

**SARASWATI COMMERCIAL (INDIA) LIMITED**

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**25<sup>th</sup> Annual Report  
2007 - 2008**

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## **BOARD OF DIRECTORS**

Shri Jaysukhlal N Shah  
Shri Harisingh Shyamsukha  
Shri Anilkumar Rajan

## **BANKERS**

HDFC Bank  
Oriental Bank of Commerce

## **AUDITORS**

M/s Ajmera Ajmera and Associates  
Chartered Accountants,  
Sonal Link Industrial Estate,  
2/ 334, 3<sup>rd</sup> Floor, Near Movie Theatre,  
Malad (West), Mumbai-400 064.

## **REGISTERED OFFICE**

K.K. Chambers, 4<sup>th</sup> Floor,  
Sir Purshothomas Thakurdas Marg,  
Fort, Mumbai- 400 001

## **REGISTRAR & SHARE TRANSFER AGENT TSR DARASHAW LIMITED**

6-10, Haji Moosa Patrawala Industrial Estate,  
20, Dr. E. Moses Road,  
Mahalaxmi, Mumbai – 400 011

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## NOTICE

**NOTICE** is hereby given that the Twenty Fifth Annual General Meeting of the Members of **Saraswati Commercial (India) Limited** will be held at the Registered office of the Company at K.K. Chambers, 4<sup>th</sup> Floor, Sir Purushottamdas Thakurdas Marg, Fort, Mumbai- 400 001 on Saturday, the 27<sup>th</sup> day of September, 2008 at 2.00 p.m. to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2008 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 Anilkumar Rajan, 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.

**For and on behalf of the Board of Directors**

**Place: Mumbai**  
**Dated: 18<sup>th</sup> August, 2008**

**JAYSUKHLAL SHAH**  
**CHAIRMAN**

### **REGISTERED OFFICE:**

K. K Chambers, 4<sup>th</sup> Floor,  
Sir Purushottamdas Thakurdas Marg,  
Fort, Mumbai- 400 001.

### **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, 20<sup>th</sup> September, 2008 to Saturday, 27<sup>th</sup> September, 2008 (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 M/s. TSR Darashaw Limited, 6-10, Haji Moosa Patrawala Industrial Estate, 20 Dr. E Moses Road Mahalaxmi Mumbai – 400 011 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.

## DIRECTORS' REPORT

### DIRECTORS' REPORT

The Members, Your Directors have pleasure in presenting the 25<sup>th</sup> Annual Report on the operations of the Company together with the Audited Accounts for the year ended 31<sup>st</sup> March, 2008.

### FINANCIAL HIGHLIGHTS:

Particulars	(Amount in Rs.)	
	Year ended 31.03.2008	Year ended 31.03.2007
Sales and other Income	21,78,856	92,57,457
Profit before Interest, Depreciation, and Tax	15,21,258	83,88,986
Less: Interest	15,18,893	67,96,241
Less: Depreciation	648	1,076
Profit before Tax	1,717	15,91,669
Add/(Less): Provision for Taxation		
a) Current Tax	-	(1,18,500)
b) Deferred Tax	(128)	224
Net Profit after Taxation	1845	1,473,393
Add: Balance brought forward from Previous Year	11,728,360	13,130,285
Less : Transferred to Reserved U/F 45IC of RBI Act.	369	28,75,318
Balance carried to Balance Sheet	11,729,836	1,17,28,360

### Dividend:

Your Directors are not recommending any dividend for the year ended on 31<sup>st</sup> March 2008 to conserve the resources for future.

### Operations & Performance:

During the year ended 31<sup>st</sup> March, 2008, your Company achieved a total income aggregating to Rs. 21,78,856/- as compared to Rs. 92,57,457/- during the previous year ended 31<sup>st</sup> March, 2007. After providing for Depreciation, Finance Charges and Taxation, the Company has registered a profit before tax of Rs. 1,845/- which has been carried to the Balance sheet.

The Company maintains adequate internal control systems covering all its operation areas. The Directors are putting in their efforts and are hopeful of improved working during the years to come.

Barring unforeseen circumstances, your Directors are confident of achieving better results in the ensuing year.

### Directors:

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

### Alteration of the Memorandum of Association of the Company:

During the year the company has not altered the Memorandum of Association of the Company.

### Public deposits:

The company has not accepted any deposits from public.

**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 31<sup>st</sup> March, 2008 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, 2008 have been prepared on a going concern basis.

**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 31<sup>st</sup> March, 2008 are self explanatory and therefore do not call for any further comments under Section 217(3) of the Companies Act, 1956.

**Secretarial Compliance Certificate:**

The Secretarial Compliance Certificate issued by M/s. Nishant Jawasa & Associates, Company Secretaries, pursuant to the requirement of proviso to sub-section (1) of section 383A of the Companies Act, 1956 is enclosed herewith.

**Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo:**

A] Conservation of Energy and Technology Absorption:

The Company has not engaged in any manufacturing activity and had no foreign collaboration and also has not imported or exported any goods and services.

B] Foreign Exchange Earnings & Outgo:

(Rs. In Lacs)

<b>PARTICULARS</b>	<b>2007-2008</b>	<b>2006-2007</b>
Foreign Exchange Earning	Nil	Nil
Foreign Exchange Outgo	Nil	Nil

**Acknowledgements:**

Your Directors take this opportunity to express their gratitude for the support and co-operation from the investors, Financial Institutions, Banks, and Statutory Authorities, Customers. 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 DIRECTORS**

Place: Mumbai  
Dated: 18<sup>th</sup> August, 2008

**HARISHSINGH SHYAMSUKHA**  
DIRECTOR

**ANILKUMAR RAJAN**  
DIRECTOR

## SECRETARIAL COMPLIANCE CERTIFICATE FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2008 IN RESPECT OF SARASWATI COMMERCIAL (INDIA) LIMITED.

Registration No of the Company: **U51909MH1983PTC166605**  
Nominal Capital: **Rs. 75,00,000/-**  
Paid-up Share Capital: **Rs. 64,00,000/-**

### COMPLIANCE CERTIFICATE

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

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 2008** (financial year). In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers and agents, 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 **Ten** times respectively on **9th April 2007, 16th June 2007, 4th July 2007, 31st July 2007, 24th August 2007, 28th September 2007, 24th October 2007, 4th January 2008, 24th January 2008 and 20th February, 2008** 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 Saturday, 22nd September, 2007 to Friday, 28th September, 2007 (both days inclusive).
6. The annual general meeting for the financial year ended 31st March 2007 was held on 28th September, 2007 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) delivered all the Share certificates on lodgment thereof for/transfer/transmission and there was no allotment 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.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy during the financial Year.
15. The Company has not appointed any Managing Director / Whole time Director / Manager during the financial year.
16. The Company has not appointed any sole selling agents during the financial year.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and / or such authorities prescribed under the various provisions of the Act during the financial year.
18. The directors have disclosed their interest in other firms / companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
19. The Company has not issued any shares /debenture or other securities during the financial year.
20. The Company has not bought back any shares during the financial year.
21. There was no redemption of preference shares or debentures during the financial year.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- .
26. The Company has not altered any provisions of the Memorandum with respect to situation of the registered office of the Company.
27. The Company has altered the provisions of the Memorandum of Association with respect to the objects of the Company after obtaining approval of members by means of special resolution passed through postal ballot and complied with the provisions of the Act.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
26. The Company has not altered any provisions of the Memorandum with respect to situation of the registered office of the Company.



27. The Company has altered the provisions of the Memorandum of Association with respect to the objects of the Company after obtaining approval of members by means of special resolution passed through postal ballot and complied with the provisions of the Act.
28. The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
30. The Company has not altered its Articles of Association of the Company during the year under scrutiny.
31. There was no prosecution initiated against or show cause notices received by the Company and no fines or penalties or any other punishment was imposed on the Company during the period, for offences under the Act.
32. The Company has not received any money as security from its employees during the financial year.
33. The Company was not required to deduct any contribution towards Provident Fund during the financial year.

**Place: Mumbai**  
**Date: 30<sup>th</sup> June, 2008**

**For Nishant Jawasa & Associates**  
**Company Secretaries**

**Nishant Jawasa**  
**Proprietor**  
**(C.P. No. 6993)**

“Annexure A”

**Registers as maintained by the Company**

**Statutory Registers:**

1. Register of Members u/s 150
2. Register of Directors, Managing Director, Manager and Secretary u/s 303
3. Register of Disclosures of Interest by Directors u/s 301(3)
4. Minutes Book u/s 193
5. Register of Contracts u/s 301

**Other Registers:**

Register of Transfers

“Annexure B”

**Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended 31st March 2008.**

Sr. No.	Form No./ Return	Filed under Section	For	Date of Filing	Whether filed within prescribed timerequisite Yes/No	If delay in filing whether additional fee paid Yes/No
1	Form No. 23AC & 23ACA	S 220	Annual Requirement	17.10.2007	Yes	No
2	Form No. 20B	S 159	Annual Requirements	05.11.2007	Yes	No
3	Form No. 66	S 383A	Secretarial Compliance Certificate for the period ended 31 <sup>st</sup> March, 2007	17.10.2007	Yes	No

4.	Form No. 23	S 17, S 293(1)(a) and S 293(1)(d)	<p>Following resolution passed through Postal Ballot:</p> <p>1) Alteration of Object Clause</p> <p>2) Authority to the Board of Directors of the Company to borrow in excess of the aggregate of the paid-up capital of the Company and its free reserves up to a limit of Rs. 200 Crores at any time</p> <p>3) Authority to the Board of Directors to create mortgage, charge, hypothecation and floating charge on all or any of the immovable or movable assets/ properties of the Company both present and future and also to borrow from the bank or financial institution not exceeding Rs. 200 Crores.</p>	11.04.2007	Yes	No
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## AUDITOR'S REPORT

REPORT TO THE MEMBERS OF  
SARASWATI COMMERCIAL (INDIA) LIMITED.

We have audited the attached Balance Sheet of, SARASWATI COMMERCIAL (INDIA) LIMITED as at 31<sup>st</sup> March, 2008 and also the Profit and Loss Account for the year ended on that date annexed thereto and cash flow statement for the year ended on that date. 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.

We conducted our audit in accordance with 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 misstatements. 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.

As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, as amended by Companies (Auditor's Report)(Amendment) Order, 2004, and on the basis of such checks of the books and records of the company, as we considered appropriate, we enclose in the annexure a statement on the matters specified in Paragraphs 4 and 5 of the said order to the extent applicable.

Further to our comments in the Annexure referred to above, we report that:

- i). We have obtained all the informations 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 law have been kept by the company so far as appears from our examination of those books.
- iii). The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account.
- iv). **In our opinion, subject to note no. 4 of Schedule 'XII' regarding valuation of stock in trade of shares at cost instead of at lower of cost or market value, the Balance Sheet, the Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.**
- v). On the basis of written representations received from the directors, as on 31<sup>st</sup> March, 2008 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2008 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
- vi). In our opinion and to the best of our information and according to the explanations given to us, the said accounts subject to Note No. 4 of Schedule 'XII', regarding valuation of stock in trade, valued at cost price instead of lower of cost or market price, read together with other notes thereon appearing on schedule – 'XII' and elsewhere, 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, 2008;
- b). in the case of the Profit and Loss Account, of the 'Profit' for the year ended on that date; and
- c). in the case of cash flow statement, of the cash flows for the year ended on that date.

### ANNEXURE TO THE AUDITOR'S REPORT

#### **Annexure referred to in paragraph 3 of the Auditors' Report to the Members of Saraswati Commercial (India) Limited, on the Accounts for the year ended 31<sup>st</sup> March 2008.**

- 1) (a) The Company is maintaining proper records to show full particulars including quantitative details and situation of fixed assets.  
(b) As per information and explanations given to us, physical verification of fixed assets has been carried out in terms of the phased programme of verification of its fixed assets adopted by the company and no material discrepancies were noticed on such verification. In our opinion the frequency of verification is reasonable having regard to the size of the Company and nature of its business.  
(c) During the year, the Company has not disposed off any substantial / major part of fixed assets.
- 2) (a) The management has conducted physical verification of inventory at reasonable intervals.  
(b) In our opinion, the procedure followed by the management for such physical verification are reasonable and adequate in relation to the size of the Company and nature of its business.  
(c) The Company is maintaining proper records of Inventory. No discrepancies were noticed on verification between physical Inventory and the books records.
- 3) (a) The Company has granted loan to One party covered in the register maintained under section 301 of the Companies Act 1956 and maximum amount involved during the year was Rs.250400000/- and year end balance of loan granted to such parties was Rs. 4525120/-  
(b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not Prima facie Prejudicial to the interest of the Company.  
(c) The Company is regular in receipt of principal amount and interest wherever stipulated.  
(d) There is no overdue amount more than Rs.100000/- from such parties.  
(e) The Company has taken loan from one party covered in the registered maintained u/s 301 of the Companies Act 1956 and the maximum amount involved during the year was Rs.250600000/- and the year end balance of loan taken from such party was Rs.1274712/-.  
(f) The rate of interest and other terms and conditions of loan taken by the company are prime facie not prejudicial to the interest of the company.  
(g) The company is regular in payment of principal and interest wherever stipulated.
- 4) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the Size of the Company and the nature of its business for purchases of inventory and fixed assets and for the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weakness in internal control system.

- 5)
  - (a) Based on the audit procedures applied by us and according to the information and explanations provided by the management, we are of the opinion that the particulars of contracts or arrangements referred to in section 301 of the Companies Act 1956 have been entered in the register required to be maintained under that section.
  - (b) In our opinion and according to the information and explanation given to us, the transactions made in pursuance of the contracts or arrangements entered in the register maintained under section 301 of the Companies Act 1956 have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
- 6) In our opinion and according to the information and explanations given to us, the company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provision of the Companies Act 1956 and the rules framed hereunder. Hence, the Clause (vi) of the order is not applicable.
- 7) The Company has an internal audit system, which in our opinion, is commensurate with the size and nature of its business.
- 8) As informed to us, the maintenance of cost records has not been prescribed by the Central Government u/s. 209(1)(d) of the Companies Act 1956, in respect of the activities carried on by the Company.
- 9)
  - (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees state insurance, income tax, wealth tax, service tax, custom duty, excise duty, cess and other statutory dues wherever applicable. According to the information and explanations given to us, no undisputed arrears of statutory dues were outstanding as at 31<sup>st</sup> March 2008 for a period of more than six months from the date they became payable.
  - (b) According to the information and explanations given to us, there are no dues of Sales tax, income tax, custom duty, excise duty, wealth Tax, service Tax, and cess which have not been deposited on account of any dispute.
- 10) The Company has no accumulated losses at the end of the financial year and it has not incurred any cash loss in the current year nor in the immediately preceding financial year.
- 11) According to the information and explanations given to us and the records examined by us, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders.
- 12) In our opinion and according to the information and explanation given to us, no loans and advances have been granted by the company on the basis of security by way of pledge of Shares, Debentures and other securities.
- 13) In our opinion the Company is not a Chit fund or a nidhi / mutual benefit fund / Society. Therefore clause 4(XIII) of the Companies (Auditor's Report) order 2003 is not applicable to the Company.
- 14) The Company has maintained proper records of transactions and contracts in respect of trading in securities, debentures and other investments and timely entries have been made therein. All shares, debentures and other investments have been held by the company in its own name.
- 15) As per the information and explanations given to us, the terms and conditions of the guarantees given for loans taken by others from banks or financial institutions are not prejudicial to the interests of the company.
- 16) The company has not raised any new term loans during the year, nor any term loans were outstanding at the beginning of the year.

- 17) On the basis of an overall examination of the balance sheet and cash flow of the Company and the information and explanations given to us, we report that the company has not utilised any funds raised on short-term basis for long-term investments.
- 18) The Company has not made any preferential allotment of shares during the year.
- 19) The Company has not issued any debentures.
- 20) The Company has not raised any money by way of public issue during the year.
- 21) In our opinion and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year that causes the financial statements to be materially misstated.

As required by the Non Banking Financial Companies Auditors Report (Reserve Bank) Directions, 1998. We further state that we have submitted a Report to the Board of Directors of the Company containing a statement on the matters as specified in the said directions namely the followings:

- (i) The Company incorporated prior to January 9, 1997 had applied for registration as provided in section 45 IA of the Reserve Bank of India Act, 1934 (2 of 1934) and has been granted Registration Certificate No. 05.0287 dated 04.09.1998.
- (ii) The Board of Directors has passed a Resolution for non-acceptance of any Public Deposits on 09-04-2007
- (iii) The Company has not accepted any Public Deposits during the year under reference.
- (iv) 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.
- (v) The Company is engaged in the business of non-banking financial institution in the year under reference requiring it to hold certificate of registration under section 45IA of the RBI Act 1934.

**For AJMERA AJMERA AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**(SANDEEP AJMERA)  
PARTNER  
MEMBERSHIP NO.: 48277**

Place : Mumbai  
Date : 30<sup>th</sup> June 2008

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2008

	SCHEDULE	AS AT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
<b>I. SOURCES OF FUNDS</b>			
1. <u>SHARE HOLDER'S FUNDS</u>			
a) Share Capital	'I'	6,400,000.00	6,400,000.00
b) Reserves & Surplus	'II'	50,528,058.20	50,526,213.04
2. <u>LOAN FUNDS</u>			
a) Unsecured Loans	'III'	1,349,322.00	74,610.00
3. <u>DEFERRED TAX LIABILITY</u>			
		-	38.00
	TOTAL Rs. ....	<u>58,277,380.20</u>	<u>57,000,861.04</u>
<b>II. APPLICATION OF FUNDS</b>			
1. <u>FIXED ASSETS (AT COST)</u>			
a) Gross Block	'IV'	42,064.00	42,064.00
b) Less : Depreciation		<u>41,052.00</u>	<u>40,404.00</u>
c) Net Block		<u>1,012.00</u>	<u>1,660.00</u>
2. <u>INVESTMENTS (AT COST)</u>			
	'V'	37,085,113.02	37,065,191.00
3. <u>CURRENT ASSETS, LOANS AND ADVANCES</u>			
a) Stock in Trade	'VI'	15,590,648.28	15,590,648.28
b) Cash and Bank Balances	'VII'	145,205.58	5,817,010.62
c) S. Debtors (Less Than Six Months)		354,680.00	22,422.00
d) Loans and Advances	'VIII'	<u>5,719,292.32</u>	<u>1,045,128.00</u>
		<u>21,809,826.18</u>	<u>22,475,208.90</u>
Less : <u>CURRENT LIABILITIES AND PROVISION</u>			
a) Current Liabilities	'IX'	392,161.00	2,314,698.86
b) Provisions			
- Provision for Taxation		<u>226,500.00</u>	<u>226,500.00</u>
		<u>618,661.00</u>	<u>2,541,198.86</u>
Net Current Assets		<u>21,191,165.18</u>	<u>19,934,010.04</u>
4. <u>MISCELLANEOUS EXPENDITURE</u>			
(To the extent not written off or adjusted)		<u>90.00</u>	<u>-</u>
	TOTAL Rs. ....	<u>58,277,380.20</u>	<u>57,000,861.04</u>

NOTES ON ACCOUNTS 'XII'  
IN TERMS OF OUR ATTACHED  
REPORT OF EVEN DATE

For AJMERA AJMERA AND ASSOCIATES  
CHARTERED ACCOUNTANTS

FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

(SANDEEP AJMERA)  
PARTNER  
Membership No. 48277  
PLACE: Mumbai  
DATED : 30th June, 2008

ANILKUMAR RAJAN  
DIRECTOR  
HARISHSINGH SHYAMSUKHA  
DIRECTOR



**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2008**

SCHEDULE	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
<b><u>INCOME</u></b>		
Interest Received (Gross) (TDS Rs. (Previous Year Rs.24313/-)	291,191.11	2,311,481.00
Dividend Received	1,035,718.88	454,393.70
Share of Profit from Partnership Firm	200,140.32	81,246.00
Misc Income	-	944.55
Profit on Sale of Shares (Short Term)	251,806.44	6,007,448.04
Professional fees received	400,000.00	-
Corporate Gurantee Charges	-	400,000.00
Interest on Income tax Refund	-	1,944.00
	<u>2,178,856.75</u>	<u>9,257,457.29</u>
<b><u>EXPENDITURE</u></b>		
Increase / (Decrease) in Stock	X -	-
Administrative and Other Expenses	X 2,176,491.61	7,664,711.82
Depreciation	648.00	1,076.00
	<u>2,177,139.61</u>	<u>7,665,787.82</u>
Net Profit/(Loss) Before Tax	1,717.14	1,591,669.47
<b>Provision for Taxation</b>		
- Current Tax		
- Deferred Tax	-	118,500.00
Profit/(Loss) after Taxation	<u>(128.00)</u>	<u>(224.00)</u>
Add : Balance Brought forward from previous year	1,845.14	1,473,393.47
	111,728,360.46	13,130,284.82
Less transferred to Reserves u/s. 45 IC of RBI Act	369.00	2,875,317.85
<b>Balance Carried to Balance Sheet</b>	<u>11,729,836.60</u>	<u>11,728,360.44</u>
Basic and Diluted Earnings (in Rs.)	0.0029	2.30
Per equity share of Rs. 10/- each :		
NOTES ON ACCOUNTS IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE	'XII'	

**For AJMERA AJMERA AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**For AND ON BEHALF OF THE BOARD OF DIRECTORS**

**SANDEEP AJMERA  
PARTNER  
Membership No. 48277  
PLACE: Mumbai  
DATED : 30th June, 2008**

**ANILKUMAR RAJAN  
DIRECTOR**

**HARISHSINGH SHYAMSUKHA  
DIRECTOR**

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT  
31<sup>ST</sup> MARCH, 2008.

	AS 31.03.2008 Rs.	AT 31.03.2007 Rs.
<b>SCHEDULE - 'I'</b>		
<b><u>SHARE CAPITAL</u></b>		
<b><u>AUTHORISED</u></b>		
7,50,000 Equity Shares of Rs. 10/- each	<u>7,500,000.00</u>	<u>7,500,000.00</u>
<b><u>ISSUED, SUBSCRIBED AND PAID-UP</u></b>		
6,40,000 Equity Shares of Rs. 10/- each fully paid up. Of the above 4,00,000 Shares were allotted pursuant to the Scheme of Amalgamation, without payment being received in cash.	6,400,000.00	6,400,000.00
	<u>6,400,000.00</u>	<u>6,400,000.00</u>
<b>SCHEDULE - 'II'</b>		
<b><u>RESERVES AND SURPLUS</u></b>		
General Reserve	35,922,534.75	35,922,534.75
Profit & Loss - As per Profit and Loss Account annexed	11,729,836.60	11,728,360.44
Statutory Reserves -Reserves u/s. 45 IC of RBI Act		
Opening Balance	2,875,317.85	
Add: Transfer from Profit & Loss Account	<u>369.00</u>	
	<u>2,875,686.85</u>	<u>2,875,317.85</u>
	<u>50,528,058.20</u>	<u>50,526,213.04</u>
<b>SCHEDULE - 'III'</b>		
<b><u>UNSECURED LOANS</u></b>		
From Body Corporates	1,349,322.00	74,610.00
	<u>1,349,322.00</u>	<u>74,610.00</u>

**SCHEDULE - 'IV'**  
**SCHEDULE OF FIXED ASSETS**

ASSET	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	COST AS AT 31.03.2007 Rs.	ADDITIONS Rs.	COST AS AT 31.03.2008 Rs.	UP TO 31.03.2007 Rs.	FOR THE YEAR Rs.	UP TO 31.03.2007 Rs.	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.	
Furniture	764.00	-	764.00	695.00	12.00	707.00	57.00	69.00	
Computer	41,300.00	-	41,300.00	39,709.00	636.00	40,345.00	955.00	1,591.00	
Total Rupees	<b>42,064.00</b>	-	<b>42,064.00</b>	<b>40,404.00</b>	<b>648.00</b>	<b>41,052.00</b>	<b>1,012.00</b>	<b>1,660.00</b>	
Previous Year Rupees	42,064.00	-	42,064.00	39,328.00	1,076.00	40,404.00	1,660.00	-	

**SCHEDULE - 'V'**

**INVESTMENTS (LONG TERM) (AT COST)  
QUOTED (NON TRADE)**

	FACE VALUE RS	QUANTITY NOS	AS AT 31.03.2008 RS	QUANTITY NOS	AS AT 31.03.2007 RS
<b>A). EQUITY SHARES, FULLY PAID-UP</b>					
Gujrat Narmada Vally Fer. Ltd.	10/-	37	1,591.00	37	1,591.00
Power Finance Corp.Ltd	10/-	955	81,175.00	955	81,175.00
Gwalior Chemical Industries Ltd	10/-	1,277,280	4,754,820.02	1,277,280	4,754,820

**UNQUOTED (NON TRADE)**

**EQUITY SHARES FULLY PAID-UP**

Mahotsav Trading & Finance Pvt. Ltd.	10/-	27,700	277,052.50	27,700	277,052.50
Sareshwar Trading & Finance Pvt. Ltd.	10/-	73,700	1,637,052.50	73,700	1,637,052.50
Four Dimensions Securities (I) Limited	10/-	750,000	30,000,000.00	750,000	30,000,000.00
Four Dimensions Commodities Pvt Ltd.	10/-	13,000	130,000.00	13,000	130,000.00
Windsor Trading & Finance Pvt Ltd	10/-	10,000	100,000.00	10,000	100,000.00
Aimwell Investments Pvt Ltd.	10/-	-	-	250	2,500.00
Arkaya Commercial Pvt Ltd	10/-	5,000	50,000.00	5,000	50,000.00
Four Dimensions Capital Markets Pvt. Ltd.	10/-	600	6,000.00	600	6,000.00

**B) BONDS**

L.G.BALKRISHNAN	101/-	222	22,422.00		-
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**PARTNERSHIP FIRM**

M/s Rohit Financial Services (As per schedule VA Annexed)			25,000.00		25,000.00
			<b>37,085,113.02</b>		<b>37,065,191</b>

Aggregate Cost of Quoted Investments			4,837,586.02		4,837,586.00
Aggregate Market Value of Quoted Investments			58,659,270.40		72,333,227.80
Aggregate Cost Unquoted Investments			32,247,527.00		32,227,605.00

**SCHEDULE - 'VA'**

**Statement of Investment in Partnership Firm**

i) Name of Firm	M/s Rohit Financial Services
ii) Total Capital of the Firm	Rs. 75,000/-
iii) Name of the Partners and Share of each Partners	
Winro Commercial (India) Limited	33.33%
Saraswati Commercial (India) Limited	33.33%
Jacqart Financial Services Limited	33.34%
	<u>100.00%</u>

**SCHEDULE - VI STOCK IN TRADE ( AT COST)**

(As taken valued and certified by the Management )

Name Of Script	As At 31.03.2008		As At 31.03.2007	
	Nos.	Amount Rs.	Nos.	Amount Rs.
<b>Quoted</b>				
1. Allied Resins Chem Ltd.	5,000	148,600.00	5,000	148,600.00
2. Aroni Commercial Ltd	609,900	7,002,554.00	609,900	7,002,554.00
3. Cosolideted Fibers & Chem Ltd.	50	1,000.00	50	1,000.00
4. Punit Commercial Ltd.	21,550	55,330.00	21,550	55,330.00
5. Datamatics Tech. Ltd.	1,000	15,000.00	1,000	15,000.00
6. Winro Commercial (I) Ltd.	100,150	684,208.78	100,150	684,208.78
<b>TOTAL</b>	<b>737,650</b>	<b>7,906,692.78</b>	<b>737,650</b>	<b>7,906,692.78</b>

Name Of Script	As At 31.03.2008		As At 31.03.2007	
	Nos.	Amount Rs.	Nos.	Amount Rs.
1. Arcies Lab. Ltd.	2,500	25,000.00	2,500	25,000.00
2. Auroplast India Ltd.	2,500	25,000.00	2,500	25,000.00
3. East Aggle Plastic Ltd.	660	1,320.00	660	1,320.00
4. Four Dimensions Cap. Mkt. Pvt. Ltd.	650,000	6,500,000.00	650,000	6,500,000.00
5. Mahotsav Trading & Finance Pvt. Ltd.	14,000	140,000.00	14,000	140,000.00
6. Meeraj Multiweb Inds. Ltd.	24,000	240,000.00	24,000	240,000.00
7. Jacqart Financial Services Ltd.	175,500	752,635.50	175,500	752,635.50
<b>TOTAL</b>	<b>869,160</b>	<b>7,683,955.50</b>	<b>869,160.00</b>	<b>7,683,955.50</b>

Aggregate Value of Quoted Shares  
(Market Value Rs.7,60,28,205/-  
Previous Year Rs.5,70,84,545/-

Aggregate Value of Unquoted Shares

	7,683,955.50	7,683,955.50
	<b>15,590,648.28</b>	<b>15,590,648.28</b>

**SCHEDULE - 'VII'**

**CASH AND BANK BALANCES**

Cash in Hand

	43,941.16	46,776.16
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(As per Books and Certified by  
the Management)

Bank Balances with Scheduled  
Banks in Current Accounts

	101,264.42	5,770,234.46
	<b>145,205.58</b>	<b>5,817,010.62</b>

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	ASAT 31.03.2008 Rs.	AS AT 31.03.2007 Rs.
<b>SCHEDULE - 'VIII'</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Loans	4,751,541.00	243,621.00
Advance Recoverable in cash or in kind or for value to be received	200,140.32	146,206.00
Prepaid Expenses	2,256.00	1,225.00
Advance Agst Expenses	1,000.00	1,000.00
Advance Income Tax	764,355.00	653,076.00
	<b>5,719,292.32</b>	<b>1,045,128.00</b>
<b>SCHEDULE - 'IX'</b>		
<b>CURRENT LIABILITIES:</b>		
Other Liabilities	392,161.00	2,314,698.86
	<b>392,161.00</b>	<b>2,314,698.86</b>
<b>SCHEDULE - 'X'</b>		
<b>INCREASE / (DECREASE) IN STOCK</b>		
Closing Stock	15,590,648.28	15,590,648.28
Less:		
Opening Stock	15,590,648.28	15,590,648.28
	<b>-</b>	<b>-</b>
<b>SCHEDULE - 'XI'</b>		
<b>ADMINISTRATIVE AND OTHER EXPENSES</b>		
Salary, Bonus and Other Expenses	321,024.00	254,439.00
Staff Welfare Expenses	2,200.00	2,200.00
Printing and Stationery	10,052.00	8,824
Postage and Telegram	245.00	2,352
Advertisement and Publicity	40,742.00	45,044
Bank Charges	-	756.80
Listing Fees	20,500.00	20,500.00
Professional Fees	153,028.00	423,441.00
Interest Paid	1,518,893.00	6,796,241.00
<u>Auditor's Remuneration</u>		
- Audit Fees	10,000.00	10,000.00
Filing Fees	2,140.00	4,612.00
Share Depository Charges	2,960.61	20,293.02
Electricity Charges	12,000.00	12,000.00
Rates & Taxes	3,748.00	3,724.00
Securities Transaction Tax	67,470.00	50,369.00
Software Expenses	-	936.00
Long Term Investment written off	2500.00	-
Custody Charges	8,989.00	8,980.00
	<b>2,176,491.61</b>	<b>7,664,711.82</b>

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**SARASWATI COMMERCIAL (INDIA) LIMITED**  
**SCHEDULE – 'XII'**

NOTES ON ACCOUNTS ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2008 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON THAT DATE.

**A. Significant Accounting Policies:**

a) Basis of Accounting:

- i). Financial statements are prepared under historical cost convention on accrual basis in accordance with the requirements of the Companies Act, 1956.
- ii). The Company generally follows mercantile system of accounting and recognises significant items income and expenditure on accrual basis.

b) Fixed Assets and Depreciation:

Fixed assets are stated at cost of acquisition less accumulated Depreciation. Depreciation has been provided on written down value method at the rates and the manner prescribed in scheduled XIV of the Companies Act, 1956. Depreciation on additions/deletions during the year is provided on pro-rata basis.

c) Investments:

Long Term Investments are stated at cost. Provision for diminution in the Market Value/Break-up Value is made only if; such a decline is other than temporary in the opinion of Management.

d) Stock in Trade:

Stocks of shares are valued at Cost.

e) Retirement Benefits:

As informed to us provisions of payment of Gratuity Act, 1972 are not applicable to the company for the year under review.

f) Taxation:

- i). Provision for current tax is made and retained in the accounts on the basis of estimated tax liability as per the applicable provisions of the Income Tax Act 1961.
- ii). Deferred tax for timing differences between tax profits & book profits is accounted by using the tax rates & laws that have been enacted or substantially enacted as of the Balance Sheet date. Deferred tax assets in respect of unabsorbed Losses are recognised to the extent there is reasonable certainty that these assets can be realised in future.

h) Contingent liabilities:-

These are disclosed by way of notes on the Balance sheet. Provision is made in the accounts in respect of those contingencies which are likely to materialise into liabilities after the year end, till the finalisation of accounts and have material effect on the position stated in the Balance sheet.

**B. Notes on Accounts**

1. Contingent liabilities: Contingent liabilities not provided for in respect of corporate guarantees given by the Company Rs. 30 Crores (Previous Year Rs. 40 Crores)
2. Earning & Expenditure in Foreign Currency is Nil.
3. Related Party Information:

**i). Relationships:**

a). Key Management Personnel	:	Shri Harisingh Shyamsukha - Director Shri Jaysukhlal N Shah - Director Shri Anil Rajan - Director
b). Individual owning directly or directly an interest in the voting power that gives them control or significant influence.	:	Ashwin Kumar Kothari Meena Kothari Rohit Kothari
Relative of individual in (b) above	:	Niyati. P. Mehta Tejal R. Kothari
c). Associate Concerns	:	Winro Commercial (India) Ltd Jacqart Financial Services Ltd. Aroni Commercials Ltd Windsor Trading & Finance Pvt Ltd Sareshwar Trading & Finance Pvt Ltd. Four Dimensions Commodities Pvt Ltd Mahotsav Trading & Finance Pvt Ltd Urudavan Investments & Trading Pvt Ltd Vidushan Commercial & Investments Pvt Limited G.T.Z (Bombay) Pvt Ltd Arcies Laboratories Ltd Gwalior Chemical Industries Ltd Four Dimension Securities (I) Ltd Four Dimension Capital Markets Pvt Ltd Rohit Financial Services Red Socks Realtors Pvt Ltd Neptune Light Realtors Pvt Ltd Mountain View Realtors Pvt Ltd Grey River Realtors Pvt Ltd Better Time Realtors P Ltd

**ii). Transactions with related parties:**

**PARTICULARS**

**ASSOCIATE CONCERN**

	<b>AS</b>	<b>AT</b>	<b>AS</b>	<b>AT</b>
	<b>31.03.2008</b>		<b>31.03.2007</b>	
	<b>Rs.</b>		<b>Rs.</b>	
Purchase of Shares	5,39,63,266.44			NIL
Sale of Shares		NIL		NIL
Interest received	2,91,079.00		83,755.00	
Profit from Partnership Firm	2,00,140.32		81,246.00	
Interest Paid	15,18,893.00		22,72,401.00	
Professional Fees Paid		NIL		22,448.00
Professional Charges Received	4,00,000.00			-
Corporate Guarantee Charges		NIL	4,00,000.00	
Electricity Expenses	12,000.00		12,000.00	
Long Term Investments W/off	2,500.00			-

**Finance & Investments**

Loans Advanced		51,13,24,880.00	50,29,342.00
Loans Advanced Refund		51,60,75,120.00	87,50,000.00
Loan Taken		54,94,50,000.00	19,07,00,000.00
Loan Repaid		54,93,50,000.00	19,07,00,000.00
Guarantee Given	<b>24</b>	30,00,00,000.00	40,00,00,000.00



**Outstandings**

Loan Advanced	45,25,120.00	NIL
Loan Taken	12,74,712.00	NIL
Investments	3,69,79,925.02	3,69,82,425.02
Stock in Trade	1,51,04,398.28	1,51,04,398.28

4. Stock in Trade of shares is valued at cost price instead of at scrip wise lower of cost or market value as per Accounting Standard 13 issued by the Institute of Chartered Accountants of India. Had it been valued at lower of cost or market value Profit for the year would have been lower by Rs. 1,45,056.50 (Previous Year Rs. 1,45,056.50) & stock in trade would have been lower by Rs. 1,45,056.50 (Previous Year Rs. 1,45,056.50)

6. Earning per share:	<b><u>2007-2008</u></b>	<b><u>2006-2007</u></b>
(i). Net Profit after tax available for Equity Shareholders (In Rs.)	1845.14	1473393.49
(ii). Weighted average of number of equity shares outstanding during the year	6,40,000	6,40,000
(iii). Basic and Diluted Earnings per equity share of Rs. 10 each (In Rs.)	0.0029	2.30

7. Deferred Tax Liability:

	AS ON 31.03.2008	AS ON 31.03.2007
Opening Balance	38	262
Diff between book & Income Tax		
Depreciation	128	224
Closing Balance	(90)	38

8. Additional information pursuant to the provisions of paragraphs 3, 4 (C) and 4 (D) of the Schedule VI of the Companies Act, 1956 are as under:

A). Quantitative Details:

		Current Year		Previous Year	
		Qty. Nos.	Value Rs.	Qty. Nos.	Value Rs.
a) Opening Stock Shares	1606810	15590648.28	1746250	15794108.28	
b) Purchases Shares	NIL	NIL	NIL	NIL	
c) Sales Shares	NIL	NIL	NIL	NIL	
d) Transfer to Investment	NIL	NIL	139440	203460.00	
e) Closing Stock Shares	1606810	15590648.28	1606810	15590648.28	

9. Balance Sheet abstract and Company's general business profile as required in Part IV of Schedule VI of the Companies Act, 1956 are as under:

I. <u>Registration Details</u>	
Registration No.	U51909MH1983PTC166605
State Code	11
Balance Sheet Date	31.03.2008
II. <u>Capital Raised during the year</u> <b>(Amount in Rs. Thousand)</b>	
Public Issue	NIL
Rights Issue	NIL
Bonus Issue	NIL
Private Placement	NIL
III. <u>Position of Mobilisation and Deployment of Funds</u> <b>(Amount in Rs. Thousand)</b>	
Total Liabilities	58,277.38
Total Assets	58,277.38
<u>Sources of Funds</u>	
Paid up Capital	6,400.00
Reserves and Surplus	50528.06
Secured Loans	NIL
Unsecured Loans	1349.32
Deferred Tax	NIL
<u>Application of Funds</u>	
Net Fixed Assets	1.01
Investments	37085.11
Net Current Assets	21191.17
Deferred Tax	0.09
Miscellaneous Expenditure	NIL
Accumulated Losses	NIL
IV. <u>Performance of Company</u> <b>(Amount in Rs. Thousand)</b>	
Turnover	2178.86
Total Expenditure	2177.14
Profit/Loss Before Tax	1717.14
Profit/Loss After Tax	1845.14
Earning Per Share (Rupees)	0.0029
Dividend Rate (%)	NIL
V. Generic Names of Three Principal Products/Services of Company (as per monetary terms)	
	—

9. Previous year figures have been re-grouped or re-arranged wherever deemed necessary.

SIGNATURES TO SCHEDULE 'I' TO 'XII'

AS PER OUR ATTACHED REPORT  
OF EVEN DATE

**For AJMERA AJMERA AND ASSOCIATES  
CHARTERED ACCOUNTANTS**

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

**(SANDEEP AJMERA)  
PARTNER**

**ANILKUMAR RAJAN  
DIRECTOR**

**HARISHSINGH SHYAMSUKHA  
DIRECTOR**

**Membership No. 48277  
PLACE: Mumbai  
DATED : 30th June, 2008**

CASH FLOW STATEMENT PURSUANT TO CLAUSE 32 OF THE LISTING AGREEMENT FOR THE YEAR ENDED 31ST MARCH, 2008

	<u>2007-08</u>	<u>2006-07</u>
<b>A) Cash Flow for operating activities:</b>		
<b>Net Profit before Tax &amp; Extra ordinary items</b>	1717.14	1,591,669.47
<b>Adjustments for :-</b>		
Depreciation	648.00	1,076.00
Dividend income	(1035718.88)	(454,393.70)
<b>Cash Flow before Working Capital changes</b>	<b>(1,033,353.74)</b>	<b>1,138,351.77</b>
(Increase)/Decrease in Stock	-	203,460.00
(Increase)/Decrease in Trade & other Receivables	(332,258.00)	(21,562.80)
(Increase)/Decrease in Loans & Advances	(4562885.32)	3,711,876.92
Increase/(Decrease) in Trade & other Payables	(1922537.86)	2291517.17
Advance Tax Paid (Net of Refund Received during the year)	(111279.00)	(516824.00)
<b>Net Cash Flow from operating activities</b>	<b><u>(7962313.92)</u></b>	<b><u>6806819.06</u></b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES</b>		
(Purchase)/Sale of Fixed Assets	—	—
(Purchase)/Sale of Investments	(19922.00)	(1484635.00)
Dividend Received on Investments	1035718.88	454393.70
<b>Net Cash Flow from Investing Activities</b>	<b><u>1015796.88</u></b>	<b><u>(1030241.30)</u></b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase/(Decrease) in Long Term borrowings	1274712.00	—
<b>Net Cash Flow from Financing Activities</b>	<b><u>1274712.00</u></b>	<b><u>0.00</u></b>
Net Increase in Cash & Cash equivalents (A+B+C)	(5671805.04)	5776577.76
Opening Cash & Cash equivalents	5817010.62	40432.86
Closing Cash & Cash equivalents	145205.58	5817010.62
For and on behalf of the Board		

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**  
**ANILKUMAR RAJAN      HARISHSINGH SHYAMSUKHA**  
**DIRECTOR                      DIRECTOR**

**PLACE: Mumbai**

**DATED : 30th June, 2008**

**AUDITORS' CERTIFICATE**

We have verified the attached Cash Flow Statement of SARASWATI COMMERCIAL (INDIA) LTD derived from the Audited Financial Statements and the books and records maintained by the Company for the year ended 31st March, 2008 and found the same to be drawn in accordance with the requirements of the clause 32 of the listing agreements with stock exchange.

**For AJMERA AJMERA AND ASSOCIATES**  
**CHARTERED ACCOUNTANTS**

**(SANDEEP AJMERA)**  
**PARTNER**  
**Membership No. 48277**

**PLACE: Mumbai**

**DATED : 30th June, 2008**

**ANNEXURE (FORMING PART OF THE ACCOUNTS)**

**Schedule to the Balance Sheet**

{as required in terms of Paragraph 13 of Non-Banking Financial (Non Deposit Accepting or Holding) Companies Prudential Norms (Reserve Bank) Directions, 2008}

(Rs. in Lakhs)

Particulars		
<b>Liabilities Side :</b>		
(1) Loans and advances availed by the NBFCs inclusive accrued thereon but not paid :	Amount Outstanding	Amount Overdue
(a) Debentures : Secured	Nil	Nil
: Unsecured	Nil	Nil
(Other than falling within the meaning of public deposit*)		
(b) Deferred Credits	Nil	Nil
(c) Term Loans	Nil	Nil
(d) Inter-corporate Loans and Borrowings	13.49	Nil
(e) Commercial Paper	Nil	Nil
(f) Public Deposits*	Nil	Nil
(g) Other Loans (specify nature)	Nil	Nil
* Please see Note 1 below		
<b>Assets Side :</b>		<b>Amount Outstanding</b>
(2) Break-up of Loans and Advances including bills receivables {other than those included in (4) below} :		
(a) Secured		Nil
(b) Unsecured		57.19
(3) Break up of Leased Assets and stock of hire and hypothecation loans counting EL/HP activities		Nil
(i) Lease assets including lease rentals under sundry debtors :		
(a) Financial lease		
(b) Operating lease		
(ii) Stock on hire including hire charges under sundry debtors :		Nil
(a) Assets on hire		
(b) Repossessed Assets		
(iii) Other loans counting towards AFC activities		Nil
(a) Loans where assets have been repossessed		
(b) Loans other than (a) above		

## ANNEXURE (FORMING PART OF THE ACCOUNTS) {contd.}

(Rs. in Lakhs)

(4) Break-up of Investments			
<b>Current Investments :</b>			
1. Quoted :			
i) Shares : (a) Equity		79.07	
(b) Preference		Nil	
ii) Debentures and Bonds		Nil	
iii) Units of mutual funds		Nil	
iv) Government Securities		Nil	
v) Others (Please specify)		Nil	
2. Unquoted :			
i) Shares : (a) Equity		76.84	
(b) Preference		Nil	
ii) Debentures and Bonds		Nil	
iii) Units of mutual funds		Nil	
iv) Government Securities		Nil	
v) Others (Please specify)		Nil	
<b>Long Term Investments :</b>			
1. Quoted :			
i) Shares : (a) Equity		48.38	
(b) Preference		Nil	
ii) Debentures and Bonds		0.22	
iii) Units of mutual funds		Nil	
iv) Government Securities			
v) Others (Please specify)			
2. Unquoted :			
i) Shares : (a) Equity		322	
(b) Preference		Nil	
ii) Debentures and Bonds		Nil	
iii) Units of mutual funds		Nil	
iv) Government Securities		Nil	
v) Others (Please specify)			
Share in Partnership firm		0.25	
(5) Borrower group-wise classification of all leased assets, stock-on-hire and loans and advances : Please Note 2 below			
Category	Amount net of Provisions		
	Secured	Unsecured	Total
1. Related Parties **			
(a) Subsidiaries	Nil	Nil	Nil
(b) Companies in the same group	Nil	45.25	45.25
(c) Other Related Parties	Nil	2.00	2.00
2. Other than Related parties	Nil	9.94	9.94
<b>Total</b>	Nil	<b>57.19</b>	<b>57.19</b>

ANNEXURE (FORMING PART OF THE ACCOUNTS) {contd.}

(Rs. in Lakhs)

(6)	Investor group-wise classification of all investments (current and long term) in shares and securities (both quoted and unquoted) : Please see Note 3 below		
	Category	Market Value/Break up or fair value or NAV	Book Value (Net of Provision)
	1.Related Parties **		
	(a) Subsidiaries	Nil	Nil
	(b) Companies in the same group:	2370.98	522.99
	(c) Other Related Parties	0.25	0.25
2.Other than Related parties			
<b>Total</b>			
	<b>2379.76</b>	<b>526.53</b>	

\*\* As per Accounting Standard of ICAI (Please see Note 3)

(7)	Other information	
	Particulars	Amount
	(i) Gross Non-Performing Assets	
	(a) Related parties	Nil
	(b) Other than related parties	Nil
	(ii) Net Non-Performing Assets	
	(a) Related parties	Nil
	(b) Other than related parties	Nil
	(iii) Assets acquired in satisfaction of debt	
	Nil	

**Notes :**

- As defined in paragraph 2 (1) (xii) of the Non-Banking Financial Companies Acceptance of Public Deposits (Reserve Bank) Directions, 1998.
- Provisioning norms shall be applicable as prescribed in the Non-Banking Financial (Non Deposit Accepting or Holding Companies Prudential Norms (Reserve Bank) Directions, 1998
- All accounting standards and guidance notes issued by ICAI are applicable including for valuation of investments and other assets as also assets acquired in satisfaction of debts. However, market value respect of quoted investments and break up / fair value / NAV in respect of unquoted investments should be disclosed irrespective of whether they are classified as long term or current in column (4) above.

**SIGNATURES TO SCHEDULE 'I' TO 'XIII' AS PER OUR ATTACHED REPORT OF EVEN DATE**

**For AJMERA AJMERA AND ASSOCIATES FOR AND ON BEHALF OF THE BOARD OF DIRECTORS  
CHARTERED ACCOUNTANTS**

**(SANDEEP AJMERA)  
PARTNER  
Membership No. 48277  
PLACE: Mumbai  
DATED : 30th June, 2008**

**ANILKUMAR RAJAN  
DIRECTOR**

**HARISHSINGH SHYAMSUKHA  
DIRECTOR**

**SARASWATI COMMERCIAL (INDIA) LIMITED**

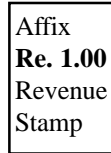
**Regd. Office:** K. K Chambers, 4<sup>th</sup> Floor, Sir Purushottamdas Thakurdas Marg, Fort, Mumbai- 400 001

**PROXY FORM**

I/We \_\_\_\_\_  
of \_\_\_\_\_  
being a member/members of **SARASWATI COMMERCIAL (INDIA) LIMITED** hereby appoint Mr./Mrs./Ms  
\_\_\_\_\_ of \_\_\_\_\_ or failing him/her Mr./  
Mrs./Ms \_\_\_\_\_ of  
\_\_\_\_\_ as my/our Proxy to attend and vote for me/us and on my/our  
behalf at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on **Saturday**, the **27<sup>th</sup>** day of **Septem-  
ber, 2008** at K. K Chambers, 4<sup>th</sup> Floor, Sir Purushottamdas Thakurdas Marg, Fort, Mumbai- 400 001 at **2: 00  
p.m.** and at any adjournment thereof.

Regd. Folio. No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_  
Client ID No. \_\_\_\_\_ DP ID No. \_\_\_\_\_

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2008



(Signature)

**Note:**

- 1) The Proxy Form should be signed across the stamp as per specimen signature recorded with the Company.
- 2) The Proxy form duly completed and signed must be deposited at the Registered Office of the Com-  
pany not less then 48 hours before the time for holding the Meeting.

**SARASWATI COMMERCIAL (INDIA) LIMITED**

**Regd. Office:** K. K Chambers, 4<sup>th</sup> Floor, Sir Purushottamdas Thakurdas Marg, Fort, Mumbai- 400 001.

**ATTENDANCE SLIP**

I/We hereby record my/our presence at the 25<sup>th</sup> Annual General Meeting of the Company held at **Regd. Office:**  
K. K. Chambers, 4<sup>th</sup> Floor, Sir Purushottamdas Thakurdas Marg, Fort, Mumbai- 400 001 on **Saturday**, the **27<sup>th</sup>**  
day of **September, 2008** at **2 : 00 p.m.**

Name \_\_\_\_\_

Regd. Folio. No. \_\_\_\_\_ No. of Shares held \_\_\_\_\_  
Client ID No. \_\_\_\_\_ DP ID No. \_\_\_\_\_

Name of Proxy/Representative, if any \_\_\_\_\_

Signature of the Shareholder(s)/Proxy/Representative \_\_\_\_\_

**Note:** Member/Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of  
the venue of this Meeting.

**BOOK - POST**

*If Undelivered, please Return to :*

**SARASWATI COMMERCIAL (INDIA) LIMITED**

**K. K. Chambers, 4th Floor,**

**Sir Purshothomdas Thakurdas Marg,**

**Fort, Mumbai - 400 001.**