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Subject to Ahmedabad Jurisdiction

# **ARIHANT AVENUES & CREDIT LIMITED**

3, Rajesh Apartment, Behind Navgujrat College, Ashram Road, Income Tax : AHMEDABAD - 380 014.  
Phone : (Off.) 2754-0790, 27543060 • Fax : 079 - 27542926

## **NOTICE**

NOTICE is hereby given that Seventeenth ( 17<sup>th</sup> ) Annual General Meeting of the members of the Company will be held on Saturday, 29<sup>th</sup> September, 2012 at 11.00 a.m. at the Registered Office of the Company situated at 3, Rajesh Apartment, B/h. Navgujrat College, Ashram Road, Income Tax, Ahmedabad – 380 014 to transact the following business : -

### **ORDINARY BUSINESS :**

1. To receive, consider and adopt the Audited Balance sheet as on 31<sup>st</sup> March, 2012 and Profit and Loss Account for the year ended on that date alongwith the Directors Report and Auditors Report thereon.
2. To appoint a Director in place of Shri Jayantilal N. Shah, who retires by rotation and being eligible offers himself for reappointment.
3. To appoint a Director in place of Shri Pawankumar Somani, who retires by rotation and being eligible offers himself for reappointment.
4. To appoint Auditors and to fix their remuneration.

### **SPECIAL BUSINESS :**

5. To consider and if thought fit, to pass with or without modifications if any, the following resolution as an Special Resolution

“RESOLVED THAT subject to the Securities and Exchange Board of India (SEBI) Regulations, Guidelines and other applicable provisions, if any, the Board of Directors of the Company be and is hereby authorized to seek voluntary delisting of the equity shares of the Company from the Ahmedabad Stock Exchange Limited (ASE) and for that matter to approach the said Stock Exchange and any other concerned authorities, seeking its/their approval for voluntary delisting of Equity Shares from the said Stock Exchange.”

**"RESOLVED FURTHER THAT** the Board of Directors or any officer authorized by the Board is authorized to take all such steps, to do all such acts, deeds, things and to settle all questions difficulties or doubts as may arise in this regards to the aforesaid voluntary delisting of shares as it may in its absolute discretion deem fit without being required to seek any further approval from the Members."

By Order of the Board of Directors of  
ARIHANT AVENUES AND CREDIT LIMITED



K.J. KABRA  
MANAGING DIRECTOR

Date : 08/06/2012  
Place : Ahmedabad

NOTES :

1. A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies and that a proxy need not be a member of the company. Proxies in order to be effective must be deposited not less than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer Books will remain close from 26<sup>th</sup> September, 2012 to 29<sup>th</sup> September, 2012 ( both days inclusive ).
3. Members are requested to intimate about the change in address, if any.
4. Members are requested to bring the copies of the annual report as the same will not be distributed at the annual general meeting.
5. Explanatory Statement pursuant to Section 173 of the Companies Act, 1956 in respect of Special Business is as under :

Item No. 5

The Company's shares are listed on Bombay Stock Exchange Limited (BSE) and Ahmedabad Stock Exchange Limited. Bombay Stock Exchange Limited (BSE) provides a nation wide trading facility and unrestricted, unhindered

access to the investors to trade in the shares of the Company. Also, the trading volume in Ahmedabad Stock Exchange Limited is very insignificant. Hence it is proposed that the Equity Shares of the Company be de-listed from Ahmedabad Stock Exchange Limited. The equity shares of the Company will continue to be listed and traded on Bombay Stock Exchange

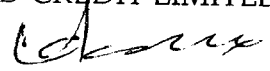
The shareholders are requested to accord their approval to the special resolutions for de-listing of Equity Shares from Ahmedabad Stock Exchange Limited.

None of the Directors of the Company are interested or concerned in the above resolution

Date : 08/06/2012

Place : Ahmedabad

By Order of the Board of Directors of  
ARIHANT AVENUES AND CREDIT LIMITED



K.J. KABRA  
MANAGING DIRECTOR



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3, Babel Apartment, Behind Navguraj College, Ashram Road, Income Tax : AHMEDABAD - 380 014.  
Phone : (Off.) 2754-0790, 27543060 • Fax : 079 - 27542926

## DIRECTORS REPORT

To,  
The members,

Your Directors have the pleasure in presenting the Annual Report together with the Audited Statement of Account for the year ending on 31<sup>st</sup> March, 2012.

### Financial Results :

Particulars	Current Year	Previous Year
Income from Operation	2011651	7198243
Other Income	4197957	0
Depreciation	0	0
Profit / (Loss) for the year	2503802	3220123
Income Tax ( Earlier year )	50895	79989
Provision for Income Tax	800000	1100000
Net Profit / (Loss ) after provision for Tax	1652907	2040134
Balance Brought forward from previous year	8719745	6679610
Balance carried to Balance sheet	10372652	8719745

### DIVIDEND :

Your directors do not recommend any dividend for the year.

### CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO :

The disclosures required to be made pursuant to the provisions of section 217 (1) (e) of the Companies Act, 1956 read with Companies (Disclosure of particulars in respect of Report of Directors) Rules, 1988 are not applicable. There was no foreign exchange earnings and outgo during the year under the review.

### PERSONNEL :

The information required to be given pursuant to the provisions of Section 217 (2A) of the Companies Act, 1956 read with Companies ( Particulars of Employees) Rules, 1975 does not apply as no employee fall within that category.

### **AUDITORS :**

The auditors M/s. V.K. Moondra & Co., Chartered Accountants offers themselves for reappointment at the ensuing annual general meeting. The company has received a letter from the auditors stating that their appointment if made will be within the limits of Section 224 (1) (B) of the Companies Act, 1956. The Directors recommend for their reappointment.

### **AUDITORS QUALIFICATION :**

There is no adverse qualification or remarks or comments made by the Auditors in its report.

### **DEPOSITS :**

Your Company has not contravened the provisions of Section 58 A of the Companies Act, 1956.

### **LISTING :**

The shares of the company are listed at Ahmedabad Stock Exchange and Mumbai Stock Exchange. Listing fees of Bombay Stock Exchange is paid for the year 2012 – 2013, while that of Ahmedabad Stock Exchange is unpaid.

### **DIRECTORS RESPONSIBITLY STATEMENT :**

1. The annual accounts have been prepared by following the applicable accounting standards together with proper explanation relating to material departures.
2. The directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss account for that period.
3. The directors took proper and sufficient care for the maintenance of proper and adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting frauds and other irregularities.
5. The annual accounts are prepared on going concern basis.

**MATERIAL CHANGES AND COMMITMENTS IF ANY AFTER  
BALANCESHEET DATE :**

There are no material changes and commitments, if any, which may have adverse effect on the operations of the Company.

**MANAGEMENT DISCUSSION AND ANALYSIS :**

During the year under the review the capital market was a period of profit booking. The company has liquidated its investment made in the shares. The operating income was Rs. 2011651 and other income was Rs. 4197957. Since investment made in the equity shares are subject to greater risk and return, the company expects that with the improvement in the capital market the risk will decline and there will be more returns. Further capital market is subject to various internal and external factors such global economic scenario, political stability, economic policies of the government, tax factors affecting the capital market etc. Though the directors of the company have a wide experience in the field of capital market but the company have no control over the external factors while making investment. However due to their wide experience and critical analysis the company is taking steps to overcome the situation.

Statements made in the above para in regard to projections, estimates and expectations may be "forward looking statements" within the meaning of applicable securities laws and regulations. Many unforeseen factors may come into play and effect the actual results which could be different from what Directors envisage in terms of future performance and outlook.

**APPRECIATION :**

Your Directors wish to convey their thanks to all the bankers, suppliers, customers and other persons for their continued support to the company.

Date : 08/06/2012  
Place : Ahmedabad

For, and On Behalf of Board of Directors of  
ARIHANT AVENUES & CREDIT LTD.

  
**K.J.KABRA  
MANAGING DIRECTOR**

## CORPORATE GOVERNANCE

The company pursuant to the code on Corporate Governance introduced by the Securities and Exchange Board of India [ SEBI ] furnishes its report as under :

### **1. COMPANY PHILOSOPHY ON CODE OF GOVERNANCE :**

The company philosophy on corporate governance envisages the attainment of the highest levels of transparency, accountability and equity in all facts of its operations, and in all its inceptions with its stakeholders, including shareholders, employees and the government. Arihant Avenues & Credit Limited believes in enhancing shareholders value, over a period of time.

The company firmly believes in and has consistently practiced good corporate governance for the efficient conduct of its business and for meeting its obligations towards all its shareholders.

The Company has tuned up its corporate governance practice so as to bring them in conformity with requirements of clause 49 of the listing agreement.

### **2. COMPOSITION OF BOARD OF DIRECTORS :**

Sr. No	Name of the Director	Category of Director	No. of Board meetings attended	Attendance at the last AGM	No. of other directorship held (Public Company)	No. of committee / membership* held in other company
1	Krishnaavtar Kabra	Executive	6	Yes	1	Nil
2	Satyanarayan Kabra	Executive	6	Yes	1	Nil
3	Pawankumar Somani	Non-Executive - Independent	6	Yes	Nil	Nil
4	Dinesh A. Turakia	Non-Executive -	6	Yes	Nil	Nil

		Independent				
5	Jayantilal N. Shah	Non-Executive Independent	6	Yes	Nil	Nil

\* Only Remuneration Committee, Shareholders / Investors Grievance Committee and Audit Committee are considered for the purpose.

During the year Six Board meetings were held on 15/4/2011, 14/05/2011, 27/07/2011, 11/08/2011, 2/11/2011 and 08/2/2012.

The information required to be given for the Directors seeking reappointment at the Annual General Meeting as per clause 49 (VI) is as under :

Name of the Director	Jayantibhai N. Shah
Father Name	Nanalal Shah
Date of Birth	7 <sup>th</sup> April, 1964
Date of Appointment	5 <sup>th</sup> October, 2003
Qualification	B. Com
Name of the Companie(s) in which he is a director other than Arihant Avenues & Credit Limited	Nil
Specific functional Areas	He has expert knowledge of accounting and investment matters.

Name of the Director	Pawankumar Somani
Father Name	Nagarmal Somani
Date of Birth	4/3/1967
Date of Appointment	16/8/2000
Qualification	B.Com
Name of the Companie(s) in which he is a director other than Arihant Avenues & Credit Limited	Nil
Specific functional Areas	He has expert knowledge of accounting and investment matters.

### 3. AUDIT COMMITTEE :

The company has constituted audit committee consisting of Shri Pawankumar Somani ( Chairman ), Shri Jyantibhai N. Shah and Shri Dinesh A. Turakia.



The terms of reference are as specified in Section 292A of the Companies Act, 1956 and clause 49 of the Listing agreement. During the year the committee met 5 times on 14/05/2011, 27/07/2011, 11/08/2011, 2/11/2011 and 08/2/2012.

The minutes of the Audit committee are circulated to the Board members.

#### 4. REMUNERATION COMMITTEE :

The remuneration committee consists of Shri Pawankumar Somani [ Chairman ], Shri Jyantibhai N. Shah and Shri Dinesh A. Turakia.

Since there was no proposal for the enhancement of remuneration of Directors, the committee did not meet any time during the year. The remuneration committee has been constituted to recommend / review the remuneration package of the Managing / Whole time Director based on the performance and defined criteria. The remuneration policy is directed towards rewarding performance, based on review of achievements on a periodical basis. The remuneration policy is consistent with the industry practice. During the year under the review the Company has paid salary of Rs. 90,000 to Shri Krishnaavtar J. Kabra.

#### 5. SHAREHOLDERS COMMITTEE :

The Shareholders committee consists of Shri Pawankumar Somani [ Chairman ], Shri Dinesh A. Turakia and Shri Jyantilal N. Shah. Name and Designation of the Compliance Officer : Shri Krishnaavtar J. Kabra, Managing Director. During the year under the review no investors complaints was received.

#### 6. GENERAL BODY MEETINGS :

The date, time and venue of last three annual general meetings are as follow :

YEAR	LOCATION	DAY & DATE	TIME
2008 - 2009	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014	Wednesday, 30 <sup>th</sup> September, 2009	11.00 A.M.
2009 - 2010	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014	Thursday, 30 <sup>th</sup> September, 2010	11.00 A.M.
2010 - 2011	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad - 380014	Thursday, 30 <sup>th</sup> September, 2011	11.00 A.M.

No Special Resolution was put at vote during the last three AGM. No resolution was proposed to be passed through Postal Ballot.

## 7. CODE OF CONDUCT

The Board of Directors has already adopted the Code of Ethics and Business Conduct for the Directors and Senior Management personnel. This code is a comprehensive code applicable to all Directors, Executive as well as Non – executive and members of the Senior Management. The Code has been circulated to all the members of the Board and Senior Management Personnel and compliance of the same has been affirmed by them. A declaration given by the Managing Director and CEO is given below :

The Company has obtained from all the members of the Board and Senior Management Personnel of the Company, affirmation that they have complied with the Code of Ethics and Business Conduct framed for Directors and Senior Management Personnel in respect of the financial year 2011 – 2012.”

Sd/-

(Krishnaawtar J. Kabra )

(Managing Director )

Subsidiary Company : The Company does not have any subsidiary company.

## 8. SHAREHOLDERS INFORMATION :

(i)	Annual General Meeting Date, Time and Venue	Date : 29 <sup>th</sup> September, 2012 Time : 11.00 A.M. Venue : Registered Office
(ii)	Financial Calendar Year	1 <sup>st</sup> April, 2011 to 31 <sup>st</sup> March, 2012
(iii)	Date of Book Closure	26 <sup>th</sup> September, 2012 to 29 <sup>th</sup> September, 2012 ( both days inclusive )
(iv)	Dividend Payment Date	Not applicable
(v)	ISIN No. for ordinary shares of the company in Demat form	INE193D01019
(vi)	Registered Office	3, Rajesh Apartment, B/h. Navgujarat College, Ashram Road, Income Tax, Ahmedabad – 380014
(vii)	Registrar and Transfer Agent	Sharepro Services, 3 <sup>rd</sup> Floor, Satam Industrial Estate, Chakla, Andheri (East), Mumbai – 400 099
(viii)	Plant Locations	Not applicable
(ix)	Investor Correspondence	Arihant Avenues and Credit Limited