

**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that the 29<sup>th</sup> Annual General Meeting of the members of the Company will be held on Saturday the 29<sup>th</sup> day of September 2012 at 10.00 a.m. at the registered office of Precious Trading and Investments Limited at "Sheth House", Next to Dindoshi Fire Station, Opp. Oberoi mall, Gen. A.K. Vaidya marg, Malad (East), Mumbai 400097 to transact the following business:

**Ordinary Business:**

1. To receive, consider and adopt the Audited Balance Sheet as on March 31, 2012 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. Vallabh N. Sheth, who retires by rotation and being eligible, offers himself for re-appointment;
3. To re-appoint the Auditors to hold office from the conclusion of this meeting until conclusion of the next Annual General Meeting and to authorize the Board to fix their remuneration.

"RESOLVED THAT M/s. M. B. Agrawal & Company, Chartered Accountants, having firm registration number 100137W, 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 decided by the Board of Directors of the Company in addition to reimbursement of all out of-pocket expenses in connection with audit of the accounts of the company."

**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 29, 2012** 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 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.

**29<sup>TH</sup> Annual Report-2011-2012**  
**PRECIOUS TRADING AND INVESTMENTS LIMITED**

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9. All documents referred to in the notice are open for inspection at the registered office of the Company between 10.00 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 and Investments Limited**



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

Mumbai, September 7, 2012

## **DIRECTORS' REPORT**

Dear Members,

Your directors are pleased to present their 29<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 31<sup>st</sup> March 2012.

### **Financial Highlights:**

Particulars	(Amount in Rupees)	
	31 <sup>st</sup> March 2012	31 <sup>st</sup> March 2011
Sales & other operational income	-	-
Less: Operational expenses	114,679	114,743
Profit/(Loss) before Taxation	(114,679)	(114,743)
Less: Provision for Taxation		
Current	-	-
Deferred (Asset)/Liability	-	381,781
Income Tax Adjustment-Previous Year	-	-
Profit/(Loss) for the year	(114,679)	(496,524)
Earning per share Basic	(0.48)	(2.07)

### **Dividend:**

In view of loss suffered by your Company during the year, the Directors express their inability to declare dividend for the year 2011-2012.

### **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 31<sup>st</sup> March 2012, the Company did not have any outstanding / unclaimed/ overdue deposits.

### **Director:**

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

### **Corporate governance:**

Since the paid up capital of the Company is less than Rs. 3 Crores, particulars as mentioned in clause 49 of the Listing Agreement with the Stock Exchange, Mumbai, is not required to be given.

### **Auditors:**

M/s. M. B. Agrawal & Company, Chartered Accountants, having firm registration number 100137W, 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 31<sup>st</sup> March 2012 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 2011-12.

**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 2012 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 2012 and that of Profit & Loss for the year ended on 31<sup>st</sup> March 2012;
- 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.

**Cash Flow Statement & Consolidated Financial Accounts:**

The Cash Flow Statement & 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 prescribed by the Institute of Chartered Accountants of India, is attached as enclosures to the Company's Financial Statements.

**Subsidiary Company:**

As per Section 212 of the Companies Act, 1956, the Company is required to attach the Balance Sheet, Profit & Loss Account along with the report of the Auditors and Directors thereon and Statement of the holding Company's interest in the subsidiary. A statement of the Holding Company's interest in the Subsidiary pursuant to Section 212 of the Companies Act, 1956, to the extent applicable has been furnished with this report.

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

a. **Energy Conservation & Technology Absorption:** The particulars as regards conservation of energy and technology absorption are not applicable to the Company since its establishment is not covered by the Rules made under this Section.

b. **Foreign Exchange Earnings & Outgoes:** During the period under review, the Company had not earned any foreign exchange nor incurred any outflows in Foreign Exchange.

**Particulars of Employees:**

No employee of the Company is 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 for support and co-operation received from all the stakeholders

**By the Order of the Board of Directors**

**For Precious Trading and Investments Limited**

  
Ashwin N. Sheth  
Director

  
Vallabh N. Sheth  
Director

Mumbai; September 7, 2012



**M.B. AGRAWAL & Co.**  
**CHARTERED ACCOUNTANTS**

204, Mhatre Pen Bldg., Senapati Bapat Marg,  
Dadar (West), Mumbai - 400 028.  
Tel.: 4029 8218, Fax : 2436 3312  
Web.: [www.mbaconsultants.in](http://www.mbaconsultants.in)

M. B. AGRAWAL F.C.A., F.I.V.  
YATIN MEHTA F.C.A.  
RAMESHMAL SANGHAVI F.C.A.  
SANJAY LUNKAD F.C.A., D.I.S.A. (ICA)

HEMANT AGRAWAL F.C.A.  
HARSHAL AGRAWAL F.C.A., D.I.S.A. (ICA), C.I.S.A.  
SUBODH N. AGRAWAL F.C.A.  
ASHISH BANGAD 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 2012, the statement of profit and loss 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.
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, statement of Profit and Loss and the cash flow statement dealt with by this report are in agreement with the Books of Account.
  - iv) In our opinion, Balance Sheet, statement of Profit and Loss and the cash flow statement 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, as on March 31, 2012, 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 financial statements 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 in conformity with the accounting principles generally accepted in India;
- a) In the case of the Balance Sheet of the state of affairs of the company as at 31<sup>st</sup> March 2012 and
- b) In the case of the statement of Profit and Loss, 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



*As Harshal*

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

Place: Mumbai  
Date: September 7th, 2012

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 2012 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.1060.99 Lakhs (PY Rs.969.99 Lacs) to a one party 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.904.53 lacs. (PY Rs.811.92 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.1,14,679/- for current financial year and in the immediately preceding financial year Rs1,14,743/-
- vii) To the best 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

*A. Harshal*

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

Place: Mumbai  
Date: September 7th, 2012

