



ASHARI AGENCIES LIMITED

ASHARI AGENCIES LIMITED

BOARD OF DIRECTORS

Shri Vijay Kumar
Shri Pradeep Kumar
Shri Ajay Kumar Aggarwal
Shri R.K. Garg
Smt. Priya Gofton
Shri Pankaj Mittal

AUDITORS

M/s. R.K. Govil & Co.,
Chartered Accountants,
4, Kiran Enclave,
G.T. Road,
Ghaziabad

BANKERS

Oriental Bank of Commerce
HDFC Bank Ltd.

REGISTERED OFFICE

601, Disco Compound,
G.T. Road,
Ghaziabad

ASHARI AGENCIES LIMITED

NOTICE

Notice is hereby given that the 27th Annual General Meeting of the members of Ashari Agencies Limited will be held on Friday the 31st August, 2012 at 2.00 PM at the registered office of the company at 601, Disco Compound, G.T. Road, Ghaziabad to transact the following business:-

ORDINARY BUSINESS

1. To consider and adopt the Statement of Profit & Loss for the year ended March 31, 2012, the Balance Sheet as at that date and the Report of Directors and the Auditors thereon.
2. To appoint a Director in place of Mr. Vijay Kumar who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. Pradeep Kumar who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting.

Registered office
601, Disco Compound,
G.T. Road,
Ghaziabad

Date : 31st July, 2012

On behalf of the Board of Directors

Sd/-
(R.K. Garg)
Director

Sd/-
(Pradeep Kumar)
Director

Notes:

- (1) A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company.
- (2) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting.
- (3) Members are therefore requested to bring their copies of the Annual Report to the meeting.
- (4) The members are requested to notify immediately any change in their address to the company.

ASHARI AGENCIES LIMITED

DIRECTOR'S REPORT

Dear Members,

Your Directors take pleasure in presenting the 27th Annual Report of your company together with the Audited Balance Sheet as on 31st March, 2012 and the Profit & Loss Account for the year ended on that date.

FINANCIAL RESULTS

The performance of the company for the financial year ended 31st March, 2012 is summarized below :

	Year ended 31.03.2012	Year ended 31.03.2011
Income(Gross)	94,98,358	1,08,51,530
Profit before depreciation & interest	80,52,454	90,97,214
<u>Less:</u>		
- Depreciation	29,909	10,161
- Interest	25,153	1,26,991
Profit before Taxes	79,97,392	89,60,062
<u>Less: Provision for Taxation</u>		
- Current Tax/MAT	(8,62,815)	(12,51,678)
- Deferred Tax (See Note No. VI of Schedule 13)	(6,80,791)	80,922
- MAT Credit Entitlements	6,88,840	12,09,856
Profit after tax	71,42,626	89,99,162
Adjustment in respect of earlier years		
Provisions no longer required	--	4,46,836
Profit for the year carried to Balance Sheet	71,42,626	94,45,998

DIVIDEND

The Directors do not recommend payment of dividend on Equity shares for the year ended March 31, 2012.

PUBLIC DEPOSITS

Your company has not invited or accepted any fixed deposits from the Public, and, as such, no amount of Principal or interest was out standing on the date of the Balance Sheet.

PARTICULARS OF EMPLOYEES

During the year under review, the company had no employee in the category specified under section 217(2A) of the Companies Act, 1956.

DIRECTORS

Mr. Vijay Kumar and Mr. Pradeep Kumar, Directors of the company retire by rotation at the ensuing Annual General Meeting and being eligible offers themselves for re-appointment.

AUDITORS

M/s. R.K. Govil & Co., Chartered Accountants, Statutory Auditors of the company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment.

ASHARI AGENCIES LIMITED

The company has received letter from them to the effect that their appointment/re-appointment, if made, would be within the prescribed limits under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such appointment/re-appointment within the meaning of Section 226 of the said Act.

PARTICULARS OF ENERGY CONSUMPTION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The requirement of furnishing particulars of Energy conservation, technology absorption, etc, is not applicable to the company. There has been no Foreign Exchange earning or outgo during the year.

DIRECTOR'S RESPONSIBILITY STATEMENT

Pursuant to section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility statement, it is hereby confirmed that :-

- (i) In the preparation of the Annual accounts, the applicable accounting standards have been followed alongwith proper explanation relating to material departures, if any.
- (ii) The Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- (iv) The Directors have prepared the annual accounts on a going concern basis.

COMPLIANCE CERTIFICATE UNDER SEC. 383-A OF THE COMPANIES ACT, 1956

The company has obtained the compliance certificate from the practicing company secretary to the effect that the company has complied with all the relevant provisions of the companies act, 1956 and the certificate is annexed hereto and forms part of the report.

CORPORATE GOVERNANCE

Your company re-affirms its commitment to good corporate governance practices. Pursuant to Clause 49 of the listing Agreement with the Stock Exchange, Corporate Governance Report and Auditors certificate regarding Compliance of Conditions of Corporate Governance are made a part of this Annual Report.

ACKNOWLEDGEMENT

Your Directors wish to place on record and acknowledge their appreciation for the continued support and co-operation received from Government agencies and the shareholders. Your Directors also record their appreciation for the total dedication of employees at all levels.

Registered office
601, Disco Compound,
G.T. Road,
Ghaziabad

Date : 31st July,2012

On behalf of the Board of Directors

Sd/-
(R.K. Garg)
Director

Sd/-
(Pradeep Kumar)
Director

ASHARI AGENCIES LIMITED

ANNEXURE TO THE DIRECTOR'S REPORT

REPORT ON CORPORATE GOVERNANCE

(A) Company's Philosophy on Code of Governance

The Board of Directors and Management lay greater emphasis on adopting and practicing principals of good corporate governance with a view to :-

- enhance shareholder's value through sound business decisions, prudent financial management and high standard of business ethics ; and
- achieve transparency, accountability and integrity in the dealings and transactions of the company.

(B) Board of Directors

The Board of Directors consisted six Directors including Two independent Directors during the period under report.

During the 12 months period ended March, 2012, 5 (Five) Board Meetings were held on 30.04.2011, 30.07.2011, 12.08.2011, 29.10.2011 and 30.01.2012.

The composition of the Board and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also number of other directorship/membership of committees are as follows.

Name of Director	Category of Directorship	No. of Board meeting attended	Attendance at last AGM	No. of other Director ship	No. of Committee	
					Other than member	Than Committee chairman
Mr. Vijay Kumar	Non-Executive	--	P	2	--	--
Mr. Pradeep Kumar	Executive	5	NA	2	--	--
Mr. Ajay Kumar Aggarwal	Executive	--	P	--	--	--
Mr. R.K. Garg	Independent	5	NA	1	--	--
Mrs. Priya Gofton	Non-Executive	--	NA	1	--	--
Mr. Pankaj Mittal	Independent	5	P	1	--	--

Directorships of private companies and Associations are excluded.

The Non-Executive Directors are professionals with expertise and experience in General Corporate Management, Legal, Finance, Banking and other allied fields.

The company has not entered into any transactions of a material nature with the Directors or the management, their subsidiaries or relatives that may have potential conflict with the interest of the company at large.

(C) Committee of Directors

(i) Audit Committee

The company has an Audit Committee comprising Mr. Ravindra Kumar Garg (Independent Director), Mr. Pankaj Mittal (Independent Director) and Mr. Vijay Kumar Mittal (Non-Executive Director). The terms of reference of the Audit Committee interalia include overseeing financial reporting process, reviewing the financial statements and recommending appointment of Auditors.

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During the year, the committee has met 3 times and all the members of Audit Committee were present in all the 3 meetings.

(ii) Remuneration Committee

The company has constituted a remuneration committee of Directors in compliance with provisions of the Companies Act, 1956 and clause 49 of the listing agreement as amended from time to time. The Committee's scope of work includes deciding on remuneration and policy matters related to remunerations of Directors and laying guidelines for remuneration package or compensation.

The Committee comprises Mr. Ravindra Kumar Garg (Independent Director), Mr. Pankaj Mittal (Independent Director) and Mr. Vijay Kumar Aggarwal (Non-Executive Director).

(iii) Shareholders/Investors Grievance Committee

The Committee consists of Directors namely Mr. Ravindra Kumar Garg (Independent Director), Mr. Pankaj Mittal and Mr. Vijay Kumar Aggarwal (Non-Executive Director). The committee has been constituted to look into Redressal of shareholders complaints like transfer of shares and related matters such as consolidation and split of shares, transmission of shares, issue of duplicate share certificate etc.

The company has received no complaint during the financial year 2011-2012.

CODE OF CONDUCT:

As per Clause 49 (I) (D), the Board of the Company has laid down Code of Conduct for all the Board members of the Company and Senior Management as well and the same has been posted on Website of the Company. Annual Compliance Report for the year ended 31st March, 2012 has been received from all the Board members and senior management of the Company regarding the compliance of all the provisions of Code of Conduct. Declaration regarding compliance by Board members and senior management personnel with the Company's Code of Conduct is hereby attached as annexure to this report.

COMPLIANCE OFFICER OF THE COMPANY

Mr. Pradeep Kumar, Director is the Compliance Officer for complying with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 & clause 47 (a) of listing agreement and is responsible for complying with the requirements of Listing Agreement with the Stock Exchanges. The Compliance Officer can be contacted at:

Ashari Agencies Limited

Registered Office:

601 Disco Compound, G. T. Road,

Ghaziabad-201001

Uttar Pradesh

E-Mail: godgift3000@gmail.com

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General Body Meeting

The last three Annual General Meetings were held as under :-

Financial Year ended	Day	Date	Time	Venue
31 st March,2009	Wednesday	29.07.2009	2.00 PM	601, DISCO Compound, G.T. Road, Ghaziabad
31 st March,2010	Saturday	31.07.2010	2.00 PM	601, DISCO Compound, G.T. Road, Ghaziabad
31 st March, 2011	Friday	16.09.2011	2.00 PM	601, DISCO Compound, G.T. Road, Ghaziabad

None of the business required to be transacted at the forthcoming Annual General Meeting is proposed to be passed by the postal ballot.

(D) Disclosures

- (i) During the year under review, there are no materially significant related party transaction of the company, however the details of the related party transactions have been reported in Note No. 20.
- (ii) The financial statement have been prepared in Compliance with the requirements of the Companies Act, 1956 and in conformity, in all material respects, with the generally accepted accounting principals and standards in India. The estimates/judgements made in preparation of these financial statements are consistent, reasonable and on prudent basis so as to reflect true and fair view of the state of affairs and results/operations of the company.
- (iii) The company has well-defined Risk Management Policies for each of the businesses, duly approved by the Board, which are periodically reviewed to ensure that the executive management controls risk by means of a properly defined frame work.
- (iv) The company has not raised any funds from the Capital Market (Public/rights/preferential issues etc.)
- (v) There was no instance of non-compliance of any matter relating to the Capital Markets by the company. No penalties or strictures have been imposed on the company by the Stock Exchange, SEBI or other Statutory authorities on any matter relating to the Capital Market during the last three years.

(E) Compliance Certificate of the Auditors

Certificate from the Auditors of the company Messrs R.K. Govil & Co., Chartered Accountants confirming compliance with the conditions of Corporate Governance as stipulated under clause 49, has been obtained and the same is annexed to this report.

(F) Audit Qualification

The company has no audit qualification in its financial statements.

(G) Secretarial Audit Report

The company has voluntarily appointed M/s. Pooja Babbar & Associates, a Practicing Company Secretary firm to conduct Secretarial audit of the company, who have submitted their report confirming compliance with all the applicable provisions and various corporate laws.

The Secretarial Audit Report forms part of the Annual Report.

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(H) Means of Communication

The Board of Directors of the company approves and takes on record the un-audited financial results within one month of close of the quarter and announces forthwith the results to the Uttar Pradesh Stock Exchange Association Ltd. where the shares of the company are listed and published in leading Hindi News Paper viz. Dainik Pralayankar.

(I) General Shareholders Information

1. Annual General Meeting

- Date and Time : Friday the 31st August, 2012 at 2.00 PM
- Venue : 601, DISCO Compound, G.T. Road, Ghaziabad

2. Financial Calendar

- Financial Year : April – March
- Quarterly Financial Reporting : Within 30 days of each quarter

3. Dates of Book Closure

: 24th August to 31st August

4. Dividend Payment Date

: Nil (No Dividend is being recommended)

5. Listing of Shares on Stock Exchange

Uttar Pradesh Stock Exchange Association Ltd., 14/113, Padam Tower, Civil Line, Kanpur. Listing fees, as prescribed has been paid upto 31st March,2012.

6. Stock Market Date

: Last Quoted on 11.07.1994 at Rs.3.00

7. Share Transfer System

The matters related to share transfer and transmission etc are attended by the delegated authorities which normally meets twice in a month or more depending on the volume of transfers. Share Transfers are registered and returned within 30 days from the date of receipt, if the documents are in order in all respect.

8. Distribution of Shareholding as on 31st March,2011

Share or Debenture holding of Nominal value of		Share/Debenture holders		Share/Debenture Amount	
Rs.	Rs.	Number	% to Total	In Rs.	% to Total
(1)	(2)	(3)	(4)	(5)	(6)
Upto	5000	12	9.68	46000	0.27
5001	10000	24	19.35	235000	1.37
10001	20000	30	24.20	451000	2.63
20001	30000	31	25.00	810000	4.72
30001	40000	2	1.61	73000	0.43
40001	50000	10	8.06	493000	2.87
50001	100000	6	4.84	442000	2.58
100001	and above	9	7.26	14607000	85.13
Total		124	100	17157000	100

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9. Outstanding GDRs/ADRs/Warrants or any Convertible instruments, conversion date and likely impact on Equity

The company has not issued any GDR/ADR/Warrants or any convertible instruments.

10. Address for Correspondence

Ashari Agencies Limited
601, DISCO COMPOUND
G.T. Road,
Ghaziabad

ASHARI AGENCIES LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Ashari Agencies Limited

We have examined the compliance of conditions of Corporate Governance by Ashari Agencies Limited for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

The compliance of conditions of Corporate Governance is the responsibility of Management. Our examination was limited to procedures and implementation thereof, adopted by the company to ensure compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of the Corporate Governance as stipulated in the above-mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Investors Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency or effectiveness with which the Management has conducted the affairs of the company.

For R.K. Govil & Co.
Chartered Accountants
Firm Registration No.000748C

Sd/-
(Rajesh K. Govil)
Partner
M. No. 013632

PLACE : GHAZIABAD
Dated : 31st July, 2012

ASHARI AGENCIES LIMITED

CHIEF EXECUTIVE OFFICER (CEO) / CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION

I, **Mr. Pradeep Kumar**, Director, of **Ashari Agencies Limited**, to the best of my knowledge and belief hereby certify that:

(a) I have reviewed financial statements and the cash flow statements for the year and that to the best of my knowledge and belief:

(i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;

(ii) These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.

(b) There are no transactions entered into by the Company during the year that are fraudulent, illegal or violative of the Company's Code of Conduct;

(c) I accept responsibility for establishing and maintaining internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design and operations of such internal controls, if any, of which I am aware and the steps we have taken or propose to take to rectify these deficiencies.

(d) I have indicated to the auditors and the Audit Committee:

(i) Significant changes in the internal control over financial reporting during the year under reference;

(ii) Significant changes in the accounting policies during the year and that the same has been disclosed in the notes to the financial statements; and

(iii) Instances of significant fraud of which we have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Date: 31st July, 2012
Place: GHAZIABAD

By Order of the Board
of **Ashari Agencies Limited**

Sd/-

Name: Pradeep Kumar

Designation: Director

DIN: 00673828

Address: 601, Disco Compound,
G.T. Road, Ghaziabad, 201001,
Uttar Pradesh

ASHARI AGENCIES LIMITED

DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT

This is to confirm that the Company has adopted a Code of Conduct for its employees. The Code of Conduct as adopted is available on the Company's website. I confirm that the Company has in respect of the Financial Year ended March 31, 2014, received from the Senior Management team of the Company and the members of the Board, a declaration of Compliance with the Code of Conduct as applicable to them.

For the purpose of this declaration, Senior Management Team means the Presidents, Sr. Vice Presidents and Vice President Cadre as on March 31, 2012.

Date: 31/07/2012
Place: New Delhi

By Order of the Board
of **Ashari Agencies Limited**

Sd/-
Name: Pradeep Kumar
Designation: Director
DIN: 00673828
Address: 601, Disco Compound,
G.T. Road, Ghaziabad, 201001,
Uttar Pradesh

ASHARI AGENCIES LIMITED

COMPLIANCE CERTIFICATE FOR THE FINANCIAL YEAR 2011-2012

Registration No. : U65921UP1985PLC007030
Nominal Capital : Rs.10,00,00,000/-

To

The Members,

M/s. Ashari Agencies Limited

601, DISCO Compound,

G.T. Road, Ghaziabad

I have examined the registers, records, books, and papers of **M/s. Ashari Agencies Limited**, as required to be maintained under the Companies Act, 1956, and the rules made there under and also the provisions contained in the Memorandum and Articles of association of the Company for the period ended **31st March 2012**. In my opinion and to the best of my information and according to the examination carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of aforesaid period ended **31st March 2012:-**

1. The Company has kept & maintained all registers as stated in **Annexure "A"** to this certificate, as per the provisions of the Act and the rules made there under and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in **Annexure "B"** to this certificate, with the Registrar of companies, Regional Director, Central Government, Company Law board, or other authorities under the Act and the rules made there under.
3. The company being a Public Limited Company comments are not required.
4. The Board of Directors duly met **FIVE** times respectively on 30.04.2011, 30.07.2011, 12.08.2011, 29.10.2011 and 30.01.2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed including the circular resolutions passed in the minutes book maintained for the purpose.
5. The Company was not required to close its registers of members, during the period ended 31st March 2012.
6. The Annual General Meeting for the financial year ended 31st March, 2011 was held on 16.09.2011 after giving due notice to the members the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General meeting was held during the financial year
8. The company has not advanced any loan to its directors or persons or firms or companies referred to in section 295 of the Act.
9. The company has complied with the provisions of sec. 297 of the Act during the financial year.
10. The company has made necessary entries in the Register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained approvals from the Board of Directors, members and Central Government.
12. The Company has not issued any duplicate share certificate during the period ended 31st March 2011.

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13. The Company :-

- a) There was no allotment/transfer of shares during the financial year.
- b) has not deposited any amount in a separate bank account, as there was no declaration of dividend.
- c) was not required to post warrants to any member of the Company as no declaration of dividend was made during the period ended 31st March 2012.
- d) was no need to transfer the amounts in unpaid dividend accounts, application money due for refund, matured deposits, matured debentures and interest accrued there on which have remained unclaimed or unpaid for a period of Seven years to investor Education and protection Fund (applicable when rules are notified).
- e) has duly complied with the requirement of section 217 of the Act.

14. The Board of Directors of the Company is duly constituted. There was no appointment of additional director/director during the financial year .

15. The Company has not appointed any managing Director / Whole - time Director / Managing during the period ended 31st March 2012.

16. The Company has not appointed any Sole selling agent during the period ended 31st March 2012.

17. The company was not required to obtain any approval from Central Government, Company Law Board, Regional Director, Registrar and/or such authorities prescribed under the various provisions of the Act during the financial year.

18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to provisions of the Act and rules made there under.

19. The Company has not issued any securities during the financial year.

20. The Company has not bought back any shares during the period ended 31st March 2012.

21. There were no redemption of preference shares / debentures during the period ended 31st March 2012.

22. There was no transaction necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.

23. The Company has not invited / accepted deposits including unsecured loans falling within the purview of section 58A during the period ended 31st March 2012.

24. The company has not borrowed any funds during the year ended 31st March, 2012.

25. The company has made loans and investments in compliance with the provisions of the Act and has made necessary entries in the Register kept for the purpose.

26. The Company has not altered the provisions of the Memorandum of Association with respect to situation of company's registered office from one state to another during the period ended 31st March 2012.

27. The Company has not altered the provisions of the Memorandum of Association with respect to objects of the Company during the period ended 31st March 2012 under scrutiny.

28. The Company has not altered the provisions of the Memorandum of Association with respect to Name of the Company during the period ended 31st March 2012 under scrutiny.

ASHARI AGENCIES LIMITED

29. The Company has not altered the provisions of the Memorandum of Association with respect to Share Capital of the Company during the period ended 31st March 2012 under scrutiny.
30. The Company has not altered its Articles of Association during the financial year .
31. There were no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the period ended 31st March 2012, for offences under the Act.
32. The Company has not received any money as security from its employees during the period ended 31st March 2012.
33. The Company has not deducted any contribution towards Provident Fund as provisions of Provident Fund do not apply on the company during the financial year

For Pooja Babbar & Associates
Practising Company Secretary

Place : Ghaziabad
Date : 31st July, 2012

Sd/-
(Pooja Babbar)
Proprietor
C.P.No.8024

ASHARI AGENCIES LIMITED

ANNEXURE "A"

REGISTERS MAINTAINED BY THE COMPANY

A. STATUTORY REGISTERS

1. Register of Directors u/s. 303
2. Register of Shareholders u/s 150
3. Register of Directors shareholding u/s. 307
4. Minutes of Meetings of Board of Directors and General Meetings u/s 193
5. File maintained for Annual Return and Forms u/s 163
6. Books of Accounts u/s 209
7. Register of Investment U/sec. 49

B. OTHER REGISTERS

1. Register of Fixed Assets
2. Register of Share transfer.
3. Register of contract u/s. 301

NOTE :

The Company has maintained the following registers, however, it was informed that there were no entries / transactions to be recorded therein.

1. Register of charges u/s. 143

ANNEXURE "B"

Forms and returns as filled by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March, 2012.

S.NO	FORM NO./ RETURN	FILED U/S.	FOR	DATE OF FILING	WHETHER FILED WITHIN TIME YES /NO	IF DELAY IN FILING WHETHER REQUISITE ADDITIONAL FEE PAID YES /NO
1.	Annual Return	159	2011-12	10.11.2011	Yes	No
2.	Balance Sheet	220	2011-12	23.11.2011	Yes	No
3.	Compliance Certificate	383A	2011-12	21.09.2011	Yes	No

ASHARI AGENCIES LIMITED

Auditors' Report

To the Members of Ashari Agencies Limited

1. We have audited the attached Balance Sheet of **ASHARI AGENCIES LIMITED** as at March 31, 2012 and the Statement of Profit and Loss and the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We 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 amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that :-
 - 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, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the Directors as on March 31, 2012 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 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 explanations given to us, the said accounts read together with the Significant Accounting Policies and 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 March 31, 2012;

ASHARI AGENCIES LIMITED

- (ii) In the case of Statement of Profit and Loss of the Profit 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 R.K. Govil & Co.
Chartered Accountants
Firm Registration No. 000748C

Place : Ghaziabad
Date : 31st July, 2012

Sd/-
(Rajesh K. Govil)
Partner
M. No. 013632

ASHARI AGENCIES LIMITED

Annexure to Auditors' Report

(Referred to in Paragraph 3 of our report of even date)

1. In respect of its fixed assets :
 - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets on the basis of available information.
 - b) As explained to us, all the fixed assets have been physically verified by the management in a phased periodical manner, which in our opinion is reasonable, having regard to the size of the Company and nature of its assets. No material discrepancies were noticed on such physical verification.
 - c) In our opinion, the Company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the Company is not affected.

2. In respect of its inventories :
 - a) The inventories have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion and according to the information and explanations given to us, 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) The Company has maintained proper records of inventories. As explained to us, there were no material discrepancies noticed on physical verification of inventories as compared to the book records.

3. In respect of the loans, secured or unsecured, granted or taken by the Company to / from Companies, Firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
 - a) The company has granted loans to 4 parties covered in the Register maintained under Section 301 of the Companies Act, 1956. The maximum amount outstanding at any time during the year was Rs.1,27,66,487/- and the year ended balance is Rs.21,79,711/- .
 - b) In our opinion and according to the information and explanations given to us, the rate of interest and other terms and conditions of the loans given by the company, are not prima facie prejudicial.
 - c) In respect of the said loans and interest thereon, there are no overdue amounts.
 - d) The company has taken loans from 4 parties covered in the Register maintained under section 301 of the Companies Act, 1956. In respect of the said loans, the maximum amount outstanding at any time during the year was Rs.2,04,95/- and the year end balance is Rs.NIL.
 - e) In our opinion, the rate of interest and other terms and conditions of such loans are not prima facie prejudicial to the interest of the companies.
 - f) In respect of the aforesaid loans, the company is regular in paying the principal amounts as stipulated and is also regular in payment of interest.

4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchases of inventory and fixed assets and for the sale of goods and services,. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system.

5. In respect of the contracts or arrangements referred to in Section 301 of the Companies Act, 1956;
 - a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
 - b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts / arrangements entered in the Register maintained under section 301 of the Companies act, 1956 and exceeding the value of Rs.5,00,000 in respect of each party during the year have been made at prices which appear reasonable as per information available with the Company.

ASHARI AGENCIES LIMITED

6. According to the information and explanations given to us, the Company has not accepted any deposit from the public. Therefore, the provisions of Clause (vi) of paragraph 4 of the Order are not applicable to the Company.
7. In our opinion, the Company has an internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed maintenance of cost records to the Company under Section 209 (1) (d) of the Companies Act, 1956.
9. In respect of statutory dues :

According to the records of the Company, undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Customs Duty, Excise Duty, Cess, and other statutory dues have been generally regularly deposited with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the aforesaid dues were outstanding as at March 31, 2012 for a period of more than six months from the date of becoming payable.
10. The company does not have accumulated losses at the end of the financial year. The company has not incurred cash losses during the financial year covered by the audit and in the immediately preceding financial year.
11. Based on our audit procedures and according to the information and explanations given to us, we are of the opinion that the Company has not defaulted in repayment of dues to financial institutions, banks and debenture holders.
12. In our opinion and according to the explanations given to us and based on the information available, no loans and advances have been granted by the Company on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund / nidhi / mutual benefit fund / society. Therefore, the provisions of clause (xiii) of paragraph 4 of the Order are not applicable to the Company.
14. The company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All shares, securities, debentures and other investments have been held by the Company in its own name.
15. The company has not given any guarantee for loans taken by others from bank or financial institutions.
16. The company has not raised any term loan during the year and there was no term loan outstanding at the beginning of the year.
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short-term basis that have been used for long-term investments.
18. The company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. The company has not raised any monies by way of public issues during the year.
20. In our opinion and according to the information and explanations given to us, no material fraud on or by the Company has been noticed or reported during the year.

ASHARI AGENCIES LIMITED

for R.K. Govil & Co.

Chartered Accountants

Firm Registration No. 000748C

Place : Ghaziabad

Date : 31st July, 2012

Sd/-

(Rajesh K. Govil)

Partner

M. No. 013632

ASHARI AGENCIES LIMITED

Balance Sheet as at 31st March, 2012

(All Amounts in Indian Rupees)

Particulars	Note No.	As at	
		31st March, 2012	31st March, 2011
I. EQUITY AND LIABILITIES			
Shareholder's funds			
Share Capital	1	17,157,000	17,157,000
Reserves and Surplus	2	112,000,665	104,858,039
Total of Shareholder's funds		129,157,665	122,015,039
Non-Current Liabilities			
Long Term Provisions	3	102,294	74,222
Total of Non-Current Liabilities		102,294	74,222
Current Liabilities			
Other Current Liabilities	4	122,286	160,381
Total of Current Liabilities		122,286	160,381
TOTAL OF EQUITY AND LIABILITIES		129,382,245	122,249,642
II. Assets			
Non-Current Assets			
Fixed Assets			
Tangible Assets	5	57,382	60,791
Non-Current Investments	6	74,417,738	60,905,549
Deferred Tax Assets (Net)	7	2,806,930	3,487,721
Long Term Loans & Advances	8	32,136,782	33,312,810
Other Non-Current Assets	9	77,600	155,200
Total of Non Current Assets		109,496,432	97,922,071
Current Assets			
Cash & Bank Balances	10	2,539,555	1,105,525
Short Term Loans and Advances	11	17,346,258	23,222,046
Total of Current Assets		19,885,813	24,327,571
TOTAL OF ASSETS		129,382,245	122,249,642

Notes on Financial Statements

1 to 25

As per our separate report of even date
for R.K. Govil & Co.
Chartered Accountants

For and on Behalf of the Board

Place : Ghaziabad
Date : 31st July, 2012

- sd -
(Rajesh K. Govil)
Partner
M. No. 013632

- sd -
(R.K. Garg)
Director

- sd -
(Pradeep Kumar)
Director

For Ashari Agencies Limited

Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Statement of Profit and Loss for the year ended 31st March, 2012

(All Amounts in Indian Rupees)

	Note No.	For the year ended 31st March, 2012	For the year ended 31st March, 2011
REVENUE			
Revenue from Operations (Gross)	12	(1,244,008)	
Other Income	13	10,742,366	10,851,530
TOTAL REVENUE		9,498,358	10,851,530
EXPENSES			
Employees benefit expenses	14	1,008,155	958,427
Finance Cost	15	25,153	126,991
Depreciation and Amortisation Expenses	5	29,909	10,161
Other Expenses	16	437,749	795,889
TOTAL EXPENSES		1,500,966	1,891,468
Profit before Tax		7,997,392	8,960,062
Tax Expenses			
Current Tax		(862,815)	(1,251,678)
MAT Credit Entitlement		688,840	1,209,856
Deferred Tax Charge (Credit)		(680,791)	80,922
Profit after Tax		7,142,626	8,999,162
Prior period adjustments			
Provision Written back			446,836
Profit for the year after tax & prior period adjustments		7,142,626	9,445,998
Earnings per equity shares of face value of Rs.10/- each			
Basic and Diluted		4.16	5.51
Notes on Financial Statements	1 to 25		

As per our separate report of even date
for R.K. Govil & Co.
Chartered Accountants

For and on Behalf of the Board

Place : Ghaziabad
Date 31st July, 2012

-sd-
(Rajesh K. Govil)
Partner
M. No. 013632

-sd-
(R.K. Garg)
Director

-sd-
(Pradeep Kumar)
Director

For Ashari Agencies Limited
[Signature]
Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

	(All Amounts in Indian Rupees)			
	As at 31st March, 2012		As at 31st March, 2011	
[1] SHARE CAPITAL				
Authorised				
Equity shares of face value of Rs.10/- each	No. of shares 10,000,000	100,000,000	No. of shares 10,000,000	100,000,000
TOTAL	10,000,000	100,000,000	10,000,000	100,000,000
Issued, subscribed and paid up				
Equity shares of face value of Rs.10/- each fully paid up	No. of shares 1,715,700	17,157,000	No. of shares 1,715,700	17,157,000
Balance at the beginning of the year				
Additions during the year				
TOTAL OF SHARE CAPITAL	1,715,700	17,157,000	1,715,700	17,157,000

[1.1] Rights attached to Equity Shares

The company has only one class of Equity Shares having a face value of Rs.10/- each. Each holder of Equity Share is entitled to one vote per share. The company pays dividends in Indian Rupee if declared. The Dividend proposed by the Board of Directors is subject to the approval of the Share Holders in the ensuing Annual General Meeting.

[1.2] Details of share holding in excess of 5% of share capital :

Name of the Shareholder	As at 31st March, 2012		As at 31st March, 2011	
	No. of shares	% held	No. of shares	% held
Mr. Vijay Kumar	939,100	54.74	939,100	54.74
Mittal Wire Drawings Pvt. Ltd.	170,000	9.91	170,000	9.91
Mr. Ajay Kumar	236,900	13.81	236,900	13.81

[2] RESERVES AND SURPLUS

General Reserve				
As per last Balance Sheet	57,500,000		55,000,000	
Add: Transferred from Profit & Loss Account	1,500,000	59,000,000	2,500,000	57,500,000
Profit & Loss Account				
As per last Balance Sheet	47,358,039		40,412,041	
Add : Profit for the year	7,142,626		9,445,998	
	54,500,665		49,858,039	
Less: Transferred to General Reserve	1,500,000	53,000,665	2,500,000	47,358,039
TOTAL OF RESERVES AND SURPLUS		112,000,665		104,858,039

[3] LONG TERM PROVISIONS

Employee's Benefits			
Gratuity		72,692	56,337
Leave Encashment		29,602	17,885
TOTAL OF LONG TERM PROVISIONS		102,294	74,222

[4] OTHER CURRENT LIABILITIES

Interest accrued on loans			74,905
Statutory dues		8,105	14,723
<u>Other payables</u>			
Expenses		69,989	35,244
Employees		44,192	35,509
TOTAL OF OTHER CURRENT LIABILITIES		122,286	160,381

For Ashari Agencies Limited

Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

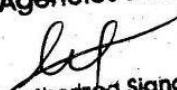
[5] FIXED ASSETS

(Tangible Assets)

(All Amounts in Indian Rupees)

Particulars	Gross Block				Depreciation				Net block	
	Cost as on 01.04.2012	Addition	Sales/Adj- ustment	Total 31.03.2012	As on 01.04.2011	Current year	Sales/Adj- ustment	Total 31.03.2012	As at 31.03.2012	As at 31.03.2011
Furniture & Fixture	5,000	-	-	5,000	5,000	-	-	5,000	-	-
Office Equipment	33,480	-	-	33,480	27,829	786	-	28,615	4,865	5,651
Computer	64,300	26,500	-	90,800	9,160	29,123	-	38,283	52,517	55,140
	102,780	26,500	-	129,280	41,989	29,909	-	71,898	57,382	60,791
Previous year	38,480	64,300	-	102,780	31,828	10,161	-	41,989	60,791	6,652

For Ashari Agencies Limited


Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

[6] INVESTMENTS (At Cost)

(A) In Shares (Other Investment -Long term)

(All Amounts in Indian Rupees)

Name of the Bodies Corporate	Face value	AS AT 31.03.2012		AS AT 31.03.2011	
		Nos.	Rs.	Nos.	Rs.
QUOTED					
ABC Paper Ltd.	10	8,026	478,540	29,906	1,411,496
Aksh Optic Fibre Ltd.	5	419,901	4,522,640	36,500	853,694
Amrit Banaspati Co. Ltd.	10	42,528	2,167,469	42,256	2,033,264
Amrit Corporation Ltd.	10			8,291	523,920
Cairn	10	4,000	1,211,272		
DCW	2	71,564	870,133		
Everest Industries	10			3,465	326,475
Electrosteel		130,000	974,082		
Everest Industries		12,702	1,787,581		
Facor Alloys Ltd.	1	69,299	230,562		
Ferro Alloys	1	105,160	1,954,918	71,660	1,468,022
Gonterman Peiper (India) Ltd.	10			195,463	4,785,591
GOOD Rich	10			8,050	1,129,573
Gujrat NRE	10			800	
H.B.Stock	10	170,000	2,475,001		
H.B. Leasing & Finance Co. Ltd.	10			24,433	178,579
Hydrabad Industries	10	2,100	937,393	1,000	535,641
Indian Tonner & Developers Ltd.	10	1,000	24,617	1,000	24,617
Indian Acrylics	10	340,000	1,633,915	340,000	1,633,915
Karuturi	10	300,000	1,803,338		
Kalyani Forge Ltd.	10			2,233	525,536
KSL Industries	4	5,851	190,773	100	3,879
Kirolsker Ferro Alloys	5	67,000	1,721,014	67,000	1,721,014
Krishna Lifestyle Technologies Ltd.	1	340,000	315,900	340,000	315,900
Maharaja Shree Umaid Mills Ltd.	10	62,506	10,005,979	2,636	361,368
Manali Petrochemical Ltd.	5			93,000	962,114
Manglam Cement Ltd.	10	29,358	3,337,778	29,358	3,337,778
Medi Cape Ltd.	10	200	15,354	200	15,354
N.R. Agarwal Industries Ltd.	10	105,935	5,960,961		
Nectar Life	1			31,575	1,210,819
Orient Abrasive Ltd.	1	20,316		152,078	2,078,429
Orient Refractories	1	20,316			
Orient Paper Ltd	1			1,000	48,572
Paramount communication	10	65,000	280,974	65,000	280,974
Pearl Polymers Ltd.	10	665,525	7,993,963	141,812	2,005,248

For Ashari Agencies Limited

Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Name of the Bodies Corporate	Face value	AS AT 31.03.2012		AS AT 31.03.2010	
		Nos.	Rs.	Nos.	Rs.
Punjab Alkalies & Ch. Ltd.	10	105,574	3,610,706	60,400	1,953,003
South Ispat	10	27,000	217,976	27,000	217,976
Shri Ashtaviyak	10	323,432	2,129,217		
SII Business Enterprises	10	25,000			
Sun Flage	10			51,459	1,156,074
Sree Royal Seema Alkalies Ltd.	10	55,060	121,522	55,060	121,522
SVC Resources		95,500	799,991	868,666	9,525,482
Tarai Food Ltd.	10	53,246	178,646	53,246	178,646
Tuticorn Alkalies	10	316,710	2,590,813	276,712	2,071,014
VLS Finance	10	4,103	88,009		
Viska Industries				46,715	5,273,357
UNQUOTED					
A.K. Holdings Pvt.Ltd.	10	187,070	1,797,384	187,070	1,797,384
Disco Cables Pvt.Ltd.	10	4,980	49,800	4,980	49,800
Mukand Land & Fin. Pvt.Ltd.	10	500	50,000	500	50,000
Parkash Finance Pvt.Ltd.(Eq.)	10	140,740	1,438,077	140,740	1,438,077
Parkash Finance Pvt.Ltd.(Pref.)	100	4,500	450,000	4,500	450,000
Radaur Investments Pvt.Ltd.	10	163,748	1,631,942	163,748	1,631,942
S.S. Containers Pvt.Ltd.	10	65,000	650,000	65,000	650,000
S.S. Containers Pvt.Ltd.(Pref.)	100	1,870	187,000	1,870	187,000
Starcom Resources (I) Pvt.Ltd.	10	345,000	6,382,500	345,000	6,382,500
Total Investment in Share		4,977,320	73,267,738	4,041,482	60,905,549
(B) Other Investment (Art and Painting)			1,150,000		
Total [B]			1,150,000		
Total Investment (A+B)		4,977,320	74,417,738	4,041,482	60,905,549
Aggregate book value of quoted investments			60,631,035		48,268,846
Aggregate Book value of unquoted investments			12,636,703		12,636,703
Aggregate market value of quoted investments			56,238,663		62,576,878

For Ashari Agencies Limited


Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

	(All Amounts in Indian Rupees)	
	As at 31st March, 2012	As at 31st March, 2011
[7] DEFERRED TAX ASSETS		
Related to unabsorbed deficiencies carried forward	2,775,322	3,468,833
Disallowance under the Income Tax Act	31,608	22,934
Deferred Tax Liabilities related to Fixed Assets	-	(4,046)
TOTAL OF DEFERRED TAX ASSETS	<u>2,806,930</u>	<u>3,487,721</u>
[8] LONG TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
Capital Advances	32,136,782	33,312,810
TOTAL OF LONG TERM LOANS AND ADVANCES	<u>32,136,782</u>	<u>33,312,810</u>
[9] OTHER NON-CURRENT ASSETS		
Misc. Expenditure to the extent not written off /adjusted	77,600	155,200
TOTAL OF INVENTORIES	<u>77,600</u>	<u>155,200</u>
[10] CASH AND BANK BALANCES		
(Cash and Cash equivalents)		
Cash on hand	23,025	27,947
Cheque in hand	-	21,866
Balances with banks :		
in Current Accounts	2,516,530	1,055,712
TOTAL OF CASH AND BANK BALANCES	<u>2,539,555</u>	<u>1,105,525</u>
[11] SHORT TERM LOANS & ADVANCES		
(Unsecured and Considered Good)		
Loans & Advances to related parties	2,179,711	106,487
Supplier's Advances	-	9,500,000
Advance Income Tax (Net of provision for Tax)	1,158,607	296,459
MAT Credit Entitlement	11,974,209	11,285,369
Other Loans & Advance	2,033,731	2,033,731
TOTAL OF SHORT TERM LOANS & ADVANCES	<u>17,346,258</u>	<u>23,222,046</u>
[12] REVENUE FROM OPERATIONS		
Loss in Derivative segment & Day Trading	(1,244,008)	-
TOTAL OF REVENUE FROM OPERATIONS	<u>(1,244,008)</u>	<u>-</u>

For Ashari Agencies Limited

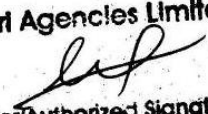

Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

	(All Amounts in Indian Rupees)	
	As at 31st March, 2012	As at 31st March, 2011
[13] OTHER INCOME		
Interest Income	50,897	274,266
Dividend Income	3,489,521	2,238,641
Net gain on sale of investments	7,201,948	8,338,621
Other Non Operative Income	-	2
TOTAL OF OTHER INCOME	<u>10,742,366</u>	<u>10,851,530</u>
[14] EMPLOYEES BENEFIT EXPENSES		
Salary, Wages, Bonus & Allowances	972,814	915,206
Gratuity	16,355	13,875
Staff Welfare Expenses	18,986	29,346
TOTAL OF EMPLOYEES BENEFIT EXPENSES	<u>1,008,155</u>	<u>958,427</u>
[15] FINANCE COST		
Interest Expenses	1,920	112,946
Bank Charges	23,233	14,045
TOTAL OF FINANCE COST	<u>25,153</u>	<u>126,991</u>
[16] OTHER EXPENSES		
Rent	60,000	60,000
Advertisement & Publsity	11,200	9,200
Travelling & Conveyance	-	3,150
Printing & Stationery	914	1,975
Communication Expenses	1,830	2,090
Payment to Auditors		
As Auditors	22,060	22,060
for Others services	<u>16,545</u>	<u>38,605</u>
Fees & Legal Expenses	17,920	27,290
Electricity	32,367	10,380
Listing Fee	9,000	9,000
Investments Written Off	-	446,836
Security Transaction Tax	159,186	109,208
Balance Written Off	29,127	-
Misc. Expenses Written Off/adjusted	77,600	77,600
TOTAL OF OTHER EXPENSES	<u>437,749</u>	<u>795,889</u>

For Ashari Agencies Limited


Director/Authorized Signatory

ASHARI AGENCIES LIMITED

Notes to Financial Statements for the year ended 31st March, 2012

(17)Basis of preparation of financial statements

The financial statements are prepared under the historical cost convention on an accrual basis, in accordance with the generally accepted accounting principles in India and in compliance with the applicable accounting standards as notified under the Companies (Accounting Standards) Rules, 2006, as amended and as per Revised Schedule VI to the Companies Act, 1956. All assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule VI to the Companies Act, 1956.

(18)Significant accounting policies

(a) Revenue Recognition

- (i) Dividend Income is recognized when the right to receive the dividend is unconditionally established.
- (ii) Profit on sale of Investment is recognized on the date of its sale and is computed as excess of sale proceeds over its carrying amount as at the date of sale.
- (iii) Insurance and other claims are accounted for when settled/realized.

(b) Fixed Assets

Recognition and measurement

Tangible Fixed Assets are stated at cost less depreciation.

Depreciation and Amortization

Depreciation on fixed assets is provided on the written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956, on a pro-rate basis from the date the asset is ready to put to use till the end of its useful life or till the asset is discarded, whichever is earlier. Individual assets costing up to Rs.5,000 per item are fully depreciated in the year of purchase.

(c) Investment

Investments are classified as long term or current investments. Long term investments are stated at cost and provision for diminution in their value, other than temporary, is recorded in the books of account. Current investments are stated at the lower of cost or fair value.

(d) Employee Retirement Benefits

Gratuity and Leave encashment benefits are provided for on the basis of actual valuation.

(e) Provisions and Contingent Liabilities/Assets

Provisions in respect of present obligations arising out of past events are made in the accounts when reliable estimate can be made of the amount of the obligations. Contingent liabilities, if material are disclosed by way of notes to accounts. Contingent assets are not recognized or disclosed in the financial statements.

ASHARI AGENCIES LIMITED

(19) Related Party Transactions

Disclosures in respect of Account Standard (AS)-18 "**Related Party Disclosures**" as notified under the Companies (Accounting Standards) Rules 2006 as amended.

(a) Name and nature of relationship with related parties :-

<u>Name of the related Parties</u>	<u>Relationship</u>
Mr. Ajay Kumar Agarwal	Key Managerial Personnel
Mr. Vijay Kumar	Key Managerial Personnel
S.S. Containers Pvt. Ltd.	Associate Company
Amrit Steels Pvt. Ltd.	Associate Company
Delhi Iron & Steel Co. Pvt. Ltd.	Associate Company
Ipcon Services Pvt. Ltd.	Associate Company
Prakash Finance Pvt. Ltd.	Associate Company
Starcom Resources (India) Pvt. Ltd.	Associate Company

(b) Transactions during the year with related parties :-

<u>Nature of transactions</u>	<u>Associates</u>	<u>Key Managerial Personnel</u>	<u>Total</u>
Net Loans & Advances given/Returned)	20,73,224	--	20,73,224
Unsecured Loans repaid	74,905	75,000	1,49,905
Rent paid	60,000	--	60,000
Finance Expenses	50,897	--	50,897

(c) Balance as at 31st March, 2012.

<u>Nature of transactions</u>	<u>Associates</u>	<u>Key Managerial Personnel</u>	<u>Total</u>
Unsecured Loans & Advances	21,79,711 (1,06,487)	--	21,79,711 (1,06,487)
Capital Advances	--	2,50,00,000 (2,50,00,000)	2,50,00,000 (2,50,00,000)

Note : Figures in brackets represents Previous year's amount.

(20) Contingent Liabilities and Commitments

As per the best estimate of the management, no provision is required to be made in respect of any present obligation as a result of a past event that could lead to a probable outflow of resources, which would be required to settle the obligation.

(21) Earning/Expenditures in Foreign Currency : NIL NIL

(22) Segments Reporting

The company is engaged in the business of investments, leasing and financing. Since all activities are related to one segment, there is no reportable segment as per the Accounting Standard on Segment Reporting (AS-17)

(23) In the opinion of the Board of Directors, all current assets and long term loans & advances, appearing in the balance sheet as at March 31, 2012, have a value on realization, in the ordinary course of the Company's

ASHARI AGENCIES LIMITED

business, at least equal to the amount at which they are stated in the financial statements. In the opinion of the board of directors, no provision is required to be made against the recoverability of these balances.

(24) The other particulars/details required to be given pursuant to the provisions of schedule-VI of the Companies Act, 1956 are either NIL or not applicable to the company.

(25) Previous year figures have been regrouped and /or re-arranged, wherever necessary to conform to current year groupings and classifications.

All the notes to financial statements form an integral part of the balance sheet and the Statement of Profit & Loss and have been duly authenticated.

As per our separate report of even date

for R.K. Govil & Co.

Chartered Accountants

Firm Registration No. 000748C

For and on Behalf of the Board

Place : Ghaziabad
Date : 31st July, 2012

Sd/-
(Rajesh K. Govil)
Partner
M. No. 013632

Sd/-
(R.K. Garg)
Director

Sd/-
(Pradeep Kumar)
Director

ASHARI AGENCIES LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

1 Registration Details

Registration No.	UP652921UP1985PLC007030
State Code	20
Balance Sheet Date	31.03.2012

2 Capital raised during the year (Amount in Rs. Thousands)

Public issue	Right issue
Bonus issue	Private placement

3 Position of mobilisation and deployment of funds (Amount in Rs. Thousands)

Total Liabilities	130245	Total Assets	130245
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Source of funds

· Paid up Capital	17157
· Reserve and Surplus	112000
· Non Current Liabilities	102
· Current Liabilities	122

Application of funds

· Tangible Fixed Assets	57
· Non Current Investments	74417
· Other Non Current Assets	35021
· Current Assets	19886

4 Performance of Company(Amount in Rs. Thousands)

· Turnover/Received	9498	· Total Expenditure	1501
· Profit/(Loss) before tax	7997	· Profit/(Loss) after tax	7143
· Earning per share	4.16	· Dividend rate	--

5 Generic names of three principal products/services of company (Amount in Rs. Thousands)

Investment & Finance

As per our separate report of even date

for R.K. Govil & Co.

Chartered Accountants

Firm Registration No. 000748C

For and on Behalf of the Board

Place : Ghaziabad
Date : 31st July, 2012

Sd/-
(Rajesh K. Govil)
Partner
M. No. 013632

Sd/-
(R.K. Garg)
Director

Sd/-
(Pradeep Kumar)
Director

ASHARI AGENCIES LIMITED

The Board of Directors

Ashari Agencies Limited

Ghaziabad

We have examined the attached Cash flow statement of Ashari Agencies Limited for the year ended 31st March, 2012. The statement has been prepared by the company in accordance with the requirements of clause No. 32 of the company's listing agreement with Kanpur Stock Exchange. The statement is based on and is derived from the profit & loss account and the Balance Sheet of the company for the year ended 31st March, 2012 covered by our Report dated 31st July, 2012 the members of the company.

For R.K. Govil & Co.

Chartered Accountants
Firm Registration No.000748C

Place : Ghaziabad

Dated : 31st July, 2012

Sd/-

(Rajesh K. Govil)

Partner

M. No. 013632

ASHARI AGENCIES LIMITED

FORM A

Format of covering letter of the annual audit report to be filed with the Stock exchanges

1	Name of the Company	Ashari Agencies Limited
2	Annual financial statements for the year ended	31st March 2012
3	Type of Audit observation	None
4	Frequency of observation	---N.A---
5	To be signed by- CEO/Managing Director (Pradeep Kumar) CFO (Pradeep Kumar) Auditor of the company (Rajesh K. Govil) Audit Committee Chairman (Vijay Kumar Aggarwal)	 Sd/- Sd/- Sd/- Sd/-