Composition / Remuneration committee.

The company has constituted compensation/remuneration committee in the year 2007.The scope of the activities of the compensation/remuneration committee is to recommend the remuneration payable to the managing director and executive director of the company, payment of commission and sitting fees to non-executive directors.

During the year under review, the committee met once on 27th June 2008.

The details of the composition of the committee and attendance at its meeting are given below.

1. Mr. A.K. Jain	Chairman	Independent Non Executive Director
2. Mr.Chetan Karia	Member	Executive Director
3. Mr.Girish Desai	Member	Independent Non Executive Director

DISCLOSURE: During the year no material transactions with the Directors or the management. Their subsidiaries or relatives etc have taken place, which have potential conflict with the interest of the Company

Disclosure of Accounting Treatment

The financial statements are prepared on accrual basis of accounting and company complied with the Accounting standards referred to in section 211(3C) of the companies act, 1956

Board Disclosures-Risk Management.

The company has laid down the requisite procedures to inform the board members about the risk assessment and minimization procedures.

Your company is not in speculative trade and is investors friendly and hence market risk is eliminated. The volatile movements in the stock market are natural and your company had to cope with the situation. This they wish to achieve by prudent and frugal deployment of available funds to minimize loss and risk in the market.

Code of conduct for prevention of insider trading practices.

In compliance with the SEBI (prohibition of insider trading) regulations, 1992, as amended the company has formulated, adopted and implemented “DJS code of conduct for prevention of insider trading”

CEO/CFO certification

A certificate from chairman on the financial statements of the company was placed before the board as per the requirement of clause 49(V) of the listing agreement.

Compliance with non-mandatory requirements of clause 49 of the listing agreement.

The company has voluntarily complied with the non-mandatory requirements relating to remuneration committee.

Management discussion and analysis.

Management discussion and analysis is given as a separate section in the annual report.

Cash flow statement for the period from 1st Aril 2008 to 31st March 2009.

Cash flow from operating activities: enclosed

DEPOSITORY SYSTEM

Dematerialization of shares

Shares in the company can be held and traded in electronic form and SEBI has made it compulsory for the company to deliver in dematerialization form only. Majority of companies shares are in dematerialized form only.

Means of communication

The quarterly / half-yearly / annual financial results of the company are announced within the stipulated period and are normally published in English and Marathi newspapers.

1. OTHER DISCLOSURE RECOMMENDED BY THE COMMITTEE

Detail of Annual General Meetings

Year	Type	Location	Date	Time
2008	A G M	Athena House, Row House No. 4, Rajnigandha, Gokuldharm, Goregaon (East), Mumbai 400 063	25 th August 2008	11.00 AM
2007	A G M	Athena House, Row House No. 4, Rajnigandha, Gokuldharm, Goregaon (East), Mumbai 400 063	29 th August 2007	11.00 AM
2006	AGM	Athena House, Row House No. 4, Rajnigandha, Gokuldharm, Goregaon (East), Mumbai 400 063	29 th July 2006	10.00 A.M.

Whether special resolutions were put through postal ballot last year?

No.

Are votes proposed to be conducted through postal ballot this year?

No.

Statutory compliances

The Company has not received any Notice or complaint from the statutory authorities. The Company is regular in Complying with various compliances under the various statutory authorities

Name and Address of the Share Transfer Agents of the Company:

Adroit Corporate Services Private Limited
19, Jaferbhoy Industrial Estate, Makwana Road,
Marol Naka, Andheri (East), Mumbai 400 059.
Tel No. 2859 4060/28596060
Fax No. 28503748

Book closure dates: 11th September 2009 to 14th September 2009.

Listing Details

The Shares of the Company are listed at Mumbai, MP and Ahmedabad Stock Exchange.

BSE Scrip Code: 532057

Monthly High & Low prises Quoted on BSE after Listing

Month		High	Low
April	2008	104.00	104.00
May	2008	103.60	101.55
June	2008	102.00	100.00
July	2008	98.05	98.05
August	2008	96.10	96.10
September	2008	94.20	92.35
October	2008	92.35	82.00
November	2008	88.50	85.10
December	2008	90.25	86.75
February	2009	93.80	85.05
March	2009	95.55	91.85

Distribution Schedules as on 31.03.2009

No. Of Equity Shares	Share holders		No. of Shares	
	Number	% of Holders	Number	% of Shares
Up to 100	97	45.97	5913	0.09
101 - 500	71	33.65	24155	0.35
501-1000	5	2.37	3796	0.05
1001-2000	8	3.79	12300	0.18
2001-3000	4	1.90	9926	0.14
3001-4000	1	0.47	3300	0.05
4001-5000	1	0.47	4200	0.06
5001-10000	1	0.47	6800	0.10
10001 - 20000	1	0.47	19600	2.28
20001 - 50000	5	2.37	183000	2.64
50001 - above	17	8.06	6651610	96.06
TOTAL	211	100.00	6924600	100.00

Categories of Shareholders as on 31.03.2009

Category	% Of Shareholding	No. Of Shares
Promoters	74.36	5148900
Individuals	23.64	1636966
Domestic Companies	2.00	138734
FIs, Mutual Funds & Bank	-	-
FIIIs, OCBs & NRI	-	-
TOTAL	100.00	6924600

Auditors' Report

To the Members of
Abhinav Capital Services Limited

Report on the Accounts for the year ended **31st March, 2009** in compliance with Section 227(2) of the Companies Act, 1956.

1. We have audited the attached Balance sheet of **Abhinav Capital Services Limited**, as at 31st March 2009 and also the annexed Profit & Loss Account of the company for the year ended on that date annexed thereto. These financial statements are responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes (a) examining, on a test basis, evidence to support

the financial statement amount and disclosures the financial statement (b) assessing the accounting principles used in the preparation of financial statements (c) assessing significant estimates made by the management in the preparation of the financial statement and (d) Evaluating 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 and **Companies (Auditors' Report) (Amendment) Order, 2004** issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we give in the annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, we report that:
 - (a) We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purposes of our audit;
 - (b) In our opinion, Company has kept proper books of accounts, as required by law, so far as appears from our examination of the books of the Company;
 - (c) The Balance sheet and the Profit and Loss Account referred to this report are in agreement with the books of account of the Company;
 - (d) In our opinion, the accounts comply with the accounting standards referred to in section 211(3C) of Companies Act;
 - (e) On the basis of representation received from the directors, and taken on record by the Board of Directors, in our opinion, none of the directors is disqualified from being appointed as director U/s 274(1)(g) of Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanation given to us, the said balance Sheet and Profit & Loss Account, together read with Significant Accounting Policies and Notes to Accounts, 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:
 - (i) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March' 2009,
 - (ii) In the case of the Profit & Loss Account, of the loss 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.

**For BRV & Associates
Chartered Accountants**

Place: Mumbai
Date: 29th June' 2009

Bhavesh Vora
Partner
M.No.43908.

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in our Report of even date on Accounts for the year ended 31st March 2009 of **Abhinav Capital Services Limited**)

In our opinion, and on the basis of such checks of the books and records as we considered appropriate and according to the information and explanations given to us during the normal course of audit, which were necessary to the best of our knowledge and belief, we report that:

- (i) The Company has maintained proper records showing full particulars including quantitative details and situation of its fixed assets. The Management has physically verified certain assets during the year in accordance with a programmed of verification, which in our opinion provides for physical verification of the fixed assets at reasonable intervals. According to the information and explanations given to us no material discrepancies were noticed on such verification. During the year, Company has not disposed of any substantial / major part of fixed assets.
- (ii) In our opinion and according to the information and explanation given to us, the procedures of physical verification of commodities held as stock-in-trade followed by the management are reasonable and adequate in relation of the size of the Company and the nature of its business.
- (iii) According to the information and explanation given to us, the company has not granted any loans, secured or unsecured to companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956. The company has not taken any loans secured and unsecured from companies, firm or other parties covered in the register maintained U/s. 301 of the Companies Act, 1956. As the company is NBFC, Loan and advances given in the normal course of business have not been considered here for reporting.
- (iv) In our opinion and according to information and explanations given to us, the internal control system for purchase of fixed assets and for sanction, disbursements and recovery of loans given by the company are adequate and commensurate with the size of the company and present nature of its business. During the course of our audit, no major weakness has been noticed in the internal control system.
- (v) Based on the audit procedures applied by us and the information and explanations provided by the management, we are of the opinion that there were no transactions during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956.
- (vi) Based on our scrutiny of the company's records and according to the information and explanations provided by the management, in our opinion, the company has not accepted any public deposits so far up to 31st March 2009. Hence provision of section 58A and 58AA or any relevant provisions of the Act and the rules framed there under are not applicable.
- (vii) In our opinion, the company has an adequate internal audit system commensurate with the size and the nature of the business.
- (viii) The Central Government has not prescribed the maintenance of cost records by the company under section 209(1) (d) of the Companies Act, 1956 for any of its products.

- (ix) According to the records of the company and information and explanations given to us in respect of statutory and other dues, the company has been generally regular in depositing undisputed statutory dues including Income Tax, Service Tax, Profession Tax, Provident Fund and other statutory dues with the appropriate authorities during the year. According to the records of the company and information and explanations given to us, the details of statutory dues of income tax which have not been deposited on account of dispute are given below:

Particulars	Financial Year to which matter pertains	Forum where dispute is pending	Amount Rs.
Income Tax	2005-06	CIT – Appeal	*334165/-

* The company has deposited Rs. 350000/- against the demand of Rs. 684165/-.

- (x) The company does not have accumulated losses at the end of the year. The company has incurred cash losses in such financial year under report. However, there were no cash losses in the immediately preceding financial year.
- (xi) According to records of the company, the company has not borrowed funds from financial institutions or banks or issued debentures till 31st March 2009. Hence, in our opinion, the question of reporting on default in repayment of dues to financial institutions or banks or debenture holders does not arise.
- (xii) According to the information and explanations given to us, the company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) The provisions of any special statute applicable to Chit Fund, Nidhi or Mutual Benefit Fund / Societies are not applicable to the company.
- (xiv) On the basis of our examination of the company's records we are of the opinion that the company is maintaining adequate records regarding transactions and contracts regarding its investment activities in shares and securities and other investment and timely entries have been made in these records. All the investment at the close of the year is held in the name of the Company.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by other from banks or financial institutions.
- (xvi) To the best of our knowledge and belief and according to the information and explanations given to us, the company has not availed any term loan during the year.
- (xvii) According to the records examined by us and according to the information and explanations given to us, on overall basis, funds raised on short term basis have, prima facie, not been used during the year for long term investment.
- (xviii) The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under section 301 of the Act during the year.
- (xix) The company has not issued any Debentures.

(xx) During the year, the company has not raised any money by public issues.

(xxi) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the year.

Place: Mumbai
Date: 29th June' 2009

For BRV & Associates
Chartered Accountants

Bhavesh Vora
Partner
M. No. 43908

CHAIRMAN'S DECLARATION ON CODE OF CONDUCT

As Required by Clause 49 of the Listing Agreement, the chairman's declaration for code of conduct is given below:

To,
The Members of
Abhinav Capital Services Limited

I Chetan Karia, Chairman of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance of code of conduct.

For and on behalf of the Board of Directors,
For Abhinav Capital Services Limited

Place: Mumbai
Date: 29th June, 2009

Chetan Karia
Chairman

AUDITOR'S CERTIFICATE

We have examined the books of account and other records maintained by M/s Abhinav Capital Services Limited in respect that they continue to undertake the business of NBFII requiring holding of Certificate of Registration(CoR), under Section 45-IA of the RBI Act, 1934 as on 31st March 2008 and report that to the best of our knowledge and according to the information and explanations given to us and as shown by the records examined by us, the Company is engaged in the business of NBFII and requires to held the Certificate of Registration. The Company has already obtained Certificate of Registration bearing registration No. 13.00685 issued under Section 45-IA of the Reserve Bank of India Act, 1934.

For M/s. BRV & ASSOCIATES

Chartered Accountants,

(Bhavesh Vora)

Partner

M. No. 43908.

Place: Mumbai

Date: 29/06/2009.

ABHINAV CAPITAL SERVICES LTD.

BALANCE SHEET AS ON 31-03-2009

(Rs in Lacs)

Particulars	Sch. No.	As on 31.03.09 Amount	As on 31.03.08 Amount
<u>SOURCES OF FUNDS:</u>			
1 <u>Shareholders' Funds:</u>			
Share Capital	A	692.46	692.46
Reserves and Surplus	B	608.69	629.46
2 <u>Loans Funds:</u>			
Secured Loans		-	-
Unsecured Loans		-	-
TOTAL		1,301.15	1,321.92
<u>APPLICATION OF FUNDS:</u>			
1 <u>Fixed Assets:</u>			
Gross Block	C	33.47	30.61
Less : Accumulated Depreciation		(12.27)	(6.74)
Net Block		21.20	23.87
2 <u>Investments:</u>			
	D	1,091.37	1,105.83
3 <u>Current Assets, Loans and Advances:</u>			
Stock In Hand	E	2.53	-
Sundry Debtors	F	0.07	14.50
Cash & Bank Balances	G	122.21	117.42
Loans and Advances	H	51.61	52.03
Other Current Assets	I	71.62	67.41
		248.04	251.35
Less: <u>Current Liabilities & Provisions:</u>			
Sundry Creditors	J	1.41	1.49
Provisions & Other Liabilities	K	58.37	58.17
		59.77	59.66
Net Current assets		188.27	191.68

4	Deferred Tax Assets		0.31	0.54
5	Miscellaneous Expenditure: (to the extent not written off or adjusted)		-	-
			1,301.15	1,321.92
	Accounting Policies & Notes to Accounts	O		

The Schedules referred to above form an integral part of accounts.

As per our report of even date

For BRV & ASSOCIATES
Chartered Accountants

For ABHINAV CAPITAL SERVICES LTD.

Bhavesh Vora

Partner

M. No. 43908

Place: Mumbai

Date:29-06-2009

Chetan Karia Kamlesh Kotak A.K. Jain

Chairman Director Director

Place: Mumbai

Date:29-06-2009

ABHINAV CAPITAL SERVICES LTD.

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31.03.2009

(Rs in Lacs)

Particulars	Sch. No.	For the Year ended 31.03.09 Amount	For the Year ended 31.03.08 Amount
1 <u>INCOME</u>	L		
Interest (CY: TDS deducted Rs. 0.86 Lacs)		10.11	13.64
Profit from sale of Invt in shares / MFs		9.40	20.66
Dividend		13.37	21.62
Income from Commodities Trading (Net)	M	(0.01)	8.24
		32.88	64.16
2 <u>EXPENDITURE</u>	N		
Payment to & For Employees		32.87	35.22
Administrative & Other Expenses		14.68	12.59
Interest & Financial Expenses		0.04	3.06
Depreciation		5.53	3.52
		53.14	54.38
3 Profit/(Loss) before Tax		(20.26)	9.77
4 <u>Provision for Taxation</u>			
Current Tax		-	1.58
Deferred Tax		0.22	(0.27)
Fringe Benefit Tax		0.26	0.16
5 Profit/(Loss) After Tax		(20.74)	8.30
6 Short/(Excess) Provision for Tax/FBT		0.02	(0.29)
7 Profit/(Loss) for the year		(20.76)	8.59
8 Balance B/Fd. from Previous year		629.45	620.86
9 Balance Carried to Balance Sheet		608.69	629.45
10 Earning Per Share - Basic & Dilluted (in Rs.)		(0.30)	0.12
Accounting Policies & Notes to Accounts	O		

The Schedules referred to above form an integral part of accounts.

As per our report of even date.

For M/s. BRV & Associates
Chartered Accountants

Bhavesh Vora

Partner

M. No. 43908

Place: Mumbai

Date: 29-06-2009

For ABHINAV CAPITAL SERVICES LTD.

Chetan Karia Kamlesh Kotak A.K. Jain

Chairman Director Director

Place: Mumbai

Date: 29-06-2009

ABHINAV CAPITAL SERVICES LTD.

SCHEDULES FORMING PART OF BALANCE SHEET AS ON 31.03.2009

Schedule 'A'

(Rs in Lacs)

<u>SHARE CAPITAL</u>	As on 31.03.2009	As on 31.03.2008
-		
<i>AUTHORISED:</i> 80,00,000 Equity Shares (Previous Year 80,00,000 Shares) of Rs. 10/- each	800.00	800.00
	800.00	800.00
<i>ISSUED, SUBSCRIBED, AND PAID UP:</i> 69,24,600 Equity Shares (Previous Year 69,24,600 Shares) of Rs. 10/- each	692.46	692.46
	692.46	692.46

Schedule 'B'

<u>RESERVES AND SURPLUS</u>	As on 31.03.2009	As on 31.03.2008
-		
- Profit & Loss Account	608.69	629.46
	608.69	629.46

Schedule 'D'

(Rs. In Lacs)

INVESTMENTS	QTY. Nos.	AMOUNT AS ON 31.03.2009	QTY. Nos.	AMOUNT AS ON 31.03.2008
Quoted				
Equity Shares				
21 cen management	3,000	1.28	3,000	1.28
Ashiana Hsg.	3,850	4.01	3,850	4.01
Atlas Copco India Ltd	27,773	230.01	27,500	226.74
Camlin Limited	-	-	71,008	44.49
Daikaffil Chemicals India Ltd.	32,171	5.39	32,171	5.39
EIMO ELECON(INDIA)	28,611	97.52	28,611	97.52
ENTEGRA LTD	-	-	10,000	0.80
Exide Ltd.	-	-	213	0.06
HBL Power System	4,500	11.34	4,500	11.34
Hind oil exp co	-	-	100,000	101.26
ILFS Investmart	2,087	4.09	16,300	19.36
Jhaveri Flexo (JFL)	400,000	240.00	-	-
Man Industries	-	-	28,200	37.25
Premier Ltd.	114,000	93.38	131,667	131.92
Rainbow Paper	40,000	31.90	40,000	31.90
Satra Properties	180,000	72.45	180,000	72.45
Sumeet Industries	-	-	2,500	-
SSI LTD	-	-	20,000	20.05
M V. OF Quoted Shares as on 31.03.2009	607.35			
Total (A)	5,210,225	791.37	699,520	805.83
Unquoted				
6% Redeemable Cummulative Preference				
Shares of Vikabh Securities Pvt. Ltd.	2,000,000	200.00	2,000,000	200.00
Epitome Global Ser P. Ltd	250,000	100.00	250,000	100.00
Total (B)	2,250,000	300.00	2,250,000	300.00

Aggregate Cost of Quoted and Unquoted investment Total(A+B)		1,091.37		1,105.83
--	--	----------	--	----------

CURRENT ASSETS, LOANS & ADVANCES

Schedule 'E'

<u>STOCK IN HAND</u>	As on 31.0.3.2009	As on 31.03.2008
-		
Jeera	2.53	-
	2.53	-

Schedule 'F'

<u>SUNDRY DEBTORS</u>	As on 31.03.2009	As on 31.03.2008
<u>Sundry Debtors (Unsecured)</u>		
-Outstanding for more than six months		
-Consider good	0.07	-
-Consider doubtful	-	14.50
-Others Debts	-	-
	0.07	14.50

Schedule 'G'

<u>CASH AND BANK BALANCES</u>	As on 31.03.2009	As on 31.03.2008
-		
Cash on Hand	0.35	0.38
Balance with Scheduled Banks		
- in Current Accounts	121.85	117.04
	122.21	117.42

Schedule 'H'

<u>LOANS AND ADVANCES</u>	As on 31.03.2009	As on 31.03.2008
-		
Advances to Staff	1.24	1.62
Advance recoverable in cash or in kind or for value to be received	50.26	50.41
Deposits	0.10	0.01
	51.61	52.03

Schedule 'I'

<u>OTHER CURRENT ASSETS</u>	As on 31.03.2009	As on 31.03.2008
-		
Income Tax	22.65	19.04
Tax Deducted at Source	48.98	48.37
	71.62	67.41

CURRENT LIABILITIES, OTHER LIABILITIES AND PROVISIONS**Schedule 'J'**

<u>SUNDRY CREDITORS</u>	As on 31.03.2009	As on 31.03.2008
-		
Sundry Creditors for trade		
a) Outstanding to Micro & Small Enterprises	0.33	0.33
b) Outstanding to Other than Micro and Small Enterprises	-	-
Sundry Creditors for Expenses		
a) Outstanding to Micro & Small Enterprises	1.08	1.16
b) Outstanding to Other than Micro and Small Enterprises	-	-
	1.41	1.49

Schedule 'K'

<u>PROVISIONS & OTHER LIABILITIES</u>	As on 31.03.2009	As on 31.03.2008
-		
Provisions for Tax	58.07	58.08
Other Liabilities	0.30	0.10
	58.37	58.17

ABHINAV CAPITAL SERVICES LTD.**SCHEDULES FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED
31.03.2009****SCHEDULE 'L'**

(Rs in Lacs)

<u>INCOME</u>	For the Year Ended 31.03.2009	For the Year Ended 31.03.2008
Interest	10.11	13.64
Profit from sale of investment in shares / MFs	9.40	20.66
Dividend	13.37	21.62
	32.88	55.92

SCHEDULE 'M'

<u>INCOME FROM COMMODITY TRADING (NET)</u>	For the Year Ended 31.03.2009	For the Year Ended 31.03.2008
Sales & Related Expenses	-	216.14
Add: Closing Stock	2.53	-
Add: Trading Income from Commodity	(0.01)	55.76
Less : Purchase & Related Expenses	2.53	263.66
Less : Opening Stock	-	-
	(0.01)	8.24

SCHEDULE 'N'

<u>EXPENDITURE</u>	For the Year Ended 31.03.2009	For the Year Ended 31.03.2008
<u>Payment to & For Employees</u>		
Salaries	19.27	25.58
Directors Remuneration	13.10	9.11
Staff Welfare	0.51	0.53
Sub Total	32.87	35.22
<u>Administrative & Other Expenses</u>		
Advertisement Expenses	0.31	0.17
AMC	0.05	-
Business Promotion Exps.	0.06	-
Books & Periodicals	-	0.03
Conveyance	0.50	0.61
Electricity expenses	1.17	1.49
General Office Expenses	1.22	0.26
Insurance Premium	0.35	0.31
Labour Charges	0.22	-
Listing Fees	0.40	0.35
Legal Fees	0.00	0.30
Misc. Expenses	0.00	0.01
Vehicle Running Expenses	0.10	0.11
Membership & Subscription	0.06	0.07
Postage & Telegram	0.04	0.03
Printing & Stationery	0.13	0.17
Professional Fees	3.68	3.90
Registrar and Transfer Agent Charges	0.45	0.48
Rent Rates & Taxes	1.34	1.20
Repairs & Maintenance	2.40	0.84
ROC Filing Fees	0.04	0.03
Society Charges	0.04	
Telephone Expenses	0.56	0.46
Travelling Expenses	0.23	0.71
Water Charges	0.31	0.19
Website Charges	0.01	-
<u>Auditors Remuneration</u>		
Audit Fees	0.28	0.25
For Other Matters	0.74	0.63

-	Sub Total	14.68	12.59
<u>Interest & Financial Expenses</u>			
Bank Charges		0.03	0.04
Bank Interest		0.01	0.00
Interest to others		0.01	3.02
	Sub Total	0.04	3.06

Schedule 'O': Accounting Policies & Notes to Accounts**SCHEDULE OF NOTES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31st MARCH, 2009 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.****A. ACCOUNTING POLICIES:****1) Basis of Preparation of Financial Statements:**

The accounts have been prepared on the historical cost basis and on the principles of a going concern and also in accordance with the standards on accounting issued by Institute of Chartered Accountants of India referred to in section 211 (3C) of the Companies Act , 1956, unless specifically stated to be otherwise.

Accounting policies, unless specifically stated to be other wise, are consistent and are in accordance with generally accepted accounting principles.

2) Fixed Assets:

(i) Assets are stated at their Cost less Accumulated Depreciation. Addition to Fixed Assets represents cost of acquisition, incidental expenses related to such acquisition and installation.

(ii) Depreciation is provided on written down value basis in the manner and at the rates prescribed by Schedule XIV of the Companies Act, 1956.

(iii) In respect of additions to Fixed Assets the Depreciation is provided on prorata basis for the year.

3) Inventory Valuation:

Shares, Securities and Commodities are valued at cost or market value which ever is lower. The figures of stock (if any) in the accounts are based on the physical inventory taken, valued and certified by the directors.

4) Investments:

Long Term Investments are stated at cost. However, when there is a decline other than temporary in the value of long term investment, the carrying amount is reduced to recognize the decline.

5) Recognition of Income and Expenditure :

Income and expenses is accounted on accrual basis. Dividend is accounted for in the year in which the same is received.

6) Taxes on Income :

a) Current Tax: Provision for Income Tax is determined in accordance with the provisions of Income Tax Act, 1961.

b) Deferred Tax Provision: Deferred Tax is recognized on timing differences being the differences between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent period(s). The deferred tax asset is recognized and carried forward only to the extent that there is a reasonable certainty that the asset will be realized in future.

7) Retirement Benefits :

Since it is not possible to ascertain with reasonable certainty the quantum of retirement benefits, the same are accounted for on actual payment basis.

8) Foreign Exchange Transactions :

Foreign Exchange transactions (if any) are recorded using the exchange rates prevailing on the dates of the respective transactions. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the profit and loss account.

Monetary assets and liabilities (if any) denominated in foreign currencies as at the balance sheet date are translated at year end rates. The resultant exchange differences are also recognized in the profit and loss account.

9) Miscellaneous Expenditure:

Preliminary Expenses are amortized over period of ten years.

10) Research and Development:

Revenue Expenditure on research and development (if any) is charged to profit and loss account in the year in which it is incurred. Capital Expenditure, if any, on research and development is included in addition to fixed assets.

11) Borrowing Cost:

Borrowing cost (if any) that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalized as part of the cost of that asset. The amount of other borrowing cost (if any) is recognized as an expense in the period in which they are incurred.

12) Provisions, Contingent Liabilities and Contingent Assets

Provision are recognized for liabilities that can be measured only by using substantial degree of estimation, if

1. the company has a present obligation as a results of past event,
2. a probable outflow of resource is expected to settle the obligation and
3. the amount of the obligation can be reliably estimated

Reimbursement expected in respect of expenditure required to settle a provision is recognized only when it is virtually certain that the reimbursement will be received.

Contingent Liability is disclosed in the case of

- a. a present obligation arising from a past event, when it is not probable that an outflow of resources will be required to settle the obligation
- b. a possible obligation, unless the probability of outflow of resources is remote.

Contingent Assets are neither recognized, nor disclosed.

Provisions, Contingent Liabilities and Contingent Assets are reviewed at each Balance Sheet Date.

13) Impairment of Assets:

As at each Balance Sheet date, the carrying amount of assets is tested for impairment so as to determine,

1. The provision for impairment loss, if any, required or
2. The reversal, if any, required of impairment loss recognized in previous periods
Impairment loss is recognized when the carrying amount of an assets exceeds its recoverable amount.

Recoverable amount is determined,

1. in the case of an individual assets, at the higher of the net selling price and the value in use
2. in the case of a cash generating unit (a group of assets that generates identified independent cash flows) at the higher of the cash generating unit's net selling price and the value in use.

(Value in use is determined as the present value of estimated future cash flows from the continuing use of an asset and from its disposal at the end of its useful life).

B. NOTES TO ACCOUNTS:

1) Debtors:

The Debtors are stated at Book Value and the same are subject to confirmation and reconciliation, if any.

2) **Foreign Exchange Transactions:**

The company has not entered into any foreign exchange transactions during the year.

3) Credit balances of creditors as also the Loans and Advances are shown as appearing in the accounts and are subject to confirmation.

4) **Borrowing Cost:**

“NIL” amount of borrowing cost is capitalized during the year.

5) In the opinion of the Board, all the Current Assets, Loans and Advances are approximately of the values stated, if realized in the ordinary course of business.

6) The Company has obtained the registration as a Non-Banking Finance Company from Reserve Bank of India duly approved through its letter dated 16th May, 1998 having registration number as 13.00685

7) Managerial Remuneration to Directors: for 2008-2009 For 2007-2008
Rs. 13.09 Lacs Rs.9.10 Lacs

Profit / (loss) computed in accordance with Section 349 & 350 of the Companies Act

	(Rs. In Lacs)
Net profit/ (loss) before Tax	(20.26)
Less: Directors' Remuneration	13.09
Less: Expenses on repairs	02.40_
Profit /(Loss)	(35.75)

8) **Related Party Transactions:**

The following related party transaction has incurred during the reporting period

Sr. No.	Related Party	Relation	Transaction	Amount
1	Kamlesh Kotak	Director	Remuneration paid	13.09 lacs

9) **Details of trading done during the financial year are as follows;**

Sr. No.	Item name	Opening		Purchase		Sales		Closing		Shortage /Excess) If any
		Qty (kg)	Value (Lacs)	Qty (kg)	Value (Lacs)	Qty (kg)	Value (Lacs)	Qty (kg)	Value (Lacs)	
1	Jeera	-	-	2970	2.53	-	-	2970	2.53	-

10) Deferred Tax:

As per Accounting Standard (AS-22) on accounting for taxes on income issued by the Institute of Chartered Accountants of India, the provision for deferred tax Expense for the year 2008-09 has been computed at Rs 0.22 Lacs (Previous Year income of Rs 0.27 Lacs) and is debited to Profit & Loss A/c. The Deferred Tax Assets as at 31st March, 2009 comprises of the following:
(Rs. In Lacs)

Particulars	2008-09	2007-08
a. Deferred Tax Assets		
-- Related to Fixed Assets	0.31	0.54
b. Deferred Tax Liabilities	--	--
	-----	-----
c. Provision for Deferred Tax Assets/ (Liabilities)	0.31	0.54
	=====	=====

11) There is only one segment as required by Accounting Standard 17 and accordingly the figures stated in the balance sheet and profit and loss account pertains to segment results only. Hence the same are not reported separately.

12) Impairment of Assets:

The amount of impairment losses recognizes in the statement of profit and loss during the period and the line item(s) of the statement of profit and loss in which those impairment losses are included:	NIL
The amount of reversals of impairment losses recognizes in the statement of profit and loss during the period and the line item(s) of the statement of profit and loss in which those impairment losses are reversed:	NIL
The amount of impairment losses recognized directly against revaluation surplus during the period:	NIL
The amount of reversals of impairment losses recognized directly in revaluation surplus during the period:	NIL

13) Contingent Liabilities:

Claims against the company not acknowledged as debt:	NIL
Estimated value of contracts remaining to be executed on capital account and remaining to be accounted	NIL

14) Earning Per Share:

Sr. No.	Particulars	Unit	2008-2009	2007-2008
1	Amount used as the numerator Profit after taxation	Rs. In Lacs	-20.74	8.65
2	Weighted average number of equity shares used as the denominator	In Lacs	69.246	69.246
3	Nominal Value of shares	In Rupees	10/-	10/-
4	Earning per share	In Rupees	-0.30	0.12

- 15) The Company has not appointed company secretary throughout the year under review, according to the provision of sec 383 A (1) of the Companies Act, 1956 due to the unavailability to Company Secretary. The Company has written a letter to the Institute of Company Secretaries of India for giving the names of suitable candidate for appointment of Company Secretary of India. However company has continued to avail services of practicing company secretary.
- 16) The Company has followed the Reserve Bank of India Guidelines applicable to the Non Banking Financial Companies in respect of prudential norms for Income Recognition, Assets Classification and Capital Adequacy
- 17) The company vide its resolution passed in the meeting of the Board of Directors held on 29.06.2009 has resolved that the company will not accept any Deposit from public and also resolved that the company has not accepted any deposit during the year ended 31st March, 2009.
- 18) Disclosure of details as required by Revised Para 13 of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 2007, earlier Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.

Amount (in Rs.)

		Amount outstanding		Amount overdue	
		31.03.2009		31.03.2009	
1	Loans and advances availed by NBFC inclusive of interest accrued thereon but	Nil		Nil	

		not paid				
	a)	Debentures (other than falling within the meaning of public deposits) i. Secured ii. Unsecured				
	b)	Deferred Credits				
	c)	Term Loans				
	d)	Inter-Corporate Loans and Borrowings				
	e)	Commercial Paper				
	f)	Other Loans (specify nature)				
2		Break up of Loans and Advances including bills receivable Other than those included in 3 below a) Secured b) Unsecured (all loans and advances, TDS)	7,262/-		Nil	
3		Break up of Leased Assets and Stock on Hire and other assets counting towards AFC activities : Lease assets including lease rentals under sundry debtors:	Nil		Nil	
	a)	Financial Lease (net of Depreciation and lease adjustment)				
	b)	Operating Lease				
		Stock on Hire including hire charges under sundry debtors:				
		a) Assets on Hire				
		b) Repossessed Assets				
		Other Loans counting towards AFC activities				
		a) Loans where assets have been repossessed				
		b) Loans other than (a) above				
4		Break up of Investments				
	a)	Current Investments:	Nil		Nil	
		Quoted:				
		- Equity Shares				
		- Preference Shares				
		- Debentures and Bonds				
		- Units of Mutual Funds				
		- Government Securities				
		- Others (please specify)				
	b)	Long Term Investments				
		Quoted:				
		- Equity Shares	7,91,37,197		Nil	
		- Preference Shares				
		- Debentures and Bonds				
		- Units of Mutual Funds				
		- Government Securities				
		- Others (please specify)				
		Unquoted:				
		- Equity Shares	1,00,00,000		Nil	
		- Preference Shares	2,00,00,000			
		- Debentures and Bonds				
		- Units of Mutual Funds				
		- Government Securities				
		- Others (please specify)				

		Total	10,91,37,197/-		Nil	
5		Borrower group-wise classification of assets financed as in 2 and 3 above				
	a)	Related Parties				
		1 Subsidiaries	Nil		Nil	
		2 Companies in the same group	Nil		Nil	
		3 Other related parties	7,262/-		Nil	
	b)	Other than related parties	Nil		Nil	
		Total	7,262/-		Nil	
6		Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted excluding stock-in-trade)	Market Value or Fair Value or NAV		Book Value (Net of provisions)	
			31.03.2009		31.03.2009	
	a)	Related Parties				
		1. Subsidiaries	Nil		Nil	
		2. Companies in the same group	Nil		Nil	
		3. Other related parties	Nil		Nil	
	b)	Other than related parties	10,91,37,197/-		Nil	
		Total	10,91,37,197/-		Nil	
7		Other Information				
	a)	Gross Non-Performing Assets	Nil		Nil	
		1 Related Parties				
		2 Other than related parties				
	b)	Net Non-Performing Assets	Nil		Nil	
		1 Related Parties				
		2 Other than related parties				
	c)	Assets acquired in satisfaction of debt	Nil		Nil	

19) Previous year's figures have been re-grouped and re-arranged wherever necessary.

**As per our report of even date
For BRV & Associates
Chartered Accountants**

For Abhinav Capital Services Ltd.

Bhavesh Vora
Partner
M. No. 43908

Chetan Karia **Kamlesh Kotak** **Amar K. Jain**
Chairman **Director** **Director**

Mumbai, Dated: 29/06/2009 **Mumbai, Dated: 29/06/2009**

ABHINAV CAPITAL SERVICES LTD.

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

As per Schedule VI of part (iv) of the Companies Act, 1956

I. Registration Details

Registration No. :

9	2	0	7	2
---	---	---	---	---

 State Code :

1	1
---	---

Balance Sheet Date

3	1
---	---

0	3
---	---

2	0	0	8
---	---	---	---

II. Capital Raised During the Year (amount in Rs. Thousand)

Public Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Right Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Bonus Issue

			N	I	L				
--	--	--	---	---	---	--	--	--	--

Private Placement

			N	I	L				
--	--	--	---	---	---	--	--	--	--

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Total Liabilities

130,115.07

Total Assets

130,115.07

Sources of Funds

Paid up Capital

69246.00

Reserve & Surplus

60,869.07

Secured Loans

0

Unsecured Loans

0

Application of Funds

Net Fixed Assets

2,119.71

Investments

109,137.20

Net Current Assets

18,826.69

Misc. Expenditures

0

Accumulated Lossess

0

Deferred Tax Assets

31.477

IV Performance of Company (Amount in Rs. Thousands)

Total Income

Total Expenditure

3,288.00

5,314.00

Profit/(loss) before tax

- 2,026.00

Profit/(loss) after tax

- 2,074.00

Earning Per Share in Rs.

- 0.30

Dividend Rate (%)

NIL

V. **Generic Names of Three Principal Products/ services of the Company**

(AS PER MONETARY TERMS)

Item Code No.

N. A.

Product Description

N	.	A	.																

Chetan Karia

Kamlesh Kotak

A K Jain



Chairman

Director

Director

Mumbai, Dated 29th June, 2009

Abhinav Capital Services Limited

Statement of Cash Flow prepared pursuant to the Listing Agreement with Stock Exchanges for the year ended 31st March' 2009

F.Y. 2008-2009	(Rs. in Lakhs)		
Cash Flow Statement	Year Ended 31.03.2009		Year Ended 31.03.2008
A. Cash Flow from Operating Activities			
Net Profit before Taxation and Extraordinary activities		(20.26)	9.77
Adjustments for :			
Depreciation	5.53		3.52
Loss/(Profit) on sale of Investments	(9.40)		(20.66)
Dividend Income	(13.37)		(21.62)
		(17.24)	(38.76)
		(37.50)	(28.99)
Operating Profit before Working Capital changes			
Decrease/(Increase) in Sundry Debtors	14.42		18.56
Decrease/(Increase) in Inventories	(2.53)		-
Increase/(Decrease) in Sundry Creditors	(0.08)		-
Increase/(Decrease) in Other liabilities/Provisions	0.20		-
Decrease/(Increase) in Loans & Advances	0.42		(41.30)
		12.43	(22.74)
Cash Generated / (Utilised) in Operations		(25.07)	(51.73)
Income Tax Paid		(4.51)	(11.20)
Cashflow before extraordinary Items		(29.58)	(62.93)
Extraordinary Items		-	
Net Cash from Operating Activities A		(29.58)	(62.93)
B. Cash Flow from Investing Activities			
Purchase of Fixed Assets	(2.87)		(13.41)
Purchase of Investments			

	(3,932.40)		(1,717.05)
Sale of Investments	3,956.26		1,887.10
Dividends Received	13.37		21.62
Net Cash from Investing Activities		34.36	178.26
C. Cash Flow From Financing activities		-	-
Net Increase / (Decrease) in Cash and Cash Equivalents		4.79	115.33
Cash and Cash Equivalents as on at the beginning of the year		117.42	2.08
Cash and Cash Equivalents as on at the end of the year		122.21	117.41
Net Increase / (Decrease) in Cash and Cash Equivalents		4.79	115.33

As Per Our Report of even Date
For BRV & ASSOCIATES
Chartered Accountants

For Abhinav Capital Services Ltd

Bhavesh R. Vora
Partner
Membership No. 43908

Chetan Karia **Kamlesh Kotak** **A.K. Jain**
Chairman Director Director

Mumbai, Dated: 29/06/2009

ABHINAV CAPITAL SERVICES LIMITED
COMPUTATION OF AUDITED NET OWNED FUND (NOF) AS ON 31.03.2009

(Rs. In Lacs)

Sr No	Particulars	Amount	Amount
1	(A)		
	a) Paid-up Equity Capital	692.46	
	b) Paid-up preference shares which are compulsorily convertible into equity	-	
	c) Free Reserves	608.69	1,301.15
2	Add:-		
	(B)		
	a) Accumulated balance of loss	-	
	b) Deferred revenue expenditure	-	
	c) Other intangible assets	-	-
3	(C)		1,301.15
4	Add :-		
	(D)		
	a) Investment in shares of		
	- subsidiaries	-	
	- companies in the same group	200.00	
	- all other NBFCs	-	
	b) Book Value of debentures, bonds, outstanding loans and advances (including hire-purchase and lease finance) made to		
	- subsidiaries	-	
	- companies in the same group	-	
	c) Deposit with		
	- subsidiaries	-	
	- companies in the same group	-	200.00
5	(E)		
	If (D) is less than 10% of (C), no adjustment is necessary. If (D) exceeds 10% of (C), find out the excess		69.89
6			
	The NOF for purposes of the Deposits Norms will be (C) minus (E)		1,231.27

As per our report of even date

For BRV & ASSOCIATES
Chartered Accountants

Bhavesh
Vora

Partner
M. No.
43908

Place:
Mumbai

Date: 29.06.2009

For ABHINAV CAPITAL SERVICES
LTD.

Chetan Karia **Kamlesh Kotak**
A.K. Jain
Chairman **Director**
Director

Place: Mumbai

Date:
29.06.2009

ABHINAV CAPITAL SERVICES LIMITED
SCHEDULE TO AUDITED BALANCE SHEET AS ON 31.03.2009

Schedule to the Balance Sheet of a Non-Banking Financial Company [as required in terms of paragraph [9BB of NBFC Prudential Norms (Reserved Bank) Directions, 1998]

(Rs in lakhs)

Particulars			
Liabilities Side :			
1	Loans and advances availed by the NBFCs inclusive of interest accrued thereon but not paid :	Amount Out-Standing	Amount Overdue
	a) Debentures : Secured	-	-
	: Unsecured (Other than falling within the meaning of public deposit*)	-	-
	b) Deferred Credits	-	-
	c) Terms Loans	-	-
	d) Inter-Corporate loans and borrowing	-	-
	e) Commercial Paper	-	-
	f) Public Deposits*	-	-
	g) Other Loans (specify nature) *Please see Note 1 below	-	-
2	Break-up of (1)(f) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)	Not Applicable	
	a) In the form of Unsecured debentures		
	b) In the form of partly secured debentures ie debentures where there is a shortfall in the value of security		
	c) Other public deposits		
Assets Side :			

	(l) Shares : (a) Equity Share	791.37	
	(b) Preference	-	
	(ii) Debentures and Bonds	-	
	(iii) Units of Mutual Funds		
	(iv) Government Securities	-	
	(v) Others (Please Specify)	-	
	2. Unquoted :		
	(l) Shares : (a) Equity Share	100.00	
	(b) Preference	200.00	
	(ii) Debentures and Bonds	-	
	(iii) Units of Mutual Funds	-	
	(iv) Government Securities	-	
	(v) Others (Please Specify)	-	
		1,091.37	
6	Borrowers group-wise classification of all leased assets, stock-on-hire and loans and advances :		
	(Please see Note 2 below		
	Category	Amount net of provisions	
		Secured	Unsecured
			Total
	1. Related Parties**		
	a) Subsidiaries	-	-
	b) Companies in the same group	-	-
	c) Other related parties	-	-
	2. Other than related parties	-	51.61
	Total		51.61
			51.61
			51.61
7	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) Please see note 3 below		
	Category	Market Value/ Break-up or fair value or NAV	Book Value (Net of Provision)
	1. Related Parties**		
	a) Subsidiaries	-	-
	b) Companies in the same group (At Cost)	200.00	200.00
	c) Other related parties	-	-

	2. Other than related parties QUOTED SHARES	607.35	791.37
	2. Other than related parties UNQUOTED SHARES (AT COST)	100.00	100.00
	Total	907.35	1,091.37
8	** As per Accounting Standard of ICAI (Please see Note 3) Other Information		
	Particulars		
	(I) Gross Non-Performing Assets	-	-
	(a) Related Parties		
	(b) Other than related parties		
	(ii) Net Non-Performing Assets	-	-
	(a) Related Parties		
	(b) Other than related parties		
	(iii) Assets acquired in satisfaction of debt	-	-

ABHINAV CAPITAL SERVICES LIMITED
SCHEDULE TO AUDITED BALANCE SHEET AS ON 31.03.2009

Schedule to the Balance Sheet of a Non-Banking Financial Company [as required in terms of paragraph [9BB of NBFC Prudential Norms (Reserved Bank) Directions, 1998]

Notes :

- 1 As defined in Paragraph 2(1)(xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- 2 Provisioning norms shall be applicable as prescribed in the Non-Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998.
- 3 All Accounting Standards and Guidance Notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debt. However, market value in respect of quoted investments and break-up/fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current investments column (5) above.]

As per our report of even date

For BRV & ASSOCIATES
Chartered Accountants

For ABHINAV CAPITAL SERVICES LTD.

Bhavesh Vora
Partner
M. No. 43908

Place: Mumbai
Date: 29.06.09

Chetan Karia Kamlesh Kotak A.K. Jain
Chairman Director Director

Place : Mumbai
Date: 29.06.09

Name of the member / proxy

Signature of the member / proxy

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