

PRECIOUS TRADING & INVESTMENTS LTD.

Regd. Office : 11, Vora Palace, Next to Dena Bank, M.G. Road, Kandivali (West), MUMBAI-400 067.
Tel.: 2808 7937, 2808 8363, 2861 9283, 2801 2171 ■ **Fax :** 2808 6662

Admin Office: "SHETH HOUSE", Vasant Valley, Next to Dindoshi Bus Depot, Gen. A.K. Vaidya Marg, Malad (East), MUMBAI-400 097: ■ **Tel.:** 2842 6227 (7 Lines) ■ **Fax :** 2842 6234

NOTICE

Notice is hereby given that the 23rd Annual General Meeting of the members of the Company will be held on Friday the 29th day of September 2006 at 4.30 p.m. at the registered office of the Company to transact the following businesses:

Ordinary Business:

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2006 and Profit & Loss Account for the financial year 2005-2006 on that date, together with the Directors' & Auditor's Report thereon;
2. To appoint a Director in place of Mr. Jitendra N. Sheth, who retires by rotation and being eligible, offer himself for re-appointment;
3. To appoint M/s. Bipin M. Sharda & Co., Chartered Accountants, Mumbai as a Statutory Auditors of the Company from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself. A proxy need not be a member of the company. In order to have the effect, the instrument, specifying the appointment of the proxy must be deposited at the registered office of the Company not less than 48 hours prior to the commencement of the meeting;
2. Members/proxies should fill the attendance slip for attending the meeting;
3. In case of Joint-holders attending the meeting, only such joint-holder whose name appears first in the order of names, in a register of members, will be entitled to vote;
4. The Register of Members and the Share Transfer Book will remain closed with effect from Monday the 25th day of September 2006 to Friday the 29th day of September 2006 (both days inclusive);
5. Corporate members are requested to send a duly certified copy of the Board resolution authorizing their representative to attend and vote at the meeting;

By the Order of the Board of Directors
For Precious Trading & Investments Limited

✕
Vallabh N. Sheth
Director

Mumbai, 29th July 2006

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DIRECTORS' REPORT

Board of Directors' pleased to present 23rd Annual Report together with the Audited Statements of Accounts of the Company for the year ended on 31st March 2006.

Financial Highlights:

(Amount in Rupees)

Particulars	31 st March 2006	31 st March 2005
Sales & Other Operational Income	-	91,655.00
Less: Operational Expenses	1,40,758.00	3,98,588.00
Profit/(Loss) before Taxation	(-) 1,40,758.00	(-) 3,06,933.00
Less: <u>Provision for Taxation</u>		
Current	-	-
Deferred (Asset)/Liability	(-) 2,05,236.00	1,05,780.00
Fringe Benefit	-	-
Profit/(Loss) for the year	64,478.00	(-) 4,12,713.00
Earning Per Share - Basic	(-) 0.27	(-) 1.72

Dividend:

Having regard to the absence of distributable profits, the Directors regret their inability to recommend any dividend for the year 2005-2006 on outstanding Equity Shares paid-up capital.

Deposits:

During the year under review, Company has not invited or accepted nor renewed any deposits from public under the Companies (Acceptance of Deposits) Rules, 1975 and that as on 31st March 2006, the Company had not any outstanding / unclaimed/ overdue deposits as on 31st March 2006.

Director:

Mr. Jitendra N. Sheth, Director, retires from the Board of Directors by rotation and is eligible for re-appointment.

Auditor's Report:

The Auditor's Report to the Shareholders on the Accounts of the Company as on 31st March 2006 does not contain any disqualification.

Compliance Certificate:

As required by the provisions of the Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001, a Certificate from the Secretary in Wholtime Practice is appended herewith certifying that the Company has complied with all the applicable provisions of the Companies Act, 1956.

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Directors Responsibility Statement:

In terms of and as required by the provisions of Section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- a. in the preparation of annual accounts for the year ended on 31st March 2006 the applicable accounting standards have been followed along with proper explanations relating to material departures;
- 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 & fair view of the state of affairs of the Company as at 31st March 2006 and that of Profit & Loss for the year ended on 31st March 2006;
- 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 preventing and detecting fraud and other irregularities;
- d. the annual accounts have been prepared on a going concern basis.

Auditors:

M/s. Bipin M. Sharda & Co., Chartered Accountants, the auditor's of the Company, retires at the conclusion of this Annual General Meeting and are eligible for re-appointment and if re-appointed, their appointment will be within the limits prescribed by the applicable provisions, if any, of Section 224(1B) of the Companies Act, 1956.

Consolidated Financial Accounts:

The Consolidated Financial Statements pursuant to clause 32 of the Listing Agreement entered into with Bombay Stock Exchange, prepared in accordance with the applicable Accounting Standards, as are prescribed by the Institute of Chartered Accountants of India, is attached as enclosures to the Company's Financial Statements together with the statement of Company's interest as to its holding in the subsidiaries, pursuant to the Section 212 of the Companies Act, 1956, to the extent applicable.

The Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 as regards to Conversion of Energy, Technology Absorption and Foreign Exchange Earnings & Outgoes:

- a. Energy Conservation: wherever possible the Company has taken the necessary steps for the conservation of energy by monitoring the consumption thereof;
- b. Technology Absorption: Not Applicable
- c. Foreign Exchange Earnings & Outgoes: During the period under review, the Company had not earned nor incurred any outflows in Foreign Exchange.

Particulars of Employees:

No employees were covered by the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975, as amended from time to time.


Acknowledgement:

The Directors place on record their appreciation of support and co-operation received from all stakeholders.

By the Order of the Board of Directors
For **Precious Trading & Investments Limited**


Jitendra N. Sheth
Director

Mumbai, 29th July 2006


Vallabh N. Sheth
Director

Mumbai, 29th July 2006

Report  junction.com

D. M. ZAVERI & CO.**Company Secretaries****Dharmesh M. Zaveri**

B Com., A.C.S.

C-101, Shree Shubham, Behind Kamla Ashish, Mahavir Nagar, Dahanukar Wadi, Kandivli(W), Mumbai-400 067.

Tel. 98203 20503, E-mail : dmzaverics@rediffmail.com

COMPLIANCE CERTIFICATE**Registration No of the Company: 11-29176****Nominal Capital: Rs. 25,00,000/-**

To,
The Members

PRECIOUS TRADING & INVESTMENTS LIMITED**Mumbai**

We have examined the registers, records, books and papers of PRECIOUS TRADING & INVESTMENTS LIMITED as required to be maintained under the Companies Act, 1956 and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended on 31st March, 2006. 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 thereunder 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 thereunder.
3. The Company being public limited company, comments are not required.
4. The Board of Directors duly met six times respectively on 20th April 2005, 28th July 2005, 30th July 2005, 15th October 2005, 16th January 2006 and 31st March 2006 in respect of which meetings proper notices were given and the proceedings were properly recorded.

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5. The Company has closed its Register of Members from 23rd September 2005 to 30th September 2005 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March 2005 was held on 30th September 2005 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loan to its directors or persons or firms or companies referred to under 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.
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 any duplicate share certificates during the financial year.
13. The Company has:
 - a. not allotted/ transferred/ transmitted any securities during the financial year;
 - b. not declared any dividend including the interim dividend during the financial year.
 - c. duly complied with the requirements of section 217 of the Act.
14. The Board of directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial year.
15. The Company has not appointed any Managing Director / Whole-time Director / Manager during the financial year.

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16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approval of the Central Government, Company Law board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act during the financial year.
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 thereunder.
19. The Company has not issued any shares, debentures or other securities during the financial year.
20. The Company has not bought any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the company to keep in abeyance the 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 within the purview of section 58 A during the financial year.
24. The Company has not made any borrowing during the financial year.
25. The Company has made loans and investments to/ in Other Body Corporates in compliance with the provisions of the Act.
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 the name of the company during the year under scrutiny.

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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 or show cause notices received by the company and no fines or penalties or any other punishment was imposed on the Company during the financial year, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company has not deducted any contribution towards Provident Fund during the financial year, as the same is not applicable.

Place: Mumbai
Date: 29th July 2006



D. M. Zaveri & Co.
Company Secretaries

Dharmesh Zaveri
Dharmesh Zaveri
(Proprietor)

A.C.S. No : 15063
C.P.No : 4363



ANNEXURES FORMING PART OF COMPLIANCE REPORT**Annexure 'A'****Registers as maintained by the Company****Statutory Registers**

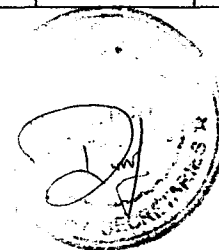
1. Register of Members Under Section 150.
2. Register of Transfer
3. Register of Directors, Managing Director, Manager and Secretary Under Section 303
4. Register of Directors' shareholding Under Section 307.
5. Register of Particulars of Contracts in which directors are interested Under Section 297, 299, 301 & 301(3).
6. Minutes of Annual General Meetings, Extra Ordinary General Meeting and Board Meetings Under Section 193.
7. Books of Accounts Under Section 209.

Annexure 'B'

Forms and returns as filed by the company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March 2005.

Sr. No.	Form No /Return	Filed Under Section	For	Date of filing	Whether filed within prescribed time	If delay in filing, additional fees paid
1.	Annual Return	159	The AGM held on 30-09-2005	29-10-2005	Yes	N. A.
2.	Balance Sheet	220	The year ended on 31-03-2005	13-12-2005	No	Yes
3.	Compliance Certificate	383A	The year ended on 31-03-2005	29-10-2005	Yes	N. A.

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**AUDITORS' REPORT TO THE MEMBERS OF
PRECIOUS TRADING AND INVESTMENTS LIMITED**

We have audited the attached Balance Sheet of **PRECIOUS TRADING AND INVESTMENTS LIMITED** as at 31st March 2006 and also the Profit & Loss Account and the 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 & disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement 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 in terms of section 227(4A) 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, to the extent applicable to the Company.

Further to our comments in Annexure referred to in paragraph 3 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 appears from our examination of the Books of the Company;
- c) The Balance Sheet and Profit & Loss Account and Cash Flow Statement dealt with by the report are in agreement with the Books of Account;