

22nd
ANNUAL REPORT
2004-2005

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SARASWATI
COMMERCIAL
(INDIA) LIMITED

Saraswati Commercial (India) Limited

BOARD OF DIRECTORS

Shri Harisingh H. Shyamsukha
 Shri Jaysukhlal N. Shah
 Shri Parag J. Shah

BANKERS

HDFC Bank
 Oriental Bank of Commerce

AUDITORS

M/s Ajmera Ajmera & Associates
 Chartered Accountants
 Mumbai - 400 064.

REGISTERED OFFICE

15, Chittaranjan Avenue,
 4th Floor,
 Kolkata - 700 072.

CORPORATE OFFICE

K. K. Chambers 4th Floor,
 Sir Purshothomdas Thakurdas Marg,
 Fort, Mumbai - 400 001.

**REGISTRAR & SHARE
TRANSFER AGENT**

Tata Share Registry Ltd.
 Army and Navy Building,
 148, M. G. Road, Fort,
 Mumbai - 400 001.

Contents	
Notice	3
Directors' Report	7
Auditor's Report	12
Balance Sheet	15
Profit & Loss Account	16
Schedules	17
Cashflow	29
Proxy	30

NOTICE

NOTICE is hereby given that the Twenty Second Annual General Meeting of the Members of Saraswati Commercial (India) Limited will be held at the Registered office of the Company at 15, Chittaranjan Avenue, 4th Floor, Kolkata - 700 072 on Saturday, the 27th day of August, 2005 at 12.00 p.m. to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2005 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 Shri Parag J. Shah, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint Auditors to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorise the Board of Directors to fix their remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

"RESOLVED THAT pursuant to Section 31 and all other applicable provisions, if any, of the Companies Act, 1956, the Articles of Association of the Company be and are hereby altered, amended and/ or substituted in the manner and to the extent set out herein:

A. Following interpretations be inserted in Article 1 at the end -

"Depositories Act" means the Depositories Act, 1996 including any statutory modifications or re-enactment thereof.

"Depository" means a Company formed and registered under the Companies Act, 1956 and which has been granted a certificate of registration to act as a depository under the Securities and Exchange Board of India Act, 1992.

"Beneficial Owner" means a person whose name is recorded as such with a Depository.

"Bye-Laws" means bye-laws made by a Depository under section 26 of the Depositories Act.

"Securities and Exchange Board of India (SEBI)" means the Securities and Exchange Board of India established under section 3 of the Securities and Exchange Board of India Act, 1992.

"Security" means such security as may be specified by the SEBI from time to time.

"Record" includes the records maintained in the form of books or stored in computer or in such other forms as may be determined by regulations made by SEBI.

"Member" means the subscribers to the Memorandum of the Company and duly registered holders from time to time of the shares of the Company and includes every person whose name is entered as a Beneficial Owner in the records of the Depository.

Existing interpretation of 'Dividend' be deleted and substituted with the following:

"Dividend" includes interim dividend.

Existing interpretation of 'Register' be deleted and substituted with the following:

"Register" means the Register of the Company required to be kept under Section 150 of the Act and includes the Register and Index of Beneficial Owner maintained by the depository under Section 11 of the Depositories Act, 1996.

B. By inserting the following Article as Article 5(c), 5(d) and 5(e) after existing Article 5(b)-

5(c). Notwithstanding anything contained in these Articles, the Company shall be entitled to dematerialise its existing securities and to offer securities in a dematerialise form pursuant to the Depositories Act, 1996.

5(d). The Company shall be entitled to rematerialise its shares, debentures and other securities held in the Depository pursuant to the Depositories Act, 1996.

Saraswati Commercial (India) Limited

5(e). All securities held by depository shall be dematerialised and be in fungible form.

C. By inserting the following Articles as Article 17A, 17B and 17C after existing Article 17 -

17A. Notwithstanding anything in the Act or these Articles to the contrary, where securities are held in a Depository, the records of the beneficial ownership may be served by such Depository on the Company by means of electronic mode or by delivery of floppies or discs.

17B. Notwithstanding anything in the Act or these Articles, where securities are dealt with by a Depository, the Company shall intimate the details thereof to the Depository immediately on allotment of such securities.

17C. Notwithstanding anything contained in the Act or these Articles regarding necessity of having distinctive numbers for securities issued by the Company shall apply to securities held with a depository.

D. By inserting the following words at the end of existing Article 27 -

No share certificate shall be issued for shares held in or allotted by Depository.

E. By inserting the following Article as Article 28A after existing Article 28 -

28A. Every person subscribing to securities offered by the Company shall have the option to receive security certificates or to hold the securities with a Depository. Such person who is the beneficial owner of the securities can at any time opt out of a depository, if permitted by law, in respect of any security in the manner provide by the Depositories Act, 1996 and the Company shall in the manner and within the time prescribed, issue to the beneficial owner the required certificate of securities.

F. By inserting the following words at the end of existing Article 57 -

Nothing contained in Section 108 of the Act or these Articles shall apply to a transfer of securities effected by a transferor and transferee both of whom are entered as beneficial owners in the records of a Depository.

G. By inserting the following Article as Article 57A after existing Article 57 -

57A (a) Notwithstanding anything to the contrary contained in the Act or these Articles, a Depository shall be deemed to be the registered owner for the purposes of effecting transfer of ownership of security on behalf of the Beneficial Owner.

(b) Save as otherwise provided in (a) above, the Depository as the registered owner of the securities shall not have any voting rights or any other rights in respect of the security held by it.

(c) Every person holding securities of the Company and whose name is entered as the Beneficial Owner in the records of the Depository shall be deemed to be a member of the Company. The Beneficial Owner of securities shall be entitled to all the rights and benefits and be subject to all the liabilities in respect of his securities which are held by a Depository.

H. In Article 61 following be added at the end -

In respect of dematerialised shares the provisions as specified in the Depositories Act, 1996 shall apply.

I. By inserting the following Article as Article 69(d) after existing Article 69(c)-

69(d) In the securities held in electronic and fungible form in a depository, the provisions of the Depositories Act, 1996 shall apply.

J. By inserting the following Article as Article 95A after existing Article 95 -

95A. Notwithstanding anything contained in these Articles, the Company may and in the case of resolutions relating to such business as the Central Government may declare to be conducted only by postal ballot, shall, get such resolution passed by means of a postal ballot instead of transacting the business in general meeting of the Company. Where the Company requires to, or decides to, as the case may be, get a resolution passed by means of postal ballot, the provisions of Section 192A of the Act and such other rules framed thereunder from time to time shall be complied with.

22nd Annual Report 2004 - 2005**K. By inserting the following Article as Article 120A after existing Article 120 -**

120A. The Company shall constitute a Committee of the Board known as 'Audit Committee'. The constitution of the Audit Committee shall be governed by the provisions of Section 292A of the Act and such other regulations governing the matter from time to time.

L. In existing Article 121, the following be added at the end -

Provided that the Company may have a Director elected by small shareholders in the manner as may be prescribed under the provisions of Section 252 of the Act or such other rules governing from time to time.

By order of the Board of Directors

Place: Mumbai
Dated: 18th June, 2005

JAYSUKHLAL N. SHAH
DIRECTOR

REGISTERED OFFICE:
15 Chittaranjan Avenue,
4th Floor,
Kolkata - 700 072

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.
2. Proxies, in order to be effective, must be received at the Company's Registered Office not later than 48 (forty-eight) hours before the time fixed for holding the meeting.
3. 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.
4. The Register of Members and Share Transfer Books will remain closed from Monday, 22nd August 2005 to Saturday, 27th August 2005 (both days inclusive).
5. 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 M/s. Tata Share Registry Limited, Army and Navy Building, 148, M. G. Road, Fort, Mumbai - 400 001 in respect of their physical share folios.
6. Members are requested to bring their copy of Annual Report to the Meeting.
7. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
8. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of Item No. 4 is appended hereto.

Saraswati Commercial (India) Limited

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

Item No. 4

Amendment of Articles of Association

The Company needs to alter its Articles of Association to incorporate therein necessary clauses relevant to dematerialization of shares, Postal Ballot facility, constitution of Audit Committee, etc.

None of the Directors of the Company is concerned or interested in the said resolution.

The Directors recommend the resolution for your approval.

By order of the Board of Directors

Place: Mumbai
Dated: 18th June, 2005

**JAYSUKHLAL N. SHAH
DIRECTOR**

REGISTERED OFFICE

15, Chittaranjan Avenue,
4th Floor, Kolkata - 700 072.

DIRECTORS' REPORT

The Members,

Your Directors have pleasure in presenting the 22nd Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31st March, 2005.

FINANCIAL HIGHLIGHTS:

(Amount in Rs.)

Particulars	Year ended 31.03.2005	Year ended 31.03.2004
Sales and other Income	506530	2713961
Profit before Interest, Depreciation, and Tax	9188	1180616
Less: Interest	Nil	Nil
Less: Depreciation	2969	4939
Profit before Tax	12157	1185555
Less: Provision for Taxation	(428)	99501
Net Profit after Taxation	12585	1086054
Add: Balance brought forward from Previous Year	12641966	11555912
Balance carried to Balance Sheet	12654551	12641966

DIVIDEND:

Your Directors are not recommending any dividend for the year ended on 31st March 2005 to conserve the resources for future.

DIRECTORS:

Shri Parag J. Shah, Director, retire by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

PUBLIC DEPOSITS:

The company has not accepted any deposits from public.

APPOINTMENT OF SHARE TRANSFER AGENT:

The company has appointed TATA SHARE REGISTRY LIMITED having its Office at Army and Navy Building, 148, Mahatma Gandhi Road, Fort, Mumbai - 400 001. as its Registrar and Share Transfer Agents. Accordingly all documents, transfer, demat requests and other Communications in relation thereto should be addressed to the Registrar directly at the above address.

CONNECTIVITY WITH NSDL & CDSL:

During the year company has entered into the Agreement with NSDL & CDSL for dematerialization of its equity shares and they have allotted Demat ISIN Number INE 967G01019.

PARTICULARS OF EMPLOYEES:

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirements of Section 217(2AA) of the Companies Act, 1956, your Directors confirm the following:

- in the preparation of the annual accounts, the applicable accounting standards have been followed;
- that the Directors 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 at 31st March, 2005 and of the profit of the Company for that period;
- that the Directors have taken proper and sufficient care 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.
- that the annual accounts for the year ended March 31, 2005 have been prepared on a going concern basis.

Saraswati Commercial (India) Limited

AUDITORS:

M/s. Ajmera Ajmera & Associates, Chartered Accountants, the Statutory Auditors of the Company retire at the ensuing Annual General Meeting and being eligible, offer themselves for re-appointment. Members are requested to appoint auditors for the current year and to authorize the Board to fix their remuneration.

AUDITORS' REPORT:

The observations made by the Auditors in their Report read with the relevant notes as given in the Notes on Accounts for the year ended 31st March, 2005 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Company is not engaged in any manufacturing activity and has no foreign collaboration and also has not imported or exported any goods and services Hence no report is given on the above matter.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to express their gratitude for the support and co-operation from the investors, Banks and Statutory Authorities. Your Directors express their deep appreciation to the Company's employees at all levels for their unstinted efforts and valuable contributions during the year.

For and on behalf of the Board of the Directors

Place : Mumbai

Dated : 18th June, 2005

JAYSUKHLAL N. SHAH

Director

HARISINGH SHYAMSUKHA

Director



SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31ST MARCH 2005 IN RESPECT OF SARASWATI COMMERCIAL (INDIA) LIMITED.

Registration No of the Company: 21 - 35720
Nominal Capital: Rs. 75,00,000/-

To,
The Members,
Saraswati Commercial (India) Limited,
Kolkata

I/We have examined the registers, records, books and papers of Saraswati Commercial (India) Limited (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the financial year ended 31st March 2005 (financial year). In my / our opinion and to the best of my / our information and according to the examinations carried out by me/us and explanations furnished to me/us by the Company, its officers and agents, I/We certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure 'A' to this certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a public limited Company, comments are not required.
4. The Board of Directors duly met Nine times respectively on 1st April 2004, 26th April 2004, 28th June 2004, 28th July 2004, 6th September 2004, 27th September 2004, 28th October 2004, 10th January 2005 and 24th January 2005 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from 22nd September 2004 to 27th September 2004.
6. The annual general meeting for the financial year ended 31st March 2004 was held on 27th September 2004 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No extra ordinary general meeting was held during the financial year.
8. The Company has not advanced any loans to its directors or persons or firms or companies referred to under section 295 of the Act.
9. The Company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The Company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, Members or Central Government.
12. The Company has not issued any duplicate share certificate during the financial year.
13. The Company:
 - (i) has not made any allotment/transfer/transmission of securities during the financial year.
 - (ii) has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year.
 - (iii) was not required to post warrants to any member of the company as no dividend was declared during the financial year.
 - (iv) was not required to transfer any amount to Investor Education and Protection Fund.
 - (v) has duly complied with the requirements of section 217 of the Act.