

## NOTICE

NOTICE is hereby given that the Annual General Meeting of the Members of SAI BABA INVESTMENT AND COMMERCIAL ENTERPRISES LIMITED will be held on September 30, 2013 at 11.30 a.m. at Kaasra No 111 Bakarawala Road Village Mundka, New Delhi- 110041 to transact the following business:-

### **ORDINARY BUSINESS:**

1. To consider and adopt the Audited Profit & Loss Account and Cash Flow Statement for the year ended March 31, 2013, the Balance Sheet as at that date, the Auditors' Report thereon, the Directors' Report.
2. To appoint a Director in place of Mr. Ram Avtar Sharma, who retires by rotation and being eligible, offers himself for re-appointment.
3. To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**.

“**RESOLVED THAT** pursuant to the provisions of Sections 224, 224A and other applicable provisions, if any, of the Companies Act, 1956, M/s. Shyam C. Agrawal, Chartered Accountants, Mumbai, having Registration No. 31774, issued by the Institute of Chartered Accountants of India be and are hereby appointed as Statutory Auditors of the Company in place of retiring Statutory Auditors, M/s. Navdeep Gupta and Associates, Chartered Accountants, New Delhi, who have expressed their unwillingness for re-appointment, to hold office until the conclusion of the next Annual General Meeting at a remuneration to be decided by the Board of Directors of the Company, based on the recommendation of the Audit Committee, in addition to reimbursement of all out-of-pocket expenses.”

### **SPECIAL BUSINESS:**

4. To consider if thought fit, to pass with or without modification(s) if any, the following **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to appoint Mr. Priyank. A. Shah as an Independent Director of the Company liable to retire by rotation.”

5. To consider if thought fit, to pass with or without modification(s) if any, the following **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to appoint Mr. Tejas N Mehta as an Independent Director of the Company liable to retire by rotation.

6. To consider if thought fit, to pass with or without modification(s) if any, the following **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Section 257 and other applicable provisions, if any, of the Companies Act, 1956, consent of the Company be and is hereby accorded to appoint Mr. Vijay Pandhere as an Independent Director of the Company liable to retire by rotation.

7. Approval for not filling up the vacancy caused by the retirement of Mr. Kana Ram as an **Ordinary Resolution** :

**RESOLVED THAT** pursuant to Section 256 and all other applicable provisions, if any, of the Companies Act, 1956, the vacancy caused by the retirement of Mr. Kana Ram who retires by rotation at this Annual General Meeting and who does not seek reappointment be not filled up.

8. **INCREASE IN AUTHORISED CAPITAL**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**

**“RESOLVED THAT**, pursuant to section 16 and 94 and other applicable provision, if any, of the Companies Act, 1956, consent be and is hereby accorded to alter the Authorised Share Capital of the Company from Rs. 25,00,000/-(Twenty Five Lacs) divided into 2,50,000 (Two lac fifty thousand) equity shares of Rs.10 (Rupees Ten only) each to Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rs.10 (Rupees Ten only) each and consequently the clause V of the Memorandum of Association of the Company be and is hereby altered by substituting the following new clause:

The Share Capital of the Company Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into 1,50,00,000 (One Crore Fifty Lacs) equity shares of Rs.10 (Rupees Ten only). The Company shall have power from time to time to increase and reduce the capital and to divide the shares in the capital for time being into other classes and to attach thereto respectively such Preferential, qualified or special rights, privileges, conditions or restriction as may be determined by or in accordance with the regulations of the Company and to vary, modify or abrogate any such rights, privileges, conditions in such manner as may be permitted by Companies Act, 1956, or provided by the Articles of Association of the Company for the time being.”

**RESOLVED FURTHER THAT**, for the purpose of giving effect to the resolution, the Board of Directors of the company be and is hereby authorised to take all such steps and actions and give such direction and to delegate such authority, as it may in its absolute discretion, deem appropriate.”

9. **ADOPTION OF NEW SET OF ARTICLES**

To consider and if thought fit, to pass with or without modification(s), the following resolution as an **Special Resolution**.

**“RESOLVED THAT**, pursuant to provisions of section-31 and other applicable provisions of Companies Act, 1956, if any, new set of Article of Association, be and is hereby adopted in place of the existing Article of Association as placed before the Members and duly initialed by the Chairman for identification purpose.”

“**RESOLVED FURTHER THAT**, for the purpose of giving effect to the resolution, the Board of Directors of the company be and is hereby authorised to take all such steps and actions and give such direction and to delegate such authority, as it may in its absolute discretion, deem appropriate.”

10. To consider and, if thought fit, to pass the following resolutions with or without modification(s), if any, as **Special Resolution**:

“**RESOLVED THAT** in terms of section 81(1A) and all other applicable provisions, if any, of the Companies Act, 1956 (the Act) (including any statutory modification(s) or re-enactment there, for the time being in force), Memorandum and Articles of Association of the Company, Listing Agreements entered into by the Company with the Stock Exchange where the Company’s shares are listed, and in accordance with the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [“SEBI (ICDR) Regulations”] as may be applicable on preferential issue of Equity Shares and other applicable regulations/guidelines of SEBI, if any and subject to such conditions and modifications as may be considered appropriate by the Board of Directors of the Company (hereinafter referred to as “the Board” which expression shall include any committees thereof for the time being to which all or any of the powers hereby conferred on the Board by these resolutions, have been delegated) and subject to such consents and approvals of SEBI, Stock Exchange, Govt. of India, Reserve Bank of India or such other bodies or authorities as may be required by the law and as may be necessary and subject to such conditions and modifications as may be imposed upon and accepted by the Board while granting such consents and approvals, and which may be agreed to by or any other authority as may be necessary for that purpose the consent of the members of the Company be and is hereby accorded to the Board to offer, issue and allot 1,20,00,000 (One Crore Twenty Lakhs Equity Shares (Rupees Ten) per equity share, being the price higher than the price determined as per SEBI (ICDR) Regulations, on a preferential basis to the following persons as mentioned in the table below, on such terms and conditions as may be decided and deemed appropriate by the Board of Directors of the Company, at the time of issue or allotment, subject to the overall guidelines governing such issue.

S.No.	Name of the proposed Allottee (non-promoter)	No. of shares proposed to be allotted	Amount in Rs.
1.	Ranchhodbhai Kanjibhai Detroja	890000	8900000
2.	Mahesh Ranchhodbhai Detroja	890000	8900000
3.	Hiralal Dhanjibhai Godhani	70000	700000
4.	Hargovindbhai Tribhovanbhai Zalariya	50000	500000
5.	Vasantbhai Dhanjibhai Godhani	70000	700000
6.	Dineshbhai Sundarjibhai Thoriya	15000	150000
7.	Maganbhai Odhavjibhai Kasundra	45000	450000
8.	Shobhanaben R. Detroja	835000	8350000
9.	Jagdishbhai D Thakkar	470000	4700000
10.	Dhaval J Thakkar	200000	2000000
11.	Dinesh C Thakkar	330000	3300000
12.	Harendrasingh Narayansingh Rathod	200000	2000000
13.	Atul M Birla (HUF)	200000	2000000
14.	Hiral jayantilal Patel	200000	2000000
15.	Manasi Jignesh Shah	200000	2000000
16.	Jayantilal P Haria	200000	2000000

17.	Jayantilal P Haria HUF	200000	2000000
18.	Aarti Atul Haria	100000	1000000
19.	Shantben Jayantilal Haria	100000	1000000
20.	Sultan Ali	200000	2000000
21.	Bahadur Ali	200000	2000000
22.	Arvind Karsanbhai Chheda	200000	2000000
23.	Navin Karsan Chheda	200000	2000000
24.	Kantilal Karsan Chheda	200000	2000000
25.	Devendra Arvindbhai Desai	200000	2000000
26.	Twinkle Nikunj Desai	200000	2000000
27.	Nikunj Arvindbhai Desai	200000	2000000
28.	Sangeeta Jayesh Savla	200000	2000000
29.	Amit Magia	200000	2000000
30.	Kiran Magia	200000	2000000
31.	Reena Aggarwal	200000	2000000
32.	Lalit Nagindas Doshi	200000	2000000
33.	Nilesh Bharat Mehta	200000	2000000
34.	Mahendra Ramakant Likhite	200000	2000000
35.	Mukesh k shah	135000	1350000
36.	Nayana Mukesh Shah	135000	1350000
37.	Shikha Madan	200000	2000000
38.	Jagdishchandra Bhailalbai Patel	200000	2000000
39.	Foram Nikul Patel	200000	2000000
40.	Jagdishchandra Bhailalbai Patel HUF	200000	2000000
41.	Daxaben Jagdishchandra Patel	200000	2000000
42.	Nikul Jagdishchandra Patel	200000	2000000
43.	Astrid Multilink Trading LLP	915000	9150000
44.	Mukesh r Bhimani	200000	2000000
45.	Ranjita Jagatpal Singh	100000	1000000
46.	Neetu Jagatpal Singh	100000	1000000
47.	Batuk Popatlal Shah	200000	2000000
48.	Showman Trading Company Private Ltd.	650000	6500000
49.	Atul Mulji Katira	100000	1000000
	<b>Total</b>	<b>12,000,000</b>	<b>120,000,000</b>

**“RESOLVED FURTHER THAT**

- (i) The ‘Relevant Date’ as per SEBI (ICDR) Regulations for the determination of applicable price for issue of aforesaid Equity Shares is 30<sup>th</sup> August, 2013.
- (ii) The Equity Shares allotted in terms of this resolution shall be subject to the Memorandum and Articles of Association of the Company and shall rank pari-passu with the existing equity shares of the Company in all respects including payment of dividend.
- (iii) The Board be and is hereby authorized to seek listing of such securities in the Stock Exchange where the Company’s shares are listed.
- (iv) The Board be and is hereby authorized to accept and effect any conditions and modifications as may be required by the agencies involved in such issues including but not limited to SEBI, RBI, Stock Exchange and/or such other appropriate authorities.”

**“RESOLVED FURTHER THAT** for the purpose of giving effect to the above, the Board be and is hereby authorized on behalf of the Company to take all actions and do all such deeds, matters and things as it may, in its discretion, deem necessary, to the issue or allotment of aforesaid Equity Shares, without being required to seek any further consent or approval of members or otherwise and that they shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

**“RESOLVED FURTHER THAT** the Board, be and is hereby, authorized to delegate all or any of the powers herein conferred to any Committee of Director(s) or Officer(s) of the Company to give effect to this Resolution.”

Place: Mumbai  
Dated: September 6, 2013

For and on Behalf of the Board of Directors

Sd/-

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(Director)

**NOTE:**

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member. Proxy in order to be effective must be received by the Company not less than 48 hours before the meeting.**
2. The details of the directors seeking appointment/re-appointment at the forthcoming Annual general meeting as stipulated under clause 49 of the Listing Agreement with the Bombay Stock Exchange are also annexed.
3. The relative explanatory statement pursuant to Section 173(2) is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2013 to September 29, 2013 (both days inclusive).
5. Please bring your attendance slip, duly completed at the meeting.
6. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company
7. Members who hold shares in physical form in multiple folios in identical names are requested to send the share certificates to the Company immediately to enable consolidation of their holding into one folio.
8. Shareholders are requested to promptly notify any change in their addresses.

9. Members are requested to bring their copy of the Annual Report at the time of attending the Annual General Meeting.
10. Non-resident Indian Shareholders are requested to inform the Company immediately:
  - a. Change in residential status on return to India for permanent settlement.
  - b. Particulars of bank account maintained in India with complete name, branch, branch code, account type, account number and address of bank, if not furnished earlier.
  - c. Copy of Reserve Bank of India permission, if required.
11. Consequent upon the introduction of Section 109A of the Companies Act, 1956 Shareholders are entitled to make nomination in respect of shares held by them in physical form. Shareholders desirous of making nomination in respect of shares held by them in physical form are requested to send the necessary particulars in Form 2B (available on request) to the Company.
12. Members desirous of getting any information in respect of accounts of the Company and proposed resolutions, are requested to send their queries in writing to the Company at its registered office atleast 7 days before the date of the meeting, so that the required information can be made available at the meeting.
13. Corporate members intending to send their authorized representative to attend the meeting are requested to send to the Company, a certified true copy of the Board resolution authorizing their representative to attend and vote on their behalf at the meeting.
14. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company.
15. A special notice in terms of Section 190 of the Companies Act, 1956, has been received under Section 225 (1) from the Board of Directors of the Company proposing the appointment of M/s. Shyam C. Agrawal, Chartered Accountants, Mumbai, as Auditors of the Company, in place of M/s. Navdeep Gupta and Associates Chartered Accountants, the retiring Auditors of the Company who had shown their unwillingness for re-appointment as Statutory Auditor of the Company. The retiring auditors of the Company have no representation to make for notification to the Members of the Company relating to special notice

**EXPLANATORY STATEMENT  
PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 IN RESPECT OF  
SPECIAL BUSINESS SET OUT IN THE NOTICE**

**ITEM NO.4**

Appointment of Mr. Priyank. A. Shah as a Director on the Board of the Company.

Under Section 257 of the Companies Act 1956, a notice in writing has been received from a member signifying his intention to propose Mr. Priyank. A. Shah, as a Director of the Company along with a deposit of Rs. 500/- as required under the aforesaid Section.

Except Mr. Priyank. A. Shah, none of the other Directors of the Company is in any way concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

**ITEM NO.5**

Under Section 257 of the Companies Act 1956, a notice in writing has been received from a member signifying his intention to propose Mr. Tejas N Mehta, as a Director of the Company along with a deposit of Rs. 500/- as required under the aforesaid Section.

Except Mr. Tejas N Mehta, none of the other Directors of the Company is in any way concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

**ITEM NO.6**

Under Section 257 of the Companies Act 1956, a notice in writing has been received from a member signifying his intention to propose Mr. Vijay Pandhere, as a Director of the Company along with a deposit of Rs. 500/- as required under the aforesaid Section.

Except Mr. Vijay Pandhere, none of the other Directors of the Company is in any way concerned or interested in the resolution.

Your Directors recommend the resolution for your approval.

**ITEM NO.7**

Since Mr. Kana Ram has shown his unwillingness to offer himself for reappointment The Board proposes that the vacancy caused by his retirement shall not be filled up. The Board records its appreciation for the contribution made by him during his tenure with the Company.

The Board recommends passing of this resolution. None of the Directors of the Company except Mr. Kana Ram, are interested in the resolution.

### **ITEM NO. 8 & 9**

The management of the Company is planning to raise fund by issuing Equity shares, but the present authorized share capital of the Company is insufficient to issue further equity shares. Therefore as per the provision of the companies Act, 1956 the Board of Directors of the Company is proposing to increase the Authorized Share Capital of the Company from Rs. 25,00,000/- (Twenty Five Lacs) divided into 2,50,000(Two Lacs Fifty Thousand) equity shares of Rs.10 (Rupees Ten only) each to Rs. 15,00,00,000 (Rupees Fifteen Crores) divided into Rs. 1,50,00,000 (One crore fifty lacs) equity shares of Rs.10 (rupees ten only)

The aforesaid increase in Authorised Share Capital will require the amendment of the capital clause of the Memorandum of Association and the Articles of Association of the Company. Thus ordinary resolution is proposed for alteration in clause V of the Memorandum of Association of the Company and is required to enable the above resolution to be implemented. Hence the resolution is placed for consideration of the shareholders.

Also, your Directors considered that the existing Articles of Association of the Company do not cover the latest amendments of the specified rules and regulation and it is proposed to alter the existing Article of Association by adopting a new set of Articles of Association in the place of the existing Articles of Association of the Company.

Your Directors recommend both the Resolutions as mentioned under item no 9 & 10 of the notice for your approval.

None of the directors of the company is in any way interested or concerned in the said resolution except to the extent of their shareholdings.

Draft copy of the amended Memorandum of Association has been placed at the Registered Office of the Company for inspection during the business hours till the end of meeting.

### **ITEM NO.10**

The Board of Directors of the Company give below disclosures that are required to be given in the explanatory statement to the special resolution to be passed under section 81(1A) of the Companies Act, 1956 and in terms of the SEBI (ICDR) Regulations ("ICDR Regulations").

- 1. Object and manner of activities of proceed of the Issue to be utilised:** The purpose of the issue is to allot the fully paid up equity shares of Rs. 10/- and to achieve long term plans of the Company in accordance with the new line of business and to meet the funding requirements including but not limited to investment for meeting its business requirements and any other use, as may be permitted under applicable law or regulations, from time to time.
- 2. Relevant data and pricing of the issue:** The issue price of the Equity shares shall be Rs.10.00 (Rs. Ten only) each respectively.



The price of the Equity shares of Rs.10 each has been fixed for Rs.10.00 (Rupees Ten only) per share to be issued on allotment based on the relevant date 30th August, 2013 respectively, calculated in the manner specified for pricing of shares to be allotted as per the SEBI (ICDR) Regulations (“ICDR Regulations”). A Certificate to that effect has been obtained from the Auditors of the Company on September 6, 2013 which is also available for inspection at the Registered Office of the Company.

**3. Intention of the promoters or their associates and relatives to subscribe to the offer:**

None of the present Promoter/Director/Key Managerial Persons of the Company intend to subscribe to proposed preferential allotment of Equity Shares.

**4. Proposed time within which the allotment shall be completed:** The allotment of equity shares shall be completed within a period of 15 days from the date of passing of these resolution by the shareholders provided, that where the allotment is pending on account of pendency of any approval from any regulatory authority or the Central Govt., the allotment shall be completed by the Company within a period of 15 days from the date of such approvals. If the allotment of instrument certificate is not completed within a period of 15 days from the date of this resolution, a fresh consent of the shareholders shall be obtained.

**5. Shareholding pattern before and after the offer:** The shareholding pattern of the Company, before and after the preferential allotment would be as follows:

Sr. No.	Category	Pre – issue holding		Post-conversion holding.	
		No. of shares	% of Capital	No. of shares	% of Capital
<b>A</b>	<b>Promoters Holding</b>				
1	Indian Promoters	550	0.22	550	0.004
	Foreign Promoters	0	0	0	0
2	Persons Acting in Concert	0	0	0	0
	<b>Sub-Total</b>	<b>550</b>	<b>0.22</b>	<b>550</b>	<b>0.004</b>
<b>B</b>	<b>Non-Promoter Holding</b>				
1	Institutional investors	0	0	0	0
	Mutual Funds	0	0	0	0
	Banks, FIs, Insurance companies	0	0	0	0
	NRIS/OCBs	0	0	0	0
	FII's	0	0	0	0
	Sub-Total	0	0	0	0
2	<b>Others</b>				
	Bodies Corporate	20100	8.20	15,85,100	12.945
	Indian Public	224350	91.58	1,06,59,350	87.051
	Clearing Members	0	0	0	0
	<b>Sub-Total</b>	<b>244450</b>	<b>99.78</b>	<b>12244450</b>	<b>99.996</b>
	<b>Grand Total</b>	<b>245000</b>	<b>100</b>	<b>1,22,45,000</b>	<b>100</b>

Note- The above post issue pattern is based on the assumption of full subscription of the shares and the subsequent allotment of equity shares into one equity share of Rs.10- each at price of Rs.10 per share.

- 6. Identity of the proposed allottees and percentage of post issued capital that may be held:** As stated earlier, it is proposed to allot 12,000,000 equity shares to non-promoter. The percentage that may be held by allottees in post-issued capital shall be as set out in 5 above. The identity of the allottees and their relations with the promoters are as under:

Name of the proposed allottees	Relation, if any with the promoters or person in control of the Company
Ranchhodbhai Kanjibhai Detroja	Investor/Non Promoter
Mahesh Ranchhodbhai Detroja	Investor/Non Promoter
Hiralal Dhanjibhai Godhani	Investor/Non Promoter
Hargovindbhai Tribhovanbhai Zalariya	Investor/Non Promoter
Vasantbhai Dhanjibhai Godhani	Investor/Non Promoter
Dineshbhai Sundarjibhai Thoriya	Investor/Non Promoter
Maganbhai Odhavjibhai Kasundra	Investor/Non Promoter
Shobhanaben R. Detroja	Investor/Non Promoter
Jagdishbhai D Thakkar	Investor/Non Promoter
Dhaval J Thakkar	Investor/Non Promoter
Dinesh C Thakkar	Investor/Non Promoter
Harendrasingh Narayansingh Rathod	Investor/Non Promoter
Atul M Birla (HUF)	Investor/Non Promoter
Hiral jayantilal Patel	Investor/Non Promoter
Manasi Jignesh Shah	Investor/Non Promoter
Jayantilal P Haria	Investor/Non Promoter
Jayantilal P Haria HUF	Investor/Non Promoter
Aarti Atul Haria	Investor/Non Promoter
Shantben Jayantilal Haria	Investor/Non Promoter
Sultan Ali	Investor/Non Promoter
Bahadur Ali	Investor/Non Promoter
Arvind Karsanbhai Chheda	Investor/Non Promoter
Navin Karsan Chheda	Investor/Non Promoter
Kantilal Karsan Chheda	Investor/Non Promoter
Devendra Arvindbhai Desai	Investor/Non Promoter
Twinkle Nikunj Desai	Investor/Non Promoter
Nikunj Arvindbhai Desai	Investor/Non Promoter
Sangeeta Jayesh Savla	Investor/Non Promoter
Amit Magia	Investor/Non Promoter
Kiran Magia	Investor/Non Promoter
Reena Aggarwal	Investor/Non Promoter
Lalit Nagindas Doshi	Investor/Non Promoter
Nilesh Bharat Mehta	Investor/Non Promoter
Mahendra Ramakant Likhite	Investor/Non Promoter
Mukesh k shah	Investor/Non Promoter
Nayana Mukesh Shah	Investor/Non Promoter
Shikha Madan	Investor/Non Promoter
Jagdishchandra Bhailalbhai Patel	Investor/Non Promoter
Foram Nikul Patel	Investor/Non Promoter
Jagdishchandra Bhailalbhai Patel HUF	Investor/Non Promoter
Daxaben Jagdishchandra Patel	Investor/Non Promoter
Nikul Jagdishchandra Patel	Investor/Non Promoter
Astrid Multilink Trading LLP	Investor/Non Promoter

Mukesh r Bhimani	Investor/Non Promoter
Ranjita Jagatpal Singh	Investor/Non Promoter
Neetu Jagatpal Singh	Investor/Non Promoter
Batuk Popatlal Shah	Investor/Non Promoter
Showman Trading Company Private Ltd.	Investor/Non Promoter
Atul Mulji Katira	Investor/Non Promoter

None of the present Promoter/Director/Key Managerial Persons of the Company, intend to subscribe to proposed preferential allotment of Equity Shares

7. **Approvals:** The Company is taking necessary steps to obtain the required approval from the Stock Exchange, SEBI or any other regulatory agency as may be applicable, for the proposed preferential issue of fresh equity shares.

8. **Undertaking of the Issuer:**

The Company undertakes that:

- 1) It shall re-compute the price of the specified securities in terms of the provisions of SEBI (ICDR) Regulations where it is required to do so under the provisions of SEBI (ICDR) Regulations;
  - 2) If the amount payable on account of the re-computation of price is not paid within the time stipulated in SEBI (ICDR) Regulations, the specified securities shall continue to be locked- in till the time such amount is paid by the allottees.
9. **SEBI Takeover code:** In terms of the SEBI (Substantial Acquisition of Shares and Takeovers) Regulations, 2011, the investors are not required to and do not intent to make an open offer and comply with the formalities related to an open offer for the preferential allotment.
10. **Lock-in-period shares:** Total securities being allotted to non-promoter shall be subject to lock-in as per SEBI (ICDR) Regulations.
11. **Auditors Certificate:** Auditor's Certificate confirming that the proposed issue of Equity Shares are in accordance with the SEBI (ICDR) Regulation, will be available for inspection up to the date of the Annual General Meeting at the Registered Office of the Company on any working day and also at the place of the meeting on the meeting day.
12. **Approval under the Companies Act, 1956:** Section 81 of the Companies Act, 1956 provides, inter alia, that whenever it is proposed to increase the subscribed capital of a company by a further issue and allotment of shares, such shares shall be first offered to the existing shareholders of the Company in the manner laid down in the said section, unless the shareholders decide otherwise in general meeting by way of special resolution.

Accordingly, the consent of the shareholders is being sought pursuant to the provisions of section 81 and all other applicable provisions of the Companies Act,1956, SEBI Guidelines and the provisions of the Listing Agreement with the Stock Exchange for authorizing the Board to offer, issue and allot as stated in the resolution, which would result in a further issuance of securities of the Company to

the non-promoter on a preferential allotment basis, in such form ,manner and upon such terms and conditions as the Board may in its absolute discretion deem fit.

The Board of Directors recommends the passing of this resolution as Special Resolution as set in the Notice.

None Director of the Company may be deemed to be interested in the resolutions to the extent shares are proposed to be allotted. Except him, none of the other directors are concerned or interested in the above said resolution, however they may be deemed to be concerned to the extent of change in the percentage of their voting rights in the post equity shareholding in the Company.

Place: Mumbai  
Dated: September 6, 2013

For and on Behalf of the Board of Directors

Sd/-

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(Director)



# MANDEEP MODI & ASSOCIATES

## CHARTERED ACCOUNTANTS

### INDEPENDENT AUDITOR'S REPORT

The Members,  
M/S Sai Baba Investment & Commercial Enterprises Limited  
New Delhi.

#### Report on the Financial Statements

We have audited the accompanying financial statements of M/S Sai Baba Investment & Commercial Enterprises Limited which comprise the Balance Sheet as at 31 March 2013, & the Statement of Profit and Loss and for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position & financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.





# MANDEEP MODI & ASSOCIATES

## CHARTERED ACCOUNTANTS

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 31 March 2013;
- ii. in the case of the statement of profit and loss, of the profit for the year ended on that date;

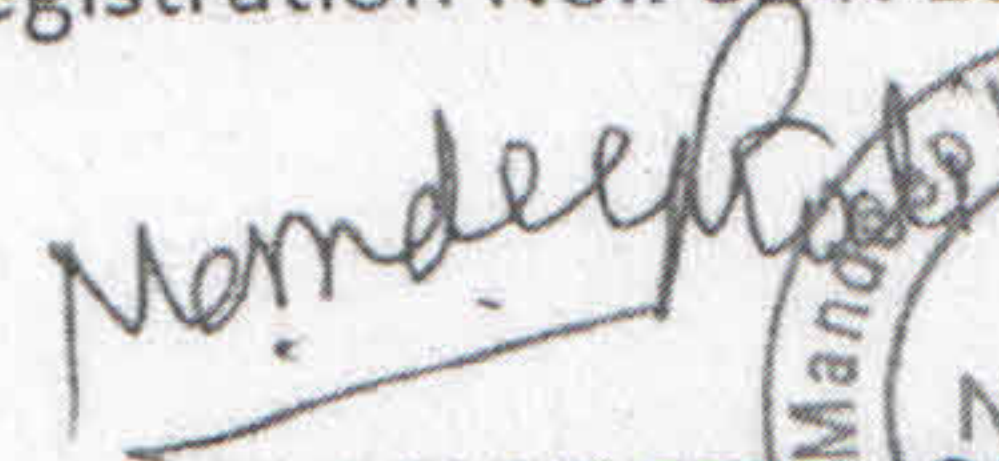
### Report on Other Legal and Regulatory Requirements

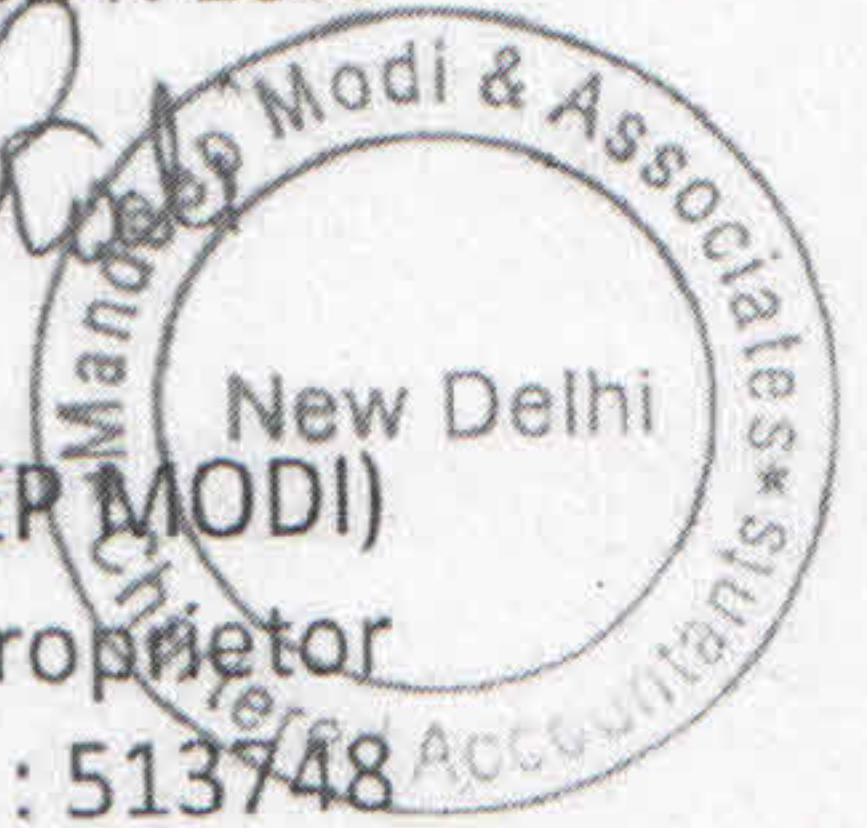
1. As required by the Companies (Auditor's Report) Order, 2003, as amended, issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, 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 purpose 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 [and with the returns received from branches not visited by us];
  - d) in our opinion, the Balance Sheet & Statement of Profit and Loss comply with the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956; and
  - e) on the basis of written representations received from the directors as on 31 March 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

Place: New Delhi

Date: 03/09/2013

For MANDEEP MODI & ASSOCIATES  
(Chartered Accountants)  
Firm Registration No.: 024715N

  
(CA MANDEEP MODI)  
Proprietor  
Membership No. : 513748





# MANDEEP MODI & ASSOCIATES

## CHARTERED ACCOUNTANTS

### Annexure to the Auditors Report

#### Reporting of matters referred in Companies (Auditor's Report) Order, 2003

(1) Fixed Assets:

- (a) The company has maintained proper records showing full particulars including quantitative details and situations of its fixed assets if any.
- (b) As explained to us the company did not have any fixed assets as on the date of Balance Sheet.
- (c) In our opinion and according to the information and explanations given to us, the company did not own any fixed assets as on the date of Balance Sheet hence nothing could be disposed off as a substantial part of the fixed assets which has direct effect on going concern

(2) Inventories:

- (a) As explained to us, inventories have been physically verified by the management at reasonable intervals.
- (b) 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) On the basis of our examination according to information and explanations given to us of the record of inventories, we are of the opinion that, the company is maintaining proper records of inventories the discrepancies noticed on physical verification of inventories as compared to book records were not material and have been properly dealt with in the books of accounts.

(3) (a) The company has neither granted not taken any loan, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956: Accordingly, paragraphs 4(iii) (a), (b), (c), (d), (e), (f) and (g) of the order are not applicable.

(4) According to the information and explanations given to us, there is adequate internal control system commensurate with the size of company and the nature of the business with regard to the purchase of inventories and fixed assets and with regard to the sale of goods & services. Further, on the basis of our examinations and according to the information and explanations given to us, we neither have not come across any continuing failure to correct major weakness in the aforesaid internal control system.

(5) (a) According to the information and explanations given to us, the company has not entered on our enquiries on this behalf and the records produced to us for our verification, we are of the opinion that there were no transactions during the year that need to be entered in the register maintained under section 301 of the Companies Act, 1956.

(6) The Company has not accepted any deposits from the public.

(7) According to the information and explanations given to us, the company has adequate internal audit system commensurate with its size and nature of its business.





# MANDEEP MODI & ASSOCIATES

## CHARTERED ACCOUNTANTS

(8) According to the information and explanations given to us, the maintenance of cost records for the products of the company has not been prescribed by the Central Government as required under clause (d) of sub-section (1) of Section 209 of the Companies Act, 1956.

(9) (a) According to the records of the company, undisputed statutory dues including, Provident fund, income tax, sales tax, wealth tax, customs duty, excise duty, Cess and other statutory dues have generally been regularly deposited during the year with the appropriate authorities and there are no undisputed amounts payable in respect of above statutory dues outstanding as at 31st March, 2013 for a period exceeding six months from the date they became payable.

(b) According to the records of the company and the information and explanation given to us upon our enquiries there are, no dues of sales tax, income tax, custom duty, excise duty which has not been deposited on account of any dispute;

(10) The Company has earned Rs. 251472 profit during the year.

(11) Based on our audit procedures and according to the information and explanation given to us, we are of the opinion that the company has not default in repayment of dues to financial institutions or banks.

(12) Based on examination of document and records made available to us and on the basis of information and explanations given to us, the company has not granted any loans and advance on the basis of security by way of pledge of shares, debentures and other securities, therefore paragraph 4(xii) of the companies (auditor's Report) Order, 2003 is not applicable to the company.

(13) According to the information and explanations given to us, the company is not a chit fund/ nidhi / mutual benefit fund/ society. Therefore, clause 4(xiii) of the companies (auditor's Report) Order, 2003 is not applicable to the company.

(14) According to the information and explanations given to us, the company has maintained proper records of transactions and contracts in respect of trading in Shares, Securities and debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.

(15) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others banks or financial institutions. Therefore, clause 4(14) of the companies (auditor's Report) Order, 2003 is not applicable to the company.

(16) The Company has not obtained any new term loan during the year.

(17) According to the information and explanations given to us and on an overall examination of the Balance Sheet of company, we report that short term funds have not been used to finance long term investments.







# MANDEEP MODI & ASSOCIATES

CHARTERED ACCOUNTANTS

(18) During the year, the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies act, 1956.

(19) The Company has not issued any debenture and hence clause 4(xix) of the companies (auditor's Report) Order, 2003 is not applicable to the company.

(20) During the year covered by our report the Company has not raised any money by way of public issue.

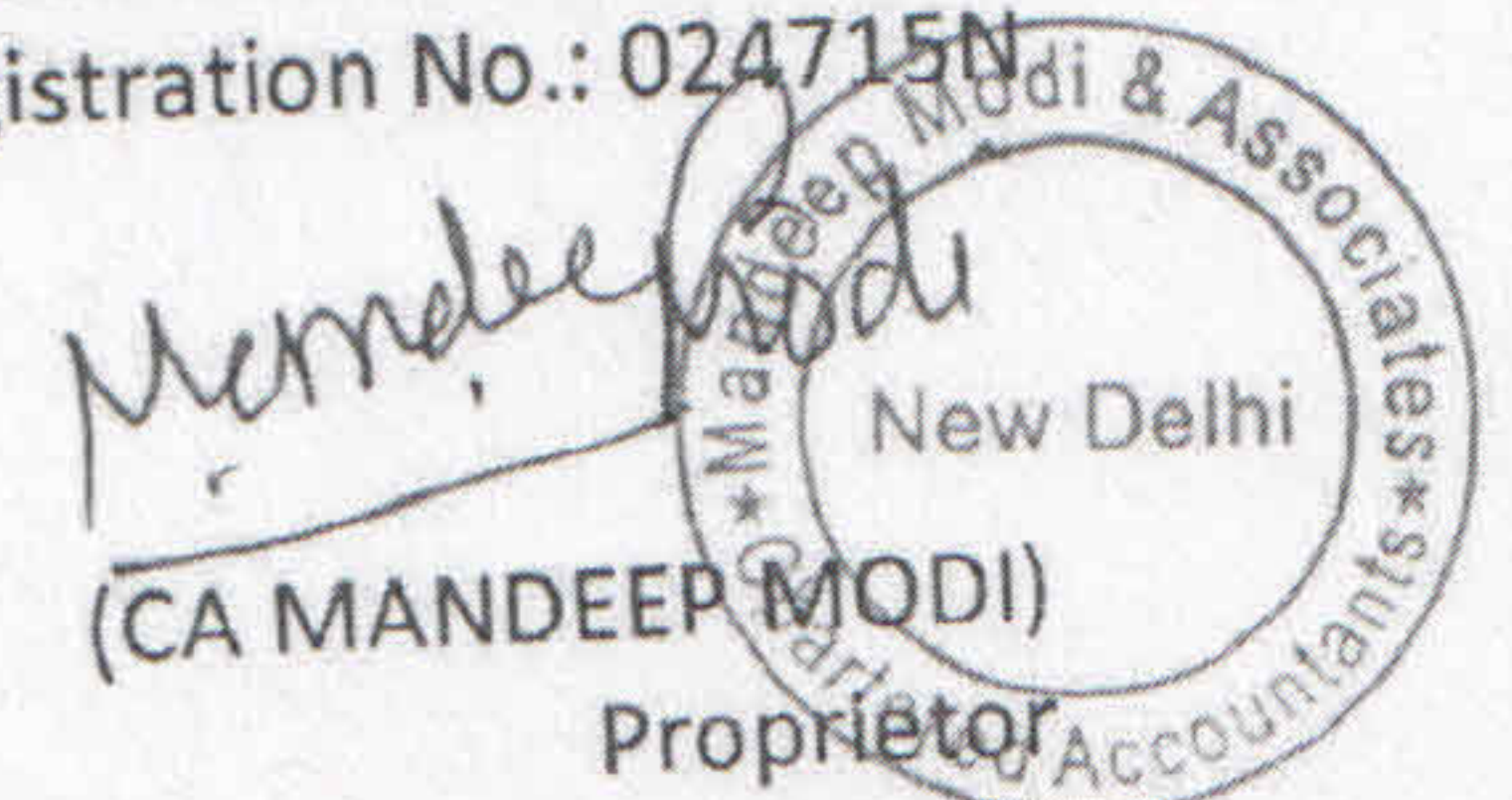
(21) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the year.

Place: New Delhi

Date: 03/09/2013

For MANDEEP MODI & ASSOCIATES  
(Chartered Accountants)

Firm Registration No.: 024715N



(CA MANDEEP MODI)

Proprietor

Membership No. : 513748

**SAI BABA INVESTMENT & COMMERCIAL ENTERPRISES LIMITED**  
Kaasra No. 111 Bakarawala Road, Village - Mundka, New Delhi - 110041  
Balance Sheet statement for the year ended 31st March 2013

PARTICULARS	NOTE NO	CURRENT YEAR	PREVIOUS YEAR
<b>I. EQUITY AND LIABILITIES</b>			
<b>(1) Shareholders Funds</b>			
(a) Share Capital	<u>1</u>	24,50,000	24,50,000
(b) Reserves & Surplus	<u>2</u>	1,35,951	(1,15,521)
(c) Money Received against share warrents			
<b>(2) Share application Money Pending Allotments</b>			
<b>(3) Non Current Liabilities</b>			
(a) Long Term Borrowings	<u>3</u>	1,98,826	1,98,826
(b) Deffered Tax Liabilities (Net)			
(c) Other Long Term Liabilities	<u>4</u>	1,09,233	2,17,025
(d) Long Term Provisions	<u>5</u>		
<b>(4) Current Liabilities</b>			
(a) Short Term Borrowings	<u>6</u>	-	-
(b) Trade Payables			
(c) Other Current Liabilities	<u>7</u>	-	-
(d) Short Term Provisions	<u>8</u>	1,24,110	25,818
<b>Total</b>		<b>30,18,120</b>	<b>27,76,148</b>
<b>II ASSETS</b>			
<b>(1) Non-Current Assets</b>			
(a) Fixed Assets			
(i) Tangible Assets	<u>9</u>	-	-
(ii) Intangible Assets	<u>10</u>	-	-
(iii) Capital Work in Progress			
(iv) Intangible Assets under development			
(b) Non Current Investments	<u>11</u>	-	-
(c) Deferred Tax Assets (net)			
(d) Long Term Loans & Advances	<u>12</u>	15,88,836	17,11,864
(e) Other Non Current Assets	<u>13</u>	-	-
<b>(2) Current Assets</b>			
(a) Current Investments	<u>14</u>	-	-
(b) Inventories	<u>15</u>	1,70,000	1,70,000
(c) Trade Receivables	<u>16</u>	2,89,975	-
(d) Cash & Cash Equivalents	<u>17</u>	86,979	11,954
(e) Short Term Loans & Advances	<u>18</u>	-	-
(f) Other Current Assets	<u>19</u>	8,82,330	8,82,330
<b>Total</b>		<b>30,18,120</b>	<b>27,76,148</b>

(0)

**SIGNIFICANT ACCOUNTING POLICIES**

The accompanying notes are an integral part of the financial statements  
As per our report of even date.

**For MANDEEP MODI & ASSOCIATES**

Chartered Accountants

*Mandeep Modi*  
MANDEEP MODI  
Proprietor  
Membership No. 513748



**For and on behalf of Boards of Directors**

SAI BABA INVESTMENT & COMMERCIAL  
ENTERPRISES LIMITED

*Kuldeep*  
Director

*Kanishk*  
Director

Place: New Delhi  
Date: 03.09.2013

**SAI BABA INVESTMENT & COMMERCIAL ENTERPRISES LIMITED**

Kasra No. 111 Bakarawala Road, Village - Mundka, New Delhi - 110041

**Profit and Loss statement for the year ended 31st March 2013**

PARTICULARS	NOTE NO	CURRENT YEAR	PREVIOUS YEAR
I. Revenue from Operations	<u>19</u>	3,65,000	-
II. Other Income	<u>20</u>	-	-
III. Total Revenue (I+II)		3,65,000	-
IV EXPENSES :			
Employee benefits expense	<u>21</u>	25,000	
Finance costs	<u>22</u>	-	
Depreciation and amortization expense	<u>23</u>	-	
Other Expenses	<u>24</u>	15,236	13,558
Total expenses		40,236	13,558
V. Profit before exceptional and extraordinary items and tax (III-IV)		3,24,764	(13,558)
VI. Exceptional Items (Profit after adjusting loss on Sales of fixed assets)			
VII. Profit before Extraordinary Items and Tax (v-vi)		3,24,764	(13,558)
VIII. Extraordinary Items (prior period expenses)		-	
IX Profit Before Tax ( VII - VIII )		3,24,764	(13,558)
X Tax Expenses			
(1) Current Tax		73,292	
(2) Deferred Tax		-	
XI Profit (Loss) for the Period from Continuing Operation ( VII - VIII )		2,51,472	(13,558)
XV Profit (Loss) for the period (XI + XIV)		2,51,472	(13,558)
XVI Earnings per equity share:			
(1) Basic		1.03	(1.36)
(2) Diluted		1.03	(1.36)

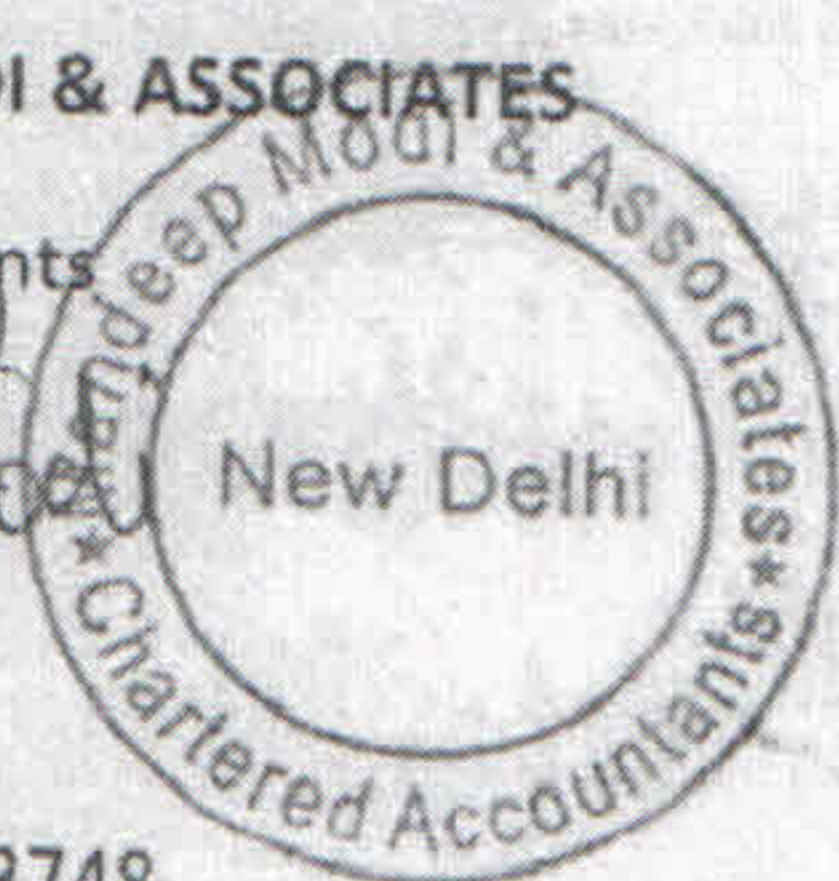
**SIGNIFICANT ACCOUNTING POLICIES**

The accompanying notes are an integral part of the financial statements  
As per our report of even date.

**For MANDEEP MODI & ASSOCIATES**

Chartered Accountants

*Mandeep Modi*  
MANDEEP MODI  
Proprietor  
Membership No. 513748



**For and on behalf of Boards of Directors**  
SAI BABA INVESTMENT & COMMERCIAL  
ENTERPRISES LIMITED

*Nalwa*  
Director

*Kanungo*  
Director

Place: New Delhi

Date: 03.09.2013

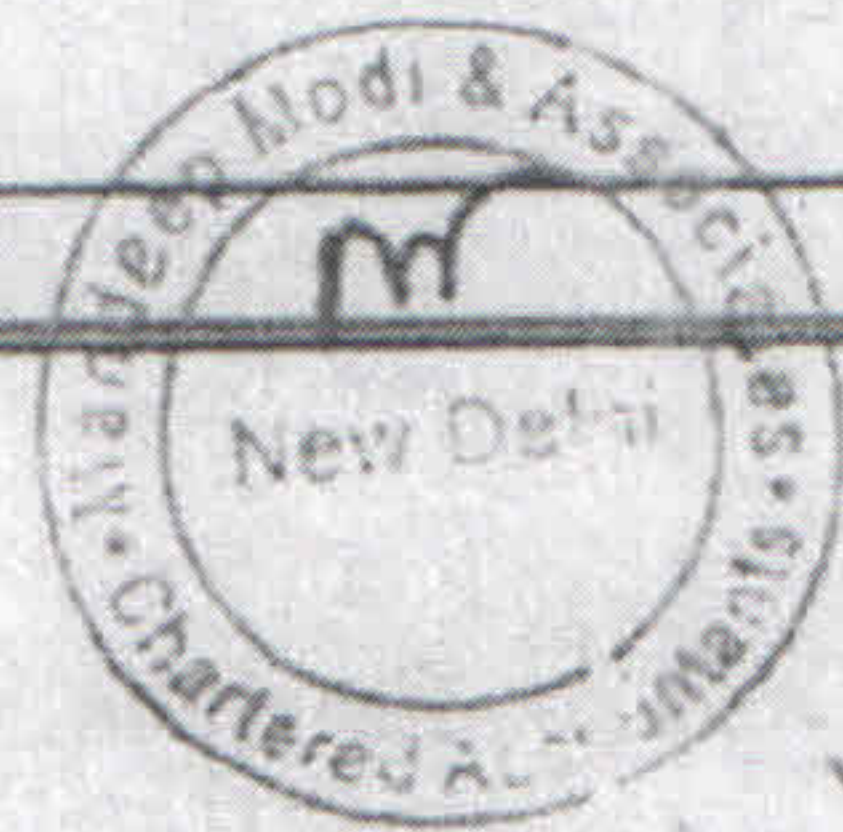
**SAI BABA INVESTMENT & COMMERCIAL ENTERPRISES LIMITED**  
**NOTES TO ACCOUNTS**

NOTE TICULAR NO		CURRENT YEAR	PREVIOUS YEAR
1	<b>Share Capital</b>		
	<i>Authorised Share Capital:</i>		
1	<b>Share Capital</b>		
a	<i>Authorised Share Capital:</i>		
	250000 number of Equity share of Rs. 10/- each	25,00,000	25,00,000
b	<i>Issued, Subscribed and Fully Paid up Share Capital:</i>		
	245000 number of Equity share of Rs. 10/- each	24,50,000	24,50,000
<b>TOTAL OF SHARE CAPITAL</b> <small>Back to B/S</small>		<b>24,50,000</b>	<b>24,50,000</b>

*Number of shares held by share holders more 5% of total shares*

Name of Shareholder	2012-13	2011-12
Shree Ganesh Invest & Ind. Ltd	20,100	20,100
Devender Kumar	13,950	13,950

2	<b>Reserves &amp; Surplus</b>		
	(a) Surplus from Profit & Loss account		
	(b) Opening balance	(1,15,521)	(1,01,963)
	© Add: Current year surplus	2,51,472	(13,558)
	(d) Less: Transfer to general reserve		
<b>TOTAL OF RESERVES &amp; SURPLUS</b> <small>Back to B/S</small>		<b>1,35,951</b>	<b>(1,15,521)</b>



*Atul*

*Kangra*

NOTES TO ACCOUNTS

NOTE TICULAR NO	CURRENT YEAR	PREVIOUS YEAR
3 Long-Term Borrowings		
Secured / Unsecured		
Loans and advances from Directors		
a. Jai Prakash Gupta	20,000	20,000
b. Mukesh Monga	20,000	20,000
c. Ram Avtar Sharma	30,000	30,000
Long term maturities of finance lease obligations		
other loans and advances (Specify)		
a. Arvind Kumar Gupta	78,826	78,826
b. Heena Gupta	25,000	25,000
c. Shiv Shankar Gupta	25,000	25,000
<b>TOTAL OF LONG TERM BORROWINGS</b> Back to B/S	<b>1,98,826</b>	<b>1,98,826</b>
4 Other Long-Term Liabilities		
(a) Trade payables		
(b) Others		
P. Bholusaria & Co.	78,297	1,36,325
Pradeep Jain	13,700	13,700
Abhishek Mittal	15,236	-
Ram Avtar Sharma	2,000	67,000
<b>TOTAL OF OTHER LONG TERM LIABILIT</b> Back to B/S	<b>1,09,233</b>	<b>2,17,025</b>
5 Long-term provisions		
(a) Provision for employee benefits.		
(b) Others (specify nature).		
<b>TOTAL OF OTHER LONG TERM PROVISI</b> Back to B/S		
6 Short-term borrowings		
Secured / Unsecured		
(a) Loans repayable on demand from banks.		
<b>TOTAL OF SHORT TERM BORROWINGS</b> Back to B/S		
7 Other current liabilities		
(a) Current maturities of long-term debt;		
(b) Current maturities of finance lease obligations;		
<b>TOTAL OF OTHER CURRENT LIABILITIES</b> Back to B/S		
8 Short-term provisions		
(a) Provision for employee benefits.	45,200	20,200
(b) Audit Fee Payable	5,618	5,618
(C) Provision for Income Tax	73,292	
<b>TOTAL OF SHORT TERM PROVISIONS</b> Back to B/S	<b>1,24,110</b>	<b>25,818</b>



*Abhishek Mittal*

*Kanishk*

**SAI BABA INVESTMENT & COMMERCIAL ENTERPRISES LIMITED**  
**NOTES TO ACCOUNTS**

NOTE NO	PARTICULAR	CURRENT YEAR	PREVIOUS YEAR
9	Tangible Fixed Assets (a) Land. (b) Buildings.		
<b>TOTAL OF TANGIBLE FIXED ASSETS</b>		Back to B/S	-
10	Intangible Assets (a) Goodwill. (b) Brands /trademarks. (c) Computer software.		
<b>TOTAL OF INTANGIBLE ASSETS</b>		Back to B/S	-
11	NON CURRENT INVESTMENTS (a) Investment property; (b) Investments in Equity Instruments; (c) Investments in preference shares; (d) Other non-current investments (specify nature).		
<b>TOTAL OF NON CURRENT INVESTMENTS</b>		Back to B/S	-



*Ashu*

*Kanagar*

NOTES TO ACCOUNTS

NOTE NO	PARTICULAR	CURRENT YEAR	PREVIOUS YEAR
12	Long-Term Loans & Advances Secured Considered Good / Unsecured (a) Loans and advances to related parties (giving details thereof); <b>Other loans and advances (specify)</b>		
	Bhos Raj Gupta	40,000	40,000
	Chunni Lal Gupta	-	45,000
	Janak Gupta	40,000	40,000
	Vishnu Gupta	-	20,000
	<b>Unsecured Considered Doubtful</b>		
	Crown Flour Mills	15,08,836	15,08,836
	Advances Recoverable in Cash or in Kind	-	58,028
<b>TOTAL OF LONG TERM LOANS &amp; ADVANCES</b>		<b>15,88,836</b>	<b>17,11,864</b>
		<small>Back to B/S</small>	
13	Other Non - Currents Assets (i) Long-term Trade Receivables (including trade receivables on deferred credit terms)		
<b>TOTAL OF OTHER NON CURRENTS ASSETS</b>		<b>-</b>	<b>-</b>
		<small>Back to B/S</small>	
14	Current Investments Secured / Unsecured (a) Investments in Equity Instruments;		
<b>TOTAL OF CURRENT INVESTMENTS</b>		<b>-</b>	<b>-</b>
		<small>Back to B/S</small>	
15	Inventories (a) Finished goods;	1,70,000	1,70,000
<b>TOTAL OF INVENTORIES</b>		<b>1,70,000</b>	<b>1,70,000</b>
		<small>Back to B/S</small>	

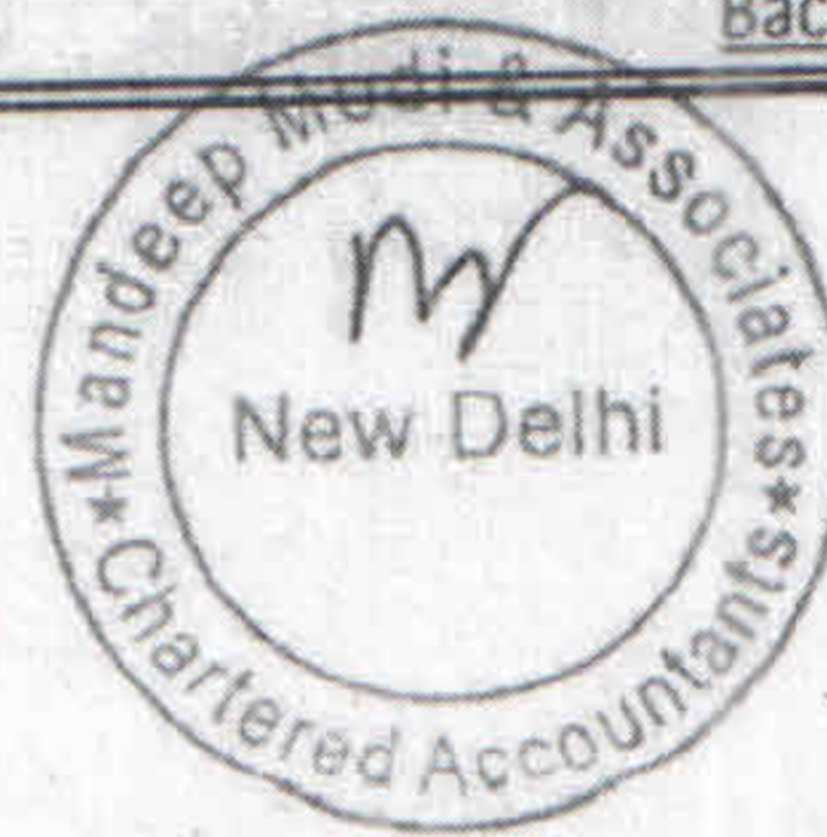


*Ashu*

*Kanishk*

NOTES TO ACCOUNTS

NOTE NO	PARTICULAR	CURRENT YEAR	PREVIOUS YEAR
16	Trade receivables		
	(a) Secured, considered good;		
	(b) Unsecured, considered good;		
	(c) Doubtful		
	<b>TOTAL OF TRADE RECEIVABLES</b>	2,89,975	-
		Back to B/S	
17	Cash & Cash Equivalents		
	(i) Cash and cash equivalents shall be classified as:		
	(a) Balances with banks;	7,363	7,363
	(c) Cash on hand;	79,616	4,591
	<b>TOTAL OF CASH &amp; CASH EQUIVALENTS</b>	86,979	11,954
		Back to B/S	
18	Short Term loans & Advances		
	Secured Considered Good / Unsecured / Doubtful		
	<b>TOTAL OF SHORT TERM LOANS &amp; ADVANCES</b>		-
		Back to B/S	
19	Other current assets		
	Interest accrued on Loan	8,40,257	8,40,257
	Income tax refund receivable	42,072	42,072
	<b>TOTAL OF SHORT TERM LOANS &amp; ADVANCES</b>	8,82,330	8,82,330
		Back to B/S	



Ahuja

Kamath



SAI BABA INVESTMENT & COMMERCIAL ENTERPRISES LIMITED

NOTE 19

Particulars	As at 31 March 2012	As at 31 March 2011
Sale of products		
Sale of services		
Commission Income	3,65,000	
Less: Excise duty		
<b>Total</b>	<b>3,65,000</b>	

NOTE 20

Other Income	As at 31 March 2012	As at 31 March 2011
Interest Income (in case of a company other than a finance company)		
Dividend Income		
<b>Total</b>		

NOTE 21

Employee Benefits Expense	As at 31 March 2012	As at 31 March 2011
(a) Salaries and Incentives	25,000	
(b) Contributions to -		
(ii) Superannuation scheme		
<b>Total</b>	<b>25,000</b>	

NOTE 22

Finance costs	As at 31 March 2012	As at 31 March 2011
Interest expense		
Other borrowing costs		
transactions and translation		
<b>Total</b>		

NOTE 24

SR No	Other expenses	As at 31 March 2012	As at 31 March 2011
1	Bank Charges		440
2	Legal & Professional Fees		440
	<b>Total</b>		<b>440</b>

SR No	Audit fees	As at 31 March 2012	As at 31 March 2011
1	Payments to the auditor as		
2	b. for taxation matters,		
3	c. for company law matters,	4,000	7,500
4	d. for management services,		
5	e. for Audit	11,236	5,618
	<b>Total</b>	<b>15,236</b>	<b>13,118</b>

<b>Total</b>	<b>15,236</b>	<b>13,558</b>
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**SCHEDULE-9**

**NOTES FORMING PART OF THE ACCOUNTS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2013**

**1) SIGNIFICANT ACCOUNTING POLICIES:**

**A. System of Accounting:**

The Financial Statements are prepared under the Historical Cost Convention on accrual basis and materially comply with the Mandatory Accounting Standards and Presentations requirements of Companies Act, 1956.

**B. Revenue Recognition:**

Revenue is recognized on Accrual Basis.

Interest Income on Loan is determined at the rate of interest as indicated by the board in absence of any written agreement.

**C. Fixed Assets:**

Company does not own any fixed assets

**D. Inventories:**

Inventories of Shares have been valued at lower of Cost and Market Price value.

**E. Contingent Liabilities:**

Contingent Liabilities if any not provided in Books of Accounts are disclosed by way of Note.

**F. Taxes on Income:**

Tax Liability of the Company is estimated considering the provisions of the Income Tax Act, 1961. Deferred Tax is recognized subject to the consideration of prudence, on timing difference, being the difference between Taxable Income & Accounting Income that originate in one period & are capable of reversal in one or more subsequent periods.



*Nakho*

*Kangra*

2. **NOTES TO ACCOUNTS:**

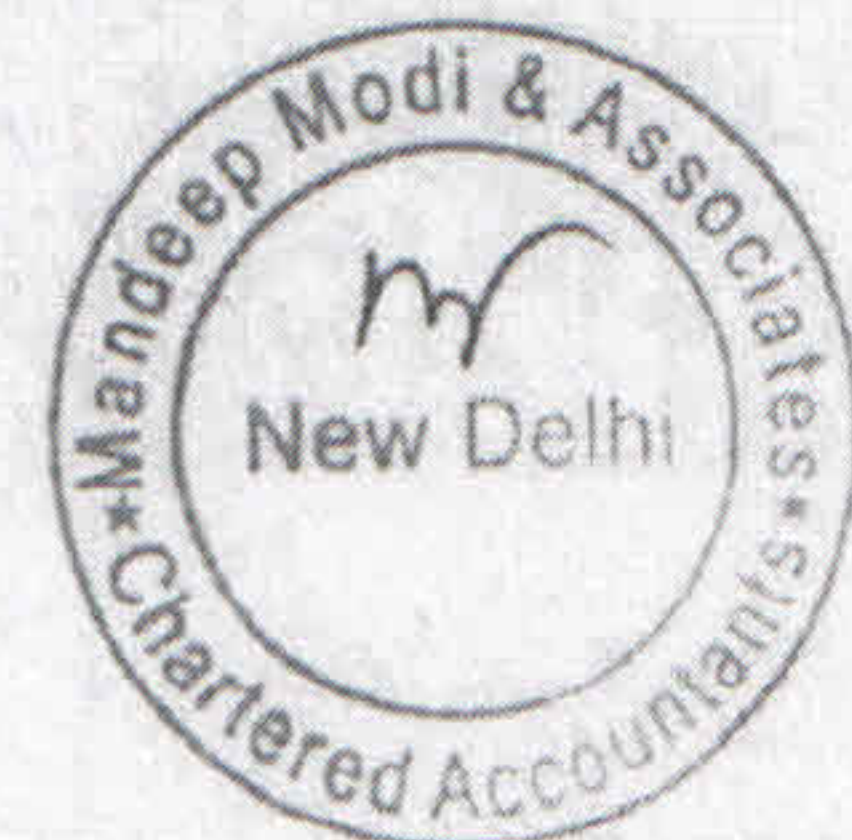
1. Contingent Liabilities : NIL (Previous Year: NIL)
2. Capital Commitment : NIL (Previous Year: NIL)
3. In the opinion of the Board of Directors the Current Assets, Loans and Advances have a value realization in ordinary course of business at least equal to the amount at which they are stated. Certain Balances of Bank, Advances, Creditors etc., are subject to confirmation and consequential reconciliation.
4. No provision for doubtful loan and interest receivable has been made in the books of account for the above.
5. **Deferred Tax:** The Company is having unabsorbed losses under Tax Laws. In the absence of Virtual as well as reasonable certainty about the future taxable income, deferred tax assets has not been recognized to comply with accounting Standard AS-22 on accounting for taxes on income issued by the Institute of Chartered Accountants of India.
6. Foreign Exchange Earnings and Expenditure : NIL (Previous Year: NIL)
7. In the opinion of the Management the company has only single business segment of Investment & Finance activities, therefore no segment reporting has been presented in terms of Accounting Standards-17 of "Segment Reporting" issued by the Institute of Chartered Accountants of India.

8. Earning Per Share (EPS) :-

The numerators & denominators used to Calculate Basic & Diluted earning per share:-

		Year Ended 31.03.2013	Year Ended 31.03.2012
Profit after Taxation (Rs.)	(A)	251472.00	(13558.00)
Weighted Average no. of Equity Share outstanding during the year	(B)	245000	245000
Nominal Value of Equity Share (Rs.)		10/-	10/-
Basic / Diluted EPS (Rs.)		1.03	Nil

9. As required by Accounting Standard AS-18 "Related Party Disclosure" issued by the Institute of Chartered Accountants of India are as per annexure .
10. As the Company's application for registration with RBI as NBFC has been rejected, no fresh activities related to business of NBFC has been undertaken by the Company. Loans and advances given and Investments made prior to rejection will be dealt in due course.
11. Additional Information pursuant to Non-Banking Financial Companies prudential Norms (Reserve Bank Directions 1998) is annexed.



*Neha*

*Kamran*

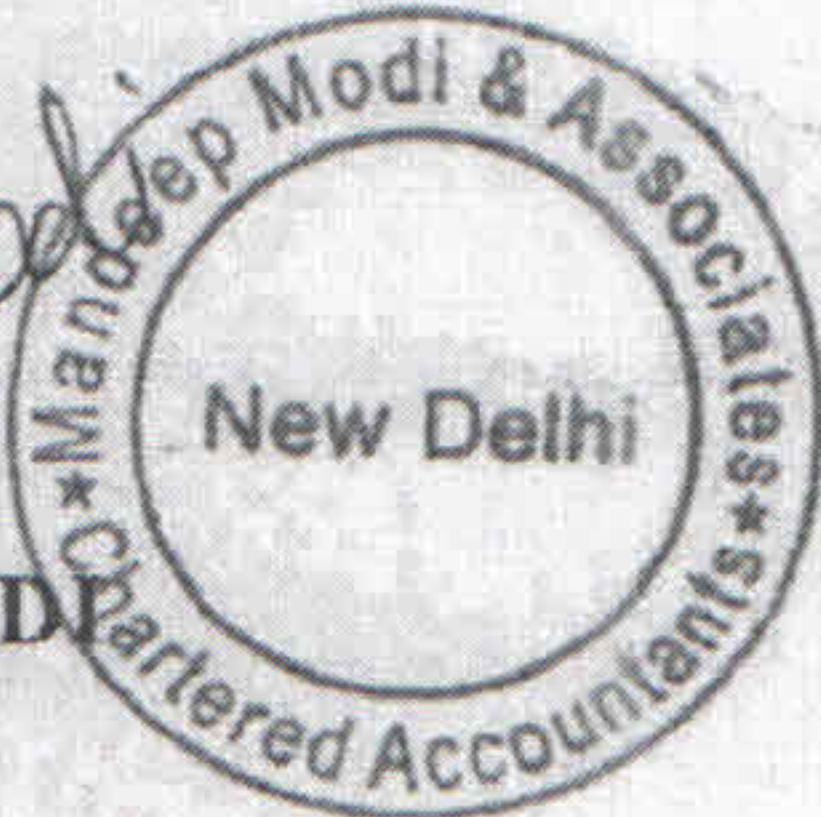
12.	Payment to Auditors:	2012-2013	2011-2012
	As Audit Fees	11236.00	5618.00

Previous year's figures have been regrouped/ rearranged wherever necessary.

Schedule 1 to 8 forms an integral part of the Balance Sheet and Profit & Loss Account and have been authenticated as such.

As per our report of Even Date attached

For MANDEEP MODI & ASSOCIATES  
Chartered Accountants

*Mandeep Modi*  


MANDEEP MODI  
(Partner)  
M. No.513748  
Place: New Delhi  
Date : 06.09.2013

*K. K. K.*

*Kamabery*