

PRECIOUS TRADING & INVESTMENTS LTD.

Regd. Office : 11, Vora Palace, Next to Dena Bank, M.G. Road, Kandivali (West), MUMBAI-400 067.
Tel.: 2801 2171, 2808 8363, 2861 9283 ■ 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 (6 Lines) ■ Fax : 2842 6234

NOTICE OF ANNUAL GENERAL MEETING

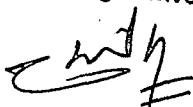
Notice is hereby given that the 25th Annual General Meeting of the members of the Company will be held on Monday the 29th day of September 2008 at 3.30 p.m. at the registered office of Precious Trading & Investments Limited to transact the following businesses:

Ordinary Business

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March 2008 and Profit & Loss Account for the financial year ended on that date, together with the Director's & Auditor's Report thereon;
2. To appoint a Director in place of Mr. Ashwin N. Sheth, who retires by rotation and being eligible, offers himself for re-appointment;
3. To appoint the Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorize Board to fix their remuneration.

"RESOLVED THAT M/s. M. B. Agrawal & Company, Chartered Accountants, Mumbai, being retiring Auditor of the Company, be and are hereby re-appointed as Auditor of the Company to hold the office from the conclusion of the ensuing Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be determined by the Chairman in consultation with the Auditors, together with service tax thereon and all out of pocket expenses in connection with the audit of the Accounts of the Company, which remuneration may be paid on existing terms to be agreed between the Auditors and the Chairman."

CERTIFIED TRUE COPY
Precious Trading & Investments Ltd.



Director


Notes:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend the meeting and the proxy need not be a member of the Company. Under the Companies Act, 1956, voting is by a show of hands unless a poll is demanded by a member or members present in person, or by proxy, holding at least one-tenth of the total shares entitled to vote on the resolution or by those holding paid-up capital of at least Rs. 50,000. A proxy shall not vote except on a poll. The instrument appointing the proxy must be deposited at the registered office of the Company not less than 48 hours before the commencement of the meeting.
2. Members /Proxies should bring duly filled Attendance Slips sent herewith to attend the meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from September 22, 2008 to September 29, 2008 (both days inclusive) for the purpose of Annual General Meeting.
4. Members holding shares in physical form and desirous of making/changing nomination in respect of their shareholding in the Company, may send their request in the prescribed form 2B to the Registrar & Transfer Agents of the Company.
5. Corporate Members are requested to send to the Company, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General meeting.
6. Members desirous of obtaining any information on the Accounts and Operations of the Company are requested to write at least one week before the meeting so that the same could be compiled in advance.
7. Members are requested to notify changes, if any, in their registered addresses along with the pin code to the Company's Registrar and Share Transfer Agent.
8. Members are requested to bring their copy of Annual Report to the

Meeting.

9. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.30 a.m. and 1.00 p.m. on all working days upto the date of the meeting.
10. Members whose shareholding is in electronic mode are requested to direct change of address notifications and updations of savings bank account to their respective Depository Participants.
11. Member are requested to address all correspondences, including dividend matters, to the Registrar and Share transfer Agents, M/s. Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Sskivihar Road, Saki Naka, Andheri (E), Mumbai - 400072.
12. As per the provisions of the Companies Act, 1956, facility for making nominations is available for shareholders, in respect of the shares held by them. Nomination forms can be obtained from the Registrar and Transfer agents of the Company.
13. Members seeking any information or clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the meeting to enable the Company to compile the information and provide replies at the meeting.

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


Vallabh N. Sheth
Director

Mumbai, 1st September 2008

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DIRECTORS' REPORT

The Board of Directors is pleased to present 25th Annual Report together with the Audited Statements of Accounts of the Company for the year ended on 31st March 2008.

1. FINANCIAL RESULTS

Particulars	2007-2008	2006-2007
Profit/(Loss) before interest, depreciation and taxation	(75,522)	12,245,892
Less: Provision for Taxation-current/earlier years	(23,337)	22,75,481
Net Profit / (Loss) after Tax	(52,185)	99,70,411
Add: Balance in Profit & Loss Account	11,319,509	13,49,098
Less: Transferred to Reserve Fund	-	-
Balance Carried Forward	11,267,323	11,319,509

2. DIVIDEND

In order to conserve the resources for future business propositions, the Directors have decided not to recommend any dividend for the year 2007-2008.

3. MANAGEMENT DISCUSSION AND ANALYSIS

a) Industry structure & Development

Indian economy continued to expand at a robust pace for the fifth consecutive year reaching a sustainable level of 8-9 per cent annual growth. The growth was contributed by all sectors of the economy but more remarkably by the

manufacturing and service sectors. The increased liquidity combined with excellent performance of the corporate sector helped growth of equity market significantly. There has been a considerable increase in other areas of the industry such as Mutual Funds, IPOs and insurance products also.

b) Opportunities & Threats

The Indian Financial Market has a very high growth potential. The macro economic fundamentals are sound to allow the economy to make rapid strides. Economic expansion will result in greater disposable incomes and larger number of investors. There is a significant growth opportunity for your Company in this scenario. The stock broking industry has recently witnessed intense competition, falling brokerage rates and the entry of several big players. Your company continues to achieve cost efficiencies through the application of technology.

c) Risk Factors

Market conditions, in particular the performance of the equity markets, contribute substantially to Company's revenues and will impact on our ability to repeat or improve on the earnings. The recent drop in the equity markets and a reduction in liquidity in the market may have an adverse effect on the performance of the Company. The Capital market industry in which your Company is operating is subject to extensive regulation. The Company has a proper and adequate system of internal control designed to ensure regulatory compliance. The Company evaluates the technological obsolescence and the associated risk and makes investment accordingly

d) Internal Control Systems

The Company has an adequate system of internal controls to ensure accuracy of accounting records, compliance with all laws & regulations and compliance with all rules, procedures & guidelines prescribed by the management. An extensive internal audit is carried out by independent firms of Chartered Accountants in branches and head office.

e) Human Resources

The Company has a pool of highly qualified and experienced professionals, who are instrumental in achieving giant strides the Company is making year after year towards progress. The Company has a HR policy which emphasizes the need for attaining organizational goals through individual growth and development. Staff audit and performance appraisal are the key areas of the Company's HR Policy. The Employee Relations in the company continued to be positive. The company provides an equal opportunity work environment and places great emphasis on acquiring, maintaining and developing human asset base.

4. 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 2008, the Company had not any outstanding / unclaimed/ overdue deposits.

5. 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 2008 the applicable accounting standards have been followed along with proper explanations relating to material departures, if any;
- 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 2008 and that of Profit & Loss for the year ended on 31st March 2008;
- 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.

6. 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.

7. DIRECTORS

In accordance with the Articles of Association of the Company and provisions of the Companies Act, 1956 Mr. Ashwin N. Sheth retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

8. STATUTORY AUDITORS

M/s. M. B. Agrawal & Company, Chartered Accountants, the auditor of the Company, retire at the conclusion of this Annual General Meeting and are eligible for re-appointment and if re-appointed, their appointment will be in accordance with the applicable provisions, if any, of the Companies Act, 1956.

9. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

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.