

SITA

ENTERPRISES LTD.

**Report
and
Accounts
2009**

SITA ENTERPRISES LIMITED

BOARD OF DIRECTORS

Mr.A.Tulsyan

Mr.K.K.Agrawal

Mr.Sandeep S. Rathi

Smt.S.Tulsyan

BANKERS

Syndicate Bank

HDFC Bank

AUDITORS

M/s.Mittal & Mittal

Chartered Accountants

REGISTERED OFFICE

415-416, Arun Chambers,

Tardeo Road,

MUMBAI - 400 034.

SITA ENTERPRISES LIMITED

NOTICE

The Twenty-Sixth Annual General Meeting of Sita Enterprises Ltd. will be held on Tuesday, the 29th September 2009 at 9.15 A.M. at 415-416, Arun Chambers, Tardeo Road, Mumbai - 400 034 to transact the following business:

ORDINARY BUSINESS:

1. To receive and adopt the Audited Accounts for the year ended 31-3-2009 and the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Shri Sandeep Rathi, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

By order of the Board

Place: Mumbai

Date: 29th June 2009

A. Tulsyan
Director

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.
2. Register of Members and Share Transfer Register of the Company will be closed from 24th to 29th September 2009 (both days inclusive).

SITA ENTERPRISES LIMITED

DIRECTORS' REPORT

TO THE MEMBERS:

Your Directors have pleasure in submitting the 26th Annual Report of the Company together with the audited Annual Accounts showing the financial position of the Company for the year ended on 31st March 2009.

Management Discussion & Analysis:

i) Industry structure and development: The Company is an investment and finance Company and has invested funds in Shares, Securities, Mutual Fund Units, Loans and Advances.

ii) Opportunities & Threats: The Company is keeping a close watch on the trends in industry for making investments in accordance with its size of operations. It is also taking into account the possible threats due to external factors.

iii) Segment-wise or product-wise performance: The Company operates only in the segment of finance and investment and as such there are no reportable segment wise or product wise performance.

iv) Outlook: Baring the unforeseen circumstances and the risks and concerns, the management is hopeful to achieve reasonable performance in the current financial year: 2009-2010.

v) Risks and concerns: The Company has exposure in Shares, Securities, Loans & Advances and any adverse development in stock market and industry will have an impact on the Company's performance.

vi) Internal control systems and their adequacy: The Company has adequate internal control systems commensurate for its limited operations.

vii) Financial & Operational performance

	Rupees in lacs.
GROSS INCOME	10.01
Gross Operating Profit	03.28
Depreciation	0.24
PROFIT BEFORE TAX	03.04
Provision for Taxation	0.15
PROFIT AFTER TAX	02.89

viii) Material developments in Human Resources: The relation of the company with its small team of employees remained cordial throughout the year. The company is not engaged in any industrial activity.

Dividend:

Your Directors do not recommend any dividend for the year ended on 31st March 2009

Directors:

Shri Sandeep Rathi retires from the Board by rotation and being eligible offers himself for re-appointment as director.

Listing:

The Company has paid all dues towards listing fees to The Bombay Stock Exchange Ltd. up to 2009-2010. As not a single trade has taken place at Ahmedabad Stock Exchange, since the listing of the Company's shares there in 1995, the Company had requested for delisting of its shares and had made payment for listing upto 31-3-2000 with the understanding that the exchange would delist its shares under the provisions of compulsory delisting of shares by the exchange and no further payment would be demanded from the Company. On the failure of the exchange to abide by this arrangement the Company has referred the matter to SEBI whose reply is awaited.

Directors Responsibilities Statement:

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

- That in the preparation of the accounts for the financial year ended 31st March 2009, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review;
- That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- That the Directors have prepared the accounts for the financial year ended 31st March 2009 on a 'going concern' basis.

Auditors:

Messrs. Mittal & Mittal, Chartered Accountants, retire as Auditors of the Company at the ensuing Annual General Meeting and are eligible for re-appointment.

Corporate Governance:

A separate section for Corporate Governance and a Certificate from the auditors of the Company for compliance of conditions of Corporate Governance and declaration for compliance of code of conduct and ethics as stipulated under clause 49 of the listing agreement with the Stock Exchanges, form part of the Annual Report.

Other Information:

The company has no employee of the category specified in Section 217(2A) of the Companies Act, 1956.

The Company has not consumed any significant quantity of energy; therefore no comments are made on conservation of energy and technology absorption. There has been no foreign exchange income/outflow during the year under review.

The Company has not accepted any deposit within the meaning of Sections 58A & 58AA of the Companies Act, 1956 and the rules made there under.

On behalf of the Board

Place: Mumbai
Dated: 29th June 2009

A. Tulsyan
Director

Details of Director seeking re-appointment at the Annual General Meeting.
Name of the Director – Sandeep Rathi.
Age – 47 years
Category – Independent Non-Executive Director
List of other Public Companies in which Directorship/ Chairmanship held as on 31-3-2009 – Nil.
Member of the Committees of other Companies – Nil.

SITA ENTERPRISES LIMITED

CORPORATE GOVERNANCE REPORT

CORPORATE GOVERNANCE PHILOSOPHY: Sita Enterprises Limited ("the Company") believes in conducting its affairs in a fair and transparent manner and maintaining the high ethical standards in dealings with all its constituents.

BOARD OF DIRECTORS: The composition of the Board of Directors and details with regard to them is as follows: -

Name of Directors and Category	No. of Directorships in other Public Companies	No. of Committee Memberships in other Companies	No. of Board Meetings held during the tenure	No. of Board meetings attended	Last AGM attended
A Tulsyan Promoter	2	-	5	5	Yes
K K Agrawal Independent Non Executive	1	-	5	1	No
S Tulsyan Promoter	2	-	5	5	No
S Rathi Independent Non Executive	-	-	5	5	Yes

During the year ended 31.3.2009 five board meetings were held on 05/05/08, 26/06/08, 31/07/08, 24/10/08 and 28/01/09.

AUDIT COMMITTEE: The Company has constituted an audit committee with Mr. S Rathi as chairman, Mr. K K Agrawal as independent member and Mr. A Tulsyan as non-executive director. During the year 4 committee meetings were held which were attended by committee members.

The broad terms of reference of the Audit Committee include, reviewing of annual financial statements, financial policies, adequacy of internal control systems and internal audit functions, overseeing of the Company's financial reporting process, appointment of auditors, etc.

REMUNERATION OF DIRECTORS: The Company does not pay remuneration to its directors and no committee has been formed for the purpose.

SHARE HOLDERS COMMITTEE: Mr. S. Rathi- director heads the shareholders Committee. Mr. Vasant Vora - Assistant Manager is the Compliance Officer. During the year the Company received and solved 1 complaint. There were no pending complaint and share transfers as on 31.3.2009.

GENERAL BODY MEETINGS: The last three Annual general meeting were held at Company's registered office on 29.09.2008 at 9.15 AM, 28.09.2007 at 9.15 AM and on 29.09.2006 at 9.15 AM. In the previous 3 Annual General Meetings no special resolution was passed. No special resolution through postal ballot was passed in the last year and no such resolution is proposed now.

DISCLOSURES: Transaction entered into with related parties as disclosed in schedule H of the accounts have no potential conflict with the interest of company at large. The Company has complied with the requirements of regulatory authorities on capital markets and no penalties or strictures have been imposed against it. The appointment of company secretary is pending for which Company is making efforts. Company is not implementing formal Whistle Blower policy. However, no personnel has been denied access to the Audit Committee of the Company. The Company has implemented mandatory requirements of clause 49 of the listing agreement.

Code of Conduct : The Board of Directors have adopted the Code of Business Conduct and Ethics for Directors and Senior Management which have been posted at www.sebidifar.nic.in

MEANS OF COMMUNICATION: Quarterly results are normally published in Asian Age and Aapala Mahanagar. The results and news releases are displayed at www.edifar.com and website of Bombay Stock Exchange - www.bseindia.com. No presentations are made to institutional investors or to the analysts.

GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting will be held on 29.09.2009 at 9.15AM at 415/416 Arun Chambers, Tardeo Road, Mumbai - 400 034. Financial year is from 1st April to 31st March. Date of Book Closure: - From 24th to 29th September 2009. The Company's shares have been listed at Bombay Stock Exchange - Stock code 512589. The Para in Directors' report about listing forms part of this report.

Stock market price data for the year ended 31st March 2009:

Month	Sita Enterprises		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 08	11.57	9.46	17480.74	15297.96
May 08	9.50	8.20	17735.70	16196.02
June 08	7.80	6.18	16632.76	13405.54
July 08	5.90	4.45	15130.09	12514.02
Aug 08	4.95	4.50	15579.78	14002.43
Sept 08	5.00	4.76	15107.01	12153.55
Oct 08	5.25	4.76	13203.86	7697.39
Nov 08	4.98	4.51	10945.41	8316.39
Dec 08	-	-	10188.54	8467.43
Jan 09	4.29	4.08	10469.72	8631.60
Feb 09	3.88	2.90	9724.87	8619.22
Mar 09	3.06	3.00	10127.09	8047.17

*No Trading

SHARE TRANSFERS/ DEMATERIALISATION:

Registrar & Share Transfer Agents (Both for Physical & Demat)
Link Intime Pvt. Ltd. (Intime Spectrum Registry Ltd) - C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup (W), Mumbai - 400 078.

All the transfers are received and processed by the registrar and transfer agents and are approved by the Share Transfer Committee. The Company has made dematerialisation arrangement of its shares with NSDL and CDSL. The ISIN allotted for it's shares is INE 579D01019. 48.67% of the total capital is held in Demat mode. The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

DISTRIBUTION OF SHAREHOLDING: as on 31-3-09 - Promoters - 22,50,000 shares (75.00%) Private Corporate Bodies - 65,194 (2.17%) Indian Public - 6,82,313 shares (22.75%) Others - 2493 shares (0.08 %)

PLANT LOCATION: The Company does not have any plant.

ADDRESS FOR CORRESPONDENCE:

Sita Enterprises Ltd.
415/416, Arun Chambers,
Tardeo Road, Mumbai - 400 034.

DECLARATION

As provided under clause 49 of the listing agreement, the board members and senior management personnel have confirmed compliance with the code of conduct and ethics for the year ended 31st March, 2009.

For Sita Enterprises limited

Place : Mumbai
Dated : 29-06-2009

(A. Tulsyan)
Director

Auditors' Report on Corporate Governance:

We have examined the compliance of conditions of corporate governance by Sita Enterprises Limited, for the year ended on 31st March 2009 as stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchanges, Mumbai.

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 with the conditions 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 in all material respects with the conditions of Corporate Governance as stipulated in clause 49 of the above-mentioned Listing Agreement.

We state that no investor grievance is pending for a period exceeding one month as on month as on 31st March 2009, against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.

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 Mittal & Mittal
Chartered Accountant

Place: Ajmer
Date: 29th June 2009

Ajeet Agarwal
Partner

SITA ENTERPRISES LIMITED

BALANCE SHEET AS AT 31st MARCH 2009

PARTICULARS	Schedule	As at 31-3-2009 Rs.	As at 31-3-2008 Rs.
I. SOURCES OF FUNDS :			
1 Shareholders' funds			
(a) Share Capital	A	30,000,000	30,000,000
(b) Reserves & Surplus	B	49,113,986	48,824,961
Total		<u><u>79,113,986</u></u>	<u><u>78,824,961</u></u>
II. APPLICATION OF FUNDS			
1 Fixed Assets	C		
(a) Gross Block		639,017	632,017
(b) Less: Depreciation		<u>619,554</u>	<u>595,610</u>
(c) Net Block		19,463	36,407
2 Investments	D	53,738,570	52,667,038
3 Current Assets, Loans & Advances			
(a) Cash & Bank Balance	E	2,723,406	252,561
(b) Loans & Advances	F	<u>22,644,147</u>	<u>26,020,573</u>
		25,367,553	26,273,134
Less : Current Liabilities & Provisions			
(a) Sundry Liabilities		5,000	5,618
(b) Provision for Income Tax		<u>6,600</u>	<u>146,000</u>
		11,600	151,618
Net Current Assets		25,355,953	26,121,516
Total		<u><u>79,113,986</u></u>	<u><u>78,824,961</u></u>
Notes to Accounts and accounting policies	H		

As per our report attached
For Mittal & Mittal
Chartered Accountants

For and on behalf of the Board

Ajeet Agarwal
Partner

A.Tulsyan
Director

S.Tulsyan
Director

PLACE : AJMER
DATED :29th June 2009

PLACE : MUMBAI
DATED :29th June 2009

SITA ENTERPRISES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009

PARTICULARS	Schedule	Year ended 31-3-2009 Rs.	Year ended 31-3-2008 Rs.
I. INCOME :			
Interest		664,959	971,320
Dividend Income		278,875	84,036
Profit on sale of Investments		57,113	1,056,681
		<u>1,000,947</u>	<u>2,112,037</u>
II. EXPENDITURE :			
Payment to employees		258,232	244,000
Other Establishment Expenses	G	414,334	321,613
Depreciation		23,944	54,612
		<u>696,510</u>	<u>620,225</u>
III. PROFIT BEFORE TAXATION			
		304,437	1,491,812
Current Income Tax		6,600	146,000
Deferred Tax		-	-
Fringe Benefit Tax Paid		8,812	9,581
IV. PROFIT AFTER TAXATION			
		<u>289,025</u>	<u>1,336,231</u>
Previous year profit B/f		<u>3,824,961</u>	<u>4,988,730</u>
V. PROFIT AVAILABLE FOR APPROPRIATION			
		4,113,986	6,324,961
Transferred to General Reserve		-	2,500,000
Profit carried to Balance Sheet		<u>4,113,986</u>	<u>3,824,961</u>
Basic and Diluted Earning Per Share		0.10	0.45

Notes to Accounts and accounting policies

H

As per our report attached
For **Mittal & Mittal**
Chartered Accountants

For and on behalf of the Board

Ajeet Agarwal
Partner

A.Tulsyan
Director

S.Tulsyan
Director

PLACE : AJMER
DATED :29th June 2009

PLACE : MUMBAI
DATED :29th June 2009

H. Notes to Accounts and accounting policies.

1 Significant accounting policies.

i. The Financial Statements are prepared on Accrual Basis under Historic Cost Convention and in accordance with the Accounting Standards specified by the Institute of Chartered Accountants of India with proper explanations relating to material departures.

ii. Fixed Assets are stated at cost including any acquisition expenses. Depreciation is provided at higher rates on written down value basis as per Income Tax Act as a measure of prudence though accounting standard 6 provides for provision of depreciation as per Company's Act. The accounting of fixed assets is done as per provision of Income Tax Act, 1961 as Block of Assets. The difference in depreciation as per Company's Act and as per Income Tax, Act is not material.

iii. Investments - Investments are stated at cost. Income from Investments is included together with the related tax credit in the Profit & Loss Account.

2 Previous period's figures have been regrouped/rearranged wherever necessary.

3 Tax deducted at source (in Rs) on interest income - 1,36,981/- (2,00,092/-) and on dividend Nil.

4 Basic and Diluted earning per share has been calculated by dividing the net profit after tax i.e. Rs.2.89 Lacs for the year by the weighted average number of equity shares outstanding during the year i.e. 30 Lacs shares.

5 Related Party Disclosures: Associates-Goyal Housing And Finance Ltd., Sita Capital Pvt. Ltd. Details of Transactions with associates - (Rs. in Lacs) Balance as on 31.3.09 - Advances paid - 64.

6 The provision for deferred tax assets/liabilities as on 31-3-09 is Nil. Provision for bad and doubtful debts and for depreciation in investments - Nil. Gross non-performing assets - Nil. Net non-performing assets - Nil, Assets acquired in satisfaction of debts - Nil. Amount due to SSI units as on 31-03-2009 - Nil.

7 The Company is in the business of investment and finance and its all activities revolve around this business. As such, there are no separate reportable Segments.

8 Balance Sheet Abstract and Company's General Business Profile:

I Registration Details: Registration No.11-26737 State Code 11
Balance Sheet Date: 31-3-2009

II Capital Raised during the Year (Amount in Rs.)

Public Issue - Nil	Right Issue - Nil
Bonus Issue - Nil	Private Placement - Nil

III Position of Mobilisation and Deployment of Funds (Amount Rs. in Lacs)

Total Liabilities	791.14	Total Assets	791.14
Paid-up Capital	300.00	Reserves & Surplus	491.14
Secured Loans	Nil	Unsecured Loans	Nil

Application of Funds:

Net Fixed Assets	0.19	Investments	537.39
Net Current Assets	253.56	Misc. Expenses	Nil
Accumulated Losses:	Nil		

Performance of Company (Amount Rs. in lacs)

IV Turnover	10.01	Total Expenditure	6.97
Profit Before Tax	03.04	Profit after Tax	02.89
Earning Per Share (Rs.)	0.10	Dividend rate	Nil

V Generic Names of Three Principle Products/Services of Company (as per monetary terms) Trading and Investment.

Item Code No. - N.A.

As per our report attached

For MITTAL & MITTAL
Chartered Accountants

For and on behalf of the Board

Ajeet Agarwal
Partner
(M.No.077493)
Place: Ajmer
Dated: 29th June 2009

A. Tulsyan S. Tulsyan
Director Director
Place: Mumbai
Dated: 29th June 2009

SITA ENTERPRISES LIMITED.

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2009

	Rs.	Rs.
	Year ended	Year ended
	31/03/2009	31/03/2008
Cash Flow from Operating Activities:		
Net profit before tax and Extraordinary items	304,437	1,491,812
Adjustments for:		
Depreciation	23,944	54,612
(Profit)/ Loss on sale of investments	(57,113)	(1,056,681)
Dividend Income	(2,78,875)	(84,036)
(Profit)/ Loss on sale of Fixed Assets	-	-
Operating Profit Before Working Capital Changes	(7,607)	4,05,707
Adjustments for:		
Trade and other receivables	33,76,426	(42,60,295)
Trade Payables and Other Liabilities	(140,018)	(44,000)
Cash Generated from Operations	32,28,801	(38,98,588)
Direct Taxes paid	(15,412)	(155,581)
Net Cash from Operating Activities... A	32,13,389	(4,054,169)
Cash Flow from investing Activities		
Purchase of Fixed Asset	(7000)	-
Purchase in investment	(32,849,469)	(23,050,871)
Sale of investment	31,835,050	25,991,634
Dividend Received	2,78,875	84,036
Sale of Fixed Assets	-	-
Net Cash Used in investing Activities... B	(7,42,544)	3,024,799
Cash Flow from Financing Activities:		
Net Cash Flow from Financing Activities... C	Nil	Nil
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	24,70,845	(1,029,370)
Cash and Cash equivalents Opening Balance	252,561	1,281,931
Cash and Cash equivalents Closing Balance	27,23,406	252,561

Note: Figures in brackets represent outflows.

As per our report attached

For MITTAL & MITTAL

For and on behalf of the Board

Ajeet Agarwal
Partner
(M.No.077493)
Place: Ajmer
Dated: 29th June 2009

A. Tulsyan S. Tulsyan
Director Director
Place: Mumbai
Dated: 29th June 2009

Auditor's Report

To the Members of Sita Enterprises Limited

1) We have audited the attached Balance Sheet of Sita Enterprises Limited, as at 31st March 2009, the Profit and Loss Account and also the 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 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 amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable, to the company during the year.

4) Further to our comments in the Annexure referred to in Para 3 above, we report as follows:

- (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose 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, 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, Profit and Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in subsection (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 explanation given to us, the said accounts, read together with the significant accounting policies and notes thereon in schedule -H give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March 2009,
 - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date and
 - (c) in the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.

For Mittal & Mittal
Chartered Accountants

Ajeet Agarwal
Partner
Membership No.077493

Place: Ajmer
Dated : 29th June 2009

1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
(b) The fixed assets of the company have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.
(c) None of the fixed assets of the company has been disposed off during the year.
2. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
(b) In our opinion, the rate of interest and other terms and conditions of loans given by the company are not prima facie prejudicial to the interest of company. The parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.
(c) In respect of the aforesaid loans, there is no overdue amount of more than Rupees one Lakh.
(d) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
3. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of securities and fixed assets and for sale of securities. During the course of our audit no major weakness have been observed in the internal controls.
4. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained in pursuance of Section 301 of Act.
5. The company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
6. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
7. As per the records verified by us and as explained to us, the Company has been regular in depositing undisputed statutory Income-tax dues with the appropriate authorities and there were no arrears under the above head which were due for more than six months from the date they became payable as at the close of the year. The statutes relating to Employees State Insurance, Provident Fund, Sales tax, Wealth Tax, Custom Duty, Investor Education and Protection Fund, Service tax, Excise Duty, Cess and other statutory dues are not applicable to the Company during the year.
8. The company has no accumulated losses as at 31-3-2009 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
9. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
10. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the company.
11. In our opinion, the company has maintained proper records of transactions and contracts relating to shares and securities entered into during the year and timely entries have been made therein. Further, such securities have been held by the company in its own name.
12. In our opinion, and according to the information and explanation given to us the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
13. The company has not obtained any term loans.
14. On the basis of an overall examination of the balance sheet of the company, in our opinion, and according to the information and explanation given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
15. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
16. The company has not raised any money by public issues during the year.
17. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
18. The other clauses of the Companies (Auditor's Report) Order 2003 are not applicable in case of the company for the current year.

For Mittal & Mittal
Chartered Accountants

Place: Ajmer
Dated: 29th June 2009

Ajeet Agarwal
Partner
Membership No.077493

SITA ENTERPRISES LIMITED

Regd. Off: 415-416, Arun Chambers, Tardeo Road, Mumbai - 400 034

ATTENDANCE SLIP

(Please Present this slip at the Entrance of the Meeting Hall)

Name of Member/Proxy

Reg.Folio No.

No.of Shares held

I certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the 26th ANNUAL GENERAL MEETING OF THE COMPANY held at 415-416 Arun Chambers, Tardeo Road, Mumbai - 400 034 on Tuesday the 29th September 2009.

Signature of Member/Proxy

SITA ENTERPRISES LIMITED

Regd. Off: 415-416, Arun Chambers, Tardeo Road, Mumbai - 400 034

PROXY FORM

Name of Member

Reg.Folio No.

No.of Shares held

I/We of _____ being a member / members of the above mentioned Company hereby appoint _____ of _____ failing him _____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at TWENTY-SIXTH ANNUAL GENERAL MEETING of the Company to be held on Tuesday the 29th September 2009 and any adjournment thereof.

Signed this _____ day of _____ 2009.

Affix
Rupee One
Revenue
Stamp

Signature

N.B. The proxy must be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the meeting.