



# SRI AMARNATH FINANCE LIMITED

22, Rajindra Park, New Delhi-110060 Ph. : 011-32622647  
E-mail : sriamarnath@hotmail.com

## NOTICE

**NOTICE** is hereby given that the Annual General Meeting of the members of **SRI AMARNATH FINANCE LIMITED** will be held at 22, Rajindra Park, New Delhi-110060 on Monday, 10<sup>th</sup> June, 2013 at 3:00 P.M. to transact the following business: -

### AS ORDINARY BUSINESS :

- 1) To receive consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2013 and the Profit & Loss Account for the year ended 31<sup>st</sup> March, 2013 and the report of Auditors and Director thereon.
- 2) To re-appoint M/S SINGH AND NAGAYACH as Auditors of the Company for the period commencing from the conclusion of this meeting until, the conclusion of next Annual General meeting on remuneration to be fixed by the Board of Directors.
- 3) To appoint Director in place of **MR. SURENDRA KUMAR JAIN** who retires by rotation at this meeting and being eligible offers himself for re-appointment.
- 4) To consider and if thought, fit to pass with or without modification (s), the following resolution as an ordinary resolution.

"RESOLVED that **MR. SUJAN MAL MEHTA** who has been co-opted as director of the Company on 17/08/2012 and in terms of section 260 of the Companies Act, 1956 to hold office as additional director until this Annual General Meeting, and has offered himself for re-appointment, be and is hereby appointed as Director of the Company".

To consider and if thought, fit to pass with or without modification (s), the following resolution as an ordinary resolution.

"RESOLVED that **MR. ANIL PRAKASH** be and is hereby appointed as Director of the Company".

BY ORDER OF THE BOARD  
SRI AMARNATH FINANCE LIMITED

**SURENDRA KUMAR JAIN**  
DIRECTOR

Place: New Delhi  
Date: 13.05.2013



### NOTES:

- 1) A member entitled to attend and vote is entitled to appoint a proxy or proxies to attend and vote instead of himself /herself and a proxy need not be a member. Proxies in order to be effective must be received by the company, not less than 48 hours, before the time for holding the meeting. The proxy form is enclosed.
- 2) The Register of Members and Share Transfer Books will remain closed from 4<sup>th</sup> Day of June, 2013 to 10<sup>th</sup> Day of June, 2013 (both days inclusive).
- 3) Members are requested to notify the change of address, if any, to the Share Department of the Company.
- 4) As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report to the Meeting.
- 5) As per the Provisions of the amended Companies Act, 1956 facilities for making nomination is now available to the shareholder of the company in respect of shares held by them.
- 6) Members are requested to affix their signatures at the space provided for on the attendance sheet annexed to the proxy form and hand over the slip at the entrance to the place of the meeting.



# DIRECTOR'S REPORT

To  
The Members,  
**M/s SRI AMARNATH FINANCE LIMITED**

Your Directors have pleasures in presenting the Annual Report of the Company together with the audited accounts for the year ended 31<sup>st</sup> March, 2013.

## FINANCIAL RESULTS

Particulars	Year Ended 31 <sup>st</sup> March, 2013	Year Ended 31 <sup>st</sup> March, 2012
Profit/(Loss) before tax	22,70,159.86	10,69,064.78
Less: Provision as per RBI Act		
Contigent Provision for Standard Asset	(15,213.00)	(730,030.00)
Provision for Loss Asset	(1,20,00,000.00)	-
Less: Provision For Taxation		
Current Tax	714,420.00	263,890.00
Earlier Year Tax	95,065.00	215,048.00
Deferred Tax Asset	(143,092.00)	22,200.00
Profit/(Loss) after tax	(10,411,446.14)	1,297,956.78
Add: Balance brought forward from last year	728,154.06	(310,211.36)
Surplus available for appropriation	(9,683,292.08)	987,745.42
Less: Appropriations		
Dividend on Equity Shares paid	-	-
Tax on Dividend paid	-	-
Proposed Dividend	-	-
Tax on Proposed Dividend	-	-
Transfer to Reserve Fund u/s 45IC of RBI	-	259,591.36
Surplus carried to Balance Sheet	(9,683,292.08)	728,154.06

## GENERAL CORPORATE MATTERS

The company is currently engaged in sale and purchase of shares & securities. The year under report has been difficult for the Stock Market as the market behaved with great volatility and Market Index showed movement both upward and downward frequently. Moreover, payment problems affecting Stock Market also caused considerable damage to the investor's confidence in the market. It also affected the overall turnover in the Stock Market. The Stock Market Index as on 31<sup>st</sup> March, 2013 were at low levels as a result of which there was low valuation of stock held by the company at the end of the year. The company also intends to make expansion in providing loans and advances and finance to different persons, firms and bodies corporate



## **CORPORATE GOVERNANCE**

Your company has always striven to incorporate appropriate standard for good corporate governance and has been practicing these principles since inception. Corporate Governance has evolved in the company over the years, not only on account of regulatory requirements but also on account of sound management values for enhancing and meeting stockholder's expectations. The company is taking adequate steps to ensure that all mandatory provisions of Corporate Governance as prescribed under the Listing Agreement of the Stock Exchange are complied within the time schedule laid down by Stock Exchange.

## **GENERAL INFORMATION**

The shares of your company are listed on the Delhi Stock Exchange. Pursuant to the SEBI Guidelines the company's Equity Share has been under process to be converted in to electronic mode.

## **DIVIDEND**

As the company kept the profits for investment in better projects it regret not to recommend any dividend. But the directors are hopeful better result in ensuring future.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

As required under section 217(2AA) which was introduced by the Company (Amendment) Act, 2000 your Director confirms that:-

- a) In the preparation of the annual accounts, the applicable accounting standards have been followed.
- b) The Director have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company as on 31<sup>st</sup> March, 2013 and of the Profit of the Company of the year ended 31<sup>st</sup> March, 2013.
- c) The Director have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the company and preventing and detecting fraud and other irregularities.
- d) The annual accounts are prepared on a going concern basis.

## **DIRECTORS**

**MR. SURENDRA KUMAR JAIN**, Director, Retire by Rotation and being eligible, offer himself for re-appointment at the ensuing Annual General Meeting.

**MR. ANIL PRAKASH** appointed as a Director of the Company at the ensuing Annual General Meeting.

## **AUDITORS**

To re-appoint **M/S SINGH AND NAGAYACH** Chartered Accountants as a Statutory Auditors of the Company to hold office from the conclusion of this meeting until, the conclusion of next Annual General Meeting and to fix their remuneration.



## **AUDITORS' REMARKS**

The observations made by the Auditors with reference to note on the accounts for the year under report are self explanatory and need no further comments from the Directors.

## **AUDIT COMMITTEE**

Present members of the Audit Committee are **Mr. Surendra Kumar Jain, Mrs. Priti Jain & Mr. Sujan Mal Mehta**. All the members of the Committee are having financial and accounting knowledge. **Mr. Sujan Mal Mehta** is the chairman of the Committee and quorum of the Committee is two members. The company secretary acts as secretary to the Committee. The role company terms of reference, the authority and power the committee are in conformity with the requirements of the Companies Act, 1956.

The Committee met four times during the year under review.

The Committee also met prior to finalization of accounts for the year ended 31<sup>st</sup> March, 2013.

## **PARTICULARS OF EMPLOYEES**

There are no employees in receipt of remuneration in excess of amount specified in Section 217(2A) read with Companies (Particular of employees) rules 1975 as amended.

## **SUBSIDIARY COMPANIES**

The Company does not have any subsidiary company.

## **NBFC REGISTRATION**

The company has been registered with Reserve Bank of India as Non Banking Finance Company Vide Registration No. B-14.01224 dated 4<sup>th</sup> January 2003.

## **NON-BANKING FINANCIAL COMPANIES AUDITORS REPORT (RESERVE BANK) DIRECTIONS, 1998**

Pursuant to the Non-Banking Financial Companies Auditors Report (Reserves Bank) Direction, 1998 a report from the Statutory Auditors to the Board of Directors' has been received by your company. This report has certified that the company has complied with all the directions and prudential norms as prescribed under the RBI Act, 1934.

## **LISTING INFORMATION**

The Company shares are listed with Delhi Stock Exchange Ltd., Delhi. Your Company has paid Annual listing fees up to date and there are no arrears.

## **CASH FLOW STATEMENT**

In conformity with the provisions of Clause 49 of the Listing Agreement with the Stock Exchange, the Cash Flow Statement for the year ended 31st March 2013 is annexed hereto.

## **FIXED DEPOSITS**

The Company has not accepted any deposits from the public, within the meaning of Section 58 – A of the Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 during the year under review.



## **STATUTORY INFORMATION**

The Company's (Disclosure of particulars in the report of Board of Directors) Rules 1988, requires the disclosures of particulars regarding conservation of energy in Form A and technology Absorption in Form B prescribed by the rules. The requirement of Forms A and B are not applicable, as the company is not manufacturing company. The company had no foreign Exchange out-go or inflow during the year.

## **TRANSFER TO RESERVES**

During the year under review Company has not transferred any amount to the Reserves Fund as there are no profit left after making necessary provision as per RBI and Income Tax Act.

## **NON ACCEPTANCE OF PUBLIC DEPOSITS**

The Company has not accepted any Public Deposits or any Fixed Deposit during the year 2012-13 and hence there are no defaults in repayments of amount of principle or interest as on the date of Balance Sheet

## **NON-BANKING FINANCIAL COMPANIES AUDITORS REPORT (RBI) DIRECTIONS, 1998**

Pursuant to the Non-Banking Financial companies auditors report (Reserves Bank) directions, 1998 a report from the Statutory Auditors to the board of directors' has been received by your company. This report has certified that the company has complied with all the directions and prudential norms as prescribed under the RBI act, 1934.

## **EXPOSURE TO REAL ESTATE**

Exposure to Real Estate is NIL.

## **ACKNOWLEDGEMENT**

Your Director expresses their sincere appreciation for the co-operation, patronage, assistance and guidance by their business associates bankers and clients.

The Board members also place on record their appreciation of the service rendered by the dedicated employees of the company.

The Board also beholden to you all, partners in our enterprises, for your confidence, encouragement and unstinting support.

**FOR AND ON BEHALF OF THE BOARD**



**SURENDRA KUMAR JAIN  
CHAIRMAN**

Place: New Delhi

Date: 13.05.2013



Auditors' Report to the members of  
**SRI AMARNATH FINANCE LIMITED**

Report on the Financial Statements

We have audited the accompanying financial statements of M/s Sri Amarnath Finance Limited which comprise the Balance Sheet as at March 31, 2013, Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position and financial performance of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act 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 March 31, 2013;
  - (b) in the case of the Profit and Loss Account, of the loss for the year ended on that date;
  - (c) in the case of Cash Flow Statement, of the cash flows for the year ended on that date
1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.





2. As required by section 227(3) of the Act, we report that:

- a) we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
- c) the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- e) on the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

3. The provisions of section 58A of the Companies Act, 1956 are not applicable to the company Further, as required by NBFC auditor's report (RBI) directions, 1998 we report that: -

- a) The Company has applied for registration as provided in section 45 IA of the RBI Act, 1934 and it has received registration certificate bearing No. B – 14.01224 dated 04.01.2003
- b) The Board of Directors has passed a resolution for non-acceptance of any public deposit.
- c) The company has not accepted any public deposit during the relevant year
- d) The company has complied with the prudential norms relating to income recognition, accounting standards, asset classification and provisioning for bad and doubtful debts as applicable to it.

For **Singh and Nagayach**  
Chartered Accountants  
FRN- 014131C

(**Ashish Kumar Nagayach**)  
Partner  
M.No. 405961

Delhi, May 13<sup>th</sup> 2013



## ANNEXURE TO THE AUDITORS' REPORT

Referred to in paragraph (3) of our report of even date of SRI AMARNATH FINANCE LIMITED, for the year ended 31<sup>st</sup> March 2013;

1. (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.  
(b) These Fixed Assets have been physically verified by the management at reasonable intervals; the same has been properly dealt with in the books of accounts.  
(c) The Company has not disposed off any Fixed Assets during the year.
2. (a) On the basis of information and explanation provided by the management, there are no Inventories with the company under review, so this clause is not applicable.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act:-  
(a) The company has neither granted nor taken any unsecured loan from such parties during the year.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to the purchase and sale of Shares.
5. (a) Based on the audit procedures applied by us and according to the information and explanations given to us, we are of opinion that the transactions that need to be entered into a register maintained under section 301 of the Companies Act, 1956 are being so entered.  
(b) As per the audit procedures applied by us, and according to the information and explanations given to us, with respect to the transaction as entered in the register maintained under section 301, exceeding the value of five lac rupees in respect to any party during the financial year, the prices at which these have been made are reasonable having regard to the market prices prevailing at the time of the transaction.
6. The company has not accepted deposits from the public as defined in section 58A and 58AA of the Companies Act, 1956 and the Companies (Acceptance of Deposits) rules, 1975.
7. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
8. We have been informed that the Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for the year under review.
9. (a) The company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Sales Tax, Service Tax and any other statutory dues with the Appropriate Authorities.  
(b) According to information and explanation given to us and as per the books and records examined by us, there are no dues of income tax, custom duty, excise duty, sale tax, wealth tax and cess which have not been deposited on account of any dispute within six months from the date they become payable.





10. There are accumulated losses in the company but it does not exceed 50% of its Net Worth. The company has neither incurred cash loss in the current financial year nor in the immediately preceding financial year.
11. According to the information and explanations given to us and as per the books and records examined by us, the company has not defaulted in repayment of dues to the financial institutions and banks.
12. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, during the year under audit.
13. In our opinion, the company is not a chit fund or nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditors Report) (Amended) Order 2004 are not applicable to the company.
14. The Company has maintained proper records of the transactions and contracts regarding dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the company in its own name except to the extent of the exemption granted under section 49 of the Act.
15. On the basis of information and explanation provided, the company has not given any guarantee for loans taken by others from the banks during the year.
16. On the basis of records available and information and explanation given to us, during the year the company has not taken any terms loan.
17. On the basis of information and explanation given to us and an overall examination of the balance sheet, we report that no funds raised on short-term basis have been used for long-term investments.
18. The company has not made any preferential allotment of shares during the year.
19. During the period covered by our audit report, the company has not issued any debentures.
20. The company has not raised any money by public issues during the year.
21. During the course of our examination of the books of account carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the company, noticed or report during the year, nor have we been informed of such case by the management.

For **Singh and Nagayach**  
Chartered Accountants  
FRN- 014131C

(**Ashish Kumar Nagayach**)  
Partner  
M.No. 405961N



Delhi, May 13<sup>th</sup> 2013