

*20<sup>TH</sup> (TWENTIETH)  
ANNUAL REPORT  
(2013-14)*



*PROVESTMENT SERVICES  
LIMITED*



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

<b>BOARD OF DIRECTORS</b>	<b>MR. PRAVEEN BHATIA</b> : WHOLE TIME DIRECTOR <b>MR. VINOD RALHAN</b> : DIRECTOR <b>MR. ANIL LAKHANI</b> : DIRECTOR <b>MRS. ANJALI KHURANA</b> : DIRECTOR
<b>COMPLIANCE OFFICER</b>	MRS. DEEPIKA RAJPUT
<b>AUDITORS</b>	<b>M/s AHUJA ARUN &amp; Co.</b> Chartered Accountants 412, Deepshikha Building, Rajendra Place, New Delhi- 110 008
<b>BANKERS</b>	PUNJAB & SIND BANK LCB, Connaught Place, New Delhi.
<b>REGISTERED OFFICE</b>	Building No.5, First Floor, Pusa Road, W.E. A. Karol Bagh, New Delhi-110 005 <a href="http://www.provestment.net">www.provestment.net</a>



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **NOTICE**

Notice is hereby given that the 20<sup>th</sup> Annual General Meeting of **PROVESTMENT SERVICES LIMITED (CIN: L74899DL1994PLC058964)** will be held on Tuesday, the 30th day of September, 2014 at 10.00 a.m. at B- 4/148 C, Safdarjung Enclave, New Delhi- 110 029 for transacting the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Accounts for the financial year ended on 31<sup>st</sup> March, 2014 and the reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Vinod Ralhan (holding DIN: 00146449), who retires by rotation and being eligible offers himself for re-appointment
3. To appoint Statutory Auditors for the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting, to fix their remuneration and to authorize them also to conduct audit of accounts of the Company's branches.

**"RESOLVED THAT** pursuant to the provisions of section 139 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed there under, as amended from time to time, M/s Ahuja Arun & Co., Chartered Accountants, Delhi (Firm Registration No. 012985N ) be and is hereby re-appointed as Auditors of the Company to hold office from the conclusion of this Annual General Meeting up to the conclusion of the Annual General Meeting to be held for the Financial Year 2016-17, subject to ratification at every Annual General Meeting at such remuneration and reimbursement of out of pocket expenses for the purpose of audit as may be approved by the Audit Committee/Board of Directors of the Company."

### **SPECIAL BUSINESS**

#### **REAPPOINTMENT OF MR. PRAVEEN BHATIA (HOLDING DIN: 00147498), WHOLE TIME DIRECTOR OF THE COMPANY AND INCREASE IN REMUNERATION**

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

**"RESOLVED THAT** subject to the provisions of Section(s) 2(94), 196, 197, 198 and 203 and all other applicable provisions of the Companies Act, 2013 ('the Act') read with Schedule V to the said Act and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, and subject to such other approvals, as may be required, the Company hereby approves the re-appointment of Mr. Praveen Bhatia (DIN: 00147498) as Whole Time Director of the Company for a period of five years effective from 2<sup>nd</sup> August, 2014 on the terms and conditions, which has been approved by the Remuneration Committee at their meeting held on 30<sup>th</sup> May, 2014 for increase in remuneration w.e.f.



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01.06.2014 and that the Company be and is hereby authorized to pay Mr. Praveen Bhatia (DIN: 00147498) remuneration as is set out in the explanatory statement annexed hereto with liberty to the Board of Directors to alter and vary the terms and conditions of the said appointment in accordance with the limits specified in Schedule V and other applicable provisions of the Companies Act, 2013 or any amendments thereto and as may be agreed to from time to time."

## **REGULARIZATION OF MRS. ANJALI KHURANA (HOLDING DIN: 06786534) AS DIRECTOR ON THE BOARD OF THE COMPANY AND RE-APPOINTMENT OF MRS. ANJALI KHURANA (HOLDING DIN: 06786534) AS INDEPENDENT DIRECTOR**

5. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**"RESOLVED THAT** Mrs. Anjali Khurana (holding DIN: 06786534), who was appointed as an Additional Director of the Company with effect from 13<sup>th</sup> February, 2014 at the meeting of the Board of Directors of the Company pursuant to Sections 149, 152, Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Clause 49 of the Listing Agreement (including any statutory modification(s) or re-enactment thereof for the time being in force) and who has submitted a declaration that she meets the criteria for independence as provided in Section 149 (6) of the Act and eligible for appointment and who holds office upto the date of this Annual General Meeting in respect of whom the Company has received a Notice in writing, proposing his candidature for the office of Director be and is hereby appointed as an Independent Director on the Board of Directors of the Company to hold office up to 5 (Five) consecutive years and is not liable to retire by rotation."

## **AUTHORISATION TO MAKE INTER-CORPORATE LOANS, INVESTMENTS, GUARANTEES AND SECURITIES**

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

**"RESOLVED THAT** pursuant to the provisions of Section 186 of the Companies Act, 2013 and other applicable provisions, if any, of the Companies Act, 2013 and subject to shareholder's resolution by way of Special Resolution, the consent of the Company be and is hereby accorded to make inter corporate loans and investments of a sum exceeding the limits prescribed under Section 186 of the Act.

**RESOLVED FURTHER THAT** the Board of directors of the Company be and is hereby authorized to do all such acts, deeds, matters and things as, in its absolute discretion, may be considered necessary, expedient or desirable and to settle any question or doubt that may arise in relation thereto in order to give effect to the foregoing resolution or otherwise considered by the Board of Directors to be in the interest of the company."



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## **INTER STATE POWER TRADING PROJECT**

### **ALTERATION IN THE MAIN OBJECTS OF THE COMPANY**

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

**“RESOLVED THAT** subject to the approval of shareholders of the Company by way of Special Resolution and in pursuance to the provisions of Section 13(9) and other applicable provisions, if any, of the Companies Act, 2013, Clause III A of the Memorandum of Association of the Company be and is hereby altered by adding the business of execution, commission, erection of projects related to the electricity & power and transmission of electricity of own or on contract basis, all other trading activities and related activities to the existing Main Objects of the Company and thereby expanding and diversifying the business operations of the Company.”

“To promote, undertake, carry on either on its own or through any other entity or to enter into agreements, contracts, partnership, alliance or any other arrangement for technical, financial and operational assistance or sharing of profits / losses with any person / Body / Bodies Corporate incorporated in India or abroad either under a Strategic Alliance or Joint Venture or any other arrangement, in any part of the world, the business of trading in electricity, distributing, purchasing, selling, importing, aggregating and accumulating or otherwise deal in all forms of electrical power in all aspects and to plan, promote, develop, establish distribution network or systems, trading platforms and to acquire, in any manner, these network or systems or trading platforms from power generation companies, Central or State Government undertakings, Local authorities or statutory bodies or other person within India or abroad and to act as agent or representative of any person, public or private sector enterprises, financial institution, banks or Central Government or state Government undertakings engaged in the planning, development, generation, distribution, supply, trading or financing of power and to engage in activities of investigation, research, design and preparation of feasibility, appraisal of other project reports for generation, distribution, supply, purchase, sale, trading, Import, export, storage, aggregation and accumulation of all forms of electrical power, both conventional and non-conventional and if any manner deal with or dispose of undertaking, property, assets, rights and all other effects with in the opinion of the Company is conducive to the attainment of any or all of its business objectives or to acquire and dispose of shares, securities and interest in such Businesses.”



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## **ADOPTION OF NEW SET OF ARTICLES OF ASSOCIATION OF THE COMPANY**

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions of the Companies Act, 2013 read with Companies (Incorporation) Rules, 2014 (including any statutory modification (s) or re-enactment thereof, for the time being in force), the draft regulations contained in the Articles of Association submitted to this meeting be and are hereby approved and adopted in substitution, and to the entire exclusion, of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized to do all such acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

## **RE-APPOINTMENT OF MR. ANIL LAKHANI (HOLDING DIN: 00450542) AS INDEPENDENT DIRECTOR ON THE BOARD OF THE COMPANY**

9. To consider and, if thought fit, to pass with or without modification(s), the following resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to the provisions of Sections 149, 152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and revised Clause 49 of the Listing Agreement, the consent of the members of the Company be and is hereby accorded for re-appointment of Mr. Anil Lakhani (DIN: 00450542), Non Executive Director, in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013, from a member proposing his candidature for the office of Director, be and is hereby appointed as an Independent Director of the Company, to hold office for a period of five consecutive years from the conclusion of this Annual General Meeting to the conclusion of the Company’s Annual General Meeting to be held for the Financial Year 2018-19, whose period of office shall not be liable to retire by rotation.”

**By the order of the Board**

**Sd/-**

**(Deepika Rajput)**

**Company Secretary**

**(Address: H. No. 200, 3<sup>rd</sup> Floor,**

**Bhai Parmanand Colony (East),**

**New Delhi-110009)**

**(PAN: AMUPD4639A)**

**Place: New Delhi**

**Dated: 02.09.2014**

**Regd. Office: 5 Pusa Road, First Floor, New Delhi-110005, Tel.: 91-11-47177000 (30 Lines), Fax: 91-11-47177077  
B-4/148C, Safdarjung Enclave, New Delhi- 110029, Tel.: 91-11-26160650, 26177621, Fax: 91-11-26162865**

**Website: www.provestment.net**



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## **NOTES:**

- 1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL TO VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT TO BE A MEMBER OF THE COMPANY. PROXY IN ORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A BLANK FORM OF PROXY IS ENCLOSED.**
2. The Register of Members and Share Transfer Books of the Company will remain closed from Tuesday, 23<sup>rd</sup> September, 2014 to Tuesday, 30<sup>th</sup> September, 2014(both days inclusive).
3. M/s Beetal Financial & Computer Services (P) Ltd., Beetal House, 3<sup>rd</sup> Floor, 99, Madangir, Behind Local Shopping Centre, Near Dada Harsukhdas Mandir, New Delhi-110 062 is Registrar and Share Transfer Agent for physical shares of the Company. M/s Beetal Financial & Computer Services (P) Ltd is also the depository interface of the Company with both NSDL and CDSL.
4. Shareholders are requested to notify change in their address along with PIN CODES, to the Company at its Registered Office quoting their Folio Numbers.
5. Shareholders, who are holding shares in identical order of name in more than one folio, are requested to write to the Company enclosing their share certificates to enable the Company to consolidate their holding in one folio.
6. Members are requested to bring their copy of Annual Report. No extra copy would be available for distribution at the meeting.
7. Shareholders/ Proxy are requested to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
8. Members who are holding Company's shares in dematerialized form are requested to bring details of their Depository Account Number for identification
9. The members intending to seek any information on Annual Accounts at the meeting are requested to kindly inform the Company at least 10 days before the date of the meeting.
10. No Hand bags/ Parcels of any kind be allowed inside the meeting hall. The same will have to be deposited outside the Meeting hall on the counter provided, at the shareholders'/ proxies' own risks.
11. The Statement pursuant to Section 102(1) of the Companies Act, 2013, relating to special business to be transacted at the meeting is annexed hereto.



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## **12. VOTING THROUGH ELECTRONIC MEANS**

I.) Pursuant to provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, the Company is pleased to provide members facility to exercise their right to vote by electronic means. As an alternative to vote physically at the AGM, and the business may be transacted through e-Voting Services provided by **Central Depository Services Limited (CDSL)**

II.) Similarly, Members opting to vote physically can do the same by remaining present at the meeting and should not exercise the option for e-voting. However, in case Members cast their vote exercising both the options, i.e. physically and e-voting, then votes casted through e-voting shall be only be taken into consideration and treated valid whereas votes casted physically at the meeting shall be treated as invalid. The instructions for e-voting are as under, Members are requested to follow the instruction below to cast their vote through e-voting:

### **III.) The instructions for shareholders voting electronically are as under:**

- (i) The voting period begins on **September 24, 2014 at 10.00 A.M. and ends on September 26, 2014 at 6.00 P.M.** During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (**record date**) of **August 29, 2014**, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com) during the voting period
- (iii) Click on "Shareholders" tab.
- (iv) Now, select the "**PROVESTMENT SERVICES LIMITED:**" from the drop down menu and click on "SUBMIT"
- (v) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company, excluding the special characters.
- (vi) Next enter the Image Verification as displayed and Click on Login.
- (vii) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.



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(viii) If you are a first time user follow the steps given below:

<b>For Members holding shares in Demat Form and Physical Form</b>	
PAN	<p>Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"><li>Members who have not updated their PAN with the Company / Depository Participant are requested to enter in capital letters the PAN field of 10 characters as First 2 Characters of the First Holder Name followed by 8 characters consisting of Folio Number prefix by "0" (or 8 characters from right of BO-ID). No special characters or space will be taken from the name and folio number and name shall be excluded of titles like Mr. / Mrs. / Smt. / Miss / Ms. / M/s. etc.</li></ul> <p>Example:</p> <p>(1) Mr. V. N. Swami and Folio Number is S/0245, the PAN will be VN000S0245</p> <p>(2) M/s. 4-square Company Ltd. and Folio Number is C-0052 the PAN will be 4S000C0052</p>
DOB	<p>Enter the Date of Birth as recorded in your demat account with the depository or in the company records for your folio in dd/mm/yyyy format.</p>

- (ix) After entering these details appropriately, click on "SUBMIT" tab.
- (x) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (xi) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xii) Click on the EVSN for the relevant "**PROVESTMENT SERVICES LIMIED**" on which you choose to vote.
- (xiii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiv) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.



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- (xv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- (xvi) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvii) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xviii) If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (xix) Note for Institutional Shareholders
- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to <https://www.evotingindia.com> and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details they have to create a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com)

13. Institutional Members / Bodies Corporate (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution / Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote through e-mail at [mehakbangia@gmail.com](mailto:mehakbangia@gmail.com), [deepika@provestment.net](mailto:deepika@provestment.net) with a copy marked to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) on or before September 27, 2014, upto 6.00 p.m. without which the vote shall not be treated as valid

14. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of 29-August-2014.

15. The notice of Annual General Meeting will be sent to the members, whose names appear in the register of members / depositories as at closing hours of business, on 29-August-2014.



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16. The shareholders shall have one vote per equity share held by them as on the cut-off date (record date) of 29-August-2014. The facility of e-voting would be provided once for every folio / client id, irrespective of the number of joint holders.

17. Ms. Mehak Bangia, Practising Company Secretary (Certificate of Practice Number 12895 has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. The Scrutinizer shall within a period not exceeding three (3) working days from the conclusion of the e-voting period unblocks the votes in the presence of at least two (2) witness not in the employment and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

18. The results shall be declared on or after the AGM of the Company. The results declared alongwith the Scrutinizer's Report shall be placed on the website of CDSL and website of Provestment Services Limited within two (2) days of passing of the resolution at the AGM of the Company and will be communicated to Bombay Stock Exchange Limited.



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## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013 ("The Act")**

The following statement sets out all material facts relating to the Special Business mentioned in the accompanying Notice:

### **ITEM NO. 4**

The Board of Directors at their meeting held on August 09, 2014 have subject to the shareholders' approval and provision of the articles of association of the Company, appointed Mr. Praveen Bhatia as Whole-Time Director for a period of five years w.e.f August 02, 2014 on the terms and conditions as set out in the Resolution. As per the provisions of the Section 2(94), 196, 197, 198 and 203 and other applicable provisions, if any, of the Companies Act, 2013 read with Schedule V and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, approval of the members of the Company is required for the appointment of Mr. Praveen Bhatia as Whole-Time Director of the Company.

The remuneration payable to and the terms of appointment of Mr. Praveen Bhatia during the tenure of his appointment for a period of five years will comprise of salary, allowances and perquisites, the aggregate monetary value of such salary, allowances, and perquisites being limited to Rs.2,50,000/- per month w.e.f. 01.06.2014.

He shall be entitled for the yearly increment on salary within the range of 10% to 20%, as may be decided by the Board of Directors.

The perquisites and allowances payable to Mr. Praveen Bhatia, subject to aforesaid limits will include the company's contribution to provident fund, Superannuation or annuity fund, gratuity and such other perquisites and / or allowances within the amount specified above. The said perquisites and allowances shall be evaluated wherever applicable as per the Income-tax Act, 1961 or any rules there under (including any statutory modifications(s) or re-enactment thereof, for the time being in force). In addition he shall be entitled to encashment of leave at the end of the tenure as per rules of the company.

The terms and conditions set for appointment and payment of remuneration herein and / or in the agreement may be altered and varied from time to time by the board as it may at its discretion, deem fit within the overall ceiling fixed herein.

The board or any committee thereof is entitled to revise the salary, allowances and perquisites payable to the whole-time director of the company at any time such that the overall remuneration payable shall not exceed the aggregate amount of Rs.2,50,000/- per month as specified above.

The aforesaid agreement may be terminated by either party (company or the whole-time director) by giving three months prior notice of termination in writing to the other party.



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Your directors recommend the resolution for your approval.

Mr. Praveen Bhatia is interested in the resolution, which pertains to his re-appointment and / or remuneration payable to him. Save and except the above, no other director of the company is in any way concerned or interested, in this resolution.

## **ITEM NO.5**

### **Regarding confirmation as Director of the Company**

In order to broad base the Board of Directors, Mrs. Anjali Khurana, was appointed as an Additional Director of the Company w.e.f. February 13, 2014 in terms of Section 260 of the Companies Act, 1956 (Now Section 161 of the Companies Act, 2013), she holds office as a Director until the conclusion of ensuing Annual General Meeting. As required under Section 160 of the Companies Act, 2013, the Company has received a notice from the member of the company signifying her intention to propose her appointment as a Director of the Company along with a deposit of Rs. 1,00,000/- proposing the candidature of Mrs. Anjali Khurana for the office of independent director, to be appointed as such under the provisions of Section 149 of the Companies Act, 2013. Looking to her vast experience, it will be in the best interest of the Company to appoint her as a Director on the Board of the Company.

The Company has received from Mrs. Anjali Khurana (i) consent in writing to act as director in Form DIR-2 pursuant to Rule 8 of the Companies (Appointment & Qualification of Directors) Rules, 2014 (ii) Intimation in Form DIR-8 in terms of the Companies (Appointment & Qualification of Directors) Rules, 2014, to the effect that she is not disqualified under Section 164(2) of the Companies Act, 2013, and declaration to the effect that she meets the criteria of independence as provided under Section 149 (6) of the Companies Act, 2013

The Directors recommend the said resolution for your approval.

None of the Directors except Mrs. Anjali Khurana is interested in the said resolution.

### **Regarding Appointment as an Independent Director**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mrs. Anjali Khurana as Independent Director at various times, in compliance with the requirements of the clause.

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (Act), which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

Pursuant to revised clause 49 of the Listing Agreement with Stock Exchanges (to come into force w.e.f. 1st October, 2014), an Independent Director cannot hold office for more than two consecutive terms



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of five years each. Hence, the said Independent Director is proposed to be appointed for a period as mentioned in the respective resolutions from the conclusion of this AGM.

Mrs. Anjali Khurana, Independent Director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the rules framed there under for appointment as Independent Directors and they are independent of the management.

Mrs. Anjali Khurana is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mrs. Anjali Khurana for the office of Directors of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

Brief resume and other details of the Independent Directors whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

The Board recommends the said resolutions for your approval.

Save and except the above, none of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above said resolutions.

## **ITEM NO. 6**

As on date the aggregate amount of the investments in shares/debentures, loans and guarantee(s)/security (ies) made, given, or provided by the company to other bodies corporate are within the limits provided in Section 186 of the Companies Act, 2013. Since the Board wants to invest in excess of the prescribed limit specified in Section 186 of the Act, approval of the shareholders of the company is required.

The Board of Directors of the Company decided to recommend the special resolution as set out in the notice for approval of the shareholders.

None of the directors of the Company are concerned or interested in this resolution.



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## **ITEM NO. 7**

The Board of Directors in their meeting held on 9<sup>th</sup> August, 2014 decided to alter its objects by entering into the business of execution, commission, erection of projects related to the electricity & power and transmission of electricity of own or on contract basis, all other trading activities and related activities to the existing Main Objects of the Company and thereby expanding and diversifying the business operations of the Company.

To alter the provisions of the object Clause of the Memorandum of Association of the Company in pursuance to the provisions of the Companies Act, 2013, it is mandatory to obtain the approval of shareholders by the means of a Special resolution under the provisions of section 13 (9) of the Companies Act, 2013.

Accordingly, the Board of Directors of your Company in its meeting held on 9<sup>th</sup> August, 2014 decided to obtain the aforesaid approval for amendment in the Object Clause of the Memorandum of Association of the Company.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution except to the extent of shares held by them in the Company.

## **ITEM NO 8.**

The Articles of Association (AOA) of the Company as currently in force was originally adopted as per the provisions of the Companies Act, 1956 and further amendments were adopted as per the provisions of the Companies Act, 1956 from time to time. The references to specific sections of the Companies Act, 1956 in the existing Articles of Association may no longer be in conformity with the Companies Act, 2013. The new Companies Act, 2013 is now largely in force. Considering the new Companies Act, 2013, it is proposed to amend the existing Articles of Association to align with the provisions of the Companies Act, 2013.

With the coming into force of the Act, several regulations of the existing AOA of the Company require alteration or deletions in several articles. So, it is considered necessary to wholly replace the existing AOA by a new set of Articles,

To alter the provisions of the Articles of Association of the Company in pursuance to the provisions of the Companies Act, 2013, it is mandatory to obtain the approval of shareholders by the means of a Special resolution under the provisions of the Companies Act, 2013.

None of the Directors of the Company is, in any way, concerned or interested in the said resolution except to the extent of shares held by them in the Company.

## **ITEM NO 9.**

The Company had, pursuant to the provisions of clause 49 of the Listing Agreements entered with the Stock Exchanges, appointed Mr. Anil Lakhani as Independent Director at various times, in compliance with the requirements of the clause.



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

Pursuant to the provisions of Section 149 of the Companies Act, 2013 (Act), which came in to effect from April 1, 2014, every listed public company is required to have at least one-third of the total number of directors as Independent Directors, who are not liable to retire by rotation.

Pursuant to revised clause 49 of the Listing Agreement with Stock Exchanges (to come into force w.e.f. 1st October, 2014), an Independent Director cannot hold office for more than two consecutive terms of five years each. Hence, the said Independent Director is proposed to be appointed for a period as mentioned in the respective resolutions from the conclusion of this AGM.

Mr. Anil Lakhani, Independent Director of the Company, has given a declaration to the Board that he meets the criteria of independence as provided under Section 149(6) of the Act. In the opinion of the Board, each of these directors fulfill the conditions specified in the Act and the rules framed there under for appointment as Independent Directors and they are independent of the management.

Mr. Anil Lakhani is not disqualified from being appointed as Director in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has received notices in writing from members along with the deposit of requisite amount under Section 160 of the Act proposing the candidature of Mr. Anil Lakhani for the office of Directors of the Company.

In compliance with the provisions of Section 149 read with Schedule IV of the Act, the appointment of these directors as Independent Directors is now being placed before the Members for their approval.

The terms and conditions of appointment of the above Directors shall be open for inspection by the Members at the Registered Office of the Company during normal business hours on any working day, excluding Saturday and Sunday.

Brief resume and other details of the Independent Directors whose appointment is proposed are provided in the annexure to the Explanatory Statement attached herewith.

The Board recommends the said resolutions for your approval.

Save and except the above, none of the other Directors or any key managerial personnel or any relative of any of the Directors of the Company or the relatives of any key managerial personnel is, in anyway, concerned or interested in the above said resolutions.

**By the order of the Board**

**Date: 02.09.2014**  
**Place: New Delhi**

**Sd/-**  
**(Deepika Rajput)**  
**Company Secretary**  
**(Address: H. No. 200, 3<sup>rd</sup> Floor,**  
**Bhai Parmanand Colony (East),**  
**New Delhi-110009)**



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **DIRECTORS' REPORT**

**Dear Members,**

### **PERFORMANCE:**

Your Directors have pleasure to present the 20<sup>th</sup> Annual Report along with audited accounts of the Company for the period ended 31<sup>st</sup> March, 2014.

### **CONSOLIDATED FINANCIAL DATA**

	(IN Rs.)
	<b>Current Year (2013-2014)</b>
Turnover	825942101
Other Income	10879879
Less: Operating Cost	816597035
Less: Financial Cost	10879685
Profit before Depreciation	9345260
Less: Depreciation	3063601
Profit/ (Loss) before tax	6281660
Less: Provision for tax	1410600
Less: Deferred Tax	271475
Less: Transfer to Reserves	-
Profit/ (Loss) after tax and appropriation	4599585
Less: Share of Profit transferred to Minority Interest	14178
Profit/(Loss) after adjustment for Minority Interest	4585407
Opening Balance of Profit/(Loss)	20267889
General and Capital Reserve	6190814
Reserve and Surplus to be carried to Balance Sheet	<b>31044110</b>

### **STAND ALONE FINANCIAL DATA**

	(In Rs.)	
	<b>Current Year (2013-2014)</b>	<b>Previous Year (2012-2013)</b>
Turnover	748940303	402681346
Other Income	10674194	9127892
Less: Operating Cost	740864207	396508315
Less: Financial Cost	9869990	7019652
Profit before Depreciation	8880299	8281271
Less: Depreciation	2761167	2461791
Profit/ (Loss) before tax	6119132	5819480
Less: Provision for tax	1379630	1395410
Less: Deferred Tax	241442	276930
Less: Transfer to Reserves	-	1500000
Profit/ (Loss) after tax and appropriation	4498061	2647140
Opening Balance	20161230	17514090
General Reserve	6000000	6000000
Reserve and Surplus to be carried to Balance Sheet	<b>30659291</b>	<b>26161230</b>

**Regd. Office: 5 Pusa Road, First Floor, New Delhi-110005, Tel.: 91-11-47177000 (30 Lines), Fax: 91-11-47177077  
B-4/148C, Safdarjung Enclave, New Delhi- 110029, Tel.: 91-11-26160650, 26177621, Fax: 91-11-26162865  
Website: [www.provestment.net](http://www.provestment.net)**



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **REVIEW OF PERFORMANCE:**

During the year under review, the performance of the Company was satisfactory and the Company continued to maintain the track record of earning profit. The total Turnover achieved by the Company during the year under review is Rs.74.89 Cr. Considering the present position of the Company the directors are of the opinion that the Company has the good potential and adequate resources to achieve the fast rate of growth in the coming year.

During the year 2013-2014, your Company recorded profit before tax of Rs. 61.19 Lacs (previous year Rs 58.19 Lacs). Although the Company is doing well, profit is also on the higher side in comparison to last year in spite of stiff competition in the market.

## **DIVIDEND**

The Directors in view of the current scenario to carry out the future plans it is necessary to conserve the resources. Your directors are of the opinion of retaining the profits for the year within the Company, and thus have not recommended any dividend for the year ended 31<sup>st</sup> March 2014.

## **DIRECTORS**

In accordance with the provisions of the Companies Act, 1956 (now the Companies Act, 2013) and Articles of Association of the Company Sh. Vinod Ralhan retire by rotation at the ensuing Annual General Meeting and is eligible for reappointment. During the Year Mr. Raj Kumar Ram Rakhiani has been appointed as an Additional Director on 13.11.2013 and has resigned on 13.02.2014. Also Mrs. Anjali Khurana has been appointed as Additional Director on 13.02.2014 as an independent Director.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- (i) That in the preparation of the annual accounts for the financial year ended 31<sup>st</sup> March 2014 the applicable accounting standards had been followed and no material departure have been made from the same;
- (ii) That the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the profit of the Company for the year under review;
- (iii) That Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) That Director has prepared the annual accounts for the financial year ended 31<sup>st</sup> March, 2014 on a 'going concern' basis.

## **FIXED DEPOSITS**

The Company has not accepted any deposit covered by Companies (Acceptance of Deposit) Rules, 1975.



# **PROVESTMENT SERVICES LIMITED**

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## **DEMATERIALIZATION OF EQUITY SHARES**

The company's equity shares are available for trading in the Depository system of both the National Securities Depository Limited (NSDL) and the central Depository Services (India) Limited (CDSL). The International Security Identification Number (ISIN) allotted by NSDL and CDSL to the company is **INE438C01010**. The Demat status of the Company as on March 31, 2014 is as under:-

<b>Particulars</b>	<b>No of Shares</b>	<b>Percentage</b>
<b>Electronic Mode</b>		
NSDL	3184107	62.40
CDSL	802320	15.72
<b>Total Demat Holding</b>	<b>3986427</b>	<b>78.12</b>
<b>Physical Mode</b>	<b>1116573</b>	<b>21.88</b>
<b>Total Shares</b>	<b>5103000</b>	<b>100.00</b>

## **CORPORATE GOVERNANCE**

Your Company has successfully implemented the mandatory provisions of Corporate Governance in accordance with the provisions of Clause 49 of the Listing Agreement of the Stock Exchanges. Separate Report on Corporate Governance and Management Discussion & Analysis are included in the Annual Report and Certificate dated 30.05.2014 of the Auditors of your Company confirming the compliance of conditions of Corporate Governance is also annexed thereto.

## **PARTICULARS OF EMPLOYEES**

There was no employee in respect of whom information is required to be given pursuant to section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended up-to-date.

## **AUDITORS**

Ahuja Arun & Co., Chartered Accountants, the existing auditors of the Company retire at the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. Your Directors recommend their re-appointment. The Company has received audit report from Ahuja Arun & Co., Chartered Accountants and your directors do not observe any adverse remark therein.

## **INDUSTRIAL RELATIONS**

During the year under review, your Company had amiable and pleasant industrial relations at all levels of the Organization.

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

The information required under Section 217 (1) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are not applicable.



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **THE YEAR IN RETROSPECT**

### **PROFOREX MONTHLY NEWS LETTER**

As your Company is RBI authorized Full Fledged Money Changers operating in India. Now, we have completed 11 years of serving newsletter to our clients, around 3000 copies every month to all business segments such as exporters, MNC's, professional organizations, traders, travel agents, Government organizations and other corporate and has gained substantial recognition. Now the Company has decided to send these newsletters through email to our clients in view to keep the environment green and to save paper.

### **PACKAGING EXHIBITIONS:**

Your Company is specialized in providing consultancy services for clients engaged in the packaging industry for their end to end requirements. The Company provides new ideas, concepts and new avenues for the corporate in the packaging industry. We are also specialized in organizing tours to world's largest Packaging Exhibitions like K-PLAST, INTERPACK, DRUPA, PACK EXPO, CHINA PLAS and many other International exhibitions. The Company is also providing consultancy to clients who include Travel Tickets and its supplements and also business travel activities effectively in a manner which facilitate substantial reduction in their travel cost related to Pharma Industries. The main exposure of CPHI which took place in China and Switzerland. Recently focused consultancy is on CPHI exhibition to be held in Paris Nord Villepinte, France, Tokyo, Istanbul, Russia, South America, South East Asia and Korea.

### **WEBSITE:**

Your company with a view to strengthen its brand image and also offer its prospective customers ease of navigation, had revamped its website, [www.provestment.net](http://www.provestment.net) and the website now neatly categorizes various businesses carried out by your company. The Company has also doing our business under the Trade Mark *proyatra.com* for its business to establish its brand in the market.

### **BSE INDONEXT LISTING AND TRADING:**

The Shares of the Company has been traded at BSE under INDONEXT SEGMENT.

### **TRAVEL INDUSTRY: A RETROSPECT**

The current scenario witnesses a drastic and marvelous change in travelling industry and the day is not far when travelling industry will be at apex. There are various reasons behind that like:

- ✓ The Ministry of Tourism, through a tie-up with various state tourism boards, continues to push travel and tourism with the help of television commercials. The Ministry has played an important role in the development of the industry, initiating advertising campaigns such as the 'Incredible India' campaign, which promoted India's culture and tourist attractions in a fresh and memorable way. The campaign helped create a colorful image of India in the minds of consumers all over the world, and has directly led to an increase in the interest among tourists.
- ✓ Travelling is no longer limited to a single annual holiday with the family. Customers have started to travel for adventure sports, photography, wildlife, heritage, buildings and more.
- ✓ Travel and tourism became one of the pillars in the growth of GDP of the country during the year.



# **PROVESTMENT SERVICES LIMITED**

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India's tourism industry is experiencing a strong period of growth, driven by the burgeoning Indian middle class, growth in high spending foreign tourists, and coordinated government campaigns to promote 'Incredible India'.

India's travel and tourism industry is one of them most profitable industries in the country, and also credited with contributing a substantial amount of foreign exchange

## **EXPANSION IN TRAVEL VERTICAL**

Your Company realized the need for having all travel related services to cater to all types of clients and to improve more top line and bottom line of the Company. With this objective in mind, the Company has started FIT division (Free Independent Travel), GIT Division (Group Incentive Tours) along with specialized services to Corporate Clients. This has been very effective and the Company has added reputed Corporate Clients.

## **ONLINE TRAVEL PORTAL:**

Because of the importance of online travel portal and its convenience to the customers to book Air Tickets at their comfort and even to pay online, the Company has already launched the travel portal **www.proyatra.com**. The response is very positive and will expect to grow in coming years. The Company has also applied for trade Mark *Proyatra.com* to establish company's Brand in the market.

## **BRANCHES FOR FFMC:**

Your Company, during the year has obtained License from Reserve Bank of India to open new branches at South Extension in addition to existing Branches in New Delhi, also at Gurgaon in Haryana and Indira Puram in Ghaziabad. Now the Company has decided to open around 50 branches all over India during the year to expand its business. These branches would focus on all travel needs of the customers even in India and abroad too.

## **FOREX BUSINESS:**

Your Company is an RBI approved Foreign Exchange dealer and has been doing handsome business in currency conversion for clients. We wish to provide single window service to our clients which includes Air Tickets-both domestic and International, Currency Conversion, Visa Assistance. We have already opened additional branches in New Delhi, in Gurgaon and Indrapuram and are planning to open more branches to enhance the facilities of foreign exchanges.

## **OVERSEAS OFFICES:**

The Company has been planning to open offices in overseas countries mainly in Bangkok, Pattaya, China and Hongkong etc. to promote the travel business. This would enable interactions with the suppliers directly and offer best rates for hotels, transport and cruise for the Indian tourist traveling abroad.

## **EXPANSION OF BUSINESS IN POWER TRADING:**

Because of the importance of the electricity in the market, it has been decided that to start up a new venture in a company by diversifying its business to **POWER TRADING**. It is assumed that the response will be very positive and will expect to grow in coming years.



# **PROVESTMENT SERVICES LIMITED**

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## **ACKNOWLEDGEMENTS:**

The Directors acknowledge with appreciation, the co-operation and assistance received from the Government, Banks, Authorities and other Business Constituents and arcade during the year.

The Directors wish to place on record their appreciation of the contribution made by employees, customers and suppliers for their continuous support given by them to the Company at all levels during the period under report.

**On behalf of the Board  
FOR PROVESTMENT SERVICES LIMITED**

**Sd/-  
(DEEPIKA RAJPUT)  
COMPANY SECRETARY**

**Sd/-  
(ANIL LAKHANI)  
DIRECTOR**

**Sd/-  
(PRAVEEN BHATIA)  
WHOLETIME DIRECTOR**

**Date: 02.09.2014**

**Place: New Delhi**



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **CORPORATE GOVERNANCE REPORT**

**(Pursuant to clause 49 of the Listing Agreement entered into with the stock exchanges)**

### **1. The Company's Philosophy on code of Corporate Governance**

Corporate Governance, it is basically relates to the principles of integrity, fairness, equity, transparency, accountability & Commitment to values. Good governance practices stem from the culture and mindset of the organization. The Company believes that good Corporate Governance practices should be enshrined in all activities of the Company. This would ensure efficient conduct of the affairs of the Company and help the Company achieve its goal of maximizing value for all its stakeholders.

The Company recognizes that good Corporate Governance is a continuing exercise and reiterates its commitment to pursue highest standards of Corporate Governance in the overall interest of all the stakeholders.

### **2. Board of Directors**

#### **Composition as on March 31, 2014**

The company's policy is to maintain optimum combination of Executive and Non-Executive Directors. The Board consists of 4 Directors, out of which 2 are Independent Directors. The Chairman of the Company is a Whole-time Director. The Composition of the Board is in conformity with Clause 49 of the Listing Agreement entered into with the Stock Exchanges.

Name	Category	No. of Directorships held in other Public Limited Companies	No. of Board Committee position held in other Public Limited Companies	
			Chairman	Member
Mr. Praveen Bhatia	Executive, Whole Time Director	Saab Travel & Tours Limited	-	-
Mr. Anil Lakhani	Non-Executive Independent Director	Saab Travel & Tours Limited	-	-
Mr. Vinod Ralhan	Non-Executive Professional Director	Saab Travel & Tours Limited	-	-
Mrs. Anjali Khurana	Non-Executive Independent Director	-	-	-

### **3. Board Meetings**

The Board held 13 (Thirteen) Meetings during the year 2013-2014 on 02.05.2013, 30.05.2013, 26.06.2013, 20.07.2013, 12.07.2013, 30.07.2013, 13.08.2013, 31.08.2013, 02.09.2013, 13.11.2013, 23.12.2013, 13.02.2014 and 29.03.2014.



# **PROVESTMENT SERVICES LIMITED**

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## **Attendance of Directors at Board Meetings and at the Annual General Meeting**

<b>Name of the Director</b>	<b>No. of Board Meetings Attended</b>	<b>Whether Attended the Last AGM</b>
Mr. Praveen Bhatia	9	Yes
Mr. Vinod Ralhan	13	Yes
Mr. Anil Lakhani	11	Yes
Mr. Gaurav Bhatia	8	Yes
Mr. Rajkumar Ramrakhiyani	2	No
Mrs. Anjali Khurana	2	No

The Board ensures compliance of all laws applicable to the Company and takes steps to rectify non-compliances, if any.

## **4. BOARD COMMITTEES**

The Board of Directors has constituted following committees namely:

### **(i) Audit Committee**

The Audit Committee has been constituted as per Section 292A of the Companies Act, 1956 (Section 177 of the Companies Act, 2013) and the guidelines set out in the Listing Agreements with the Stock Exchanges. The terms of the reference of the Audit Committee are as per the guidelines set out in the Listing Agreement with Stock Exchanges that inter-alia include the overview of the Company's financial reporting processes, review of quarterly, half-yearly and annual financial statements, review of adequacy of internal control systems, review of financial and risk management policies and review of significant finding and adequacy of internal control system etc.

### **Composition and Attendance**

During the year 2013-2014, 4 (Four) Meetings of the Audit Committee were held on 30.05.2013, 13.08.2013, 13.11.2013 and 13.02.2014.

<b>Name of the Member</b>	<b>Category</b>	<b>No. of Meeting Attended</b>
Mr. Praveen Bhatia (Chairman)	Whole Time Director	4
Mr. Vinod Ralhan	Non-Executive Professional	4
Mr. Anil Lakhani	Non-Executive Independent	4
Mrs. Anjali Khurana	Non-Executive Independent	-

The Members of the audit Committee have requisite knowledge in the field of finance, Accounts and Management. Minutes of each Meeting of Audit Committee are placed and discussed before the Board of Directors. The representative of Statutory Auditors attends the meetings of audit Committee.

Mrs. Deepika Rajput acted as Secretarial Officer of the Committee during the year.



# **PROVESTMENT SERVICES LIMITED**

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## **(ii) Remuneration Committee**

The terms of reference of Remuneration Committee are as per the Guidelines set out in the Listing Agreement with the stock exchange(s), falling under the category of non-mandatory requirements of Corporate Governance that inter alia includes formulation and recommendation to the Board from time to time, a remuneration structure for the Whole-time Members of the Board.

Composition of Remuneration Committee:

<b>Name</b>	<b>Category</b>
Mr. Praveen Bhatia	Whole Time Director
Mr. Vinod Ralhan	Non-Executive Professional
Mr. Anil Lakhani	Non-Executive Independent
Mrs. Anjali Khurana	Non-Executive Independent

## **Meetings and Attendance during the year**

One meeting of the above constituted Remuneration Committee was held during the year.

## **Remuneration Policy**

The Remuneration Committee determines and recommends to the Board, the remuneration of the Directors and the same is subject to the approval of Members.

The key components of the Company's Remuneration policy are:-

- Remuneration will be a major driver of performance.
- Remuneration will be transparent, fair and simple to administer.
- Remuneration is determined in accordance with experience and nature of responsibilities.
- Remuneration will be fully legal and tax compliant.

At present, the Company is paying remuneration to its Whole Time Director and sitting fees to its Non-Executive Directors and other Directors.

The detail of service contract of Whole Time Director of the Company is as under:

<b>Name</b>	<b>Date of Appointment</b>	<b>Tenure</b>	<b>From</b>	<b>To</b>
Mr. Praveen Bhatia	02 <sup>nd</sup> August, 2014	5 years	02 <sup>nd</sup> August, 2014	01 <sup>st</sup> August, 2019

- Notice period as per Company's Rules.
- No severance Fee and stock is payable.

## **(iii) Shareholders/Investors' Grievance Committee:**

The Company is having share transfer committee. It deals with matters related to share transfer/transmission, issue of duplicate share certificate, approving of split and consolidation requests and address of shareholders and investors grievance in relation to transfer of shares, non-receipt of annual report etc.

The terms of reference of shareholders/Investors' Share Transfer Committee are as under:

**Regd. Office: 5 Pusa Road, First Floor, New Delhi-110005, Tel.: 91-11-47177000 (30 Lines), Fax: 91-11-47177077  
B-4/148C, Safdarjung Enclave, New Delhi- 110029, Tel.: 91-11-26160650, 26177621, Fax: 91-11-26162865  
Website: www.provestment.net**



# **PROVESTMENT SERVICES LIMITED**

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- (a) Approval of requests received for transfer/transmission of shares including dematerialization/rematerialization of securities.
- (b) Approval of requests received for issue of duplicate certificates.
- (c) Rejection of requests for share transfers, wherever applicable.
- (d) Redressal of serious complaints received from shareholders/investors on non-receipt of shares after transfer in the physical form, complaints on Non-receipt of Balance Sheet, dividend etc.

## **Composition of Shareholders/Investors' Share Transfer Committee**

<b>Name</b>	<b>Category</b>
Mr. Praveen Bhatia	<b>Whole Time Director</b>
Mr. Vinod Ralhan	<b>Non-Executive Professional</b>
Mr. Anil Lakhani	<b>Non-Executive Independent</b>

Mrs. Deepika Rajput, Company Secretary, was the Compliance Officer during the year.

## **Details of Complaints received during the year:**

<b>Nature of Complaint</b>	<b>2013-14</b>		
	Received	Cleared	Pending
Non receipt of Share Certificate duly transferred	-	-	-
Non-receipt of Annual Report	-	-	-

## **5. Subsidiary Companies:**

- i. At least one independent director on the Board of Directors of the holding company shall be a director on the Board of Directors of a material non listed Indian subsidiary company.
- ii. The Audit Committee of the listed holding company shall also review the financial statements, in particular, the investments made by the unlisted subsidiary company.
- iii. The minutes of the Board meetings of the unlisted subsidiary company shall be placed at the Board meeting of the listed holding company. The management should periodically bring to the attention of the Board of Directors of the listed holding company, a statement of all significant transactions and arrangements entered into by the unlisted subsidiary company.

## **6. (a) General Body Meetings:**

The Last three Annual General Meetings / Extra Ordinary General Meeting during the year were held as per the details given below:

<b>Year</b>	<b>Date</b>	<b>Day/Time</b>	<b>Venue</b>
2010-2011 (AGM)	30.09.2011	Friday 10:00 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029



# **PROVESTMENT SERVICES LIMITED**

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2011-2012 (AGM)	29.09.2012	Saturday 09:30 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029
2012-2013 (EGM)	19.12.2012	Wednesday 10.00 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029
2012-2013 (AGM)	30.09.2013	Monday 10.00 A.M.	B-4/148C, Safdarjung Enclave, New Delhi- 110 029

## **(b) Postal Ballot**

During the year ended 31<sup>st</sup> March, 2014, no resolution was passed by the Company's shareholders requiring voting by postal ballot. At the ensuing Annual General Meeting also, there is no resolution proposed to be passed through postal ballot.

## **7. Disclosures**

### **(a) Disclosure on materially significant related party transactions, pecuniary or business relationship with the Company**

There have been no materially significant related party transactions that may have potential conflict with the interests of the Company or its associates, with any of the directors or their relatives during the year 2013-2014. However, a detailed disclosure on Related Party Transactions has been made at in the Notes to Accounts appearing under (Significant Accounting Policies and Notes to Accounts) forming part of Balance Sheet.

### **(b) Details of non-compliance by the Company, penalties and strictures imposed on the Company by the Stock Exchange(s) or SEBI or any Statutory Authority on any matters related to Capital Market:**

No penalties or strictures have been imposed on the Company by the Stock Exchanges or SEBI or any other statutory authority, on any matter related to capital markets during the last 3 years.

### **(c) Whistle Blower Policy:**

The Company has formulated a policy known as 'Whistle Blower Policy' to allow and encourage our employees to bring to the Management's Notice (Audit Committee) directly, without necessarily informing their superiors about suspected unethical behavior, malpractice, wrongful conduct, fraud, violation of the Company's policies including code of conduct, violation of law or questionable accounting or auditing matters by an employee/director in the Company without fear of reprisal. The Company further undertakes that it has not denied any personal access to the Audit committee of the Company in respect of matters involving alleged misconduct/malpractice/unethical behavior and that it has provided protection to 'Whistle Blowers' from unfair termination and other unfair or prejudicial employment practices.

### **(d) Details of compliance with the mandatory requirements and adoption of non-mandatory requirements of Clause 49:**

The Company has complied with the mandatory requirements and is in process of adopting non-mandatory



# **PROVESTMENT SERVICES LIMITED**

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requirements of Clause 49, wherever feasible.

## **(e) Risk Management**

The Executive Management controls risk through means of a properly defined framework.

## **(f) Code of Conduct:**

The Board of Directors of your Company has laid down the Code of Conduct for all Board Members and Senior Management of the Company, which delineates the principles governing the conduct of employees including Directors, with all the stakeholders of the Company. The code covers transparency, legal compliances, concern of occupational health, safety and environment, a gender friendly work place and Philosophy of leading by personal examples.

All Board Members and Senior Management of your Company ensure the compliances with these principles. The Board is responsible for ensuring that these principles are communicated to, understood and observed by all the employees. Compliance of the code is subject to the review by the Board supported by the Audit Committee of the Board.

## **(g) Disclosures regarding appointment or re-appointment of Directors**

In accordance with the provisions of the Companies Act, 1956 and Articles of Association of the Company, Sh. Vinod Ralhan Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment as Director of the Company.

## **(h) CEO/CFO Certification**

A certificate from the Chief Executive Officer and the Chief Financial Officer on the financial statements of the Company was placed before the Board.

## **8. Means of Communication**

1. Quarterly Results	Quarterly Results are announced within a 45 days of the end of the respective quarter, which are normally published in The Pioneer (English) and in millennium post / Darpan.
2. Any website, where displayed	Yes, at Company's website and also results are being sent to all the Stock Exchanges, where the shares of the Company are listed for putting in their own website.
3. Whether it also displays official news releases and the presentations made to Institutional Investors or to the Analysts	Not Applicable
4. Whether Management Discussion & Analysis is a part of Annual Report	Yes
5. Whether Shareholder Information section forms part of Annual Report	Yes

## **9. General Shareholder Information**

**Regd. Office: 5 Pusa Road, First Floor, New Delhi-110005, Tel.: 91-11-47177000 (30 Lines), Fax: 91-11-47177077  
B-4/148C, Safdarjung Enclave, New Delhi- 110029, Tel.: 91-11-26160650, 26177621, Fax: 91-11-26162865  
Website: [www.provestment.net](http://www.provestment.net)**



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

**(a) Date, Time and Venue of forthcoming Annual General Meeting:**

The Company will hold its 20<sup>th</sup> Annual General Meeting on Tuesday, the 30th September, 2014 at 10:00 A.M. at B- 4/148 C, Safdarjung Enclave, New Delhi- 110 029:

**(b) Financial Calendar (tentative and subject to change)**

**The Company expects to announce the unaudited quarterly results for the year 2014-2015 as per the following schedule.**

Financial Reporting for the Quarter ending June 30, 2013	August, 2014
Quarterly Limited Review Report for the Quarter ended on June 30, 2013	August, 2014
Financial Reporting for the Quarter ending September, 2013 and Half-year Results.	November, 2014
Quarterly Limited Review Report for the Quarter ended on September 30, 2013	November, 2014
Financial Reporting for the Quarter ending December 31, 2013	February, 2015
Quarterly Limited Review Report for the Quarter ended on December 31, 2013	February, 2015

The Audited Results of the Company for the year 2014-2015 will be announced on or before 30<sup>th</sup> May, 2015 which will include the results of the fourth quarter of the year 2014-2015.

**(c) Date of Book Closure**

The Company's Register of Members and Share Transfer Book will remain closed from Tuesday, the 23<sup>rd</sup> September, 2014 to Tuesday, the 30<sup>th</sup> September, 2014 (both days inclusive).

**(d) Dividend Payment Date**

The Board of Directors has not recommended any dividend for the financial year 2013-2014.

**(e) Listing on Stock Exchanges**

The Equity shares of the Company as on March 31, 2013 were listed on BSE Indonext Segment (Listed on 10.06.2011), The Delhi Stock Exchange Association Limited, Delhi, Jaipur Stock Exchange, Jaipur and The Ahmedabad Stock Exchange, Ahmedabad. The Company confirms that it has paid Annual Listing Fees due to all the 3 stock exchange for the year 2012-2013.

**(f) Stock/ script Code**

BSE Limited (w.e.f. 10.06.2011)	:	590120
The Delhi Stock Exchange Association Limited, Delhi	:	9251
Jaipur Stock Exchange, Jaipur	:	959
The Ahmedabad Stock Exchange, Ahmedabad	:	45612



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

**(g) Registrar and Transfer Agents for shares held in Physical as well as Depository mode:**

M/s Beetal Financial and Computer Services Private Limited  
99, Madangir, 3<sup>rd</sup> Floor, Behind Local Shopping Complex,  
Near Dada Harsukhdas Mandir,  
New Delhi-110 062  
Ph:011-29961281-87  
E-mail: beetal@beetalfinancial.com

**(h) Stock Market Data**

Company's Equity shares are traded w.e.f. 10.06.2011 at BSE under Indonext segment.

**(i) Share Transfer System**

The Board has delegated the power of share transfer to Shareholders/Investors' Share Transfer Committee. The Committee holds meeting within 10 days or fortnightly to consider all matters concerning transfer and transmission of Shares.



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **(j) Distribution and Shareholding Pattern as on 31st March, 2014**

<b>Range of Equity Shares (Rs.)</b>	<b>No. of Shareholders of Total</b>	<b>%</b>	<b>Amount (in Rs.)</b>	<b>% of Total</b>
Up to 5000	532	49.35	18,47,350	3.6201
5001 – 10000	303	28.11	25,01,100	4.9012
10001 – 20000	78	7.24	13,05,130	2.5576
20001 – 30000	38	3.53	9,84,040	1.9284
30001 – 40000	13	1.21	4,46,700	0.8754
40001 - 50000	15	1.39	6,78,280	1.3292
50001 – 100000	38	3.53	30,02,530	5.8839
100001 and above	61	5.66	4,02,64,870	78.9043
<b>Total</b>	<b>1078</b>	<b>100.00</b>	<b>5,10,30,000</b>	<b>100.0000</b>

## **Shareholding Pattern of the Company as on March 31, 2014:**

<b>Category</b>	<b>Nos. of Shares held</b>	<b>Percentage of Holding</b>
<b>A. Promoter and Promoter Group</b>		
1. Indian Promoters	1458339	28.58
2. Foreign Promoters	-	-
Sub Total (i)	1458339	28.58
<b>B. Public Shareholding</b>		
1. Institutional Investors		
- Mutual Funds & UTI	-	-
- Banks, Financial Institutions, Insurance Companies	-	-
- Central Government/State Government(s)	-	-
- Foreign Institutional Investors	-	-
2. Non-Institutional Investors		
- Bodies Corporate	1641839	32.17
- Individuals/HUFs	2002822	39.25
Sub Total (ii)	3644661	71.42
<b>Total [ (i) + (ii) ]</b>	<b>51,03,000</b>	<b>100.00</b>

## **(k) Dematerialization of Securities**

The Company's Shares are available for trading in the Depository System both at National Securities Depository Limited (NSDL) and Central Depository Services Limited (CDSL). The International Security Identification Number (ISIN) allotted by NSDL and CDSL to Company is INE438C01010.

## **(l) Liquidity of shares**

The Equity shares of the Company are traded on BSE Indonext Segment w.e.f. 10.06.2011.



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

**(m) Outstanding GDRs/ADRs/Warrants or any other Convertible Instrument**

Company had issued 591176 Convertible Equity Warrants on Preferential basis To BENNETT COLEMAN & CO. LIMITED (BCCL), a convertible instruments which likely to have impact on Equity Share Capital of the Company.

**(n) Name and Designation of Compliance Officer:**

Mrs. Deepika Rajput

**(o) Address for Correspondence:**

The shareholders may address their communications/suggestions/grievances/queries to:  
Mrs. Deepika Rajput, Company Secretary  
Provestment Services Limited  
Building No.5, First Floor, Pusa Road, W.E.A. Karol Bagh,  
New Delhi-110 005  
Phone:011-47177000(30 Lines) Fax-011-47177077  
Email:deepika@provestment.net  
Website: www.provestment.net



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2014**

### **Financial Review**

Provestment Services Limited has bestowed its credit Full Fledged Money Changer Licence and ticketing business and has shown satisfactory financial and operating performance during the period under review i.e. 2013-2014.

### **Resources and Liquidity**

The Company relied upon internal and retained resources. During the year , the liquidity position of the Company was satisfactory..

### **Industry Scenario**

The Foreign Exchange business and Tour and Travel in the private Sector in India is represented by a mix of few large Companies with nationwide presence and a large number of small and medium size Companies with regional focus. These Companies provide a variety of services.

Your Company has not been much affected by the external environment and hence it has been catering to core retail clients by carrying on very attractive and new methods of financing. The Company has launched its online website for the ease of its clients and applied for Trade Mark PROYATRA.COM to strengthen its brand in the market.

Now the Company has also decided to diversify its business to **power trading** as a new venture may be fruitful in future.

### **Opportunities**

India's size and massive natural, geographic, cultural and artistic diversity offers enormous opportunities for the travel and tourism industry. The promotion and aggressive marketing measures undertaken by the government is expected to aid influx of tourists. The industry would also benefit from introduction of new forms of tourism and development of niche segments. PSL is well placed to identify retail clients and to provide them with convenient servicing.

### **Challenges**

The entire Foreign Exchange Sector faces competitive pressure from the Banking Sector which has excess to lower cost of financing.

Security has been a major problem as well for growth of tourism for a number of years. Terrorist attacks or political unrest in different parts of the country have adversely affected sentiments of foreign tourists. However, the government needs to take a proactive approach in addressing these issues and in averting the potential impact on the industry.



# **PROVESTMENT SERVICES LIMITED**

**CIN: L74899DL1994PLC058964**

## **Regulatory issues**

For inbound international tourists, visa procedures are seen as a hindrance. A number of countries competing with India for tourists provide visa on arrival. India should provide visa on arrival for more countries or for certain categories of tourists for a specific duration.

## **Risks and Concerns**

PSL is exposed to risks like volatility in the Indian Economy, falling interest rates, competition from the Banking Sector, volatile economic cycle, market risks, credit risk, and failure of many FFMC during the past few years. PSL manages these risks by maintaining a conservative financial profile and by following prudent business and risk management practices.

## **Taxation**

Travel and tourism in India is a high-taxed industry, which makes India expensive as a tourist destination. This is affecting the growth of the industry in India and India is losing out to other low-cost destinations. Inbound tourism is the one most affected. Various taxes are levied across the entire industry right from tour operators, transporters, air line industry to hotels and these include service tax, luxury tax and various taxes on transportation etc. However, these tax rates tend to vary across different states in the country.

## **Adequacy of internal control**

Your Company has proper and adequate internal controls to assure that all activities are monitored and controlled against any unauthorized use or disposition of assets and that all the transactions are authorized, recorded, reported and monitored correctly. The Company works in a fully computerized environment and all its operations including accounts and MIS are electronic.

The Company ensures adherence to all internal control policies and procedures as well as compliance with all regulatory guidelines may relates to SEBI, RBI, IATA, MCA etc.

An Audit Committee has been formed to review and strengthen the adequacy of internal control.

**On behalf of the Board  
FOR PROVESTMENT SERVICES LIMITED**

**Sd/-  
(DEEPIKA RAJPUT)  
COMPANY SECRETARY**

**Sd/-  
(ANIL LAKHANI)  
DIRECTOR**

**Sd/-  
(PRAVEEN BHATIA)  
WHOLETIME DIRECTOR**

**Date: 02.09.2014  
Place: New Delhi**

## AHUJA ARUN & CO. Chartered Accountants

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412, Deepshikha, Rajendra Place,  
New Delhi-110008 Fax: 011-41538586  
Ph: 011-41537977, 41537988  
N-4/14, DLF Qutab Enclave, Phase-II  
Gurgaon-122002, Phone: 0124-4362991  
E-mail: mail@aaco.in Website: www.aaco.in

### AUDITORS' CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE FOR THE YEAR ENDING 31<sup>st</sup> MARCH 2013 UNDER CLAUSE 49 OF THE LISTING AGREEMENT

To  
The Members of  
Provestment Services Limited

We have examined the Compliance of the Conditions of Corporate Governance by Provestment Services Limited for the year ended on 31<sup>st</sup> March 2014 as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchange, with the relevant records and documents maintained by the Company, furnished to us for our review and the report on Corporate Governance as approved by the Board of Directors.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

On the basis of our review and according to the information and explanations given to us, the conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement with the Stock Exchange have been complied with in all material respect by the Company.

We state that no investor grievance is pending for a period exceeding one month against the Company as per records maintained by the Shareholders/Investor Grievance Committee.

We further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR AHUJA ARUN & Co  
Chartered Accountants**

Place: New Delhi  
Date: 30.05.2014

**Sd/-  
ARUN AHUJA  
Partner  
M. No.-089709  
FRN-012985N**

## **INDEPENDENT AUDITORS' REPORT**

### **To the Members of Provestment Services Limited**

#### **Report on the Consolidated Financial Statements**

We have audited the accompanying financial statements of Provestment Services Limited (the company) and its subsidiaries which comprise the Consolidated Balance Sheet as at March 31, 2014 and the Consolidated Statement of Profit and Loss Account and the Consolidated Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

#### **Management's Responsibility for the Consolidated Financial Statements**

Management is responsible for the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Group's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation

of the consolidated financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the consolidated financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of consolidated Balance Sheet, of the state of affairs of the Group as at March 31, 2014;
- (b) in the case of the consolidated Statement of Profit and Loss, of the profit of the group for the year ended on that date; and
- (c) in the case of the consolidated Cash Flow Statements, of the cash flows of the group for the year ended on that date.

### **Other Matter**

- (a) The financial statements of a subsidiary Saab Travel & Tours Ltd represent as at 31st March, 2014, total assets (net) of Rs.2,25,59,770 total revenue for the year ended on that date of Rs.11,50,25,459 that has been audited by other auditors and we have relied upon such audited financial statements for the purpose of the consolidated financial statements.
- (b) As no consolidation of financial statement was done in the previous year i.e the date of acquisition, no comparative figures of previous year has been given for the statement of profit & loss for the relevant year.

Place: New Delhi  
Date: 30/05/2014

For Ahuja Arun & Co.  
Chartered Accountants

Sd/-  
(CA. Arun Ahuja)  
Partner  
*M No.089709, FRN-012985N*

**M/S PROVESTMENT SERVICES LIMITED**  
**CONSOLIDATED BALANCE SHEET**  
**As At 31.03.2014**

S. No	Particulars	Note No	As at March 31, 2014	As at March 31, 2013
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Shareholders Funds</u></b>			
	(a) Share Capital	<b>3.1</b>	51,030,000	51,030,000
	(b) Money received against share warrants	<b>3.2</b>	10,134,235	10,134,235
	(c) Reserves And Surplus	<b>3.3</b>	31,044,110	26,458,703
			92,208,345	87,622,938
<b>2</b>	<b><u>MINORITY INTEREST</u></b>			
		<b>3.4</b>	2,030,579	2,016,401
<b>3</b>	<b><u>Non-Current Liabilities</u></b>			
	(a) Long Term Borrowings	<b>3.5</b>	23,910,276	26,790,473
	(b) Deferred Tax Liabilities (Net)	<b>3.6</b>	3,341,617	3,070,142
	(c) Long-Term Provisions	<b>3.7</b>	218,466	1,445,816
			27,470,359	31,306,431
<b>4</b>	<b><u>Current Liabilities</u></b>			
	(a) Short Term Borrowings	<b>3.8</b>	79,192,774	52,778,324
	(b) Trade Payables	<b>3.9</b>	27,478,617	26,590,889
	(c) Other Current Liabilities	<b>3.10</b>	19,830,623	3,354,108
	(d) Short Term Provisions	<b>3.11</b>	1,379,630	1,571,845
			127,881,644	84,295,167
<b>Total(1+2+3+4)</b>			<b>249,590,927</b>	<b>205,240,937</b>
<b>II</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>Non-Current Assets</u></b>			
	(a) Fixed Assets	<b>3.12</b>		
	- Tangible Assts		44,754,577	43,432,832
	- Intangible Assts		3,410,523	4,189,429
	- Capital Work In Progress		8,511,373	3,386,340
	(b) Non-Current Investments	<b>3.13</b>	1,500,000	1,500,000
	(c) Long-Term Loans And Advances	<b>3.14</b>	23,104,162	32,553,162
	(d) Other Non Current Assets	<b>3.15</b>	1,085,040	-
			82,365,675	85,061,763
<b>2</b>	<b><u>Current Assets</u></b>			
	(a) Inventories	<b>3.16</b>	12,357,307	15,488,191
	(b) Trade Receivables	<b>3.17</b>	69,311,606	74,804,657
	(c) Cash And Cash Equivalents	<b>3.18</b>	10,738,813	5,502,649
	(d) Short-Term Loans And Advances	<b>3.19</b>	55,714,447	7,310,412
	(e) Other Current Assets	<b>3.20</b>	19,103,079	17,073,265
			167,225,252	120,179,174
<b>Total(1+2)</b>			<b>249,590,927</b>	<b>205,240,937</b>

Corporate Information, Significant Accounting Policies

For and on behalf of the Board of Directors

As per Our Report of even date attached

Sd/-  
Praveen Bhatia  
Whole Time Director  
Place: New Delhi  
Dated: 30/05/2014

Sd/-  
Anil Lakhani  
Director

Sd/-  
Deepika Rajput  
Company Secretary

Sd/-  
(C.A Arun Ahuja )  
Partner  
(M.No-089709,FRN -012985N)  
for and on behalf of  
AHUJA ARUN & CO  
Chartered Accountant

**PART II - STATEMENT OF PROFIT AND LOSS**  
**M/S PROVESTMENT SERVICES LTD**  
**CONSOLIDATED STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31.03.2014**

S. No	Particulars	Note No.	Year ended March 31,2014 In Rs.
	<b><u>REVENUE FROM OPERATIONS</u></b>		
I	Revenue from Operations	3.21	825,942,101
II	Other Income	3.22	10,879,879
III	<b>Total Revenue(I+II)</b>		836,821,980
IV	<b><u>EXPENSES:</u></b>		
	Purchase of Foreign Currency and Air Tickets	3.23	797,158,298
	Changes In Inventories of Currency	3.24	3,129,265
	Employee Benefits Expenses	3.25	10,719,644
	Finance Costs	3.26	10,879,685
	Depreciation and Amortization Expense		3,063,601
	Other Expenses	3.27	5,589,828
	<b>Total Expenses</b>		830,540,321
V	<b>Profit Before Tax (III-IV)</b>		6,281,660
VI	<b>Tax Expense</b>		
	Current Tax		1,410,600
	Deferred Tax		271,475
VII	<b>Net Profit for the Year Before Transferring Minority Interest (V-VI) Less: Share of Profit Transferred to Minority Interest</b>		4,599,585  14,178
	<b>Profit for the year after adjustment for Minority Interest</b>		4,585,407
VIII	Earning Per Equity Share		
	Basic		0.90
	Diluted		0.90
	Nominal Value of Equity Shares		10

Corporate Information, Significant Accounting Policies

For and on behalf of the Board of Directors

As per our report of even date attached

Sd/-  
Praveen Bhatia  
Whole Time Director  
Place: New Delhi  
Dated: 30/05/2014

Sd/-  
Anil Lakhani  
Director

Sd/-  
Deepika Rajput  
Company Secretary

Sd/-  
(CA. Arun Ahuja )  
Partner  
(M.No-089709,FRN -012985N)  
for and on behalf of  
AHUJA ARUN & CO  
Chartered Accountant

**PROVESTMENT SERVICES LTD.**

**CONSOLIDATED CASH FLOW STATEMENT AS ON 31.03.2014**

	<b><u>CONSOLIDATED AMOUNT</u></b>
<b>Cash Flow from Operating Activities</b>	
Net Profit after tax before extra ordinary item	6,281,660
<b>Adjustment for</b>	-
Depreciation	3,063,601
Interest Paid	-
Interest Received	-
Provision for tax	-
Short Term Provision	-
Long Term Provision	(1,227,350)
Profit on Sale of Fixed Assets	(21,293)
Loss on sale of fixed asset	25,009
<b>Operative loss before working capital changes</b>	<b>8,121,627</b>
Adjustment for : Current Assets	(41,809,914)
Current Liabilities	43,778,692
<b>Cash Generated from Operation</b>	<b>10,090,406</b>
Interest Paid	
<b>Cash Flow Before Extraordinary Item</b>	<b>10,090,406</b>
Extraordinary Items	
Taxes Paid	(1,602,814)
<b>Cash Flow from Operating Activities</b>	<b>8,487,592</b>
Less: Purchase of fixed Assets	(9,910,190)
Add: Sales of Fixed Assets	1,175,000
Add: Other Non Current Assets	(1,085,040)
Add: Interest received	
<b>Net Cash from investing Activities</b>	<b>(1,332,638)</b>
Less: Purchase of Investment	
<b>Cash Flow from Financing Activities</b>	<b>(1,332,638)</b>
Long Term Loans and Advances	9,449,000
Money received against share warrants	
Repayment of Long Term Borrowings	(2,880,197)
Non Current Assets	
	<b>5,236,165</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>5,236,165</b>
Cash & Cash Equivalents as at 31/03/2013	5,502,649
Cash & Cash Equivalents as at 31/03/2014	<b>10,738,813</b>

By order of the Board

Sd/  
(PRAVEEN BHATIA)  
Whole Time Director

## **PROVESTMENT SERVICES LIMITED**

### **Notes Forming Part of the Consolidated Financial statements**

#### **1. Corporate information :**

Provestment Services Limited (the “Company”) and its subsidiary Saab Travel & Tours Ltd are engaged in dealing of Air Ticketing, Tour Operator & Money Changer and providing professional Services to corporate entities across the globe.

#### **2. Significant Accounting Policies.**

Set out hereunder are the significant accounting policies adopted by the company in the preparation of the accounts for the year ended 31st March, 2014. There is no material change in accounting policies of the Company

a) **Basis of Accounting:**

The accounts of the Company are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956 except where otherwise stated. There is no material change in the accounting policies of the company as compared to the previous year.

b) **Principal of Consolidation**

The financial statements of the Subsidiary company used in the Consolidation are drawn up to the same reporting date as of the Parent Company.

The consolidated financial statements have been prepared on the following basis:

- i) The financial statements of the Company and its subsidiary company have been combined on line by line basis by adding together like items of assets, liabilities, income and expenses. Inter-Company balances and transactions and unrealized profits or losses have been fully eliminated.
- ii) The excess of cost to the Group of its investments in subsidiary companies over its share of the equity of the subsidiary companies at the dates on which the investments in the subsidiary companies are made, is recognized as ‘Goodwill (on Consolidation)’ being an asset in the consolidated financial statements. Alternatively, where the share of equity in the subsidiary company as on the date of investments is in excess of cost of investment of the Group, it is recognized as ‘Capital Reserve (on Consolidation)’ and shown under the head “reserve and Surplus’, in the consolidated financial statements.
- iii) Minority interest in the net assets of the consolidated subsidiaries consists of the amount of equity attributable to the minority shareholders at the dates on which investments are made by the group in the subsidiary companies and further movements in their share in the equity, subsequent to the dates of investments.
- iv) On disposal of a subsidiary, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

c) Use of Estimates

The preparation of financial statements requires the management of the Group to make estimates and assumptions that affect the reported balances of assets and liabilities and disclosures relating to the contingent liabilities as at the date of the financial statements and reported amounts of Income and expenses during the year. Example of such estimates include provision for doubtful debts, employee benefits, provision for Income taxes, accounting for contract costs expected to be incurred, the useful lives of depreciable fixed assets and provision of impairment.

d) Fixed Assets and Depreciation:

Fixed Assets of the Group are stated at historical cost less depreciation. Depreciation of the Company is provided on fixed Assets on Straight Line Method and of its Subsidiary Company is provided on fixed assets on written Down Value method at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation provided on web portal under intangible assets at the rates prescribed for 'data processing' under schedule XIV of the Companies Act on Straight Line Method.

3. Investment other than in subsidiaries and associated have been accounted as per Accounting Standard (AS) 13 on "Accounting for Investments".
4. Other significant accounting policies  
These are set out under "Significant Accounting Policies" as given in the company's separate financial statements.

**M/S PROVESTMENT SERVICES LIMITED**  
**Notes on Consolidated Financial Statements**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>3.1 A. SHARE CAPITAL:</b>		
<b>(1) Authorised:</b>		
6250000 Equity Shares of Rs.10/-Each (P.Y 6250000 Equity shares @Rs.10 each)	62,500,000	62,500,000
	<b>62,500,000</b>	<b>62,500,000</b>
<b>(2) Issued, Subscribed &amp; Paid Up</b>		
5103000 Equity Shares of Rs.10/- Each (P.Y 5103000 Equity Share of Rs 10 Each)	51,030,000	51,030,000
Total	<b>51,030,000</b>	<b>51,030,000</b>

**B. SHARE CAPITAL:**

a) **Details of reconciliation of the number of Equity Shares outstanding:**

Particulars	As at 31/03/2014		As at 31/03/2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,103,000	51,030,000	5,103,000	51,030,000
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	<b>5,103,000</b>	<b>51,030,000</b>	<b>5,103,000</b>	<b>51,030,000</b>

b) **Terms / Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs.10 per share.

i) **Issued, Subscribed & Paid Up Share Capital**

Includes

Particulars	As at March 31, 2013	As at March 31, 2013
Allotted as fully paid up by way of Bonus Shares within the Last Five Years No. of Equity Shares of Rs. 10 Each	NIL	NIL

**Details of shares in the Company held by each Shareholder holding more than 5 percent shares:**

Name of the shareholder	As at 31/03/2014		As at 31/03/2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Praveen Bhatia	460,580	9.03	460,580	9.03
New Line FinCap Pvt Ltd	142,421	2.79	389,407	7.63

3.2 (b) **Money received against share warrants**

5,91,176 Share Warrants of Rs. 10/- each party paid	10,134,235	10,134,235
	<b>10,134,235</b>	<b>10,134,235</b>

3.3 **RESERVE & SURPLUS:**

Particulars	As at 3/31/2014 (Rs.)	As at 31/03/2013 (Rs.)
<b>i) General Reserve</b>		
At the Beginning of the Accounting Period	6,000,000	4,500,000
Add: Amount transferred from the surplus balance in statement of Profit & Loss A/c	-	1,500,000
At the end of the Accounting Period	<b>6,000,000</b>	<b>6,000,000</b>
<b>ii) Surplus</b>		
At The Beginning of the Accounting Period	20,267,889	17,514,090
Add: Net Profit for the Current Year	4,585,407	4,253,799
	24,853,296	21,767,889
Allocations and Appropriations		
Less: Transfer to Reserves	-	1,500,000
At the end of the accounting period	<b>24,853,296</b>	<b>20,267,889</b>
<b>iii) Capital Reserve</b>		
Opening Balance	190,814	-
Share in paid up share capital	-	1,725,000
Share in pre-acquisition profits and reserves	-	10,590,814
Less: Investment in M/s SAAB Travel and Tours Limited	-	12,125,000
	<b>190,814</b>	<b>190,814</b>
<b>Grand Total</b>	<b>31,044,110</b>	<b>26,458,703</b>

**M/S PROVESTMENT SERVICES LIMITED**  
**Notes on Consolidated Financial Statements**

**3.4 MINORITY INTEREST**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Opening Balance	2,016,401	-
Share in Share Capital	-	280,000
Add: Share in profit and reserves	14,178	1,736,401
	<b>2,030,579</b>	<b>2,016,401</b>

**3.5 LONG TERM BORROWINGS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b><u>i) Secured Term Loans From Banks</u></b>		
Hdfc Bank (Secured against Hyp.of Car)	-	193,190
Punjab & Sind Bank ( Secured Against Hyp of car.)	59,901	532,104
ICICI Bank (Secured against Hyp. Of Car)	-	356,740
Diamler Financial Services Private Limited	1,624,589	-
	<b>1,684,490</b>	<b>1,082,034</b>
<b><u>ii) Unsecured Long Term Borrowings:</u></b>		
India Bulls Financial Services Ltd	12,102,378	14,735,889
India Bulls Housing Finance Ltd-1	1,888,849	2,148,661
India Bulls Housing Finance Ltd -2	8,234,559	8,823,889
	22,225,786	25,708,439
Grand Total	<b>23,910,276</b>	<b>26,790,473</b>

**3.6 DEFERRED TAX LIABILITIES (NET)**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Deferred Tax Liabilities	3,341,617	3,070,142
	<b>3,341,617</b>	<b>3,070,142</b>

Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate without surcharge and in compliance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India.

**3.7 LONG-TERM PROVISIONS:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Provision for Gratuity	218,466	1,445,816
	<b>218,466</b>	<b>1,445,816</b>

**CURRENT LIABILITIES**

**3.8 SHORT-TERM BORROWINGS:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b><u>i) Unsecured</u></b>		
India Bulls Financial Services Ltd	2,693,511	2,409,324
India Bulls Housing Finance Ltd-1	259,809	228,862
India Bulls Housing Finance Ltd -2	589,329	517,849
<b><u>ii) Secured</u></b>		
Hdfc Bank (Secured Against Hyp.of Car)	193,190	213,070
Punjab & Sind Bank ( Secured Against Hyp of car.)	201,060	351,408
Punjab & Sind Bank (ODP Loan)	66,703,593	41,303,801
Diamler Financial Services Private Limited	1,168,561	-
Indian Overseas Bank	7,026,981	7,392,769
ICICI Bank	356,740	361,241
	<b>79,192,774</b>	<b>52,778,324</b>

**M/S PROVESTMENT SERVICES LIMITED**  
**Notes on Consolidated Financial Statements**

**3.9 TRADE PAYABLES**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Total outstanding dues of micro enterprises and small enterprises	-	-
Total outstanding dues of creditors other than micro enterprises and small enterprises	27,478,617	28,354,430
Less: Inter Company debt	-	(1,763,541)
	<b>27,478,617</b>	<b>26,590,889</b>

The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act, no disclosure has been made.

**3.10 OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Advance from Parties	28,143,388	7,632,982
Less: Inter Company Balance	(9,232,670)	(5,800,000)
	18,910,718	1,832,982
Security Deposit	-	285,000
Statutory Dues Payable	-	49,148
Expenses Payable	919,905	1,186,978
	<b>19,830,623</b>	<b>3,354,108</b>

**3.11 SHORT-TERM PROVISIONS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(a) Provisions for Income Tax	1,379,630	1,395,410
(b) Provision for Employee Benefits	-	176,435
	<b>1,379,630</b>	<b>1,571,845</b>

**3.13 NON CURRENT INVESTMENT:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Advance against Property	1,500,000	1,500,000
	<b>1,500,000</b>	<b>1,500,000</b>

**3.14 LONG TERM LOANS AND ADVANCES:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(Unsecured Considered Good Unless Otherwise Stated)		
Security Deposits	104,162	53,162
Building Advance	-	2,500,000
Capital Advance*	23,000,000	30,000,000
	<b>23,104,162</b>	<b>32,553,162</b>

\*Capital Advance: The company has entered into joint venture with M/s Gold Star Realtors Limited for the construction of real estate project. As the project is still in development phase, the company capitalise the interest (Rs. 89.89 lacs) on the loan taken from M/s India Bull under project development expenditure under other current assets.(Refer Note 3.33)

**3.15 OTHER NON CURRENT ASSETS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Deferred Revenue Expenditures	1,085,040	-
	<b>1,085,040</b>	<b>-</b>

**M/S PROVESTMENT SERVICES LIMITED**  
**Notes on Consolidated Financial Statements**

**CURRENT ASSETS**

**3.16 INVENTORIES:**

Particulars	As at March 31, 2014	As at March 31, 2013
(As taken, valued & certified by the Management)		
i) Stock of Shares, Securities & Others	10,810,928	10,812,547
ii) Foreign Currency Stock (At Prevailing Inter Bank Reference Rate )	1,546,379	4,675,644
	<b>12,357,307</b>	<b>15,488,191</b>

**3.17 TRADE RECEIVABLES:**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>Unsecured</b>		
Considered good	78,543,258	82,368,198
Less: Inter Company Debt	(9,231,652)	(7,563,541)
Considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	<b>69,311,606</b>	<b>74,804,657</b>

**3.18 CASH & CASH EQUIVALENTS :**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>(A) Balance With Banks</b>		
<u>In Fixed Deposits</u>	4,174,051	475,565
<u>In Current Accounts:</u>		
Axis Bank Ltd	242,056	414,268
Ratanakar Bank Limited (Previous Year- Royal Bank of Scotland)	108,105	73,910
State Bank of India -Vasant Kunj	171,532	322,451
Punjab & Sind Bank	23,748	23,861
HDFC Bank	288,078	733,195
IDBI Bank	585,103	1,295,083
Indian Overseas Bank	6,979	-
<b>( B )Cash In Hand</b>	5,139,161	2,164,316
	<b>10,738,813</b>	<b>5,502,649</b>

**3.19 SHORT TERM LOANS & ADVANCES:**

Particulars	As at March 31, 2014	As at March 31, 2013
(Unsecured Considered Good Unless Otherwise Stated)		
Advances Recoverable In Cash Or In Kind For The Value To Be Received		
(1)Advance to Parties	50,754,292	3,058,364
Less: Inter Company Debt	(1,018)	-
	50,753,274	3,058,364
(2)Advance to Staff	392,452	689,972
(3) Share Application Money Pending Allotment	-	-
(4)Advance Tax and TDS	4,568,721	3,562,076
	<b>55,714,447</b>	<b>7,310,412</b>

**3.20 OTHER CURRENT ASSETS:**

Particulars	As at March 31, 2014	As at March 31, 2013
Project Development Expenditure	8,989,503	6,384,378
Deposit with BCCL for advertisement	9,724,194	10,134,234
Commission Receivable	145,296	-
Prepaid Expenses	124,989	41,404
Security Deposits (Unsecured)	1,050	1,050
Others	118,047	512,199
	<b>19,103,079</b>	<b>17,073,265</b>

**PROVESTMENT SERVICES LIMITED**  
**For the Period ended 31ST MARCH,2014**

**NOTE-3.12 : FIXED ASSETS**

Particulars	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	Cost As on 01.04.2013	Addition during the period	Sale/Adj. during the Year	Total as on 31.03.2014	Depreciation as on 01.04.2013	Depreciation during the Period	Depreciation Adjust. during the Period	Total As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
<b>TANGIBLE ASSETS</b>										
Office Building (C.P)	2,223,221	-	-	2,223,221	324,163	36,239	-	360,402	1,862,819	1,899,058
Office Building (Noida)	10,032,000	-	-	10,032,000	872,694	163,522	-	1,036,216	8,995,784	9,159,306
Office Building (Pusa Road)	27,205,122	-	-	27,205,122	2,039,773	443,443	-	2,483,216	24,721,906	25,165,349
Plant & Machinery	1,565,345	-	-	1,565,345	841,688	74,354	-	916,042	649,303	723,657
Computer	2,043,456	46,200	-	2,089,656	1,661,096	293,227	-	1,954,323	135,333	382,360
Vehicles	8,172,492	4,698,485	4,052,958	8,818,019	3,912,294	1,031,054	2,874,242	2,069,106	6,748,913	4,260,198
Vehicles (Running on Hire)				-				-	-	0
Scooter	156,985	-	-	156,985	73,571	14,914	-	88,485	68,500	83,414
Office/Furniture & Fixture	2,577,639	-	-	2,577,639	1,533,981	132,496	-	1,666,477	911,162	1,043,658
Lift	129,349	-	-	129,349	20,435.00	6,144	-	26,579	102,770	108,914
Electric and Office Equipments	1,220,822	2,270	-	1,223,092	613,904	51,101	-	665,005	558,087	606,918
	55,326,431	4,746,955	4,052,958	56,020,428	11,893,599	2,246,494	2,874,242	11,265,851	44,754,577	43,432,832
<b>INTANGIBLE ASSETS</b>										
Portal (www.Proyatra.com)	5,002,560	38,202	-	5,040,762	813,131	817,108	-	1,630,239	3,410,523	4,189,429
	5,002,560	38,202	-	5,040,762	813,131	817,108	-	1,630,239	3,410,523	4,189,429
Capital W.LP (Office Building)	3,386,340	5,125,033		8,511,373	-	-	-		8,511,373	3,386,340
<b>TOTAL</b>	<b>63,715,331</b>	<b>9,910,190</b>	<b>4,052,958</b>	<b>69,572,563</b>	<b>12,706,730</b>	<b>3,063,602</b>	<b>2,874,242</b>	<b>12,896,090</b>	<b>56,676,473</b>	<b>51,008,601</b>

**M/S PROVESTMENT SERVICES LIMITED**

**Notes on Consolidated Financial Statements**  
**FOR THE YEAR ENDED 31ST MARCH, 2014**

**3.21 REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
Turnover	863,736,675
Less: Inter Company Transactions	(37,794,574)
Net Revenue from Operations	<b>825,942,101</b>

**3.22 OTHER INCOME:**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
Interest Income & Other Misc Income	7,890,408
Less : Inter Company Transactions	(23,402)
	7,867,006
Rental Income	2,993,200
Profit on Sale of Share Transactions (Refer "A")	(1,620)
Profit on Sale of Car	21,293
<b>Total</b>	<b>10,879,879</b>

**A Profit on Sale of Share Transactions**

Opening Stock of Shares	10,812,548
Equity Share Purchased	-
Balance	10,812,548
Equity Share Sales	-
Closing Stock of Shares	10,810,928
Profit/(Loss) on Sale of Shares	(1,620)

**3.23 PURCHASE OF CURRENCY AND TICKET**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
Purchases of Currency	107,756,676
Handling Charges Paid	502,648
Purchases of Ticket	726,693,548
Less: Inter Company Transactions	(37,794,574)
Total Purchases	<b>797,158,298</b>

**3.24 CHANGES IN INVENTORIES OF CURRENCY**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
Opening Stock	4,675,644
Closing Stock	1,546,379
(Accretion)Decretion In Currency	<b>3,129,265</b>

**M/S PROVESTMENT SERVICES LIMITED**

**Notes on Consolidated Financial Statements**

**3.25 EMPLOYEE BENEFITS EXPENSE**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
<u>Salary And Wages</u>	
Office Staff Salary	8,692,453
Directors Remuneration	1,500,000
<u>Contribution to Provident and other Funds</u>	
Contribution to Provident Fund	46,478
<u>Other Expenses</u>	
Workers and Staff Welfare	480,713
	<b>10,719,644</b>

**3.26 FINANCIAL COSTS:**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
<u>i) Interest Expense</u>	
Interest to Bank & other	9,307,600
Interest to Bank on Vehicle Loan	386,399
<u>ii) Processing Charges &amp; Bank Charges</u>	
	1,185,686
	<b>10,879,685</b>

**3.27 OTHER EXPENSES:**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>
<b><u>ADMINISTRATIVE EXPENSES</u></b>	
Auditor's Remuneration	68,088
Tax audit fees	16,180
Conveyance & Vehicle Running	790,085
Electricity & Water Expenses	484,816
Filling Fees	13,755
General and Office Expenses	48,721
Insurance	361,843
Legal & Professional & Secretarial Expenses	395,847
Loss on Sales of Fixed Assets	25,009
Postage , Courier Expenses and Telephone Expenses	1,242,085
Printing & Stationery	420,571
Rent, Rates & Taxes-Office	289,685
Running & Maintenance Vehicle & others	519,050
Repair and Maintenance	31,216
Subscription/Membership Fees	206,719
Miscellaneous Expenses	210,311
Less: Inter Company Transactions	(23,402)
	5,100,579
<b><u>SELLING &amp; DISTRIBUTION EXPENSE</u></b>	
Advertisement Expenses	255,653
Rebate & Discount	42,045
Business Promotion	104,369
Travelling Expenses	87,182
	489,249
<b>Grand Total</b>	<b>5,589,828</b>

**PROVESTMENT SERVICES LIMITED**

**Notes Forming Part of the Consolidated Financial Statements**

3.27) The Provestment Services Limited (the Holding Company) company has acquired equity shares in Saab Travel & Tours Ltd (the subsidiary company) on 09/01/2013. Hence the comparative figures of Previous year 2012-13 has not been presented for consolidated statement of profit & loss as the figures are not comparable.

3.28) Contingent Liabilities

The Company has given a guarantee, in favour of Pro Labels Private Limited, with respect to a loan of EUR 3,63,000 (Equivalent INR 2.98 Lac as on 31.03.2014) taken to import machinery.

3.29) Loans (Secured and Unsecured)

Secured Loans:

- i) ODP Loans & Term Loan from Punjab & Sind Bank is secured against all current & fixed assets. The loan is guaranteed by two directors of the company and corporate guarantees of M/s Chaitali Exports Pvt Ltd.
- ii) The vehicle loans are secured by way of hypothecation of vehicles.

Unsecured Loans:

The company has taken loan from India Bull Financial Services Limited against the security of the properties of Directors and also guaranteed by the Directors of the Company. The balance outstanding as on 31.03.2014 amounting Rs. 257.68 lacs.

3. 30) i) Related party Disclosures:

A) Holding Company

Provestment Services Limited

B) Subsidiary Company

SAAB Travel and Tours Limited

ii) Related Party Disclosures as prescribed by Accounting Standard 18 of issued by the Institute of Chartered Accountant of India.

Name Of Party	Nature of Relationship	Volume of Transaction	Nature of Transaction
Chaitali Exports Pvt. Ltd.	Mr. Praveen Bhatia Director	27,083	Sale of Foreign Currency
Profile Packaging Pvt. Ltd.	Mr. Praveen Bhatia Director	8,42,765	Sale of Air Ticket Foreign Exchange & other Miscellaneous Expense
Wifag Polytype India Marketing Pvt. Ltd.	Mr. Praveen Bhatia Director	16,68,842	Sale of Air Ticket Foreign Exchange & other Miscellaneous Expense
Gold Star Realtors Ltd.	Mr. Praveen Bhatia Director	1,17,374	Sale of Tickets
		18,00,000	Rent Received
Gaurav Bhatia	Relative of Director	87,902	Sale of Tickets
PVSP & Co.	Mr. Praveen Bhatia	15,906	Professional Charges

	Mr. Vinod Ralhan Directors		
Praveen Bhatia	Director	17,026	Sale of Tickets

3.31) The Current Assets, loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they have been stated in the balance sheet.

3.32) Money Received against Share Warrants by the Company

(a) Issue of 5, 91,176 convertible equity warrants on preferential basis to Bennett Coleman & Co. Limited (BCCL):

During the year 2012-2013, Company has made Preferential Allotment of 591176 convertible Equity Share Warrants to BCCL of Rs. 10/- each at a Premium of Rs.58.57/- per warrants issued as per SEBI, ICDR Regulations, 2009 against which 25% Warrant Subscription Amount i.e. Rs. 1, 01, 34,234.58/- (Rupees One Crore One Lakh Thirty Four Thousand Two Hundred Thirty Four and paise Fifty Eight Only).

In the event if BCCL does not exercise its option to exercise all the Warrants within the Warrant Exercise Period i.e. within 18 months, the Warrant Subscription Amount shall be forfeited by the Company and the Warrants shall lapse.

(b) Description of Contract for Advertisement

During the year 2012-2013 the Company has entered into an agreement with Bennett Coleman & Co. Limited (BCCL) to advertise on non exclusive basis only, the Products, Services and Brands owned and exclusively used by the Company, by print and non print media. The Company has given a Deposit of Rs. 101.34 Lacs to BCCL for the advertisement for Company's brand building.

3.33) Joint Venture with **M/s Gold Star Realtors Ltd:**

Particulars		Amount	Nature
Capital Advance		2,30,00,000	Company has invested Rs 300 Lacs in Joint Venture with M/s Goldstar Realtors Ltd. in 2011-2012 for developing Residential Flats in Varindavan Yojna, Rai Barelly, Lucknow, U.P. Any funds, if provided later, by M/s Provestment Services Limited, will be returned back to the company plus Rs. 300 Lacs contributed earlier, as and when the flats will be sold in future. The company will receive a return @5% on sale of every flat sold in these two new towers by M/s Gold Star Realtors Limited. Due to delay in project; Company has received back Rs 70 Lacs during the year.
Project Development Expenditure	Year 2011-2012	31,20,657	As amount invested in JV was out of loan taken from M/s India Bulls Ltd. The interest paid on the said loan in the respective financial year capitalized as the investment made in Project Development.
	Year 2012-2013	32,63,721	

	Year 2013-2014	26,05,125	
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3.34) Directors Remuneration u/s 198 and place of profit u/s 314 (In amount)

	Year ended March 31, 2014	Year ended March 31, 2013
<u>Payment to Whole Time Director/Director by the Company and its Subsidiary</u>		
Salary to Mr. Praveen Bhatia	15,00,000	15,00,000
Professional Fees to Mr. Praveen Bhatia	8,25,000	-

3.35) The Company had given Rs. 4.30 crores to Swiss Holidays Pvt. Ltd. to set up/ buy a Hotel in Switzerland on or before 30.04.2013 with 50% sharing in this business. Since Swiss Holidays Pvt. Ltd has failed to set up hotels, the company is receiving interest of 14% P.a on the amount paid.

3.36) Balance in accounts whether in debtors, creditors, share application money pending allotment and loans & advances are subject to verification and confirmations.

3.37) Provision for Gratuity and ESI:

The company has been advised that the provision of ESI Act is not applicable to the Company. Provisions of Rs. Nil have been made on account of Gratuity for the year.

3.38) Fixed Assets:

Tangible & Intangible Assets: Total additions made in tangible assets amounting Rs. 47.45 lacs. No addition made during the year under intangible assets Depreciation charged at straight-line method as prescribed by the Companies Act, 1956.

Capital Work-in Progress: The Company has paid Rs. 51.25 lacs advance for the purchase of property at Noida. The property is under construction and shown in capital work in progress.

3.39) As no manufacturing activities were carried out during the year, information required under Para 3 and 4 of part 11 of schedule VI of Companies Act, 1956 is not given.

3.40) These financial statements have been prepared in the format prescribed by the Revised schedule VI to the Companies Act, 1956.

FOR PROVESTMENT SERVICES LIMITED

As per our Report of even date attached

Sd/-	Sd/-	Sd/-	Sd/-
Praveen Bhatia	Anil Lakhani	Deepika Rajput	C.A Arun Ahuja.
(Whole Time Director)	(Director)	(Company Secretary)	(Partner)

M.No: 089709 FRN: 012985N

Date: 30/05/2014

Place: New Delhi

for and on behalf of  
AHUJA ARUN & CO.  
Chartered Accountant



## **INDEPENDENT AUDITORS' REPORT**

**To the Members of Provestment Services Limited**

### **Report on the Financial Statements**

We have audited the accompanying financial statements of Provestment Services Limited which comprise the Balance Sheet as at March 31, 2014 and the Statement of Profit and Loss Account and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

### **Management's Responsibility for the Financial Statements**

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the company in accordance with Accounting Standards notified under the Companies Act, 1956 (the Act) read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013 and in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditor's Responsibility**

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements, whether due to fraud and error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our qualified audit opinion.



## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) in the case of Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- (b) in the case of the Statement of Profit and Loss, of the profit for the year ended on that date; and
- (c) in the case of the Cash Flow Statements, of the cash flows for the year ended on that date.

## Emphasis of Matter

Without qualifying our opinion, we draw attention to note no. 3.31, 3.35 & 3.36 regarding transactions with related parties. There was material movement of funds at various times among related parties with whom the companies entered into contracts.

## Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditors' Report) Order, 2003 issued by the Central Government of India in terms of sub section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the order.
2. As required by the section 227(3) of the Act, 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 those books (and proper returns adequate for the purposes of our audit have been received from branches not visited by us);
  - c) The Balance Sheet, Statement of Profit and Loss and Cash flow statement dealt with by this report are in agreement with the books of account (and with the returns received from branches not visited by us);
  - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting notified under the Act read with the General Circular 15/2013 dated 13<sup>th</sup> September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013;



- e) On the basis of written representations received from the Directors, as on 31<sup>st</sup> March, 2014 and taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2014 from being appointed as a Director in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956;

Place: New Delhi  
Date: 30/05/2014

For Ahuja Arun & Co.  
Chartered Accountants



(CA) Arun Ahuja)  
Partner

M No.089709, FRN-012985N

## PROVESTMENT SERVICES LIMITED

### Annexure to the Auditors' Report (Year 2013-2014)

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) As informed to us, the fixed assets have been physically verified by the management during the year. As informed to us, the discrepancies noticed during such physical verification, which are pending reconciliation/adjustment, are not material in nature. *In our opinion, the verification programme should be such that all assets are verified at least once in every three years and physical verification should be properly documented.*  
(c) The company has not disposed off a substantial part of its fixed assets during the year and the going concern status of the company is not affected except the vehicles sold for Rs.10.75 lacs but it does not affect the going concern of the company.
2. (a) The inventory of Foreign Currencies, Shares and Securities has been physically verified at reasonable intervals by the management.  
(b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of Foreign Currencies, Shares and Securities followed by the management are adequate in relation to the size of the company and the nature of its business.  
(c) The Company has maintained proper records of inventory of foreign currency and no discrepancies were noticed on physical verification as compared with the book records but as regards Shares and Securities no proper records have been maintained.
3. In respect of the loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:  
(a) The Company has given loans to two parties covered in the register maintained under section 301 of the Act. The opening balance is Rs. Nil, maximum amount outstanding at any time during the year is Rs 2.21 lacs and closing balance is Rs.Nil.  
(b) As per the information and records made available, the rate of interest and other terms and conditions of loans granted by the company are *prima facie* not prejudicial to the interest of the company except to the extent that there are *no covenants* with regard to the repayment/payment of loan and interest thereon and security;  
(c) In respect of aforesaid loans granted, *whether the amount (principal as well as interest) has been repaid/ paid regularly or not cannot be commented upon, as there is no stipulation as regard to the repayment/ payment of the amount;*  
(d) As per the information given to us and on the basis of records made available to us, the company has taken reasonable steps for the recovery of the overdue amount;  
(e)As per the information and records made available, the Company has taken unsecured loans from two companies listed in the register maintained under section 301 of the Act. The opening balance is Rs. Nil, the maximum amount involved at any time during the period was aggregating to Rs. 159 lacs and the closing balance is Rs.140 lacs.



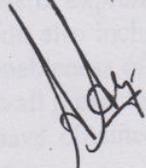
- (f) As per the information and records made available, the rate of interest and other terms and conditions of loans taken by the Company are prima facie not prejudicial to the interest of the company.
- (g) In respect of aforesaid loans taken, whether the amount (principal as well as interest) has been paid regularly or not cannot be commented upon, as there is no stipulation as regard to the repayment of the amount;
4. In our opinion and according to the information and explanation given to us, the company has an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchases of inventory (currency, shares & securities), and with regard to the sale of inventory (currency, shares & securities).
  5. (a) As explained to us and based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that the particulars of contracts or arrangements that need to be entered into the register maintained under Section 301 have been so entered.  
(b) As explained to us and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements under Section 301 and exceeding the value of five lac rupees in respect of any party during the year have been made at prices which are reasonable having regard to prevailing market prices at the relevant time.
  6. According to the information and explanation given to us, the company has not accepted deposits from the public during the year covered by our audit report in respect to provisions of sections 58A, 58AA or any other relevant provisions of the Companies Act, 1956 and the Companies (Acceptance of Deposits) Rules, 1975.
  7. In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
  8. The maintenance of cost records under section 209(1) (d) of the Companies Act, 1956, is not applicable to the Company.
  9. (a) According to the information and explanation given to us, no undisputed amounts payable in respect of income tax, sales tax, wealth tax, service tax, custom duty, excise duty, and cess were outstanding, as at 31<sup>st</sup> March, 2014 for a period of more than six months from the date they become payable.  
(b) According to the records of the company, there are no dues of sales-tax, income-tax, service tax, customs tax, wealth-tax, excise duty, cess which have not been deposited on account of any dispute.
  10. The Company has no accumulated losses at the end of the financial year The company has not incurred any cash losses during the financial year covered by the audit and in the immediately preceding financial year.
  11. Based on our Audit Procedures and on the information and explanation given to us by the management, in our opinion, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders.



12. According to the information and explanation given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The company is not a chit fund or a nidhi/mutual benefit fund/society, therefore, the clause 4 (xiii) of the Order is not applicable to the company
14. a) According to the information and explanations given to us proper records have been maintained in respect of the transactions and contracts and timely entries have been made therein in respect of shares, securities, debentures and other investments dealt with or traded by the company;  
b) As explained to us, the Shares, Securities or Debentures and other securities have been held by the Company, in its own name.
15. According to the information and explanation given to us, the company has provided corporate guarantee for Euro 3,63,000 (Equivalent INR 298.30 lacs as on 31.03.2014) favouring UBS AG Switzerland on behalf of Pro Labels Private Limited. In our opinion, the terms and conditions whereof are not prejudicial to the interest of the company.
16. On the basis of the review of utilization of funds pertaining to term loans on an overall basis and related information made available to us, the term loan taken by the company have been applied for the purposes for which they are obtained.
17. According to the Cash Flow Statement and other records examined by us and the information and explanation given to us, on an overall basis, funds raised on short-term basis have not prima facie, been used during the year for long – term investment and vice versa except permanent working capital.
18. We are informed that the company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The company has not issued debentures and hence requirement of reporting regarding creation of securities or charges in respect of debentures issued does not arise.
20. During the financial year covered by our audit, the company has not raised any money by way of public issue.
21. To the best of our knowledge and belief, and according to the information and explanation given to us, and records of the Company examined by us, no fraud on or by the Company has been noticed or reported during the course of our audit.

Place: New Delhi  
Date: 30/05/2014



  
(CA. Arun Ahuja)  
Partner  
For Ahuja Arun & Co.  
Chartered Accountants  
M No.089709, FRN-012985N

**M/S PROVESTMENT SERVICES LIMITED**

**BALANCE SHEET**

**As at 31.03.2014**

S. No	Particulars	Note No	As at March 31, 2014	As at March 31, 2013
<b>I</b>	<b><u>EQUITY AND LIABILITIES</u></b>			
<b>1</b>	<b><u>Shareholders Funds</u></b>			
	(a) Share Capital	<b>3.1</b>	51,030,000	51,030,000
	(b) Money received against share warrants	<b>3.2</b>	10,134,235	10,134,235
	(c) Reserves And Surplus	<b>3.3</b>	30,659,291	26,161,230
			91,823,526	87,325,465
<b>2</b>	<b><u>Non-Current Liabilities</u></b>			
	(a) Long Term Borrowings	<b>3.4</b>	23,910,275	26,433,733
	(b) Deferred Tax Liabilities (Net)	<b>3.5</b>	3,311,584	3,070,142
	(c) Long-Term Provisions	<b>3.6</b>	218,466	218,466
			27,440,325	29,722,341
<b>3</b>	<b><u>Current Liabilities</u></b>			
	(a) Short Term Borrowings	<b>3.7</b>	71,809,053	45,024,314
	(b) Trade Payables	<b>3.8</b>	27,225,097	21,866,264
	(c) Other Current Liabilities	<b>3.9</b>	28,711,195	8,964,308
	(d) Short Term Provisions	<b>3.10</b>	1,379,630	1,395,410
			129,124,975	77,250,296
	<b>Total(1+2+3)</b>		<b>248,388,825</b>	<b>194,298,102</b>
<b>II</b>	<b><u>ASSETS</u></b>			
<b>1</b>	<b><u>Non-Current Assets</u></b>			
	(a) Fixed Assets	<b>3.11</b>		
	- Tangible Assts		43,838,941	42,138,325
	- Intangible Assts		3,410,523	4,189,429
	- Capital Work In Progress		8,511,373	3,386,340
	(b) Non-Current Investments	<b>3.12</b>	13,625,000	13,625,000
	(c) Long-Term Loans And Advances	<b>3.13</b>	23,104,162	32,553,162
	(d) Other Non Current Assets	<b>3.14</b>	410,040	-
			92,900,039	95,892,256
<b>2</b>	<b><u>Current Assets</u></b>			
	(a) Inventories	<b>3.15</b>	12,357,306	15,488,191
	(b) Trade Receivables	<b>3.16</b>	62,727,902	56,218,516
	(c) Cash And Cash Equivalents	<b>3.17</b>	8,031,345	4,113,493
	(d) Short-Term Loans And Advances	<b>3.18</b>	53,436,816	6,042,151
	(e) Other Current Assets	<b>3.19</b>	18,935,417	16,543,495
			155,488,786	98,405,846
	<b>Total(1+2)</b>		<b>248,388,825</b>	<b>194,298,102</b>

Corporate Information, Significant Accounting Policies

1 & 2

For and on behalf of the Board of Directors

As per Our Report of even date attached

Sd/-  
Praveen Bhatia  
Whole Time Director  
Place: New Delhi  
Date:30.05.2014

Sd/-  
Anil Lakhani  
Director

Sd/-  
Deepika Rajput  
Company Secretary

Sd/-  
(C.A Arun Ahuja )  
Partner  
(M.No-089709,FRN -012985N)  
for and on behalf of  
AHUJA ARUN & CO  
Chartered Accountant

**PART II - STATEMENT OF PROFIT AND LOSS**  
**M/S PROVESTMENT SERVICES LTD**  
**PROFIT & LOSS STATEMENT FOR THE YEAR ENDED 31.03.2014**

S. No	Particulars	Note No.	Year ended March 31, 2014 In Rs.	Year ended March 31, 2013 In Rs.
	<b><u>REVENUE FROM OPERATIONS</u></b>			
I	Revenue from Operations	3.20	748,940,303	402,681,346
II	Other Income	3.21	10,674,194	9,127,892
III	<b>Total Revenue(I+II)</b>		<b>759,614,496</b>	<b>411,809,238</b>
IV	<b><u>EXPENSES:</u></b>			
	Purchase of Foreign Currency and Air Tickets	3.22	725,672,835	383,570,814
	Changes In Inventories of Currency	3.23	3,129,265	(13,379)
	Employee Benefits Expenses	3.24	7,830,554	8,362,845
	Finance Costs	3.25	9,869,990	7,019,652
	Depreciation and Amortization Expense	3.11	2,761,167	2,461,791
	Other Expenses	3.26	4,231,553	4,588,035
	<b>Total Expenses</b>		<b>753,495,365</b>	<b>405,989,758</b>
V	<b>Profit Before Tax (III-IV)</b>		<b>6,119,133</b>	<b>5,819,480</b>
VI	<b>Tax Expense</b>			
	Current Tax		1,379,630	1,395,410
	Less: MAT Credit			
	Deferred Tax		241,442	276,930
VII	<b>Net Profit for the Year (V-VI)</b>		<b>4,498,061</b>	<b>4,147,140</b>
VIII	Earning Per Equity Share			
	Basic		0.88	0.81
	Diluted		0.88	0.81
	Nominal Value of Equity Shares		10	10

Corporate Information, Significant Accounting Policies

For and on behalf of the Board of Directors

As per our report of even date attached

Sd/-  
Praveen Bhatia  
Whole Time Director  
Place: New Delhi  
Date:30.05.2014

Sd/-  
Anil Lakhani  
Director

Sd/-  
Deepika Rajput  
Company Secretary

Sd/-  
(CA. Arun Ahuja )  
Partner  
(M.No-089709,FRN -012985N)  
for and on behalf of  
AHUJA ARUN & CO  
Chartered Accountant

**M/S PROVESTMENT SERVICES LIMITED**

**CASH FLOW STATEMENT AS ON 31.03.2014**

<b>Cash Flow from Operating Activities</b>	
Net Profit after tax before extra ordinary item	6,119,133
<b>Adjustment for</b>	
Depreciation	2,761,167
Interest Paid	8,725,857
Interest Received	(2,931,945)
Loss on sale of fixed asset	25,009
<b>Operative loss before working capital changes</b>	<b>14,699,221</b>
Adjustment for : Trade & Other Receivable	(6,509,386)
Inventory	3,130,885
Short Term Loans and Advances	(47,394,665)
Other Current Assets	(2,391,922)
Trade Payable	5,358,833
Short Term Borrowings	26,784,738
Other Current Liabilities	19,746,887
<b>Cash Generated from Operation</b>	<b>13,424,592</b>
Interest Paid	8,725,857
<b>Cash Flow Before Extraordinary Item</b>	<b>4,698,735</b>
Extraordinary Item / Misc.Exp.	
Taxes Paid	(1,395,410)
<b>Cash Flow from Operating Activities</b>	<b>3,303,325</b>
Less: Purchase of fixed Assets	9,907,920
Add: Sales of Fixed Assets	1,075,000
Other Non Current Assets	(410,040)
Add: Interest received	2,931,945
<b>Net Cash from investing Activities</b>	<b>(3,007,690)</b>
Less: Purchase of Investment	-
<b>Cash Flow from Financing Activities</b>	<b>(3,007,690)</b>
Proceeds from Long Term Borrowing	(2,523,458)
Long Term Loans and Advances	9,449,000
	<b>3,917,852</b>
<b>Net increase in Cash and Cash Equivalents</b>	<b>3,917,852</b>
Cash & Cash Equivalents as at 31/03/2013	4,113,493
Cash & Cash Equivalents as at 31/03/2014	<b>8,031,345</b>

## **PROVESTMENT SERVICES LIMITED**

### **Notes Forming Part of the Financial statements**

#### **1. Corporate information :**

Provestment Services Limited is engaged in dealing of Air Ticketing, Tour Operator & Money Changer and providing professional Services to corporate entities across the globe. The company also entered a joint venture with M/s Gold Star Realtors Ltd for the development of a real estate project. The company was incorporated in the year 1994.

#### **2. Significant Accounting Policies.**

Set out hereunder are the significant accounting policies adopted by the company in the preparation of the accounts for the year ended 31st March, 2014. There is no material change in accounting policies of the Company

a) Basis of Accounting:

The accounts of the Company are prepared under the historical cost convention and in accordance with the applicable accounting standards issued by the Institute of Chartered Accountants of India and relevant provisions of the Companies Act, 1956 except where otherwise stated. There is no material change in the accounting policies of the company as compared to the previous year.

b) Fixed Assets and Depreciation:

Fixed Assets are stated at historical cost less depreciation. Depreciation is provided on fixed Assets on Straight Line Method at the rates prescribed in Schedule XIV of the Companies Act, 1956. Depreciation provided on web portal under intangible assets at the rates prescribed for 'data processing' under schedule XIV of the Companies Act on Straight Line Method.

c) Employees benefits:

i) Post-employment benefits plans :

Contribution to defined contribution retirement benefits scheme is recognized as an expense when employees have rendered services entitling them to contributions.

ii) Other employee benefits :

The undiscounted amount of short-term employee benefits expected to be paid in exchange for the service rendered by employees is recognized during the period when employees renders the service. Proper provision made for gratuity and provident fund by the company for post employment.

d) Revenue Recognition:

Mercantile system of accountings is followed.

e) Contingent Liabilities:

Contingent Liabilities are determined on the basis of available information and if any disclosed by way of notes to the accounts.

f) Insurance/ Claims

The company covers all the normal risks on the basis of cost for the fixed assets and Inventories. The premium pertaining to the year is charged against the revenue of the year.

Insurance claims lodged by the company will be adjusted as and when the final amount will be determined by the Insurance Companies

g) Stock in Trade:

Valuation of Stock in Trade done as follows:

a. For Stock-In-Trade (Equity Shares)

-Unquoted Share at cost.

-Quoted Share at cost or market price whichever is lower.

b. Stock-In-Trade (foreign currency) of money changing business.

-Valued at prevailing Bank Mean Rate at close of the year.

h) Deferred Tax

Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate without surcharge and in compliance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India. Deferred Tax assets and liabilities are measured using tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date. The effect on deferred tax assets and liabilities of a change in tax rates is recognized in the profit and loss account in the year of change. Deferred tax assets and deferred tax liabilities are recognized for the future tax consequences attributable to differences between the financial statements carrying amounts of exiting assets and liabilities.

**M/S PROVESTMENT SERVICES LIMITED**

Particulars	As at March 31, 2014	As at March 31, 2013
<b>3.1 A. SHARE CAPITAL:</b>		
<b>(1) Authorised:</b> 6250000 Equity Shares of Rs.10/-Each (P.Y 6250000 Equity shares @Rs.10 each)	62,500,000	62,500,000
	<b>62,500,000</b>	<b>62,500,000</b>
<b>(2) Issued, Subscribed &amp; Paid Up</b> 5103000 Equity Shares of Rs.10/- Each (P.Y 5103000 Equity Share of Rs 10 Each)	51,030,000	51,030,000
Total	<b>51,030,000</b>	<b>51,030,000</b>

**B. SHARE CAPITAL:**

a) **Details of reconciliation of the number of Equity Shares outstanding:**

Particulars	As at 31/03/2014		As at 31/03/2013	
	Number	Rs.	Number	Rs.
Shares outstanding at the beginning of the year	5,103,000	51,030,000	5,103,000	51,030,000
Add: Shares issued during the year	-	-	-	-
Shares outstanding at the end of the year	5,103,000	51,030,000	5,103,000	51,030,000

b) **Terms / Rights attached to Equity Shares**

The Company has only one class of Equity Shares having a par value of Rs.10 per share.

i) Issued, Subscribed & Paid Up Share Capital

Includes

Particulars	As at March 31, 2014	As at March 31, 2013
Allotted as fully paid up by way of Bonus Shares within the Last Five Years No. of Equity Shares of Rs. 10 Each	NIL	NIL

**Details of shares in the Company held by each Shareholder holding more than 5 percent shares:**

Name of the shareholder	As at 31/03/2014		As at 31/03/2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Praveen Bhatia	478,080	9.37	460,580	9.03
New Line FinCap Pvt Ltd	142,421	2.79	389,407	7.63

3.2 **(b) Money received against share warrants**

5,91,176 Share Warrants of Rs. 10/- each party paid (refer Note 3.34 (a))	10,134,235	10,134,235
	<b>10,134,235</b>	<b>10,134,235</b>

3.3 **RESERVE & SURPLUS:**

Particulars	As at 3/31/2014 (Rs.)	As at 31/03/2013 (Rs.)
<b>i) General Reserve</b>		
At the Beginning of the Accounting Period	6,000,000	4,500,000
Add: Amount transferred from the surplus balance in statement of Profit & Loss A/c	-	1,500,000
At the end of the Accounting Period	6,000,000	6,000,000
<b>ii) Surplus</b>		
At The Beginning of the Accounting Period	20,161,230	17,514,090
Add: Net Profit for the Current Year	4,498,061	4,147,140
	24,659,291	21,661,230
Allocations and Appropriations		
Less: Transfer to Reserves	-	1,500,000
At the end of the accounting period	24,659,291	20,161,230
<b>Grand Total</b>	<b>30,659,291</b>	<b>26,161,230</b>

**M/S PROVESTMENT SERVICES LIMITED**

**3.4 LONG TERM BORROWINGS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b><u>i) Secured Term Loans From Banks</u></b>		
Hdfc Bank (Secured against Hyp.of Car)	-	193,190
Punjab & Sind Bank ( Secured Against Hyp of car.)	59,901	532,104
Diamler Financial Services Private Limited	1,624,589	-
	<b>1,684,490</b>	<b>725,294</b>
<b><u>ii) Unsecured Long Term Borrowings:</u></b>		
India Bulls Financial Services Ltd	12,102,378	14,735,889
India Bulls Housing Finance Ltd-1	1,888,849	2,148,661
India Bulls Housing Finance Ltd -2	8,234,559	8,823,889
	22,225,785	25,708,439
Grand Total	<b>23,910,275</b>	<b>26,433,733</b>

**3.5 DEFERRED TAX LIABILITIES (NET)**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Deferred Tax Liabilities	3,311,584	3,070,142
	<b>3,311,584</b>	<b>3,070,142</b>

Deferred tax resulting from timing difference between book profit and tax profit is accounted for at the current tax rate without surcharge and in compliance with the Accounting Standard 22 "Accounting for Taxes on Income" issued by The Institute of Chartered Accountants of India.

**3.6 LONG-TERM PROVISIONS:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Provision for Gratuity	218,466	218,466
	<b>218,466</b>	<b>218,466</b>

**CURRENT LIABILITIES**

**3.7 SHORT-TERM BORROWINGS:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b><u>i) Unsecured</u></b>		
India Bulls Financial Services Ltd	2,693,511	2,409,324
India Bulls Housing Finance Ltd-1	259,809	228,862
India Bulls Housing Finance Ltd -2	589,329	517,849
<b><u>ii) Secured</u></b>		
Hdfc Bank (Secured Against Hyp.of Car)	193,190	213,070
Punjab & Sind Bank ( Secured Against Hyp of car.)	201,060	351,408
Punjab & Sind Bank (ODP Loan)	66,703,593	41,303,801
Diamler Financial Services Private Limited	1,168,561	-
	<b>71,809,053</b>	<b>45,024,314</b>

**3.8 TRADE PAYABLES**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Total outstanding dues of micro enterprises and small enterprises		-
Total outstanding dues of creditors other than micro enterprises and small enterprises	27,225,097	21,866,264
	<b>27,225,097</b>	<b>21,866,264</b>

The Company is in the process of compiling relevant information from its suppliers about their coverage under the Micro, Small and Medium Enterprises Development Act, 2006. As the Company has not received any intimation from its suppliers as on date regarding their status under the above said Act, no disclosure has been made.

**M/S PROVESTMENT SERVICES LIMITED**

**3.9 OTHER CURRENT LIABILITIES**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Expenses Payable	919,905	1,186,978
Advance from Parties	27,791,290	7,492,330
Security Deposit	-	285,000
	<b>28,711,195</b>	<b>8,964,308</b>

**3.10 SHORT-TERM PROVISIONS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Provisions for Income Tax	1,379,630	1,395,410
	<b>1,379,630</b>	<b>1,395,410</b>

**3.12 NON CURRENT INVESTMENT:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Advance against Property <b>Investment (at cost)</b>	1,500,000	1,500,000
Investment in Equity Instruments of Subsidiary (17250 equity shares of Rs100 each fully paid up in Saab Travel & Tours Ltd)	12,125,000	12,125,000
	<b>13,625,000</b>	<b>13,625,000</b>

**3.13 LONG TERM LOANS AND ADVANCES:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(Unsecured Considered Good Unless Otherwise Stated)		
Security Deposits	104,162	53,162
Building Advance	-	2,500,000
Capital Advance*	23,000,000	30,000,000
	<b>23,104,162</b>	<b>32,553,162</b>

\*Capital Advance: The company has entered into joint venture with M/s Gold Star Realtors Limited for the construction of real estate project. As the project is still in development phase, the company capitalise the interest (Rs. 89.89 lacs) on the loan taken from M/s India Bull under project development expenditure under other current assets.(Refer Note 3.35)

**3.14 OTHER NON CURRENT ASSETS**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b><u>Miscellaneous Expenditures</u></b>		
Deferred Revenue Expenditure	410,040	-
	<b>410,040</b>	<b>-</b>

**CURRENT ASSETS**

**3.15 INVENTORIES:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(As taken, valued & certified by the Management)		
i) Stock of Shares, Securities & Others	10,810,928	10,812,547
ii) Foreign Currency Stock (At Prevailing Inter Bank Reference Rate )	1,546,379	4,675,644
	<b>12,357,306</b>	<b>15,488,191</b>

**M/S PROVESTMENT SERVICES LIMITED**

**3.16 TRADE RECEIVABLES:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>Unsecured</b>		
Considered good (Out of which 8455509 is more than six months)	62,727,902	56,218,516
Considered doubtful	-	-
Less: Provision for doubtful debts	-	-
	<b>62,727,902</b>	<b>56,218,516</b>

**3.17 CASH & CASH EQUIVALENTS :**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
<b>(A) Balance With Banks</b>		
<u>In Fixed Deposits</u>	4,174,051	475,565
<u>In Current Accounts:</u>		
Axis Bank Ltd	242,056	414,268
Ratanakar Bank Limited (Previous Year- Royal Bank of Scotland)	108,105	73,910
State Bank of India -Vasant Kunj	171,532	322,451
Punjab & Sind Bank	23,748	23,861
HDFC Bank	288,078	733,195
<b>( B )Cash In Hand</b>	3,023,775	2,070,243
	<b>8,031,345</b>	<b>4,113,493</b>

**3.18 SHORT TERM LOANS & ADVANCES:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
(Unsecured Considered Good Unless Otherwise Stated)		
Advances Recoverable In Cash Or In Kind For The Value To Be Received		
(1)Advance to Parties	49,445,220	2,508,364
(2)Advance to Staff	392,452	689,972
(3)Income Tax (TDS)	3,599,144	2,843,815
	<b>53,436,816</b>	<b>6,042,151</b>

**3.19 OTHER CURRENT ASSETS:**

<b>Particulars</b>	<b>As at March 31, 2014</b>	<b>As at March 31, 2013</b>
Project Development Expenditure (as per Note no. 3.35)	8,989,503	6,384,378
Deposit with BCCL for advertisement (as per Note no.3.34(b))	9,724,194	10,134,234
Commission Receivable	145,296	-
Prepaid Expenses	76,424	24,883
	<b>18,935,417</b>	<b>16,543,495</b>

**PROVESTMENT SERVICES LIMITED**  
For the Period ended 31ST MARCH,2014

**NOTE-3.11 : FIXED ASSETS**

Particulars	RATE	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		Cost As on 01.04.2013	Addition during the period	Sale/Adj. during the Year	Total as on 31.03.2014	Depreciation as on 01.04.2013	Depreciation during the Period	Depreciation Adjust. during the Period	Total As on 31.03.2014	As on 31.03.2014	As on 31.03.2013
<b>TANGIBLE ASSETS</b>											
Office Building (C.P)	1.63%	2,223,221	-	-	2,223,221	324,163	36,239	-	360,402	1,862,819	1,899,058
Office Building (Noida)	1.63%	10,032,000	-	-	10,032,000	872,694	163,522	-	1,036,216	8,995,784	9,159,306
Office Building (Pusa Road)	1.63%	27,205,122	-	-	27,205,122	2,039,773	443,443	-	2,483,216	24,721,906	25,165,349
Plant & Machinery	4.75%	1,565,345	-	-	1,565,345	841,688	74,354	-	916,042	649,303	723,657
Computer	16.21%	1,747,447	46,200	-	1,793,647	1,374,255	289,560	-	1,663,815	129,832	373,192
Vehicles	9.50%	5,736,308	4,698,485	3,283,713	7,151,080	2,405,132	790,530	2,183,704	1,011,958	6,139,122	3,331,176
Scooter	9.50%	156,985	-	-	156,985	73,571	14,914	-	88,485	68,500	83,414
Office/Furniture & Fixture	6.33%	1,522,549	-	-	1,522,549	678,443	96,377	-	774,820	747,729	844,106
Lift	4.75%	129,349	-	-	129,349	20,435	6,144	-	26,579	102,770	108,914
Office Equipments	4.75%	610,050	-	-	610,050	159,897	28,977	-	188,874	421,176	450,153
		50,928,376	4,744,685	3,283,713	52,389,348	8,790,051	1,944,060	2,183,704	8,550,407	43,838,941	42,138,325
<b>INTANGIBLE ASSETS</b>											
Portal (www.Proyatra.com)	16.21%	5,002,560	38,202	-	5,040,762	813,131	817,108	-	1,630,239	3,410,523	4,189,429
		5,002,560	38,202	-	5,040,762	813,131	817,108	-	1,630,239	3,410,523	4,189,429
Capital W.I.P (Office Building)		3,386,340	5,125,033	-	8,511,373	-	-	-	-	8,511,373	3,386,340
<b>TOTAL</b>		59,317,276	9,907,920	3,283,713	65,941,483	9,603,182	2,761,167	2,183,704	10,180,646	55,760,837	49,714,094
<b>PREVIOUS</b>		54,980,427	4,845,906	509,057	59,317,276	7,221,271	2,461,791	79,880	9,603,182	49,714,094	47,759,156

**M/S PROVESTMENT SERVICES LIMITED****NOTES FORMING PART OF STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED****3.20 REVENUE FROM OPERATIONS**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
Turnover	748,940,303	402,681,346
<b>Net Revenue from Operations</b>	<b>748,940,303</b>	<b>402,681,346</b>

**3.21 OTHER INCOME:**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
Interest Income & Other Misc Income	7,682,614	7,073,767
Rental Income	2,993,200	1,700,000
Profit on Sale of Share Transactions (Refer "A")	(1,620)	354,125
<b>Total</b>	<b>10,674,194</b>	<b>9,127,892</b>

**A Profit on Sale of Share Transactions**

Opening Stock of Shares	10,812,548	21,886,835
Equity Share Purchased	-	22,327,492
Balance	10,812,548	44,214,327
Equity Share Sales		33,755,904
Closing Stock of Shares	10,810,928	10,812,548
Profit/(Loss) on Sale of Shares	(1,620)	354,125

**3.22 PURCHASE OF CURRENCY AND TICKET**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
Purchases of Currency	107,756,676	89,303,341
Purchases of Ticket	617,916,159	294,267,473
<b>Total Purchases</b>	<b>725,672,835</b>	<b>383,570,814</b>

**3.23 CHANGES IN INVENTORIES OF CURRENCY**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
Opening Stock	4,675,644	4,662,265
Closing Stock	1,546,379	4,675,644
(Accretion)Decretion In Currency	3,129,265	(13,379)
<b>Total</b>	<b>3,129,265</b>	<b>(13,379)</b>

**M/S PROVESTMENT SERVICES LIMITED**

**3.24 EMPLOYEE BENEFITS EXPENSE**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
<u>Salary And Wages</u>		
Office Staff Salary	5,846,514	6,664,603
Directors Remuneration	1,500,000	1,500,000
<u>Contribution to Provident and other Funds</u>		
Contribution to Provident Fund	46,478	61,917
<u>Other Expenses</u>		
Workers and Staff Welfare	437,562	136,325
	<b>7,830,554</b>	<b>8,362,845</b>

**3.25 FINANCIAL COSTS:**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
<u>i) Interest Expense</u>		
Interest to Bank & other	8,394,485	6,227,434
Interest to Bank on Vehicle Loan	331,372	167,835
<u>ii) Processing Charges &amp; Bank Charges</u>		
	1,144,133	624,383
	<b>9,869,990</b>	<b>7,019,652</b>

**DEPRECIATION & AMORTISATION EXPENSE**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
Depreciation	2,761,167	2,461,791
	<b>2,761,167</b>	<b>2,461,791</b>

**M/S PROVESTMENT SERVICES LIMITED**

**3.26 OTHER EXPENSES:**

**ADMINISTRATIVE EXPENSES**

<b>Particulars</b>	<b>Current Year 2013-2014 (Rs.)</b>	<b>Current Year 2012-2013 (Rs.)</b>
Auditor's Remuneration	40,000	40,000
Tax audit fees	16,180	16,180
Conveyance & Vehicle Running Expenses	673,081	475,683
Electricity Expenses	347,506	336,898
Filling Fees	13,755	68,000
Insurance	275,022	291,993
Legal & Professional & Secretarial Expenses	209,105	666,816
Loss on Sales of Shares /Commodity (Speculative)	-	20,176
Loss on Sales of Fixed Assets	25,009	17,449
Meeting Expenses	-	28,100
Miscellaneous Expenses	210,311	298,974
Postage & Courier Expenses	18,610	25,284
Printing & Stationery	330,899	316,921
Provision for Gratuity	-	54,090
Rent & Taxes-Office	289,685	100,374
Running, Repair & Maintenance- Vehicle & others	213,709	632,898
Subscription/Membership Fees	153,607	137,292
Telephone Expenses	1,019,122	795,437
	<b>3,835,601</b>	<b>4,322,565</b>
<b><u>SELLING &amp; DISTRIBUTION EXPENSE</u></b>		
Advertisement Expenses	162,356	65,064
Rebate & Discount	42,045	25,384
Business Promotion	104,369	114,365
Travelling Expenses	87,182	60,657
	<b>395,952</b>	<b>265,470</b>
<b>Grand Total</b>	<b>4,231,553</b>	<b>4,588,035</b>

**PROVESTMENT SERVICES LIMITED**

**Notes Forming Part of the Financial Statements**

3.27) Previous year figures:

The previous year's figures have been reworked, regrouped, rearranged and reclassified wherever considered necessary to make their classification comparable with that of the current year.

3.28) Contingent Liabilities

The Company has given a guarantee, in favour of Pro Labels Private Limited, with respect to a loan of EUR 3,63,000 (Equivalent INR 2,98,30,200 as on 31.03.2014) taken to import machinery.

3.29) Loans (Secured and Unsecured)

Secured Loans:

- i) ODP Loans & Term Loan from Punjab & Sind Bank is secured against all current & fixed assets. The loan is guaranteed by two directors of the company and corporate guarantees of M/s Chaitali Exports Pvt Ltd.
- ii) The vehicle loans are secured by way of hypothecation of vehicles.

Unsecured Loans:

The company has taken loan from India Bull Financial Services Limited against the security of the properties of Directors and also guaranteed by the Directors of the Company. The balance outstanding as on 31.03.2014 amounting Rs. 257.68 lacs.

3.30) Provision of Income Tax:

Provision of Rs.13,79,630/- on account of Income Tax has been made for the year.

3.31) Related Party Disclosures as prescribed by Accounting Standard 18 of issued by the Institute of Chartered Accountant of India.

<b>Name Of Party</b>	<b>Nature of Relationship</b>	<b>Volume of Transaction</b>	<b>Nature of Transaction</b>
Chaitali Exports Pvt. Ltd.	Mr. Praveen Bhatia Director	27,083	Sale of Foreign Currency
Profile Packaging Pvt. Ltd.	Mr. Praveen Bhatia Director	8,42,765	Sale of Air Ticket Foreign Exchange & other Miscellaneous Expense
Wifag Polytype India Marketing Pvt. Ltd.	Mr. Praveen Bhatia Director	16,68,842	Sale of Air Ticket Foreign Exchange & other Miscellaneous Expense
Gold Star Realtors Ltd.	Mr. Praveen Bhatia Director	1,17,374	Sale of Tickets
		18,00,000	Rent Received
Gaurav Bhatia	Relative of Director	87,902	Sale of Tickets
PVSP & Co.	Mr. Praveen Bhatia Mr. Vinod Ralhan Directors	15,906	Professional Charges
Praveen Bhatia	Director	17,026	Sale of Tickets

3.32) Disclosure regarding transaction with Subsidiary Company i.e. M/s SAAB Travel and Tours Limited as per AS-21:

Nature of Transaction	Amount
Advance received	40,00,000
Commission Paid	23,402
Sale of Tickets	3,50,01,965
Tickets Purchased	27,92,609

3.33) The Current Assets, loans & Advances have a value on realization in the ordinary course of business at least equal to the amount at which they have been stated in the balance sheet.

3.34) Money Received against Share Warrants

(a) Issue of 5, 91,176 convertible equity warrants on preferential basis to Bennett Coleman & Co. Limited (BCCL):

During the year 2012-2013, Company has made Preferential Allotment of 591176 convertible Equity Share Warrants to BCCL of Rs. 10/- each at a Premium of Rs.58.57/- per warrants issued as per SEBI, ICDR Regulations, 2009 against which 25% Warrant Subscription Amount i.e. Rs. 1,01,34,234.58/- (Rupees One Crore One Lakh Thirty Four Thousand Two Hundred Thirty Four and paise Fifty Eight Only).

In the event if BCCL does not exercise its option to exercise all the Warrants within the Warrant Exercise Period i.e. within 18 months, the Warrant Subscription Amount shall be forfeited by the Company and the Warrants shall lapse.

(b) Description of Contract for Advertisement

During the year 2012-2013 the Company has entered into an agreement with Bennett Coleman & Co. Limited (BCCL) to advertise on non exclusive basis only, the Products, Services and Brands owned and exclusively used by the Company, by print and non print media. The Company has given a Deposit of Rs. 101.34 Lacs to BCCL for the advertisement for Company's brand building.

3.35) Joint Venture with **M/s Gold Star Realtors Ltd:**

Particulars	Amount	Nature
Capital Advance	2,30,00,000	Company has invested Rs 300 Lacs in Joint Venture with M/s Goldstar Realtors Ltd. in 2011-2012 for developing Residential Flats in Varindavan Yojna, Rai Bareilly, Lucknow, U.P. Any funds, if provided later, by M/s Provestment Services Limited, will be returned back to the company plus Rs. 300 Lacs contributed earlier, as and when the flats will be sold in future. The company will receive a return @5% on sale of every flat sold in these two new towers by M/s Gold Star Realtors Limited. Due to delay in project; Company has received back Rs 70 Lacs during the year.

Project Development Expenditure	Year 2011-2012	31,20,657	As amount invested in JV was out of loan taken from M/s India Bulls Ltd. The interest paid on the said loan in the respective financial year capitalized as the investment made in Project Development.
	Year 2012-2013	32,63,721	
	Year 2013-2014	26,05,125	

3.36) The Company had given Rs. 4.30 crores to Swiss Holidays Pvt. Ltd. to set up/ buy a Hotel in Switzerland on or before 30.04.2013 with 50% sharing in this business. Since Swiss Holidays Pvt. Ltd has failed to set up hotels, the company is receiving interest of 14% P.a on the amount paid.

3.37) Auditors Remuneration

Auditor's Remuneration	Year Ended March 31, 2014	Year Ended March 31, 2013
Statutory Audit Fee	40,000	40,000
For Tax Audit Fees & Other Services	16,180	16,180
Out of Pocket Expenses	NIL	NIL
Total	56,180	56,180

3.38) Directors Remuneration u/s 198 and place of profit u/s 314 (In amount)

	Year ended March 31, 2014	Year ended March 31, 2013
Payment to Whole Time Director Salary to Mr. Praveen Bhatia	15,00,000	15,00,000

3.39) Balance in accounts whether in debtors, creditors, share application money pending allotment and loans & advances are subject to verification and confirmations.

3.40) Contingent Liabilities:

- i) Estimated amount of Contracts remaining to be executed on capital account and not provided for - Rs. Nil
- ii) Claims against the company not acknowledged as debts-Rs. Nil.

3.41) Provision for Gratuity and ESI:

The company has been advised that the provision of ESI Act is not applicable to the Company. Provisions of Rs. Nil have been made on account of Gratuity for the year.

3.42) Fixed Assets:

Tangible & Intangible Assets: Total additions made in tangible assets amounting Rs. 47.45 lacs. No addition made during the year under intangible assets Depreciation charged at straight-line method as prescribed by the Companies Act, 1956.

Capital Work-in Progress: The Company has paid Rs. 51.25 lacs advance for the purchase of property at Noida. The property is under construction and shown in capital work in progress.

3.43) As no manufacturing activities were carried out during the year, information required under Para 3 and 4 of part 11 of schedule VI of Companies Act, 1956 is not given.

FOR PROVESTMENT SERVICES LIMITED

As per our Report of even date attached

Sd/-	Sd/-	Sd/-	Sd/-
Praveen Bhatia	Anil Lakhani	Deepika Rajput	C.A Arun Ahuja.
(Whole Time Director)	(Director)	(Company Secretary)	(Partner)
			<i>M.No: 089709 FRN: 012985N</i>
Date: 30.05.2014			for and on behalf of
Place: New Delhi			AHUJA ARUN & CO.
			Chartered Accountant

proyatra.com



# PROVESTMENT SERVICES LIMITED

CIN: L74899DL1994PLC058964

Resolution No.	Description of Resolution		
Ordinary Business		For	Against
1.	Adoption of audited Accounts for the Financial Year ended on 31 <sup>st</sup> March, 2014 and the report and Auditors thereon		
2.	Appointment of Director in place of Mr. Vinod Ralhan holding DIN: 00146449 who retires by rotation and being eligible offers himself for re-appointment		
3.	Re-appointment of Statutory Auditors of the Company and to fix their remuneration		
Special Business			
4.	Reappointment of Mr. Praveen Bhatia (holding DIN: 00147498), Whole Time Director of the Company and Increase in his remuneration		
5.	Regularization of Mrs. Anjali Khurana (holding DIN: 06786534) as Director on the Board of the Company and her re-appointment as independent director		
6.	Authorization to make inter-corporate loans, investments, guarantees and securities		
7.	Alteration in the Main Objects of the Company- Inter State Power Trading Project		
8.	Adoption of new set of Articles of Association of the Company		
9.	Re- appointment of Mr. Anil Lakhani (Holding DIN: 00450542) as Independent Director for a term of 5 consecutive years.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_, 2014

Signature of Shareholder: \_\_\_\_\_

Affix Revenue  
Stamp

\_\_\_\_\_  
Signature of First Proxy Holder

\_\_\_\_\_  
Signature of Second Proxy Holder

\_\_\_\_\_  
Signature of Third Proxy Holder

NOTE:

1. **THIS FORM OF PROXY IN ORDER TO BE EFFECTIVE SHOULD BE DULY COMPLETED AND DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY AT BUILDING NO.5, FIRST FLOOR, PUSA ROAD, W.E.A. KAROL BAGH, NEW DELHI- 110005 NOT LESS THAN FORTY EIGHT HOURS (48) BEFORE THE COMMENCEMENT OF THE MEETING.**
2. For the resolutions, Explanatory Statement and Notes, please refer to the Notice of the Twentieth (20<sup>th</sup>) Annual General Meeting.





# PROVESTMENT SERVICES LIMITED

CIN: L74899DL1994PLC058964

## ATTENDANCE SLIP

**TWENTIETH (20<sup>TH</sup>) ANNUAL GENERAL MEETING  
TUESDAY, SEPTEMBER 30<sup>TH</sup>, 2014**

**Registered Folio/  
DP ID and Client ID**

**Name and Address of the  
Sole/ First Shareholder**

**Joint Holder 1**

**Joint Holder 2**

I/ We hereby record my/ our presence at the Twentieth (20<sup>th</sup>) Annual General Meeting at B- 4/148 C, Safdarjung Enclave, New Delhi- 110 029 on Tuesday, the 30th day of September, 2014 at 10.00 a.m..

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Member's Folio/ DP ID- Client  
ID No.

Member's/ Proxy's Name in  
Block Letters

Member's / Proxy's  
Signature

Notes:

1. Please complete the Folio/ DP-ID- Client ID No. and name of the member/ proxy, sign this attendance slip and hand it over, duly signed, at the entrance of the Meeting Hall.
2. Shareholder/ Proxy Holder desiring to attend the meeting should bring his/ her annual report for reference at the meeting.

### ELECTRONIC VOTING PARTICULARS

EVSN	User ID	Password
<b>Please refer 12 (iii) in the Notice</b>		