

# RAVINAY TRADING COMPANY LIMITED

## 30<sup>TH</sup> ANNUAL REPORT – 2010-11

### BOARD OF DIRECTORS:

Mr. Ravindrakumar Ruia	Director
Mr. Vardhman Mishrilal Jain	Director
Mr. Durgesh Kabra	Director (w.e.f 12 <sup>th</sup> August, 2011)
Mr. Vivek Moolchand Sharma	Director (w.e.f 12 <sup>th</sup> August, 2011)

### REGISTERED OFFICE

State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023  
E-mail : [ravinay.trading@gmail.com](mailto:ravinay.trading@gmail.com)

### AUDITORS

M/s K.D. Vyas & Co.,  
Chartered Accountants,  
301, Siddheshwar Heights,  
Mogul Lane, Mahim,  
Mumbai 400 016.

### REGISTRAR & SHARE TRANSFER AGENT

Sharex Dynamic (India) Private Limited  
Unit No. 1, Luthra Industrial Premises,  
Andheri Kurla Road, Safeed Pool, Andheri (East),  
Mumbai-400 072.  
Tele: 28515606/28528087/28516338  
Website : [www.sharexindia.com](http://www.sharexindia.com)  
E-mail : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

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## NOTICE

NOTICE is hereby given that the 30<sup>th</sup> Annual General Meeting of the Members of **RAVINAY TRADING COMPANY LIMITED** will be held at the Registered Office of the Company at State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023 on Friday, the 30<sup>th</sup> day of September, 2011 at 4.00.0 P.M. to transact the following business:

### ORDINARY BUSINESS :

1. To receive, consider and adopt the Balance Sheet as at 31<sup>st</sup> March, 2011 and Profit and Loss Account and annexures thereto for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ravindrakumar V. Ruia, who retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment.
3. To appoint M/s CLB & Associates, Chartered Accountants, Mumbai as Statutory Auditor of the Company, in place of M/s. K.D. Vyas & Co., Chartered Accountants, Mumbai, to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting.

### SPECIAL BUSINESS :

#### 4. **REGULARISATION OF MR. DURGESH KABRA AS DIRECTOR**

To Consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Durgesh Kabra who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the conclusion of ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company."

#### 5. **REGULARISATION OF MR. VIVEK MOOLCHAND SHARMA AS DIRECTOR**

To Consider and if thought fit, to pass with or without modification, the following Resolution as an Ordinary Resolution:

**"RESOLVED THAT** Mr. Vivek Moolchand Sharma who was appointed as an Additional Director of the Company pursuant to the provisions of Section 260 of the Companies Act, 1956 and who holds office upto the conclusion of ensuing Annual General Meeting, be and is hereby appointed as a Director of the Company."

**For Ravinay Trading Company Limited**

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

Sd/-  
R.V.Ruia  
Director

**NOTES :**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND ON A POLL, TO VOTE INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE A MEMBER. THE INSTRUMENT APPOINTING PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. Corporate Members are requested to send a duly certified copy of Board Resolution authorizing their representative(s) to attend and vote on their behalf at the Meeting.
3. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to address their queries to the **Mr. R.V Ruia, Compliance Officer of the Company**, so as to reach the registered office of the Company at least seven days before the date of the meeting, to enable the Company to make available the required information at the meeting, to the extent possible.
4. The Register of Members and Share Transfer Books will remain closed from **Monday, 26<sup>th</sup> September, 2011 to Friday, 30<sup>th</sup> September, 2011 (both days inclusive)**
5. Members are requested to notify immediately any change in their address / bank mandate to their respective Depository Participant (DP) in respect of their electronic share accounts and to the Company's Registrar & Share Transfer Agent at **SHAREX DYNAMIC (INDIA) PRIVATE LIMITED** Unit No. 1, Luthra Industrial Premises, Andheri Kurla Road, Safeed Pool, Andheri (East), Mumbai-400 072 in respect of their physical share folios.
6. Depository System:  
The Company has entered into agreements with NSDL and CDSL. Members, therefore now have the option of holding and dealing in the shares of the Company in electronic form through NSDL or CDSL.
7. Members are requested to bring their copy of Annual Report to the Meeting.
8. Members are requested to bring the Attendance Slip sent herewith duly filled for attending the Meeting.
9. **Green Initiative in the Corporate Governance (Registration of e-mail address)**  
The Members are requested to register their e-mail address with the Depository Participants/ Registrar & Share Transfer Agent of the Company, as the case may be for service of documents.
10. Explanatory Statement as required by Section 173(2) of the Companies Act, 1956 in respect of Special Business of the Notice is annexed hereto.

**For Ravinay Trading Company Limited**

**Date : 24<sup>th</sup> August, 2011**  
**Place : Mumbai**

**Sd/-**  
**R.V.Ruia**  
**Director**

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**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956**

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The following Explanatory Statement sets out all the material facts relating to the Special Business of the accompanying Notice of the 30<sup>th</sup> Annual General Meeting of the Company to be held at the Registered Office of the Company on Friday, the 30<sup>th</sup> Day of September 2011 at 4.00 p.m.

**Item No. 4 & 5 :**

Pursuant to Section 260 of the Companies Act, 1956, Mr. Durgesh Kabra and Mr. Vivek Moolchand Sharma, were appointed as Additional Directors of the Company (Non Executive & Independent) w.e.f 12<sup>th</sup> August, 2011 and the Directors who hold office only upto the date of the forthcoming Annual General Meeting of the Company, and are eligible for appointment as Director. The Company has received notices under Section 257 of the Act, in respect of the candidates, proposing their appointment as a Director of the Company, along with the requisite deposit. The Board recommends this resolution for your approval.

None of the Directors other than Mr. Durgesh Kabra is interested or concerned in the said resolution (Item No.4 of this Notice).

None of the Directors other than Mr. Vivek Moolchand Sharma is interested or concerned in the said resolution (Item No.5 of this Notice)

All documents referred above are open for inspection at the Registered Office of the Company during office hours on all days except Sunday & Public holidays between 12.00 p.m. to 2.00 p.m. up to the date of Annual General Meeting.

**Details of Directors seeking Appointment / Re – appointment in the forthcoming Annual General Meeting. (in pursuance of Clause 49 of Listing Agreement)**

<b>MR. RAVINDRAKUMAR V. RUIA</b>	
Age & Qualification	50 years, holds an honours degree in Commerce (1982) from Sydenham College. He had undergone Mill Management Training Course from the International Institute for Cotton, Manchester, U.K. and Textile Mill Management Courses from South Indian Textile Research Association, Coimbatore.
Expertise in specific areas	He gained sufficient knowledge of various processes in the textile industry & in the manufacturing process
Directorship held in other Companies	Special Paints Limited Ruia Industries Private Limited Dawn Apparels Private Limited RNR Trading Private Limited Breezwell Homes & Holdings Private Limited DCW Limited Bajaj Hindusthan Limited Altamount Holdings & Trading Co. Private Limited
Membership of committee of board in other Companies	In Bajaj Hindusthan Limited, he is the Chairman of Audit Committee and member of Shareholders' Grievance Committee & Remuneration Committee.
No. of Shares held in the Company (as on 30.06.2011)	64400
Disclosure of relationship with other directors of the Company	He doesn't have any relationship with the other directors of the Company.

<b>MR. DURGESH KABRA</b>	
Age & Qualification	48 years, He is a B. Com and F.C.A
Expertise in specific areas	He has experience of around 25 years in the field of Tax Planning, Company Law matters, Audit Expertise and Finance Management.
Directorship held in other Companies	Dhanlaxmi Fabrics Limited DMKH Consulting Private Limited Sunteck Wealthmax Capital Private Limited
Membership of committee of board in other Companies	In Dhanlaxmi Fabrics Limited, he is the member of Audit Committee
No. of Shares held in the Company (as on 30.06.2011)	NIL
Disclosure of relationship with other directors of the Company	He doesn't have any relationship with the other directors of the Company.

<b>MR. VIVEK MOOLCHAND SHARMA</b>	
Age & Qualification	36 years, he is a B.E (Civil) from Gwalior
Expertise in specific areas	He has experience of around 10-12 years in the Real Estate Business
Directorship held in other Companies	NIL
Membership of committee of board in other Companies	NIL
No. of Shares held in the Company (as on 30.06.2011)	NIL
Disclosure of relationship with other directors of the Company	He doesn't have any relationship with the other directors of the Company.

**For Ravinay Trading Company Limited**

**Date : 24<sup>th</sup> August, 2011**  
**Place : Mumbai**

**Sd/-**  
**R.V.Ruia**  
**Director**

## DIRECTORS' REPORT

To,  
The Members of  
Ravinay Trading Company Limited

Your Directors have pleasure in presenting their Report on the operations of the Company, together with the Audited Accounts for the financial year ended 31<sup>st</sup> March, 2011.

### FINANCIAL HIGHLIGHTS :

Particulars	Year ended 31.03.2011	Year ended 31.03.2010
Total Income	23,53,559	9,51,602
Total Expenditure	6,23,276	3,90,271
<b>Profit / (Loss) Before Taxes</b>	<b>17,30,283</b>	<b>5,61,331</b>
Less: Provision for Tax	5,45,000	2,90,000
Less: Provision for Deferred Taxation	1,798	-
Less: Income tax in respect of earlier year	96,793	-
<b>Profit / (Loss) After Tax</b>	<b>10,86,692</b>	<b>2,71,331</b>
Add: Balance brought forward from previous year	41,86,341	39,15,010
<b>Balance Carried to Balance Sheet</b>	<b>52,73,033</b>	<b>41,86,341</b>

### BUSINESS OUTLOOK :

The Profit after tax is Rs. 10,86,692/- as compared to previous year (2009-10) which was Rs. 2,71,331/-

### FUTURE PROSPECTS :

During the year, "Om Vashistha Developers" which was a partnership firm converted into proprietorship firm w.e.f. 18<sup>th</sup> November, 2010 & the Company is controlling 100% stake in the said firm. It is developing a residential cum commercial project at Ramwadi Bail Bazar, Kalyan (W), necessary approvals have already been obtained from Kalyan Dombivli Municipal Corporation and the project is in full swing, as on date 2<sup>nd</sup> slab of commercial area is under progress. The project is expected to be completed by the end of 2012.

"Mark Developers" is a partnership firm with 50% share of Company & is developing a residential cum commercial complex at Dindoli within the limit of Surat Municipal Corporation. All approvals have been obtained and project is started, expected to be completed by the end of March 2013.

### DIVIDEND :

Your Directors do not recommend any dividend for the financial year 2010-11 with a view to conserve the resources for future.

### DIRECTORS :

Mr. Durgesh Kabra and Mr. Vivek Moolchand Sharma, have appointed as Additional Director (Non Executive & Independent) w.e.f 12<sup>th</sup> August, 2011 pursuant to Section 260 of the Companies Act, 1956. They will vacate office at the ensuing Annual General Meeting and offers themselves for appointment as Director at the ensuing Annual General Meeting. Your Company has received notice in writing from a member proposing their candidature for appointment as Director.

Ms. Rekha Ravindrakumar Ruia and Mr. Sushil Kumar Ramjiwan Nevatia, have resigned from the directorship of the Company w.e.f 12<sup>th</sup> August, 2011. The Board wishes to place on record its appreciation for the services provided by them during their tenure as Director.

**Mr. Ravindrakumar V. Ruia**, Directors of the Company, retires by rotation and being eligible, offers himself for re-appointment at the ensuing Annual General Meeting.

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

The provision of Section 217(1)(e) of the Companies Act, 1956 read with Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1998, are not applicable to the Company as the Company is not doing any manufacturing activity.

The Company has not earned or expended any foreign exchange during the year under the review.

**PARTICULARS OF EMPLOYEES :**

The Company does not have any employee in receipt of remuneration equal to or exceeding the limits prescribed under Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended.

**DIRECTORS' RESPONSIBILITY STATEMENT :**

Pursuant to the requirement under Section 217 (2AA) of the Companies Act, 1956 with respect to the Director's Responsibilities Statement, it is hereby confirmed:

- (i) That in the preparation of the Annual Accounts for the financial year ended 31<sup>st</sup> March 2011, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- (ii) That the Directors had 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.
- (iii) That the Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- (iv) That the Directors had prepared the Annual Accounts for the financial year ended 31<sup>st</sup> March 2011 on a 'going concern' basis.

**AUDITORS :**

**M/s. K.D. Vyas & Co.**, Chartered Accountants, Mumbai, Statutory Auditors of the Company, will hold office until the conclusion of the ensuing Annual General Meeting. They have given a resignation letter in writing and expressed their unwillingness to be re-appointed as the Statutory Auditors of the Company due to their pre-occupation and engagement with other professional work. The Company has received letter of confirmation from **M/s CLB & Associates**, Chartered Accountants, Mumbai for their appointment as Statutory Auditors of the Company, and if made would be within the prescribed limits under Section 224 (1B) of the Companies Act, 1956. The members are requested to consider their appointment for the financial year 2011-12 and authorize the Board of the Directors to fix their remuneration.

The Board wishes to place on record its appreciation for the services provided by **M/s. K.D. Vyas & Co.**, Chartered Accountants, Mumbai, Statutory Auditors of the Company (FY 2010-11) during their tenure as Statutory Auditors of the Company.

**COMMENT ON AUDITORS' REPORT :**

M/s. K. D. Vyas & Co., Chartered Accountants, Mumbai, the Statutory Auditors of your Company, submitted their reports for the year ended 31<sup>st</sup> March, 2011 which are self explanatory and requires no comments or explanation under Section 217(3) of the Companies Act, 1956.



### **PUBLIC DEPOSITS :**

The Company has not accepted any deposits from public.

### **LISTING :**

The Equity Shares of the Company are listed at the Bombay Stock Exchange Limited. The Company has paid the Annual listing fees to the BSE for the year 2011-12.

### **ISSUE AND ALLOTMENT OF EQUITY SHARES ON PREFERENTIAL ALLOTMENT BASIS :**

- During the year 2010-11 the Company has allotted 20,00,000 Equity Shares of Rs. 10/- each to Promoters and Other Investors at a premium of Rs. 15/- each aggregating to Rs. 25/- per share on Preferential basis on 30<sup>th</sup> September, 2010.
- The above Equity Shares were issued and allotted in accordance with the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and in accordance with the provisions of Section 81(1A) & all the other applicable provisions. 20,00,000 Equity Shares allotted on Preferential allotment basis on 30<sup>th</sup> September, 2010 have been listed on the Bombay Stock Exchange Limited and received the Trading Permission from the Bombay Stock Exchange.

### **CONSOLIDATED ACCOUNTS :**

In accordance with the requirements of Accounting Standards AS-21 prescribed by The Institute of Chartered Accountants of India, the Consolidated Accounts of the Company and its Subsidiary is annexed to this Annual Report.

### **SUBSIDIARY COMPANY :**

The Ministry of Corporate Affairs, Government of India, has granted a general exemption from attaching Balance Sheet, Profit and Loss Account, Statements and schedules thereto and Reports of Board of Directors and Auditors vide its General Circular No.2/2011 dated 8<sup>th</sup> February, 2011. In view of this circular the Company has not annexed Audited Annual Accounts of its Subsidiary Company viz. *Vinaykumar Family Trading and Holding Company Limited* for the Financial Year ended 31<sup>st</sup> March, 2011. The Board of Directors of the Company in their meeting held on 24<sup>th</sup> August, 2011 has by passing resolution given their consent for not attaching Audited Annual Accounts of the Subsidiary Company as part of 30<sup>th</sup> Annual Report (2010-11) of the Company.

On request, Annual Accounts of the Subsidiary Company and the related detailed information shall be made available to Shareholders of the Company and Subsidiary Company seeking such information. The Annual Accounts of the Subsidiary Company is also kept for inspection by any Shareholders in the head office of the Company and of the Subsidiary Company.

### **DEMATERIALISATION OF SHARES :**

The Company has established the connectivity with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited with activated **ISIN - INE812K01019**, the shareholders have option to dematerialize their shares with CDSL as well as NSDL.

### **CORPORATE GOVERNANCE :**

Your Company is committed to maintain the highest standards of Corporate Governance. Your Directors adhere to the stipulations set out in the Listing Agreement with the Stock Exchanges.

A report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges, forms part of this Annual Report.

Certificate from the Auditors of the Company, **M/s. K.D. Vyas & Co.**, regarding compliance of conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is annexed to this Annual Report.



## **MANAGEMENT DISCUSSION AND ANALYSIS REPORT :**

Management Discussion and Analysis Report for the year under review, as stipulated under Clause 49 of the Listing Agreement with the Stock Exchange, is annexed to this Annual Report.

## **SECRETARIAL COMPLIANCE REPORT :**

Since your Company comes within the purview of the Section 383A of the Companies Act, 1956, it has to obtain Compliance Certificate from the Practicing Company Secretary. The Company had approached M/s. S. N. Ananthasubramanian & Co., Practicing Company Secretaries, Mumbai for Secretarial Audit Report of the Company for the financial year 2010-11 and the same is attached with this report.

## **SECRETARIAL AUDITOR :**

M/s. S. N. Ananthasubramanian & Co, Practicing Company Secretaries, Mumbai, Secretarial Auditors and being eligible have offered themselves for appointment as Secretarial Auditors of the Company for the financial year 2011-12.

## **GREEN INITIATIVE :**

The Ministry of Corporate Affairs ("MCA"), Government of India, through its Circular No. 17/2011 dated 21<sup>st</sup> April, 2011 and Circular No. 18/2011 dated 29<sup>th</sup> April, 2011, has allowed companies to send Annual Report comprising of Balance Sheet, Profit & Loss Account, Directors' Report, Auditors' Report and Explanatory Statement etc., through electronic mode to the registered e-mail address of the members. Keeping in view the underlying theme and the circulars issued by MCA, we propose to send Notice of Annual General Meeting, Annual Reports & all future communications in this regard, in electronic mode to the e-mail address provided by you to your respective depository (es) and made available by it/them being the registered e-mail address for receiving the aforesaid documents through electronic mode. By opting to receive communication through electronic mode you have the benefit of receiving communications promptly and avoiding loss in postal transit.

Members who hold shares in physical form and desire to receive the documents in electronic mode are requested to provide their details (name, folio no, e-mail id) on the Company's e-mail address viz. [ravinay.trading@gmail.com](mailto:ravinay.trading@gmail.com). Members who hold shares in electronic form are requested to get their details updated with the respective Depositories.

Members are also entitled to be furnished with copies of the above mentioned documents free of cost, upon receipt of requisition at any point of time.

## **ACKNOWLEDGEMENTS :**

The Directors take the opportunity to thank all investors, business partners, clients, vendors, bankers, employees, Statutory Auditors and advisors for their continuous support during the year.

**For Ravinay Trading Company Limited**

**Place : Mumbai  
Date : 24<sup>th</sup> August, 2011**

**Sd/-  
R.V.Ruia  
Director**

**Sd/-  
V. M. Jain  
Director**

**S. N. ANANTHASUBRAMANIAN & CO.**  
**COMPANY SECRETARIES**

Building No. 10, Flat No. 26, Brindaban, Thane – 400 601 Tel. 2534 5648 / 2543 2704 Fax: 2539 0292 E- mail : sna@snaco.net,www.snaco.net.

**COMPLIANCE CERTIFICATE FOR THE FINANCIAL YEAR 2010-11**

To,  
The Members  
**Ravinay Trading Company Limited**  
State Bank Building Annex, 1<sup>st</sup> Floor,  
Bank Street,  
Mumbai- 400 023.

**CIN:- L51900MH1981PLC024341**  
**Authorised Capital: - Rs. 5,00,00,000/-**  
**Paid- up Capital: Rs. 3,00,00,000/-**

We have examined the registers, records, books and papers of **RAVINAY TRADING COMPANY LIMITED** (the Company) as required to be maintained under the Companies Act, 1956, (the Act) and the rules made thereunder and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial year ended on **31<sup>st</sup> March 2011**. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the Company, its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in **Annexure 'A'** to this Certificate, as per the provisions of the Act and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns with the payment of additional fees in the event of delayed filing as stated in **Annexure 'B'** to this Certificate, with the Registrar of Companies, Regional Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company, being a Public Limited Company, comments under this paragraph, are not required.
4. The Board of Directors of the Company duly met **six** times respectively on **30<sup>th</sup> April 2010, 7<sup>th</sup> August 2010, 21<sup>st</sup> August 2010, 30<sup>th</sup> September 2010, 13<sup>th</sup> November 2010 and 12<sup>th</sup> February 2011** in respect of which meetings, proper notices were given and the proceedings were properly recorded in the Minutes Book maintained for the purpose.
5. The Company closed its Register of Members from **16<sup>th</sup> September 2010 to 20<sup>th</sup> September 2010** (both days inclusive) complying with the provisions of Section 154 of the Act. The Notice of closure of Register of Members for the Annual General Meeting was published in the newspapers viz. The Asian Age in English and Mahanayak in Marathi on **29<sup>th</sup> August 2010** in Compliance with the provisions of Section 154 of the Act.
6. The Annual General Meeting for the year ended on **31<sup>st</sup> March 2010** was held on **20<sup>th</sup> September 2010** after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
7. No Extraordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its Directors or persons or firms or companies referred to under Section 295 of the Act.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act.

## **S. N. ANANTHASUBRAMANIAN & CO.**

### **COMPANY SECRETARIES**

Building No. 10, Flat No. 26, Brindaban, Thane – 400 601 Tel. 2534 5648 / 2543 2704 Fax: 2539 0292 E- mail : [sna@snaco.net](mailto:sna@snaco.net), [www.snaco.net](http://www.snaco.net).

10. The Company was not required to make any entries in the Register maintained under Section 301 of the Act.
11. There were no instances falling within the purview of Section 314 of the Act, the Company has not obtained any approvals from the Board of Directors, members or Central Government, as the case may be.
12. The Company has not issued any duplicate share certificates during the financial year under review.
13. The Company has:
  - i. delivered all the certificates on allotment of securities in accordance with the provisions of the Act
  - ii. has not deposited any amount in a separate Bank Account as no dividend was declared during the financial year under review.
  - iii. was not required to post warrants to any members of the Company as no dividend was declared during the financial year under review.
  - iv. the Company did not have any amounts in the unpaid dividend account; application money due for refund, matured debentures and the interest accrued thereon, which remained unclaimed or unpaid for a period of seven years and therefore not transferred any amount to Investor Education and Protection Fund.
  - v. has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted.
15. The Company was not required to appoint any Managing Director/ Whole-time Director/ Manager under Section 269 of the Act during the financial year under review.
16. The Company has not appointed any sole selling agents during the financial year under review.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar of Companies and / or such authorities as prescribed under the various provisions of the Act.
18. The Directors have disclosed their interest in other firms / companies to the Board of Directors and complied with the provisions of the Act.
19. The Company has issued **20,00,000 Equity Shares of Rs.10 each** on Preferential basis, during the year under review.
20. The Company has not bought back any shares during the financial year under review.
21. There was no redemption of preference shares or debenture during the financial year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights of dividend, rights shares and bonus shares pending registrations of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A during the financial year.
24. The Company has not made any borrowings made during the financial year ended 31<sup>st</sup> March 2010.

**S. N. ANANTHASUBRAMANIAN & CO.**  
**COMPANY SECRETARIES**

Building No. 10, Flat No. 26, Brindaban, Thane – 400 601 Tel. 2534 5648 / 2543 2704 Fax: 2539 0292 E- mail : [sna@snaco.net](mailto:sna@snaco.net), [www.snaco.net](http://www.snaco.net).

25. The Company has made loans and investments or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made necessary entries in the register kept for the purpose.
26. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to situation of the Company's registered office from one State to another during the year under review.
27. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to the objects of the Company during the financial year under review.
28. The Company has not altered the provisions of the Memorandum of Association of the Company with respect to name of the Company during the financial year under review.
29. The Company has altered the provisions of the Memorandum of Association of the Company with respect to share capital during the financial year under review. The Authorised Share Capital of the Company was increased from **Rs. 1,00,00,000/- to Rs. 5,00,00,000/-** at the Annual General Meeting held on **20<sup>th</sup> September 2010**.
30. The Company has altered its Articles of Association of the Company with respect to share capital during the financial year under review. The Authorised Share Capital of the Company was increased from **Rs. 1,00,00,000/- to Rs. 5,00,00,000/-** at the Annual General Meeting held on **20<sup>th</sup> September 2010**.
31. There were no prosecutions initiated against or show cause notices received by the Company, during the financial year under review, for offences under the Act.
32. We were informed that Company has not received any money as security from its employees during the financial year under review.
33. The Company was not required to comply with the provisions of Section 418 of the Act.

**For S. N. Ananthasubramanian & Co**

**Sd/-**

**Binu Singh**

**Associate**

Place : Thane

Date : 24<sup>th</sup> August, 2011

**S. N. ANANTHASUBRAMANIAN & CO.**  
**COMPANY SECRETARIES**

Building No. 10, Flat No. 26, Brindaban, Thane – 400 601 Tel. 2534 5648 / 2543 2704 Fax: 2539 0292 E- mail : sna@snaco.net,www.snaco.net.

**ANNEXURE A**

**Registers as maintained by the Company: -**

Sr. No.	Registers	Under Section
1.	Register of Members and Index of Members	150 and 151
2.	Register of Share Transfers	-
3.	Register of Directors, Managing Directors	303
4.	Register of Director's Share and Debenture Holdings	307
5.	Register of Charges (including Debentures)	143
6.	Register of Contracts	301
7.	Register of Contracts, Companies and Firms in which Directors are interested	301(3)
8.	Minutes Book	193
9.	Register of Investments	372A

**ANNEXURE B**

**Forms and Returns as filed by the Company with Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ended on 31<sup>st</sup> March 2011.**

Sr. No.	Form No	Filed u/s.	For
1.	32	303 (2) on 10 <sup>th</sup> June 2010	Appointment of Mr. Vardhman M. Jain as a Director with effect from 30 <sup>th</sup> April 2010
2.	23	192 on 21 <sup>st</sup> October 2010	Alteration in Articles of Association due to increase in Authorised Capital.
3.	5	94 on 21 <sup>st</sup> October 2010	Increase in Authorised Capital from Rs. 1 Crore to Rs. 5 Crore.
4.	2	75(1) on 30 <sup>th</sup> December, 2010	Allotment of 20,00,000 Equity Shares on Preferential Basis.
5.	23 AC & ACA	210 on 23 <sup>rd</sup> February 2011	Annual Accounts for the Financial year ended 31 <sup>st</sup> March 2010 as on the date of Annual General Meeting held on 20 <sup>th</sup> September, 2010.
6.	20 B	159 on 24 <sup>th</sup> February 2011	Annual Return as on the date of Annual General Meeting held on 20 <sup>th</sup> September, 2010.
7.	66	383 A (1) on 9 <sup>th</sup> March 2011	For the Financial year ended 31 <sup>st</sup> March 2010.

**For S. N. Ananthasubramanian & Co**

**Sd/-**

**Binu Singh**

**Associate**

Place : Thane

Date : 24<sup>th</sup> August, 2011

## **REPORT ON CORPORATE GOVERNANCE (FY 2010-11)**

The Company presents its report on compliance of Corporate Governance conditions specified in Clause 49 of Listing Agreement. The said Clause is applicable to the Company w.e.f quarter ended on 31<sup>st</sup> December, 2010 since the paid up capital of the Company is increased to Rs. 3,00,00,000/- (Rupees Three Crores Only) due to Preferential Allotment of 20,00,000 Equity Shares to Promoter/ Promoter Group & Other Investors on 30<sup>th</sup> September, 2010.

### **1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE**

The Company's philosophy on Corporate Governance is conducting business in fair and transparent manner, enhancing stakeholders' value. The Company will continue to focus on its resources, strength and strategies for creation and safeguarding of shareholders wealth and interest.

Corporate Governance is a journey for constantly improving sustainable value creation and is an upward moving target. We have undertaken several initiatives towards maintaining the highest standards.

### **2. BOARD OF DIRECTORS:**

- (i) The Board of the Directors as on **31<sup>st</sup> March, 2011** comprises of following Executive and Non Executive Directors. The details of the which are as given below:

<b><u>Sr. No.</u></b>	<b><u>Name of the Directors</u></b>	<b><u>Category of Directorship</u></b>
1.	Mr. Shushil Kumar R. Nevatia	Chairman & Executive Director
2.	Mr. Ravindrakumar V. Ruia	Director & Executive Director
3.	Ms. Rekha R. Ruia	Director & Non Executive Director
4.	Mr. Vardhman M. Jain	Director & Executive Director

- (ii) During the financial year 2010-11, Six meetings of the Board of Directors were held on 30<sup>th</sup> April, 2010, 7<sup>th</sup> August, 2010, 21<sup>st</sup> August, 2010, 30<sup>th</sup> September, 2010, 13<sup>th</sup> November, 2010 and 12<sup>th</sup> February, 2011.

Directors' Attendance Record at the Board Meetings and the Last annual General Meeting

<b><u>Name of Directors</u></b>	<b><u>No. of Board Meetings attended during the F.Y. 2010 - 11</u></b>	<b><u>Attendance at the Last AGM held on 20<sup>th</sup> September, 2010</u></b>
Mr. Shushil Kumar R. Nevatia	6	Present
Mr. Ravindrakumar V. Ruia	6	Present
Ms. Rekha R. Ruia	6	Present
Mr. Vardhman M. Jain	6	Present

The Board of Directors of the Company consists of eminent persons with considerable professional expertise and experience in business and industry, finance, management and marketing. The composition of the Board of Directors with reference to number of Executive and Non-Executive Directors doesn't meets with the requirements of Clause 49 (I) (A) of the Listing Agreement as on 31<sup>st</sup> March, 2011.

- (iii) Mr. Ravindrakumar Ruia is a director of Special Paints Limited, DCW Limited and Bajaj Hindusthan Limited. In Bajaj Hindusthan Limited, he is the Chairman of Audit Committee and member of Shareholders' Grievance Committee & Remuneration Committee.

None of the other Directors on the Board is a director of any other Public Limited Company. Also none of the other Directors of the Company is a member or Chairman of any Committee, of any other Public Limited Company.

(iv) No. of Board Meetings held & date on which held is given in Point 2 (ii) above

### 3. AUDIT COMMITTEE :

#### (i) Terms of Reference

The terms of reference of the Audit Committee include the matters specified under Clause 49 (II) of the Listing Agreement entered into with the Bombay Stock Exchange Limited, which include the following:

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible.
- Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
- Approval of payment to statutory auditors for any other services rendered by the statutory auditors.
- Reviewing, with the management, the annual financial statements before submission to the board for approval, with particular reference to:
  - a. Matters required being included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956
  - b. Changes, if any, in accounting policies and practices and reasons for the same
  - c. Major accounting entries involving estimates based on the exercise of judgment by management
  - d. Significant adjustments made in the financial statements arising out of audit findings
  - e. Compliance with listing and other legal requirements relating to financial statements
  - f. Disclosure of any related party transactions
  - g. Qualifications in the draft audit report.
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency, monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the Board to take up steps in this matter.
- Reviewing, with the management, performance of statutory and internal auditors, and adequacy of the internal control systems.
- Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
- Discussion with internal auditors any significant findings and follow up there on.
- Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board.



- Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
- To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non payment of declared dividends) and creditors.
- To review the functioning of the Whistle Blower mechanism, in case the same is existing.
- Approval of appointment of CFO (i.e., the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience & background, etc. of the candidate.
- Carrying out any other function as is mentioned in the terms of reference of the Audit Committee.

(ii) Composition :

The Audit Committee comprises of 4 (Four) Directors, all being Executive Directors except Ms. Rekha R. Ruia who is the Chairperson of the Audit Committee. None of the members of the Audit Committee are Independent director of the Company.

The constitution of the Audit Committee is as under:

<u>Name of the Directors</u>	<u>Category of Directorship</u>	<u>No. of meetings attended</u>
Ms. Rekha R. Ruia	Chairperson & Non Executive Director	2
Mr. Shushil Kumar R. Nevatia	Member & Executive Director	2
Mr. Ravindrakumar V. Ruia	Member & Executive Director	2
Mr. Vardhman M. Jain	Member & Executive Director	2

(iii) Attendance at the Meeting :

During the financial year 2010-11, Two Audit Committee Meetings were held on 13<sup>th</sup> November, 2010 and 12<sup>th</sup> February, 2011 all the members including Chairperson of Audit Committee have attended all the meetings of Audit Committee.

**4. REMUNERATION COMMITTEE :**

The Company has not constituted Remuneration Committee which is also a non mandatory requirement of Listing Agreement. However, the Company is not paying any remuneration to any of the director of the Company. There is no relationship &/or transaction between the Company and any of the non executive directors of the Company.

**5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE :**

The Company has a Shareholders,/ Investors' Grievance Committee.

(i) Composition

The constitution of Shareholders'/ Investors' Grievance Committee is as under :

<u>Sr. No.</u>	<u>Name of the Directors</u>	<u>Category of Directorship</u>
1.	Ms. Rekha R. Ruia	Chairperson & Non Executive Director
2.	Mr. Ravindrakumar V. Ruia	Member & Executive Director

(ii) Compliance Officer :

Mr. R.V Ruia, Executive Director of the Company is the Compliance officer of the Company.

(iii) Details of shareholders' complaints received, not solved and pending share transfers :

The Company has not received any investor complaint during the year 2010-11 and there were no Investor complaints pending.

**6. GENERAL BODY MEETINGS :**

(i) The details of last three Annual General Meetings (AGM) of the Company are as under :

<u>Financial Year</u>	<u>Date of the AGM</u>	<u>Location</u>	<u>Time</u>
2007-08	30 <sup>th</sup> September, 2008	State Bank Building Annex, 1 <sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023	3.00 p.m
2008-09	31 <sup>st</sup> July, 2009	State Bank Building Annex, 1 <sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023	3.00 p.m
2009-10	20 <sup>th</sup> September, 2010	State Bank Building Annex, 1 <sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023	4.00 p.m

(ii) The details of Special Resolution passed in last three Annual General Meetings (AGM) of the Company are as under:

<u>Financial Year</u>	<u>Date of the AGM</u>	<u>No. of Special Resolution passed</u>	<u>Details of Special Resolution passed</u>
2007-08	30 <sup>th</sup> September, 2008	NIL	N.A
2008-09	31 <sup>st</sup> July, 2009	3	1. Alteration of Article 3 of Articles of Association of the Company consequent upon increase in Authorised Share Capital to Rs. 1 Crores (divided into 10,00,000 equity shares of Rs. 10/- each)
			2. Preferential Issue of 8,50,000 equity shares of Rs. 10/- each at a premium of Rs. 15/-, to Promoter/Promoter Group & Other Investors.
			3. Delisting of Company's Shares from Pune Stock Exchange
2009-10	20 <sup>th</sup> September, 2010	3	1. Alteration of Article 3 of Articles of Association of the Company consequent upon increase in Authorised Share Capital to Rs. 5 Crores (divided into 50,00,000 equity shares of Rs. 10/- each)
			2. Preferential Issue of 20,00,000 equity shares of Rs. 10/- each at a premium of Rs. 15/-, to Promoter/Promoter Group & Other Investors.
			3. Adoption of new set of Articles of Association of the Company.

**Note :**

1. **The Company has not passed any Special Resolution through Postal Ballot in the last year (2009-10) & in the Current year (2010-11).**
2. **The Board of Directors have not yet proposed any Special Resolution to be passed through Postal Ballot**

**7. DISCLOSURES:**

- (i) The details regarding related party transactions, are given in the Notes to Accounts to the Annual Accounts for the year ended 31<sup>st</sup> March, 2011.
- (ii) During the year 2010-11, except of filing of Corporate Governance Report under Clause 49 of Listing Agreement with BSE for the quarter ended 31<sup>st</sup> December, 2010 & 31<sup>st</sup> March, 2011, the Company has complied with all the provisions of Companies Act, 1956, Listing Agreement and other provisions of applicable laws.

There are no instances of penalties, strictures imposed on the Company by the Bombay Stock Exchange Limited or SEBI or any Statutory Authority, on any matter related to capital markets, during the last three years.

- (iii) The Company has yet not established a mechanism for Whistle Blower Policy. However, No personnel has been denied access to the Audit Committee.
- (iv) The Company has complied with all the mandatory requirements of Clause 49 of Listing Agreement except for the composition of the Board of Directors of the Company with reference to number of Executive and Non-Executive Directors & composition of Audit Committee with reference to number of Independent Directors, which do not meet with the requirements of Clause 49 of the Listing Agreement as on 31<sup>st</sup> March, 2011.

The Company has not adopted any non mandatory requirements as provided in Annexure I D of Clause 49 of Listing Agreement

**8. MEANS OF COMMUNICATION:**

- (i) The Company publishes its quarterly audited & unaudited financial in one English daily newspaper circulating in the whole or substantially the whole of India and in one daily newspaper published in the language of the region (Maharashtra), where the registered office of the Company is situated.
- (ii) The Company normally published its financial results in the one English Newspaper i.e. **"The Asian Age Mumbai"** and in one language of the region (Maharashtra) i.e. **"Mahanayak"**
- (iii) The Company also sends the financial results to the Stock Exchange Immediately after it is approved by the Board & it is displayed on the website of BSE.
- (iv) The Company informs all the official news releases to the BSE & it is displayed on the website of BSE.
- (v) The presentations, if any, made to Institutional Investors or to the analysts will be covered in the Company's website, which is under process.

## 9. GENERAL SHAREHOLDERS' INFORMATION:

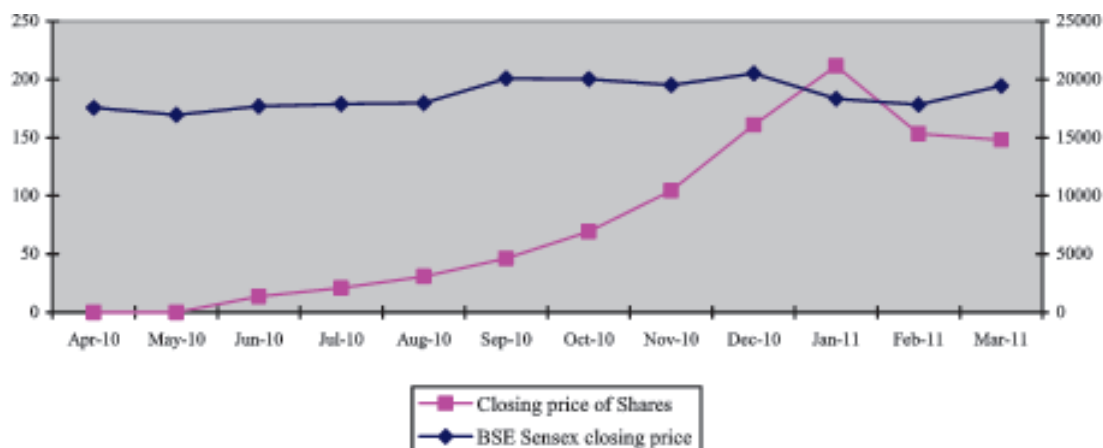
i	<u>Annual General Meeting</u> Day, Date and Time Venue	Friday, 30 <sup>th</sup> September, 2011 at 4.00 p.m. Regd. Office: State Bank Building Annex, 1 <sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023
ii	Financial Year	1 <sup>st</sup> April, 2010 to 31 <sup>st</sup> March, 2011 During the year under review, the results were announced as under- First Quarter - 7 <sup>th</sup> August, 2010 Second Quarter - 13 <sup>th</sup> November, 2010 Third Quarter - 12 <sup>th</sup> February, 2011 Fourth Quarter - 14 <sup>th</sup> May, 2011
iii	Date of Book Closure	From Monday, 26 <sup>th</sup> September, 2011 to Friday, 30 <sup>th</sup> September, 2011 (both days inclusive)
iv	Dividend Payment date	N.A
v	Listing on Stock Exchange	Bombay Stock Exchange Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai- 400 001 Web: www.bseindia.com
vi	Scrip Code ISIN	504378 INE812K01019

### (vii) Market Price Data :

The monthly high and low price and volume of shares traded on Bombay Stock Exchange Limited during the financial year 2010-11 are as follows:

<u>Year</u>	<u>Month</u>	<u>High (Rs.)</u>	<u>Low (Rs.)</u>	<u>No. of Shares traded</u>
2010	April	NIL	NIL	NIL
	May	NIL	NIL	NIL
	June	13.54	13.54	50
	July	20.81	13.81	423
	August	30.9	21.2	21
	September	46.2	31.5	56
	October	69.35	47.1	78
	November	104.45	70.7	172
2011	December	160.75	106.5	4323
	January	229.05	163.95	361081
	February	219	153.45	179226
	March	153.65	126.35	516896

(viii) Company's performance in comparison to BSE Sensex



(ix) Registrar & Share Transfer Agent :

The Company entrusted the entire work relating to processing of transfer of securities to M/s. Sharex Dynamic (India) Private Limited, a SEBI Registered R & T Agent.

**The Registrar & Share Transfer Agent be contacted at-  
Sharex Dynamic (India) Private Limited**

Corporate Office: Luthra Indus. Estate, 1st Floor,  
Safeed Pool, Andheri-Kurla Road,  
Mumbai: 400 072.

Tel. Nos. : 022- 28515606/28528087/28516338

Fax No. : 022-228512885

E-mail : [sharexindia@vsnl.com](mailto:sharexindia@vsnl.com)

Web Site : [www.sharexindia.com](http://www.sharexindia.com)

(x) Share Transfer System :

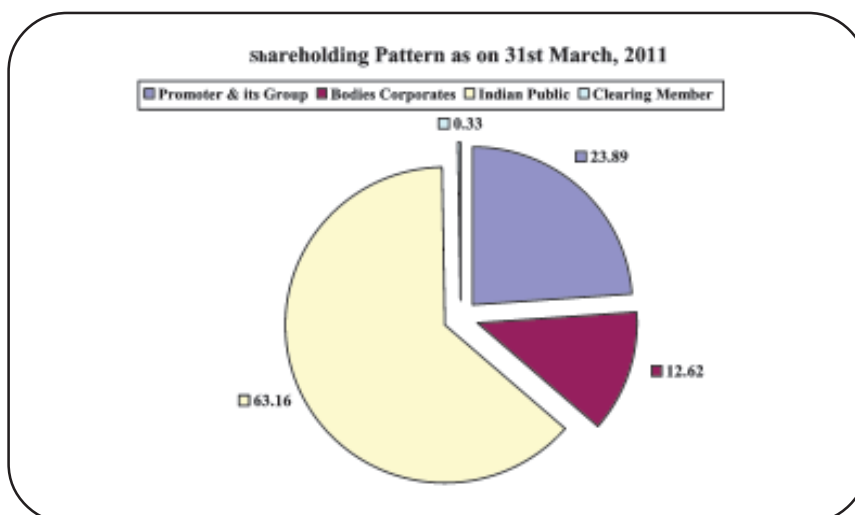
Shares sent for transfer in physical to Sharex Dynamic (India) Private Limited (R&T Agents), are registered and returned within a period of 30 days from the date of receipt, if the documents are in order. The Share Transfer Committee meets generally on a fortnightly basis to consider the transfer proposal. All requests for dematerialization of shares are processed by the Company and Sharex Dynamic (India) Private Limited within 21 days.

(xi) Distribution of Shareholding as on 31<sup>st</sup> March, 2011 :

<u>Shareholding of Nominal Value</u>	<u>No. of Shareholders</u>	<u>% to the total Shareholder</u>	<u>Paid up Capital (Amount in Rs.)</u>	<u>% of Total Paid up Capital</u>
Upto 5000	51	44.35	67670	0.23
5001 to 10000	7	6.09	41580	0.14
10001 to 20000	2	1.74	28940	0.10
20001 to 30000	1	0.87	25480	0.08
30001 to 40000	1	0.87	30770	0.10
40001 to 50000	3	2.61	135440	0.45
50001 to 100000	3	2.61	250800	0.84
100001 & Above	47	40.87	29419320	98.06
<b>Total</b>	<b>115</b>	<b>100</b>	<b>30000000</b>	<b>100</b>

Shareholding Pattern as on 31<sup>st</sup> March, 2011.

<u>Category</u>	<u>No. of Shares held</u>	<u>% of holding</u>
<b>Promoter &amp; its Group</b>	716605	23.89
<b>Public Holdings</b>		
Financial Institutions, Insurance Companies, Banks and Mutual Funds, Central/State Government etc.	0	0
Foreign Institutional Investors	0	0
Bodies Corporates	378587	12.62
NRIs / OCBs	0	0
Indian Public	1894818	63.16
Clearing Members	9990	0.33
<b>Total</b>	<b>3000000</b>	<b>100</b>



(xii) Dematerialization of Shares :

Equity Shares of the Company can only be traded in dematerialized form, so it is advisable that the shareholders who have shares in physical form get their shares dematerialized. As on 31<sup>st</sup> March, 2011, 29,97,549 of Rs. 10/- each comprising 99.92% of the total paid up share capital were held in dematerialized form with NSDL and CDSL.

(xiii) There is no outstanding GDR/ADR/Warrant, Convertible Instruments etc. or any Conversation date, which is likely to impact on Equity Shares.

(xiv) Plant Location :

The Company doesn't have any plant location. However, it has commenced a commercial project at Ramwadi Bail Bazar, Kalyan (W) with its proprietorship firm i.e. "Om Vashistha Developers" & also commenced developing a residential cum commercial complex at Dindoli within the limit of Surat Municipal Corporation with its partnership firm i.e. "Mark Developers".

(xv) Address for Correspondence

State Bank Building Annex, 1st Floor,  
Bank Street, Fort, Mumbai-400 023  
E-mail: [ravinay.trading@gmail.com](mailto:ravinay.trading@gmail.com)

## MANAGEMENT DISCUSSION AND ANALYSIS

(i) Industry Structure and Developments :

Your Company is engaged in business or commerce of exporters, importers, merchants, agents, brokers, factors, commission agents, adatias, and dealers in merchandise and, undertakes and carries on commercial, trading agency and other occupations. It has commenced commercial projects, at Ramwadi Bail Bazar, Kalyan (W) with its proprietorship firm i.e. "Om Vashistha Developers" & at Dindoli within the limit of Surat Municipal Corporation with its partnership firm i.e. "Mark Developers".

The Company is constantly working towards achieving further improvements in the quality and technological & operational efficiencies of its products, projects and processes.

(ii) Opportunities and Threats :

(a) Opportunities:

- Move up the value chain & have presence in manufacturing and retailing.
- Industry moving towards consolidation.

(b) Threats:

- Threats from the other countries eg. China.
- Change in Government's Support & Incentives.
- Threats from world economy slowdown.
- Possible Long Term threat from other brands & Chinese export.

(iii) Segment wise or product wise performance:

The said clause is not applicable to the Company.

(iv) Outlook :

It has commenced commercial projects, at Ramwadi Bail Bazar, Kalyan (W) with its proprietorship firm i.e. "Om Vashistha Developers" & at Dindoli within the limit of Surat Municipal Corporation with its partnership firm i.e. "Mark Developers" and looking forward to complete the projects within the time specified for the said projects.

(v) Risks and Concerns :

The Company's risk management system has identified some risks collated at the department level and planned suitable mitigation measures. These are subject to quarterly review by a Risk Co-ordination Committee and the Audit Committee.

(vi) Internal Control System and their Adequacy :

The Company has in place adequate internal control systems and procedures covering all the financial and operating functions. The Audit Committee regularly reviews the adequacy of internal controls, compliance with the accounting standards as well as recommends to the Board the adoption of the quarterly and annual results of the Company and appointment of Auditors. The Audit Committee also reviews the related party transactions, entered into by the Company during each quarter.

## DECLARATION ON CODE OF CONDUCT

The Board has laid down a Code of Conduct for all Board Members and Senior Management of the Company. In terms of Clause 49 of Listing Agreement, the Company has received the annual affirmations with regard to the adherence to Code of Conduct from all Board Members and Senior Management of the Company, for the Financial Year 2010-11.

**For Ravinay Trading Company Limited**

**Date : 24<sup>th</sup> August, 2011**  
**Place : Mumbai**

**Sd/-**  
**R.V.Ruia**  
**Director**



## CERTIFICATION BY DIRECTOR

I, Ravindrakumar V. Ruia, Director of **RAVINAY TRADING COMPANY LIMITED**, to the best of my knowledge and belief, certify that :

- (a) I have reviewed financial statements and the cash flow statement for the year and that to the best of my knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and there is no deficiency in the design or operation of such internal controls.
- (d)
  - (i) There has been not any significant change in internal control over financial reporting during the year;
  - (ii) There has been not any change in accounting policies during the year
  - (iii) There has been not any instance of fraud and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For Ravinay Trading Company Limited**

**Date : 24<sup>th</sup> August, 2011**  
**Place : Mumbai**

**Sd/-**  
**R.V.Ruia**  
**Director**

**Kamlesh D. Vyas**

B.Com, LL B, F.C.A.

**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

To  
The Members of  
**RAVINAY TRADING COMPANY LIMITED**

We have examined the compliance of conditions of Corporate Governance by **RAVINAY TRADING COMPANY LIMITED** for the year ended on 31<sup>st</sup> March, 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to procedures and implementations thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. 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, *we certify that the Company has complied with all the conditions of Corporate Governance as stipulated in the abovementioned Listing Agreement except with constitution of Audit Committee with reference to number Independent Directors & the composition of the Board of Directors with reference to number of Executive and Non-Executive Directors, which do not meet with the requirements of Clause 49 of the Listing Agreement, as on 31<sup>st</sup> March, 2011.*

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

**Date : 24<sup>th</sup> August, 2011**  
**Place : Mumbai**

**For K. D. Vyas & Co.**  
**Chartered Accountants**

**Sd/-**  
**(K. D. Vyas)**  
**Proprietor**  
**Membership No.14613**

**Kamlesh D. Vyas**

B.Com, LL B, F.C.A.

**AUDITORS' REPORT**

To

The Members of

**Ravinay Trading Company Limited**

1. We have audited the attached Balance Sheet of **Ravinay Trading Company Limited** as at 31<sup>st</sup> March 2011 and the Profit & Loss Account for the year ended on that date annexed thereto.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards required that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on 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 the 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 (Auditors' Report) Order 2003 (hereinafter referred to as "the Order") issued by the Central Government of India in terms of Section 227(4A) 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.
4. Further to our comments in the Annexure referred to 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 purpose of our audit;
  - ii) In our opinion, the Company has kept proper books of account as required by law so far as appears from our examination of the books.
  - iii) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - iv) In our opinion, the Balance Sheet, the Profit & Loss Account and the Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in Section (3C) of Section 211 of the Companies Act, 1956.
  - v) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read with notes thereon 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 31<sup>st</sup> March 2011; and
    - (b) in the case of the Profit and Loss Account, of the Profit for the year ended on that date;
    - (c) in the case of the Cash Flow Statement, of the Cash Flow for the year ended on that date;
5. On the basis of written representations received from the Directors as on 31<sup>st</sup> March 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31<sup>st</sup> March 2011 from being appointed as a Director in terms of Clause (g) of Sub-Section (1) of Section 274 of the Companies Act, 1956.

**For K. D. Vyas & Co.**  
Chartered Accountants

Sd/-

(K. D. Vyas)

Proprietor

Membership No.14613

Date : 24<sup>th</sup> August, 2011

Place : Mumbai

**Kamlesh D. Vyas**

B.Com, LL B, F.C.A.

**Statement on the Companies (Auditor's Report) Order, 2003**

**Re: RAVINAY TRADING COMPANY LIMITED**

Referred to in paragraph 3 of our report of even date,

- i) (a) In our opinion, the Company has maintained proper records to show full particular including quantitative details and situation of its Fixed Assets.  
(b) The fixed assets of the Company are physically verified by the Management, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No discrepancies between the book records and the physical inventory have been noticed.  
(c) The Company has not disposed off any part of the fixed assets during the year.
- ii) The Company has physically verified the work in progress during the year at reasonable intervals. The procedure of physical verification, followed by the Company, is reasonable and adequate in relation to size of the Company and nature of its business. The Company is maintaining proper records of its inventory and no material discrepancies were noticed.
- (iii) (a) In our opinion, The company has not granted loans, secured or unsecured, to the parties covered in the Register maintained under section 301 of the Companies Act, 1956. Therefore, the provisions of clause 4 (iii) - (b),(c),(d) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company  
(b) In our opinion, the company has not taken loans, secured or unsecured, during the year. Therefore, the provisions of clause 4(iii) (f) & (g) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (iv) In our opinion and according to the information and explanations given to us, there exists adequate internal control system commensurate with the size of the company and the nature of its business. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.
- (v) In respect of transactions covered under Section 301 of the Companies Act, 1956;  
(a) According to the information and explanations given to us, there are no transaction during the year that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
- (vi) In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the Public.
- (vii) In our opinion, the company has an internal audit system commensurate with the size and nature of its business.
- (viii) The Central Government has not prescribed maintenance of cost records under section 209(1)(d) of the Companies Act, 1956 for any of the products of the company.
- (ix) (a) According to the information and explanation given to us and the records of the Company examined by us, in our opinion the Company is generally regular in depositing the undisputed statutory dues including Service Tax, Stamp Duty, Income Tax, and other major statutory dues as applicable with appropriate authorities in India except the TDS amount of Rs. 1,95,582/- in its proprietorship entity.  
(b) According to the Information and explanation given to us, no undisputed amounts payable in respect of Income Tax, as at 31<sup>st</sup> March 2011 for a period of more than six months from the date they become payable.

**Kamlesh D. Vyas**

B.Com, LL B, F.C.A.

- (c) According to the Information and explanation given to us, and records of the Company examined by us, there are no statutory dues of Taxes or cess as at 31<sup>st</sup> March 2011, which have not been deposited on account of any dispute.
- (x) In our opinion and according to the information and explanations given to us, the Company has no accumulated losses as at 31<sup>st</sup> March 2011. Further it has not incurred cash losses in the current financial year and in the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution or a bank.
- (xii) In our opinion and according to the information & explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a *nidhi* mutual benefit fund/ society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) The company has maintained proper records of the transactions and contracts in respect of dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. All the shares, securities, debentures and other investments have been held by the company, in its own name except to the extent of the exemption, if any, granted under section 49 of the Act.
- (xv) In our opinion and according to the information and explanations given to us, the company has not given guarantee for loans taken by others from banks or financial institutions.
- (xvi) The Company has not obtained any term loans. Accordingly, the provision of Clause 4 (xvi) of the Companies (Auditor's Report) Order, 2003 is not applicable to the company.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the funds raised on short-term basis have not been used for long-term investment.
- (xviii) According to the information and explanations given to us, the company has made preferential allotment of shares to parties or companies covered in the Register maintained under section 301 of the Companies Act, 1956. In Our opinion, the price at which shares have been issued is not prejudicial to the interest of the company.
- (xix) The company has not issued any debentures. Accordingly, the provisions of clause 4(xix) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xx) The company has not raised any money by public issues during the year. Accordingly, the provisions of clause 4(xx) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of our audit.

**For K. D. Vyas & Co.**  
**Chartered Accountants**

Sd/-  
(K. D. Vyas)  
Proprietor

**Membership No.14613**

**Date : 24<sup>th</sup> August, 2011**  
**Place : Mumbai**

**RAVINAY TRADING COMPANY LIMITED**  
**BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2011**

Particulars	Schedule	Current year ₹	Previous Year ₹
<b>SOURCES OF FUNDS:</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	A	30,000,000	10,000,000
Reserves And Surplus	B	48,023,033	16,936,341
<b>LOANS</b>			
Secured Loans		-	-
Unsecured Loans		-	-
Defrred Tax Liabilty		1,798	-
		<u>78,024,831</u>	<u>26,936,341</u>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS</b>			
Gross Block		21,352	-
Less:- Provision for depreciation		586	-
Net Block		<u>20,766</u>	-
<b>INVESTMENTS</b>	C	25,986,604	1,700,000
<b>CURRENT ASSETS,LOANS &amp; ADVANCES:</b>			
Work-in-Progress(Om Vasishta Developers)		97,692,413	-
Cash & Bank Balances	D	1,848,096	23,418
Loans & Advances recoverable in cash or kind	E	81,005,316	25,596,476
		<u>180,545,825</u>	<u>25,619,894</u>
<b>LESS: CURRENT LIABILITIES &amp; PROVISIONS</b>	F	128,539,989	383,553
Net Current Assests		<u>52,005,836</u>	<u>25,236,341</u>
<b>MISCELLANEOUS EXPENDITURE</b>		11,625	-
<b>PRELIMINERY EXPENSES</b> (TO THE EXTENT NOT WRITTEN OFF OR ADJUSTED)		<u>78,024,831</u>	<u>26,936,341</u>
Significant Accounting Policies and Notes on Accounts "I" Schedules A to I form part of the Accounts As per our Report of even date attached hereto			

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading Company Limited

Sd/-  
K. D. Vyas  
Proprietor

Sd/-  
R.V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

RAVINAY TRADING COMPANY LIMITED

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011

	Schedule	Current year ₹	Previous year ₹
<b>INCOME :</b>	G	2,353,559	951,602
		<u>2,353,559</u>	<u>951,602</u>
<b>EXPENDITURE:</b>			
Salaries		24,000	9,900
Expenses	H	<u>599,276</u>	<u>380,371</u>
		<u>623,276</u>	<u>390,271</u>
<b>PROFIT BEFORE TAX</b>		1,730,283	561,331
Less: Provision for Taxation:		545,000	290,000
Less: Deferred Tax:		1,798	
Less: Income tax in respect of earlier years		<u>96,793</u>	<u>-</u>
<b>PROFIT AFTER TAX</b>		<b>1,086,692</b>	<b>271,331</b>
<u>Add:</u> Balance brought forward from previous year		<u>4,186,341</u>	<u>3915010</u>
<b>BALANCE CARRIED TO BALANCE SHEET</b>		<u><b>5,273,033</b></u>	<u><b>4,186,341</b></u>
<u>Earning per Share</u>			
Basic & Diluted		0.59	0.42

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading Company Limited

Sd/-  
K. D. Vyas  
Proprietor

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai



**RAVINAY TRADING COMPANY LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH 2011**

	Current year ₹	Previous year ₹
<b><u>A. CASH FLOW FROM OPERATING ACTIVITIES:</u></b>		
Net Profit before tax and extraordinary items	1,730,283	565,743
Adjustment for:		
Provision for Tax	(643,591)	
Interest Received	(942,473)	
Dividend Received	(11,604)	(4,977)
Provision for exp.	-	31,867
Interest on I.T. Refund	-	
L.T. & S.T. Gain on shares & redemption of Mutual Funds Units		(4,152)
Operating profit before Working Capital changes	1,075,088	(353,992)
Adjustments for:		
Trade and other Receivables	(24,954,644)	(10,1245)
Cash generated from Operations	(23,879,556)	(455,237)
Direct Taxes Paid		(87,693)
Net Cash Flow From Operating Activities	<b>(A) (23,879,556)</b>	<b>(542,930)</b>
<b><u>B. CASH FLOW FROM INVESTING ACTIVITIES</u></b>		
Investments in Mutual Funds etc.	63,396	75,077
Sale of investments etc.	(24,350,000)	0
Interest received	-	42,473
Dividend received	11,604	0
Misc. Receipts		0
Fixed Assets Purchased	(20,766)	
Investment in Partnership		
Interest on I.T. Refund	-	0
L.T. & S.T. Gain on shares & redemption of Mutual	-	4,152
Net Cash used in investing activities	<b>(B) (24,295,766)</b>	<b>121,702</b>
<b><u>C. CASH FLOW FROM FINANCING ACTIVITIES</u></b>		
Proceeds from Issue of Shares	50,000,000	21,250,000
Net Cash used in Financing Activities	-	(21,500,000)
Net Cash used in Financing Activities	<b>(C) 50,000,000</b>	<b>(250,000)</b>
Net increase/(decrease) in cash & cash equivalents	(A+B+C) 1,824,678	(671,228)
Cash and Cash equivalents (Opening Balance)	23,418	694,646
Cash and Cash equivalents (Closing Balance)	1,848,096	23,418

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading Company Limited

Sd/-  
K. D. Vyas  
Proprietor

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

**RAVINAY TRADING COMPANY LIMITED**  
**SCHEDULES FORMING PART OF BALANCE SHEET**

	Current year ₹	Previous Year ₹
<b><u>SCHEDULES "A" SHARE CAPITAL</u></b>		
<b>Authorised</b>		
50,00,000 Equity Shares of Rs.10/-Each	50,000,000	10,000,000
<b>Issued Subscribed And Paid-up:</b>		
30,00,000 Equity Shares of Rs.10/-Each	30,000,000	10,000,000
(Previous Year 10,00,000 Equity Shares of Rs.10/-Each)	<u>30,000,000</u>	<u>10,000,000</u>
<b>SCHEDULE "B": RESERVES AND SURPLUS</b>		
Profit and Loss Account	5,273,033	4,186,341
Securities Premium	42,750,000	12,750,000
	<u>48,023,033</u>	<u>16,936,341</u>
<b><u>SCHEDULES "C" INVESTMENT (AT COST)</u></b>		
<b>A. In Shares (Unquoted)</b>		
Vinay Kumar Family Investments Ltd.	1,400,000	1,400,000
<b>Total-A</b>	<u>1,400,000</u>	<u>1,400,000</u>
<b>B. In Units of Mutual Fund (Unquoted)</b>		
ICICI Prudential Flexible income Plan	236,604	300,000
<b>Total-B</b>	<u>236,604</u>	<u>300,000</u>
<b>C. In Partnership</b>		
Mark Developers (50% share in partnership)	24,350,000	-
<b>Total-C</b>	<u>24,350,000</u>	<u>-</u>
<b>Total A+B+C</b>	<u>25,986,604</u>	<u>1,700,000</u>
TOTAL OF UNQUOTED INVESTMENT (A)	1,400,000	1,400,000
TOTAL OF UNQUOTED INVESTMENT (B)	236,604	300,000
TOTAL OF INVESTMENT (C)	24,350,000	-
TOTAL INVESTMENT (A+B+C)	25,986,604	1,700,000
<b><u>SCHEDULES "D"</u></b>		
Cash in Hand	90,923	1,694
Cash in Hand - (Om Vasishta Developers)	1,364,394	-
Balance with Scheduled Bank in Current Account	155,911	21,724
Hdfc Bank - (Om Vasishta Developers)	236,868	-
	<u>1,848,096</u>	<u>23,418</u>
<b><u>SCHEDULES "E" LOANS AND ADVANCES</u></b>		
Advance Tax & TDS	421,466	280,476
Sadanand Loonawat	5,000,000	-
Advance MSPT	4,000	6,000
Advance against property rights	32,900,000	25,310,000
Loans & Advance (Om Vasishta Developers)	42,679,850	-
	<u>81,005,316</u>	<u>25,596,476</u>

**SCHEDULES "F" CURRENT LIABILITIES & PROVISIONS****Current liabilities & Provisions****Current liabilities**

Sundry Creditors	16,884	3,641
Sundry Creditors(Om Vasishta Developers)	60,178	-
Advance Recd. For Flat&Shop Booking(Om Vasishta Developers)	127,299,268	-
Duties & Taxes and Provision (Om Vasishta Developers)	314,835	-

**Provisions**

Provision for Taxation AY 2009-10	-	81,000
Provision for Taxation AY 2010-11	290,000	290,000
Provision for Taxation AY 2011-12	545,000	-
Provision for Expenses	13,824	8,912

<b>128,539,989</b>	<b>383,553</b>
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**SCHEDULES "G" INCOME**

Interest on Loan	2,341,955	900,000
Dividend on mutual Fund	11,604	4,977
Interest on FDR	-	42,473
L.T.Gain on Share Invesment	-	3,900
S.T.Gain on Redemption of Units of Mutual Funds	-	252

<b>2,353,559</b>	<b>951,602</b>
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**SCHEDULES "H" EXPENSES**

Printing & Stationary	5,325	1,090
Filling Fees	300,737	122,930
Interest on Overdraft	-	13,043
Membership & Subscription	66,180	72,864
Professional Tax	2,000	2,000
Conveyance Expenses	13,986	497
Postage,Telephone and Telegram	51,935	431
Bank Charges	7,543	809
General Expenses	64,850	67,815
Demat Charges	18,495	-
Professional & Legal Fees	45,586	77,061
Advertisement Expenses	18,227	13,007
Audit Fees	4,412	8,824

<b>599,276</b>	<b>380,371</b>
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**SCHEDULE OF FIXED ASSETS FOR F.Y. 2010-11**

ASSETS	GROSS BLOCK			DEPRECIATION			NET BLOCK		
	As on	Addition	Sold	As on	As on	For the	As on	As on	As on
	01.04.2010			31.03.2011	01.04.2010	Year	31.03.2011	31.03.2011	31.03.2010
Camera	21,352	-		21,352	-	586	586	20,766	-
<b>TOTAL</b>	<b>21,352</b>	<b>-</b>		<b>21,352</b>	<b>-</b>	<b>586</b>	<b>586</b>	<b>20,766</b>	<b>-</b>

## **Schedule "I" SIGNIFICANT ACCOUNTING POLICIES & NOTES ON ACCOUNTS:-**

### **1. Accounting Policies:-**

(a) Basis of Preparation of financial statements:

The financial statements are prepared under the historical cost convention, on accrual basis; in accordance with applicable mandatory accounting standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956.

(b) Revenue recognition:

Company follows accrual system of accounting and takes into account expense and incomes as accrued. Dividend and Miscellaneous Income is accounted on cash basis.

(c) Investment:

Investments are of long-term nature and are valued at cost, and include all other expenses incurred on its acquisition and interest accrued thereon, if any less any permanent diminishing in the value of investment.

(d) Use of estimates

The preparation of financial statements in conformity with Generally Accepted Accounting Principles requires estimates and assumptions to be made that affect the reported amounts of assets and liabilities and disclosure of contingent liabilities on the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from those estimates and differences between actual results and estimates are recognized in the period in which the results are known / materialize

(e) Contingent Liabilities:

Contingent Liability, if any, are generally not provided for in the accounts and is shown separately as a note to the accounts.

(f) Taxation:

Income-tax expenses comprises of Current Tax, and Deferred Tax charge or credit. Provision of Current Tax is made on the assessable income at the tax rate applicable to the relevant assessment year.

Deferred Tax is recognised, subject to the consideration of prudence, on timing differences, being the difference between taxable incomes and accounting income that originate in one period and are capable of reversal in one or more subsequent periods.

### **2) Notes to Accounts:-**

i) Previous Year's figures have been regrouped or rearranged wherever necessary to make them comparable with the figures of current year.

ii) The company has entered as a partner into partnership for development of land in and around surat district of Gujrat in the name of M/s Mark Developers. The amount paid to this partnership, is classified as investment.

iii) Related Party Disclosure as per Accounting Standard 18 on "Related Party Disclosures":

(A) Names of the related parties and description of relationship:

Enterprises where control exist :

(i) Subsidiary Companies at any time during the year

(a) VINAYKUMAR FAMILY TRADING & HOLDING COMPANY LIMITED

(ii) Partnership Firms

(a) Mark Developers

(B) The following transaction were carried out with related parties in the ordinary course of business(Rupee in Lakhs) :-

	Subsidiaries/Partnership Firm
Advance Given(Net)	243.50

iv) In the opinion of the Board of Directors, the current assets, loans and advances are approximately of the value stated if realised in the ordinary course of business. In the opinion of the Board of directors, the provisions for all the liabilities are adequate and not in excess of the amounts considered reasonably necessary and there are no contingent liabilities outstanding on the balance sheet date.

v) Earnings Per Share:

Particular	Current Year ₹	Previous Year ₹
Face Value Per Share	10	10
Profit after tax (excluding excess/short) provision of taxation earlier years written back/(off)	11,83,485	2,71,331
Number of shares used in computing Basic & Diluted EPS (Calculated by using Weighted Average Method)	20,00,000	6,45,833
Earning Per Share – Basic & Diluted	0.59	0.42

v) Calculation of Number of shares used in computing Basic & Diluted EPS (Calculated by using Weighted Average Method)

Date	Particulars	Number of shares	Time Period (In months)	Product
01/04/2010	Opening Balance	10,00,000	12	1,20,00,000
30/09/2010	Shares issued	20,00,000	6	1,20,00,000
	Total of Product			2,40,00,000
	Average Number of shares during the year			2,40,00,000/12 = 20,00,000

- vi) There are no amounts due and outstanding to be credited to investor education & protection fund as at 31<sup>st</sup> March, 2011.
- vii) The company is primarily engaged in the business of investment & trading, which as per Accounting standard 17 on "Segment Reporting" issued by the ICAI is considered to the only reportable segment. The company is carrying on the construction business activity under trade name M/s OM VASISTHA DEVELOPERS in Kalyan. As there is no revenue generation from this segment, only on reportable segment exist. The company is primarily operating in India which is considered as a single geographical segment.
- vii) Auditors remuneration & expenses charges to accounts:-  
Audit fees Rs. 4,412/-  
Tax Audit Fees Rs. 8,273/- (In respect of Proprietorship Concern M/s Om Vasistha Developers)
- viii) The expenses incurred for the increase in the authorized capital of the company during the year has been charged to expenses of the year.
- ix) During the year, the company has issued and allotted 20,00,000 equity shares of Rs. 10 each as preferential allotment. The shares rank pari passu in all respects with the existing equity shares of the company.
- x) Information pursuant to the provisions of Part IV of Schedule VI to the companies Act, 1956:-

<b>I.</b>	<b>Registration Details:</b>			
	Registration Number -	24341	State Code	11
	Balance Sheet Date	31-03-2011		
<b>II.</b>	<b>Capital raised during the year: (Amount in Rupees '000)</b>			
	Public Issue	NIL	Right Issue	NIL
	Bonus Issue	NIL	Private Placement	20,000

<b>III.</b>	<b>Position of Mobilization &amp; Deployment of funds (amount in Rs.'000)</b>			
	<b>Total Liabilities</b>	<b>78,024.83</b>	<b>Total Assets</b>	<b>78,024.83</b>
	Source of Funds:		Application of Funds:	
	Paid-up Share Capital	30,000.00	Net Fixed Assets	20.77
	Reserves And Surplus	48,023.03	Investments	25,986.60
	Secured Loan	-	Net Current Assets	52,005.83
	Unsecured Loan	-	Prepaid Exp.	11.63
	Defrred Tax Liability	1.80		
<b>IV</b>	<b>Performance of the Company:</b>			
	Turnover	-		
	Total Expenditure	6,23,276		
	Profit before Tax	17,30,283		
	Profit after Tax	11,83,485		
	Earning per Share	0.59		
	Dividend Rate (%)	-		
<b>V.</b>	<b>Generic Names of three principal products/services of the Company:</b>	Not Applicable		

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading And Company Limited

Sd/-  
(K. D. Vyas)  
Proprietor

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

**Kamlesh D. Vyas**

B.Com, LL B, F.C.A.

**AUDITORS' REPORT**

To

**The Board of Directors of Ravinay Trading Company Limited on the Consolidated Financial Statements of the Company and its Subsidiary.**

We have examined the attached consolidated Balance Sheet of **Ravinay Trading Company Limited** and its subsidiary **Vinaykumar Family Trading And Holding Company Limited** as at 31<sup>st</sup> March 2011 the consolidated Profit and Loss Account and the consolidated cash flow statement for the year ended on that date.

These financial statements are the responsibility of the management of Ravinay Trading Company Limited. Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the generally accepted auditing standards in India. These standards required that we plan and perform the audit to obtain reasonable assurance whether the financial statements, in all material respects, are prepared in accordance with an identified financial reporting framework and are free of material misstatements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statements. We believe that our audit provides a reasonable basis for our opinion.

We report that the consolidated financial statements have been prepared by the Company in accordance with the requirements of the accounting standards (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of Ravinay Trading Company Limited and its subsidiary included in the consolidated financial statements.

On the basis of the information and explanations given to us and on the consideration of the separate audit reports on individual audited financial statements of Ravinay Trading Company Limited and its aforesaid subsidiary and we are of the opinion that the said consolidated financial statements together with the other notes thereon give a true and fair view in conformity with the accounting principles generally accepted in India:

- (a) the **Consolidated Balance Sheet** gives a true and fair view of the consolidated state of affairs of Ravinay Trading Company Limited and its subsidiary as at 31<sup>st</sup> March, 2011 and
- (b) the **Consolidated Profit and Loss Account** gives a true and fair view of the consolidated results of operation of Ravinay Trading Company Limited and its subsidiary for the year ended on that date;
- (c) the **Consolidated Cash Flow Statement** gives a true and fair view of the Consolidated Cash Flow of Ravinay Trading Company Limited and its subsidiary for the year ended on that date;

**For K. D. Vyas & Co.**  
Chartered Accountants

Sd/-  
(K. D. Vyas)  
Proprietor

Membership No.14613

Date : 24<sup>th</sup> August, 2011

Place : Mumbai



**RAVINAY TRADING COMPANY LIMITED**

**CONSOLIDATED BALANCE SHEET OF RAVINAY TRADING COMPANY LIMITED AND**

**ITS SUBSIDIARY COMPANY AS AT 31<sup>ST</sup> MARCH, 2011**

	Schedule	Current Year ₹	Previous Year ₹
<b><u>SOURCES OF FUNDS:</u></b>			
Shareholders' Funds			
Share Capital	A	30000000	10000000
Reserves & Surplus	B	84897156	116538895
		<b>114897156</b>	<b>126538895</b>
<b><u>LOANS</u></b>			
SECURED LOAN (Secured by pledge of Shares)		6517707	-
Defrred Tax Liability		1798	-
Total Funds Employed		<b>121416661</b>	<b>126538895</b>
<b><u>FIXED ASSETS</u></b>			
Gross Block		21352	0
Less: Depreciation		586	0
Net Block		<b>20766</b>	<b>0</b>
<b><u>APPLICATION OF FUNDS:</u></b>			
Investments	C	25372084	1100000
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES:</u></b>			
Work-in-Progress (Om Vasishta Developers)		97692413	-
Inventories	D	14,578,210	-
Cash & Bank Balances	E	4713622	88686
Loans & Advances	F	109698956	142032576
		<b>226683201</b>	<b>142121262</b>
Less: Current Liaibilities & Provisions	G	130671015	16682367
Net Current Assets		<b>96012186</b>	<b>125438895</b>
Miscellaneous Expenditure		11625	
Significant Accounting Policies & Notes on Accounts	K		
Total Assets		<b>121416661</b>	<b>126538895</b>
Schedules "A" to "K" form part of the Accounts. As per our Report of e ven date attached hereto			

For K. D. Vyas & Co.  
Chartered Accountants

Sd/-  
K. D. Vyas  
Proprietor

For Ravinay Trading Company Limited

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

**RAVINAY TRADING COMPANY LIMITED**

**CONSOLIDATED PROFIT AND LOSS ACCOUNT OF RAVINAY TRADING COMPANY LIMITED AND  
ITS SUBSIDIARY COMPANY AS AT 31<sup>ST</sup> MARCH, 2011**

	Schedule	Current Year ₹	Previous Year ₹
<b><u>INCOME:</u></b>			
Sales		106963733	0
From Investments	H	2500687	8288872
Increase/(decrease) in Stock	I	14,578,210	0
		<b>124042630</b>	<b>8288872</b>
<b><u>EXPENDITURE:</u></b>			
Opening Stock		0	0
Purchase		177319686	0
Salaries		24000	276700
Expenses	J	682565	589711
Direct Expenses		552196	0
Audit Fees		37502	22612
		<b>178615949</b>	<b>889023</b>
<b>Profit Before Interest and Tax</b>		<b>(54573319)</b>	<b>7399849</b>
Less: Interest Paid		6257898	1020000
<b>Profit Before Tax</b>		<b>(60831217)</b>	<b>6379849</b>
Less: Provision for Taxation		545000	96379664
Less: Deferred Tax		1798	0
		<b>(61378015)</b>	<b>102759513</b>
Less: Income Tax in respect of earlier years		259312	0
		<b>(61637327)</b>	<b>102759513</b>
<u>Add: Balance Brought Forward from Previous Year</u>		<b>102759513</b>	<b>0</b>
		<b>41122186</b>	<b>102759513</b>
<u>Less Proposed Dividend Nil (Previous Year Nil)</u>		0	0
Corporate Dividend Teax		0	0
		<b>41122186</b>	<b>102759513</b>
Fringe Benefit Tax		0	0
Balance Carried to Balance Sheet		<b>41122186</b>	<b>102759513</b>
Earning per share - basic and diluted		<b>-30.69</b>	<b>9.88</b>
Significant Accounting Policies & Notes on Accounts	K		

Schedules "A" to "K" form part of the Accounts.

As per our Report of e ven date attached hereto

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading Company Limited

Sd/-  
K. D. Vyas  
Proprietor

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

**RAVINAY TRADING COMPANY LIMITED**  
**CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2011**

	Current Year ₹	Previous Year ₹
<b>A) CASH FLOW FROM OPERATING ACTIVITIES:</b>		
Net profit before tax and extra-ordinary items	(60831217)	7399849
<u>Adjustments for:</u>		
Provision for tax	(806110)	
Interest received		(3637481)
Dividend received	(37083)	(485236)
Provision for Expense		180520
Capital Gain on Mutual Funds & Share Investments		(4221326)
<b>Operating profit before Working Capital changes</b>	<b>(61674410)</b>	<b>(763674)</b>
<u>Adjustments for:</u>		
Trade and other receivables	34037406	2267742
Cash generated from operations	(27637004)	1504068
Direct Taxes paid		(980350)
<b>Net Cash Flow from Operating Activities(A)</b>	<b>(27637004)</b>	<b>523718</b>
<b>B) CASH FLOW FROM INVESTING ACTIVITIES:</b>		
Sale of Investments	-24345287	95034580
Investments in Mutual Funds etc.	77916	(68715000)
Interest Received		3220752
Dividend Received	11604	27510
Capital Gain on Mutual Funds & Share Investments		1731743
<b>Net Cash used in investing activities (B)</b>	<b>(24255767)</b>	<b>31299585</b>
<b>C) CASH FLOW FROM FINANCING ACTIVITIES:</b>		
Proceeds from Issue of Shares	50000000	21250000
Proceeds from Borrowings	6517707	-50500000
Proceeds from Advance against Property/Loan		-50800000
Dividend paid (including Corporate Tax)	-	-
<b>Net cash used in financing activities (C)</b>	<b>56517707</b>	<b>-80050000</b>
<b>Net Increase/(Decrease) in cash and cash equivalents(A+B+C)</b>	<b>4624936</b>	<b>(48226697)</b>
<b>Cash and Cash Equivalents (Opening Balance)</b>	<b>88685</b>	<b>48315382</b>
<b>Cash and Cash Equivalents (Closing Balance)</b>	<b>4713621</b>	<b>88685</b>
<u>Note:</u> Previous Year's figures have been re-grouped and re-arranged wherever necessary)		

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading Company Limited

Sd/-  
K. D. Vyas  
Proprietor

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M. Jain  
Director

Date : 24<sup>th</sup> August, 2011  
Place : Mumbai

**SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2011**

		Current Year ₹		Previous Year ₹
<b>SCHEDULE 'A' – SHARE CAPITAL</b>				
Subscribed & Paid up: 30,00,000 Equity Shares of Rs.10/- each (Previous Year 10,00,000 Equity Shares of Rs. 10/- each)		30000000		10000000
<b>SCHEDULE 'B' – RESERVES AND SURPLUS</b>				
Capital Reserve	1024970		1024970	
Securities Premium	42750000		12750000	
Profit and Loss Account	41122186	84897156	102763925	116538895
<b>SCHEDULE 'C' – INVESTMENTS (AT COST)</b>				
<b>A. In Shares (Quoted)</b>	<b>No. of Shares</b>		<b>No. of Shares</b>	
Shree Vindhya Paper Mills Limited	4000	220000	4000	220000
		220000		220000
<b>B. In Units of Mutual Fund (Unquoted)</b>				
ICICI Prudential Flexible Income Plan		802084		880000
<b>C. In Proprietorship/Partnership</b>				
Mark Developers (50% share in partnership)		24350000		0
Total (A+B+C)		25372084		1100000
Total of Quoted Investments (A)		220000		220000
Total of Unquoted Investments (B)		802084		880000
Total of Investments (C)		24350000		0
Total Investments (A+B+C)		25372084		1100000
Market Value of Quoted Investments		0		0
Repurchase price of Units of Mutual Fund		802084		880000

**SCHEDULES FORMING PART OF CONSOLIDATED BALANCE SHEET AS AT 31<sup>ST</sup> MARCH 2011**

		Current Year ₹		Previous Year ₹
<b>SCHEDULE 'D'</b>				
Inventories		14578210		
<b>SCHEDULE 'E'</b>				
Cash and Bank Balances				
Cash in Hand	1455409		1786	
With Scheduled Banks in Current Accounts	3258213	4713622	86900	88686
<b>SCHEDULE 'F'</b>				
Loans & Advances				
Advance Tax and TDS	1911106		16622576	
Cash Advances	107787850	109698956	125410000	142032576
<b>SCHEDULE 'G'</b>				
Current Liabilities & Provisions				
Sundry Creditors	127,404,688		16,877	
Provision for Expenses	60,702		18,288	
Provision for Taxation	3205625	130671015	16647202	16,682,367

**SCHEDULES FORMING PART OF CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE PERIOD ENDED 31<sup>ST</sup> MARCH 2011**

<b>SCHEDULE 'H'</b>				
<b>Income</b>				
Dividend	37083		1870552	
Capital Gain on sale of Mutual Funds & Share Investments	0		2836010	
Interest	2463604	2500687	3582310	8288872
<b>SCHEDULE 'I'</b>				
Increase/(Decrease) in Stock				
Closing Stock	14,578,210	-	-	-
Less: Opening Stock	-	14,578,210	-	-
<b>SCHEDULE 'J'</b>				
<b>Expenses</b>				
Membership & Subscription	66180		72864	
Advertisement	18227		13007	
Other Expenses	598158		-	
Misc. Expenses	-		503840	
		682565		589711

**SCHEDULE-"K"**

SIGNIFICANT ACCOUNTING POLICIES AND NOTES ANNEXED TO AND FORMING PART OF THE CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH, 2011 AND PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011

**A Significant Accounting Policies:**

**1 Basis of Consolidation:**

The consolidated Financial Statements are prepared in accordance with the Accounting Standards 21 on Consolidated Financial Statements issued by the Institute of Chartered Accountants of India.

(a) **Principles of Consolidation:**

The consolidated Financial Statements comprise the financial statements of Ravinay Trading Company Limited (the Company) and its 100% owned subsidiary. The financial statements of both the companies are prepared according to uniform accounting policies in accordance with generally accepted accounting principles of India. The effects of inter-company transactions between consolidated companies are eliminated on consolidation.

- (b) Company included in consolidation :
- |                                  |   |
|----------------------------------|---|
| Name                             | : Vinaykumar Family Trading & Holding Company Limited |
| Country of Incorporation         | : India   |
| Proportion of ownership interest | : 100% owned subsidiary                               |

- (c) System of Accounting : The Company adopts the accrual concept in the preparation of its accounts.

Investments : Long Term Investments are carried at cost less provisions, if any, for permanent diminution in value of such investments.

2	<b>Earning per Share:</b>	<b>Current Year</b>	<b>Previous Year</b>
	Face Value per Share (Rs.)	10	10
	Profit After Tax	-61378015	-1314900
	No. of Shares used in computing earning per Share - basic & diluted	2000000	645833
	Earning per Share - basic & diluted	(30.69)	(2.04)
3	<b>Related Party Disclosure:</b>		
	(a) <b>List of Related Parties:</b>		
	Vinaykumar Family Trading & Holding Co.Ltd. (wholly owned subsidiary)		
	(b) Partnership Firms Mark Developers		

For K. D. Vyas & Co.  
Chartered Accountants

For Ravinay Trading Company Limited

Sd/-  
K. D. Vyas  
Proprietor

Sd/-  
R. V. Ruia  
Director

Sd/-  
V. M Jain  
Director

ATTENDANCE SLIP

**RAVINAY TRADING COMPANY LIMITED**

Regd. Office: State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023

(Please fill in attendance slip and hand it over at the entrance of the meeting place.)

I hereby record my presence at the 30<sup>th</sup> Annual General Meeting of the Company being held on **Friday, the 30<sup>th</sup> day of September, 2011 at 4.00 p.m.** at State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023, and at any adjournment thereof.

Folio No ..... DP-ID\* .....

No. of Shares held ..... Client ID\* .....

Member's/ Proxy' Name.....

(in Block Letters)

.....  
(Member's/ Proxy's Signature)

(To be signed at the time of handing over this slip)

\* Applicable for Members holding Shares in electronic form.

-----**TEAR HEAR**-----

PROXYFORM

**RAVINAY TRADING COMPANY LIMITED**

Regd. Office: State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023

I/We ..... of..... being a Member/Members of the **Ravinay Trading Company Limited**, hereby appoint ..... or failing him..... as my/our Proxy to attend and vote for me/us and on my/our behalf at the 30<sup>th</sup> Annual General Meeting of the Company to be held on **Friday, the 30<sup>th</sup> day of September, 2011 at 4.00 p.m.** at State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023 and at any adjournment thereof.

Folio No: \_\_\_\_\_ DP-ID\* \_\_\_\_\_

No. of shares held: \_\_\_\_\_ Client ID\* \_\_\_\_\_

Signed this .....day of ..... 2011.

Affix Re. 1.00 Revenue Stamp
---------------------------------------

**Signature of Member**

\* Applicable for members holding Shares in electronic form

**Note:** This proxy form in order to be effective should be duly filled, stamped, and signed and must be deposited at the Registered Office of the Company at State Bank Building Annex, 1<sup>st</sup> Floor, Bank Street, Fort, Mumbai-400 023, not less than 48 hours before the time for holding the meeting. A proxy need not be a member of the Company.

**BOOK-POST**

If undelivered, please return to:  
**Ravinay Trading Company Limited**  
State Bank Building Annexe, Bank Street,  
Fort, Mumbai-400 23



# **RAVINAY TRADING COMPANY LIMITED**

