

**AAR COMMERCIAL COMPANY
LIMITED**

**ANNUAL
REPORT**

2011-12

AAR COMMERCIAL COMPANY LIMITED

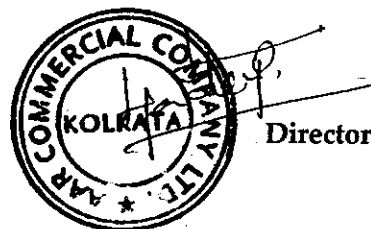
23A, N.S. ROAD, 7TH FLOOR, ROOM NO. 34A,
KOLKATA - 700001

NOTICE

NOTICE is hereby given that the Annual General Meeting of AAR Commercial Company Limited will be held at the Registered Office of the Company at 23A, N.S.Road, 7th Floor, Room No. 34A, Kolkata - 700 001 on Saturday the 29th day of September, 2012 at 1:30 P.M. to transact the following business :-

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31st March 2012 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- 2) Mr. Navdeep Sharma, the director of the Company who retires by rotation and being eligible offers himself for re-appointment as a Director.
- 3) To appoint Auditors of the Company and fix their remuneration.

By order of the Board



Registered Office:

23A, N.S. Road,
7th Floor, Room No. 34A
Kolkata- 700 001

Dated: 4th Day of September 2012

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before the time fixed for the meeting.
2. The Register of Members and the share transfer books of the Company will remain closed from 23rd September 2012 to 29th September 2012 (both days inclusive).

AAR COMMERCIAL COMPANY LIMITED

23A, N. S. ROAD, 7TH FLOOR, ROOM NO. 34A,
KOLKATA-700001

DIRECTORS' REPORT

TO,
THE MEMBERS,

The directors of the company are pleased to place the auditors' report along with audited statement of accounts of the company for the year ended 31st March 2012.

- 1) **Financial Review:** The Company has incurred a loss of Rs. 3196959.80/- before tax during the year as compared to a loss of Rs.48674.19/- before tax during the previous year. The directors are hopeful to achieve better results in coming years.
- 2) **Auditors:** M/s. Agrawal S. Kumar & Associates, *Chartered Accountants*, is appointed as the auditors of the company who will retire at ensuing Annual General Meeting, being eligible offers for reappointment.
- 3) **Director's responsibility statement:** Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors Responsibility Statement, it is hereby confirmed:
 - i) That in the preparation of the accounts for the financial year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures;
 - ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 under review;
 - iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
 - iv) That the Directors have prepared the annual accounts for the financial year ended 31st March 2012 on a going concern basis.
- 4) **Dividend:** The Company has not declared any dividend during the year.
- 5) **Employees:** None of the employees were in the category of limits specified U/S 217(2A) of the company's act 1956.
- 6) **Energy Conservation, Technology Observation, Foreign Exchange earnings and outgo:** Not Applicable.

Place: Kolkata

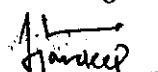
Dated: The 4th Day of September, 2012

For and on behalf of the Board

AAR COMMERCIAL COMPANY LTD


Director

AAR COMMERCIAL COMPANY LTD


Director



Auditors' Report

To
The Members of
AAR COMMERCIAL COMPANY LIMITED

1. We have audited the attached Balance Sheet of M/s **AAR COMMERCIAL COMPANY LIMITED** as at 31st March 2012 and also the statement of Profit & Loss for the year ended on that date annexed thereto. These financial statements are the responsibility of Company's Management our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted audit in accordance with auditing standards generally accepted in India. Those standards require to plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit includes examining on test check basis, evidence supporting the amounts and disclosure of the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003, (as amended) issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto 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 (1) above.
 - a. We have obtained all the information and explanations, which, to the best of our knowledge and belief, were necessary for the purpose of audit.
 - b. In our opinion, proper books of accounts as required by Law, have been kept by the Company so far as appears from examination of those books.
 - c. The Balance Sheet and the statement of Profit & Loss dealt with by this report are in agreement with the books of account as submitted to us.
 - d. In our opinion, the Balance Sheet and the statement of Profit & Loss comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representation received from the directors of the company as at 31st March 2012 and taken on records by the board of directors, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.



- f) In our opinion and to the best of information and according to the explanations given to us, the said statements of account read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and
 - ii. In the case of the statement of Profit & Loss, of the loss for the year ended on that date.

For, AGRAWAL S. KUMAR & ASSOCIATES.

(Chartered Accountants)

Firm Regn No. 322324E


(Sushil Kumar Agrawal)

Partner

M. No. 054232



Place: Kolkata

Dated: The 4th day of September, 2012

Annexure to the Auditor's Report referred to in paragraph 3 of our report of even date

As required by the Companies (Auditor's Report) Order 2003, (as amended) issued by the Central Government in terms of Sections 227(4A) of the Companies Act, 1956 and on the basis of such checks as was considered appropriate and according to the information and explanations given to us, we report that:

1. The Company does not have any Fixed Assets hence requirement under para 4 (i) does not arise.
2. The Company is having no inventory hence provisions of para 4 (ii) are not applicable.
3. (a) The Company has not given any loan to parties covered in the register maintained under Section 301 of the Companies Act, 1956

(b) The Company has not taken any loan from parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. In our opinion and according to explanation given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business. During the course of our audit no major weakness has been noticed in the internal control.
5. Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there were no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. Based on our scrutiny of the Company's records and according to the information and explanation provided by the management, in our opinion, the Company has not accepted any public deposits so far up to 31st March 2012
7. The Company is having an adequate Internal Audit System according to nature & size of its business.
8. According to the information and explanations provided by the management, the Company is not engaged in production, processing, manufacturing or mining activities. Hence the provision of Section 209(1)(d) does not apply to the Company. Hence in our opinion, no comment is required on maintenance of cost record.
9. According to the record of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including, Income Tax, Wealth-tax, Sales-tax, Service-tax, cess and other statutory dues applicable to the Company.
10. The Company does not deal in Shares & Securities.
11. The Accumulated loss is not more than fifty percent of its net worth. The Company has not incurred cash losses during the financial year covered by my audit. Hence no comment is required.

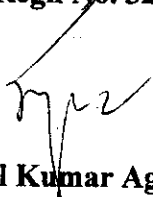


12. The Company has not availed any Cash Credit from bank. Hence no comment is being made on the same.
13. According to the records the Company has not granted any Loans on the basis of security or pledge of shares, debentures or other securities.
14. As the Company is neither a Chit fund nor a nidhi mutual benefit society. Hence the requirement under Para 4(xiii) is not applicable.
15. According to the information and explanations provided by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the records the Company, the Company has not obtained any terms Loans.
17. The Company had not issued any equity shares through private placement during the year.
18. According to the records the Company, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act.
19. According to the records the Company, the Company has not issued any debentures.
20. The Company has not raised any public issues during the year covered by our audit report
21. Based on the audit procedures applied by and according to the information and explanation provided by the management, we report that no frauds on or by the Company has been noticed or reported during the course of our audit.

For, AGRAWAL S. KUMAR & ASSOCIATES.

(Chartered Accountants)

Firm Regn No. 322324E



(Sushil Kumar Agrawal)

Partner

M. No. 054232



Place: Kolkata

Dated: The 4th day of September, 2012

AAR COMMERCIAL COMPANY LTD

23A, N. S. ROAD, 7TH FLOOR, ROOM NO. 34A,

KOLKATA-700001

BALANCE SHEET AS ON 31ST MARCH, 2012

PARTICULARS	Note No.	Figures As At 31/03/2012 (Rs.)	Figures As At 31/03/2011 (Rs.)
<u>I. EQUITY AND LIABILITIES</u>			
(1) <u>Shareholders' Funds</u>			
(a) Share Capital	2	100,140,000.00	100,140,000.00
(b) Reserves & Surplus	3	380,582,432.08	384,059,521.88
		480,722,432.08	484,199,521.88
(2) <u>Non-Current Liabilities</u>			
		-	-
(3) <u>Current Liabilities</u>			
(a) Other Current Liabilities	4A	19,896,942.26	46,567,165.91
(b) Short Term Provisions	4B	322,009.00	41,879.00
		20,218,951.26	46,609,044.91
<u>TOTAL (1 TO 3)</u>		500,941,383.34	530,808,566.79
<u>II. ASSETS</u>			
(1) <u>Non Current Assets</u>			
(a) Non Current Investments	5A	311,216,643.94	431,134,751.47
(b) Long Term Loans & Advances	5B	1,384,000.00	-
(c) Other Non-Current Assests	6	559,000.00	559,000.00
(2) <u>Current Assets</u>			
(a) Inventories	7A	12,944,377.90	13,015,893.80
(b) Trade Recievable	7B	29,390,200.00	3,615,200.00
(c) Cash & Cash Equivalents	7C	2,434,623.81	1,749,314.83
(d) Short Term Loans & Advances	7D	141,895,652.69	79,997,221.69
(e) Other Current Assets	7E	1,116,885.00	737,185.00
<u>TOTAL (1 TO 2)</u>		500,941,383.34	530,808,566.79
Significant Accounting Policies	1		
Notes to Financial Statements	2-12	-	-

As per Report of even date

For AGRAWAL S. KUMAR & ASSOCIATES

Chartered Accountants

AAR COMMERCIAL COMPANY LTD

Sushil Kumar Agrawal
Director

SUSHIL KUMAR AGRAWAL

Partner

M. No. 054232

AAR COMMERCIAL COMPANY LTD

Sandeep
Director

Place : Kolkata

Dated : The 4th Day of September, 2012

Directors