



FICS CONSULTANCY SERVICES LIMITED

ANNUAL REPORT AND ACCOUNTS
FOR THE YEAR ENDED
31ST MARCH 2007

BOARD OF DIRECTORS

MR NALIN I MEHTA

MR S R NAYAK

MRS GLENYS CRASTA

MR. MANISH SHETH

REGISTERED OFFICE

141 MAKER CHAMBERS NO.III
NARIMAN POINT
MUMBAI 400 021

BANKERS

HDFC BANK LTD
TULSIANI CHAMBERS
NARIMAN POINT
MUMBAI 400 021

AUDITORS

ARUN ARORA & CO
CHARTERED ACCOUNTANTS
304, MARINE CHAMBERS,
NEW MARINE LINES
MUMBAI - 400 020



FICS CONSULTANCY SERVICES LIMITED

522, Tulsiani Chambers,
Nariman Point, Mumbai 400 021
Tel.: 3251 4895 / 96 Fax : 2284 1557

NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SEVENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF FICS CONSULTANCY SERVICES LIMITED WILL BE HELD ON TUESDAY, AUGUST 21, 2007 AT 02.00 P.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 141, MAKER CHAMBERS III, NARIMAN POINT, MUMBAI 400 021 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS

1. To receive, consider and adopt the audited Profit & Loss Account for the year ended March 31, 2007, the Balance Sheet as at that date and the reports of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. S R Nayak, who retires by rotation and, being eligible, offers himself for reappointment.
3. To appoint M/s. Arun Arora & Co. as the Auditors of the Company and authorise the Board 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 257 and all other applicable provisions, if any, of the companies Act, 1956, (including any statutory modification(s) or re-enactment thereof for the time being in force), Shri Manish Sheth, who was appointed as an Additional Director pursuant to the provisions of Section 260 of the Companies Act, 1956, be and is hereby appointed as Director of the Company, subject to retirement by rotation under the provisions of the Articles of Association of the Company.”

By Order of the Board

A handwritten signature in black ink, appearing to read "S R Nayak".

S R Nayak
Director

Date: June 27, 2007.

Registered Office:

141, Maker Chambers III
Nariman Point
Mumbai 400 021



NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. The proxies, in order to be valid must be deposited at the Registered Office of the Company not later than 48 hours before the commencement of the meeting.
2. The Register of Members and Share Transfer books of the Company will remain closed from August 16, 2007 to August 21, 2007 (both days inclusive).

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

Item no. 4

Mr. Manish Sheth was appointed as an Additional Director of the Company by the Board of Directors (the "Board") at their meeting held on July 31, 2006 in accordance with the provision of Section 260 of the Companies Act, 1956 (the "Act") read with Article 33 of the Articles of Association of the Company. He holds office of a Director up to the date of the forthcoming Annual General Meeting. It is proposed to appoint him as a director of the Company, liable to retire by rotation, at the forthcoming Annual General Meeting. The Company has received a notice in writing from a member of the Company signifying his intention to propose Mr. Manish Sheth as a candidate for the office of Director along with a deposit of Rs.500/- in accordance with Section 257 of the Act, which will be refunded to the Member, if he is elected as a director.

Mr. Manish Sheth has over 7 years of experience in the areas of financial consultancy, management consultancy, taxation, accounting, and company laws. He is currently associated with JM Financial Limited, a flagship company of JM Financial Group as a Chief Financial Officer. He is also a member of the ICAI & ICSI.

The Board is of view that the Company would immensely benefit from the long years of experience in finance and taxation fields and the qualification that Mr. Manish Sheth possesses and accordingly recommends the passing of an Ordinary Resolution proposed at item number 4 of the accompanying Notice

Shri Manish Sheth may be deemed to be concerned or interested in the resolution proposed at item number 4 of the accompanying notice, since it relates to his own appointment.

By Order of the Board

**S R Nayak
Director**

Registered Office:

141 Maker Chamber III
Nariman Point
Mumbai 400 021

Mumbai : June 27, 2007.

FICS CONSULTANCY SERVICES LIMITED

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Tel.: 3251 4895 / 96 Fax : 2284 1557

**DIRECTORS' REPORT**

**TO THE MEMBERS,
FICS CONSULTANCY SERVICES LIMITED**

Your Directors have pleasure in presenting their Twenty Seventh Annual Report of the Company together with the Audited Accounts for the year ended March 31, 2007.

FINANCIAL RESULTS:

Particulars	For the year ended	
	March 31, 2007 (Rs.)	March 31, 2006 (Rs.)
Gross Income	30,48,171	73,39,681
Profit/(Loss) before tax	24,39,310	66,74,745
Less: Provision for tax		
Current Tax	5,00,000	4,50,000
Deffered Tax	(47,217)	(39,106)
Profit/(Loss) after tax	19,86,527	62,63,851
Add : Tax adjustment	(14,199)	--
Add : Balance brought fwd. from previous year	2,13,46,690	1,50,82,839
Balance in Profit & Loss Account c/f	2,33,19,018	2,13,46,690

DIVIDEND:

In order to conserve the resources of your Company, the Directors decided not to recommend any dividend for the year under review.

PERFORMANCE HIGHLIGHTS:

Your Company earned a Gross Income of Rs.30,48,171/- as against Rs.73,39,681/- in the previous year which included a dividend income of Rs.5,66,257/- in the current year as against Rs. 4,81,045/- in the previous year. After accounting for the expenses of Rs. 6,08,861/- as



compared to Rs. 6,64,936/- in the previous year, the profit before tax stood at Rs24,39,310 /-as against Rs. 66,74,745/- reported in the previous year. The net profit works out to Rs.19,86,527/- after providing for a tax of Rs. 4,52,783/- as against the net profit of Rs.62,63,851/- earned in the previous year.

FIXED DEPOSITS:

The Company has neither accepted nor renewed any deposits from the shareholders/public during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors of your Company confirms that:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- they 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 or loss of the Company for that period;
- they 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;
- they have prepared the annual accounts on a going concern basis.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956, Mr. S R Nayak, director of the Company, retire by rotation at the forthcoming Annual General Meeting and being eligible, offer himself for reappointment and accordingly an ordinary resolution re appointing him as a director of the Company form part of the Notice convening the Annual General Meeting.

During the year under review, Shri Manish Sheth was appointed as additional director of the company in terms of Section 260 of the Companies Act, 1956. He shall hold office up to the date of the ensuing Annual General Meeting. The Company has received notice in writing from a member proposing the candidature of Shri Manish Sheth for the office of Director.

**PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND EXPENDITURE:**

The particulars as required under the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988 on Conservation of Energy and Technology Absorption are not applicable to your Company. Your Company has neither earned nor spent any amount in foreign exchange during the year under review.

AUDITORS:

The retiring Auditors, namely, M/s. Arun Arora & Co., Chartered Accountants, hold office until the conclusion of the ensuing Annual General Meeting and are seeking their reappointment. Members are requested to consider their appointment at such remuneration to be fixed by the Board.

PARTICULARS OF EMPLOYEES

The information required under section 217(2A) of the Companies Act, 1956 and the rules made thereunder is not furnished as your Company did not have any employee during the year under review.

ACKNOWLEDGEMENT:

Your Directors would like to place on record their gratitude to the shareholders for the confidence reposed in the Company and look forward to their continued support.

On Behalf of the Board of Directors

S R Nayak
Director

Manish Sheth
Director

Date : June 27, 2007.

Registered Office :

141, Maker Chambers III
Nariman Point
Mumbai 400 021

Arun Arora
B.COM. (HONS.), F.C.A. GRAD. C.W.A.

ARUN ARORA & CO.
CHARTERED ACCOUNTANTS

AUDITORS' REPORT

The Members
FICS Consultancy Services Limited
Mumbai

We have audited the attached Balance Sheet of **FICS CONSULTANCY SERVICES LIMITED** as at **31st March 2007**, Profit & Loss Account and Cash Flow statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to above, 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 purposes of our audit.
- (b) In our opinion, proper books of account as required by law have been kept by the Company, so far as it appears from our examination of the books.
- (c) The Balance Sheet and Profit and Loss Account Statement and the Cash Flow Statement referred to in this report are in agreement with the books of account.



Arun Arora
B.COM. (HONS.), F.C.A. GRAD. C.W.A.

ARUN ARORA & CO.
CHARTERED ACCOUNTANTS

- (d) In our opinion, and to the best of our information and according to explanation given to us, the Balance Sheet, the Profit & Loss Account and the 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.
- (e) On the basis of written representations received from the directors, as on 31st March 2007, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2007 from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
- (f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, read with significant accounting policies and other notes thereon, give the information required by the Companies Act, 1956 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 the affairs of the Company as at 31st March, 2007;
- (ii) in the case of the Profit and Loss account, of the profit for the year ended on that date; and
- (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Arun Arora & Co.
Chartered Accountants

Arun Arora
Arun Arora
(Proprietor)



Place : Mumbai
Date : 27 JUN 2007