



19TH ANNUAL REPORT 2012-2013



Provestment Services Limited
Ultimate Business Endeavors



PROVESTMENT SERVICES LIMITED

NOTICE

BOARD OF DIRECTORS	MR. PRAVEEN BHATIA : WHOLE TIME DIRECTOR MR. VINOD RALHAN : DIRECTOR MR. GAURAV BHATIA : DIRECTOR MR. ANIL LAKHANI : DIRECTOR
COMPLIANCE OFFICER	MRS. DEEPIKA RAJPUT
AUDITORS	M/s AHUJA ARUN & Co. Chartered Accountants 412, Deepshikha Building, Rajendra Place, New Delhi- 110 008
BANKERS	PUNJAB & SIND BANK IFB, Connaught Place, New Delhi.
REGISTERED OFFICE	Building No.5, First Floor, Pusa Road, W.E. A. Karol Bagh, New Delhi-110 005 www.provestment.net

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PROVESTMENT SERVICES LIMITED

NOTICE

Notice is hereby given that the 19th Annual General Meeting of the Company will be held on Monday, the 30th day of September, 2013 at 10.00 A.M. at B- 4/148 C, Safdarjung Enclave, New Delhi- 110 029 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Accounts for the financial year ended on 31st March, 2013 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Sh. Anil Lakhani, who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Statutory Auditors for the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, to fix their remuneration and to authorize them also to conduct audit of accounts of the Company's branches.

SPECIAL BUSINESS:

4. INCREASE IN BORROWING LIMITS

To consider and, if thought fit, to pass with or without modification, the following resolutions as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Sub-section (d) of Section 293(1) of the Companies Act, 1956 and all other enabling provisions, if any, (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), the provisions of the Memorandum and Articles of Association of the Company, consent of the Members be and is hereby accorded to the Board of Directors (“the Board” which term shall be deemed to include any committee thereof for the time being exercising the powers conferred on the Board of Directors by this resolution) to borrow any sum or sums of monies, from any one or more Company's bankers and/or from any one or more other banks, persons, firms, bodies corporate or financial institution, whether by way of term loans, advances or deposits, loans or bills discounting, issue of debentures, furnishing of guarantees or otherwise and whether unsecured or secured by mortgage, charge, hypothecation, lien or pledge of the Company's assets and properties, whether immovable or movable, and all or any of the undertaking(s) of the Company, for and on behalf of the Company from time to time of further sums of money for the purpose of the Company amounting in aggregate to a sum not more than Rs. 25 Crores (Rupees Twenty Five Crores) (excluding temporary loans obtained from the Company's bankers in the ordinary course of business), that is to say, the total borrowings by the Board of Directors for and on behalf of the Company of an aggregate sum not exceeding Rs. 25 Crores, exclusive of interest, notwithstanding that the monies to be borrowed together with monies already borrowed by the Company (Apart from such temporary loans obtained or to be obtained from the Company's bankers) will or may exceed the aggregate of the paid-up capital and its free reserves, that is to say, reserves not set apart for any specific purpose.”

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorized to finalise, settle and execute such documents / deeds / writings / papers / agreements as may be required and do all such other acts, deeds, matters and things, as it may in its absolute discretion deem necessary, expedient, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard to borrowing(s) as aforesaid or any other matter in this regard.”

By the order of the Board

Place: New Delhi
Dated: 02.09.2013

Sd/-
(Deepika Rajput)
Company Secretary

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 AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK FORM OF PROXY IS ENCLOSED.**
2. The Register of Members of the Company will remain closed from Monday, 23rd September, 2013 to Monday, 30th September, 2013(both days inclusive).
3. M/s Beetal Financial & Computer Services (P) Ltd., Beetal House, 3rd Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110 062 is Registrar and Share Transfer Agent for physical shares of the Company. M/s Beetal Financial & Computer Services (P) Ltd is also the depository interface of the Company with both NSDL and CDSL.
4. Shareholders are requested to notify change in their address along with PIN CODES, to the Company at its Registered Office quoting their Folio Numbers.
5. Shareholders, who are holding shares in identical order of name in more than one folio, are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holding in one folio.
6. Members are requested to bring their copy of Annual Report. No extra copy would be available for distribution at the meeting.
7. Shareholders/ Proxy are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
8. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification
9. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 10 days before the date of the meeting.
10. No Hand bags/ Parcels of any kind be allowed inside the meeting hall. The same will have to be deposited outside the Meeting hall on the counter provided, at the shareholders'/ proxies' own risks.



PROVESTMENT SERVICES LIMITED

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

Item No. 4

Pursuant to Section 293(1) (d) of the Companies Act, 1956 the Board of Directors of a Public Limited Company shall not, except with the consent of the members in General Meeting, borrow money (apart from temporary loans obtained in the ordinary course of business) exceeding the paid up Capital of the Company and its free reserves that is reserves not set apart for any specific purpose.

In view of the expansion in business and the proposed business plans of the Company and towards enabling an active borrowing programme to allow the company access to funds from various lenders at most competitive rates to meet requirements of additional funds for existing and new projects to be undertaken by the Company and the need of the company's capital expenditure and additional working capital requirements, the Company would be required to borrow monies in excess of the paid up Capital of the Company and its free reserves.

Accordingly, your Directors propose to seek approval of the Members under Section 293(1)(d) of the Companies Act, 1956, to authorized the Board to borrow monies, in excess of the paid-up capital and free reserves of the company, to the extent o f Rs. 25 Crores.

The Board recommends this resolution to be passed as an **Ordinary resolution**.

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

By the order of the Board

Place : New Delhi
Dated : 02.09.2013

Sd/-
(Deepika Rajput)
Company Secretary



PROVESTMENT SERVICES LIMITED

DIRECTORS' REPORT

Dear Members,

PERFORMANCE:

Your Directors have pleasure to present the 19th Annual Report along with audited accounts of the Company for the period ended 31st March, 2013.

FINANCIAL DATA

	Current Year (2012-2013) (In Rs.)	Previous Year (2011-2012) (In Rs.)
Profit before Depreciation	8281271	7157319
Less:- Depreciation	2461791	1579826
Profit/(Loss) before Tax	5819480	5577493
Less:- Provision for Tax	1395410	1062791
Less: Deferred Tax	276930	795133
Less: Transfer to Reserves	1500000	1500000
Profit/(Loss) after tax and appropriation	2647140	2219569
Opening Balance	17514090	15294522
General Reserve	6000000	4500000
Reserve and Surplus carried to Balance Sheet	26161230	22014091

REVIEW OF PERFORMANCE

During the year 2012-13, your Company recorded profit before tax of Rs. 58.19 Lacs (previous year Rs 55.77 Lacs). Although the Company is doing well, profit is almost same in comparison to last year in spite of stiff competition in the market.

DIVIDEND

The Directors in view of the current scenario to carry out the future plans it is necessary to conserve the resources. Your directors are of the opinion of retaining the profits for the year within the Company, and thus have not recommended any dividend for the year ended 31st March 2013.

DIRECTORS

In accordance with the provisions of The Companies Act, 1956 and Articles of Association of the Company Sh. Anil Lakhani retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to the requirement under section 217 (2AA) of the Companies Act, 1956, with respect to the Directors' Responsibility Statement, it is hereby confirmed:

- (i) That in the preparation of the annual accounts for the financial year ended 31st march 2013 the applicable accounting standards had been followed and no material departure have been made from the same;
- (ii) That the directors had 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 at the end of financial year and of the profit of the Company for the year under review;
- (iii) That 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 Director has prepared the annual accounts for the financial year ended 31st March, 2013 on a 'going concern' basis.

FIXED DEPOSITS

The Company has not accepted any deposit covered by Companies (Acceptance of Deposit) Rules, 1975.

DEMATERIALIZATION OF EQUITY SHARES

The company's equity shares are available for trading in the Depository system of both the National Securities Depository Limited (NSDL) and the central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allotted by NSDL and CDSL to the company is **INE438C01010**. The Demat status of the Company as on March 31, 2013 is as under:-

Particulars	No of Shares	Percentage
Electronic Mode		
NSDL	3171371	62.147
CDSL	673656	13.201
Total Demat Holding	3845027	75.348
Physical Mode	1257973	24.652
Total Shares	5103000	100.000

ISSUE OF 5,91,176 CONVERTIBLE EQUITY WARRANTS ON PREFERENTIAL BASIS TO BENNETT COLEMAN & CO. LIMITED (BCCL):

During the year the Company has made Preferential Allotment of 591176 convertible Equity Share Warrants to BCCL of Rs. 10/- each at a Premium of Rs.58.57/- per warrants issued as per SEBI, ICDR Regulations, 2009 against which 25% Warrant Subscription Amount i.e. Rs. 1,01,34,234.58/- (Rupees One Crore One Lakh Thirty Four Thousand Two Hundred Thirty Four and paise Fifty Eight Only) have been received by the Company.

In the event if BCCL does not exercise its option to exercise all the Warrants within the Warrant Exercise Period i.e. within 18 months, the Warrant Subscription Amount shall be forfeited by the Company and the Warrants shall lapse.

CONTRACT/AGREEMENT FOR ADVERTISEMENT

During the year the Company has entered into an agreement with Bennett Coleman & Co. Limited (BCCL) to advertise on non exclusive basis only, the Products, Services and Brands owned and exclusively used by it by print and non print media. The Company has given a Deposit of Rs. 101.34 lacs to BCCL for the advertisement for Company's brand building.

CORPORATE GOVERNANCE

Your Company has successfully implemented the mandatory provisions of Corporate Governance in accordance with the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges. Separate Report on Corporate Governance and Management Discussion & Analysis are included in the Annual Report and Certificate dated 30.05.2013 of the Auditors of your Company confirming the compliance of conditions of Corporate Governance is also annexed thereto.

PARTICULARS OF EMPLOYEES

There was no employee in respect of whom information is required to be given pursuant to section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended up-to-date.

AUDITORS

Ahuja Arun & Co. ,Chartered Accountants, the existing auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment. The Company has received audit report from Ahuja Arun & Co., Chartered Accountants and your directors do not observe any adverse remark therein.

INDUSTRIAL RELATIONS

During the year under review, your Company had amiable and pleasant industrial relations at all levels of the Organization.

SUBSIDIARY COMPANY

The Company has acquired the 86.03 % shares in January, 2013 of travel Company, **M/s Saab Travel and Tours Limited** and hence becomes the subsidiary of the Company. It is a running company incorporated in 1993.

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

The information required under Section 217 (1) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.

THE YEAR IN RETROSPECT

PROFOREX MONTHLY NEWS LETTER:

As your Company is RBI authorized Full Fledged Money Changers operating in India. This year we have completed 9 years of serving newsletter to our clients around 3000 copies every month to all business segments such as exporters, MNC's, professional organizations, traders, travel agents, Government organizations and other corporate and has gained substantial recognition. The Company is in process of launching a magazine on forex and other business segments for the awareness of its clients.

PACKAGING EXHIBITIONS:

Your Company has also been carrying on end to end travel services for Packaging Exhibitions for clients engaged in the packaging industry. These Exhibitions include Drupa in Germany and CPHI in Shanghai etc.

WEBSITE:

Your company with a view to strengthen its brand image and also offer its prospective customers ease of navigation, had revamped its website, www.provestment.net and the website now neatly categorizes various businesses carried out by your company. The Company has also applied Trade Mark **PROYATRA.COM** for its business to establish its brand in the market.

BSE INDONEXT LISTING AND TRADING:

The Shares of the Company has been traded at BSE under INDONEXT SEGMENT.

TRAVEL INDUSTRY: A RETROSPECT

The recent global financial meltdown is definitely going to have an impact on the Indian economy as well and the tourism is usually a casualty in such troubled times. However, the Indian domestic and outbound travel industry still remains strong and is expected to tide over the crisis period much better. We have no doubts that given the proper importance and direction, the tourism and hospitality industry has the potential to emerge as the single largest employer in the country in the coming years.

FUTURE TRENDS IN INDIAN TRAVEL INDUSTRY

- Travel is the largest e-commerce category in India.
- Dynamic Packages by tour and travel agents will be one of the growth drivers for the industry this year.
- India is one of the most prospective markets for tourism in the world. There are so many India travel packages offered by India Tourism for foreigners all over India.
- In coming years, India will surely maintain and strengthen its positioning as a world tourism destination, thanks to the government and tourism initiatives and other such campaigns.

EXPANSION IN TRAVEL VERTICAL

Your Company realized the need for having all travel related services to cater to all types of clients and to improve more top line and bottom line of the Company. With this objective in mind, the Company has started FIT division (Free Independent Travel), GIT Division (Group Incentive Tours) along with specialized services to Corporate Clients. This has been very effective and the Company has added reputed Corporate Clients.

ONLINE TRAVEL PORTAL:

Because of the importance of online travel portal and its convenience to the customers to book Air Tickets at their comfort and even to pay online, the Company has launched the travel portal **www.proyatra.com** last year. The response is very positive and will expect to grow in coming years. The Company has also applied for trade Mark Proyatra.com to establish company's Brand in the market.

BRANCHES FOR FFMC:

As your Company has obtained Licence from Reserve Bank of India to open four branches at Indira Puram (Ghaziabad), Jalandhar, Amritsar and Indore for full fledge money changers (FFMC). This is to inform you that the operation at all the branches has started during the year. These branches would focus on all travel needs of the customers. Now the company is also trying to open a new branch in Himachal Pradesh at Mcleodgang, Dharamshala for FFMC.

FOREX BUSINESS:

Your Company is an RBI approved Foreign Exchange dealer and has been doing handsome business in currency conversion for clients. We wish to provide single window service to our clients which includes Air Tickets-both domestic and International, Currency Conversion, Visa Assistance. We have already opened four branches in India to enhance the facilities of foreign exchanges.

OVERSEAS OFFICES:

The Company has been planning to open offices in overseas countries to promote the travel business. This would enable interactions with the suppliers directly and offer best rates for hotels, transport and cruise for the Indian tourist traveling abroad.

ACKNOWLEDGEMENTS:

Your Directors place on record their gratitude to the Government Departments, Company's Bankers for the assistance, co-operation and encouragement they extended to the company. For the continuing support and unstinting efforts of Investors, Dealers, Business Associates and Employees in ensuring an excellent all around operational performance, your directors also wish to place on records their sincere thanks and appreciation.

On behalf of the Board
FOR PROVESTMENT SERVICES LIMITED

Sd/-
(DEEPIKA RAJPUT)
COMPANY SECRETARY

Sd/-
(ANIL LAKHANI)
DIRECTOR

Sd/-
(PRAVEEN BHATIA)
WHOLETIME DIRECTOR

Date: 30.05.2013
Place: New Delhi