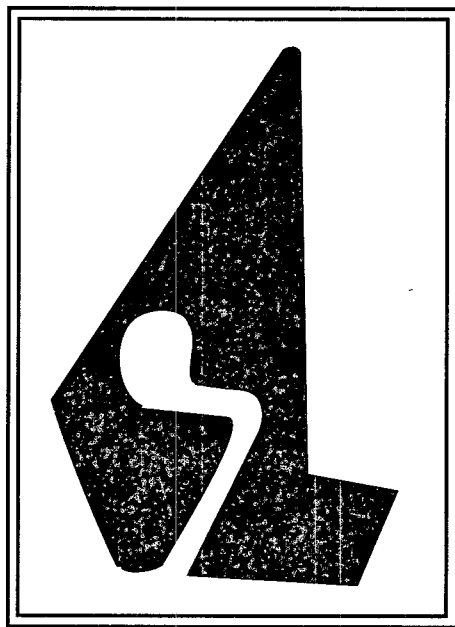


# **ARAVALI SECURITIES & FINANCE LIMITED**



*Certified True Copy*

For Aravali Securities & Finance Ltd.

*[Signature]*  
D.K. BHALLA  
G.M. (Legal)

## **29TH ANNUAL REPORT 2008-2009**



## **ARAVALI SECURITIES & FINANCE LIMITED**

### **BOARD OF DIRECTORS**

1. Shri Ranjan Kumar Poddar
2. Shri Gautam Khaitan
3. Shri R. A. Kila
4. Shri Hardev Singh

### **SECRETARY**

Shri Davinder Bhalla

### **AUDITORS**

Salarpuria & Partners

### **BANKERS**

Punjab National Bank

### **REGISTERED OFFICE**

Sirpur House  
Plot No. 39, Sector-44  
Gurgaon-122003.

### **HEAD OFFICE**

3rd Floor, UCO Bank Building,  
Parliament Street, New Delhi-110001.

### **SHARE & TRANSFER AGENT**

M/s. Skyline Financial Services Pvt. Ltd.  
246, 1st Floor, Sant Nagar, Main ISCON Temple Road,  
East of Kailash, New Delhi-110065



## ARAVALI SECURITIES & FINANCE LIMITED

Regd. Office : Sirpur House, Plot No. 39, Sector-44, Gurgaon, Haryana-122003.



### NOTICE

Notice is hereby given that the 29th Annual General Meeting of the members of M/s Aravali Securities & Finance Limited will be held on Wednesday, the 30th day of September, 2009, at 10.30 a.m. at Community Centre, Sector 4, Gurgaon, Haryana-122001.

#### ORDINARY BUSINESS

1. To receive, consider, approve and adopt the audited Balance Sheet as at 31st March, 2009, and the Profit and Loss account for the year ended on that date together with the Auditors' and Directors' Reports thereon.
2. To appoint auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
3. To re-appoint Mr. Gautam Khaitan as Director of the Company.

Registered Office :  
Sirpur House,  
Plot No. 39, Sector-44,  
Gurgaon, Haryana-122003.

Dated : 20<sup>th</sup> August, 2009

By Order of the Board of Directors  
For ARAVALI SECURITIES & FINANCE LIMITED

DAVINDER BHALLA  
G.M. & COMPANY SECRETARY

## NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ADMISSION SLIP.
2. Corporate members are requested to send a certified copy of the Board Resolution, pursuant to Section 187 of the Companies Act, 1956, authorising their representative to attend and vote at the Annual General Meeting.
3. The Register of Members and Share Transfer Books of the Company will remain closed from Monday the 28th day of September, 2009 to Wednesday the 30<sup>th</sup> day of September, 2009, both days inclusive.
4. Members are requested to notify immediately any change in their addresses to the Registered Office of the Company situated at Sirpur House, Plot No. 39, Sector 44, Gurgaon, Haryana-122003.
5. Members/Proxies should bring the admission slip duly filled in for attending the Meeting along with their copy of the report and accounts.
6. Shareholders seeking any information with regard to accounts are requested to write to the Company at least ten days in advance so as to enable the Company to keep the information ready.
7. The Company has entered into agreement with National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL), for the dematerialisation of securities. The Shareholders can have their shares dematerialised through these depositories.  
  
Members desiring to have their shares in dematerialised form may send their share certificates through their depository participants, to the Registrar of the Company namely M/s. Skyline Financial Services Pvt. Ltd., 246, 1st Floor, Sant Nagar, Main ISCON Temple Road, East Of Kailash, New Delhi-110 065, Tel. No.26292682-83.
8. Individual members holding shares in physical form on their own behalf singly or jointly can make nomination for their holding. The nomination form will be made available on request. The members holding shares in dematerialised form may contact their depository participants for recording of the nomination for their holding.
9. Members holding shares in the same name(s) under different folio(s) are requested to apply for consolidation of such folios by sending relevant share certificates.

Registered Office :  
Sirpur House  
Plot No. 39, Sector 44,  
Gurgaon, Haryana-122003

By Order of the Board of Directors  
For ARAVALI SECURITIES & FINANCE LIMITED

Dated : 20<sup>th</sup> August, 2009

DAVINDER BHALLA  
G.M.& COMPANY SECRETARY



## DIRECTORS' REPORT

### TO THE MEMBERS

Your Directors have pleasure in presenting their Report and Audited Accounts of the Company with Auditors' Report thereon for the year ended 31st March, 2009.

### WORKING RESULTS

	2008-2009 (Rupees in lacs)	2007-2008 (Rupees in lacs)
<b>Profit/(Loss) before interest, depreciation and taxes</b>	<b>160.12</b>	116.26
(Add)/Less : Interest	<b>151.18</b>	145.21
<b>Profit/(Loss) before depreciation, NPA's and Taxes</b>	<b>8.94</b>	(28.95)
(Add)/Less : Depreciation	<b>7.86</b>	(8.30)
<b>Profit/(Loss) Before Provision of tax and NPA's</b>	<b>1.08</b>	(37.25)
Add : Withdrawal for diminution in value of investments as per RBI Prudential Norms	<b>0.53</b>	0.36
<b>Profit/(Loss) Before Taxation</b>	<b>1.61</b>	<b>(36.89)</b>
Less/(Add) : Provision for Tax		
Fringe Benefit Tax	<b>0.65</b>	0.80
Deferred Tax	<b>(8.83)</b>	(4.09)
<b>Profit/(Loss) after Taxation</b>	<b>9.79</b>	(33.60)
Add/(Less) : Balance brought forward from previous year	<b>(65.06)</b>	(31.46)
	<b>(55.27)</b>	(65.06)
Add : Amount Transferred to NBFC Reserve Fund	<b>0.32</b>	NIL
<b>BALANCE CARRIED TO BALANCE SHEET</b>	<b>55.59</b>	<b>(65.06)</b>

### DIVIDEND

Due to non-availability of sufficient funds, your directors are not recommending any dividend.

## **MANAGEMENT DISCUSSION AND ANALYSIS**

### **FINANCIAL REVIEW :**

Your Company has an operational profit of Rs.1.08 lacs after depreciation and interest. The same being low is due to the fact that the Company has not carried substantial business due to non availability of funds and opportunities. A withdrawal of Rs.0.53 lacs has been made for diminution in value of investments and deferred tax has been reversed to an extent of Rs. 8.83 lacs. A fringe benefit tax of Rs. 0.65 lacs has been provided along with a provision for NBFC reserve fund of Rs.0.32 lacs. The profit of Rs. 9.79 lacs has reduced the carried forward loss to this extent.

### **RESOURCES AND LIQUIDITY :**

The Company, as in the past, is not relying on any borrowing except unsecured loans. More so, due to reduction in its activities, the requirement of fund has been reduced substantially.

### **INDUSTRY STRUCTURE AND DEVELOPMENTS :**

The concept of Non Banking Financial Companies (NBFC) has not picked up in India as of now which otherwise is working very well in United States and Europe. Except one or two NBFC's no other company is working well. This has created a very discouraging situation for the remaining NBFC's who have no option except to diversify from its business of financing. Entrance of banks in consumer durable financing as well as in housing finance has brought forth a huge competition and has also added to worst scenario for the NBFC's. This has virtually put a stop on private financing and most of the Non-Banking Finance Companies are out of this business.

### **BUSINESS REVIEW :**

Your Company being classified as an investment company is doing long term and short term investments. It is also trading in the shares and securities of other company. Non availability of funds and ups and down of share market has also put a halt on the activities of the Company.

### **OPPORTUNITIES :**

With the change in world economic scenario, the Indian economy was emerging as one of the strongest economy in the world but recession all over the world has reduced its prospects to great extent. The yearly GDP has been revised to be at around 6% as against 7% to 8% in the last few years. It is expected that India with China will emerge as the biggest economic power in Asia. This change has already brought in various opportunities for all the economic sectors and will create more in the near future.

### **CHALLENGES :**

Your Company being in the financial services sector is facing a very stiff competition from public sector as well as private sector banks and financial institutions. It is trying to cope up with the same but is finding it difficult to match up with them in expertise as well as finances available. However, the Company is trying its level best to achieve the same level of competence to meet the challenges thrown in this sector.

### **OUTLOOK :**

Your Company is still in the process of consolidation. However, the various business opportunities are being analysed. It is also being analysed to have a foreign collaboration with some internationally reputed NBFC which is looking to expand their business in India. Barring unforeseen circumstances your directors hope to do better in the near future.

### **RISK AND CONCERNS :**

Your Company at present is exposed to the normal industry risk factor of volatility in interest rate, economic cycle and credit risk.



#### **ADEQUACY OF INTERNAL CONTROL :**

The established Internal Control Systems of your Company are adequate to ensure that all the activities are monitored and controlled against any misuse or misappropriation of asset and that the transactions are authorized, recorded and reported correctly. More so, these internal control systems are regularly monitored by the audit committee of your Company and are improved upon on regular basis.

#### **HUMAN RESOURCE DEVELOPMENT:**

The team of experienced industry professionals depart regular training to the employees of the Company.

#### **FIXED DEPOSITS :**

Your Company does not accept fixed deposits from public and to this effect an undertaking is given to the Reserve Bank of India.

#### **DIRECTORS :**

Shri Gautam Khaitan, director of the Company, being longest in the office, is required to retire by rotation but being eligible, offers himself for re-appointment. Your directors recommend his re-appointment by the shareholders.

#### **DIRECTORS' RESPONSIBILITY STATEMENT :**

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

- a) That in the preparation of the annual accounts, the applicable accounting standards have been followed and that no material departures have been made from the same;
- b) That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for the year ended on that date;
- c) That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safe guarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) That they have prepared the annual accounts on a going concern basis.

#### **AUDITORS AND AUDITORS' REPORT:**

M/s. Salarpuria & Partners, Chartered Accountants, as Statutory Auditors of the Company, hold office until the conclusion of the ensuing Annual General Meeting and are recommended for reappointment. Your Company has received a certificate from M/s. Salarpuria & Partners, Chartered Accountants, to the effect that the appointment, if made, would be within the prescribed limits u/s 224 (1-B) of the Companies Act, 1956. The shareholders will be required to appoint them for the current year and to fix their remuneration.

Auditors in the Annexure to their report have drawn attention to the Point No. 2(c) stating that certain shares are not registered in the name of the Company. The same are on account of bad delivery, for which efforts are being made to sort out the same.

#### **PERSONNEL :**

The Company had no employee during the year ended 31st March, 2009, who was in receipt of remuneration of Rs. 24 lacs or more per annum, if employed for whole of the year or Rs. 2.0 lacs or more per month, if employed for part of the year.

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

The Company being engaged in the financial services and trading, does not have any energy utilization or technology absorption. The Company during the year under consideration has not earned or spent any foreign exchange.

## CORPORATE GOVERNANCE :

Your Company has taken adequate steps to ensure that all mandatory provisions of 'Corporate Governance' as provided in the listing agreement of the Stock Exchanges with which the Company's shares are listed, are duly complied with.

A separate report on 'Corporate Governance' alongwith Auditors Certificate for its due compliance is annexed hereto as part of this report.

## ACKNOWLEDGEMENT :

Your Directors would like to express their sincere appreciations for the co-operation received from shareholders, bankers and other business constituent during the year under review. Your directors also wish to place on record their deep sense of appreciation for the commitment displayed by all employees of the Company.

By Order of the Board of Directors  
For ARAVALI SECURITIES & FINANCE LIMITED

Registered Office :  
Sirpur House  
Plot No.39, Sector 44  
Gurgaon, Haryana-122003

RANJAN KUMAR PODDAR  
Managing Director

GAUTAM KHAITAN  
R. A. KILA  
HARDEV SINGH  
Directors

Date: 20th August, 2009

## INFORMATION REQUIRED TO BE FURNISHED UNDER CLAUSE 49 (VI) (A) OF THE LISTING AGREEMENT IN RESPECT OF DIRECTORS BEING APPOINTED / RE-APPOINTED

Name	Shri Gautam Khaitan	
Date of Birth	06.05.1965	
Appointed on	30.07.2004	
Qualification	B. Com., LLB	
Expertise in Specific Functional Areas	He is an advocate and have vast knowledge in the field of law and experience of approximately 13 years in the said field.	
Directorship in Other Companies	<div> <div> J.K. Sugar Ltd. Salora International Ltd. Zambon (India) P. Ltd. Arcotech Ltd. KRBL Ltd. ILPEA Paramount Ltd. Medsave Health Care Ltd. </div> <div> Cellcast Interactive India P. Ltd. Vasudha Commercial P. Ltd. Nipshell Builders Pvt. Ltd. Jeevan Vihar Properties Pvt. Ltd. Howden Insurance Brokers India Pvt. Ltd. Facor Alloys Ltd. Bharat Seats Ltd. </div> </div>	
Membership / Chairmanship of Committees across Public Companies	<b>Audit Committee :</b> Salora International Ltd. J. K. Sugar Ltd. Arcotech Ltd. KRBL Ltd. <b>Investor Grievance Committee :</b> J. K. Sugar Ltd. KRBL Ltd. <b>Remunration Committee</b> Arcotech Ltd.	





# REPORT ON CORPORATE GOVERNANCE

The Directors present the Company's report on Corporate Governance.

## 1. The Company's Governance Philosophy.

Aravali Securities & Finance Ltd (ASFL) governance philosophy is that the policies and procedures should be so strong that they don't leave any room for mistakes or manipulations. ASFL emphasis is on providing complete transparency in management and fixing authority and responsibility of every person in the organisation. This enables every person in the organisation to work for the achievement of the Company's goal and thereby maximising the return to the Company as also to the members of the Company.

ASFL's Corporate Governance is based on two core principles:

- I. Management must have the executive freedom to drive the enterprise forward without undue restraints; and
- II. This freedom of management should be exercised within a framework of effective accountability.

ASFL believes that any meaningful policy on Corporate Governance must provide empowerment to the executive management of the Company, and simultaneously create a mechanism of checks and balances which ensures that the decision making powers vested in the executive management are not misused, and used with care and responsibility to meet stakeholders' aspirations and societal expectations.

The above belief and core principles of Corporate Governance adopted by ASFL lead to Company's governance philosophy, trusteeship, transparency, accountability and responsibility which in turn is the basis of public confidence in corporate system.

## 2. Composition of the board

- I. The board of directors of the Company consists of persons with professional expertise. ASFL's board consists of one executive and three non-executive directors. Two non executive directors are independent directors. Accordingly, the composition of the board is in conformity with the requirements of listing agreement.

Directors	Executive/ Non Executive Director	Independent Status	No. of other Directorships held in other Companies	Committee Membership (in other Companies) Member/Chairman	
Shri Ranjan Kumar Poddar Managing Director	Executive	Promoter	Two	One	One
Shri Gautam Khaitan Director	Non-Executive	Promoter Associate	Fourteen	Seven	Nil
Shri R. A. Kila Director	Non-Executive	Independent	Seven	Nil	Nil
Shri Hardev Singh Director	Non-Executive	Independent	Nil	Nil	Nil

**II. Director's interest in the Company and attendance records.**

<b>Director</b>	<b>No. of board meetings attended during the year 2008-2009</b>	<b>Last AGM attended</b>	<b>No. of equity shares held</b>
Shri Ranjan Kumar Poddar	2	No	Nil
Shri Gautam Khaitan	4	No	Nil
Shri R. A. Kila	4	Yes	Nil
Shri Hardev Singh	4	Yes	Nil

Note : During the year four board meetings were held on 30<sup>th</sup> April 2008, 31<sup>st</sup> July 2008, 31<sup>st</sup> October, 2008, 31<sup>st</sup> January 2009.

**3. Audit Committee**

- I. The Audit Committee was constituted on 2nd May 2001. As on 31.03.2009 the Audit Committee comprises of one executive and three non executive directors. Shri R. A. Kila is the Chairman of the committee and the Committee met four times during the year and the attendance of the members at the meeting was as follows:

<b><u>Name of member</u></b>	<b><u>Status</u></b>	<b><u>No. of meetings attended</u></b>
Shri Ranjan Kumar Poddar	Member	Two
Shri Gautam Khaitan	Member	Four
Shri R. A. Kila	Chairman	Four
Shri Hardev Singh	Member	Four

The General Manager – Commercial, Senior Manager – Finance & Accounts and Statutory Auditors are the permanent invitees. The company secretary is the secretary of the committee.

**II. Terms of Reference:**

The Audit Committee is to oversee the Company's financial reporting process and disclosure of its financial information, to recommend the appointment of Statutory Auditors and fixation of their fees, to review and discuss with the Auditors about internal control systems, the scope of audit including the observations of the Auditors, adequacy of the internal audit system, major accounting policies, practices and entries, compliances with Accounting Standards and Listing Agreement entered into with the Stock Exchange and other legal requirements concerning financial statements. It is to review the Company's financial and risk management policies and discuss with the Auditors any significant findings for follow-up thereon and to review the quarterly, half yearly and annual financial statements before they are submitted to the Board of Directors.

The Committee also meets the operating management personnel and reviews the operations, new initiatives and performance of the business. Minutes of the Audit Committee Meetings are circulated to the Members of the Board, discussed and taken note of.



#### 4. Remuneration Committee

Since amendment in Schedule XIII of the Companies Act 1956 on 16th January 2002 no director is being paid any remuneration & therefore no remuneration committee has been formed.

Details of directors' remuneration paid for the year 2008-2009.

(a) Executive Director Nil

(b) Non Executive Directors

<b>Name of Director</b>	<b>Sitting Fees paid during 2008-09</b>
Shri Gautam Khaitan	Rs. 8000
Shri R. A. Kila	Rs. 8000
Shri Hardev Singh	Rs. 8000

Note : No remuneration except sitting fees for attending board meetings are paid to the non-executive directors.

No remuneration is paid to any director for attending board committee meetings.

#### 5. Share Holders Grievance Committee

##### I. Terms of Reference

The Committee was constituted to look into the investors' complaints and to redress the same expeditiously. The Committee meets twice in the year to review the grievance of the investors. All complaints are resolved by the competent authority in the Company on daily basis.

##### II. Composition

The Shareholders' Grievance Committee presently comprises of one executive and one non-executive director.

During the year, the Committee held two meetings and the attendance of the members was as follows:

<b>Name of Members</b>	<b>Status</b>	<b>No. of meetings attended</b>
Shri Ranjan Kumar Poddar	Chairman	Two
Shri Gautam Khaitan	Member	Two

The Senior Manager Shri Jiten Oberoi is the compliance officer.

During the year, 16 letters/complaints were received from the shareholders. The same were replied/resolved to the satisfaction of the shareholders.

As on date no requests involving transfer of shares is pending.

In order to expedite the process of shares transfers, the Board has delegated the powers of approving transfer of shares to the Company Secretary of the Company. The delegated authority is attending to share transfer formalities at least once in a fortnight, as required.

#### 6. General Body Meetings.

The last Annual General Body Meeting of the Company was held at PHD House, 4/2, Siri Institutional Area, August Karanti Marg, New Delhi 110 016 and preceding two meetings were held at Air Force Auditorium, near Dhaula Kuan, New Delhi-110010.

### Details of General Body Meetings:

Year	Date	Day	Time
2007-2008	23 <sup>rd</sup> September, 2008	Tuesday	11.00 A.M.
2006-2007	24 <sup>th</sup> September, 2007	Monday	11.00 A.M.
2005-2006	25 <sup>th</sup> September, 2006	Monday	11.00 A.M.

During last year, none of the resolutions passed at the Annual General Meeting was required to be passed through Postal Ballot as per the Companies (Passing of Resolution by Postal Ballot) Rules, 2001.

### 7. Code of Conduct

The board of directors has adopted the Code of Business Conduct and Ethics for Directors and Senior Management. The said code has been communicated to the directors and members of the senior management.

### 8. Disclosures

1. During the year, there were no transactions of material nature with the promoters, directors or the management or their subsidiaries or relatives etc. that had potential conflict with the interest of the Company.
2. There were no instances of non-compliance on any matter related to the capital markets, during the last three years.
3. In the preparation of the financial statements, the Company has followed the Accounting Standards as prescribed by the Companies (Accounting Standards) Rules, 2006. The significant accounting policies, which are consistently applied, are disclosed in Schedule 12 to the accounts in the annual report.
4. Business risk evaluation and management is an ongoing process within the Company. During the year under review a detailed exercise on 'Risk Assessment & Management' was carried out covering the entire gamut of business operations and Board was informed of the same.
5. Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement is being reviewed by the Board from time to time.

### 9. Means of Communication

1. Quarterly results and statutory notices are published in daily newspaper both in Hindi & English language such as The Pioneer, Veer Arjun.
2. Share holding pattern and the quarterly results are sent to the stock exchanges where Company's securities are listed on quarterly basis.
3. Management discussion and analysis is included in directors' report which is mailed to the share holders of the Company individually.
4. The Company is taking steps to display the results and the official news on web site.

### 10. General Shareholders Information

1. Annual General Meeting will be held on Wednesday, the 30th day of September 2009 at Community Centre, Sector 4, Gurgaon, Haryana-122001 at 10.30 A.M.
2. Financial calendar
 

First quarter results	1st April to 31st March
Annual General Meeting	End of July
Second quarter results	Second quarter of the financial year
Third quarter results	End of October
Fourth quarter results	End of January
	April to end of June



3. Dates of book closure 28.09.2009 To 30.09.2009 (both days inclusive)
4. Dividend payment date No dividend is recommended for payment
5. Listing of equity shares on Stock Exchanges at :  
Delhi (DSE), Mumbai (BSE), Calcutta (CSE)  
(Application for delisting of shares has been moved to Delhi (DSE) and Calcutta (CSE) Stock Exchanges)
6. Stock Code at Mumbai Stock Exchange BSE : 512344
7. Stock Market Price data for the year 2008 - 2009  
Share Price On BSE

Month	HIGH (Rs.)	LOW (Rs.)
April, 2008	23.45	14.70
May, 2008	23.45	19.05
June, 2008	24.15	18.50
July, 2008	20.00	16.35
August, 2008	22.80	16.65
September, 2008	19.60	14.85
October, 2008	18.00	11.00
November, 2008	14.30	11.00
December, 2008	15.80	9.85
January, 2009	13.80	10.75
February, 2009	11.95	9.30
March, 2009	9.89	6.86

8. Share Transfer System:

The Company's shares are traded in the Stock Exchanges compulsorily in demat mode. In compliance with the SEBI directions, the Company has appointed the following registrar as common agency to handle both physical and demat share work w.e.f. 1st April, 2003. The shares which are lodged for transfer with the Registrar and Transfer Agent of the Company are processed and returned to the shareholders within stipulated time. The address of the Registrar and Transfer Agents for correspondence is as under :

M/S Skyline Financial Services Pvt. Ltd  
246, 1<sup>st</sup> Floor, Sant Nagar,  
Main Iscon Temple Road, East of Kailash,  
New Delhi-110 065.

## 9. (a) Distribution of Shareholding as on 31st March, 2009

Number of equity share held	Number of Share holders	Percentage (%)	Number of equity shares held	Percentage (%)
1 to 500	15898	89.60	2326863	15.35
501 to 1000	986	5.56	800478	5.28
1001 to 2000	421	2.37	631871	4.17
2001 to 3000	147	0.83	375195	2.48
3001 to 4000	57	0.32	208819	1.38
4001 to 5000	69	0.39	330202	2.18
5001 to 10000	88	0.50	634542	4.19
10001 and above	77	0.43	9845880	64.97

## (b) Categories of Shareholders as on 31st March, 2009

Category	Number of share holders	Percentage (%)	Number of equity shares held	Percentage (%)
i) Promoters & person acting in concert	6	0.03	5480903	36.17
ii) Public Financial Institution & Govt. Companies	NIL	NIL	NIL	NIL
iii) Banks & Mutual Funds	10	0.05	14205	0.09
iv) Non Resident Indians	17	0.10	15537	0.10
v) Other Bodies Corporate	253	1.43	2853312	18.83
vi) Others	17457	98.39	6789893	44.81
	<u>17743</u>	<u>100%</u>	<u>15153850</u>	<u>100%</u>

## 10. Dematerialisation of shares and liquidity

Trading in ASFL Shares is permitted only in dematerialised form as per circular issued by the Securities and Exchange Board of India (SEBI) 44.58% of the Equity shares of the company have been Dematerialised upto 31<sup>st</sup> March, 2009.

## 11. The address for correspondence are as mentioned below :

**Registered Office**

ARAVALI SECURITIES & FINANCE LIMITED  
Sirpur House, Plot No. 39, Sector 44,  
Gurgaon, Haryana-122003.

**Head Office**

ARAVALI SECURITIES & FINANCE LIMITED  
3rd Floor, UCO Bank Building,  
Parliament Street, New Delhi-110001.



12. Non Mandatory requirements

- I. At present, the Company does not have any permanent chairman and no separate office is maintained for him.
- II. As the financial performance of the Company is well publicised, individual communication of half yearly results is not sent to the shareholders.
- III. No item of business relating to matters specified under Clause 49 of the Listing Agreement with the Stock Exchanges and/or the provisions contained in Section 192 of the Companies Act, 1956 which requires voting by postal ballot is included in the notice convening the 29<sup>th</sup> Annual General Meeting of the Company.

By Order of the Board of Directors  
For ARAVALI SECURITIES & FINANCE LIMITED

Registered Office :  
Sirpur House, Plot No. 39, Sector 44,  
Gurgaon, Haryana-122003.

RANJAN KUMAR PODDAR  
Managing Director

GAUTAM KHAITAN  
R. A. KILA  
HARDEV SINGH  
Directors

Dated : 20<sup>th</sup> August, 2009.

## AUDITORS' CERTIFICATE

To the Members of  
Aravali Securities & Finance Limited

We have examined the compliance of conditions of Corporate Governance by Aravali Securities & Finance Limited, for the year ended on 31st March, 2009, as stipulated in Clause 49 of the Listing Agreement of the said Company with stock exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof adopted by the Company for ensuring compliance with the conditions of the certificate of Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that the Shareholders/ Investor Grievance Committee has maintained records to show the investor grievances and certify that as at 31st March, 2009 there were no investor grievances remaining unattended/pending for more than 30 days.

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

For SALARPURIA & PARTNERS  
Chartered Accountants

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

## AUDITORS' REPORT

1. We have audited the attached Balance Sheet of ARAVALI SECURITIES & FINANCE LIMITED, as at 31st March, 2009 and the related Profit and Loss Account and Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statements presentation. We believe that our audit provides a reasonable basis for our opinion.
3. 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 Companies Act, 1956 (the 'Act') and on the basis of such checks of the books and records of the company as we considered appropriate and according to the information and explanations given to us, we give in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we report that:
  - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 31st March, 2009, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2009 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
  - (vi) In our opinion and to the best of our information and according to the explanations given to us, the said financial statements read together with the Notes thereon appearing in Schedule – 12 give in the prescribed manner the information required by the Act, and give a true and fair view in conformity with the accounting principles generally accepted in India;
    - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2009; and
    - (b) in the case of the Profit and Loss Account, of the Profit of the Company for the year ended on that date; and
    - (c) in the case of the Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

For SALARPURIA & PARTNERS  
Chartered Accountants

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.





## ANNEXURE TO AUDITORS' REPORT

(Referred to in paragraph (3) of our report of even date to the members of Aravali Securities & Finance Limited as at and for the year ended 31<sup>st</sup> March, 2009)

- i. a. The Company is maintaining proper records showing full particulars, including quantitative details and situation of its fixed assets.
- b. The fixed assets of the company were physically verified by the management during the year. In our opinion, frequency of physical verification is reasonable having regard to the size of the operation of the Company. On the basis of explanation received, in our opinion, no discrepancy between the book records and physical inventory have been noticed in respect of assets physically verified.
- c. During the year, the Company has not disposed off a substantial part of its fixed assets.
- ii. a. As explained to us, the inventories were physically verified during the year by the management at reasonable intervals. In our opinion, having regard to the nature of stocks, the frequency is reasonable.
- b. In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. On the basis of our examination of records of inventories, in our opinion, the Company has maintained proper records of its inventories and no material discrepancy were noticed on physical verification **except to the extent of shares not registered in the name of the Company as mentioned in Schedule 6.**
- iii. a. The Company has not taken any loans from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- b. The Company has given loans to parties covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs. 90.00 Lacs and the balance outstanding at the close of the year is Rs.48.96 Lacs.
- c. In our opinion, the rate of interest and other terms and conditions of loans given by the Company are prima facie not prejudicial to the interests of the Company.
- d. The parties have repaid part of the principal amount and interest on demand.
- e. There is no over due amount of loans granted to the company, listed in the register maintained under section 301 of the Companies Act, 1956.
- iv. In our opinion and according to the information and explanations given to us, there are adequate internal control systems commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods and services. Further, on the basis of our examination and according to the information and explanations given to us, we have neither come across nor we have been informed of any instance of major weaknesses in the aforesaid internal control systems.
- v. a. According to the information and explanations given to us, the contracts or arrangements that need to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.

- b. In our opinion and according to the information and explanations given to us, the transactions made in pursuance of such contracts or arrangements exceeding the value of five lacs rupees in respect of any party entered into during the year are at prices which are reasonable having regard to the prevailing market prices at the relevant time.
- vi. As informed, the Company has not accepted any deposits from the public.
- vii. In our Opinion, the Company has an internal audit system commensurate with its size and nature of its business.
- viii. The Central Government has not prescribed maintenance of the cost records under section 209(1) (d) of the Companies Act, 1956 in respect of any of the Company's activities.
- ix. a. According to the information and explanations given to us and the books and records as produced and examined by us, in our opinion, the undisputed statutory dues including in respect of provident fund, investor education and protection fund, employees' state insurance, income-tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess and others as applicable have been regularly deposited by the Company during the year with the appropriate authorities. There were no undisputed statutory dues as at the last day of the financial year outstanding for a period of more than six months from the date they became payable.
- b. According to the records of the Company, there were no dues of income tax, wealth tax, service tax, custom duty, excise duty, cess which have not been deposited on account of disputes. The particulars of dues of sales tax as at 31st March 2009 which have not been deposited on account of disputes are as under:

Name of the dues	Period	Amount under dispute not yet deposited	Forum before whom pending
Sales Tax	Financial year 1984-85, 1985-86, 2000-01 and 2001-02	Rs. 160969	Asst. Commissioner of Sales Tax (Appeals) Delhi

- x. The accumulated losses as at 31st March, 2009 are less than fifty percent of its net worth. The Company has not incurred cash losses in the financial year covered by our audit but has incurred cash losses in the immediately preceding financial year.
- xi. No default in repayment of dues to financial institutions or banks or debenture holders occurred during the year under review.
- xii. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. The provisions of any special statute applicable to chit fund, nidhi/mutual benefit fund/societies as specified under clause (xiii) of paragraph 4 of the Order are not applicable to this Company.
- xiv. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its transactions and contracts for dealing in shares, securities and other investments and has made timely entries therein. The Company is holding all the shares, securities and other investments in its own name except to the **extent mentioned in Schedule 6.**



- xv. The Company has not given any guarantee for loans taken by others from bank or financial institutions except those mentioned in Schedule-5.
- xvi. The Company has not taken any term loans during the year.
- xvii. According to the information and explanations given to us and on an overall examination of the financial statements of the Company and after placing reliance on the reasonable assumptions made by the Company for classification of long term and short term uses of funds, we are of the opinion, that prima facie no funds raised on short term basis have been utilised for long term purposes during the year.
- xviii. According to the information and explanations given to us, during the year under report, 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.
- xix. In our opinion and according to the information and explanations given to us, the Company has not issued any secured debentures during the period covered by our report.
- xx. During the period under report, the Company has not raised any money by public issue.
- xxi. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

For SALARPURIA & PARTNERS  
Chartered Accountants

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.

**BALANCE SHEET AS AT 31st MARCH, 2009**

		<b>As at 31st March, 2009</b>	<b>As at 31st March, 2008</b>
<b>SOURCES OF FUNDS</b>	<b>Schedule</b>	<b>Rupees</b>	<b>Rupees</b>
<b>SHARE HOLDERS' FUNDS</b>			
Share Capital	1	151538500	151538500
Reserves and Surplus	2	136779443	136747135
<b>LOAN FUNDS</b>			
Unsecured Loans	3	91214319	85842723
<b>TOTAL</b>		<b>379532262</b>	<b>374128358</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>	4		
Gross Block		38235320	38598627
Less : Depreciation		8324338	8055283
Net Block		29910982	30543344
<b>INVESTMENTS</b>	5	321579490	321563892
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>	6		
Stocks		2385093	1793228
Sundry Debtors		3740687	3740687
Cash & Bank Balances		8016431	26921775
Loans and Advances		30540933	7950150
		44683144	40405840
<b>Less: Current Liabilities and Provisions</b>	7		
Current Liabilities		44907324	47164039
Provisions		1727960	1278341
		46635284	48442380
<b>Net Current Assets</b>		<b>(1952140)</b>	<b>(8036540)</b>
<b>DEFERRED TAX ASSETS (NET)</b>		<b>24434543</b>	<b>23551632</b>
(Refer Note No. 5 Schedule 12)			
<b>PROFIT AND LOSS ACCOUNT</b>			
Balance (Dr.) as per account annexed		5559387	6506030
<b>TOTAL</b>		<b>379532262</b>	<b>374128358</b>
<b>ACCOUNTING POLICIES AND NOTES ON ACCOUNTS</b>	12		

The Schedules referred to above form an integral part of the Balance Sheet.

As per our report of even date attached  
For SALARPURIA & PARTNERS  
Chartered Accountants

RANJAN KUMAR PODDAR  
Managing Director

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

DAVINDER BHALLA  
G.M. & Company Secretary

GAUTAM KHAITAN  
R. A. KILA  
HARDEV SINGH  
Directors

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.



# **PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2009**

	Schedule	For year ended 31st March, 2009	For year ended 31st March, 2008
		<u>Rupees</u>	<u>Rupees</u>
<b>INCOME</b>			
Sales		1630930	—
Other Income	8	23039752	21798356
		<u>24670682</u>	<u>21798356</u>
<b>EXPENDITURE</b>			
Decrease /(Increase) in Stocks	9	(591865)	601386
Employees' Remuneration and Benefits	10	4500726	4252748
Other Expenses	11	4749885	5317996
Interest - Others		15117479	14521255
Depreciation		786315	830427
		<u>24562540</u>	<u>25523812</u>
<b>PROFIT / (LOSS) BEFORE PROVISION FOR TAX AND NPA's</b>		108142	(3725456)
Add: Withdrawal for diminution in value of Investments		53398	36193
<b>PROFIT/(LOSS) BEFORE TAXATION</b>		161540	(3689263)
Less: Provision for Tax			
Deferred Tax		(882911)	(409368)
Fringe Benefit Tax		65500	80000
<b>PROFIT/(LOSS) AFTER TAXATION</b>		978951	(3359895)
Add: Balance brought forward from previous year		(6506030)	(3146135)
		<u>(5527079)</u>	<u>(6506030)</u>
Less: Amount transfered to NBFC Reserve Fund		32308	—
<b>BALANCE (DEBIT) CARRIED TO BALANCE SHEET</b>		<u>(5559387)</u>	<u>(6506030)</u>
Basic and diluted earning per equity share of Rs.10 each (Refer Note No. 7 of Schedule 12)		0.06	(0.22)

## **ACCOUNTING POLICIES AND NOTES ON ACCOUNTS** 12

The Schedules referred to above form an integral part of the Profit and Loss Account.

As per our report of even date attached  
For SALARPURIA & PARTNERS  
Chartered Accountants

RANJAN KUMAR PODDAR  
Managing Director

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

DAVINDER BHALLA  
G.M. & Company Secretary

GAUTAM KHAITAN  
R. A. KILA  
HARDEV SINGH  
Directors

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2009**

	<b>2008 - 2009</b>		<b>2007 - 2008</b>	
	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>	<b>Rupees</b>
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>				
Net Profit / (Loss) before tax and extraordinary items		<b>108142</b>		<b>(3725456)</b>
Adjustment for				
Depreciation	<b>786315</b>		<b>830427</b>	
Interest/Dividend on Investments	<b>(16555805)</b>		<b>(16559133)</b>	
Loss on fixed assets sold / discarded (Net)	<b>147216</b>		<b>549178</b>	
Profit on Sale of Investments	<b>-</b>		<b>(72550)</b>	
Interest	<b>15117479</b>		<b>14521255</b>	
Employee's Leave Encashment	<b>449619</b>	<b>(55176)</b>	<b>852371</b>	<b>121548</b>
Operating Profit before Working Capital Changes		<b>52966</b>		<b>(3603908)</b>
Adjustment for				
Trade & Other Receivables	<b>(21416096)</b>		<b>24621269</b>	
Inventories	<b>(591865)</b>		<b>601386</b>	
Trade & Other Payables	<b>(578671)</b>	<b>(22586632)</b>	<b>(4166396)</b>	<b>21056259</b>
Cash generated from operations		<b>(22533666)</b>		<b>17452351</b>
Interest paid	<b>(16844620)</b>		<b>(17096858)</b>	
Taxes paid	<b>(1241901)</b>	<b>(18086521)</b>	<b>(1119920)</b>	<b>(18216778)</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES</b>		<b>(40620187)</b>		<b>(764427)</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>				
Purchase of Fixed Assets	<b>(691169)</b>		<b>-</b>	
Sale of Fixed Assets	<b>390000</b>		<b>337500</b>	
Dividend received on Investments	<b>16554948</b>		<b>16553989</b>	
Interest received on Investments	<b>2571</b>		<b>5144</b>	
Sale of Investments	<b>37800</b>		<b>5072550</b>	
<b>NET CASH FLOW FROM INVESTING ACTIVITIES</b>		<b>16294150</b>		<b>21969183</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>				
Increase / (Decrease) in Other borrowings	<b>5420693</b>		<b>(972062)</b>	
<b>NET CASH FLOW FROM FINANCING ACTIVITIES</b>		<b>5420693</b>		<b>(972062)</b>
<b>D. NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS</b>		<b>(18905344)</b>		<b>20232694</b>
CASH AND CASH EQUIVALENT AS AT 31-03-2008		<b>26921775</b>		<b>6689081</b>
CASH AND CASH EQUIVALENT AS AT 31-03-2009		<b>8016431</b>		<b>26921775</b>

**Note :-** Figures in bracket represents outflow

As per our report of even date attached  
For SALARPURIA & PARTNERS  
Chartered Accountants

RANJAN KUMAR PODDAR  
Managing Director

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

DAVINDER BHALLA  
G.M. & Company Secretary

GAUTAM KHAITAN  
R. A. KILA  
HARDEV SINGH  
Directors

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.



## SCHEDULE 1 : SHARE CAPITAL

	As at 31st March, 2009	As at 31st March, 2008
	Rupees	Rupees
<b>AUTHORISED</b>		
20000000(20000000) Equity Shares of Rs. 10 each	<u>200000000</u>	<u>200000000</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>		
15153850(15153850) Equity Shares of Rs.10 each fully paid up	<u>151538500</u>	<u>151538500</u>

Note : Of the above 1494500 Equity Shares were allotted as fully paid-up Bonus Shares by capitalisation of Reserves and Surplus in Profit and Loss Account in earlier years.

## SCHEDULE 2 : RESERVES AND SURPLUS

	As at 31st March, 2008	Addition during the year	As at 31st March, 2009
	Rupees	Rupees	Rupees
Securities Premium	127062200	-	127062200
NBFC Resreve Fund	9684935	32308	9717243
	<u>136747135</u>	<u>32308</u>	<u>136779443</u>

## SCHEDULE 3 : UNSECURED LOANS

	As at 31st March, 2009	As at 31st March, 2008
	Rupees	Rupees
12.5% Fully Convertible Debentures 2272 (2272) Debentures of Rs.125 each Less: Allotment money in arrears	<u>284000</u> <u>142000</u>	
	142000	142000
From Companies	88798631	83377938
Interest Accrued & Due	2273688	2322785
	<u>91214319</u>	<u>85842723</u>

Note: Fully Convertible Debentures of Rs. 125 each were allotted on 25.01.1993 which were convertible into 5 fully paid Equity Shares of Rs.10 each at a premium of Rs. 15 per Equity Share after six months of allotment.

**SCHEDULE 4 : FIXED ASSETS**

DESCRIPTION	GROSS BLOCK				DEPRECIATION				NET BLOCK	
	As at 31st March, 2008 Rupees	Additions during the year Rupees	Sold during the year Rupees	As at 31st March, 2009 Rupees	As at 31st March, 2008 Rupees	During the year Rupees	Adjustments On Sales Rupees	Upto 31st March, 2009 Rupees	As at 31st March, 2009 Rupees	As at 31st March, 2008 Rupees
Land	3425098	-	-	3425098	-	-	-	-	3425098	3425098
Building	28865465	-	-	28865465	4436481	469223	-	4905704	23959761	24428984
Vehicles	1330559	691169	1054476	967252	714337	88367	517260	285444	681808	616222
Furniture & Office Equipments	4520268	-	-	4520268	2568545	193251	-	2761796	1758472	1951723
Computers	457237	-	-	457237	335920	35474	-	371394	85843	121317
<b>TOTAL</b>	38598627	691169	1054476	38235320	8055283	786315	517260	8324338	29910982	30543344
	(40232795)	(-)	(1634168)	(38598627)	(7972346)	(830427)	(747490)	(8055283)	(30543344)	(32260449)





## SCHEDULE 5 : INVESTMENTS

	As at 31st March, 2009 Rupees	As at 31st March, 2008 Rupees
<b>NON - TRADE (AT COST)</b>		
<b>A. LONG TERM INVESTMENTS</b>		
Shares and Debentures :		
(I) (Unquoted)		
7200 (7200) Equity Shares of Rs.10 each fully paid of Carma Arts & Crafts Private Limited.	478800	478800
2700000 (2700000) Equity Shares of Rs.10 each fully paid of Boutique Hotels India Private Limited	27089000	27089000
480 (480) Equity Shares of Rs.10 each fully paid of GMMCO Limited	6559200	6559200
<b>TOTAL (I)</b>	<b>34127000</b>	<b>34127000</b>
(II) (Quoted)		
3750 (3750) Equity Shares of Rs.10 each fully paid of Hindustan Commercial Investment Trust Limited	25000	25000
110 (110) Equity Shares of Rs.10 each fully paid of Andhra Pradesh Paper Mills Limited	13171	13171
4729131 (4729131) Ordinary Shares of Rs.10 each fully paid of The Sirpur Paper Mills Limited	293778990	293778990
384 (762) 6.75% Tax Free US 64 Bonds of Rs. 100 each fully paid of Unit Trust of India.	38400	76200
<b>TOTAL (II)</b>	<b>293855561</b>	<b>293893361</b>
<b>TOTAL A (I + II)</b>	<b>327982561</b>	<b>328020361</b>
Less : Diminution in value of Investments	6403071	6456469
	<b>321579490</b>	<b>321563892</b>

**SCHEDULE 5 : INVESTMENTS**

	<b>As at 31st March, 2009</b>	<b>As at 31st March, 2008</b>
	<b>Rupees</b>	<b>Rupees</b>
<b>NOTES</b>		
1. Aggregate value of Quoted Investments	<b>293855561</b>	293893361
Aggregate value of Unquoted Investments	<b>34127000</b>	34127000
	<b>327982561</b>	328020361
Market value of Quoted Investments	<b>Rs. 144517692</b>	Rs. 376995844

2. Undertaking for non disposal of 4729131 Ordinary Shares of Rs.10 each of The Sirpur Paper Mills Limited has been given to financial institution against sanction of term loan to the said company.

3. Sales/redemption of investments during the year

Description	Sales / Redemption	
	No. of Shares/Units	Amount Rs.
6.75% Tax Free US-64 Bonds of Unit Trust of India	378	37800



## SCHEDULE 6 : CURRENT ASSETS, LOANS AND ADVANCES

	As at 31st March, 2009	As at 31st March, 2008
	Rupees	Rupees
<b>A. CURRENT ASSETS</b>		
Stocks		
(As per inventories taken, valued at cost or net realisable value, which ever is lower and certified by the management)		
* Shares & Securities	2385093	1793228
	<u>2385093</u>	<u>1793228</u>
Sundry Debtors		
(Unsecured, considered good)		
Debts outstanding for a period exceeding six months	3740687	3740687
	<u>3740687</u>	<u>3740687</u>
Cash and Bank Balances		
Cheques and Cash in hand		
(As per books & certified)	2816	26741296
Balances with Scheduled Banks:		
In Current Accounts	8013615	180479
	<u>8016431</u>	<u>26921775</u>
<b>TOTAL (A)</b>	<u>14142211</u>	<u>32455690</u>
<b>B. LOANS AND ADVANCES</b>		
(Unsecured, considered good)		
Loans	23713425	3712281
Interest accrued on loans	1821495	276144
Income accrued but not due	-	1714
Advances recoverable in cash or in kind or for value to be received	2601011	2724410
Income tax payments and tax deducted at source (net of provisions)	2040713	864312
** Security and Other Deposits	364289	371289
	<u>30540933</u>	<u>7950150</u>
<b>TOTAL (B)</b>	<u>30540933</u>	<u>7950150</u>
<b>TOTAL (A+B)</b>	<u>44683144</u>	<u>40405840</u>

## SCHEDULE 6 : CONTINUED

### \* Details of Shares & Securities held :-

Name of the company	Face Value	Paid up Value	As at 31st March, 2009		As at 31st March, 2008	
	Rupees	Rupees	No. of Shares	Rupees	No. of Shares	Rupees
<b>QUOTED</b>						
<b>Equity Shares</b>						
Ace Laboratories Ltd.	10	10	40 @	487	40	487
Asian Securities Ltd.	10	10	300 @	10005	300	10005
Atul Glass Products Ltd.	10	10	1600	72960	1600	72960
Carrier Aircon Ltd.	10	10	300 @	26176	300	26176
Chambal Fertilizers & Chemicals Ltd.	10	10	100	3000	100	3000
Daewoo Motors (India) Ltd.	10	10	1000	4650	1000	4650
Divya Chemicals Ltd.	10	10	10000	22960	10000	22960
G.E. Capital Transportation Financial Service Ltd.	10	10	18600 @	1568590	18600	957774
Haryana Petrochemicals Ltd.	10	10	50 @	50	50	50
Haryana Suraj Malting Ltd.	10	10	300	449	300	449
Indian Petrochemicals Corporation Ltd.	10	10	100 @	13028	100	13028
Jindal Strips Ltd.	10	10	-	-	200	11706
Kings Inter.Aqua Marine Export Ltd	10	10	41800	20864	41800	20864
Mansarovar Paper & Industries Ltd.	10	10	8000	11979	8000	11979
Modern Insulators Ltd.	10	10	4550	10447	4550	10447
Nagarjuna Fertilisers & Chemicals Ltd.	10	10	500 @	8873	500	15638
Norplex Oak India Ltd.	10	10	700	8358	700	8358
Orkay Industries Ltd.	10	10	350	646	350	646
OTIS Elevator Co.(India) Ltd.	10	10	56	13575	56	13575
Punjab Fibre Ltd.	10	10	7600	45522	7600	45522
Salem Textiles & Ind. Ltd.	10	10	2000	23959	2000	23959
Shri Chamundeshwari Sugar Ltd.	10	10	100	995	100 +	995
State Bank of India Ltd.	10	10	200 @	65400	200	65400
The Bank of Rajasthan Ltd.	10	10	11 ++	415	9	895
UTI Equity Fund	10	10	9000 @	94475	9000	94475
UTI Master Plus	10	10	22600 @	352801	22600	352801
Vatsa Finance Corporation Ltd.	10	10	200 @	270	200	270
Volex Leasing & Electronics Ltd.	10	10	340	1690	340	1690
Wimco Ltd.	10	10	342	2469	342	2469
<b>TOTAL</b>			<b>130739</b>	<b>2385093</b>	<b>130937</b>	<b>1793228</b>

Market Value of quoted Shares **Rs. 3011736** **Rs. 2090675**  
(Where market value is not available, carrying amount has been taken as Market Value)

- \*\* Includes National Saving Certificates aggregating to Rs. Nil (Rs. 2000) pledged as security with Sales Tax Department.
- + Includes Nil (50) Shares received as Bonus during the year.
- ++ Includes 2 (Nil) Shares received as Bonus during the year.
- @ Not registered in the name of the company.

NOTES : Advances recoverable includes Rs. Nil (Rs. 8000) due from Secretary of the Company. Maximum amount outstanding at any time during the year Rs.8000 (Rs.8000).



## SCHEDULE 7 : CURRENT LIABILITIES AND PROVISIONS

	As at 31st March, 2009	As at 31st March, 2008
	Rupees	Rupees
<b>A. CURRENT LIABILITIES</b>		
Sundry Creditors *	1323121	1559276
Deposits	35000000	35000000
Income for unexpired period	72581	72581
Interest accrued but not due	6546791	8224835
Tax deducted at source	1964831	2307347
<b>TOTAL (A)</b>	<b>44907324</b>	<b>47164039</b>
<b>B. PROVISIONS</b>		
For Employees' Leave Encashment	1727960	1278341
<b>TOTAL (B)</b>	<b>1727960</b>	<b>1278341</b>
<b>TOTAL (A+B)</b>	<b>46635284</b>	<b>48442380</b>

Note : \* None of the creditors is a micro, small or medium enterprise.

## SCHEDULE 8 : OTHER INCOME

	For year ended 31st March, 2009	For year ended 31st March, 2008
	Rupees	Rupees
Interest (Tax deducted at source Rs. 766111(Rs. 662940))	3725731 *	3188566
Dividend	16560810 **	16554187
Rent (Tax deducted at source Rs. 404790 (Rs. 376980))	1800000	1800000
Miscellaneous Income	948947	162707
Profit on Sale of Investments	-	72550
Excess Provision for Earlier Years Written Back	-	20346
Sundry Balances Written Back	4264	-
	<b>23039752</b>	<b>21798356</b>

\* Includes Rs. 857 (Rs. 5144) from long-term investments.

\*\* Includes Rs.16554948 (Rs. 16553989) from long-term investments.

**SCHEDULE 9 : DECREASE / (INCREASE) IN STOCKS**

	For year ended 31st March, 2009	For year ended 31st March, 2008
	Rupees	Rupees
<b>Opening Stocks</b>		
Shares & Securities	1793228	2394614
	<u>1793228</u>	<u>2394614</u>
<b>Less: Closing Stocks</b>		
Shares & Securities	2385093	1793228
	<u>2385093</u>	<u>1793228</u>
<b>Decrease/(Increase) in Stocks</b>	<u>(591865)</u>	<u>601386</u>

**SCHEDULE 10 : EMPLOYEES' REMUNERATION AND BENEFITS**

	For year ended 31st March, 2009	For year ended 31st March, 2008
	Rupees	Rupees
Salary,Wages,Bonus & Allowances	3962371	3701973
Contribution to Provident & Allied Funds (including administration charges)	224202	219105
Contribution to Gratuity Fund	103865	100000
Welfare Expenses	210288	231670
	<u>4500726</u>	<u>4252748</u>



## SCHEDULE 11 : OTHER EXPENSES

	For year ended 31st March, 2009	For year ended 31st March, 2008
	Rupees	Rupees
Rent & Storage Charges	1907427	1774826
Rates & Taxes	960	-
Insurance	38263	25803
Directors' Meeting Fee	24000	28000
Travelling & Conveyance	178800	140728
Vehicles' Expenses	256486	282582
Printing & Stationery	209731	195926
Postage & Telephone Expenses	403389	495878
Electricity & Water Expenses	164521	186910
Legal & Professional Charges	678603	761236
Advertisement Expenses	94516	73010
Miscellaneous Expenses	515238	638250
Auditor's Remuneration :		
As Audit Fee	27575	28090
For Tax Audit	5515	5618
For Certification	8426	8426
	41516	
Repairs and Maintenance :		
On Others	89219	123535
Loss on Sales of Fixed Assets	147216	549178
	4749885	5317996

## **SCHEDULE 12 : ACCOUNTING POLICIES AND NOTES ON ACCOUNTS**

### **1. ACCOUNTING POLICIES**

#### **i) Accounting Concepts**

The financial statements are prepared under the historical convention cost in accordance with the generally accepted accounting principles in India and in accordance with Accounting Standards as notified by (Accounting Standards) Rules, 2006.

#### **ii) Uses of Estimates**

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets and liabilities on the date of the financial statements and the reported amount of revenues and expenses during the reporting period. Difference between the actual results and estimates are recognised in the period in which the results are known/materialised.

#### **iii) Revenue Recognition**

- a) All income is accounted on accrual basis.
- b) Dividend declared within close of the accounting year are accounted for in respect of shares & securities held by the company.

#### **iv) Expenses**

All expenses are accounted on accrual basis.

- v) In accordance with guidelines for Prudential Norms issued by the Reserve Bank of India to Non-Banking Financial Companies, provision is made for non - performing assets in respect of income and debts/assets.

#### **vi) Depreciation**

Depreciation is provided :

- a) On assets acquired upto 30th June, 1987 on straight line method at the rates corresponding to the rates applicable under the Income Tax Rules, 1962 in force at the time of acquisition/purchase of respective assets.
- b) On assets acquired on and from 1st July, 1987 on Straight Line Method at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956 applicable at the time of acquisition/purchase of respective assets.

#### **vii) Fixed Assets**

Fixed assets are stated at cost less depreciation.

#### **viii) Investments**

Long term investments are stated at cost plus incidental expenses thereto. Provision for diminution in value of investments is made by the company to recognise permanent decline, if any, in the value of each investment. Current investments are valued at lower of cost and market value.

#### **ix) Inventories**

Shares & Securities - At cost or net realisable value, whichever is lower, script wise

#### **x) Deferred Tax**

Deferred tax is recognised on timing differences, being the difference between the taxable income and accounting income that originate in one period and are capable of reversing in one or more subsequent periods. Deferred tax assets on unabsorbed depreciation and carry forward of losses are recognised only to the extent there is a virtual certainty of its realisation.

#### **xi) Employee Benefits**

Liability for employee benefits, both short term and long term, for present and past services which are due as per the terms of employment are recorded in accordance with Accounting Standard (AS) - 15 "Employees Benefits" as notified by Companies (Accounting Standards) Rules, 2006.





## SCHEDULE 12 : CONTINUED

### a. Gratuity

The company makes annual contribution to an approved gratuity fund covered by a policy with Life Insurance Corporation of India. The plan assets are sufficient to cover liability for gratuity fully.

### b. Contribution to Provident & Other Funds

Contribution to Provident Fund and Employees State Insurance are recognised and expensed on accrual basis.

### c. Compensated Absences

Liability for leave is treated as a short term liability and is accounted for on accrual basis

### xii) Contingent Liabilities

Disputed liabilities and claims are treated as contingent liabilities. Claims against the Company are reduced by amounts payable by lessees/ hirers or insurance companies and counter claims of the company in order to determine contingent liability.

2. 2272 12.5% fully convertible debentures of Rs.125 each allotted on 25th January, 1993 have not been converted into fully paid equity shares since allotment money has not been received. Additions to subscribed and paid up share capital will be made as and when allotment money is received.
3. Accounts relating to allotment money in arrears of Fully Convertible Debentures are not reconciled.
4. Disclosures as required under Accounting Standard (AS) 15 (REVISED)

	<u>For year ended</u> <u>31st March, 2009</u>	<u>Gratuity</u> <u>For year ended</u> <u>31st March, 2008</u>
I. Net Asset/(Liability) recognised in the Balance Sheet		
As at end of the year		
Present Value of Defined Benefit Obligations (DBO)	968041	766039
Fair Value of Plan Assets	1597472	1494492
Funded Status - Surplus	629431	728453
Net Asset/(Liability) recognised in the Balance Sheet	NIL	NIL
II. Changes in DBO during the year		
Present Value at beginning of the year	766039	859515
Current Service Cost	43068	12083
Interest Cost	61283	64464
Actuarial Losses/(Gains)	128182	(170023)
Benefits Paid	30531	-
Present Value at the end of the year	968041	766039
III. Changes in Fair Value of Plan Assets during the year		
Plan Assets at beginning of the year	1494492	1275675
Actual return on Plan Assets	133511	123312
Actual Company's Contribution	-	95505
Benefits Paid	30531	-
Plan Assets at the end of the year	1597472	1494492
IV. Components of employees expenses		
Current Service Cost	43068	12083
Interest Cost	61283	64464
Expected return on Plan Assets	(133511)	(123312)
Gain / (Actuarial Losses)	128182	(170023)
Expenses / Income Recognised in the Profit & Loss Account	99022	-
V. Actual Contribution and Benefits Payment for the year		
Actual Benefits Payment	30531	-
Actual Contribution	-	95505
Discount Rate	8%	8%
Expected return on Plan Assets	9%	9%
Salary Escalation	6%	5%

## SCHEDULE 12 : CONTINUED

5. The Company has recognised a deferred tax asset of Rs.882911 (409368) for the year ended 31st March, 2009 as a credit to the Profit & Loss Account. The major components of the net deferred tax asset are as under:-

### Deferred Tax Assets (Net) :

	As at 31st March, 2008 Rupees	Current Year Credit Rupees	As at 31st March, 2009 Rupees
Deferred Tax Liability :			
Depreciation	(A) (12886)	482001	469115
Deferred Tax Assets :			
Losses under Income Tax Act	23143739	1225980	24369719
Others	395007	138932	533939
	(B) 23538746	1364912	24903658
Deferred Tax Assets (Net)	(B-A) 23551632	882911	24434543

### 6. Related Party Disclosures

- (A) List of Related Parties and Relationships where control exists and other related parties with whom transactions have taken place during the year.

Name of the Party	Relation
I. The Sirpur Paper Mills Limited	Aravali Securities & Finance Limited is Promoter
II. Boutique Hotels India Private Limited	Associate
Carma Arts & Crafts Private Limited	Associate
Devi Developers Private Limited	Associate
Devi Overseas Private Limited	Associate
III. Key Management Personnel	
Sh. Jiten Oberoi	Senior Manager

### (B) Related Party Transactions

	Associates Rupees	Promotee Company Rupees	Key Management Personnel Rupees
Lease / Rent	-	1800000	
	(-)	(1800000)	
Interest Income	1128391	-	
	(-)	(-)	
Dividend Income	-	16551959	
	(-)	(16551959)	
Interest Expenditure	-	3500000	
	(-)	(3500000)	
Remuneration paid			557544
			(449296)
Finance provided :			
Loans given	10000000	-	
	(-)	(-)	
Loans received back	6000000	-	
	(-)	(-)	
Balances outstanding as on 31.3.2009 :			
Outstanding/receivables (debit)	4932428	-	
	(36486)	(-)	
Outstanding/payable (credit)	-	36668237	
	(-)	(36668238)	



## SCHEDULE 12 : CONTINUED

### 7. Basic and diluted earning per equity share

For the purpose of calculation of basic and diluted earning per share, the following amounts are considered :-

	For year ended 31st March, 2009	For year ended 31st March, 2008
(i) Amount used as the numerators		
Net profit after tax	Rs. 978951	Rs. (3359895)
(ii) Weighted average number of equity shares	15153850	15153850
(iii) Basic and diluted earning per equity share	Rs. 0.06	(Rs. 0.22)

### 8. Segment Reporting

	For year ended 31st March, 2009 Rupees	For year ended 31st March, 2008 Rupees
I. Segment Revenues :		
a) Shares & Securities	18194305	16698350
b) Financing	3724874	3183422
<b>Total</b>	<b>21919179</b>	<b>19881772</b>
II. Segment Results before Tax, Interest & Other Unallocable Items :		
a) Shares & Securities	18417948	14537435
b) Financing	3724874	3183422
<b>Total</b>	<b>22142822</b>	<b>17720857</b>
Less : Interest	15117479	14521255
	7025343	3199602
Unallocable items :		
Other Unallocable Expenditure	(9615306)	(8805449)
Other Unallocable Income	2751503	1916584
<b>Profit before tax (After NPA provisions)</b>	<b>161540</b>	<b>(3689263)</b>
Less : Taxes	817411	329368
<b>Profit after tax</b>	<b>978951</b>	<b>(3359895)</b>
III. Segment Assets :		
a) Shares & Securities	327705270	327099521
b) Financing	25534920	3988425
c) Unallocable Assets	67367969	84976762
<b>Total</b>	<b>420608159</b>	<b>416064708</b>
IV. Segment Liabilities :		
a) Financing	-	55000
b) Unallocable Liabilities	40088493	40162545
c) Unallocated Unsecured Loans	97761110	94067558
<b>Total</b>	<b>137849603</b>	<b>134285103</b>

Note : Segment Revenue, Segment Results, Segment Assets and Segment Liabilities include the respective amounts identifiable to each of the segments as also amount allocated on a reasonable basis. The expenses/incomes which are not directly relatable to the business segment, are shown as unallocable expenditure and unallocable income. Assets and Liabilities that can not be allocated between the segments are shown as unallocated assets and liabilities respectively.

## SCHEDULE 12 : CONTINUED

### 9. Disclosure of details as required by Para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998

Particulars	Amount Outstanding Rupees	Amount Overdue Rupees
i) Loans and advances availed by NBFC inclusive of interest thereon but not paid		
a) Debentures		
Secured non-convertible debentures	-	-
Unsecured fully convertible debentures	142000	*
b) Inter-corporate loans and borrowings	97619110	2273688
c) Public deposits	-	-
d) Bank borrowings	-	-
* Pending conversion into shares due to non-receipt of allotment money		
ii) Break up of (i) (c) above (Outstanding public deposits inclusive of interest accrued thereon but not paid)		
a) Unsecured debentures	-	-
b) Partly secured debentures	-	-
c) Other public deposits	-	-
iii) Break up of Loans given (inclusive of interest accrued)		
a) Secured	-	-
b) Unsecured	25534920	-
iv) Break up of Leased Assets and Stock on Hire towards Equipment Leasing/Hire Purchase activities		
a) Leased assets (net of depreciation and lease adjustment) including lease rental under sundry debtors	-	-
b) Stock on hire including hire charges under sundry debtors	-	-
v) Break up of Investments (Net of diminution in value of investments)		
a) Current Investments :		
1) Quoted		
- Equity Shares	2385093	-
- Units of Mutual Funds	-	-
b) Long Term Investments :		
1) Quoted		
- Equity Shares	293783330	-
- UTI Bonds	38400	-
2) Unquoted		
- Equity Shares	27757760	-
- Preference Shares	-	-
vi) Borrower group-wise classification of all leased assets (including receivable on assets on lease). Stock on hire and loans		
a) Related Parties		
1) Subsidiaries	-	-
2) Companies in the same group	-	-
3) Other related parties	-	4895942
b) Other than related parties - Loans	-	20638978
<b>Total</b>	<b>-</b>	<b>25534920</b>

Amount Net of Provisions		
Secured	Unsecured	Total
-	-	-
-	-	-
-	4895942	4895942
-	20638978	20638978
-	25534920	25534920



## SCHEDULE 12 : CONTINUED

vii) Investor group-wise classification of all investments (current and long term)		Market Value Break up Value or Fair Value or NAV	Book Value (net of provisions)
a) Related Parties			
1) Subsidiaries		-	-
2) Companies in the same group		-	-
3) Other related parties		224029912	321346790
b) Other than related parties		3244435	2617793
<b>Total</b>		<b>227274347</b>	<b>323964583</b>
viii) Other Information			
a) Gross Non Performing Assets			
1) Related parties		-	-
2) Other than related parties		-	-
b) Net Non Performing Assets			
1) Related parties		-	-
2) Other than related parties		-	-
c) Assets acquired in satisfaction of debt		-	-
<b>10. Contingent Liabilities</b>			
Sales tax liabilities pending company's appeals/rectifications		Rs. 337538	(Rs. 337538)

## 11. Quantitative Details

Name of item	Unit	Opening Stocks		Purchases (Less Returns)		Sales (Less Returns)		Closing Stocks	
		Qty.	Amount Rupees	Qty.	Amount Rupees	Qty.	Amount Rupees	Qty.	Amount Rupees
Shares & Securities	Nos.	130937	1793228	1230 *	-	1428	1630930	130739	2385093
		(130887)	(2394614)	(50)	(-)	(-)	(-)	(130937)	(1793228)

\* Includes 30 shares received as bonus shares and 1200 shares received upon conversion during the year.

**SCHEDULE 12 : CONTINUED****12. Additional Information pursuant to Part IV to Schedule VI of the Companies Act, 1956.****i. Registration Details**

Registration No.	:	<b>55-010526</b>	State Code	:	<b>55</b>
Balance Sheet Date	:	<b>31 03 2009</b>			
		Date Month Year			

**ii. Capital raised during the year (Amount in Rs. Thousands)**

Public Issue	:	<b>NIL</b>	Right Issue	:	<b>NIL</b>
Bonus Issue	:	<b>NIL</b>	Private Placement	:	<b>NIL</b>

**iii. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)**

Total Liabilities	:	<b>379532</b>	Total Assets	:	<b>379532</b>
Sources of Funds :					
Paid-up Capital	:	<b>151539</b>	Reserves and Surplus	:	<b>136779</b>
Secured Loans	:	<b>NIL</b>	Unsecured Loans	:	<b>91214</b>
Application of Funds :					
Net Fixed Assets	:	<b>29911</b>	Investments	:	<b>321579</b>
Net Current Assets	:	<b>(1952)</b>	Miscellaneous Expenditure	:	<b>NIL</b>
Deferred Tax Assets	:	<b>24435</b>	Accumulated Losses	:	<b>5559</b>

**iv. Performance of the Company (Amount in Rs. Thousands)**

Turnover	:	<b>24671</b>	Total Expenditure	:	<b>24509</b>
Profit before Tax	:	<b>162</b>	Profit after Tax	:	<b>979</b>
Earning per Share in Rs.	:	<b>0.06</b>	Dividend Rate	:	<b>NIL</b>

**v. Generic Names of three Principal Products/Services of the Company (as per monetary terms)**

	ITEM CODE NO.	PRODUCT DESCRIPTION
a) Finance	<b>Not Applicable</b>	-
b) Investment / Trading in securities	<b>Not Applicable</b>	-

**13. Comparative figures for the previous year have been regrouped, recast and rearranged wherever necessary and figures in brackets represent previous year figures.**

Signatures to Schedules 1 to 12

As per our report of even date attached  
For SALARPURIA & PARTNERS  
Chartered Accountants

RANJAN KUMAR PODDAR  
Managing Director

KAMAL KUMAR GUPTA  
Partner  
Membership No. 89190

DAVINDER BHALLA  
G.M. & Company Secretary

GAUTAM KHAITAN  
R. A. KILA  
HARDEV SINGH  
Directors

Place : Camp Gurgaon  
Dated : 20<sup>th</sup> August, 2009.

# PROXY FORM

ARAVALI SECURITIES & FINANCE LIMITED

Regd. Office: Sirpur House, Plot No. 39, Sector-44, Gurgaon-122003.

I/We.....

of.....

being a member of the above named Company hereby appoint Mr/Ms.....

of.....

or failing him / her Mr/ Ms.....

of.....

as my/our proxy to attend and vote for me/us and on my/our behalf at the 29th ANNUAL GENERAL MEETING of the Company to be held at 10.30 A.M. on Wednesday, the 30th September 2009 at Community Centre, Sector-4, Gurgaon-122001.

Date.....

Signed.....

Reg. Folio No.....

REVENUE  
STAMP

ATTESTED SIGNATURE OF PROXY

NOTE : To be effective, proxy must reach the Company's Registered Office not less than 48 hours before the Meeting.

ARAVALI SECURITIES & FINANCE LIMITED

Regd. Office: Sirpur House, Plot No. 39, Sector-44, Gurgaon-122003.

## ATTENDANCE SLIP

TO BE HANDED OVER AT THE ENTRANCE OF THE MEETING VENUE

LEDGER FOLIO NO.....

DP ID NO\*.....CLIENT ID NO\*.....

\*Applicable to members holding shares in electronic form.

*Member/Proxy Holder Name	*Father's/Husband's Name	Signature (s)

\* STRIKE OUT WHICH EVER IS NOT APPLICABLE

I hereby record my presence at the 29th Annual General Meeting of the Company at Community Centre, Sector-4, Gurgaon-122001. on Wednesday, the 30th September 2009 at 10.30 A.M.

Signature of Member/Proxy  
(To be signed at the time of handing over this slip)

NOTE : SHARE HOLDER/PROXY HOLDERS DESIRING TO ATTEND THE MEETING SHOULD BRING HIS/HER COPY OF ANNUAL REPORT FOR REFERENCE AT THE MEETING.

**BOOK POST**

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Sirpur House, Plot No. 39, Sector-44  
Gurgaon-122003.

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