


19th

Report  Annual Report .com

2005-2006

ANNUAL REPORT 2005-2006

BOARD OF DIRECTORS

Mr. Raghunandan Prasad
Mr. Rajat Prasad
Mr. Mahesh Chandra Agarwal

Chairman
Director
Director

AUDITORS

M/s Sandeep Ramesh Gupta & Co.
Chartered Accountants

BANKERS

UTI Bank, Barakhamba Road.

REGISTERED OFFICE

412-422, Indraprakash Building, 21, Barakhamba Road, New Delhi – 110001

19th Annual General Meeting

Day: Friday

Date: December 15, 2006

Time: 9:30 A.M

Venue: 13/24, Village Daulatpur,
New Delhi-110043

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NOTICE

NOTICE is hereby given that the Nineteenth Annual General Meeting (AGM) of the members of RR Financial Consultants Limited will be held on Friday, the 15th December 2006, at 9:30 A.M at Village 13/24 Village Daulatpur, New Delhi - 110043, to transact the following businesses:

ORDINARY BUSINESS

- 1.To receive, consider and adopt the Audited Balance Sheet as on 30th June, 2006, Profit & Loss Account for the period ended on that date and the Reports of the Board of Directors & Auditors thereon.
- 2.To appoint a Director in place of Mr. Mahesh Chandra Agarwal, who retires by rotation at this meeting and being eligible, offer himself for re-appointment.
- 3.To appoint auditors to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

By Order of the Board of Directors

-Sd-
Rajat Prasad
Managing Director

Place : New Delhi
Date : 16.11.2006

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND SUCH NEED NOT 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 meeting.
2. Members proxies should bring the attendance slip sent herewith, duly filled in for attending the annual general meeting. Members are requested to bring their copy of annual Report while attending the Annual General Meeting..
3. The Register of Members and the Share Transfer books shall remain closed from 06.12.2006 to 08.12.2006 (both days Inclusive).
4. Members desiring any information as regards accounts are requested to write to the Company at least 7 days before the date of meeting, so as to enable the management to keep the information ready./proxies should bring their copy of the Annual Report for reference at the meeting as also the attendance slip duly filled in for attending the meeting.
5. Members desirous of appointing their nominee for the shares held by them may apply in the revised nomination form (Form 2B) in duplicate. Members are informed that in case of joint holders attending the meeting, only such joint holder who is first in the order of names will be entitled vote.
6. As per SEBI guidelines the Company has appointed Alankit Assignments Limited, RTA Division, 2E/8, Jhandewalan Extension, New Delhi-110 055 as its Share Transfer Agent for both Physical and Demat Shares.

By Order of the Board of Directors



Sd/-

Rajat Prasad
Managing Director

Place : New Delhi

Date : 16.11.2006

DIRECTORS' REPORT**To the Members,**

Your directors take pleasure in presenting the Nineteenth Annual Report and Audited Statement of Accounts of the Company for the period ended on 30th June, 2006.

FINANCIAL RESULTS

The financial results of the Company for the period under review are summarised below. The previous figures in the financial statements have been regrouped, wherever necessary

Particulars	PERIOD ENDED 30 th June 2006 (12 months) (Rs. in Lacs)	PERIOD ENDED 30 th June 2005 (15 months) (Rs. in Lacs)
A. Gross Income	793.07	1616.89
B. Profit/Loss before Dep & Tax	(25.32)	197.21
C. Depreciation	37.82	44.45
D. Provision for Taxation	30.00	17
E. Profit after Tax	(93.14)	135.76
F. Less Income Tax adjustments Relating to earlier years	-	15.73
G. Transfer to General Reserve	NIL	NIL
H. Balance Carried to Balance Sheet	(93.14)	120.03

Performance

The Total income of the company during the period under review is 793.07 Lacs as compared to 1616.89 Lacs in the Previous period . The Company registered a LOSS after Tax and Depreciation amounting Rs.93.14 Lacs as against profit of 120.03 Lacs in the previous year.

SHARE CAPITAL

The Share Capital remained the same during the period under review.

DIRECTORS

During the year the Company has re-appointed Mr. Mahesh Chandra Agarwal, as Director who retires by rotation at this meeting and being eligible, offer himself for re-appointment.

PUBLIC DEPOSIT

Your company has never invited/accepted any deposit from the public within the meaning of Section 58A of the Companies Act, 1956 and the Rules made there under during the period under review.

AUDITORS

M/s Sandeep Ramesh Gupta & Co., Chartered Accountants, the Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for reappointment as the Auditors of the Company.

AUDITORS REPORT

The observation made by the Auditors in their report is self-explanatory and does not require any clarification.

DIVIDEND

In view of loss incurred by your company this Financial Year, the Board has not recommended any dividend for the period under review.

LISTING ON STOCK EXCHANGES

The shares of the company are listed with Delhi, Mumbai, Kolkata, Kanpur, Madras and Ludhiana Stock Exchanges. With the wide and extensive network of Mumbai Stock Exchange, the investors have access to online dealings in the company's equity shares across the country. The company is taking steps to delist its equity shares from Delhi, Madras, Kolkata, Kanpur and Ludhiana stock exchanges as there is hardly any trading on these stock exchanges and listing fee payable to these exchanges no more offer commensurate benefits to the company and its investors. Therefore, delisting of the equity from all but The Stock Exchange-Mumbai is considered necessary, firstly on the ground that the cost to the company would stand reduced and secondly that the interest of the members located in the regions where the said Stock Exchanges are located would remain unaffected.

There was no trading in shares of the Company during the period under review. The revocation of suspension in trading by BSE due to some pending compliance is under way.

DIRECTORS RESPONSIBILITY STATEMENT PURSUANT TO SECTION 217(2AA) OF COMPANIES ACT, 1956:

The Board of Directors hereby confirms that:

1. In the preparation of the annual accounts, all the applicable accounting standards had been followed. Your Directors had selected the accounting policies, which are in the best interest of the company and are as prudent so as to give a true and fair view of state of affairs of the company and of the profit or loss of the company for the accounting period ended 30th June, 2006
2. Your Directors had taken proper and sufficient care for the maintenance of accounting records for the period ended 30th June, 2006 in accordance with provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
3. Your Directors had prepared annual accounts on a going concern basis.

PERSONNEL

The Directors hereby wish to place their appreciation for the efficient and loyal services rendered by the staff of the Company. The Company has not paid any remuneration attracting the provisions, of the Companies (Particulars of Employees) Rules, 1975 read with section 217(2A) of the Company Act, 1956. Hence, no information is required to be appended to this regard.

CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION, AND INNOVATION

Since the Company does not own any manufacturing facility, the provision of Section 217(1) (e) of the Companies Act, 1956, read with the Companies (Disclosure of particular in the Report of Board of Directors) Rules 1988, are not applicable.

FOREIGN EXCHANGE EARNINGS & OUTGO

There is no Foreign Exchange earnings & Foreign Exchange Outflow during the year under review.

CORPORATE GOVERNANCE

A separate statement on Corporate Governance is produced as a part of the Annual Report with a certificate from the Auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under clause 49 of Listing Agreement of the Stock exchanges.

MANAGEMENT ANALYSIS AND DISCUSSION REPORT

Management discussion and analysis Report as required under the Listing Agreement with Stock Exchange is attached as Annexure to this Report.

ACKNOWLEDGEMENT

Your Board of Directors wishes their sincere thanks to Clients, Bankers, Agencies, various Government departments and Business Associates who have extended their continued support.

Your Directors also wish to place on record their appreciation for the wholehearted and sincere continuous support extended by the members who have also been a source of for the company.

On Behalf of the Board of Directors

Place : New Delhi
Date : 16.11.2006

-Sd-
RAGHUNANDAN PRASAD
Chairman

-Sd-
RAJAT PRASAD
Managing Director

CORPORATE GOVERNANCE**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE**

The Company's philosophy on Corporate Governance is to attain highest standards of transparency, accountability and business prosperity with the ultimate objective to enhance long term economic value of the Company, its shareholders. Your Company will continue its efforts towards raising its standards in Corporate Governance and will also review its system and procedures constantly in order to keep pace with the changing economic environment.

2. BOARD OF DIRECTORS**COMPOSITION OF THE BOARD**

The List of Directors of the Company are as under:

S. No.	Name of the Director	Designation	Status of the Director
1	Mr. Rajat Prasad	Managing Director	Executive
2	Mr. Raghunandan Prasad	Chairman	Non Executive
3	Mr. Mahesh Chnad Agarwal	Director	Non Executive/Independent

Brief Resume of the Directors to be appointed/re-appointed:**Mr. Mahesh Chand Agarwal**

He is B. Tech MS (USA) and has diversified business experience in industry, investment banking and Corporate Advisory. He is also the Director of the following Company namely CMR Design Automation (P) Ltd.

BOARD MEETINGS AND ATTENDANCE

Eight meeting of the Board of Directors held during the period under review. The Board regularly met to consider amongst other business matters, the quarterly performance of the Company, financial results & activities. Directors attending the meeting actively participated in the deliberations at these meetings.

During the period under review, the date on which Board meetings were held are as follows:

S. No	Date of Meeting
1	30-07-2005
2	16-08-2005
3	28-08-2005
4	31-10-2005
5	16-11-2005
6	19-11-2005
7	31-01-2006
8	29-04-2006
9	26-05-2006

ATTENDANCE OF EACH DIRECTOR AT THE BOARD MEETING AND LAST ANNUAL GENERAL MEETING (AGM) AND NUMBER OF COMPANIES WHERE HE IS DIRECTOR/MEMBER (AS ON THE DATE OF DIRECTOR'S REPORT)

Name of the Directors	No. of Board meetings attended (1 st July 2005 to 30 th June 2006)	Attendance at the last AGM held on 16.09.2005	No. of Memberships in Boards of other Companies*	No. of Membership in other Board/Committees held in other Companies**	
				Chairman	Member
Mr. Rajat Prasad	10	Yes	NIL	NIL	NIL
Mr. Raghunandan Prasad	10	Yes	NIL	NIL	NIL

Mr. Mahesh Chand Agarwal	6	Yes	NIL	NIL	NIL
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* Directorship in Private Companies, Companies incorporated outside India are excluded for this purpose.

** For this purpose Audit Committee, Shareholders/Investors' Grievance Committee and Remuneration Committee is considered.

(3) AUDIT COMMITTEE

The Company has an Audit Committee comprising of three Directors out of which two are Non- executive and one Independent Director. The terms of reference stipulated by the Board to the Audit Committee covers areas mentioned under Clause 49 of the listing agreement and section 292A of the Companies Act, 1956 besides other terms as may be referred to by the Board of Directors.

The Audit committee met Four times during the period. The representative of the Statutory Auditor is invitee to audit committee meetings. The details of attendance of the members at the meetings are as under:-

Sr. No.	Name of Director	Position	Category	Attendance at Audit Committee Meeting
1.	Mr. Mahesh Chander Agarwal	Chairman	Independent	4
2.	Mr. Rajat Prasad	Member	Executive	4
3.	Mr. Raghunandan Prasad	Member	Non- Executive	4

(4) REMUNERATION COMMITTEE

The Remuneration Committee was constituted & it is now headed by Mr. Rajat Prasad as the chairman of the Committee. The Remuneration Committee of the company comprises of two Directors consisting of Mr. Rajat Prasad and Mr. Raghunandan Prasad. All the members of the committee attended the meeting. As on date following directors are drawing remuneration from the Company:

Mr. Rajat Prasad, was appointed Managing Director w.e.f. 30-09-2005 on a gross salary of Rs.1,25,000/- per month. Plus perquisites as approved by the members of the company.

No Remuneration was paid to any other director on account of sitting fees for attending various Board Meetings/committee meetings.

(5) SHARE TRANSFER & SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE

Following are the members of the Share Transfer & Shareholders/ Investors Grievance Committee:

Sr. NO.	Name of Director	Category
1.	Mr. Raghunandan Prasad	Non Executive
2.	Mr. Rajat Prasad	Executive

During the year company received 4 complaints. All the complaints were proper replied by the compliance officer of the company. All share transfer work was completed by our Share Transfer Agents within the statutory period except in some cases in which there was delay. On the date of this report no investors complaints are pending.

(6) GENERAL BODY MEETING

Details of Annual General Meeting (AGM) for the last Three Years:

Description of Meeting	Date	Venue	Time	No. of Special resolution passed
18 th AGM	16 th September 2005	13/24, Village Daulatpur, New Delhi-110 043	9.30 AM	0
17 th AGM	23 rd June, 2004	13/24, Village Daulatpur, New Delhi-110 043	9:30 A.M.	1
16 th AGM	26 th March 2003	13/24, Village Daulatpur, New Delhi-110 043	9.30 A.M.	0

No Extra Ordinary General Meeting was held during the period under review.

(7) DISCLOSURE

1. Related parties & transaction with them as required under Accounting Standard 18 (AS- 18) are furnished as item No.6 of Schedule B relating to Significant & Accounting Policies and Notes on Accounts attached to & forming part of Balance Sheet & Profit & Loss Account for the period ended 30.06.2006
2. There is no pecuniary relationship or transaction with Independent/Non executive Director.
3. None of transactions with any of any of related parties were in conflict with the interest of the Company.

(8) MEANS OF COMMUNICATION

Complying with provision of the Listing Agreement, norms, Guidelines and Circulars etc. and Information like Quarterly Financial results and other significant developments in the Company has been made available from time to time to the press and had also been submitted to the Stock Exchanges to enable them to put them on their websites. The Company has regularly published its Quarterly & half yearly financial results generally in the Newspaper i.e. Business Standard/ PIONEER (ENGLISH) & VEER ARJUN (HINDI).

Management Discussion and analysis report is attached to this report.

(9) CEO/CFO CERTIFICATION

The Chairman has signed a certificate accepting responsibility for the financial statement and confirming the effectiveness of the internal control systems, as required in Clause 49 of the Listing Agreement with the Stock Exchanges which is given separately herewith.

(10) SHAREHOLDERS' INFORMATION**Annual General Meeting : 19th Annual General Meeting**

Date : 15th December, 2006
 Location : 13/24, VILLAGE DAULATPUR, NEW DELHI-110 043
 Time : 9:30 A.M.

Date of Book Closure

The Transfer Books of the company shall remain closed from 06th December 2006 to 8th December 2006 (both days inclusive) for the purpose of Annual General Meeting.

Stock Code

ISIN No. : INE 229D01011
 Scrip Code : 511626 at Bombay Stock Exchange

Listing on Stock Exchanges:

The shares of the company are listed at Mumbai, Delhi, Kanpur, Ludhiana, Kolkata and Madras Stock Exchanges. However, there is no trading DURING THE PERIOD.

Market Price Data

The Company's equity shares are listed at Bombay Stock Exchange (BSE), The Trading is suspended by the said exchange w.e.f. February, 2003. _____

Dematerialisation of Shares

Company has entered into an agreement with CDSL & NSDL whereby the shareholders have the option to dematerialize their shares with either of depositories. Equity shares of Company are actively traded at Bombay Stock Exchange, Mumbai.

Status of Issued Share Capital as on 30.06.2006

Total Issued Capital	No. of Shares	% of Total Capital
Demat Form	4214580	76.20
Physical Form	1315770	23.80
Total	5530350	100

Registered office

412-422, Indraprakash Building,
 21, Barakhamba Road, New Delhi-110 001

Corporate Office

412-422, Indraprakash Building,
 21, Barakhamba Road, New Delhi-110 001

Address for correspondence

	Company	REGISTRAR AND SHARE TRANSFER AGENT
Contact Person:	Mr. Subhash Narang	Mr. J.K. Singla
Address: Registered Office	412-422, Indraprakash Building, 21, Barakhamba Road, New Delhi-110001	Alankit Assignments Limited RTA Division, 2e1/8 First Floor, Jhandwala Extension, New Delhi-110055
Corporate office	011-23352496/97/98 011-23353703	Ph-5140060-63 011-51540064
Fax-		