

**28<sup>TH</sup>  
ANNUAL REPORT  
2009-2010**

**RAJKOT INVESTMENT TRUST LTD.**

**CORPORATE INFORMATION**

**BOARD OF DIRECTORS:**

- KISHOR P. GHIYA : CHAIRMAN
- DIVYANG D. SHAH : DIRECTOR
- ASHWIN N. MEHTA : DIRECTOR
- VALLABHDAS P. PATEL : DIRECTOR
- SMT. BHARTIBEN K. GHIYA : DIRECTOR

**AUDITORS:**

DHOLAKIA & COMPANY  
CHARTERED ACCOUNTANTS

**BANKERS:**

CANARA BANK

Citizen co-operative bank

Shree Parswanath co-op. Bank Ltd.

**ANNUAL GENERAL MEETING**

ON WEDNESDAY THE 29<sup>TH</sup> SEPTEMBER, 2010  
AT 4.00 P.M. AT 2, GUMANSINHJI SHOPING CENTRE,  
DHEBRABHAI ROAD, RAJKOT-360001

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF ANNUAL REPORT TO THE ANNUAL GENERAL MEETING.

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**NOTICE OF ANNUAL GENERAL MEETING**

Notice is hereby given that 28th Annual General meeting of the Company will be made on 29<sup>th</sup> September, 2010 at 4.00 P.M. at 2,Gumanshinji Shopping Center, Dhebarbhai Road, Rajkot-360001 to transact following business

**AGENDA**

1. To adopt the Directors Report and the audited profit and loss account for the year ended 31<sup>st</sup> March 2010 the Balance Sheet as at that date and the report thereon.

Compliance Certificate for the financial year 2009-2010 is attached with the Directors' Report

2. To appoint a Director in place of Smt Bharti K. Ghiya who retire by rotation and is eligible for reappointment
3. To appoint a Director in place of Shri Kishor P. Ghiya who retire by rotation and is eligible for reappointment
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next General Meeting and to fix their remuneration

**NOTES:**

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.**
2. **Proxy form must be deposited with the Company at least 48 hours prior to the time of the Annual General Meeting.**
3. **The Register of members will remain closed from Wednesday the 22<sup>nd</sup> September, 2010 to Wednesday the 29<sup>th</sup> September, 2010.**

**By Order of the Board.**

Place : Rajkot  
Date : 31/08/2010

**Kishor P. Ghiya**  
Chairman

**DIRECTORS REPORT**

To The Members:

Your Directors are pleased to submit 28th Report & audited account of the Company for the year ended: 31st March, 2010.

**PERFORMANCE:**

The overall market income for capital segment was encouraging in the current year. The turnover and profitability of the Company was increased and the Company has net earnings of Rs. 46.84 Lacs in hand.

	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
Turnover	646.27	563.10
Nett Profit/Loss before Tax	56.85	- 37.72
Nett Profit/Loss after Tax	46.84	- 38.08

**PUBLIC DEPOSITS:**

The Company has not accepted any fresh public deposits during the last financial year. In this view, the net position of public deposit as on 31st March, 2009 is **NIL**

**PERSONNEL:**

No employee of the company was in receipt of or entitled to any emoluments in the aggregate of Rs. 12,000 or more per months during the year under review.

**STATUTORY STATEMENT:**

As required under section 217 (2AA) of the Companies Act, 1956 the Directors' responsibility Statement is enclosed in Annexure to this report.

**DIVIDEND:**

Your directors are pleased to recommend Dividend at the rate of 18% on Equity Share of the company.

**DIRECTORS:**

Shri ASHWIN N. MEHTA and Shri VALLABHDAS P. PATEL retire from the Board and eligible offer themselves for appointment.

**CORPORATE GOVERNANCE:**

The Company is legally advised that the provisions of Corporate Governance are not applicable as the paid up share capital of the Company is less than Rs.3.00 Crores.

**AUDITORS:**

The members are requested to appoint the statutory auditors.

**COMPLIANCE CERTIFICATES,**

Compliance Certificate received from practicing Company Secretary is attached.

**STATUTORY INFORMATION:**

The statutory information relating to the conversion of the Energy, Research and Development, Technology absorption and adoption, Foreign exchange earning and outgo are not relevant to the company as there are no such activities during the year under consideration.

**ACKNOWLEDGEMENT:**

Your Directors take this opportunity to express their appreciation for the co-operation of Bankers as well as of the shareholders.

For, **RAJKOT INVESTMENT TRUST LIMITED**  
**MR. K.P. GHIYA**  
**MR. D.D. SHAH**  
**MR. A.N. MEHTA**  
**MR. V.P. PATEL**  
**MRS. B.K. GHIYA**  
**Directors.**

PLACE : Rajkot  
 DATE : 31-08-2010

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**ANNEXURE TO DIRECTORS REPORT FOR THE YEAR ENDED ON 31<sup>ST</sup> MARCH, 2010**

**Directors Responsibility Statement as required under section 217 (2AA) of the Companies Act, 1956**

**Pursuant to the requirement under section 217(2AA) of the Companies Act, 1956 with respect to Directors Responsibility Statement, it is hereby confirmed:**

1. that in preparation of annual accounts for the financial year ended: 31st March, 2010, the applicable accounting standards has been followed along with proper explanation relating to material departures;
2. that the Directors has selected such accounting policies and applied them constantly and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the State of Affairs of the Company at the end of the financial year and of the profit of the Company for the year under view;
3. That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for preventing and detecting fraud and other irregularities.
4. That the Directors had prepared the accounts for the financial year ended 31st March, 2010 on a Going Concern Basis.

**By Order of the Board.**

**Place : Rajkot  
Date : 31/08/2010**

**K.P.GHIYA  
Director**

**COMPLIANCE CERTIFICATE****(Under rule 3 of Companies (Compliance certificate) Rules, 2001)****Registration No. of the Company: L65910GJ1982PLC005301****Nominal Capital : Rs.30000000**

**To,**  
**The member**  
**RAJKOT INVESTMENT TRUST LIMITED**  
M K Ghiya Building 2,  
Divanpara Road  
Rajkot

I have examined the registers, records, books and papers of RAJKOT INVESTMENT TRUST 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 on 31<sup>st</sup> March, 2010. The Company is holding Certificate of Registration (bearing No.01.00308 dated 5<sup>th</sup> August 1999) issued by the Reserve Bank of India under section 45IA of the Reserve Bank of India Act. 1934 to carry on the business of Non-Banking Financial Institution. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I 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 and the rules made thereunder and all entries therein have been duly recorded.
2. The company has 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 of other authorities 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 met eleven times on 04<sup>th</sup> May, 2009, 28<sup>th</sup> May, 2009 6<sup>th</sup> July, 2009, 28<sup>th</sup> July, 2009, 24<sup>th</sup> August, 2009, 1<sup>st</sup> September, 2009, 30<sup>th</sup> September, 2009, 10<sup>th</sup> November, 2009, 28<sup>th</sup> November, 2009, 9<sup>th</sup> January, 2010 and on 28<sup>th</sup> March, 2010 in respect of which meetings the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of members from 23<sup>rd</sup> September, 2009 to 30<sup>th</sup> September, 2009 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31<sup>st</sup> March, 2009 was held on 30<sup>th</sup> September, 2009 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 meeting was held during the financial year.
8. The company has not advanced any loans to its Directors or Persons or Firms or Companies refer to under section 295 of the Act.
9. We are informed that 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 Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year
13. The Company
  - i. has delivered all the certificates on lodgment of securities for transfer thereof in accordance with the provisions of the Act.
  - ii. has deposited the amount of dividend declared in bank Account within Due time from the date of declaration of dividend.

- iii. has paid dividend to the members within stipulated period.
  - iv. has not transferred the amounts in unpaid/unclaimed dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remain unclaimed or unpaid for a period of seven years to investor education and protection fund.
  - v. has duly complied with the requirements of section 217 of the Act except details regarding conservation of energy, technology absorption and foreign earning and outgo.
14. The Board of Directors is duly constituted. There was no appointment of additional directors, alternate director and directors to fill casual vacancies 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. We are informed that the company was not required to obtain any approvals of the central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be 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/debentures/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/debentures during the financial year.
  22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
  23. The company has not invited/accepted any deposits during the financial year.
  24. The amount borrowed by the company from directors, members, public, financial institutions banks and others during the financial year ending 31<sup>st</sup> March, 2010 is within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have already been passed in duly convened general meeting.
  25. The company has made investment in other body corporate in compliance with the provisions of the Act and made necessary entries in the register kept for the purpose.
  26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
  27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
  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 during the financial year
  31. We are informed that there was/were no prosecution initiated against or show cause notices received by the company and no fines and penalties or any other punishment was imposed on the company during the financial year 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 has not deducted any contribution towards Provident Fund during the financial year.

Place : Ahmedabad  
Date : 31/08/2010

**NEHA CHIKANI SHAH**  
Company Secretary  
C.P NO. 9042

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**ANNEXURE-A****Registers as maintained by the company:**

1. Register of members u/s 150
2. Register of Directors u/s 303
3. Register of Directors share holding u/s 307
4. Register of charges u/s 143
5. Register of contracts u/s 301
6. Register of Investment
7. Minutes-book of board Meetings
8. Minutes-book of General Meetings

**ANNEXURE B**

Forms and Returns as filled by the Company with the Registrar of Companies, Regional Director, Government or other authorities during the financial year ending on 31<sup>st</sup> March, 2010.

1. Form No. 20B (for the Annual return up to 30/09/2009 u/s 159) filed on 31/10/2009
2. Form No. 23AC (for the Balance sheet as on 31/03/2009 u/s 220) filed on 31/10/2009
3. Form No. 66 (for the Compliance Certificate dated 24/08/2009 u/s 383A) filed on 31/10/2009.
4. Form No. 20B (for the Annual return up to 27/09/2008 u/s 159) filed on 05/06/2009
5. Form No. 23AC (for the Balance sheet as on 31/03/2008 u/s 220) filed on 05/06/2009
6. Form No. 66 (for the Compliance Certificate dated 26/08/2008 u/s 383A) filed on 04/06/2009
7. DIN 3 filed on 27/05/2009

**AUDITOR'S REPORT****TO THE MEMBERS OF RAJKOT INVESTMENT TRUST LIMITED.**

We have verified the attached Balance Sheet of Rajkot Investment Trust Limited as at 31st March,2010 and also the Profit & Loss Account of the Company for the year ended on that date annexed thereto and Cash Flow Statement for the year ended on that day. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in India. These 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 test basis, evidence supporting the amounts and disclosures in financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

- 1 As required by the Companies(Auditors Report) Order 2003 issued by the Central Government of India in terms of sub-clause (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 & 5 of the said order.
- 2 Further to our comments in the Annexure referred to in our para 1 above, we report that:
  - a We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
  - b In our opinion, proper books of accounts as required by law have been kept by the Company, so far as appears from our examination of books.
  - c The Balance Sheet , the Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of accounts.
  - d In our opinion, the Profit & Loss Account, the Balance Sheet and Cash Flow Statement comply with the Accounting Standards referred to in Sub-section 3(C) of Section 211 of the Companies Act, 1956.
  - e As per the information and explanations given to us none of the directors of the Company are disqualified as On 31-03-2010 from being appointed as directors in terms of clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956.
  - f In our opinion and to the best of our information and according to the explanations given to us, the abovementioned Balance Sheet and the Profit & Loss Account, together with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:
    - a. In the case of the Balance Sheet of the state of affairs of the Company as at 31st March, 2010.
    - b. In the case of Profit & Loss Account of the Profit for the year ended on that date.
    - c. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

**For Dholakia & Co.**  
**Chartered Accountants**  
**(Registration No.102515w)**

**(G.G.DHOLAKIA)**  
**Proprietor**  
**M. No. 15744**

**Place : Rajkot**  
**Date : 30.08.2010**

**ANNEXURE TO AUDITORS' REPORT**

Referred to in Paragraph 1 of our report of even date.

Statement referred to in paragraph 1 of the Auditor's Report of even date to the Members of Rajkot Investment Trust Limited on the accounts for the year ended 31st March, 2010.

The comments herein below are based on the data compiled by the Company in order to comply with the requirements of the new order from the effective date. On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- I a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets. The fixed assets of the Company were physically verified by the management
- b. The fixed assets of the Company were physically verified by the management during the current year and no serious discrepancies were noticed between the books and the physical inventory
- c. During the year Company has not disposed off any substantial/major part of fixed assets.
- ii a. Physical verification of Inventories has been conducted at reasonable intervals during the year by the management.
- b. In our opinion and according to the information and explanations given to us , procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory.
- iii The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv 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 with regard to purchase of inventory and fixed assets and for the sale of goods. We have not observed any continuing failure to correct major weaknesses in internal control.
- v a. According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been recorded in the register.
- b. According to information and explanation given to us, the transactions referred to under sub clause (a) above, which exceeds Rs.500000/- in each case have been made at prices which are reasonable having regard to the prevailing market prices at the relevant date.
- vi The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made thereunder. Hence the Clause (vi) of the order is not applicable.
- vii The Company has an internal audit system, which in our opinion, commensurate with the size and the nature of its business.
- viii Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.

- ix a. The Company is regular in depositing undisputed statutory dues including Income Tax and other applicable dues with appropriate authorities. There are no arrears of outstanding dues as at the last day of the financial year for a period of more than six months from the date those became payable.
- x The Company has no accumulated losses at the end of the financial year, however the Company had incurred cash loss of Rs. 3761739/- in the immediate previous year but no cash loss during the year under audit.
- xi The Company has not defaulted in repayment of dues to any financial Institution or Bank. The Company has no debentureholders.
- xii The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore the question of maintenance of documents and records in respect thereof does not arise.
- xiii Clause (xiii) of the Order is not applicable as the Company is not a chit fund company or nidhi/mutual benefit fund/society.
- xiv Subject to Note Nos.6 & 7(Sch.6) proper records have been maintained of the transactions and contracts or dealings of trading in shares, debentures and bonds and were held by the company in its own name except in and subject to the positions as stated in Note Nos. 5 & 6(Sch.6).
- xv According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Bank or financial institution.
- xvi No Term Loans are obtained by the Company during the year under audit.
- xvii According to the information and explanations given to us and on an overall examination of the balance sheet of the Company, we report that no funds raised on short term basis have been used for long term investment.
- No long term funds have been used to finance short term assets except for permanent working capital.
- xviii The Company has not made any preferential allotment of shares during the year to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix The Company has no debentures.
- xx The Company has not raised any money by public issues during the year covered by our report.
- xxi According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For Dholakia & Co.  
Chartered Accountants  
(Registration No.102515w)**

**(G.G.DHOLAKIA)  
Proprietor  
M. No. 15744**

**Place : Rajkot  
Date : 30.08.2010**

**BALANCE SHEET AS AT 31ST MARCH, 2010.**

Previous Year-Rs.	LIABILITIES	Sche dule	Current Year-Rs.	Previous Year-Rs.	ASSETS	Sche dule	Current Year-Rs.
	<b>SHARE CAPITAL:</b>				<b>FIXED ASSETS</b>		
	Authorised:			20021	(Net Block)	1	9654
3,00,00,000	30,00,000 Equity Shares of Rs. 10/- each		3,00,00,000				
					<b>INVESTMENTS</b>		
	Issued, Subscribed & Paid up:			2733098	(At cost)	2	5248597
2,00,00,000	2,00,000 Equity Shares of Rs.10/- each fully paid up.		2000000				
					<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	3	7337616
4003994	<b>RESERVE AND SURPLUS</b>	4	8394199				
	<b>CURRENT LIABILITIES AND PROVISIONS</b>						
	(A) Current liabilities						
255396	1. Sundry Creditors		812077				
2510	2. Other liabilities		2974				
19465	3. Unclaimed Dividend		23935				
	(B) Provisions						
346890	1. Provision for Taxation		1002682				
200000	2. Proposed Dividend		360000				
<b>6828255</b>			<b>12595867</b>	<b>6828255</b>			<b>12595867</b>

Notes on accounts- Schedule-6

As per our report of even date  
**For Dholakia & Co.,**  
Firm Registration No.102515w  
Chartered Accountants

**G.G.Dholakia**  
Proprietor  
M.N.15744

PLACE : Rajkot  
DATE : 30.08.2010

For, **RAJKOT INVESTMENT TRUST LIMITED**

**K.P.GHIYA**  
**D.D.SHAH**  
**A.N.MEHTA**  
**V.P.PATEL**  
**B.K.GHIYA**  
Directors

PLACE : Rajkot  
DATE : 30.08.2010

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010.**

Previous Year-Rs.	Expenditure	Sche dule	Current Year-Rs.	Previous Year-Rs.	Income	Current Year-Rs.
6735688	To Opening Stock (Shares, Deb. Etc.)		3321861	50287832	By Sales (Shares, Deb. Etc)	61481897
51383249	To Purchases (Shares, Deb. Etc.)		61635218	248396	By Dividend	103423
46844	To Salaries & Bouns		48598	92	By Fractional Income	0
72401	To Turnover Tax		100593	345810	By Profit on sale of Investments	2474148
0	To Share Transfer Stamps		0	474321	By Commission (Net)	442662
162673	To Administrative Expenses	5	196605	20662	By Investment Hedge (Net)	106785
41859	To Misc. Expenses		74890		By Interest on Income tax refund	17457
18000	To Rent, Rates & Taxes		18000		By Other Interest	426
0	To Investment Hedge (Net)		0		By Stock-in-trade	6,464,079
0	To DIN Expenses		0	3321861	(As taken, valued & certified by a	
10367	To Depreciation		10367		By Net Loss to carried down	0
0	To Net Profit carried down		5684745	3772106		
			<b>71090877</b>	<b>58471080</b>		<b>71090877</b>
			<b>58471080</b>			<b>71090877</b>
3772106	To Net Loss carried own		0		By Net Profit brought down	5684745
0	To Current Tax (MAT)		940000	0	By Balance brought forward	2866
1500	To Frienge Benefit Tax		0	3530840	By Excess IT-FBT Provision W.back	66642
-575	To Deferred Tax (Net)		0	164047	By Transferred from Reserves	0
200000	To Proposed Dividend		360000	315000		
33990	To Tax on proposed dividend		61182			
0	To Transfer to Special Reserve		948950			
0	To Transferred to General Reserve		355855			
2866	To Balance transferred to Balance-sheet		3088266			
			<b>5754253</b>	<b>4009887</b>		<b>5754253</b>

Notes forming part of Accounts- Schedule-6.

As per our report of even date  
**For Dholakia & Co.,**  
**Firm Registration No.102515w**  
**Chartered Accountants**

**G.G.Dholakia**  
**Proprietor**  
**M.N.15744**

PLACE : Rajkot  
 DATE : 30.08.2010

For, **RAJKOT INVESTMENT TRUST LIMITED**

**K.P.GHIYA**  
**D.D.SHAH**  
**A.N.MEHTA**  
**V.P.PATEL**  
**B.K.GHIYA**  
**Directors**

PLACE : Rajkot  
 DATE : 30.08.2010

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2010**

(Amount in '000)

Particulars	31.03.2010	31.03.2009
<b>A</b> Cash from Operating activities		
Net profit before taxes	5685	-3772
Less: Add Adjustment for profit on sale of investments	2474	346
Dividend Received	103	248
Interest Received	18	0
	<u>        </u>	<u>        </u>
Add: Depreciation	10	10
Operating profit/loss before working capital Adjustments	3100	-4356
Adjustments for		
Trade and other payables	562	-343
Trade and other receivables	-198	-8
Loans and Advances	28	1069
Inventories	-3142	3414
	<u>        </u>	<u>        </u>
Net Cash inflow(outflow) from operations	349	-224
	<u>        </u>	<u>        </u>
<b>B</b> Cash flow from investing operations		
Inflow		
Sale of Investments	3474	880
Sale of Fixed Assets	0	0
Dividend Income	103	248
Interest Income	18	0
	<u>        </u>	<u>        </u>
Outflow		
Purchase of Fixed Assets	0	0
Purchase of Investments	3516	366
	<u>        </u>	<u>        </u>
Net cash inflow(outflow) from investing activities	79	762
	<u>        </u>	<u>        </u>
<b>C</b> Cash flow from financing activities		
Inflow	0	0
Outflow		
Dividend paid	200	360
Dividend Tax paid	34	61
Income Tax Paid	-73	105
	<u>        </u>	<u>        </u>
Net Cash inflow(outflow)from financing activities	-161	-526
	<u>        </u>	<u>        </u>
Increase(decrease)in cash and cash equivalents A+B+C	268	12
Cash and cash equivalents at the close of the year	305	37
Cash and cash equivalents at the beginning of the year	37	25

As per our report of even date  
**For Dholakia & Co.,**  
**Firm Registration No.102515w**  
**Chartered Accountants**

**G.G.Dholakia**  
**Proprietor**  
**M.N.15744**

PLACE : Rajkot  
 DATE : 30.08.2010

For, **RAJKOT INVESTMENT TRUST LIMITED**

**K.P.GHIYA**  
**D.D.SHAH**  
**A.N.MEHTA**  
**V.P.PATEL**  
**B.K.GHIYA**  
**Directors**

PLACE : Rajkot  
 DATE : 30.08.2010

**SCHEDULE - 1 ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010.**

Fixed Assets	GROSS BLOCK AT COST				DEPRECIATION			NET BLOCK	
	As on 01.04.2009	Additions	Deduc tions	Total Cost 31.03.2010	As on 01.04.2009	For the Year	Deduc tions	Total upto 31.03.2010	As at 31.03.2010
Furnitures & Fixtures	166409	0	0	166409	146388	10367	0	156755	9654
Vehicles	26290	0	0	26290	26290	0	0	26290	0
<b>TOTAL</b>	<b>192699</b>	<b>0</b>	<b>0</b>	<b>192699</b>	<b>172678</b>	<b>10367</b>	<b>0</b>	<b>183045</b>	<b>9654</b>
Previous year	192699	0	0	192699	162311	10367	0	172678	20021

**SCHEDULE-2 ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010.**

NAME OF THE COMPANY	AS ON 31-3-2010.			AS ON 31-3-2009.	
	FACE VALUE	NO.OF RS.	RUPEES SHARES	NO.OF SHARES	RUPEES
Ahmedabad Mfg. Calico Printing Co. Ltd.	125	77	11441	77	11441
Ambuja Petrochemicals Ltd.	10	2071	25529	2071	25529
Amrut industries Ltd.	20	2100	25358	2100	25358
Arunoday Mills Ltd.	10	684	1590	684	1590
Asia Pacific finance Ltd.	10	8300	84378	8300	84378
Astral Poly Ltd.	100	1850	321612	0	0
Bar Tronics India Ltd.	100	2250	362962	0	0
Bhagwati Autocast Ltd.	10	675	19195	675	19195
Bharat Bijlee Ltd.	100	440	484985	0	0
Bihar Sponge Iron Ltd.	10	240	3406	240	3406
Biocon Ltd.	10	0	0	4846	0
Cable Corporation Share	10	1593	60763	1593	60763
Cholamandalam DBS Ltd.	10	3000	105000	3000	105000
Carona Ltd.	10	350	17350	350	17350
Citizens Co-op. Bank Ltd.	25	250	8250	250	8250
Co-nick Alloys Ltd.	10	10000	100000	10000	100000
Dynavision Ltd.	10	2050	38660	2050	38660
Elecon Engineering Ltd.	10	5000	375000	0	0
First Growth Fund of I. Ltd.	10	400	4442	400	4442
Gajra Beval Geara Ltd.	10	50	609	50	609
Gujarat Apollo Ltd.	10	0	0	3000	387000
Gujarat Apollo Ltd	10	0	0	1500	0
Gujrat Steel Tubes Ltd.	10	720	14494	720	14494
Gujrat Synthetics Ltd.	10	100	1000	100	1000
HCL Off. Auto.Ltd.	10	6550	82211	6550	82211
Hitachi Home & Life Ltd.	10	0	0	3299	145156
Hindustan Oxygen Gas Ltd.	10	40	5935	40	5935
Jamna Auto Ltd	10	0	0	200	9590
Jhalani Tools I. Ltd.	10	1000	30000	1000	30000
Jyoti Ltd.	20	20	410	20	410

**RAJKOT INVESTMENT TRUST LIMITED**

Kirloskar Oil Ltd.	10	0	0	2637	116028
Kulkarni Power Ltd.	10	1000	83375	0	0
Kunstofee Ind. I. Ltd.	10	3600	55455	3600	55455
Lakhanpal Batteries I. Ltd.	10	35207	754284	35207	754284
Liberty Shoes Ltd.	10	0	0	1000	0
Machine Fabrics Poly.I. Ltd.	10	25	1002	25	1002
Mafatlal Eng.Ind.Ltd.	10	180	12372	180	12372
Meltex Ceramics Ltd.	10	400	3200	400	3200
Midwest Leasing Ltd.	10	10525	81760	10525	81760
Punjab Anand Batteries Ltd.	10	421	9893	421	9893
Ready Foods Ltd.	10	10700	100825	10700	100825
Rolta India Ltd.	10	0	0	1400	0
S.K.F.India Ltd.	100	6351	1887839	0	0
S.T.I. Granites India Ltd.	10	2400	33335	2400	33335
Shree Parswanath Co-op. Bank Ltd.	25	127	3175	127	3175
Steel Tubes of I. Ltd.	10	1550	27028	1550	27028
Siemens Ltd.-	10	0	0	500	342500
Tamilnadu Petro Products Ltd.	10	300	8175	300	8175
Wimco Ltd.	1	2301	2301	2301	2301
<b>GRAND TOTAL :</b>			<b>5248597</b>		<b>2733098</b>
Aggregate Value of quoted Investment			<b>5237172</b>		<b>2721673</b>
Aggregate Market Value of quoted Investment			<b>7037514</b>		<b>3483317</b>

**SCHEDULE-3 ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31ST MARCH, 2010.**

PREVIOUS YEAR RS.	PARTICULARS	RS.	CURRENT YEAR RS.
	<b>CURRENT ASSETS, LOANS AND ADVANCES</b>		
	<b>A. CURRENT ASSETS</b>		
3321861	1. Stock-in-trade (Shares Debenture etc.) (As taken valued & certified by a Director)		6464079
	2. Sundry Debtors (Unsecured considered good)		
0	(a) Debts outstanding for a period exceeding 6 months	0	
20380	(b) Other Debts	217991	217991
97	(c) Cash on hand	517	
21896	Balances with Scheduled Banks	25152	
14966	Balances with other Banks	279042	304711
	<b>B. LOANS &amp; ADVANCES</b>		
79274	i) Advances recoverable in cash or kind of a value to be received	51793	
500	ii) Deposits	599	
616163	iii) Tax deducted at source and Advance Tax	298443	350835
<b>4075136</b>			<b>7337616</b>

**SCHEDULE-4 ANNEXED TO AND FORMING PART OF BALANCE SHEET AS ON 31st MARCH, 2010.**

PREVIOUS YEAR RS.	PARTICULARS	RS.	CURRENT YEAR RS.
	<b>GENERAL RESERVE</b>		
1231641	Balance as per last year	916641	
0	Add: Transferred from Profit & Loss Account	355855	
315000	Less: Transferred to Profit & Loss Account	0	1272496
	<b>SPECIAL RESERVE</b>		
3084487	Balance as per last year	3084487	
0	Add: Transferred from Profit & Loss Account	948950	4033437
2866	<b>Profit &amp; Loss Account</b>		3088266
<b>4003994</b>			<b>8394199</b>

**SCHEDULE-5 ANNEXED TO AND FORMING PART OF PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010.**

PREVIOUS YEAR RS.	PARTICULARS	CURRENT YEAR RS.
	<b>ADMINIATRATIVE &amp; OTHER EXPENSES</b>	
8380	Stationery & Printing Charges	5113
27494	Postage, Tele., Telex & Telephone Charges	29726
1000	Subscription & Periodicals	1000
1060	License & Filing Fees	21920
948	Advertisements	612
3654	Bank Commission	2573
7500	Audit Fees	7500
2500	Tax Audit Fees	2500
4566	Electricity Expenses	6181
28400	Legal & Professional Fees	26620
30715	Vehicle Repairs & Maintenance	27712
3865	Insurance Expenses	3803
800	AGM Expenses	950
11236	Listing Fees	11030
0	Office Repair Expenses	8000
30555	Demat Expenses	41365
<b>162673</b>		<b>196605</b>

As per our report of even date  
**For Dholakia & Co.,**  
**Firm Registration No.102515w**  
**Chartered Accountants**

**G.G.Dholakia**  
**Proprietor**  
**M.N.15744**

PLACE : Rajkot  
 DATE : 30.08.2010

For, **RAJKOT INVESTMENT TRUST LIMITED**

**K.P.GHIYA**  
**D.D.SHAH**  
**A.N.MEHTA**  
**V.P.PATEL**  
**B.K.GHIYA**  
**Directors**

PLACE : Rajkot  
 DATE : 30.08.2010

**SCHEDULE - 6 NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDED 31-3-2010.****1 ACCOUNTING POLICIES :**

The accounts are prepared in accordance with Accounting Policies and principles generally accepted in India. The Company follow accrual method of Accounting as per the Companies Act, 1956 and complies with the Reserve Bank of India guidelines for Non Banking Financial Companies not holding Public Deposits.

The Company has followed all the prudential norms , to the extent applicable, as prescribed by Reserve Bank of India for Non Banking Financial Companies not Holding Public Deposits.

**(a) Fixed Assets:**

All fixed assets are stated at cost less depreciation.

**(b) Depreciation:**

Depreciation is provided under the straight line method at rates provided by Schedule - XIV to the Companies Act, 1956

**(c) Inventory:**

Stock-in-trade (Shares, Debentures and Bonds) are valued as under :

(1) Quoted Scrips - at lower of market value or cost (FIFO)

(2) Unquoted Scrips - at cost (FIFO)

**(d) Recognition of Income & Expenditure :**

(i) As in the past, on the prudent basis, Dividend and interest on Shares/Debentures are being accounted for as and when received.

(ii) There are few expenditure (like Insurance, Subscription, which though warranting provision for accounting on accrual basis have not been so provided as the impact of non-provision is not material on the profit/loss of the year.

**(e) Investment:**

(i) All Investments are intended to be kept as long term investments as per the guidelines by Reserve Bank of India.

(ii) Investments are stated at cost. The Market Value of Quoted Investments as at 31-3-2010 is Rs.7037514/- as against Cost of Rs.5237172/-.

(iii) Cost of those shares which are received by the company consequent upon part/full redemption of debentures/bonds as taken at the nominal amount of the redeemed portion of debentures/bonds and the premium if any charged by the issuing company.

(iv) Bonus Shares received on Trading Stocks are considered as Capital Receipt and are treated as Investment.

**(f) Taxation****Current Tax**

Provision is made for Income-tax on yearly basis, under the tax payable method, based on tax liability, as computed after taking credit for allowances and exemptions.

**Deferred Tax**

Deferred tax liability or assets is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only to the extent that there is virtual certainty that sufficient taxable income will be available to realise these assets. All other deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient taxable income will be available to realise these assets.

**2 Earnings per Share**

Profit after tax (Rs. in lacs)	47.45
Weighted no of Equity Shares outstanding	200000
Nominal Value of Equity Shares (Rs.)	10
Basic and diluted earnings per Equity Share (Rs.)	2.37

**3 Related Party Disclosures:**

Transactions with related parties during the year as identified by the company.

Name of the party	Nature of transactions	Volume of transactions during the year Amt.Rs.	Outstanding as on 31.03.2010 Due to/from
<b>Key Management Personnel</b>			
Shri K. P. Ghiya- Director	Purchases	1044332	
Smt. B. K. Ghiya- Director	Sales	6275182	22748 Cr.
	Comm.Recd.	391417	
<b>Associates and Relatives of Key management personnels</b>			
Mack Savings & Finance Ltd.	Purchases	9143687	
P.M.Ghiya Sons	Sales	10735208	
Paras Distributors	Rent Paid	18000	707093 Cr.
Dhrutiben K. Ghiya	Adv.Given	3000	6500 Dr.
Parulben K. Ghiya	Adv.Recd.back	3500	
Sweta P. Ghiya	Adv.Recd.	645000	
Paras K. Ghiya	Adv.Gvien back	0	
Paras K. Ghiya-HUF			
K.P.Ghiya HUF			
Shantaben P. Ghiya			
P.M.Ghiya HUF			
M.K.Ghiya P.F.S.K.Trust			
Priya & Shreya Ben.Trust			
Tejashvi & Avanti Desai Ben.Trust			
Kamlaben K. Kothari			
Sushilaben D. Mehta			
Dhara Rathi Ben.Trust			
Ghiya Sons Pvt. Ltd.			

**4 Segment Reporting**

Based on the guiding principles given in Accounting Standard on 'Segment Reporting issued by The Institute of Chartered Accountants of India the Company's primary business segments are Share Trading & Investment.

Financial information about the primary business segments are presented in the table given below:

		(Rs. In Lakhs)			
		Share Trading	Investment	Unallocable	Total
<b>A Revenue</b>					
1	External Sales	614.82	0	0	614.82
2	Total External Sales	614.82	0	0	614.82
3	Other Income	0	1.03	30.41	31.44
4	Total Revenue	614.82	1.03	30.41	646.26
<b>B RESULT</b>					
1	Segment result/ operating profit	25.41	1.03	30.41	56.85
2	Other income	0	0	0	0
3	Total Operating profit	25.41	1.03	30.41	56.85
5	Net profit	25.41	1.03	30.41	56.85
<b>C OTHER INFORMATION</b>					
1	Segment assets	73.47	52.49	0	125.96
3	Segment liabilities	22.02	0	0	22.02
4	Share Capital & Reserves	0	0	0	103.94
5	Total liabilities	22.02	0	0	125.96
6	Depreciation & amortisation	0.10	0	0	0.10
5	Deferred Tax Liabilities/(Assets)				

The Deferred Tax Liability as at 31st March, 2010 comprises the following:

Particulars	Deferred Tax Liability/Assets as at 01.04.2009	Current Year Charge/ Credit	Deferred Tax Liability/Assets as at 31.03.2010
Difference between Book and tax Depreciation	0	0	0
Difference on account of brought forward losses	0	0	0
	0	0	0

- 6 All purchases of shares , debentures or bonds by the company are with a view of Investment(except those shown as for trading) in accordance with the Main objects of the company.
- 7 (i) Purchases of Investments include those in which the concerned scrips were not invariably transferred in the name of the Company, irrespectively of whether the same were subsequently sold.
- (ii) For verificatin of investments as on 31-3-2010.
- In the case of those scrips for which the concerned certificates duly transferred in the name of the company are not available with the company, purchase bills have been relied upon by the auditors.
- 8 There was no employee of the company who was in receipt of or entitled to receive emoluments in the aggregate at a rate of Rs. 25,000/- or more per month.
- 9 Balance confirmation of sundry debtors, sundry creditors, Advances recoverable are not obtained and are subject to confirmation.
- 10 Investment hedge (Net) in the Profit & Loss Account represent, settlements by way of price difference on purchases and sales (of shares and other scrips) as per brokers/parties bills.
- 11 In the case of market value of listed shares in investment whenever the quotation of any share as on 31st March 2010 has not been available, the earlier quotation available has been taken as market value.
- 12 Unclaimed dividend of Rs.23935/- is held in a separate Banking account(though not opened for the purpose) and no due amount is yet transferred to Government.
- 13 Previous year figures have been regrouped whenever necessary.

As per our report of even date  
**For Dholakia & Co.,**  
**Firm Registration No.102515w**  
**Chartered Accountants**

**G.G.Dholakia**  
**Proprietor**  
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PLACE : Rajkot  
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PLACE : Rajkot  
DATE : 30.08.2010

**BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE AS AT 31ST MARCH, 2010.**  
Amt. In '000

**1 REGISTRATION DETAILS**

Registration No	5301		
Balance Sheet Date	31.03.2010	State Code	4

**2 CAPITAL RAISED DURING THE YEAR**

Public Issue	Nil	Right Issue	Nil
Bonus Shares	Nil	Conversion of Debentures	Nil

**3 POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS**

TOTAL LIABILITIES	10394	TOTAL ASSETS	10394
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**SOURCE OF FUNDS**

PAID UP CAPITAL	2000	RESERVES & SURPLUS	8394
SECURED LOANS	0	UNSECURED LOANS	0

**APPLICATION OF FUNDS**

NET FIXED ASSETS	10	INVESTMENTS	5249
NET CURRENT ASSETS	5135	MISC. EXPENDITURE	0
ACCUMALATION OF LOSSES	0		

**4 PERFORMANCE OF COMPANY**

TURNOVER	64627	TOTAL EXPENSES	58942
PROFIT BEFORE TAXES	5685	PROFIT AFTER TAXES	4745
EARNING PER SHARE	2.37	DIVIDEND RATE %	18%

**5 GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF CO.**

PRODUCTS DESCRIPTION	ITEM CODE
1. Shares-Securities Trading	N.A.
2. Investment in Share-securities	N.A.

As per our report of even date  
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PLACE : Rajkot  
 DATE : 30.08.2010

## RAJKOT INVESTMENT TRUST LTD.

### PROXY FORM

I/We \_\_\_\_\_ of RAJKOT INVESTMENT TRUST LTD., hereby appoint \_\_\_\_\_ of \_\_\_\_\_ of failing him \_\_\_\_\_ of \_\_\_\_\_ of failing him of as my /our proxy to vote for me/ us on my/our behalf at the Twenty Eight Annual General Meeting of the Company to be held on 29th September, 2010 and at any adjournment thereof.

**Date:** \_\_\_\_\_ **Signed at** \_\_\_\_\_

**Membership No.**

**(Reference folio No):**

#### NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. Re. 1.00 Revenue Stamp should be affixed to this and it should then be signed the Member.
3. Proxies in order to be effective must be received at Registered Office of the Company not less than forty eight hours before the meeting.

*If undelivered*  
Please return to :

**RAJKOT INVESTMENT TRUST LTD.**

REGD. OFFICE: AT 2, GUMANSINHJI SHOPING CENTRE, DHEBRABHAI ROAD, RAJKOT-360001