

NATRAJ

FINANCIAL & SERVICES LIMITED

Report  Junction.com

Annual Report

2006-07



Natraj Financial & Services Ltd.

(Formerly : Natraj Commercial Enterprises Ltd.)
Regd Off. : 12/D-1, Estee Jeejay Co-Op. Hsg. Society,
Saibaba Nagar, Borivali (West), Mumbai - 400 092.
Tel. : (022) 2864 8612 • Fax (022) 2864 9551
e-mail - nslindia@hotmail.com

NOTICE

NOTICE is hereby given that the Twenty Third Annual General Meeting of the Members of **Natraj Financial & Services Limited** will be held at 12/D-1, Esteejeejay C.H.S., Sai Baba Nagar, Borivali (W), on Friday, the 28th day of September, 2007 at 3:00 P.M. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2007 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Tejash Shah, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.

SPECIAL BUSINESS:

3. To Consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

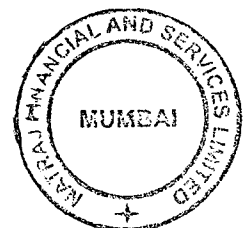
"RESOLVED THAT M/s Jain & Choudhary, Chartered Accountants, who have given the certificate to the effect that, if appointed, their appointment will be as per provisions of Section 224 of the Companies Act, 1956, be and are hereby appointed as the Statutory Auditors of the Company, to fill the casual vacancy caused by the resignation of M/s. Durgesh Kabra & Co, Chartered Accountants, to hold the office until the conclusion of the next Annual General Meeting, on such remuneration as may be fixed by the Board of Directors plus reimbursement of out of pocket expenses."

4. To Consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

"RESOLVED THAT Mr. Vipin Kumar Sanklecha who was appointed as an Additional Director by the Board of Directors and as such who holds office upto the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the company has received notice in writing from a member pursuant to Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

5. To Consider and if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution**:

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"RESOLVED THAT Mr. Kamal Kishor Vyas who was appointed as an Additional Director by the Board of Directors and as such who holds office upto the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the company has received notice in writing from a member pursuant to Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

6. To Consider and if thought fit, to pass with or without modification, the following Resolution **as an Ordinary Resolution:**

"RESOLVED THAT Mr. Umesh Ved who was appointed as an Additional Director by the Board of Directors and as such who holds office upto the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the company has received notice in writing from a member pursuant to Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

7. To Consider and if thought fit, to pass with or without modification, the following Resolution **as an Ordinary Resolution:**

"RESOLVED THAT Mr. Asim Kumar Santara who was appointed as an Additional Director by the Board of Directors and as such who holds office upto the date of ensuing Annual General Meeting in terms of Section 260 of the Companies Act, 1956 ("Act") and in respect of whom the company has received notice in writing from a member pursuant to Section 257 of the Companies Act, 1956, proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the Company."

8. To Consider and if thought fit, to pass with or without modification, the following Resolution **as an Ordinary Resolution:**

"RESOLVED THAT in accordance with the provisions of Sections 269, 198, 309, and other applicable provisions, if any of the Companies, Act, 1956, and subject to the approval of the members and such other consents/approvals as may be required, Mr. Tejash Shah be and is hereby appointed as Whole-Time Director of the Company for a period of 3 year i.e. from 3rd January, 2007 to 2nd January 2010 at such perquisites as per details given below.

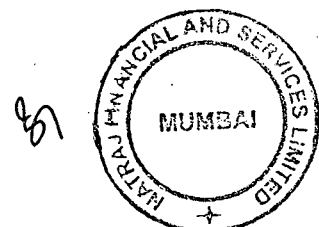
(A) Salary: Rs. Nil

(B) Perquisites:

(i) Provident Fund, Superannuation benefits and Gratuity as per the rules of the Company subject to the ceilings as per the guidelines for Managerial remuneration in force from time to time.

(ii) Provision of Company's Car with Driver.

"RESOLVED FURTHER THAT the Whole- Time Director shall function under the overall supervision of the Board of Directors and shall perform and discharge such



duties as may be assigned to him by the Board of Directors of the Company from time to time."

9. To Consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

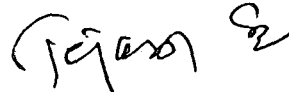
"RESOLVED THAT in accordance with the provisions of Sections 269, 198, 309, and other applicable provisions, if any of the Companies, Act, 1956, and subject to the approval of the members and such other consents/approvals as may be required, Mr. Manmohan Vyas be and is hereby appointed as Whole-Time Director of the Company for a period of 3 year i.e. from 3rd January, 2007 to 2nd January 2010."

"RESOLVED FURTHER THAT the Whole- Time Director shall function under the overall supervision of the Board of Directors and shall perform and discharge such duties as may be assigned to him by the Board of Directors of the Company from time to time."

10. To Consider and if thought fit, to pass with or without modification, the following Resolution as a Special Resolution:

"RESOLVED THAT pursuant to the provisions of Section 163 and all other applicable provisions, if any, of the Companies Act, 1956 the Register of Members, Index of Members, Register of Debenture holders, Index of Debenture holders and other related books be kept at the premises of the Company's Registrar and Transfer Agents viz. Intime Spectrum Registry Limited, C-13, Pannalal Silk Mills Compound, L. B. S. Marg, Bhandup (W), Mumbai 400072."

For and on behalf of the Board of Directors



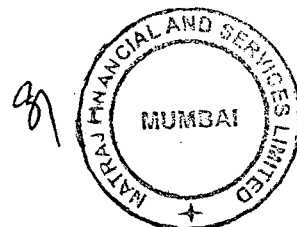
(Tejash Shah)
Whole Time Director

Place: Mumbai
Dated: 29th August, 2007

REGISTERED OFFICE:
12/D-1, Esteejeejay C.H.S.,
Sai Baba Nagar, Borivali (W),
Mumbai - 400092

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT



THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

2. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the Chairman, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
3. The Register of Members and Share Transfer Books will remain closed from Saturday, 22nd September 2007 to Friday, 28th September, 2007 (both days inclusive).
4. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at INTIME SPECTRUM REGISTRY LIMITED C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai 400078 in respect of their physical share folios.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
7. Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of Special Business under Item No. 3 to 10 of the Notice is annexed hereto.

EXPLANATORY STATEMENTS PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956

The following Explanatory Statement sets out all the material facts relating to the Special Business under Item No. 3 to 10 of the accompanying Notice of the 22nd Annual General Meeting of the Company to be held on Saturday, 29th September 2007 at 4.00 p.m.

Item No. 3:

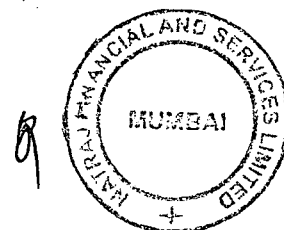
The term of office of M/s. Durgesh Kabra & Co., Chartered Accountant, Statutory Auditor of the Company expires at the conclusion of the Annual General Meeting. However, they have conveyed their inability to be re-appointed in the ensuing meeting due to their pre-occupations.

The Company had received letter from M/s. Jain & Choudhary Chartered Accountant, as the Statutory Auditor of the Company subject to the approval of shareholders of the company, to fill the casual vacancy caused by resignation of M/s. Durgesh Kabra & Co., Chartered Accountant have submitted a certificate under Section 224(1B) of the Companies Act, 1956 to the effect that their appointment, if made, will be within the limits specified under Section 224 of the said act.

The Board of Directors recommends the said resolutions for your approval.

None of the Directors is concerned or interested in the Resolution.

Item No. 4 to 7



In order to broad base the management of the company and also to comply with the requirement of Corporate Governance pursuant to Clause 49 of the Listing Agreement, During the year the Company have appointed Mr. Vipin Kumar Sanklecha as Additional Director of the company on 15th December 2006, Mr. Kamal Kishor Vyas, Mr. Asim Kumar Santara and Mr. Umesh H. Ved were appointed as Additional Director of the company on 16th April 2007.

As per the provision of Section 260 of the Companies Act, 1956 ('the Act') the Director who hold office only upto the date of the forthcoming Annual General Meeting of the Company, and are eligible for appointment as Director. The company has received notices under Section 257 of the Act, in respect of the candidates, proposing their appointment as a Director of the Company, alongwith the requisite deposit. The board recommends these resolutions for your approval.

Each of the Directors may be deemed to be interested in the resolution relating to his own appointment.

Item No. 8 & 9 :

Mr. Tejash Shah along with another company namely Sandesh Finvest Private Limited have taken over the management of the Company and acquired the control of the company on 22nd March 2006. Mr. Tejash Shah and Mr. Manmohan Vyas who is a Promoter and Director of Sandesh Finvest Private Limited were appointed as Director of your Company with effect from 22nd March, 2006

Mr. Tejash Shah alongwith Mr. Manmohan Vyas is a mixture of qualifications and experience viz. specialists in the areas of accounting and finance, technology relevant to the company, corporate management, marketing and industry knowledge etc.

In order to remunerate the above named Directors of the Company for increased responsibilities entrusted upon them under the law, the current trends and commensurate with the time devoted and the contribution made by them, the Board of Directors of the Company, at their meeting held on 3rd January 2007 have appointed Mr. Tejash Shah and Mr. Manmohan Vyas as Whole Time Director of your Company for a period of 3 years effective from 3rd January 2007.

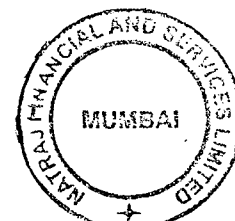
Clause 49 of Listing Agreement and Section 309(4) of the Companies Act, 1956 also requires a Special Resolution to be passed by the Members of the Company in General Meeting for appointment of Mr. Tejash Shah and Mr. Manmohan Vyas as Whole Time Directors of the Company.

None of the Directors except Mr. Tejash Shah, Mr. Manmohan Vyas and Mr. Kamal Kishor Vyas are interested in the resolution, if any.

The Board of Directors recommends the Resolution for the approval of the Members.

Item No. 10:

Under the provisions of the Companies Act, 1956, (the "Act") certain documents such as the Register and Index of Members, Register and Index of Debenture holders, other related books and papers etc., are required to be kept at the Registered Office of your



Company. However, these documents can be kept at any other place within the city, town or village in which the Registered Office of your Company is situated, with the approval of the Members to be accorded by a Special Resolution.

Your Company has appointed M/s. Intime Spectrum Registry Limited, Mumbai as its Registrar and Share Transfer Agent (RTA), who have been providing depository related services for the shares held in Demat mode and also acting as the Share Transfer Agent for the shares held in physical segment. Hence, the approval of the Members is sought in terms of Section 163(1) of the Act, for keeping the aforementioned Registers and documents at the premises of the RTA as stated in the resolution. The Board of Directors recommend the resolution as set out in the Notice for your approval.

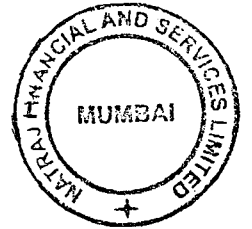
None of the Directors of your Company is, in any way, concerned or interested in the said resolution.

For and on behalf of the Board of Directors



**(Tejash Shah)
Whole Time Director**

**Place: Mumbai
Dated: 29th August, 2007**





Natraj Financial & Services Ltd.

(Formerly : Natraj Commercial Enterprises Ltd.)
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Saibaba Nagar, Borivali (West), Mumbai - 400 092.
Tel. : (022) 2864 8612 • Fax (022) 2864 9551
e-mail - ntslindia@hotmail.com

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 23rd Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2007.

FINANCIAL HIGHLIGHTS:

Particulars	(Amount in Lacs)	
	Year ended 31.03.2007	Year ended 31.03.2006
Total Income	18.53	30.14
Total Expenditure	7.74	8.49
Profit / (Loss) After Tax	9.80	21.59
Equity Share Capital	427.50	100.00

Future Outlook:

At present, the main activities of the company are Investment in Securities, Dealing in Securities i.e. listed shares, debentures and bonds and also syndicating Corporate and other Loans.

In the present scenario of capital market business and increasing participation of people at large in the equity market, the company sees huge business potential in to the broking business and therefore the company has recently procured Trading rights membership of The Bombay Stock Exchange Limited (BSE) and The National Stock Exchange of India Limited (NSE).

Dividend:

Your Directors do not recommend any dividend for the year ended on 31st March 2007 with a view to conserve the resources for future.

Directors:

Mr. Tejash Shah, Director of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

During the year, Mr. Vasant Kumar Vora has resigned from the directorship of the company w.e.f. 30th June 2006 due to his pre-occupation.. Mr. Saurin Shah have been appointed as Director on 30th June 2006 and resigned from the Directorship on 15th December 2006 due to his pre-occupation. Ms. Mansi Shah has been appointed as Director on 10th November 2006 and resigned from the Directorship w.e.f. 15th December 2006 due to her pre-occupation. The Board places on record their

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