

DIRECTORS' REPORT

To,
The Members of
ARI Consolidated Investments Limited.

Your Directors present their 70th Report with the Audited Accounts of the Company for the year ended March 31, 2013.

1. FINANCIAL PERFORMANCE

Particulars	2012-13	2011-12
	₹	₹
Profit before depreciation and income tax	1,33,38,490	1,15,02,536
Depreciation	51,21,114	54,24,140
Profit before income tax	82,17,376	60,78,396
Tax expenses	-13,73,256	4,40,120
Profit for the year (PAT)	95,90,632	56,38,276
Balance brought forward	4,31,96,831	4,21,36,445
Amount available for appropriation	5,27,87,463	4,77,74,721
Proposed dividend	24,75,240	24,75,240
Tax on dividend	9,561	4,11,106
Transfer to general reserve	9,59,072	5,63,828
Transfer to reserve fund u/s 45 -IC of RBI Act, 1934	19,18,200	11,27,716
Balance carried to balance sheet	4,74,25,390	4,31,96,831

2. REVIEW OF OPERATIONS

The Company registered pre-tax profit of Rs.82.17 lacs for the current year. Depreciation charge for the current year was at Rs.51.21 lacs.

During the year under consideration the Company continued earning rent income from its assets at Bhavnagar and service income from business center facilities.

The Company's Accounts under consideration are being presented along with the Consolidated Accounts after receiving the Annual accounts of its wholly owned Subsidiary Company –Inarco Limited on May 30, 2013.

3. DIVIDEND

The Directors recommend dividend of 40% i.e Rs.40/- per Equity Share of Rs.100/- each.

4.SUBSIDIARY COMPANY

The Report and Annual Accounts of the subsidiary company are annexed to this report along with the statement pursuant to Section 212 of the Companies Act, 1956.

5. STATUTORY INFORMATION

- (i) there are no employees covered under Section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) rules, 1975.
- (ii) Since the Company does not have any manufacturing activity the provisions of the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 are not applicable.

6. DIRECTORS

Ms. M.A.Bhandari retires by rotation at the ensuing Annual General Meeting and being eligible offers herself for reappointment.

7. AUDITORS

Messrs. K.S.Aiyar & Company, Chartered Accountants retire as Auditors of the Company and are eligible for re-appointment.

8. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217 (2AA) of the Companies (Amendment) Act, 2000, your Directors confirm that to the best of their knowledge and belief and according to the information and explanations made available to them:

- (a) in the preparation of the Annual Accounts, the applicable Accounting Standards have been followed;
 - (b) appropriate accounting policies have been selected and applied consistently, and have made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2013 and the profit of the Company for the year ended March 31, 2013.
 - (c) Proper and sufficient care has been taken 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 the preventing and detecting fraud and other irregularities; and
 - (d) the Annual Accounts have been prepared on a going concern basis.
9. Secretarial Compliance Certificate issued by a practicing Company Secretary as required under Section 383 A of the Companies Act, 1956 is attached as Annexure I to this report.

For and behalf of the Board of Directors
ARI CONSOLIDATED INVESTMENTS LIMITED


H.F. MEHTA
CHAIRMAN

Mumbai,
Date: 28th June 2013



FORM

[SEE RULE 3]

Secretarial Compliance Certificate

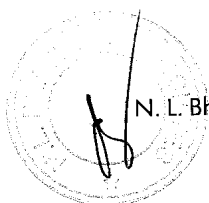
CIN No.: L17110MH1943PLC010052

Paid up Capital: Rs.61, 88,100/-

To,
The Members
ARI Consolidated Investments Limited

We have examined the registers, records, books and papers of **ARI Consolidated Investments Limited** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2013. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company, its officers and agents, we certify that in respect of the aforesaid financial year:

1. The company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions 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 within the time prescribed under the Act and the rules made there under.
3. The Company, being a Public limited Company, comments is not required regarding minimum prescribed paid up capital and maximum number of members as applicable to private limited company.
4. The Board of Directors duly met Five times on , 3rd May, 2012, 27th July, 2012, 25th September, 2012, 31st October, 2012 and 29th January, 2013 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 closed its Register of Members from 19/09/2012 to 25/09/2012 during the financial year.
6. The Annual General Meeting for the financial year ended on 31st March, 2012 was held on 25th September, 2012.
7. No Extra-Ordinary General Meeting was held during the financial year ended on 31st March, 2013.
8. The company has not advanced any loans to its Directors or persons or Firms or companies referred in the section 295 of the Act.
9. The company has not entered into any contracts falling within the purview of section 297 of the Act.
10. The company has made necessary entries in the register maintained under section 301 of the Act.



N. L. Bhatia & Associates

11. As there were no instances falling within the purview of Section 314 of the Act, the company has not obtained any approvals from the Board of Directors, members or Central Government.
12. The Company has not issued Duplicate Share Certificate during the Financial Year.
13.
 - (i) There was no allotment during the financial year; the Company has delivered all the certificates on lodgment thereof for transfer/transmission or any other purpose in accordance with the provisions of the Act.
 - (ii) The company has deposited the amount of dividend declared in a separate Bank account on 25th September, 2012 during the financial year.
 - (iii) The company posted warrants for dividend to all members within a period of 30 days from the date of declaration and that all unpaid / unclaimed dividend has been transferred to Unpaid Dividend Account of the Company with HDFC Bank, Mumbai.
 - (iv) No amount is lying with the company in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years which require transfer to Investor Education and Protection Fund.
 - (v) The Company has duly complied with the requirements of section 217 of the Act.
14. The Board of Directors of the company is duly constituted & Mr. H.F. Mehta re-appointed as Director who has retired by rotation in Annual General Meeting held on 25th September, 2012.
15. The provisions of section 269 of the Act with regard to appointment of Managing Director / Whole-time Director / Manager are not applicable hence the Company has no Managing Director.
16. The company has not appointed any sole-selling agents during the financial year ended on 31st March, 2013.
17. The company was not required to obtain any approvals of the Regional Director, Registrar and / or such other authorities prescribed under the various provisions of the Act during the financial year ended on 31st March, 2013 except for condonation of delay in filing form 17 for satisfaction of charge in favour of ICICI on 16/05/ 2012 and the Company obtained order from the Company Law Board on 20/08/2012 under section 141 for condonation of delay.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made there under.
19. The company has not issued any shares, debentures or other securities during the financial year ended on 31st March, 2013.
20. The company has not bought back any shares during the financial year ended on 31st March, 2013.
21. There was no redemption of preference shares or debentures during the financial year ended on 31st March, 2013.
22. There were no transactions 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 any deposits including any unsecured loans falling with the purview of sections 58A during the financial year ended on 31st March, 2013.

24. The amount borrowed by the Company from directors, members, public, financial institutions, banks and others during the financial year ending 31st March, 2013 is/ are within the borrowing limits of the Company of Rs. 10 crores and that necessary resolutions as per section 293 (1) (d) of the act have been passed through Postal Ballot on 30th July, 2010.
25. The company is registered as NBFC having registration number N-1301879 and the company has made loans and investments to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose during the financial year ended on 31st March, 2013.
26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
30. The company has not altered its articles of association during the financial year
31. There was no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment imposed on the company during the financial year ended on 31st March, 2013 for offences under the Act.
32. The company has not received any money as security from its employees during the financial year ended on 31st March, 2013.
33. Section 418 of the Act is not applicable to the Company during the financial year.

Place: Mumbai
Date: 20th April, 2013




For N. L. Bhatia & Associates
Company Secretaries

A handwritten signature in black ink, appearing to read "Bharat R. Upadhyay".

Bharat R. Upadhyay
CP No.4457

Registers as maintained by the Company

1. Registers of Members u/s 150
2. Minutes book of General meeting and Board meeting
3. Register of Directors u/s 303
4. Register of Directors Shareholding u/s 307
5. Register of Investment u/s 372A
6. Register of Share Transfer
7. Attendance Register for Board Meeting
8. Register of Charges
9. Register of Duplicate Share Certificate issued

A handwritten signature in black ink is written over a faint, circular dotted stamp. The signature is stylized and appears to be a cursive 'S' followed by a long horizontal stroke.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on March 31, 2013.

Sr. No	Form No./ Return	Filed under section	For	Date of Filing	Whether filed within prescribed time yes/no	If delay in filing whether requisite additional fee paid yes/no
1.	Form 32	303(2)	Change in designation of Director Nani Byram Javeri W.E.F. 30 th September, 2009	03/04/2012	No	Yes
2.	Form 23	293(1) (e)	Ordinary Resolution approved by the members on 10/08/2011 for Contribution To Any Charitable Institution During The Any Financial Year Upto Rs.20 Lacs.	27/04/2012	No	Yes
3.	Annual Return Form-20B	159	Annual Return as on Annual General Meeting held on 25th September, 2012.	15/10/2012	Yes	NA
4.	Compliance certificate Form 66	383A	Compliance certificate for Financial year ended 31 st March, 2012.	11/10/2012	Yes	N.A
5.	Form 1INV	Rule 3	unpaid dividend of Rs. 15,470 for Financial Year 2004-05 transfer to IEPF Dividend declare on 30/11/2005	28/12/2012	Yes	NA
6.	Form 23 AC, 23 ACA	220	Balance Sheet and Profit and loss account for the Financial Year Ended 31/03/2012	02/11/2012	Yes	N.A
7.	Form 17	138	Satisfaction of Charge of Rs. 13,00,000/- in favour of ICICI on 16 th April, 2012 (B39150073)	15/05/2012	Yes	N.A
8.	Form 17	138	Satisfaction of Charge of Rs. 27,00,000/- in favour of ICICI on 16 th April, 2012 (B39147780)	15/05/2012	Yes	N.A
9.	Form 17	138	Satisfaction of Charge of Rs.7,50,000/- in favour of ICICI on 16 th April, 2012 (B39188289)	16/05/2012	Yes	N.A
10.	Form 21	141	Order of CLB dated 10/08/2012 condonin ghte delat in Filing form 17	20/08/2012	Yes	N.A



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Independent Auditor's Report

To,
The Members of
ARI Consolidated Investments Limited.

Report on the Financial Statements

We have audited the attached financial statements of **ARI Consolidated Investments Limited** ("the Company"), which comprises Balance Sheet as at 31st March, 2013, and the Statement of Profit and Loss and the Cash Flow Statement 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 and cash flows of the Company in accordance with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that 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 of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend upon 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.

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 *subject to* para 2 (iv) regarding “Report on Other Legal and Regulatory Requirements”:

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of the Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statement, of the cash flows 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 by Companies (Auditor's Report) (Amendment) Order, 2004 (“the Order”) issued by the Central Government of India in terms of sub-section (4A) of Section 227 of the Companies Act, 1956, we annex hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.
2. As required under provisions of section 227(3) of the Companies Act, 1956, we report that:
 - (i) 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;
 - (ii) 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;
 - (iii) 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;
 - (iv) In our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 *except Accounting Standard 21 “Consolidated Financial Statements” the impact thereof, if any, cannot be ascertained;*
 - (v) On the basis of written representations received from the Directors as on 31st March, 2013, and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st 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;

- (vi) 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 the Company.

For K. S. Aiyar & Co,
Chartered Accountants
Registration No: 100186W



Satish Kelkar

Partner

Membership No.: 38934

Place: Mumbai

Date: 26th April ,2013.