

# GOYAL ASSOCIATES LIMITED

13th AUDITED ANNUAL REPORT  
FOR THE YEAR 2006-07

GOYAL ASSOCIATES LIMITED.

Regd. Office: 503, Ashwamegh Avenue,  
Near Mithakhali Underbridge,  
Navrangpura,  
Ahmedabad: 380 009.

COMPANY REGN NUMBER : 04-23281  
NOMINAL SHARE CAPITAL: Rs.3,40,00,000/-  
CIN: L74999GJ1994PLC023281

DATE OF INCORP.: 18/10/1994

**GOYAL ASSOCIATES LIMITED.**

**THIRTEENTH ANNUAL GENERAL MEETING PROGRAMME.**

DATE : 29TH SEPTEMBER, 2007.  
DAY : SATURDAY  
TIME : 10.30 A.M.  
VENUE : REGISTERED OFFICE OF THE  
COMPANY AT :

503, Ashwamegh Avenue,  
Near Mithakhali Underbridge,  
Navrangpura, Ahmedabad: 380 009.

**NOTE TO SHAREHOLDERS:**

As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Shareholders are requested to kindly bring their copies to the meeting.

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## **GOYAL ASSOCIATES LIMITED**

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### **BOARD OF DIRECTORS**

Shri Ashwin. C. Sheth.	Chairman and Director.
Shri Jashwantlal. L. Shah	Director
Ms. Rinkiben. J. Shah.	Director

### **CORPORATE GOVERNANCE TEAM.**

#### **AUDIT COMMITTEE.**

Ashwin. C. Sheth	Chairman
Jashwant. L. Shah.	Member
Rinkuben. J. Shah.	Member

#### **INVESTORS SERVICES COMMITTEE**

Ashwin. C. Sheth	Chairman
Jashwant. L. Shah.	Member
Rinkuben. J. Shah	Member

### **ACTING IN ADVISORY NATURE ONLY.**

Secretarial and Corporate Legal Matters  
Kamlesh. M. Shah,  
(Practicing Company Secretary).

Finance, Audit and Taxation Shri  
M/s. Pradeep. B.Gandhi.  
Chartered Accountants

#### **AUDITORS**

M/s. Pradeep.B. Gandhi,  
Chartered Accountants  
Ahmedabad.

#### **COMPANY LAW CONSULTANTS**

M/s. Kamalesh M Shah & Co.,  
Practicing Company Secretary  
801, 8TH FLOOR MAHALAYCOMPLEX  
OPP, CHOICE RESTAURANT LANE  
NAVRANGPURA, AHMEDABAD:380 009.

### **BANKERS OF THE COMPANY.**

Kalupur Commercial Co.op.Bank Limited, Ashram Road Branch, Ahmedabad.  
H.D.F.C. Bank Limited, Navrangpura, Ahmedabad.

### **REGISTRAR AND SHARE TRANSFER AGENT**

Pinnacle Share Registry Private Limited.  
Ashoka Mills Compound,  
Naroda Road,  
Ahmedabad: 380 025.

### **REGD. OFFICE**

503, Ashwamegh Avenue,  
Near Mithakhali Underbridge,  
Navrangpura, Ahmedabad: 380 009.

### **INVESTORS GRIEVANCE AND COMPLIANCE OFFICER.**

Mr. Ashwin. C. Sheth,  
Chairman And Director  
503, Ashwamegh Avenue,  
Mithakhali Underbridge, Navrangpura,  
Ahmedabad: 380 009.

**GOYAL ASSOCIATES LIMITED.**

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**NOTICE**

NOTICE is hereby given to the Members of the **GOYAL ASSOCIATES LIMITED** that the 13th Annual General Meeting of the Members of the Company will be held on Saturday the 29<sup>th</sup> September, 2007 at 10.30 A.M. at the Registered Office of the Company at 503, Ashwamegh Avenue, Near Mithakhali Underbridge, Navrangpura, Ahmedabad: 380 009 to transact the following business:

**ORDINARY BUSINESS:**

- 1) To Receive, Consider, Approve and Adopt the Audited Statement of Accounts i.e. The Audited Balance Sheet as at 31/3/2007 The Profit & Loss Account for the year ended on that date, the report of the Auditors and Directors thereon.
- 2) To appoint a director in place of Shri Ashwin. C. Sheth who retires by rotation and being eligible offers himself for reappointment.
- 3) To Appoint Auditors for the next financial year.

**PLACE: AHMEDABAD.**

**DATE: 23/08/2007**

**BY ORDER OF THE BOARD OF DIRECTORS  
OF GOYAL ASSOCIATES LIMITED.**

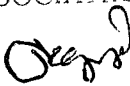
**SD/-**

**(ASHWIN. C. SHETH)  
CHAIRMAN AND DIRECTOR.**

**NOTES:**

- 1) A Member entitled to Attend and vote at the meeting is also entitled to appoint a Proxy to attend and vote instead of himself and on behalf of him and that a Proxy need not be a member of the company.
- 2) Proxies in order to be effective should be duly completed stamped and signed and must be deposited at the Registered office of the company not less than 48 hours before the conclusion of the meeting.
- 3) The Register of members and share transfer books of the Company shall remain closed from **28/09/2007 to 29/09/2007 (Both days inclusive)** as per the provisions of section 154 of the Companies Act 1956.
- 4) Members desiring any information on accounts are requested to write to the company 7 days before the meeting to enable the management to keep the information ready.
- 5) Members are requested to intimate any change in their registered addresses, if any, directly to the company's Registered Office or directly to the Registrar and Share Transfer Agents at the address mentioned elsewhere in this report.
- 7) All shareholders are requested to dematerialized their shareholding immediately as the shares are traded compulsorily in demat segment only.

For, GOYAL ASSOCIATES LTD.

  
Director

## **GOYAL ASSOCIATES LIMITED.**

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### **DIRECTORS' REPORT**

To,  
The Members,  
GOYAL ASSOCIATES LIMITED,

Dear Shareholders,

Your Directors have pleasure in presenting herewith the Thirteenth Audited annual report of your Company for the financial year ended on 31st March 2007.

### **FINANCIAL HIGHLIGHTS.**

During the year under review the financial performance of the Company is as under:  
(Amount in Rupees)

Particulars.	For the Year Ended on 31/03/2007	For the Year Ended on 31/03/2006
Gross Income.	2,85,018	NIL
Total Expenses.	2,84,540	2,568,856
Profit/ (Loss) Before Depreciation & Tax.	478	(2,568,856)
Provision for Depreciation.	NIL	NIL
Profit/ (Loss) Before Tax.	478	(2,568,856)
Provision for Tax	NIL	NIL
Provision for Differed Tax.	NIL	NIL
Provision for FBT	890	NIL
Net Profit/ (Loss) for the Year.	(412)	(2,568,856)
Add: Balance B/f from Previous Year.	(6,028,272)	(34,59,416)
Profit/(Loss) Carried to Balance Sheet	(60,28,684)	(6,028,272)

### **DIVIDEND**

As the Company has incurred a net loss during the year, your directors are unable to declare any dividend.

### **UNPAID/UNCLAIMED DIVIDEND:**

The Company do not have any outstanding unpaid/unclaimed dividend which is required to be transferred to the Investors Education and Protection funds as per the provision of Section 205C of the Companies Act 1956. The Company does not have any outstanding liability on account of Interest and Principal on Deposits, Debentures or Share Application Money.

### **SHARE CAPITAL STRUCTURE:**

During the year under review there were no changes in the Authorized, Issued, Subscribed and Paid up Share Capital Structure of the Company.

**BUY BACK OF EQUITY SHARES:**

The Company had not made any Buy Back of its paid up equity shares during the year in terms of section 77A, 77AA and 77B of the Companies Act 1956. Hence no specific disclosure is required to be made in this report.

**YEAR UNDER REVIEW**

During the year under review the Company has earned a Share Consultancy fees income of Rs. 2,85,000/-, Profit on sale of shares of Rs. 17.90 and after deduction of all administrative and other expenses of Rs. 2,84,540.33 an operating profit of Rs. 477.57. After provision for FBT of Rs. 890.00 a net Loss of Rs. 412.43 during the year is carried forward to balance sheet. The total accumulated loss at the close of the financial year was Rs. 60,28,684.19 which is less than 50% of the networth of the Company.

The operations of the business were limited and restricted during the year due to the reason that the entire liquid funds were blocked in long term investment and short term investment in securities for short term gain from capital Marketing. Looking to the current buoyant market conditions the company has not taken decision to liquidate its investments and hence no trading income or investment profit was earned during the year. The company hope to earn good return on long term investment.

**DEMATERIALISATION OF SECURITIES:**

Your Company's Equity shares are already admitted in the System of Dematerialization by both the Depositories namely NSDL and CDSL. The Company has already signed tripartite Agreement through Registrar and Share Transfer Agent M/s. Pinnacle Share Registry Private Limited. The Investors are advised to take advantage of timely dematerialization of their securities. The ISIN allotted to your Company is INE 912 B 01024.

**COMPLIANCE TO CODE OF CORPORATE GOVERNANCE:**

The Complete Report on Corporate Governance is given as ANNEXURE-A.

**MANAGEMENT'S DISCUSSION AND ANALYSIS:**

Management's discussion and perceptions on existing business, future out look of the industry, future expansion and diversification plans of the Company and future course of action for the development of the Company are fully explained in a separate para in Corporate Governance Report in Annexure-A forming part of this report and also report on corporate governance.

**DEPOSITS:**

During the year under review your company has neither invited nor accepted any public deposit or deposits from the public as defined under Section 58A of the Companies Act-1956.

**DIRECTORS**

Shri Ashwin. C. Sheth shall retire by rotation at the ensuing Annual General Meeting as provisions of Law. He is eligible for reappointment as director and has offered herself for directorship of the company. Hence, your directors recommend reappointing them by passing resolutions.

## **GOYAL ASSOCIATES LIMITED**

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### **DIRECTORS' RESPONSIBILITY STATEMENT**

Pursuant to the provision contained in Section 217(2AA) of the Companies Act, 1956, the Directors of your Company confirm:

- (A) That in the preparation of the annual accounts, the applicable accounting standards has been followed and no material departure has been made from the same;
- (B) That they 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 affair of the Company at the end of the financial year and of the profit or loss of the Company for that period;
- (C) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company for preventing and detecting fraud and other irregularities;
- (D) That they have prepared the annual accounts on a going concern basis.

### **STATUTORY AUDITORS:**

M/s Pradip B. Gandhi & Co., Present Statutory Auditors of the company have given their letter of consent and confirmation under section 224(1B) the Companies Act 1956 for reappointment as Statutory Auditors of the Company. Necessary Resolution making their appointment as the Statutory Auditors and fixing their resolution is proposed to be passed at the Annual General Meeting.

### **INTERNAL AUDITORS:**

The Company has yet not appointed an independent Chartered Accountant as an Internal Auditor. However, the company is having an Internal Audit System within the organization under the Chairmanship of Shri Ashwin. C. Sheth. The Board is considering appointing independent Chartered Accountant as the Internal Auditors of the Company in the next financial year.

### **AUDITORS OBSERVATION:**

There are no observations made by the Auditors in their report. However notes to the Accounts itself are clarificatory and self explanatory in the nature.

### **FORMATION OF AUDIT COMMITTEE:**

Provisions of Section 292A of the Companies Act 1956 is not applicable to your company as its paid up share capital is less than Rs.5,00,00,000/-. However in order to make compliance with clause 49 of the Listing Agreement on Corporate Governance in part, your directors have already formed an Audit Committee within the organization with the Chairmanship of Shri Ashwin. C. Sheth. The Company is in process of strengthening the powers of Audit committee and its functional autonomy by appointing in the committee itself an independent Chartered Accountant who shall also act as Internal Auditors for the Company. The detail of powers, responsibilities and system of functioning of this committee is given in report on Corporate Governance forming part of this report.

## **GOYAL ASSOCIATES LIMITED**

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### **EMPLOYEES**

There are no employees of the company who were in receipt of the remuneration of Rs.24,00,000/- in the Aggregate if employed for the year and in receipt of the Monthly remuneration of Rs. 2,00,000/- in the aggregate if employed for a part of the year under review. Hence the information required under Section 217 (2A) of the Companies Act, 1956 being not applicable are not given in this report.

### **STATUTORY INFORMATION:**

The Information required to be disclosed in the report of the Board of Directors as per the provisions of Section 217 (1)(e) of the Companies Act-1956 and the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 regarding the conservation of energy, technology absorption, foreign exchange earnings and outgo are not applicable to the company hence are not given herewith.

### **MATERIAL CHANGES**

Except the information given in this report there are No material changes have taken place after completion of the financial year up to the date of this report which may have substantial effect on business and finances of the company.

### **APPRECIATION:**


Your Directors take this opportunity to acknowledge the trust reposed in your company by its Shareholders, Bankers and clients. Your Directors also keenly appreciate the dedication & Commitment of all our employees, without which the continuing progress of the company would not have been possible.

PLACE: AHMEDABAD.  
DATE: 23/08/2007

ON BEHALF OF THE BOARD OF DIRECTORS  
OF GOYAL ASSOCIATES LIMITED.

SD/-  
(ASHWIN. C. SHETH)  
CHAIRMAN AND DIRECTOR

For, GOYAL ASSOCIATES LTD.

  
Director



## GOYAL ASSOCIATES LIMITED

### REPORT ON CORPORATE GOVERNANCE:

#### MANAGEMENT PERCEPTION ON CORPORATE GOVERNANCE

The Company believes that good corporate governance practices enable the Board to direct and control the affairs of the Company in an efficient manner. To meet with the requirement, the Company has introduced the system of Corporate Governance with adequate number of committees. These committees are having representations from professional persons as Advisors. Thus the company will be able to introduce more transparency in the administration and professionalism in the management of the business and affairs of the company,

#### BOARD COMPOSITION:

Mr. Ashwin. C. Sheth has been appointed as Chairman of the Company. He is a Non Executive. However he is looking after the day to day affairs of the Company. The Company's paid up capital is less than Rs.500 Lacs hence it has not appointed any Managing Director. All the directors of the company are independent and non-executive.

Name of the Director	Designation	Type	Executive / Non Executive
Mr. Ashwin. C. Sheth	Chairman And Director	Independent Director	Non- Executive
Mr. Jashwantlal. L. Shah	Director	Independent Director	Non Executive
Ms. Rinkuben. J. Shah	Director	Independent Director	Non Executive

#### COMPOSITION OF COMMITTEES.

##### A. AUDIT COMMITTEE

	Name	Type
1	Shri Ashwin. C. Sheth	Chairman
2	Shri Jashwantlal. C. Shah	Member
3	Ms. Rinkuben. J. Shah	Member
4	Shri K.M.Shah *	To act as Secretary

\*(In the Capacity of Advisors Only)

##### B. INVESTOR GRIEVANCE COMMITTEE

	Name	Type
1	Shri Ashwin. C. Sheth	Chairman
2	Shri Jashwantlal. C. Shah	Member
3	Ms. Rinkuben. J. Shah	Member
4	Shri K.M.Shah *	To act as Secretary

\*(In the Capacity of Advisors Only)

the company. The Company is also not paying any sitting fees to any directors. Hence, it has not formed the remuneration committee.

NO. OF BOARD AND COMMITTEE MEETINGS HELD DURING THE YEAR:

Name of the Committee	No. of Meetings held
Board	5
Audit Committee of Board	5
Investor Grievance Committee	12

ATTENDANCE OF THE DIRECTORS IN VARIOUS MEETINGS:

	Name of the Director	Board Meeting	ACB Meeting	IGCB Meeting
1	Mr. Ashwin. C. Sheth	5	5	12
2	Mr. Jashwantlal. L. Shah	5	5	12
3	Ms. Rinkuben. J. Shah	5	5	12

DIRECTORS PRESENT AT THE LAST ANNUAL GENERAL MEETING DATED SEPTEMBER 30, 2005.

	Shri Ashwin. C. Sheth	Chairman And Director
	Shri Jashwantlal. C. Shah	Director

DETAILS OF ANNUAL GENERAL MEETINGS HELD DURING THE LAST 4 FINANCIAL YEARS:

Sr.No.	Date of AGM	Day	Time	Venue
(1)	30/09/2003	Tuesday	09.30A.M	503,5 <sup>th</sup> Floor, Ashwamegh Avenue, Near Mithakhali Under Bridge, Navrangpura, Ahmedabad: 380 009.
(2)	30/09/2004	Thursday	09.30A.M	503,5 <sup>th</sup> Floor, Ashwamegh Avenue, Near Mithakhali Under Bridge, Navrangpura, Ahmedabad: 380 009.
(3)	30/09/2005	Saturday	09.30A.M	D-34, Sarvadarshan Apartment, Opp: Satya Triveni Sangam Flats, Off: S.G.Highway, Satellite, Ahmedabad: 380 015.
(3)	30/09/2006	Saturday	10.30A.M	503,5 <sup>th</sup> Floor, Ashwamegh Avenue, Near Mithakhali Under Bridge, Navrangpura, Ahmedabad: 380 009.

**FUNCTIONS OF AUDIT COMMITTEE:**

The Audit Committee is headed by Shri Ashwin. C. Sheth as Chairman and includes other director namely Shri Jashwantlal. L. Shah and Ms. Rinkuben J. Shah. The Committee is regularly giving feed back on daily financial and accounting position of the company to the Board. In addition thereto the company has also appointed independent professional persons as advisors on the committee Mr. Kamlesh. M. Shah a Practicing

Company Secretary. Their role has been of an Advisory nature. They do not take part in the proceedings of the committee. However they are giving their expert guidance on making compliance with the Accounting Standards, Financial transactions and accounting and Taxation matters, company law and other corporate legal matters etc.

The Committee meets at least once in every quarter and prepare its minutes on the proceedings and business discussed, transacted. All committee Reports and minutes are placed before the Board in all its meetings for information, guidance, directions and taking the same on record.

Other functions, powers, duties etc. of the committee are defined taking in to account the legal provisions of the Listing Agreement and the same are kept flexible to be decided by the Board from time to time.

#### **ESTABLISHMENT OF THE INTERNAL AUDIT SYSTEM.**

The Company has already established the Internal Audit System under the Chairmanship of Shri Ashwin. C. Sheth who is also a chairman of the Audit Committee. The Managing Director and the Chief Financial Officer of the company both are jointly responsibilities for giving full accounts to the committee including to carry out any suggestions of the committee. The Audit system ensures proper financial control and accounting of the transactions as per the established accounting standards.

#### **FUNCTIONS OF INVESTORS SERVICES COMMITTEE.**

The Company has merged in this committee its earlier committee of Share Transfer. This Committee looks in to all aspects and business related to Shares and retail investors. The Committee also looks after the Dematerialization process of equity shares.

The Committee is also empowered to keep complete records of Shareholders, Statutory Registers relating to Shares and securities, maintaining of the complete records of Share Demated, Investors Grievances, complaints received from investors and also from various agencies.

The Committee has also appointed Mr.Kamlesh. M. Shah Company secretary to look after the legal cases and problems relating to the investors, shares etc.

The Committee meets every month to approve all the cases of shares demate, transfer, issue of duplicate and resolution of investors complaints, submission of information to various statutory authorities like NSDL/CDSL, SEBI, Stock Exchanges, Registrar of Companies periodically and from time to time.

Other functions, roles, duties, powers etc. have been clearly defined in line with the Clause 49 of the Listing Agreement and are kept flexible for modification by the Board from time to time.

#### **PASSING OF THE RESOLUTIONS BY POSTAL BALLOT SYSTEM:**

The Company had not passed any resolution by means of Postal Ballot at the last Annual General Meeting. The Company had during the financial year not passed any resolutions by means of Postal Ballot system.

#### **MANAGEMENT DISCUSSION AND ANALYSIS**

##### **a) PRESENT STRENGTH OF THE COMPANY:**

The Company's present business activities are of securities trading and investment. It is using its own funds only and has not borrowed any funds. Thus the overall cost of fund

for investment is comparatively low and as a result the company is in a position to take bold and risky investment decisions. In addition the Company's total capital base is also at marginally low level hence the overall risk for loosing the funds in the market is at a very low level.

#### **b) FUTURE OUT LOOK:**

The Company is in process of identifying the best available opportunities for making timely investment in many investment capable securities like shares, debentures and bond securities, liquid funds, mutual funds etc. The overall growth of the Indian capital market is about to witness drastic growth in terms of investment and flow of fund not only from local market but from overseas market also with the opening of the Indian economy for world at large. The country is going to see grass root changes in the Indian capital market history with the introduction of electronic trading and clearing facilities, dematerialized security delivery system etc. as all these factors have introduced and boosted within the capital market an investor confidence.

Hence, the company's future is bright in terms of its present business activities. The management of the company is also constantly watching the market to increase its financial base and capital base after identifying the investment opportunity in the country.

#### **C) COMPANY'S ACTION PLAN OF BUSINESS DEVELOPMENT.**

For this purpose the company has established following system of business development model and assessment model of its financial and investment assets:

- (A) Assessment of the Investment Portfolio every 15 days considering the Capital market index Movement and Industrial scenario.
- (B) Assessment of the financial assets in terms of its credit rating, credit worthiness of customers, market scenario, rate of interest curve etc.
- (c) Taking timely action to make changes within the various assets of the company considering the revenue fund requirements for meeting with the day to day administrative and other expenses of the company.
- (d) Making hedging of investment assets for risk coverage in futures market.
- (e) Identifying the investment opportunity in the commodities market, futures market, precious metals and other such markets for high turnover and return on capital employed.

#### **DISCLOSURES**

##### **A) MATERIALLY RELATED PARTY TRANSACTIONS:**

During the financial year 2005-2006 there was no transactions of material nature with its promoters, the directors and the management, subsidiaries or relatives, etc. which may have potential conflict with the interests of the company at large.

##### **B) DETAILS OF NON-COMPLIANCE**

No penalties imposed on the company or any of its directors by stock exchanges or SEBI or any statutory authority on any matter related to capital markets during the last three years.

## **MEANS OF COMMUNICATIONS:**

### **A] ESTABLISHMENT OF INTERNAL MANAGEMENT INFORMATION SYSTEMS:**

The Company has established the Management information system whereby each and every functional department is providing their performance reports and any type, nature, description of problems to their Functional heads. The functional heads have autonomy for redressal of problems and HRD problems or functional problems at their own level. Any problem requiring policy decisions are being intimated to Audit Committee for redressal or amendments in the policy and procedures. The progress reports are being regularly on monthly basis intimated to the Audit committee through the Financial Officer of the Company who in turn put the same to Audit Committee meetings. All the Investors' grievances or share department related queries are addressed to the Compliance officer who in turn put the same before the Investors' Grievances Committee.

### **B INFORMATION SYSTEM BETWEEN COMMITTEES AND THE BOARD:**

Both Audit Committee and Investors' Grievances Committees receive periodical regular information from the concerned functional heads, after resolutions of all the problems communicate back the same to functional heads for further communications. The progress report and minutes of all meetings held of both the committees are being placed before the Board for information and taking the same on records.

### **C INFORMATION SYSTEM BETWEEN THE COMPANY AND INVESTORS:**

The Company is regularly taking on record the unaudited financial results on quarterly basis as per requirements of the Clause 41 of the listing Agreement and the same are published in English And Gujarati News Papers in time. Further these original paper cuttings are also being submitted to stock Exchanges in time. The Material information relating to the business of the Company are being intimated to the Stock Exchange who in turn publish the same in their daily official bulletin. The Audited Financial Balance Sheet is being dispatched to every shareholder in time at their registered addresses.

### **STATUTORY COMPLIANCES MADE AND RETURNS ETC. FILED:**

The Company has duly complied with the provisions of the Companies Act 1956, all the provisions of the Listing Agreement. The Company has also filed various unaudited financial results, Balance sheets, Income Tax returns and other statutory returns with all the authorities in time. There are no defaults as on date in any such compliances and no legal action of any nature has been taken against the company or its officers/ directors.

### **OTHER DETAILS:**

REGISTERED OFFICE	: 503, Ashwamegh Avenue, Near Mithakhali Underbridge, Navrangpura, Ahmedabad: 380 009.
BOOK CLOSURE DATES	: SEPT.28 2007 to SEPT.29, 2007 (Both days inclusive)
REGISTRAR AND SHARE TRANSFER AGENT. (Only Depository Electronics Services)	: Pinacple Share Registry Private Limited, Ashoka Mills Compound, Naroda Road, Ahmedabad: 380 025.

ISIN NUMBER OF THE COMPANY : INE 912 B 01024

## FINANCIAL CALENDAR

### Unaudited Results for the Quarter :

Ending on 31<sup>st</sup> March 2006. : Last week of April, 2006  
Ending on 30th June, 2006. : Last Week of July, 2006  
Ending on 30<sup>th</sup> September 2006 : Last week of October, 2006.  
Ending on 31st December 2006 : Last week of January 2007  
Ending on 31<sup>st</sup> March, 2007 : Last Week of April, 2007.

DIVIDEND PAYMENT PROGRAMME: Due to loss incurred during the year  
The Board of Directors has not  
Recommended any dividend for the year.

### DETAILED PROGRAMME OF THE 13<sup>TH</sup> ANNUAL GENERAL MEETING.

DATE 29TH SEPTEMBER 2007.  
DAY Saturday  
TIME 10.30 A.M.  
VENUE REGISTERED OFFICE OF THE COMPANY AT ;

503, Ashwamegh Avenue,  
Near Mithakhali Underbridge,  
Navrangpura, Ahmedabad: 380 009

Listing Details: Equity Shares of the Company are listed and traded on  
The Stock Exchange, Ahmedabad  
The Stock Exchange, Mumbai.

Stock Exchange Code : ASE Code: GOYALASSO.  
: BSE Code: 530663

Market Quotations and Number of Shares Traded during the Financial Year ended on 31/3/2007.

The Company's shares were traded on the stock exchange, Mumbai during the year. However, the stock exchange had suspended trading after September 2006. The complete details of total trading volume, highest, lowest prices, closing prices month wise for the year ended 31/3/2007 are as under:

Scrip Code:530663 Company Name:GOYAL ASSOCI For the period:April 2006 to September 2006

Date	Open (Rs.)	High (Rs.)	Low (Rs.)	Close (Rs.)	No. of Shares	No. of Trades	Net (Rs.)	T/O	Spread (Rs.)	
									H-L	C-O
April 2006	0.40	0.52	0.37	0.37	694483	281	317,278.00	0.15	0.03	
May 2006	0.36	0.52	0.35	0.46	717481	299	302,554.00	0.17	0.10	
June 2006	0.46	0.46	0.34	0.34	235528	120	87,827.00	0.12	0.12	
July 2006	0.33	0.34	0.29	0.32	171043	102	53,690.00	0.05	0.01	

August  
2006      0.32   0.32   0.24   0.25   325414   215   90,821.00   0.08   0.07

September  
2006      0.26   0.31   0.26   0.31   176849   81   50,707.00   0.05   0.05

\* Spread

H - L -> High - Low

C - O -> Close - Open

As the Company's shares are not included in any Index of the stock exchange, the effect of price movement of shares of the company viz a viz. General Index or the Industry Index is not given herewith.

#### CATEGORY WISE SHAREHOLDING PATTERN OF THE COMPANY.

Category Code	Category of shareholder.	Number of Share holders.	Total Number of Shares.	Number of shares held in Dematerialised form.	Total Shareholding as % of (A+B)	Total shareholding as Percentage of (A+B+C)
1.	2.	3.	4.	5.	6.	7.
(A)	Shareholding of promoter					
	And promoter group					
(1)	Indian					
(a)	Individuals / Hindu undivided family	1	17,000	17,000	00.05%	00.05%
(b)	Central Government / state Government	NIL	NIL	NIL	NIL	NIL
(c)	Bodies corporate	NIL	NIL	NIL	NIL	NIL
(d)	Financial institution / banks	NIL	NIL	NIL	NIL	NIL
(e)	Any Other (GROUP ASSOCIATE COMPANIES) Gujarat Investa Ltd	1	15,000	15,000	00.05%	00.05%
	<b>Sub- Total (A) (1)</b>	<b>2</b>	<b>32,000</b>	<b>32,000</b>	<b>00.10%</b>	<b>00.10%</b>
(2)	Foreign					
(a)	Individuals (non resident Individuals / foreign individuals)	NIL	NIL	NIL	NIL	NIL
(b)	Bodies corporate	NIL	NIL	NIL	NIL	NIL
(c)	Institutions	NIL	NIL	NIL	NIL	NIL
(d)	Any Other (Persons Acting In Concert)	NIL	NIL	NIL	NIL	NIL
(B)	Public Shareholding					
(1)	Institutions					
(a)	Mutual Funds / UTI	NIL	NIL	NIL	NIL	NIL
(b)	Financial institution / banks	1	1,50,000	1,50,000	00.50%	00.50%
(c)	Central Government / state Government (s)	NIL	NIL	NIL	NIL	NIL
(d)	Venture Capital Funds	NIL	NIL	NIL	NIL	NIL
(e)	Insurance Companies	NIL	NIL	NIL	NIL	NIL
(f)	Foreign institutional	NIL	NIL	NIL	NIL	NIL

	investors					
(g)	Foreign Venture capital investors	NIL	NIL	NIL	NIL	NIL
(h)	Any Other ( specify) Corporate Brokers. Corporate Body Others.	23 4	2,91,989 9,800	2,91,989 9,800	00.95% 00.03%	00.95% 00.03%
	<b>Sub - Total (B) (1)</b>	<b>28</b>	<b>4,51,789</b>	<b>4,51,789</b>	<b>01.48%</b>	<b>01.48%</b>
(2)	<b>Non – Institutions</b>					
(a)	Bodies corporate	137	29,75,613	29,75,613	09.72%	09.72%
(b)	Individuals					
	(i) Individual shareholders holding nominal share capital up to Rs. 1 Lakh.	5,277	2,33,20,003	2,31,06,003	76.22%	76.22%
	(ii) Individuals shareholders holding nominal share capital in excess of to Rs. 1 Lakh.	21	34,97,403	34,97,403	11.43%	11.43%
(c)	Any Other ( specify) Clearing Member NRI Repairable NRI Non Repairable	4 NIL 27	15,970 NIL 3,07,222	15,970 NIL 3,07,222	00.05% NIL 01.00%	00.05% NIL 01.00%
	<b>Sub- Total (B) (2)</b>	<b>5494</b>	<b>3,05,68,000</b>	<b>3,03,54,000</b>	<b>99.90%</b>	<b>99.90%</b>
	<b>Total Public Shareholding</b> (B) = (B)(1) + (B)(2)	<b>5494</b>	<b>3,05,68,000</b>	<b>3,03,54,000</b>	<b>99.90%</b>	<b>99.90%</b>
	<b>TOTAL (A) + (B)</b>	<b>5,496</b>	<b>3,06,00,000</b>	<b>3,03,86,000</b>	<b>100.00%</b>	<b>100.00%</b>

**DISTRIBUTION OF SHAREHOLDING (AS ON 23.08.2007):**

**DISTRIBUTION OF HOLDINGS.**

SHARE OR DEBENTURE HOLDING OF NOMINAL VALUE OF FROM RS. TO RS.	SHARE AND DEBENTURE HODLER		SHARE / DEBENTURE AMOUNT RS.	
	NUMBER	% TO TOTAL	TOTAL RS.	% OF TOTAL
1 - 5000	833	015.156	551616	001.80
5001 - 10000	1474	026.819	1330886	004.35
10001 - 20000	871	015.848	1644848	005.38
20001 - 30000	426	007.751	1180991	003.86
30001 - 40000	185	003.366	715644	002.34
40001 - 50000	661	012.027	3284843	010.73
50001 - 100000	575	010.462	4935164	016.13
100001 - Above	465	008.571	16956008	055.41
	5496	100.000	30600000	100.00



**GOYAL ASSOCIATES LIMITED**

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**AUDITORS' REPORT ON WITH CORPORATE GOVERNANCE.**

To  
The Members of  
GOYAL ASSOCIATES LIMITED

We have examined the relevant records for the year ended March 31, 2007 relating to the Compliance with the requirement of corporate Governance as stipulated under clause 49 of the Listing Agreement with the Stock Exchanges.

On the basis of our review and according to the information and explanations given to us by the company, we state that in our opinion and to the best of our knowledge, the Company has not complied with the mandatory requirements as contained in the Listing Agreement with the Stock Exchanges and as per Section 292A of the Companies Act 1956.

Date: 23/08/2007

for Pradip B Gandhi & Co.,  
Chartered Accountants,

Place: Ahmedabad.

SD/-  
(Pradip. B. Gandhi)  
Partner  
Membership No:102070

**GOYAL ASSOCIATES LIMITED**

---

**ATTENDANCE SLIP**

I Shri/Smt. \_\_\_\_\_ of \_\_\_\_\_

being a member/ proxy of GOYAL ASSOCIATES LIMITED do hereby record my presence at the 13th Annual General Meeting of the members of the Company to be held on Saturday the 29th September, 2007, at 10.30 A.M. at 503, Ashwamegh Avenue, Near Mithakhali Underbridge, Navrangpura, Ahmedabad: 380 009

Name of Shareholder.

Ledger Folio No.

D.P. NAME:

D.P. I.D.:

CLIENT I.D.:

Number of Shares Held.

Date:

Place: Ahmedabad.

-----  
(Signature of the Member/  
Proxy attending the meeting)

**GOYAL ASSOCIATES LIMITED**

**PROXY FORM**

Name of Shareholder.

Ledger Folio No.

D.P. NAME:

D.P. I.D.:

CLIENT I.D.:

Number of Shares Held.

I Shri/Smt. \_\_\_\_\_ being a member of GOYAL ASSOCIATES LIMITED, holding \_\_\_\_\_ Shares in the company do hereby appoint Shri \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri \_\_\_\_\_ of \_\_\_\_\_ or failing him Shri \_\_\_\_\_ of \_\_\_\_\_ to remain present at the 13th Annual General Meeting of the company to be held on SATURDAY the 29<sup>th</sup> September, 2007 at 10.30 A.M. at Registered Office of the Company at 503, Ashwamegh Avenue, Near Mithakhali Underbridge, Navrangpura, Ahmedabad: 380 009 Gujarat or at any adjournment thereof and to vote for and on my behalf if poll is granted.

Affix  
Rs.1/-  
revenue  
stamp  
here

Date:

Place:

\_\_\_\_\_  
(Signature of the member  
appointing a Proxy)

CA PRADIP GANDHI  
B.Com., LLB, FCA  
Mob. No. 9825139076  
Mail : capradipgandhi@yahoo.co.in

CA AMIT LAKHTARIYA  
B.Com., ACA, DISA  
Mob. No. 9376139815  
Mail : amitlakhtariya@yahoo.co.in

**PRADIP B. GANDHI & CO.**  
**CHARTERED ACCOUNTANTS**

314 & 315, 3rd Floor, Medicine Market,  
Opp. Shefali Centre, Paldi Cross Road,  
Paldi, Ahmedabad - 380007  
PH. : (0) 079-26 57 50 76 079-40 09 30 76  
web.: www.pb gandco.com

**AUDITOR'S REPORT**

To the MEMBERS of GOYAL ASSOCIATES LIMITED, AHMEDABAD on the Accounts for the year ended 31st march 2007.

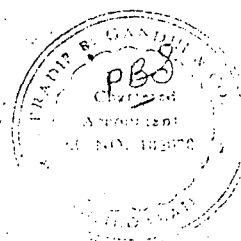
A) We have audited the attached Balance Sheet of **GOYAL ASSOCIATES LIMITED**, **AHMEDABAD** as at **31st march 2007**, and also the Profit and Loss Account for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

B) 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. Our audit includes an examination on a test basis, of evidence supporting the amounts and disclosures in financial statements, assessing the accounting principles used and significant estimates and judgments made by the management in the preparation of financial statements and evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

C) As required by the Companies (Auditor's Report) Order, 2003 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956, We enclose in the Annexure a statement on the matters specified in paragraph (D) of the said order.

D) We further report that:

1. We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of audit.
2. 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.
3. The Balance Sheet, Profit and Loss Account dealt with by this report are in agreement with the Books of Account.



4. In our opinion, the Balance Sheet, Profit and Loss Account dealt with by this report comply with the requirements of the Accounting Standards referred to in sub-section (3C) of Section 211 of the Companies Act, 1956.
5. On the basis of the written representations received from the directors 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 2007** from being appointed as a director in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
6. In our opinion and to the best of our information and according to the explanations given to us & Subject to annexure to this report, the said accounts, and read together with the other notes thereon, give the information required by the Companies Act, 1956 in the manner so required and also 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 2007**.
  - b) In the case of the Profit and Loss Account, of the loss for the year ended on that date.

FOR, PRADIP B. GANDHI & CO.,  
CHARTERED ACCOUNTANTS,

*P.B. Gandhi*

PARTNER  
M.No.102070.

Place : Ahmedabad  
Date : **23/03/2007**

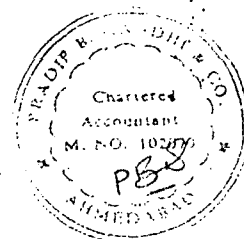


**for GOYAL ASSOCIATES LIMITED**

*[Signature]*  
**DIRECTOR**

ANNEXURE REFERRED TO IN PARAGRAPH (1) OF AUDITORS REPORT TO THE SHARE HOLDERS OF **GOYAL ASSOCIATES LIMITED**, AHMEDABAD ON THE ACCOUNTS FOR THE YEAR ENDING ON **31<sup>st</sup> MARCH , 2007**.

1. The Company is not having any Fixed Assets .
2. (a) As explained to us, the Inventories has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.  
(b) The company has maintained proper records of stock . Stock lying in demate form are subject to reconciliation and stock lying with the broker or third party are subject to their confirmation . In our opinion and according to the information and explanation given to us, the procedure of physical verification of Inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its Business.
3. In our opinion and according to the information and explanation given to us, the Company has not granted or taken any loan secured or unsecured to or from the Company or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
4. The Company has adequate internal control procedure commensurate with the size of the Company and nature of its Business for purchase of inventory , fixed assets and sale of goods . We have not come across any major weakness in internal control.
5. In our opinion and according to the information and explanation given to us , there are no such transaction that need to be entered into a register in pursuance of section 301 of the companies act , 1956 .
6. In our opinion and according to the information and explanations given to us, the Company has not accepted / invited any deposits falling within the preview of Section 58A / 58AA of the Companies Act, 1956 during the financial year.
7. In our opinion, the Company has no Internal Audit system commensurate with the size and nature of its Business.
8. As informed to us the Central Govt. has not prescribed the maintenance of cost records by the Company under Section 209 (1) (d) of the Companies Act, 1956.



9. (A) According to the records of the Company, the Company is regular in depositing with appropriate authorities undisputed Statutory dues including Provident Fund, Investor Education Protection Fund, Employees State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Cess and other material statutory dues applicable to it.
- (b) According to the information and explanations given to us, no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty and Cess were in arrears, as of 31<sup>st</sup> March, 2007 for a period of more than six months from the date they became payable, except Fringe Benefit Tax. The company has not paid Fringe Benefit Tax of Rs. 890 for the financial year 2006 - 07.
- (c) According to the information and explanation given to us, there are no dues of Income Tax, Customs duty, Wealth Tax, Excise duty and Cess (except Sales Tax) which have not deposited on Account of any dispute.
10. The Company has accumulated losses of Rs. 60,28,685.00. However accumulated losses does not exceed fifty percent of it's net worth.
11. The company has no dues outstanding towards financial institution or bank or debenture holders.
12. In our opinion and according to the information and explanations given to us, the Company has not granted any loans and advance on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not chit fund or a *nidhi* / Mutual benefit fund / Society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
14. Proper records are presented before us for the transactions and contracts relating to dealing or trading in shares, securities, debentures and other investments.
15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from Bank or financial institutions.
16. The Company has not taken any term loan during the year therefore the question of its application for the purpose for which they were raised does not arise.
17. The Company has not made any preferential allotment of shares during the year to parties and Companies covered in the register maintained under Section 301 of the Companies Act, 1956.



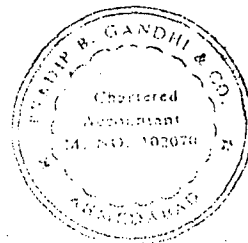
18. The Company has not issued any debentures during the year and therefore the question of creating security in respect thereof does not arise.
19. The Company has not made any Public Issue during the year and therefore the question of disclosing the end use of money does not arise.
20. According to the information and explanations given to us, based upon the audit procedures performed and representations made by the management, we report that no fraud on or by the Company has been noticed or reported during the course of our Audit.

FOR , PRADIP B. GANDHI & CO.,  
CHARTERED ACCOUNTANTS

*P B Gandhi*

Place : Ahmedabad  
Date : 23/08/2007

PARTNER  
M.NO.102070



For GOYAL ASSOCIATES LIMITED

*[Signature]*  
DIRECTOR



**GOYAL ASSOCIATES LIMITED**  
**BALANCE SHEET AS AT 31ST MARCH 2007**

PARTICULARS	SCHEDULE	AS AT 31.03.2007 Rs.	AS AT 31.03.2006 Rs.
<b>SOURCES OF THE FUNDS :</b>			
A. SHAREHOLDER'S FUND			
a. SHARE CAPITAL	1	30,600,000.00	30,600,000.00
b. RESERVES & SURPLUS		0.00	0.00
B. LOAN FUNDS			
a. SECURED LOAN		-	-
b. UNSECURED LOANS		-	-
C. DEFERRED TAX LIABILITY - NET		-	-
<b>Total</b>		<b>30,600,000.00</b>	<b>30,600,000.00</b>
<b>APPLICATION OF FUND</b>			
A. FIXED ASSETS			
a. GROSS BLOCK		-	-
b. LESS: DEPRECIATION		-	-
c. NET BLOCK		-	-
B. INVESTMENTS	2	20,965,250.00	20,700,725.90
C. CURRENT ASSETS, LOANS & ADVANCES	3		
a. STOCK		3,597,622.00	3,597,622.00
b. DEBTORS		398.75	-
c. CASH & BANK		8,882.06	11,545.34
d. DEPOSIT, LOANS & ADVANCES		19,300.00	273,835.00
		3,626,202.81	3,903,002.34
D. LESS: CURRENT LIABILITIES & PROVISION	4		
a. CURRENT LIABILITIES		-	-
b. PROVISIONS		20,137.00	32,000.00
<b>NET CURRENT ASSETS (C-D)</b>		<b>3,606,065.81</b>	<b>3,871,002.34</b>
E. DEFERRED TAX ASSET		-	-
F. PROFIT & LOSS A/C		6,028,684.19	6,028,271.76
G. MISCELLANEOUS EXPENDITURE (TO THE EXTENT NOT W/O)		-	-
<b>Total</b>		<b>30,600,000.00</b>	<b>30,600,000.00</b>
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	6		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

FOR, PRADIP B. GANDHI & CO.  
CHARTERED ACCOUNTANT

FOR & ON BEHALF OF THE BOARD

*PB Gandhi*

*Agarwal*

*Joshi*

PARTNER

DIRECTOR

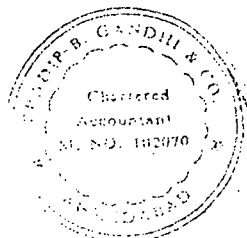
DIRECTOR

(PRADIP GANDHI)

(M.NO. 102070)

PLACE : AHMEDABAD

DATE : 23/08/2007



PLACE : AHMEDABAD

DATE : 23/08/2007

FOR GOYAL ASSOCIATES LIMITED

*Prady*  
DIRECTOR

GOYAL ASSOCIATES LIMITED				
PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH 2007				
PARTICULARS		SCHEDULE	UP TO 31.03.2007 Rs.	UP TO 31.03.2006 Rs.
<b>A. INCOME</b>				
SHARE CONSULTANCY FEES			285,000.00	-
PROFIT ON SALE OF SHARES			17.90	-
<b>TOTAL (A)</b>			<b>285,017.90</b>	<b>-</b>
<b>B. EXPENDITURE</b>				
PURCHASE OF SHARES			-	-
LESS : CLOSING STOCK OF SHARES			[3,597,622.00]	[3,597,622.00]
ADD : OPENING STOCK OF SHARES			3,597,622.00	3,597,622.00
COST OF TRADING SHARES			-	-
ADMIN. & SELLING EXP.		5	284,445.28	568,856.06
LOSS ON SALE OF SHARES			95.05	2,000,000.00
LOSS ON SALE OF FIXED ASSETS			-	-
PRELIMINARY EXP. WRITTEN OFF			-	-
<b>TOTAL (B)</b>			<b>284,540.33</b>	<b>2,568,856.06</b>
C. PROFIT BEFORE DEP. & TAXATION (A-B)			<b>477.57</b>	<b>(2,568,856.06)</b>
D. DEPRECIATION			-	-
E. PROFIT BEFORE TAXATION (C-D)			<b>477.57</b>	<b>(2,568,856.06)</b>
F. PROVISION FOR TAXATION -	CURRENT		-	-
DEFERRED	DEFERRED		-	-
FBT	FBT		890.00	-
PROFIT AFTER TAX(E-F)			<b>(412.43)</b>	<b>(2,568,856.06)</b>
BALANCE AS PER LAST BALANCE SHEET			(6,028,271.76)	(3,459,415.70)
BALANCE AVAILABLE FOR APPROPRIATION			<b>(6,028,684.19)</b>	<b>(6,028,271.76)</b>
LESS : TRANSFER TO GENERAL RESERVE			0.00	0.00
BALANCE CARRIED TO BALANCE SHEET			<b>(6,028,684.19)</b>	<b>(6,028,271.76)</b>
ACCOUNTING POLICIES AND NOTES ON ACCOUNTS		6		

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

FOR, PRADIP B. GANDHI & CO.  
CHARTERED ACCOUNTANT

*P.B. Gandhi*  
PARTNER

PLACE : AHMEDABAD  
DATE : 23/08/2007

FOR & ON BEHALF OF THE BOARD

*Asheo*  
DIRECTOR

*Jyoti*  
DIRECTOR

PLACE : AHMEDABAD  
DATE : 23/8/2007



For GOYAL ASSOCIATES LIMITED

*Harjot*  
DIRECTOR

SCHEDULE - 1 SHARE CAPITAL	2006-07	2005-06
AUTHORISED CAPITAL :-		
34000000 EQUITY SHARES OF RS.10/- EACH (PREV. 34000000 SHARES)	34,000,000.00	34,000,000.00
ISSUED, SUBSCRIBED AND PAID UP		
30600000 EQUITY SHARES OF RS.1/- EACH (PREV. 30600000 SHARES OF RS. 10/- EACH)	30,600,000.00	30,600,000.00
TOTAL	30,600,000.00	30,600,000.00

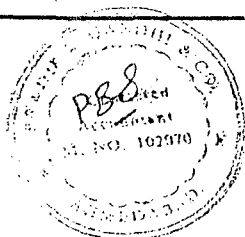
SCHEDULE - 2 INVESTMENTS ( AT COST )	2006-07	2005-06
UNQUOTED EQUITY SHARE - FULLY PAID UP		
QUOTED EQUITY SHARES - FULLY PAID UP		
GUJARAT INVESTA LTD. ( 550000 SHARES )	4,765,000.00	
SHARES OF ANJANI SYNTHETICS LTD. (270000 SHARES )	2,200,500.00	
SHARES OF G2 INTERNATIONAL EXPORT LTD. ( 2006-07 : 630000 SHARES / 2005-06 : 130000 )	5,300,000.00	1,300,000.00
SHARES OF CURE SPECT LTD. (2006 -07 : 400000 / 2005 - 06 : 3470947 )	5,700,000.00	15,691,459.80
SHARES OF INDOCARE PHARMA LTD. ( 200000 SHARES ;	2,999,750.00	2,999,750.00
SHARES OF JAYKADEE LTD. (2006 -07 : 0 / 2005 - 06 : 69700 )		709,516.10
TOTAL	20,965,250.00	20,700,725.90



**GOYAL ASSOCIATES LIMITED**

SCHEDULE - 3 CURRENT ASSETS, LOANS & ADVANCES		2006-07	2005-06
a. STOCK OF SHARES & SECURITIES (AS CERTIFIED BY MANAGEMENT)		3,597,622.00	3,597,622.00
	[A]	3,597,622.00	3,597,622.00
b. DEBTORS			
OUTSTANDING FOR MORE THAN SIX MONTHS		0.00	0.00
OTHERS		398.75	0.00
	[B]	0.00	0.00
c. CASH AND BANK BALANCES			
CASH ON HAND		4,643.00	4,108.00
BANK BALANCE WITH HDFC BANK		4,239.06	7,437.34
	[C]	8,882.06	11,545.34
d. LOANS AND ADVANCES			
LOANS (NOTES TO ACCOUNTS)			274,535.00
ADVANCES RECOVERABLE IN CASH OR KIND (NOTES TO ACCOUNTS)			
TDS 2003		19,300.00	19,300.00
	[D]	19,300.00	293,835.00
<b>TOTAL [A+B+C+D]</b>		<b>3,625,804.06</b>	<b>3,903,002.34</b>

SCHEDULE - 4 CURRENT LIABILITIES AND PROVISIONS		2006-07	2005-06
a. CURRENT LIABILITIES			
i. CREDITORS FOR EXPENSES			
-AUDIT FEES PAYABLE		19247.00	23000.00
-PROVISIONS FOR FBT		890.00	0.00
ii. OTHER LIABILITIES			
- SECURITY DEPOSIT ( APURVA CHAVDA )		0.00	9000.00
- TDS PAYABLE		0.00	0.00
<b>TOTAL</b>		<b>20137.00</b>	<b>32,000.00</b>



## GOYAL ASSOCIATES LIMITED

SCHEDULE - 5 ADMINISTRATIVE AND SELLING EXPENS	2006-07	2005-06
ACCOUNTING CHARGES	18000.00	-
ADVERTISEMENT EXPENSES	-	10,436.00
AMOUNT WRITTEN OFF	-	290,133.58
AUDITOR'S REMUNERATION	2,247.00	3,000.00
ANNUAL CUSTODY CHARGES	29,548.00	11,378.00
BANK CHARGES	1,066.28	3,426.11
BONUS EXPS	-	36,000.00
CONSULTANCY CHARGES	15,000.00	-
DIGITAL SIGNATURE EXPS.	2,550.00	-
LISTING FEES	10,000.00	35,803.00
REGISTER SERVICE CHARGE	16,836.00	16,530.00
RENT EXPS.	-	6,000.00
ROC FEES	13,500.00	3,500.00
SHARE TRANSFER AND RELATED EXPENSES	-	-
SALARY EXPS.	164,350.00	139,500.00
TELEPHONE EXPENSES	10,848.00	13,149.37
MISC. EXP	-	-
TOTAL	284,445.28	568,056.06

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**GOYAL ASSOCIATES LIMITED**  
**FINANCIAL YEAR : 2006-2007**

**SCHEDULE – 6**

**ACCOUNTING POLICIES AND NOTES FORMING PART OF ACCOUNTS**

**ACCOUNTING POLICIES**

**1. Method of Accounting**

Company maintain its accounts on accrual basis following the historical cost convention in compliance with the Accounting Standards specified to be mandatory by the Institute of Chartered Accountants of India and relevant provision of the Companies Act , 1956 .

**2. Income and Expenditure**

All incomes and expenditures to the extent considered payable and receivable respectively stated to be otherwise are accounted for on accrual basis .

**3. Fixed Assets and Depreciation**

There is no Fixed Assets . Hence no depreciation has provided .

**4. Inventories**

Closing stock of shares & securities has been valued at cost .

**5. Investments**

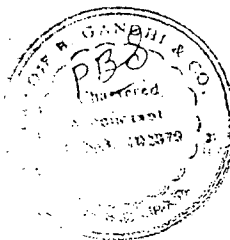
Investments reflected at the end of the year in the balance sheet are long term investments . Provision for reduction / diminution in the value of investments , if any , has not been provided as we have been informed by the management that such reduction or diminution is temporary .

**6. Provision For Taxation**

No provision for income tax is required to be made in the books of account . But provision of Rs. 890 for Fringe Benefit has made in the books of accounts.

**7. Contingent Liability**

As informed by the company management , there is no Contingent Liability .



## NOTES ON ACCOUNTS

- Contingent Liabilities not provided for Rs. Nil ( Previous Year Nil )
- Contracts remaining to be executed on capital account not provided for Rs. Nil ( Previous Year Nil )
- Payments to Auditors :

Particulars	2006-07	2005-06
For Audit Fees	2247.00	3000.00
For Income Tax Return Filling Fees	0.00	0.00
For Annual Return Filling Fees	0.00	0.00
For Income Tax & Sales Tax Consultancy Fees	0.00	0.00
Others	0.00	2000.00

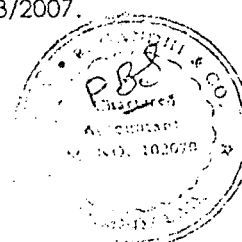
- Particulars in respect of Opening Stock , Purchases , Sales and Closing Stock .

Particulars	Quantity ( Nos. )		Value ( Rs. )	
	Year Ended on 31/03/07	Year Ended on 31/03/06	Year Ended on 31/03/07	Year Ended on 31/03/06
Opening Stock	193600	193600	3597622	3597622
Purchases	0	0	0	0
Sales	0	0	0	0
Closing Stock	193600	193600	3597622	3597622

- Directors Remuneration :

Particulars	2006-07	2005-06
Salaries	0	0

- Provision of clause 4D of part II of schedule VI of Companies Act , 1956 regarding value of imports, expenditure incurred in foreign currency , amount of remittance in foreign currency accounts of dividends , export earning etc. are not given as all information required in clauses are Nil .
- As per section 383A of Companies Act , 1956 , every Company which have paid up share capital of Rs. 2 crore or more are required to have whole time company secretary , as the company does not have whole time secretary , so the company has violated the provision of this section .
- We have been informed that Balance of Sundry Debtors , Sundry Creditors , Loans & Advances given and accepted as agreed by management , are subject to confirmation . Confirmations of the same have not been made available to us for verification .
- In absence of market value and regular quotations of listed securities , we can not comment on the market value of the listed securities as on 31/03/2007.



10. The company purchased the shares for investment through off market trading worth Rs. 1,09,65,500.00 and sold the investment in shares through off market trading worth Rs. 1,07,00,898.75 .
11. In absence of surplus reserves in the profit & loss account , no provision has been made as required u/s 45 (1A) of RBI Act.
12. In absence of taxable profits , no provision for income tax has been made in the books of accounts . But Provision for Fringe Benefit Tax of Rs. 890 has made in the books of account .
13. During the year there is no change in the management of the company
14. Figurs in Balance sheet are rounded off to nearest rupee .
15. Previous year figures have been regrouped and rearranged wherever necessary .
16. The statements of significant Accounting policies and notes numbered 1 to 15 above form an integral part of the accounts for the accounts for the year ended on 31<sup>st</sup> Marsh 2007 .

FOR, GOYAL ASSOCIATES LTD.

*[Signature]*  
Director

Place : Ahmedabad  
Date : 23/08/2007

FOR, PRADIP B. GANDHI & CO.  
CHARTERED ACCOUNTANTS,

*P.B. Gandhi*  
PRADIP B. GANDHI  
Partner  
M.No.102070.

Place:Ahmedabad  
Date : 23/08/2007.



FOR GOYAL ASSOCIATES LIMITED  
*[Signature]*  
DIRECTOR



**[PART IV]**  
**BALANCE-SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**  
(or in the case the first return at any time since the incorporation of the company)

**I. Registration Details**

Registration No. - 023281	State Code - 04
Balance Sheet date <b>31/03/2007</b>	

**II. Capital raised during the year (amount Rs. thousands)**

Public Issue	Nil	Rights Issue	Nil
Bonus Issue	Nil	Private Placement	Nil

**III. Position of mobilisation and deployment of funds (amount in Rs. Thousands)**

Total liabilities	30600	Total assets	30600
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**Sources of funds**

Paid-up-capital	30600	Reserves and surplus	Nil
Secured loans	Nil	Unsecured loans	Nil

**Application of funds**

Net fixed assets	Nil	Investments	20965
Net current assets	3606	Misc. expenditure	Nil
Accumulated losses	6029		

**IV. Performance of company (amount in Rs. Thousands)**

Turnover	285	Total expenditure	285
Profit/loss before tax	Nil	Profit/loss after tax	Nil
Earning per share in Rs.	Nil	Dividend rate %	Nil

**V. Generic names of three principal products/services of company (as per monetary terms):**

Item Code No. (ITC Code)  
Product description

Item Code No. (ITC Code)  
Product description

Item Code No. (ITC Code)  
Product description

PB-8

**GOYAL ASSOCIATES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2007**

Particulars	(Rs. in Lacs)	
	2006-07	2005-06
<b>Cash Flow from Operating Activities</b>		
Net Profit Before Tax and Extra Ordinary Items	-	(25.69)
Adjustment for:		
Depreciation & Preliminary Expenses	-	-
Loss on Sale of Fixed Assets	-	-
Loss on Sale of Investments	-	20.00
Dividend Received	-	-
Adjustment for Working Capital & Loan & Advances		
1. Debtors	-	-
2. Stock	-	-
3. Current Liabilities	(0.12)	0.12
4. Loan & Advances	2.75	104.61
<b>Cash Flow from Operating Activities (A)</b>	<b>2.63</b>	<b>99.04</b>
<b>Cash Flow from Investment Activities</b>		
Sales of Fixed Assets	-	-
Sales of Investment	107.00	5.00
Purchase of Investments	(109.66)	(107.00)
Dividend Received	-	-
Purchase of Fixed Assets	-	-
<b>Cash Flow from Investment Activities (B)</b>	<b>(2.66)</b>	<b>(102.00)</b>
<b>Cash Flow from financial Activities</b>		
Repayment of Loans	-	-
<b>Cash Flow from Financial Activities (C)</b>	<b>-</b>	<b>-</b>
Net Increase / (Decrease) in Cash & Cash Equivalents (A+B+C)	(0.03)	(2.96)
Opening Balance of Cash & Cash Equivalents	0.12	3.08
<b>Balance of Cash &amp; Cash Equivalents</b>	<b>0.09</b>	<b>0.12</b>

IN TERMS OF OUR ATTACHED REPORT OF EVEN DATE

FOR, PRADIP B. GANDHI & CO.,  
CHARTERED ACCOUNTANT

*PB Gandhi*

PARTNER

PLACE : AHMEDABAD

DATE : 23/08/2007

FOR & ON BEHALF OF THE BOARD

*Ashtu*

DIRECTOR

PLACE : AHMEDABAD

DATE : 23/08/2007

*Jyoti*

DIRECTOR



For GOYAL ASSOCIATES LIMITED

*Oliver*  
DIRECTOR