

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 27<sup>th</sup> Annual General Meeting of the members of the Company will be held on Thursday the 30<sup>th</sup> day of September 2010 at 10.00 a.m. at the registered office of Precious Trading & Investments Limited to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2010 and Profit & Loss Account for the year ended 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, offers himself for re-appointment;
3. To consider and, if thought fit, to pass, with or without modification(s), the following as an Ordinary Resolution:

"RESOLVED that pursuant to section 224 of the Companies Act, 1956, M/s M. B. Agarwal & Company, Chartered Accountants, Mumbai, the retiring Auditors of the Company, be re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting, until the conclusion of the next Annual General Meeting of the Company at a remuneration to be determined by the Board."

**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 on September 30, 2010 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 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.
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.

**27<sup>TH</sup> Annual Report-2009-10**  
**PRECIOUS TRADING & INVESTMENTS LIMITED**

---

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. 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, Sakivihar Road, Saki Naka, Andheri (E), Mumbai – 400072.
11. 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.

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



**Ashwin N. Sheth**  
**Director**

Mumbai, September 9, 2010



**M.B. AGRAWAL & CO.**

**CHARTERED ACCOUNTANTS**

204, Mhatre Pen Bldg., Senapati Bapat Marg,  
Dadar (West), Mumbai - 400 028.

Tel.: 4029 8218

Fax : 2436 3312

E-Mail : mbaandco@yahoo.co.in

M. B. AGRAWAL F.C.A., F.I.V.

YATIN MEHTA F.C.A.

SANJAY LUNKAD F.C.A., D.I.S.A. (ICA)

PRAFULLACHHAJED F.C.A., LL.B. (G)

HEMANT AGRAWAL F.C.A.

HARSHAL AGRAWAL F.C.A., D.I.S.A. (ICA), C.I.S.A.

SUBODH N. AGRAWAL B.com., A.C.A.

## **AUDITORS' REPORT**

To,

The Members

**M/S PRECIOUS TRADING & INVESTMENTS LIMITED.**  
**MUMBAI.**

1. We have audited the attached balance sheet of **M/S. PRECIOUS TRADING & INVESTMENTS LIMITED**, as at 31<sup>st</sup> March 2010 and the profit and loss account 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.
2. We conducted our audit in accordance with the 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 statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We report that:
  - i) 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;
  - ii) In our opinion, proper books of account as required by the Companies Act, 1956 have been kept by the company so far as appears from our examination of the books.
  - iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the Books of Account.
  - iv) In our opinion, the Balance Sheet and Profit and Loss Account comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - v) On the basis of information and explanation given to us none of the directors is disqualified u/s 274(1) (g) of the Companies Act, 1956 from being appointed as a directors.



- vi) In our opinion and to the best of our information and according to the explanations given to us the said accounts read together with notes thereon, give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view;
- a) In the case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March 2010 and
  - b) In the case of the Profit and Loss Account of Loss for the year ended on that date.
  - c) In case of the Cash Flow Statement, of the cash flows for the year ended on that date.
4. As required by the Companies (Auditor's Report) Order, 2003 and the Companies (Auditor's Report) (Amendment) Order, 2004 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 & 5 of the said Order.

FOR M. B. AGRAWAL & CO.  
CHARTERED ACCOUNTANTS



*A. Harshal*

HARSHAL AGRAWAL  
PARTNER  
M. No. 109438  
Firm No. 100137W

Place: Mumbai  
Date: September 9th, 2010

Annexure to the Auditor's Report

Referred to in paragraph (4) of our report of even date on the accounts for the year ended 31st March 2010 of M/S PRECIOUS TRADING & INVESTMENTS LIMITED. Clauses (i),(ii),(vi),(viii),(xi),(xii),(xiii),(xiv), (xv), (xvi), (xvii), (xviii), (xix) and (xx) of CARO 2003 are either nil or not applicable to the company.

- i)
  - (a) The Company has granted the unsecured loan of Rs.569.99 Lakhs (PY Rs.499 Lacs) to a company covered in the register maintained under Section 301 of The Companies Act, 1956.
  - (b) The rate of interest and other terms and conditions of the aforesaid loan are not prima-facie prejudicial to the interest of the company.
  - (c) The receipt of the principal amount is as per the terms of the agreement.
  - (d) There are no overdue amounts of Rupees one Lakh.
  - (e) The company has taken unsecured loan of Rs.411.04 lacs. (PY Rs.338.52 lacs.)from one party covered in the register maintained under Section 301 of The Companies Act,1956.
  - (f) The rate of interest and other terms and conditions of the aforesaid loan are not prima-facie prejudicial to the interest of the company.
  - (g) The repayment of principal amount of loan and interest are in accordance with the terms of contract.
- ii) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures which commensurate with the size of the Company and nature of its business with regard to the purchase of inventory and fixed assets, and with regard to the sale of goods and services. During the course of our audit, no major weakness has been noticed in the internal controls.
- iii)
  - a) The particulars of contracts and arrangements referred to in section 301 of the Act have been entered in the register maintained under that section.
  - b) In our opinion and according to information and explanation given to us, transaction made in pursuance of such contracts or arrangements have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- iv) The internal audit system commensurate with the size and nature of the company's business.



- v) a) According to the records of the Company and information and explanation given to us, the company has been generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues with the appropriate authorities during the year.
- b) In our opinion and according to the information and explanation given to us, there are no dues of Income Tax/ Sales Tax/ Wealth Tax/ Service Tax/ Custom Duty/ Excise Duty/ Cess which are not deposited on account of any dispute.
- vi) The Company has no accumulated losses as at the end of the financial year. Company has incurred a cash loss of Rs.1,20,383 for current financial year and in the immediately preceding financial year Rs1,05,277/-
- vii) To the best of our knowledge and belief and according to the information and explanation given to us, no fraud on or by the Company was noticed or reported during the year.

For M. B. Agrawal & Co.  
Chartered Accountants



*As Harshal*

HARSHAL AGRAWAL  
PARTNER  
M. No.109438  
Firm No.100137W

Place: Mumbai  
Date: September 9th, 2010

## **DIRECTORS' REPORT**

Dear Members,

Your directors are pleased to present their 27<sup>th</sup> Annual Report, to the members, on the business and operations of Precious Trading & Investments Limited together with the Audited Accounts for the financial year ended 31st March 2010.

### **Financial Highlights:**

(Amount in Rupees)

Particulars	31 <sup>st</sup> March 2010	31 <sup>st</sup> March 2009
Sales & other operational income	Nil	Nil
Less: Operational expenses	1,20,383	10,52,77
Profit/(Loss) before Taxation	(1,20,383)	(1,05,277)
Less: Provision for Taxation		
Current	Nil	Nil
Deferred (Asset)	Nil	Nil
Income Tax Adjustment – Previous year	74000	
Profit/(Loss) for the year	(1,94,383)	(1,05,277)
Earning per share Basic	(0.81)	(0.44)

### **Dividend:**

In view of loss suffered by your Company during the year, the Directors express their inability to declare dividend for the year 2009-2010.

### **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 2010 the Company did not have any outstanding / unclaimed/ overdue deposits.

### **Director:**

Mr. Jitendra N. Sheth, Director, will retire by rotation. Mr. Jitendra N. Sheth, being eligible offers himself for reappointment. Accordingly, the board recommends his re-appointment.

### **Auditors:**

M/s. M. B. Agrawal & Company, Chartered Accountants, the auditors 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.



**Auditor's Report:**

The Auditor's Report to the Shareholders on the Accounts of the Company as on 31st March 2010 does not contain any qualification.

**Share Registrar & Transfer Agent**

The Company's share registry function is being looked after by Bigshare Services Private Limited which is a SEBI-registered Registrar & Transfer Agent. The contact details of Bigshare Services Private Limited are mentioned in the Company Information section of Annual Report. Investors are requested to address their queries, if any, in this regard, to Bigshare Services Private Limited; however, in case of difficulties, they are welcome to contact the Corporate Office of the Company.

**Listing Fees:**

The Company declares that its Securities are listed on the Bombay Stock Exchange, and the Company confirms that it has paid Annual Listing Fees due to the Stock Exchange for the year 2009-2010.

**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 Whole-time Practice is appended herewith certifying that the Company has complied with all the applicable provisions of the Companies Act, 1956 has been furnished with this report.

**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 2010 the applicable accounting standards have been followed
- b. In case of any material departures from the applicable accounting standards, proper explanations have been provided.
- c. 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 31<sup>st</sup> March 2010 and that of Profit & Loss for the year ended on 31<sup>st</sup> March 2010;
- d. 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;
- e. the annual accounts have been prepared on a going concern basis.