



PROVESTMENT SERVICES PVT LTD

16TH ANNUAL REPORT

2009-2010



PROVESTMENT SERVICES LIMITED

BOARD OF DIRECTORS	MR. ARVIND KUMAR NARANG : WHOLE TIME DIRECTOR MR. PRAVEEN BHATIA : DIRECTOR MR. VINOD RALHAN : DIRECTOR MR. GAURAV BHATIA : DIRECTOR MR. ANIL LAKHANI : DIRECTOR
COMPLIANCE OFFICER	MRS. DEEPIKA RAJPUT
AUDITORS	M/s AHUJA ARUN & Co. Chartered Accountants 412, Deepshikha Building, Rajendra Place, New Delhi- 110 008
BANKERS	PUNJAB & SIND BANK IFB, Connaught Place, New Delhi.
REGISTERED OFFICE	Building No.5, First Floor, Pusa Road, W.E. A. Karol Bagh, New Delhi-110 005
CORPORATE OFFICE	B-4/148C, Safdarjung Enclave, New Delhi-110 029

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PROVESTMENT SERVICES LIMITED

NOTICE

Notice is hereby given that the 16th Annual General Meeting of the Company will be held on Thursday, the 30th day of September, 2010 at 11:00 A.M. at the Corporate Office of the Company at B-4/148C, Safdarjung Enclave, New Delhi- 110 029 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the financial year ended on 31st March, 2010 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Anil Lakhani, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Statutory Auditors for the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, to fix their remuneration and to authorize them also to conduct audit of accounts of the Company's branches.

By the order of the Board

Place : New Delhi
Dated : July 17,2010

(Deepika Rajput)
Company Secretary

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK FORM OF PROXY IS ENCLOSED.
2. The Register of Members of the Company will remain closed from Thursday, 16th September, 2010 to Thursday, 30th September, 2010(both days inclusive).
3. M/s Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110 062 is registrar and Share Transfer Agent for physical shares of the Company. M/s Beetal Financial & Computer Services (P) Ltd is also the depository interface of the Company with both NSDL and CDSL.

4. Shareholders are requested to notify change in their address along with PIN CODES, to the Company at its Registered Office quoting their Folio Numbers.
5. Shareholders, who are holding shares in identical order of name in more than one folio, are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holding in one folio.
6. Members are requested to bring their copy of Annual Report. No extra copy would be available for distribution at the meeting.
7. Shareholders/ Proxy are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
8. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification
9. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 10 days before the date of the meeting.
10. No Hand bags/ Parcels of any kind be allowed inside the meeting hall. The same will have to be deposited outside the Meeting hall on the counter provided, at the shareholders'/ proxies' own risks.



PROVESTMENT SERVICES LIMITED

DIRECTORS' REPORT

Dear Members,

PERFORMANCE:

Your Directors have pleasure to present the 16th Annual Report along with audited accounts of the Company for the period ended 31st March '2010.

FINANCIAL DATA

	Current Year (2009-2010)	(In Rs.) Previous Year (2008-2009)
Profit before Depreciation	7182845	6017420
Less: - Depreciation	1430816	997830
Profit/(Loss) before Tax	5752029	5019590
Less: - Provision for tax/deferred tax charge	1509732	(1064983)
Less: - FBT	0	(121053)
Less: - Provision for Gratuity	21636	(16443)
Adj: - For Deferred Tax Liabilities for the Year	419467	(486071)
Profit/(Loss) after provisions	3801193	3331041
Opening Balance	9605807	6274766
Transfer to General Reserve	1500000	0
Profit/(Loss) carried to the Balance Sheet	11907000	9605807

REVIEW OF PERFORMANCE

During the year 2009-10 , your Company recorded profit before tax of Rs.57.52 Lacs (previous year Rs 50.19 lacs) representing a growth of 14.59% where as Profit after Tax recorded a growth of 14.11% which is quite remarkable achievement inspite of global slow down phase.

DIVIDEND

The Directors in view of the current scenario to carry out the future plans it is necessary to conserve the resources. Your directors are of the opinion of retaining the profits for the year within the Company, and thus have not recommended any dividend for the year ended 31st March 2010.

DIRECTORS

In accordance with the provisions of The Companies Act, 1956 and Articles of Association of the Company Shri Anil Lakhani retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st march 2010 the applicable accounting standards had been followed and no material departure have been made from the same;

- (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 financial year and of the profit of the Company for the year under review;
- (iii) That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That Director has prepared the annual accounts for the financial year ended 31st March, 2010 on a 'going concern' basis.

FIXED DEPOSITS

The Company has not accepted any deposit covered by Companies (Acceptance of Deposit) Rules, 1975.

DEMATERIALIZATION OF EQUITY SHARES

The company's equity shares are available for trading in the Depository system of both the National Securities Depository Limited (NSDL) and the central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allotted by NSDL and CDSL to the company is INE438C01010. The Demat status of the Company as on March 31, 2010 is as under:-

Particulars	No of Shares	Percentage
Electronic Mode		
NSDL	481289	9.43
CDSL	93518	1.83
Total Demat Holding	574807	11.26
Physical Mode	4528193	88.74
Total Shares	51,03,000	100.00

CORPORATE GOVERNANCE

Your Company has successfully implemented the mandatory provisions of Corporate Governance in accordance with the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges. Separate Report on Corporate Governance and Management Discussion & Analysis are included in the Annual Report and Certificate dated 17.07.2010 of the Auditors of your Company confirming the compliance of conditions of Corporate Governance is also annexed thereto.

PARTICULARS OF EMPLOYEES

There was no employee in respect of whom information is required to be given pursuant to section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended up-to-date.

AUDITORS

Ahuja Arun & Co. ,Chartered Accountants, the existing auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment. The Company has received audit report from Ahuja Arun & Co., Chartered Accountants and your directors do not observe any adverse remark therein.

INDUSTRIAL RELATIONS

During the year under review, your Company had amiable and pleasant industrial relations at all levels of the Organization.

SUBSIDIARY COMPANY

There was no Subsidiary Company during the year under review.

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

The information required under Section 217 (1) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

THE YEAR IN RETROSPECT

PROFOREX MONTHLY NEWS LETTER:

We are pleased to inform that amongst all RBI authorized Full Fledged Money Changers operating in India your Company is the first ones to start a newsletter on foreign exchange and therefore the response to our newsletter has been widespread and very encouraging.

2500 copies of this newsletter is presently circulated to all business segments such as exporters, MNC's, professional organizations, traders, travel agents, Government organizations and other corporate and has gained substantial recognition. Going further we intend to share our views and analysis to all existing corporate and top management personnel.

PACKAGING EXHIBITIONS:

Your Company specializes in arranging end to end consultancy services for clients engaged in the packaging industry for their end to end requirements. Your Company provides new ideas, concepts and new avenues for the corporate in the packaging industry. In this endeavor your Company organizes tours to world's largest Packaging Exhibitions held at Las Vegas, namely PACK EXPO in the year 2009. Your Company has been providing consultancy to clients for various new products being developed in China and has been organizing tours for CANTON FAIR held in Peoples Republic of China.

WEBSITE REVAMP:

Your company with a view to strengthen its brand image and also offer its prospective customers ease of navigation, had revamped its website, www.provestment.net and the website now neatly categorizes various businesses carried out by your company.

BSE INDONEXT LISTING:

Your company with a view to offer marketability and liquidity for the shareholders has decided to get its equity shares listed on the BSE INDONEXT Platform. Towards this end, we have entered into discussions with merchant bankers and we are at advanced stages of completing the documentation so as to enable the listing of shares at BSE INDONEXT Platform.

TRAVEL INDUSTRY: A RETROSPECT

The recent global financial meltdown is definitely going to have an impact on the Indian economy as well and the tourism is usually a casualty in such troubled times. However, the Indian domestic and

outbound travel industry still remains strong and is expected to tide over the crisis period much better. We have no doubts that given the proper importance and direction, the tourism and hospitality industry has the potential to emerge as the single largest employer in the country in the coming years.

But regardless of these hindrances, India remains packed with potential and easily the most tantalising platform for travel ecommerce growth.

FUTURE TRENDS IN INDIAN TRAVEL INDUSTRY

- The Indian online travel market will be US\$7 billion by the end of 2011.
- Travel is the largest e-commerce category in India.
- In a complex and diverse marketplace with 28 states, 25 official languages and over one billion people, regional reach and local context trump national brands and strategies.
- In a strongly faithful culture, one out of five leisure travelers take religious pilgrimages.
- About US\$130 million has been poured into the OTA (Online Travel Agency) space in the last 30 months, indicating the serious potential of online travel in the country.
- The Indian domestic air market will double in size from US\$3.6 billion to reach \$8 billion in 2011
- In India, religious travel is not a niche it is akin to leisure travel.
- Religious travel accounts for almost 20% of the total trips taken by the middle class in India.
- The travel problem in India is not only the air and hotel. It is the about the last mile. The bus segment has also seen the entry of online bus aggregators like Redbus and Ticketvala.com.
- India has been promoting its healthcare tourism by providing the visitors with private healthcare facilities. It is expected that the total market for medical tourism will reach US\$ 2 Billion by 2012, representing a CAGR of 60.69%.

FUTURE PLANNING BY YOUR COMPANY

The economy in general and Travel Industry in particular is on the verge of recovery from the recession and your company is gearing up for the same as planned below:-

ONLINE TRAVEL PORTAL:

Your Company has realized the importance of Online travel portal for the convenience of the customers to book Air Tickets at their comfort and even pay online. The domain name www.protravel.in has been booked and the preparation for the launch is in advanced stage now. We hope to start offering the travel portal service from the second half of this fiscal.

NEW BRANCHES:

Your Company has three outlets in Delhi to cater to the clients located in different parts of the city. Your Company has conceived plans to open branches in tier II cities and has shortlisted couple of places to commence operation within this year. This would give your company visibility for the Forex operations. This would help the Company to expand its base and generate more revenues for the Company.

AUDITORS' REPORT

To
The Members,
Provestment Services Limited,
5, Pusa Road, First Floor,
New Delhi-110005

- 1) We have audited the attached Balance Sheet of Provestment Services Limited as at 31st March 2010, and also the Profit and loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said order.
- 4) Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the company so far as appears from our examination of those books.
 - c) The balance sheet, profit and loss account and cash flow statement dealt with by this report are in agreement with the books of account.
 - d) In our opinion, the accounts comply with the accounting standards referred to in section 211 3C of Companies Act, 1956.
 - e) On the basis of written representations received from the Directors, as on 31st March, 2010 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2010 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanation given to us, the said Balance Sheet and Profit and Loss Account, together with notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - I) In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2010.
 - II) In the case of the Profit & Loss Account, of the profit for the year ended on that day.
 - III) In the case of the Cash Flow Statements, of the cash flows for the year ended on that date.

Place: New Delhi
Date: 17/07/2010

(CA. Arun Ahuja)
Partner
For Ahuja Arun & Co.
Chartered Accountants
M No.089709, FRN-012985N

PROVESTMENT SERVICES LIMITED

Annexure to the Auditors' Report (Year 2009-2010)

1. (a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
(b) All the assets have been physically verified by the management during the year. There is a regular programme of verification which, in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No material discrepancies were noticed on such verification.
(c) During the year, the company has disposed off vehicle for Rs. 1.80 lacs, but the same does not affected the concept of going concern of the company.
2. (a) The inventory of Foreign Currencies, Shares and Securities has been physically verified at reasonable intervals by the management.
(b) The procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
(c) On the basis of our examination of the records of inventory, we are of the opinion that the company is maintaining reasonable proper records of inventory. The discrepancies noticed on verification between the physical stocks and the book records were not material.
3. i) According to information and explanation given to us, the company has during the year not granted any loans, secured or unsecured to firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956. During the year the company has applied shares worth Rs 34.30 lacs in four companies covered in the register maintained under section 301 of the Companies Act, but due to non allotment of shares the same was received as refund by the company.
ii) According to information and explanation given to us, the company has not taken any loans, secured or unsecured from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956.
4. In our opinion and according to the information and explanation given to us, there are adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory (currency, shares & securities), fixed assets and with regard to the sale of inventory (currency, shares & securities). During the course of our audit, no major weakness has been noticed in the internal controls.
5. (a) Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 have been so entered.
(b) According to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the registers maintained under Section 301 and exceeding the value of five lac rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
6. According to the information and explanation given to us, the company has not accepted deposits from the public during the year covered by our audit report in respect to provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
7. In our opinion, the company has an internal audit system commensurate with the size of the company and nature of its business.
8. The rules made by the Central Government for the maintenance of cost records under Section 209(1)(d) of the Companies Act, 1956 not applicable to the Company.
9. According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise

duty, cess were outstanding, as at 31st March, 2010 for a period of more than six months from the date they become payable.

10. The Company does not have any accumulated losses. The Company has not incurred any cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. According to the information and explanation given to us by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.
12. According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a nidhi /mutual benefit fund / society, therefore, the clause 4 (xiii) of the Order is not applicable to the company
14. The Company is maintaining reasonable proper records of the transactions and contracts for dealing or trading in Shares, Securities or Debentures and other investments. As per information and explanations given to us, the Shares, Securities or Debentures and other instruments have been held by the Company in its own name.
15. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has taken ODP limit against assets of the company from Punjab & Sind Bank. The opening and closing balances outstanding amounting Rs. 2.25 crores and Rs. 2.43 crores respectively.
17. In our opinion and according to the information and explanation given to us, the funds raised on short-term basis have not been used for long-term investments and vice versa.
18. We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued debentures and hence requirement of reporting regarding creation of securities or charges in respect of debentures issued does not arise.
20. During the financial year covered by our audit, the company has not raised any money by way of public issue.
21. Based upon the audit procedures performed and as per information and explanation given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

Place: New Delhi
Date: 17/07/2010

(CA. Arun Ahuja)
Partner
For Ahuja Arun & Co.
Chartered Accountants
M No.089709, FRN-012985N

PROVESTMENT SERVICES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2010

PARTICULARS	SCH NO.		AS AT 31.03.2010	AS AT 31.03.2009
SOURCES OF FUNDS				
<u>Share Holders Fund</u>				
a) Share Capital	1		51,030,000	48,922,000
b) Reserve & Surplus	2		13,407,000	9,610,888
<u>Loan Funds</u>				
	3		25,310,407	32,838,667
<u>Deferred Tax Liability (Net)</u>				
	3A		1,610,394	1,190,927
TOTAL			91,357,801	92,562,482
APPLICATION OF FUNDS				
<u>A) Fixed Assets</u>				
a) Gross Block	4	48,591,880		47,020,518
b) Less : Depreciation		4,746,147		3,468,140
c) Net Block			43,845,734	43,552,378
<u>B) Current Assets, Loans & Advances</u>				
a) Inventories	5	34,512,010		27,757,750
b) Sundry Debtors		14,223,000		10,781,237
c) Cash & Bank Balance		1,585,713		3,157,278
d) Loan & Advances		5,043,457		20,921,540
e) Others		2,572,144		4,513,488
TOTAL		57,936,324		67,131,293
<u>Less : Current Liabilities & Provision</u>				
a) Current Liabilities	6	8,806,928		15,295,174
b) Provisions		1,617,328		2,826,015
Net Current Assets			47,512,067	49,010,104
TOTAL			91,357,801	92,562,482
Significant Accounting Policies	10			
Notes Forming Parts of Accounts	11			
Notes: The Schedule referred to above form an integral part of the Balance Sheet				

For PROVESTMENT SERVICES LIMITED

As per our report attached

Sd/-

ARVIND NARANG
(WHOLE-TIME DIRECTOR)

Sd/-

PRAVEEN BHATIA
(DIRECTOR)

Sd/-

DEEPIKA RAJPUT
(COMPANY SECRETARY)

Sd/-

(CA. Arun Ahuja)
Partner
M No-089709, FRN-012985N
for and on behalf of
AHUJA ARUN & CO.
Chartered Accountants

Place : New Delhi
Date : 17-07-2010

PROVESTMENT SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH,2010

PARTICULARS	SCH NO.		For the Year 2009-10		For the Year 2008-09
I. Operating Income					
a) Turnover			316,876,924		311,622,407
b) Professional Income			6,207,011		6,102,841
c) Interest & other Misc. Income			4,047,021		1,888,425
d) Profit (Loss) on sale of Inventory-Shares	7A		22,013		0
e) Accretion (Decretion) in Inventory-Currency	7B		1,163,260		(427,289)
TOTAL		(A)	328,316,229		319,186,384
II. Expenditure					
a) Purchases			305,323,618		295,855,695
b) Personnel, Administrative & Other Expenses	8		10,632,123		11,898,584
c) Financial Charges	9		5,031,567		5,431,128
d) Loss on sale of fixed Assets			167,711		0
e) Depreciation	4		1,430,816		997,830
TOTAL		(B)	322,585,836	321,422,576	314,183,236
Profit for the year before tax		(A-B)	5,730,393		5,003,147
Provisions					
Current Tax			(1,409,732)		(1,180,955)
Prior Period Taxes			(100,000)		-
Deferred Tax			(419,467)		(486,071)
Profit After Tax			3,801,193		3,336,122
Add: Balance of Profit & Loss Account brought forward			9,605,807		6,274,766
Amount Available for Appropriation			13,407,000		9,610,888
Transfer to General Reserve			1,500,000		0
Balance in profit & loss account carried forward			11,907,000		9,610,888
Earning per Share			0.75		0.65
Note : The Schedule referred to above form an integral part of the Profit & Loss Account.					

For PROVESTMENT SERVICES LIMITED

As per our report attached

Sd/-

ARVIND NARANG
(WHOLE-TIME DIRECTOR)

Sd/-

PRAVEEN BHATIA
(DIRECTOR)

Sd/-

DEEPIKA RAJPUT
(COMPANY SECRETARY)

Sd/-

(CA. Arun Ahuja)
Partner
M No-089709, FRN-012985N
for and on behalf of
AHUJA ARUN & CO.
Chartered Accountants

Place : New Delhi
Date : 17-07-2010

PROVESTMENT SERVICES LIMITED

SCHEDULES FORMING PART OF BALANCE SHEET

	AS AT 31.03.2010		AS AT 31.03.2009
<u>SCHEDULE-1 : SHARE CAPITAL</u>			
<u>Authorised Capital</u>			
52,50,000 Equity Shares of Rs. 10/- each (Previous year : No Change)	52,500,000		52,500,000
<u>Issued Subscribed And Paid Up</u>			
51,03,000 Equity Shares of Rs.10/- each (Previous year no change)	51,030,000		51,030,000
Less : Calls in arrears (Previous year : Rs. 2108000)	-		2,108,000
	51,030,000		48,922,000
<u>SCHEDULE-2 : RESERVE & SURPLUS</u>			
General Reserve	1,500,000		-
Profit & Loss Account	11,907,000		9,610,888
	13,407,000		9,610,888
<u>SCHEDULE-3 : LOANS</u>			
<u>Secured Loan</u>			
From- Punjab & Sind Bank			
a) ODP Loan	24,289,926		22,548,213
b) Term Loan	-		9,664,078
<i>(secured against all current & fixed assets)</i>			
Vehicle Loans <i>(Secured against hyp. of vehicles)</i>	1,020,481		626,376
	25,310,407		32,838,667
<u>SCHEDULE-3 A : DEFERRED TAX LIABILITY (NET)</u>			
Deferred Tax Liabilities arising on account of timing deference.	1,610,394		1,190,927
	1,610,394		1,190,927

PROVESTMENT SERVICES LIMITED

For the Period ended 31ST MARCH,2010

SCHEDULE-4 : FIXED ASSETS

Particulars	GROSS BLOCK					DEPRECIATION				NET BLOCK	
	Cost As on 01.04.2009	Addition during the period	Sale/Adj. during the Year	Total as on 31.03.2010	Depreciation as on 01.04.2009	Depreciation during the Period	Depreciation Adjust. during the Period	Total As on 31.03.2010	As on 31.03.2010	As on 31.03.2009	
OFFICE BUILDING (C.P)	2,223,221	-	-	2,223,221	179,208	36,239	-	215,447	2,007,775	2,044,013	
OFFICE BUILDING (NODA)	10,032,000	-	-	10,032,000	218,607	163,522	-	382,129	9,649,871	9,813,393	
OFFICE BUILDING (PUSA ROAD)	27,205,122	-	-	27,205,122	266,000	443,443	-	709,443	26,495,679	26,939,122	
PLANT & MACHINERY	1,215,882	285,663	-	1,501,545	557,249	67,838	-	625,087	876,458	658,633	
COMPUTER	892,038	186,988	-	1,079,026	515,535	160,451	-	675,986	403,040	376,503	
VEHICLES	3,689,841	1,027,128	500,520	4,216,449	1,363,265	427,208	152,809	1,637,663	2,578,786	2,326,576	
SCOOTER	112,269	-	-	112,269	23,503	10,666	-	34,169	78,100	88,766	
OFFICE/FURNITURE & FIXTURE	1,284,484	238,065	-	1,522,549	293,826	95,486	-	389,312	1,133,237	990,658	
LIFT	-	129,349	-	129,349	-	2,003	-	2,003	127,346	-	
OFFICE EQUIPMENTS	365,661	204,689	-	570,350	50,947	23,960	-	74,907	495,443	314,714	
TOTAL	47,020,518	2,071,882	500,520	48,591,880	3,468,140	1,430,816	152,809	4,746,147	43,845,734	43,552,378	
PREVIOUS	13,613,999	33,406,519	-	47,020,518	2,470,309	997,830	-	3,468,140	43,552,378	-	

PROVESTMENT SERVICES LIMITED

	AS AT 31.03.2010	AS AT 31.03.2009
<u>SCHEDULE-5 : CURRENT ASSETS, LOAN & ADVANCES</u>		
<u>a) Inventories</u> (As taken valued and certified by the Mangement)		
i) Stock of Shares, Securities & Others (For Quoted: Market Value) (For Unquoted & others : Cost)	32,757,000	27,166,000
ii) Foreign currency Stock (at prevailing inter bank reference rate)	1,755,010	591,750
	34,512,010	27,757,750
<u>b) Sundry Debtors</u> (Unsecured Consider Good) Debt Outstanding for the period		
- above six month	25,916	129,906
- below six month	14,197,084	10,651,331
	14,223,000	10,781,237
<u>c) Cash & Bank Balance</u>		
Cash in hand	264,106	640,534
Bank Balance in scheduled Banks	686,719	2,297,084
Term Deposit	634,888	219,659
	1,585,713	3,157,278
<u>d) Loans And Advances</u> (Unsecured considered good)		
Share Appl. Money (Pending Allotment)	2,890,000	18,966,000
Advances recoverable in cash or in kind or for value to be received	2,153,457	1,955,540
	5,043,457	20,921,540
<u>e) Others</u>		
Security Deposits	85,067	56,959
Income Tax under protest (appeal pending)	-	815,862
Income Tax (TDS)	2,487,077	3,640,667
	2,572,144	4,513,488

PROVESTMENT SERVICES LIMITED

	AS AT 31.03.2010	AS AT 31.03.2009
<u>SCHEDULE-6 : 'CURRENT LIABILITIES & PROVISIONS</u>		
<u>(a) Current Liabilities</u>		
Sundry Creditors - Expenses & Others (As certified by the management)	8,806,928	15,295,174
	8,806,928	15,295,174
<u>(b) Provisions</u>		
Provision for Income Tax	-	1,459,100
Provision for Income Tax (F.Y 2008-09)	-	1,059,902
Provision for Income Tax (F.Y.2009-2010)	1,409,732	-
Provision for Frindge Benefit Tax	-	121,053
Provision for Gratuity	207,596	185,960
	1,617,328	2,826,015
TOTAL (a+b)	10,424,257	18,121,189

SCHEDULE-7 A : PROFIT (LOSS) SALE OF INVENTORY- Shares			
<u>Shares, Securities</u>			
Opening Balance		27,166,000	26,191,000
Equity Share Purchased		14,091,000	2,375,000
		41,257,000	28,566,000
Equity Share Sales		8,522,013	1,400,000
Closing Balance	a	32,734,987	27,166,000
Closing Valuation of Inventories	b	32,757,000	27,166,000
<i>(Ref: Schedule 5 as certified by management)</i>			
Profit (Loss) on sale of Inventory- Shares	b-a	22,013	-
SCHEDULE-7 B : ACCRETION (DECRETION) IN INVENTORY (Currency)			
<u>Foreign Currency (Money Changing Business)</u>			
Opening Stock		591,750	1,019,039
Closing Stock		1,755,010	591,750
Accretion (Decretion)		1,163,260	(427,289)

PROVESTMENT SERVICES LIMITED

**AS AT
31.03.2010**

**AS AT
31.03.2009**

<u>SCHEDULE-8 : ADMINISTRATIVE & OTHER EXPENSES</u>	AS AT 31.03.2010	AS AT 31.03.2009
Auditors Remmneration:		
- For Audit Fee	37,078	37,078
- For Tax Audit Fees & Other Services	12,922	12,922
Internal Audit Fee	13,483	13,483
Advertisement Exp	94,029	82,286
Agm Expenses	56,650	53,720
Business Promotion	-	351,122
Books & Periodicals	2,357	15,351
Commission Paid	94,800	-
Board Sitting Fees	157,500	150,000
Conveyance & Vehicle Running & Maintenance Expenses	940,126	768,219
Director Remuneration	120,000	220,000
Rebate & Discount	156,812	-
Electricity Expenses	260,190	243,227
Filling Fees	2,272	1,500
Insurance	288,625	290,676
Computer Repair And Maintances	117,816	358,091
Legal & Professional Charges	2,347,541	1,428,441
Listing Fee	40,000	22,163
Misc. Expenses	26,286	5,137
Office Expenses	195,303	87,661
Pf Contribution (Employer)	60,928	62,409
Postage & Courier	24,162	30,137
Short & Excess	25,568	161,844
Provision for gratuity	21,636	16,443
Printing & Stationery	324,755	574,923
Rent & Taxes -Office	447,575	238,423
Building Repair & Maintanance	115,638	894,705
Salaries	3,523,292	4,249,112
Staff Welfare	244,321	150,419
Subscription & Membership Fee	191,303	109,095
Telephone & Communication Expenses	649,223	732,224
Travelling Exp.	39,933	537,774
	10,632,123	11,898,584
<u>SCHEDULE 9 : FINANCIAL CHARGES</u>		
Bank Charges & Processing Charges	459,770	597,446
Interest Paid On Vehicles Loans	122,848	146,688
Bank Interest	4,448,949	4,686,994
	5,031,567	5,431,128

PROVESMENT SERVICES LTD.

Schedule 10:

SIGNIFICANT ACCOUNTING POLICIES

1. Nature of Operations :

PROVESTMENT SERVICES LIMITED, is engaged in dealing of Air Ticketing, Foreign Exchange, shares and providing Professional Services.

2. Significant Accounting Policies.

Set out hereunder are the significant accounting policies adopted by the company in the preparation of the accounts for the year ended 31st March, 2010. There is no material change in accounting policies of the Company

a) Basis of Accounting:

The accounts of the Company are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956 except where otherwise stated. There is no material change in the accounting policies of the company as compared to the previous year.

b) Fixed Assets and Depreciation:

Fixed Assets are stated at historical cost less depreciation. Depreciation is provided on fixed Assets on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956.

c) Inventories:

Inventories are valued as follows:

a. For Stock-In-Trade (Equity Shares)

-Unquoted Share at cost.

-Quoted Share at cost or market price whichever is lower.

b. Stock-In-Trade (foreign currency) of money changing business.

-Valued at prevailing Bank Mean Rate at close of the year.

d) Revenue Recognition:

Mercantile system of accounting is followed.

e) Contingent Liabilities:

Contingent Liabilities are determined on the basis of available information and if any disclosed by way of notes to the accounts.

f) Insurance/ Claims

The company covers all the normal risks on the basis of cost for the fixed assets and Inventories. The premium pertaining to the year is charged against the revenue of the year.

Insurance claims lodged by the company will be adjusted as and when the final amount will be determined by the Insurance Companies

PROVESTMENT SERVICES LTD.

SCHEDULE -11

Notes On Accounts:

a) Previous year figures :

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to make their classification comparable with that of the current year.

b) Secured Loans:

- i) ODP Loans & Trem Loan from Punjab & Sind Bank is secured against all current & fixed assets. Further the above loan is guaranteed by two directors of the company and corporate guarantees of M/s Chaitali Exports Pvt Ltd. and M/s Profile Packaging Pvt Ltd.
- ii) The vehicle loans are secured by way of hypothecation of vehicles.

c) Provision for Gratuity:

Provisions of Rs. 21,636/- has been made for the year.

d) Provision of Income Tax:

Provision of Rs. 14,09,732/- on account of Income Tax has been made for the year.

e) Deferred Tax

Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate without surcharge and in compliance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India. Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss account in the year of change. Deferred tax assets and deferred tax liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of exiting assets and liabilities.

f) Related Party Disclosures as prescribed by Accounting Standard 18 of issued by the Institute of Chartered Accountant of India: As per Annexure .

g) In the opinion of the Board the Current Assets, loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they have been stated in the balance sheet.

h) Auditors Remuneration

Auditor's Remuneration	Year Ended March 31, 2010	Year Ended March 31, 2009
Statutory Audit Fee	37,078	37,078
For Tax Audit Fees & Other Services	12,922	12,922
Out of Pocket Expenses	NIL	NIL
Total	50,000	50,000

i) Directors Remuneration

Payment to Whole Time Director Salary to Mr. Arvind Narang	1,20,000	1,20,000
Salary to Mr. Anil Lakhani	NIL	1,00,000
Consultancy Charges to Mr. Praveen Bhatia	10,20,000	8,40,000
Total	11,40,000/-	10,60,000/-

j) Balances in parties' accounts whether in debtors, creditors and loans & advances are subject to confirmations.

k) Contingent Liabilities:

- i) Estimated amount of Contracts remaining to be executed on capital account and not provided for - Rs. Nil
- ii) Claims against the company not acknowledged as debts-Rs. Nil.
- iii) The company's bankers have given a Bank Guarantee for Rs. 20.00 Lac in favour of IATA and margin held by Bank Rs. 2 Lac.

l) Provision for Bonus and ESI Liabilities

The company has been advised that the provision of the payment of Bonus Act, 1965 & ESI Act are not applicable to the Company

- m) As no manufacturing activities were carried out during the year, information required under para 3 and 4 of part 11 of schedule VI of Companies Act, 1956 is not given.
- n) Earnings Per Share

Particulars	Period Ended	
	March 31, 2010	March 31, 2009
Profit / (Loss) after tax (Rs.) – A	38,01,193	33,36,122
Number of Equity Shares at the end of the period – B	51,03,000	51,03,000
Nominal value of Equity Shares (Rs.)	10/-	10/-
Basic/Diluted Earnings Per Share (Rs.) – A/B	0.75	0.65

- o) Stock of investment in shares made in other company are as per annexure.

Signatories are schedules 1 to 11

FOR PROVESTMENT SERVICES LIMITED

Sd/-
(ARVIND KUMAR NARANG)
WHOLE TIME DIRECTOR

Sd/-
(PRAVEEN BHATIA)
DIRECTOR

Sd/-
(DEEPIKA RAJPUT)
COMPANY SECRETARY

As per our Report of even
date attached

for AHUJA ARUN & CO.
Chartered Accountants

Date: 17.07.2010

Place: New Delhi

Sd/-
Arun Ahuja
(Partner)

PART IV

A. BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

I REGISTRATION DETAILS

Registration No. 58964

Balance Sheet
Date 31.03.2010

State Code 55(Referred Code List-I)

II CAPITAL RAISED DURING THE YEAR (AMOUNT IN RUPEES)

Public Issue	Right Issue
NIL	NIL
Bonus Issue	Private Placement
NIL	NIL

III POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (AMOUNT IN RUPEES)

Total Liabilities	Total Assets
91,357,801	91,357,801

Source of Funds

Paid up Capital	Reserves & Surplus
5,10,30,000	1,34,07,000
Secured Loans	Deferred Tax Liability
2,53,10,407	16,10,394

APPLICATION OF FUNDS

Net Fixed Assets	Investments
43,845,734	NIL
Net Current Assets	Miscellaneous Expenditure
47,512,067	NIL

IV PERFORMANCE OF COMPANY (AMOUNT IN RUPEES)

Turn Over	Total Expenditure
327,152,969	321,422,576
Profit Before Tax	Profit After Tax
5,730,393	3,801,193
Earning per Share	Dividend rate %
0.75	NIL

V GENERIC NAMES OF THREE SERVICES OF COMPANY

(As per monetary terms)

Item Code No.	:	—
(ITC Code)	:	
Product	:	—
Description	:	Money Changer, Travel Agency and Deals in Shares & Foreign Currencies & Consultancy Services

Note: Signatories are Schedule 1 to 11

Sd/-
(ARVIND NARANG)
WHOLE TIME DIRECTOR

Sd/-
(PRAVEEN BHATIA)
DIRECTOR

Sd/-
(DEEPIKA RAJPUT)
COMPANY SECRETARY

for AHUJA ARUN & CO.,
CHARTERED ACCOUNTANTS

PLACE : NEW DELHI
DATE : 17th July,2010

Sd/-
(ARUN AHUJA)
PARTNER