



APOLLO FINVEST (INDIA) LIMITED

ANNUAL REPORT
2011 - 2012

Annual Report 2011-2012

BOARD OF DIRECTORS:

SMT ANJU R. INNANI
SHRI UMANATH R. AGARWAL
SHRI SAJJAN KANODIA
SMT HEMLATA PODDAR
SMT PREETI JAIN

MANAGING DIRECTOR
WHOLETIME EXECUTIVE DIRECTOR
DIRECTOR
DIRECTOR
DIRECTOR

AUDITORS:

SHANKARLAL JAIN & ASSOCIATES
CHARTERED ACCOUNTANTS

BANKERS:

STANDARD CHARTERED BANK
IDBI BANK LIMITED
AXIS BANK LIMITED
CITI BANK LIMITED
HDFC BANK LIMITED
ICICI BANK LIMITED
ORIENTAL BANK OF COMMERCE

REGISTERED OFFICE:

"JEWELARCADE",
PLOT NO.123, 1ST FLOOR,
WATERFIELD ROAD,
BANDRA (WEST),
MUMBAI - 400 050.
Email : apollofin@hotmail.com
apollofininvestrel@gmail.com

REGISTRAR & SHARE TRANSFER AGENTS:

LINK INTIME INDIA PRIVATE LIMITED
C-13, PANNALAL SILK MILLS COMPOUND,
L. B. S. MARG, BHANDUP (WEST),
MUMBAI - 400 078.
TEL : 2596 3838, 2596 0320
FAX : 2594 6969

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APOLLO FINVEST (INDIA) LIMITED

NOTICE

NOTICE is hereby given that the 26th Annual General Meeting of the Members of **APOLLO FINVEST (INDIA) LIMITED** will be held on **Friday, 28th September, 2012** at Golden Gate, Laram Centre, S. V. Road, Andheri (West), Mumbai-400 058 at 11:30 A. M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit and loss Account for the year ended on that date along with the Reports of Board of Directors and Auditors thereon.
2. To appoint a Director in place of Ms. Preeti Jain (appointed in casual vacancy due to resignation of Shri Sandeep Maheshwari), who retires by rotation at ensuing Annual General Meeting and being eligible, offers herself for reappointment.
3. To appoint M/s. Shankarlal Jain & Associates, Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. 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 section 255 of the Companies Act, 1956 and other applicable provisions, if any, Shri Sajjan Kanodia, who already holds office as an additional director of the Company till the conclusion of this annual general meeting, be and is hereby appointed as the Director of the Company"
5. 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 section 255 of the Companies Act, 1956 and other applicable provisions, if any, Smt. Hemlata Poddar, who already holds office as an additional director of the Company till the conclusion of this annual general meeting, be and is hereby appointed as the Director of the Company"
6. To consider and, if thought fit, to pass the following Resolution, with or without modification(s), as Special Resolution:
"RESOLVED THAT as per the recommendation of the Remuneration Committee and pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such other approvals as may be necessary, Smt. Anju R. Innani be and is hereby reappointed as the Managing Director of the Company for a period of three years with effect from November 19, 2012, upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Smt. Anju R. Innani but subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time:
 - I. **Salary:** Rs. 92,500/- per month with such annual increments as may be determined by the Board of Directors of the Company from time to time, so however that the maximum salary including perquisites mentioned at Category "A" given below shall not exceed Rs. 2,50,000/- per month.
 - II. **Perquisite:** Smt. Anju R. Innani will be allowed perquisites as specified in categories A, B and C as given below. Perquisites given at categories B and C as given below will be in addition to salary.

Category 'A'

- a. Medical Reimbursement:
Reimbursement of all medical expenses incurred (including premium on Medical Insurance, Hospitalisation, Nursing Home, Nursing, Dental and Optical treatment expenses) for Smt. Anju R. Innani and her family subject to a ceiling of one month salary in a year or three months in a block of three years.
- b. Leave Travel Concession:
For Smt. Anju R. Innani and her family once a year incurred in accordance with rules specified by the Company.
- c. Club Fees:
Fees of not more than two clubs excluding Admission and Life Membership Fees.
- d. Personal Accident Insurance:
Annual premium shall not exceed Rs. 4,000/-.

Category 'B'

- a. Contributions to Provident Fund, Superannuation Fund, Annuity Fund. The said contributions will not be included in the computation of ceiling on perquisites to the extent these either single or put together are not taxable under the Income-Tax Act.
- b. Gratuity: In accordance with the Rules of the Company but not exceeding half a month's salary for every completed year of service of Smt. Anju R. Innani.

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- c. Encashment of leave at the end of the tenure. The same will not be included in the computation of the ceiling on perquisites.

Category 'C'

- a. Use of car & telephone at her residence for business purposes of the Company
b. Personal long distance call on telephone and use of car for private purposes shall be billed by the Company to Smt. Anju R. Innani.

III. The Managing Director shall not be liable to retire by rotation.

IV. **Termination:** The above contract of employment can be terminated by either side by giving three months notice in writing.

"RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Managing Director shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Managing Director."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such actions and do all such things as may be necessary or desirable to give effect to this resolution."

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

"RESOLVED THAT as per the recommendation of the Remuneration Committee and pursuant to the provisions of Sections 198, 269, 309, 310 and 311 read with Schedule XIII to the Companies Act, 1956 and subject to such other approvals as may be necessary, Shri Umanath R. Agarwal be and is hereby re-appointed as the Whole Time Director designated as Executive Director of the Company for a period of three years with effect from October 21, 2012 upon the terms and subject to the conditions as set out hereunder, with further liberty to the Board of Directors of the Company to alter and vary the said terms and conditions, in such manner as may be agreed to between the Directors and Shri Umanath R. Agarwal but subject to the provisions contained in Schedule XIII to the Companies Act, 1956, as amended from time to time:

- I. **Salary:** Rs. 1,40,500/- per month with such annual increments as may be determined by the Board of Directors of the Company from time to time, so however that the maximum salary including perquisites mentioned at Category "A" given below shall not exceed Rs. 2,50,000/- per month.
II. **Perquisite:** Shri. Umanath R. Agarwal will be allowed perquisites as specified in categories A, B and C as given below. Perquisites given at categories B and C as given below will be in addition to salary.

Category 'A'

- a. **Medical Reimbursement:**
Reimbursement of all medical expenses incurred (including premium on Medical Insurance, Hospitalisation, Nursing Home, Nursing, Dental and Optical treatment expenses) for Shri. Umanath R. Agarwal and his family subject to a ceiling of one month salary in a year or three months in a block of three years.
b. **Leave Travel Concession:**
For Shri. Umanath R. Agarwal and his family once a year incurred in accordance with rules specified by the Company.
c. **Club Fees:**
Fees of not more than two clubs excluding Admission and Life Membership Fees.
d. **Personal Accident Insurance:**
Annual premium shall not exceed Rs. 4,000/-.

Category 'B'

- a. Contributions to Provident Fund, Superannuation Fund, Annuity Fund. The said contributions will not be included in the computation of ceiling on perquisites to the extent these either single or put together are not taxable under the Income-Tax Act.
b. **Gratuity:** In accordance with the Rules of the Company but not exceeding half a month's salary for every completed year of service of Shri Umanath R. Agarwal.
c. Encashment of leave at the end of the tenure. The same will not be included in the computation of the ceiling on perquisites.

Category 'C'

- a. Use of car & telephone at his residence for business purposes of the Company
b. Personal long distance call on telephone and use of car for private purposes shall be billed by the Company to Shri Umanath R. Agarwal.



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III. The Executive Director shall be liable to retire by rotation.

IV. **Termination:** The above contract of employment can be terminated by either side by giving three months notice in writing.

"RESOLVED FURTHER THAT in the event of absence or inadequacy of net profits in any financial year, the remuneration payable to the Executive Director shall be governed by Section II of Part II of Schedule XIII to the Companies Act, 1956 or any statutory modification thereof and the same shall be treated as the Minimum Remuneration payable to the said Whole Time Director."

"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorized to take such actions and do all such things as may be necessary or desirable to give effect to this resolution."

For and on behalf of the Board

Place: Mumbai
Dated: 8th August, 2012

ANJU R. INNANI
MANAGING DIRECTOR

REGISTERED OFFICE:
"Jewel Arcade",
Plot No. 123, 1st Floor,
TPS IV, Waterfield Road,
Bandra (West),
Mumbai- 400 050.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF / HERSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (forty-eight) hours before the time fixed for holding the meeting.
3. The Register of Members and Share Transfer Books will remain closed from Monday 24th September 2012 to Friday 28th September 2012 (both days inclusive).
4. Members desirous of obtaining any information as regards accounts and operations of the Company are requested to address their queries to the Registered Office of the Company in writing at least seven days in advance before the date of the Meeting to enable the Company to keep the necessary information ready.
5. Members are requested to bring their copy of Annual Report to the Meeting
6. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
7. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item Nos. 4 and 5 is appended hereto.

BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Name	Preeti Jain	Hemlata Poddar	Sajjan Kanodia
Age	26 Years	30 Years	43 Years
Appointment on	22 nd July 2009*	14 th November 2011	14 th November 2011
Qualifications	CA, CS & LLB(G)	M.A.	B. Com, FCA
Expertise in specific functional areas	Direct taxation & Audits	Administration Management & Training	Audit, Due Diligence & Statutory Laws
Directorship of other Companies	Nil	One	None
Chairman/Member of the Committees on the Board of the Companies on which he/she is a Director	Nil	2	Nil
Shareholding of Non-Executive Directors in Apollo Finvest (India) Limited	Nil	Nil	Nil

* Being the date of appointment of Sandeep Maheshwari in whose casual vacancy she is appointed.

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BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING:

Name	Anju R. Innani	Umanath R. Agarwal
Age	50 Years	57 Years
Appointment on	19 th Nov. 1996	21 st Oct. 1996
Qualifications	B.A.	B. Com. FCA
Expertise in specific functional areas	Business Administration	Finance, Taxation Capital Market, Merchant Banking & Investments
Directorship of other Companies	1	1
Chairman/Member of the Committees on the Board of the Companies on which he/she is a Director	Nil	Nil
Shareholding of Non-Executive Directors in Apollo Finvest (India) Limited	N. A.	N. A.

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956:

Item No. 4:

Shri Sajjan Kanodia was appointed as an additional Director of the Company on 14th November, 2011 by the Board. He holds office as an additional director of the Company till the conclusion of this annual general meeting. Shri Sajjan Kanodia is a Chartered Accountant having 19 years experience in Auditing, Due Diligence, Statutory Laws, Corporate Consultancy, Bank Audit, Internal and Concurrent Audit. He is practicing as a Chartered Accountant and is a senior partner in a large CA firm. He has reach experience of giving consultation to large corporate clients. The Board feels that the Company can gain a lot from his experience and expertise. Board recommend that Shri Sajjan Kanodia be appointed as Director of the Company.

The Board recommends the resolution for your approval.

None of the Directors is concerned or interested in the proposed resolution except as members of the Company.

Item No. 5:

Smt. Hemlata Poddar was appointed as an additional Director of the Company on 14th November, 2011 by the Board. She holds office as an additional director of the Company till the conclusion of this annual general meeting. Smt. Hemlata Poddar is a post graduate in political science from Rajasthan University. She is having vast experience in Management and Administrative functions. Her areas of interest include management training and leadership. She is also actively involved in various charitable and philanthropic activities. The Board feels that her expertise and guidance would add to smooth functioning of the Company. So they recommend that Smt. Hemlata Poddar be appointed as Director of the Company.

The Board recommends the resolution for your approval.

None of the Directors is concerned or interested in the proposed resolution except as members of the Company.

Item No. 6:

The present term of office of Smt. Anju R. Innani as the Managing Director of the Company will expire on November 18, 2012. The Board of Directors in its Meeting held on August 8, 2012 has as per the recommendation of the Remuneration Committee approved, subject to the approval of the members in the General Meeting, the re-appointed Smt. Anju R. Innani as the Managing Director of the Company for a further period of 3 (three) years with effect from 19th November, 2012 i.e. for the period from 19th November 2012 to 18th November 2015.

The broad particulars of remuneration payable to and the terms of re-appointment of Smt. Anju R. Innani as the Managing Director of the Company are given in the resolution at Item No. 6.

The reappointment of Smt. Anju R. Innani as the Managing Director of the Company would require the consent of the Shareholders of the Company pursuant to Sections 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956 and subject to the limits of Schedule XIII of the said act. The said resolution is therefore, recommended for your approval.

The explanatory statement and the resolution at Item No. 6 of the Notice is and may be treated as an abstract of the terms of reappointment of Smt. Anju R. Innani as the Managing Director of the Company as required under Section 302 of the Companies Act, 1956.



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As per the requirements of Schedule XIII to the Companies Act, 1956, requisite information is given herein below in connection with the re-appointment of and payment of remuneration to Smt. Anju R. Innani as the Managing Director of the Company.

I) General Information

1. Nature of Industry: Non Banking Finance Company (NBFC)
2. Date of commencement of commercial production: Being a NBFC not applicable. Company was incorporated on 29th July, 1985 and commenced business activities after obtaining certificate of commencement on 10th December 1985.
3. Financial Performance based on Audited Statement of Accounts for the year ended 31st March 2012:

Particulars	Rs. In Lacs
Total Income	64.22
Operating Profit / (Loss) (before Depreciation, Interest, Taxation)	(26.34)
Net Profit/(Loss)(after Taxation)	(16.00)
Paid-up Share Capital	373.57
Reserves & Surplus	795.81
Basic and Diluted Earning per Share (Rs.)	(0.43)
Book Value per Share (Rs.) Face Value of Share – Rs. 10/-	31.26

4. Export Performance and Net Foreign Exchange Collaborations:
The Company's products are not exported. The Company has no foreign exchange collaborations.
5. Foreign Investments or Collaborators: Not applicable.

II) Information about the Appointee:-

1. Background Details:

Smt. Anju R. Innani, 50 years of age, has rich experience and knowledge in finance and administration. She has been associated with the company for 16 years and has been its Managing Director since last 16 years.

2. Past Remuneration:

Name of Director	Designation	Salary	Perquisites
Smt. Anju R. Innani	Managing Director	12.88	0.15

3. Job profile and their suitability:

Smt. Anju R. Innani, has been appointed as the Managing Director of the Company. She will be incharge of its overall management subject to directions, supervision and control of the board of the Directors of the Company. Her sincere efforts and dedication has been a major source for the growth for the Company. Taking into consideration her qualifications and expertise in the relevant fields, she is suited for the responsibilities assigned to her by the Board of Directors.

4. Remuneration proposed:

Since the same have been already explained in detail hereinabove, the same are not repeated.

5. Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person:

Considering the size of Company, the profile of Mrs Anju R. Innani, the responsibilities shouldered by her and the industry benchmarks, the remuneration proposed to be paid to her is commensurate with the remuneration packages paid to similar appointees in other companies.

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Besides the remuneration proposed to Mrs. Anju R. Innani she does not have any pecuniary relationship with the Company and its managerial personnel.

III) Other Information:

1. Reasons for loss or inadequacy of profits:

The Company is a Non Banking Finance Company and makes investments in Shares, Mutual Fund Units and Portfolio Management Schemes. Due to the high and sustained inflation, lack of action on policy front, slowing

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growth and global financial turmoil it was a challenging environment for investments.

Steps taken to improve the performance of the Company:

The Company's operating and business control procedures have been framed in order that they ensure efficient use of resources. Company has invested its resources in various recognized Portfolio Management Schemes in order to get advantage of their strong Research Departments. The company has also invested in immovable properties of reputed builders which are expected to give very good returns.

2. Expected Increase in Productivity:

This clause is not applicable as the company is not a manufacturing company.

Smt. Anju R. Innani is concerned or interested in the Resolution concerning her appointment. Save as aforesaid, no other Director of your Company is concerned or interested in the Resolution. The copy of the Letter of Appointment of Smt. Anju R. Innani as the Managing Director of the Company is available for inspection by the members of the Company at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all days except Saturday, Sunday and public holidays upto the date of Annual General Meeting.

Item No. 7:

The present term of office of Shri Umanath R. Agarwal as the Executive Director of the Company will expire on October 20, 2012. The Board of Directors in its Meeting held on August 8, 2012 has as per the recommendation of the Remuneration Committee approved, subject to the approval of the members in the general meeting, the reappointed Shri Umanath R. Agarwal as the Executive Director of the Company for a further period of 3 (three) years with effect from October 21, 2012 i.e. for the period from 21st October 2012 to 20th October 2015.

The broad particulars of remuneration payable to and the terms of re-appointment of Shri Umanath R. Agarwal as Executive Director of the Company are given in the resolution at Item No. 7.

The re-appointment of Shri Umanath R. Agarwal as the Executive Director of the Company would require the consent of the Shareholders of the Company pursuant to Sections 269, 309, 310, 311 and other applicable provisions of the Companies Act, 1956 and subject to the limits of Schedule XIII of the said act. The said resolution is therefore, recommended for your approval.

The explanatory statement and the resolution at Item No. 7 of the Notice is and may be treated as an abstract of the terms of reappointment of Shri Umanath R. Agarwal as the Whole Time Director designated as Executive Director of the Company as required under Section 302 of the Companies Act, 1956.

As per the requirements of Schedule XIII to the Companies Act, 1956, requisite information is given herein below in connection with the reappointment of and payment of remuneration to Shri Umanath R. Agarwal as the Whole Time Director designated as Executive Director of the Company.

1) General Information

1. Nature of Industry: Non Banking Finance Company (NBFC)
2. Date of commencement of commercial production: Being a NBFC not applicable. Company was incorporated on 29th July, 1985 and commenced business activities after obtaining certificate of commencement on 10th December 1985.
3. Financial Performance based on Audited Statement of Accounts for the year ended 31st March 2012:

Particulars	Rs. In Lacs
Total Income	64.22
Operating Profit / (Loss) (before Depreciation, Interest, Taxation)	(26.34)
Net Profit/(Loss)(after Taxation)	(16.00)
Paid-up Share Capital	373.57
Reserves & Surplus	795.81
Basic and Diluted Earning per Share (Rs.)	(0.43)
Book Value per Share (Rs.) Face Value of Share – Rs. 10/-	31.26

4. Export Performance and Net Foreign Exchange Collaborations:

The Company's products are not exported. The Company has no foreign exchange collaborations.



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5. Foreign Investments or Collaborators: Not applicable.

II) Information about the Appointee:-

1. Background Details:

Shri Umanath R. Agarwal, 57 years of age, is a commerce graduate and a Chartered Accountant. He is also associated with the company for 16 years and has been its Executive Director since last 16 years.

2. Past Remuneration:

Name of Director	Designation	Salary	Perquisites
Shri Umanath R. Agarwal	Executive Director	23.30	0.15

3. Job profile and their suitability:

Shri Umanath R. Agarwal, has been appointed as Executive Director of the Company. He will carry out such duties as may be entrusted to him by the Managing Director but subject to supervision and control of board of Directors from time to time. He is having 33 years of experience in the fields of Capital Market, Merchant Banking, Leasing, Financial and Investment Activities. His sincere efforts and dedication has been a major source for the growth of the Company. Taking into consideration his qualifications and expertise in the relevant fields, he is suited for the responsibilities assigned to him by the Board of Directors.

4. Remuneration proposed:

Since the same have been already explained in detail hereinabove, the same are not repeated.

5. Comparative Remuneration profile with respect to industry, size of the Company, profile of the position and person
Considering the size of Company, the profile of Shr Umanath R. Agarwal, the responsibilities shouldered by him and the industry benchmarks, the remuneration proposed to be paid to him is commensurate with the remuneration packages paid to similar appointees in other companies.

6. Pecuniary relationship directly or indirectly with the Company or relationship with the managerial personnel:

Besides the remuneration proposed to Shri Umanath R. Agarwal, he does not have any pecuniary relationship with the Company and its managerial personnel.

III) Other Information:

1. Reasons for loss or inadequacy of profits:

The Company is a Non Banking Finance Company and makes investments in Shares, Mutual Fund Units and Portfolio Management Schemes. Due to the high and sustained inflation, lack of action on policy front, slowing growth and global financial turmoil it was a challenging environment for investments.

Steps taken to improve the performance of the Company:

The Company's operating and business control procedures have been framed in order that they ensure efficient use of resources. Company has invested its resources in various recognized Portfolio Management Schemes in order to get advantage of their strong Research Departments. The company has also invested in immovable properties of reputed builders which are expected to give very good returns.

2. Expected Increase in Productivity:

This clause is not applicable as the company is not a manufacturing company.

Shri Umanath R. Agarwal is concerned or interested in the Resolution concerning his appointment. Save as aforesaid, no other Director of your Company is concerned or interested in the Resolution. The copy of the Letter of Appointment of Shri Umanath Agarwal as the Whole Time Director of the Company designated as Executive Director is available for inspection by the members of the Company at the Registered Office of the Company between 11.00 A.M. and 1.00 P.M. on all days except Saturday, Sunday and public holidays upto the date of Annual General Meeting.

For and on behalf of the Board

Place: Mumbai
Dated: 8th August, 2012

ANJU R. INNANI
MANAGING DIRECTOR

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DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting their Twenty-sixth Annual Report on the operations of the company, together with the Audited Accounts for the year ended March 31, 2012.

FINANCIAL RESULTS

(Rupees in Lacs)

Particulars	Year ended 31 st March 2012	Year ended 31 st March 2011
Income from Operation	64.22	235.73
Profit/(Loss) before Interest and Depreciation and Tax	(26.34)	156.61
Less: Depreciation	4.37	3.91
Profit/(Loss) before Tax	(30.71)	152.69
Less: Provision for Tax	-	1.00
Less: Deferred Tax Liability written back	(14.71)	(5.50)
Net Profit/(Loss) after tax	(16.00)	157.20

REVIEW OF OPERATIONS:

For the financial year ended 31st March 2012, the gross operational income of the Company decreased to Rs. 64.22 Lacs as compared to Rs. 235.73 Lacs in the previous year. The Company has for the year ended 31st March, 2012, incurred a loss of Rs.16.00 Lacs (Previous year profit of Rs. 157.20 Lacs) after providing for taxation.

DIVIDEND:

Due to loss incurred during the year, your Directors are unable to declare any dividend for the year ended 31st March, 2012.

PRUDENTIAL NORMS OF RBI:

The Company has followed the Prudential Norms of the Reserve Bank of India as are applicable to the Company.

DIRECTORS:

Shri N. T. Rathi, Director of the Company passed away on 02/08/2011. The company benefited immensely by his valuable advice and guidance during his association with the company.

Shri Sandeep Maheshwari, Director of the Company resigned on 14/11/2011 due to pre occupation. Ms. Preeti Jain, who was appointed to fill the casual vacancy, retires by rotation and being eligible, offers herself for re-appointment at ensuing Annual General Meeting.

Shri Sajjan Kanodia and Smt. Hemlata Poddar were appointed as additional directors of the Company on 14/11/2011. In accordance with provisions of section 260 of the Companies Act, 1956 read with the Articles of Association of the Company they hold office till the ensuing Annual General Meeting.

None of the Directors are disqualified from being appointed as Directors as specified in terms of Section 274(1) (g) of the Companies Act, 1956.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to Section 217(2AA) of the Companies Act, 1956, the Directors to the best of their knowledge and belief confirm that:

- In the preparation of the annual accounts, the applicable Accounting Standards have been followed except AS-15 regarding liability for gratuity & Leave Encashment which are not provided on the basis of actuarial valuation.
- The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as at March 31, 2012 and of the loss of the Company for the year ended on that date.
- 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; and
- The annual accounts for the year ended March 31, 2012 have been prepared on a going concern basis.

PARTICULARS AS PER SECTION 217(2A) OF COMPANIES ACT, 1956:

There are no employees who are in receipt of remuneration of Rs. 60,00,000/- or more per annum if employed throughout the year under review or Rs. 5,00,000/- or more per month if employed for part of the year under review in terms of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 as amended from time to time.