

SULABH ENGINEERS AND SERVICES LTD.

Regd. off. : B-32 APMC Market-1 Phase-II, Sector-19 Vasi Navi Mumbai - 400 705

Corp. off. : 17/11, The Mall, Kanpur - 208 001

E-mail : sulabheng22@gmail.com

To

Date: 17 July 2012

1. The General Manager
Department of Corporate Services,
Bombay Stock Exchange Limited,
1st Floor, P.J. Towers,
Dalal Street,
Mumbai-400001

2. The Manager
U.P. Stock Exchange
Padam Tower, Civil lines
Kanpur-208001

Sir,

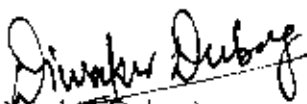
Ref: M/s Sulabh Engineers And Services Limited

Enclosed herewith please find the following documents for your kind perusal:

1. Notice for convening of Annual General Meeting on 22nd day of August 2012(Three copies).

Thanking You,

By the order of Board
For Sulabh Engineers and Services Limited


(Diwaker Dubey)
ACS
Company Secretary

SULABH ENGINEERS AND SERVICES LTD.

Regd. off. : B-32 APMC Market-1 Phase-II, Sector-19 Vasi Navi Mumbai - 400 705

Corp. off. : 17/11, The Mall, Kanpur - 208 001

E-mail : sulabheng22@gmail.com

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Annual General Meeting of the Members of Sulabh Engineers and Services Limited will be held on Wednesday, the 22nd day of August 2012 at 11:00 A.M. at B-32 APMC Market-I Phase-II, Sector-19, Vasi, Navi Mumbai-400705, to transact the following business.


ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at March 31, 2012 the Profit & Loss Account for the year ended on that date together with the Schedules and Notes attached thereto, along with the Reports of the Auditors and Directors thereon.
2. To reappoint Shri Santosh Kumar Agarwal, Director, who retires by rotation and being eligible, offers himself for re appointment.
3. To appoint M/S Satish Soni & Co., Chartered Accountants 15/2, 2nd floor, Meter House, Colaba, Mumbai-400001, Auditors of the company to hold office from the conclusion of this Annual General Meeting up to the conclusion of 30th Annual General Meeting and to authorize the Board of Directors to fix their remuneration in place of Rakesh Soni & Co Chartered Accountants.

Date: 17 July 2012

Place: Kanpur

By the order of Board
For Sulabh Engineers and Services Limited


(Diwaker Dubey)
ACS
Company Secretary

Contd on page no.2....

SULABH ENGINEERS AND SERVICES LTD.

Regd. off. : B-32 APMC Market-1 Phase-II, Sector-19 Vasi Navi Mumbai - 400 705

Corp. off. : 17/11, The Mall, Kanpur - 208 001

E-mail : sulabheng22@gmail.com

2

NOTES:

1. Rakesh Soni & Co Chartered Accountants do not offer themselves for Re appointment at the forthcoming Annual General Meeting of the Company. They will be ceased to be the Statutory Auditors of the Company with effect from the conclusion of the above said AGM. In view of the above M/S Satish Soni & Co., Chartered Accountants has to be appointed in place, and instead of Rakesh Soni & Co Chartered Accountants, as the new Statutory Auditors of the Company by the members of the Company at the said general meeting
2. A Member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and on a poll to vote in his stead and such a proxy need not be a member of the Company. Proxies in order to be effective must be received by the Company not less than 48 hours before the time for holding the meeting.
3. Shareholders seeking any further information on Accounts and Operations of the Company at Annual General Meeting are requested to send their queries to the Company at registered office at least seven days before the date of meeting.
4. The register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 17th August 2012 to Wednesday, the 22nd August 2012 (Both days inclusive) and the dividend for the year ended 31 March 2012, If declared by the Members in the Annual General Meeting to be held on 22nd August 2012 will be paid:
 - To those members whose names appear in the Register of Members of the Company, after giving effect to all valid share transfers in physical form lodged with Company or its registrars on or before 16th August 2012 and
 - In respect of shares held in electronic form to those beneficiaries whose names appear on the statements of beneficial ownership furnished by National Securities Depository Limited (NSDL), and Central Depository Services (India) Limited (CDSL), at the end of business hours on 16th August 2012.


Company Secretary

ATTENDANCE SLIP
(To be presented at the entrance)

Reg. Folio No:
No. of Shares held:

I certify that I am a member/proxy of the Company.

I hereby record my presence at the Annual General Meeting of the Company to be held at its Registered Office, B-32 APMC Market-1 Phase-II, Sector-19, Vashi, Navi Mumbai-400705, Wednesday, the 22nd Day of August 2012 at 11:00 AM.

Member's/ Proxy name in BLOCK letters

Signature of Member/Proxy

Note: Please fill up this attendance slip and hand it over at the entrance of the venue for the meeting

PROXY FORM

Regd Folio No.:

I/We of
In the district of being a member/ members of the above
named company, hereby appoint
Of in the district of
Or failing him of
In the district of as my/our proxy to attend and vote on my/
our Proxy to attend and vote for me/us on my/our behalf at the Annual General
Meeting of the company to be held on Wednesday, the 22nd 2012, at 11:00 AM. and
at any adjournment(s) thereof.

Signed thisday of2012

Affix
Revenue
Stamp

Signature

Note: This Proxy form in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the meeting.

SULABH ENGINEERS AND SERVICES LTD.

Regd. off. : B-32 APMC Market-1 Phase-II, Sector-19 Vashi Navi Mumbai - 400 705

Corp. off. : 17/11, The Mall, Kanpur - 208 001

E-mail : sulabheng22@gmail.com

To,

Date: 17 July 2012

The General Manager
Department of Corporate Services,
Bombay Stock Exchange Limited,
1st Floor, P.J. Towers,
Dalal Street,
Mumbai-400001


Sir,

Ref: M/s Sulabh Engineers And Services Limited
Sub: Book Closure

This is to intimate that the Register of Members and Share Transfer Book of equity shares will remain close from 17 August 2012 to 22 August 2012 (both days inclusive) for the purpose of Annual General Meeting.

Thanking You,

By the order of Board
For Sulabh Engineers and Services Limited


(Divaker Dubey)
ACS
Company Secretary

C.C.

1. U.P. Stock Exchange
2. NSDI.
3. CDSL
4. M/S Skyline Financial Services Pvt. Ltd. (RTA)

SULABH ENGINEERS AND SERVICES LTD.

Regd. off. : B-32 APMC Market-1 Phase-II, Sector-19 Vasi Navi Mumbai - 400 705

Corp. off. : 17/11, The Mall, Kanpur - 208 001

E-mail : sulabheng22@gmail.com

To.

Date: 17 July 2012

✓ The General Manager
Department of Corporate Services,
Bombay Stock Exchange Limited,
1st Floor, P.J. Towers,
Dalal Street, Mumbai-400001

Sir.

Ref: M/s Sulabh Engineers And Services Limited
Sub: Change of Registered & Corporate Office

1. This is to intimate that the Resisted Office of the Company has been changed w.e.f. 17 July 2012 vide Resolution No. BM/07/2012 dated 16/07/2012.

New address of Registered Office is as follows:

B-32 APMC MARKET-1
PHASE-II, SECTOR-19
VASI,
NAVI MUMBAI-400705

2. This is further intimated that the Corporate Office of the Company has also been changed w.e.f. 17 July 2012 vide Resolution No. BM/07/2012 dated 16/07/2012.

New address of Corporate Office is as follows:

17/11 THE MALL, KANPUR 208001

Thanking You,

By the order of Board,

For Sulabh Engineers and Services Limited


(Divakar Dubey)

ACS

Company Secretary

C.C.

1. U.P. Stock Exchange
2. NSDL
3. CDSL
4. M/S Skyline Financial Services Pvt. Ltd. (RTA)

**SULABH ENGINEERS AND
SERVICES LIMITED**

29TH ANNUAL REPORT 2011-2012

CONTENTS

- CHAIRMAN'S MESSAGE

- BRIEF PROFILE OF THE COMPANY

- CORPORATE GOVERNANCE REPORT

- DIRECTOR'S REPORT

- AUDITOR'S REPORT

- BALANCE SHEET AND PROFIT & LOSS STATEMENT ALONG WITH ANNEXURES

CHAIRMAN'S MESSAGE

Dear Shareholders,

I am very happy to get this opportunity to share with you the performance of your Company for the financial year 2011-12. Your Company has endured to make good profits of 1479.99(Rs in '000) from the last financial year of 67.39(Rs in '000), even under adverse market conditions. The International economic scenario is enigmatic. Growth is picking up from the recent slowdown, but still it is not in tune with the expectations of stakeholders. The inflation is also a serious cause of concern. The high oil prices may add fuel to the fire towards inflationary trends. However there has been marginal improvement in the global economic condition.

Indian economic growth is almost below seven per cent in 2011-12 as compared to the growth rate of 8.4 per cent for 2010-11 owing to global as well as domestic uncertainties and also due to other structural factors. While upside risks to inflation have to be kept in mind, we are required to maintain the pace of our economy.

Your Company follows strong corporate value and high quality in service. It has responded well with reasonably good growth in Business and in a manner which is beneficial to all Stakeholders.

Your Company is very keen to identify, and create new opportunities for the growth of business. In this regard, I, along with all Board Members join each and every stakeholder of the Company with great commitment and also look forward to your continued support in the fulfillment of objectives of the Company.

With warm wishes,

Yours sincerely,

-Sd-
(Manoj Kumar Agarwal)
Whole time Director

BOARD OF DIRECTORS

| | |
|---------------------------|----------|
| Mr. Manoj Kumar Agarwal | Director |
| Mrs. Deepa Mittal | Director |
| Mr. Santosh Kumar Agarwal | Director |
| C.A. Rajiv Agarwal | Director |
| Mr. Rakesh Chand Agarwal | Director |

AUDITOR

Rakesh Soni & Co.
Chartered Accountants
006 Leena Apartment, 60 Feet Road,
Bhayandar (W) Mumbai-401101
Ph: 022- 28144804/22975716

BANKER

BANK OF INDIA
HDFC BANK
UNION BANK OF INDIA

REGISTERED OFFICE

401 Oriental House, 229/231 Samuel Street, Mumbai- 400003

CORPORATE OFFICE

3/98 Hanumant Kripa, Vishnupuri, Kanpur 208002

COMPLIANCE OFFICER

Manoj Kumar Agarwal

REGISTRAR AND SHARE TRANSFER AGENT

M/S Skyline Financial Services Private Limited
D-153-A, 1st floor, Okhala Industrial Area,
Phase I, New Delhi- 110020

E-MAIL I.D. & CONTECT NO. FOR INVESTORS

E- Mail ID: sulabheng22@gmail.com
Contact No. : 0512- 2361892

REPORT ON CORPORATE GOVERNANCE

The Company has complied with the most of the requirements of Corporate Governance as laid down under the applicable Clause 49 of the Listing Agreements with the Stock Exchanges.

1. BOARD OF DIRECTORS

The Board of the Company comprises of five Directors having two Directors as Non-executive independent Directors, one Director as Non- executive Promoter Director and two Directors as Promoter executive Director as follows:

| Sl. NO. | NAME | DESIGNATION |
|---------|---------------------------|---------------------------------|
| 1. | Mr. Manoj Kumar Agarwal | Executive Director/Promoter |
| 2. | Mrs. Deepa Mittal | Executive Director/Promoter |
| 3. | Mr. Santosh Kumar Agarwal | Non-Executive Director/Promoter |
| 4. | C.A. Rajiv Agarwal | Independent Director |
| 5. | Mr. Rakesh Chand Agarwal | Independent Director |

NUMBER OF BOARD MEETINGS

During the year the Board met 16 times on 29/04/2011, 31/05/2011, 10/06/2011, 25/06/2011, 02/07/2011, 12/08/2011, 05/09/2011, 24/10/2011, 02/11/2011, 06/12/2011, 25/01/2012, 01/02/2012, 08/02/2012, 10/02/2012, 23/03/2012 and the maximum gap between two board meetings was not more than 4 months.

DIRECTORS ATTENDANCE RECORD & DIRECTORSHIP HELD

The Composition and category of the Directors on the Board, and their attendance at the Board meetings during the year and at the last Annual General Meeting as also number of Directorship and Committee Membership/Chairmanship as on 31st March, 2012 are as follows:

| Name of Director | Category of Directorship | No. of Board Meeting held | No. of Board Meeting attended | Last AGM Attended | Other Directorship | Other Committees |
|---------------------------|---------------------------------|---------------------------|-------------------------------|-------------------|--------------------|---|
| Mr. Manoj Kumar Agarwal | Executive Director/Promoter | 16 | 16 | Yes | 01 | shareholders /investors Grievance committee, Member |
| Mrs. Deepa Mittal | Executive Director/Promoter | 16 | 16 | Yes | 02 | Remuneration Committee, Member, |
| Mr. Santosh Kumar Agarwal | Non-Executive Director/Promoter | 16 | 16 | Yes | 02 | Audit committee Member |

| | | | | | | |
|--------------------------|----------------------|----|----|-----|-----|---|
| C.A. Rajiv Agarwal | Independent Director | 16 | 16 | Yes | Nil | Audit committee Chairman, shareholders/investors Grievance committee Member, Remuneration committee, Member |
| Mr. Rakesh Chand Agarwal | Independent Director | 16 | 12 | Yes | Nil | Audit committee Member shareholders/investors committee, Chairman Remuneration committee, Chairman |

DISCLOSURES REGARDING APPOINTMENT/RE-APPOINTMENT

As per Section 255 read with Section 256 of the Companies Act, 1956 two third of the Directors should retire by rotation. One third of these Directors are required to retire every year and if eligible they can offer themselves for reappointment. Accordingly Shri Santosh Kumar Agarwal, Director, is liable to retire by rotation and offers himself for reappointment subject to approval of members in general meeting.

2. COMMITTEE OF THE BOARD

The Company has constituted the committee as required under the Listing Agreement at its Board Meeting held on 29 April 2011.

AUDIT COMMITTEE

The Composition of Audit Committee is as mentioned herein below:

| Sl No. | Name | Designated position in the committee |
|--------|-----------------------|--------------------------------------|
| 1. | Rajiv Agarwal | Chairman |
| 2. | Rakesh Chand Agarwal | Member |
| 3. | Santosh Kumar Agarwal | Member |

REMUNARATION COMMITTEE

The composition of remuneration committee is as follows:

| SL No. | Name | Designated position in the committee |
|--------|----------------------|--------------------------------------|
| 1. | Rakesh Chand Agarwal | Chairman |
| 2. | Rajiv Agarwal | Member |
| 3. | Deepa Mittal | Member |

DETAILS OF REMUNARATION TO THE DIRECTORS

| SL NO | Name and designation | Salary | Other Benefits | Total |
|-------|---|-------------|----------------|-------------|
| 1. | Mr. Manoj Kumar Agarwal Whole Time Director | Rs.1,80,000 | 00 | Rs.1,80,000 |
| 2. | Mrs. Deepa Mittal Whole Time Director | Rs.1,80,000 | 00 | Rs.1,80,000 |
| 3. | Mr. Santosh Kumar Agarwal Non-Executive Director | nil | nil | nil |
| 4. | C.A. Rajiv Agarwal Independent Director | nil | nil | nil |
| 5. | Mr. Rakesh Chand Agarwal Independent Director | nil | nil | nil |

SHAREHOLDER/INVESTOR'S GRIEVANCE COMMITTEE

The Composition of shareholder/investor's grievance committee is as follows:

| SI No. | Name | Designated position in the committee |
|--------|----------------------|--------------------------------------|
| 1. | Rakesh Chand Agarwal | Chairman |
| 2. | Rajiv Agarwal | Member |
| 3. | Manoj Kumar Agarwal | Member |

3. GENERAL BODY MEETING

Details regarding the last three Annual General Meetings are as follows:

| Financial year | Date of Meeting | Venue of Meeting | Timing of Meeting |
|----------------|-----------------|---|-------------------|
| 2008-09 | 29/09/2009 | 185 Sheikh Memon Street, 3 rd floor, Mumbai-400003 | 10:00 A.M. |
| 2009-10 | 15/07/2010 | 185 Sheikh Memon Street, 3 rd floor, Mumbai-400003 | 10:00 A.M. |
| 2010-2011 | 30/09/2011 | 401 Oriental House, 229/231, Samuel Street, Mumbai-400003 | 11:00 A.M. |

An Extra Ordinary General Meeting of the Company was held on 09/03/2012 at 11:00 A.M. at its Registered Office i.e. 401 Oriental House, 229/231, Samuel Street, Mumbai-400003

DETAILS OF SPECIAL RESOLUTION IN THE LAST THREE AGM

During this financial year the Company has passed a special resolution U/S 149 (2A) to undertake the new business which are mentioned in clause 75 and 84 of Memorandum of Association in the EGM held on 09/03/2012.

DETAILS OF SPECIAL RESOLUTION PASSED THROUGH POSTAL BALLOT PROCESS

There is no resolution passed through postal ballot process at the ensuing Annual General Meeting.

4. DISCLOSURES

The Company has complied with most of the mandatory requirements of Clause 49 of the Listing Agreement.

5. MEANS OF COMUNICATATION

The Company has timely published its quarterly results in the newspapers.

6. GENERAL SHARE HOLDER INFORMATION

I. Annual General Meeting : Date: 22/08/2012
Time: 11:00 AM
Venue: B-32 APMC MARKET-I
PHASE-II, SECTOR-19
VASI,
NAVI MUMBAI-400705

II. Financial Year : April 2011 - March 2012

III. Date of book closure : 17/08/2012 - 22/08/2012

IV. Dividend payment date : N/A

The Directors of the company are of the opinion not to declare dividend for the financial year.

V. Listing on Stock Exchange: BSE Limited, Mumbai
U.P. Stock Exchange Limited, Kanpur

VI. Stock Code : BSE- 508969

VII. Market Price : Trading of scrip started from Dec 2011.
Month wise Market price is given below:

| MONTH | LOW | HIGH | VOLUME |
|---------------|-------|-------|--------|
| December 2011 | 11.22 | 13.89 | 600 |
| January 2012 | 14.16 | 16.88 | 500 |
| February 2012 | 17.20 | 17.20 | 50 |
| March 2012 | 17.50 | 18.55 | 200 |

VIII. Registrar and Transfer Agent: M/S Skyline Financial Services Private
D-153-A, 1st floor, Okhala Industrial Area,
Phase I, New Delhi- 110020

IX. Share Transfer System: The Company has provided a common agency regarding the Share Registration and Transfer by our Registrar And Transfer Agent i.e. Skyline Financial Services Private Limited, New Delhi within a period of 30 days from the date of receiving, subject to the validity and completeness of documents in all respect.

X. Distribution of shareholding:

Shareholding pattern of the Company as on 31st March 2012

| Category | No. of Shares | Percentage of Holding |
|--------------------------------------|---------------|-----------------------|
| Govt(Central & States) | 0 | 0 |
| Govt Companies | 0 | 0 |
| Public financial institution | 0 | 0 |
| Nationalized/Other Institutions/Bank | 0 | 0 |
| Mutual Funds | 0 | 0 |
| Venture Capital | 0 | 0 |
| Foreign Holding | 0 | 0 |
| Bodies Corporate | 850 | 0.01 |
| Directors/Relative | 2,848,850 | 28.35 |
| Others | 7,197,800 | 71.64 |
| TOTAL | 10047500 | 100 |

Distribution of Shareholding:

| CATEGORY | | SHAREHOLDERS | |
|----------|--------|--------------|------------|
| FROM | TO | NUMBER | PERCENTAGE |
| 01 | 100000 | 92 | 25.06 |
| 100001 | 200000 | 37 | 36.23 |
| 200001 | 300000 | 03 | 08.46 |
| 300001 | 400000 | 01 | 03.98 |
| 400001 | 500000 | 03 | 14.33 |
| 500001 | 600000 | 02 | 11.94 |
| TOTAL | | 138 | 100 |

XI Dematerialization of Shares and Liquidity:

90% of the shares of Company are in dematerialized form.

XII Address for correspondence:

17/11 The Mall, Kanpur 208001

XIII CFO Certification:

In terms of the requirements of Clause 49(V) of the Listing Agreement, the CFO have submitted necessary certificate to the Board at its meeting held on 16/07/2012 stating the particulars specified under the said clause.

7. **CORPORATE SOCIAL RESPONSIBILITY**

The Company is planning for taking an initiative for implementation of "Green Initiative" in the corporate governance for allowing paperless compliances as per the circular issued by the Ministry of Corporate affairs and to facilitate its member by providing all the information relating to notices of Shareholder Meetings, Annual Report of the Company by e-mail. The Company is also planning to take initiative on promoting social welfare in near future.

DIRECTOR'S REPORT

Dear Shareholders,

Your Directors take pleasures in presenting the 29th Annual Report together with Audited statement on the business and operations of the company for the year ended on 31st March, 2012.

FINANCIAL RESULTS:

| | 2011-2012 (Rs.in'000) | 2010-2011 (Rs.in'000) |
|---|--|--|
| Income | 3782.90 | 272.88 |
| Profit/(Loss) before interest & dep. | 2013.19 | 67.42 |
| Less: | | |
| Interest | 0.00 | 0.00 |
| Depreciation | 0.28 | 0.03 |
| Profit / (Loss) Before Tax | 2013.19 | 67.39 |
| Provision for Taxation | 0.00 | 0.00 |
| Provision for Taxation For earlier year | 0.00 | 0.00 |
| | 1479.99 | 67.39 |

OPERATIONAL RESULTS:

During the year under review, the company has received an income of Rs.3782.90 Thousand as compared to the previous year income of Rs.272.88 and earned a profit after tax of Rs.2013.19 thousand as compared to the previous year profit of Rs.67.39 thousand. Though the performance of company is better than the last year still your directors are trying to improve the performance of the company and are hopeful for the better result of the company in the next financial year.

DIVIDEND:

In view to conserve the financial resources of the company for meeting financial requirements for future business projects it was decided by your director not to declare any dividend this year.

FIXED DEPOSIT:

Your company has not accepted any deposit prescribed U/s 58A of the companies Act 1956 during the financial year.

AUDITORS:

Satish Soni & Co., Chartered Accountants, from whom company has received a certificate that his appointment as Auditors, is within the limit as laid down 224(1B) of the companies Act, 1956, shall hold office from the conclusion this Annual General Meeting to the conclusion of 30th Annual General Meeting.

CHANGE IN MANAGEMENT & TAKEOVER:

There is no change in the management of the company during the Financial Year.

RESPONSIBILITY STATEMENT OF THE BOARD OF DIRECTORS:

As stipulated in section 217 (2AA) of Companies Act 1956, Your Directors subscribe to the Directors Responsibility statement and confirm as under:

- i. That the preparations of the annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii. That the Directors have selected such accounting policies and applied them consistently and made judgment and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of financial year and of the Profit of the company for that period.
- iii. That the directors have taken proper and sufficient care of the maintenance of adequate accounting records in accordance with the provisions of this act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
- iv. That the Directors have prepared the annual accounts on a going concern basis.

INDUSTRIAL RELATIONS:

During the period under review the relation between employee and Management remained cordial.

DIRECTOR:

The Board of the company is duly constituted and there has been no change in the composition of the board.

Shri Santosh Kumar Agarwal is eligible to retire by rotation at the AGM.

None of the Directors is Disqualified u/s 274(1) (g) of the companies Act, 1956.

AUDITORS REPORT:

The observation as per Auditors Report is self-explanatory and does not call any further clarification from directors.

CORPORATE GOVERNANCES:

As the company is required to comply with clause 49 of the Listing Agreement so the Corporate Governance Report confirming the compliance of conditions of corporate Governance forms part of the Annual Report.

LISTING OF SHARES:

The Company's shares are listed with the Uttar Pradesh Stock Exchange Ltd., Padam Tower, and 14/113, Civil Lines, Kanpur and Bombay Stock Exchange Ltd., 1st Floor, P.J.Towers, Dalal Street, Mumbai. The company had made preferential allotment of 70,00,000 equity shares on 22-03-2012 in respect of which proper intimation has been given to the stock exchanges and the listing approval for the same along with trading permission has been given to the stock exchanges and the listing approval for the same along with trading permission has been granted by the both the stock exchanges.

RISK AND INTERNAL ADEQUACY:

The company has adequate internal control procedures commensurate with its size and nature of its business. The Board of Directors periodically reviews the audit plans, internal audit reports, adequacy of internal control and mismanagement.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING OUTGO:

Your Company is not engaged in any manufacturing activity which is power intensive, it basically engaged in trading activities and use power saving devices by implementing the advanced and latest technology in carrying out its operational activities. There is a system of proper check and control in order to avoid unnecessary wastage of power and energy. Foreign Exchange earnings and outgo is NIL.

EMPLOYEES:

The particulars as required w/s217 (3A) of the companies Act, 1956 are furnished as none of the employee is drawing remuneration of Rs.500000/- or more per month if employees for apart of the year of Rs.6000000/-if employed throughout the period.

ACKNOWLEDGEMENTS:

Yours Directors acknowledge with thanks for the co-operation and assistance what so ever received from employees, members, banks and govt. Authorities.

By the Order and on behalf of the Board of Directors

SULABH ENGINEERS AND SERVICES LTD.

PLACE: KANPUR
DATE : 16-07-2012

SD/-

SD/

Manoj Kumar Agarwal
DIRECTOR

Deepa Mittal
DIRECTOR



AUDITORS' REPORT

The Members of

Sulabh Engineers and Services Limited

1. We have audited the attached Balance Sheet of Sulabh Engineers and Services Limited as at 31st March, 2012, the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date annexed there to. These Financial Statements are the responsibility of the Company's Management.

Our responsibility is to express an opinion on these Financial Statements based on our Audit.

2. We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining on test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion and we report that:
3. As required by the Companies (Auditors' Report) Order 2003 issued by the Central Government of India in terms Sec.227 (4A) of the Companies Act 1956 and on the basis of such checks of the books and records as we considered necessary and appropriate and according to the information and explanation given to us during the course of audit, the statement on the matters specified in paragraph 4&5 of the said order, is enclosed herewith.
4. Further to our comments in the Annexure referred to in paragraph 3 above, we Report that:
 - a) we have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper Books of Accounts as required by law have been kept by the Company so far as appears from our examination of such Books.
 - c) The Balance Sheet and Profit & Loss A/c referred to in this report, are in agreement with the Books of Accounts.



d) In our opinion the Balance Sheet, Cash flow Statement and Profit & Loss a/s dealt with by this Report comply, subject to Notes to Accounts, with the Mandatory Accounting Standards Accounting Standards referred to Sec.211(3C) of the Companies Act,1956, to the Extent.

e) On the basis of written representations received from the Directors as on 31st March,2012 and taken on record by the Board of Directors, we report that none of the Director is disqualified as on 31.03.2012 from being appointed as Director in terms of Clause (g) of Sub- Sec.(1) of Sec. 274 of the Companies Act,1956.

f) In our opinion and to the best of our information and explanation given to us, the said statements of account, read together with significant accounting policies and Notes on Accounts there on, give the information required by the companies Act,1956 in the manner so required and give a true & fair view in conformity with the accounting principles generally accepted in India:

(i) in so far as relates to the Balance Sheet of the state of Affairs of the company as at 31st march 2012,

(ii) In so far as relates to the Profit & Loss account of the Profit of the company for the year ended on that date and

(iii) In case of the Cash Flow Statement, of the Cash Flow for the year ended on that date.

For RAKESH SONI & CO.,

Chartered Accountants,


(C.A. R.K. SONI)



Proprietor.

M.N.-047151

FRN-114625W

PLACE: MUMBAI.

DATE: 30.05.2012.

ANNEXURE TO THE AUDITORS REPORT

REFERRED TO IN PARAGRAPH OUR REPORT OF EVEN DATE:

1. (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets are physically verified by the management at reasonable intervals having regard to the size of the company and nature of its assets. No materials discrepancies were noticed during such verification during the year.
 - (c) The company has not disposed off any part of fixed assets during the year and accordingly going on concern is not affected, except Rs.284/- being full amount of net WDV was charged as Depreciation to Revenue a/c.
2. In respect of inventories: There were no inventory, hence this clause is not applicable.
3. In respect of the Loans, secured or unsecured, granted or taken by the company to/from companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act,1956:
- (a) the company has given loans to various parties and total outstanding at the year end was Rs.12.53 Crores (including Rs.1.50 Crores interest free loan), maximum outstanding during the year any time was Rs.15.43 Crores.
 - (b) The company has not taken loans, secured or unsecured, from Companies, firms or other parties covered in the register maintained u/s.301 of the Companies Act,1956.
 - (c) In our opinion the rate of interest and other terms and condition on which loans given by the company are not prima facie prejudicial to the interest of the company. The parties are repaying the principal amounts as stipulated and are also irregular in payment of interest, wherever applicable .
 - (d) In respect of aforesaid loans, there is no overdue amount.
4. In our opinion and according to the information given to us the company has adequate internal control procedure, commensurate to the size of the company and nature of its Business for the purchase of inventories and fixed assets and for sale of goods Further based on our examination and according to the information & explanation given to us we have neither come across nor have been informed of any major weakness in the internal control.
5. To the best of knowledge and belief and according to the information and explanation given to us we are of the opinion that the transaction that need entered in the register in pursuance of sec. 301 of the companies Act 1956 has been so entered.
6. The company has not accepted any deposit from public to which the directive issued By the Reserve Bank of the India and the provision of sec.58AA of the Act and the Rules framed there under applicable.
7. In our opinion the company has internal audit system commensurate with the size and nature of its business.
8. As explained to us the central govt. has not prescribed maintenance of cost record u/s 209(1) (d) of the companies Act 1956 for any of the company.
9. In respects of statutory dues:
- (a) According to the records of the company and information and explanation given to us the company has been regular in depositing undisputed statutory dues to the extent applicable, with the appropriate authorities during the year. According the information and explanation given to us, no undisputed amount payable in respect of the above were in arrears as on 31.03.2012 for a period of more than 6 months from the date on which they become payable. We have been explained that status relating to other statutory dues including Employees State Insurance, Provident Fund, Sales Tax, Wealth Tax, Custom Duty, Investor Education and Protection Fund, Excise Duty and Service Tax are not applicable to the Company during the year.
10. The Company have not accumulated losses at the end of the financial year and have not incurred cash losses during the year covered by the audit and immediately preceding financial year.
11. On the basis of information and explanation given to us the company has not defaulted in repayment of dues to any Bank or financial institution. The company has not obtained any borrowing by way of debentures.



12. Based on our examination of record and the information & explanation given to us the company has not granted any loans and advances on the basis of security by way of pledge of shares debentures and other securities .
13. In our opinion the company is not a chit fund or and Nidhi/ Mutual benefit fund / society therefore the provision of clause (xiii) of this order are not applicable.
14. In our opinion the Company has maintained proper records of transactions and contracts relating to shares and securities and other investments made, entered into during the year and timely entries have been made therein.
15. According to the information and explanation given to us and record examined by us the company has not given any guaranty for the loan taken by others from Banks or financial institutions.
16. In our opinion and according to the information & explanation given to us the company has not taken term loan during the year and not been defaulter in repayment of principal and interest by way of installment.
17. According to the information and explanations given to us and on overall examination of the Balance Sheet of the Company, we are of the opinion that there are no funds raised on short term basis that have been used for long term investment.
18. The company has made preferential allotment of 70,00,000 Equity shares of Rs.10/- each on premium of Rs.10/- each, out of which 17,00,000 Equity shares were issued to Promoters and 53,00,000 Equity shares were issued to Non-Promoters, covered in Register maintained u/s.301 of the Companies Act, 1956.
19. The company has not raised any money by way of public issue during the year, except issue of preferential allotment of 70,00,000 Equity shares of Rs.10/- each on premium Rs.10/- each.
20. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have been informed of such case by the management.
21. The other clauses of the companies (Auditors' Report) Order 2003 are not applicable in the case of this company for the current year.

For RAKESH SONI & CO.,

Chartered Accountants,



(CA.R.K.SONI)

Proprietor,

M.N.-047151

FRN-114625W

PLACE: MUMBAI.

DATE:30.05.2012.



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

BALANCE SHEET AS ON 31.03.2012

| Particulars | Note No | 2011-12 | 2010-11 |
|--|---------|------------------|-----------------|
| EQUITY & LIABILITIES | | | |
| (1) Shareholder's Funds | | | |
| (a) Share Capital | 1 | 100475000 | 30475000 |
| (b) Reserve & Surplus | 2 | 104019271 | 32559891 |
| (c) Money Received against share warrants | | 0 | 0 |
| (d) Minority Interest | | 0 | 0 |
| (2) Share application money pending allotment | | 0 | 0 |
| (3) Non- Current Liabilities | | | |
| (a) long Term borrowings | 3 | 0 | 0 |
| (b) Deffered tax liabilities | 3 | 0 | 0 |
| (c) Other long term liabilities | 3 | 0 | 128515 |
| (d) Long term provisions | 4 | 0 | 0 |
| (4) Current liabilities | | | |
| (a) Short term borrowings | 3 | 0 | 0 |
| (b) Trade payable | 3 | 0 | 0 |
| (c) Other current Liabilities | 3 | 746034 | 144410 |
| (d) Short Term provisions | 4 | 533201 | 0 |
| TOTAL | | 205773506 | 63307816 |
| II. ASSETS | | | |
| (1) Non Current Assets | | | |
| (a) Fixed Assets | | | |
| (i) Tangible assets | 5 | 0 | 284 |
| (ii) Intangible assets | 5 | 0 | 0 |
| (iii) Capital work in progress | | 0 | 0 |
| (iv) Intangible assets under development | | 0 | 0 |
| (b) Non- current investments | 6 | 1450000 | 0 |
| (c) Deffered tax assets (net) | | 0 | 0 |
| (d) Long term loans & advances | 11 | 0 | 26041481 |
| (e) Other non-current assets | 11 | 2030520 | 648104 |
| (2). Current assets | | | |
| (a) Current investment | 7 | 0 | 0 |
| (b) Inventories | 8 | 0 | 0 |
| (c) Trade Receivables | 10 | 0 | 0 |
| (d) Cash & cash equivalents | 9 | 51262860 | 36617947 |
| (e) Short term loans and advances | 11 | 151030126 | 0 |
| (f) Other current assets | 11 | 0 | 0 |
| TOTAL | | 205773506 | 63307816 |

Notes to Accounts

- Figures have been rounded of to the nearest rupee
"As per our report of even date"

For RAKESH SONI & CO.,
Chartered Accountants,

(Signature)
(CA RAKESH SONI)
Proprietor.

M.N.- 047151.
FRN-114625W.



For and on behalf of the Board

(Signature)
(Manoj Kumar Agarwal)
DIRECTOR

(Signature)
(Deepa Mittal)
DIRECTOR

Place: Mumbai
Date : 30.05.2012

SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Profit and Loss statement for the year ended 31st March 2012

| Particulars | Note No. | 2011-12 | 2010-11 |
|--|---------------|----------------|---------------|
| I. Revenue from operations | 12 | 3782904 | 272877 |
| II. Other Income | 13 | 0 | 0 |
| III.Total Revenue(I+II) | | 3782904 | 272877 |
| IV. EXPENSES: | | | |
| Cost of material consumed | 14 | 0 | 0 |
| Purchase of Stock- in-Trade | 14 | 0 | 0 |
| Changes in inventories of finished goods, work in progress and stock-in- Trade | 14 | 0 | 0 |
| Employee benefit expense | 15 | 513000 | 44469 |
| Financial Cost | 16 | 3010 | 1565 |
| Depreciation and amortization expense | 5 | 284 | 32 |
| Other Expenses | 17 | 1253416 | 159417 |
| IV.Total Expenses | | 1769710 | 205483 |
| V. Profit before exceptional and extarordinary items and tax | (III-IV) | 2013194 | 67394 |
| VI.Exceptional Items | | 0 | 0 |
| VII. Profit before extraordinary items and tax | (V-VI) | 2013194 | 67394 |
| VIII. Extraordinary Items | | 0 | 0 |
| IX. Profit before tax | (VII-VIII) | 2013194 | 67394 |
| X. Tax Expense: | | | |
| (1) Current Tax | | 533201 | 0 |
| (2) Deffered Tax | | | |
| XI. Profit(Loss) from the period continuing operations | (IX-X) | 1479993 | 67394 |
| XII. Profit/(Loss) from discounting operations | | 0 | 0 |
| XIII. Tax expense of disconting operations | | 0 | 0 |
| XIV. Profit/(Loss) from discounting operations | (XII-XIII) | 0 | 0 |
| XV. Profit/(loss) for the period | (XI+ XIV) | 1479993 | 67394 |
| XVI. Share of results of Associates | | 0 | 0 |
| XVII. Minority Interest | | 0 | 0 |
| XVIII. Profit/(loss) for the period | (XV+XVI+XVII) | 1479993 | 67394 |
| XIX. Earning per equity share: | | | |
| (1) Basic | | 0.46 | 0.21 |
| (2) Dilluted | | 0.46 | 0.21 |

Notes to Accounts

1. Figures have been rounded of to the nearest rupee


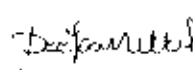
For RAKESH SONI & CO.,
Chartered Accountants,


(CA. R.K. SONI)

Proprietor.
M.N.- 047151.
FRN-114625W.



For and on behalf of the Board

 
(Manoj Kumar Agarwal) (Deepa Mittal)
DIRECTOR DIRECTOR

Place: Mumbai
Date : 30.05.2012

SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

| Note 1 :- Share Capital | 2011-12 | 2010-11 |
|---|-----------|----------|
| Authorised Shares | 110000000 | 60000000 |
| 11000000 Nos. Equity Shares of Rs.10/- each (Previous year 6000000 Equity shares of Rs.10/-each) | | |
| | 110000000 | 60000000 |
| Issued ,Subscribed & Fully Paid | 100475000 | 30475000 |
| 10047500 Equity Shares of Rs.10/- each (Previous year 3047500 Equity shares of Rs.10/-each) | | |
| Total Issued ,Subscribed & Fully Paid | 100475000 | 30475000 |

| Share Capital Schedule (No. of shares Outstanding) | 31-Mar-12 | | 31-Mar-11 | |
|---|-----------|-----------|-----------|----------|
| | Nos | Amount | Nos | Amount |
| Opening number of Shares Outstanding | 3047500 | 30475000 | 247500 | 2475000 |
| Add: Preferential Shares | 7000000 | 70000000 | 2800000 | 28000000 |
| Less: | 0 | 0 | 0 | 0 |
| Closing number of outstanding shares at the end of the period | 10047500 | 100475000 | 3047500 | 30475000 |

During the year ended 31 March 2012, the amount of per share recognised as distribution to equity shareholders was Rs. 0 (31 Mar2011: Rs.0)

Detail of Shareholders Holding more than 5 percent Shares

| Name of the Shareholders | No.Of shares | % Shareholding |
|--------------------------|--------------|----------------|
| Ruchi Agarwal | 600000.00 | 5.97% |
| Sandhya Agarwal | 600000.00 | 5.97% |
| | | |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

| Note 2:- Reserve & surplus | | 2011-12 | 2010-11 |
|------------------------------------|--|------------------|-----------------|
| (a) | Capital & Redemption Reserve | | |
| | Opening Balance | 0 | 0 |
| | Less: Trading to Share capital on issue of bonus shares | 0 | 0 |
| | Add/less: Any other adjustments | 0 | 0 |
| | | 0 | 0 |
| (b) | Bond Redemption Reserve | | |
| | Opening Balance | 0 | 0 |
| | Add: Any other adjustments | 0 | 0 |
| | Less: Any other adjustments | 0 | 0 |
| | | 0 | 0 |
| (c) | Debenture Redemption Reserve | | |
| | Opening Balance | 0 | 0 |
| | Add: Any other adjustments | 0 | 0 |
| | Less: Any other adjustments | 0 | 0 |
| | | 0 | 0 |
| (d) | Capital Reserve | | |
| | Opening Balance | 0 | 0 |
| | Add: Any other adjustments | 0 | 0 |
| | Less: Any other adjustments | 0 | 0 |
| | | 0 | 0 |
| (e) | Securities Premium | | |
| | As per last Balance sheet | 28000000 | 0 |
| | Add: Any other adjustments | 70000000 | 28000000 |
| | less: Any other adjustments | 0 | 0 |
| | | 98000000 | 28000000 |
| (f) | General Reserve | | |
| | As per last Balance Sheet | 2400000 | 2400000 |
| | Add: Any other adjustments | 0 | 0 |
| | less: Any other adjustments | 0 | 0 |
| | | 2400000 | 2400000 |
| (g) | Foreign Currency Translation Reserve | 0 | 0 |
| (h) | Surplus in the statement of Profit & Loss Account | | |
| | As per last Balance Sheet | 2139278 | 2092497 |
| | Add: Profit for the year | 1479993 | 67394 |
| | Less: Appropriations | 0 | 0 |
| | Proposed Dividend | 0 | 0 |
| | Tax on dividend | 0 | 0 |
| | Transfer to general reserve | 0 | 0 |
| | Net surplus in the statement of profit and loss account | 3619271 | 2159891 |
| Total Reserve & Surplus | | 104019271 | 32559891 |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 3

| Liabilities | Current | | Non-Current | |
|---|---------------|---------------|-------------|---------------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| a) Borrowings | | | | |
| Secured | | | | |
| i. Loans repayable of demand | | | | |
| -From banks; | 0 | 0 | 0 | 0 |
| -From other parties | 0 | 0 | 0 | 0 |
| ii. Loans and advances from related parties | 0 | 0 | 0 | 0 |
| iii. Deposits | 0 | 0 | 0 | 0 |
| iv. Other Loans and advances | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 |
| b) Trade payables | 0 | 0 | 0 | 0 |
| c) Other Liabilities | 0 | 0 | 0 | 0 |
| Current maturities of Long-Term debt | 0 | 0 | 0 | 0 |
| Current maturities of finance lease obligations | 0 | 0 | 0 | 0 |
| Deferred tax liability | 0 | 0 | 0 | 0 |
| Interest accrued but not due | 0 | 0 | 0 | 0 |
| Interest accrued and due | 0 | 0 | 0 | 0 |
| Income received in advance (Deferred and revenue) | 0 | 0 | 0 | 0 |
| Unpaid Dividends | 9630 | 9630 | 0 | 0 |
| Other Payables | 736404 | 134780 | 0 | 128515 |
| | 746034 | 144410 | 0 | 128515 |
| Note 4 | | | | |
| Provisions | | | | |
| Provisions for employee benefit | 0 | 0 | 0 | 0 |
| others | | | | |
| - Proposed Dividends | 0 | 0 | 0 | 0 |
| - Provision for Taxation | 533201 | 0 | 0 | 0 |
| | 533201 | 0 | 0 | 0 |



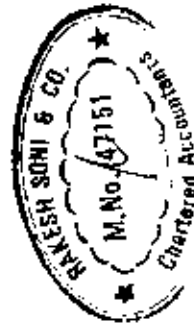
SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 5

TANGIBLE AND INTANGIBLE ASSETS:

| Particulars | Rate | GROSS BLOCK | | DEPRECIATION | | NET BLOCK | | | |
|-----------------------|------|-------------|----------|--------------|----------|------------|-------|----------|----------|
| | | 01.04.11 | ADDITION | Total | 01.04.11 | During Yr. | Total | 31.03.12 | 31.03.11 |
| A) Intangibles: | | | | | | | | | |
| Goodwill | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Software | | 0 | 0 | 0 | 0 | 0 | 0 | 0 | 0 |
| Trademark | | | | | | | | | |
| B) Tangibles | | | | | | | | | |
| Furniture & Fixture | | 5190 | 0 | 5190 | 4906 | 284 | 5190 | 0 | 284 |
| TOTAL | | 5190 | 0 | 5190 | 4906 | 284 | 5190 | 0 | 284 |
| Total (Previous Year) | | 5190 | 0 | 5190 | 4874 | 32 | 4906 | 284 | 316 |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 6

| Non Current Investments | 2011-12 | 2010-11 |
|--|----------------|----------|
| a) Investment Property | 0 | 0 |
| b) Investments in Equity Instruments | 0 | 0 |
| 1. Investments in Associate - Un-Quoted | | |
| Opening Balance | 50000 | 0 |
| (Extent of holding 99%) | | |
| Add: Share of profit for previous years | 0 | 0 |
| Add: Share of profit for current year | 0 | 0 |
| (Market Value_) | | |
| 2. Investment - Quoted | 0 | 0 |
| (Market Value_) | | |
| 3. Investment in joint Venture - unquoted | 0 | 0 |
| 4. Other unquoted investments | 1400000 | 0 |
| | 1450000 | 0 |

| | | |
|---|---------|---|
| Aggregate amount of quoted investment(Market Value) | 0 | 0 |
| Aggregate amount of Unquoted investment | 1450000 | 0 |
| Value of Investment Property | 0 | 0 |

Note 7

| Current Investments | 2011-12 | 2010-11 |
|--|----------|----------|
| a) Investment in Mutual Funds | 0 | 0 |
| Mutual Funds(Provide break up of each scheme of mutual fund invested into) | | |
| b). Other investments | | |
| Commercial Paper of _____ | 0 | 0 |
| Commercial Paper of _____ | 0 | 0 |
| Certificate of Deposit of _____ | 0 | 0 |
| Certificate of Deposit of _____ | 0 | 0 |
| c) Quoted Investments | 0 | 0 |
| | 0 | 0 |

| | | |
|---|--|--|
| Aggregate amount of quoted investment(Market Value) | | |
| Aggregate amount of Unquoted investment | | |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 8

| Inventories | Current | | Non-Current | |
|---------------------------|----------|----------|-------------|----------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| a) Raw Materials | 0 | 0 | 0 | 0 |
| b) Work- in progress | 0 | 0 | 0 | 0 |
| c) Finished goods | 0 | 0 | 0 | 0 |
| d) Stock in trade | 0 | 0 | 0 | 0 |
| Programs, Movies & Rights | 0 | 0 | 0 | 0 |
| - Unamortised cost | 0 | 0 | 0 | 0 |
| - Under production | 0 | 0 | 0 | 0 |
| Raw stock Tapes | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 |
| e) Stores & Spares | 0 | 0 | 0 | 0 |
| f) Loose Tools | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 |
| TOTAL | 0 | 0 | 0 | 0 |

Note 9

| Cash & Cash Equivalents | Current | | Non-Current | |
|--|-----------------|-----------------|-------------|----------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| a) Balances with Banks | | | | |
| Balances with Banks | 192984 | 36566252 | 0 | 0 |
| On current accounts | 0 | 0 | 0 | 0 |
| On Margin Money | 0 | 0 | 0 | 0 |
| On unpaid dividend account | 48422 | 48422 | 0 | 0 |
| Deposits with banks maturity less than 12 months | 50147957 | 0 | 0 | 0 |
| | 50389363 | 36614673 | 0 | 0 |
| b) Cheques, drafts on hands | 0 | 0 | 0 | 0 |
| c) Cash on Hand | 873497 | 3273 | 0 | 0 |
| | 51262860 | 36617947 | 0 | 0 |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 10

| Trade Receivable | Current | | Non- Current | |
|------------------------------------|----------|----------|--------------|----------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| Unsecured considered goods | 0 | 0 | 0 | 0 |
| Outstanding for a period exceeding | 0 | 0 | 0 | 0 |
| Six month from the date they are | 0 | 0 | 0 | 0 |
| due for payment | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 0 | 0 |
| | 0 | 0 | 0 | 0 |
| Less: Provision for doubtful debts | 0 | 0 | 0 | 0 |
| TOTAL | 0 | 0 | 0 | 0 |

Note 11

| Loans & Advances | Current | | Non-current | |
|--|------------------|-----------------|----------------|---------------|
| | 2011-12 | 2010-11 | 2011-12 | 2010-11 |
| a) Loans & Advances to Related parties | 0 | 0 | 0 | 0 |
| b) Other Advances | | | | |
| Interest accrued on Investments | 0 | 0 | 0 | 0 |
| Loans | 0 | 0 | 0 | 0 |
| Advances, secured considered good | 0 | 0 | 0 | 0 |
| Advances, usecured considered good | 125325119 | 26041481 | 1300000 | 0 |
| Less: Provision for doubtful advance | 0 | 0 | 0 | 0 |
| Advance Direct Taxes | 665007 | 0 | 0 | 185021 |
| Advance Indirect Taxes | 0 | 0 | 0 | 0 |
| Other Receivables | 0 | 0 | 0 | 0 |
| Unsecured considered goods | 0 | 0 | 0 | 0 |
| Outstanding for a period exceeding | 0 | 0 | 0 | 0 |
| six month from the date they are | 0 | 0 | 0 | 0 |
| due for payment | 0 | 0 | 0 | 0 |
| Others | 0 | 0 | 730520 | 463083 |
| Capital Advances | 25040000 | 0 | 0 | 0 |
| Deposits secured, considered goods | 0 | 0 | 0 | 0 |
| Deposits unsecured, considered goods | 0 | 0 | 0 | 0 |
| TOTAL | 151030126 | 26041481 | 2030520 | 648104 |

Note: The above figures includes interest free loans & advances Rs.150.00 Lakhs.

Note 12

| Revenue from Operations | 2011-12 | 2010-11 |
|-------------------------|----------------|---------------|
| a) Interest Income | 3782904 | 71480 |
| b) Dividend Income | 0 | 201397 |
| | 3782904 | 272877 |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 13

| Other Income | 2011-12 | 2010-11 |
|-------------------------|---------|---------|
| a) Commission | 0 | 0 |
| b) Interest | 0 | 0 |
| c) Dividend | 0 | 0 |
| d) Miscellaneous Income | 0 | 0 |
| | 0 | 0 |

Note 14

| Cost of Materials Consumed | 2011-12 | 2010-11 |
|-------------------------------|---------|---------|
| Finished Goods | 0 | 0 |
| Opening Stock | 0 | 0 |
| Add: Purchase During the Year | 0 | 0 |
| Less: Closing Stock | 0 | 0 |
| | 0 | 0 |

Note 15

| Employee benefit expenses | 2011-12 | 2010-11 |
|------------------------------------|---------|---------|
| a) Salaries & wages | 513000 | 44469 |
| b) Contribution to provident funds | 0 | 0 |
| c) Staff welfare expense | 0 | 0 |
| | 513000 | 44469 |

Note 16

| Finance Cost | 2011-12 | 2010-11 |
|--|---------|---------|
| a) Interest Expense | 405 | 0 |
| b) Other finance cost | 2605 | 1565 |
| c) Net gain/loss on foreign currency transaction & translation | 0 | 0 |
| | 0 | 0 |
| | 3010 | 1565 |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Note 17

| Other Expenses | 2011-12 | 2010-11 |
|--|----------------|---------------|
| a) Rent | 119000 | 12000 |
| b) Rates & Taxes | 0 | 0 |
| c) Repaires & Maintenance | | |
| Plant & Machinery | 0 | 0 |
| other | 0 | 0 |
| d) Insurance | 0 | 0 |
| e) Electricity & Water Charges | 0 | 0 |
| f) Communication expenses | 16568 | 0 |
| g) Printing & Stationery | 4200 | 3834 |
| h) Miscellaneous expenses | 143358 | 22 |
| i) Conveyance & Travelling expenses | 37566 | 40 |
| j) Vehicle expenses | 0 | 0 |
| k) Director remmuneration | 360000 | 0 |
| l) Securities Transaction Tax | 0 | 6091 |
| m) Legal, Professional and consultancy charges | 255813 | 47045 |
| n) Auditors Remmuneration | 76000 | 20000 |
| o) Provisiona for doubtful debts and advances | 0 | 0 |
| p) Bad debts and advances written off | 0 | 0 |
| q) Loss/(Profit) on sale of fixed assets | 0 | 60813 |
| r) Loss/(Profit) on sale of investments | 0 | 0 |
| s) Share issue and preliminary expenses w/o | 183333 | 2810 |
| t) Advertisement and Publicity expenses | 57578 | 6763 |
| u) Commision on Sales & services | 0 | 0 |
| v) Business promotion expenses | 0 | 0 |
| | 1253416 | 159417 |

Auditors Remmuneration Under:

| Particulars | 2011-12 | 2010-11 |
|----------------------------|--------------|--------------|
| Audit fees | 25000 | 20000 |
| Tax Audit fees | 0 | 0 |
| Certificate & Tax Services | 51000 | 0 |
| Total | 76000 | 20000 |



SIGNIFICANT ACCOUNTING POLICIES

- A. Basis Of Preparation of Financial Statements**
The financial statements are prepared under the historical cost convention, in accordance with the generally accepted accounting principles in India. And the provisions of the Companies Act, 1956.
- B. Own Fixed Assets.**
During the year end Fixed assets' net WDV was Rs.284/- only, was fully charged to Depreciation in the Revenue account.
- C. Depreciation and Amortisation**
Depreciation on fixed assets is provided to the extent of depreciable an written down value Method (WDV) at the rates and in the manner prescribed in the schedule XVI to the companies Act, 1956, but at the end of the year Rs.284/- was remaining in Fixed Assest a/c, therefore full amount Rs.284/- was charged to Depreciation a/c.
- D. Foreign Currency Transactions**
No Foreign transaction was entered during the year 2011-12.
- E. Investments**
Current investments are carried at lower of cost and quoted/fair value, computed category wise. Long Term Investments are stated at cost. Provision for diminution in the value of long – term investments are made only if such a decline is other than temporary.
- F. Revenue Recognition**
Revenue is recognized only when it can be reliably measured and it is reasonable to expect ultimate collection. Revenue from operation consists Interest income only.
- G. Employee Benefits**
(i) Short term employee benefits are recognised as an expense at the undiscounted amount in the Profit & Loss account of the year in which the related service is rendered.
(ii) Post employment and other employment benefits are recognised as an expense at the in the Profit & Loss account of the year in which employee has rendered service.
- H. Provision for Current and Deferred Tax**
Provision for current tax is made after taking into consideration benefits admissible under the provision of Income tax Act, 1961. Deferred tax resulting from "timing difference" between taxable and accounting income is accounted for using the tax rates and laws that are enacted or substantially enacted as on the balance sheet date. During the year under review, no Deferred Tax provision was applicable to the Company.
- I. Provisions, Contingent Liabilities and Contingent Assets**
Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. In the opinion of Management, there was no Contingent Liabilities and contingent Assets.



NOTES ON ACCOUNTS

1. Since the amount of Deferred Tax provision was not material, therefore no provision for deferred tax was made as on 31.03.2012.
 2. List of Related Parties are as under:
 - a. Sulabh Agro P. Ltd
 - b. Sulabh Engg. Cons. P.Ltd
- Transactions with Related Parties are as under:
- a. Sulabh Agro P.Ltd. – Rs. 25,000/-
 - b. Sulabh Engg. Cons. P.Ltd.- Rs. 25,000/-
 - c. Manoj Kumar Agarwal- Director Remuneration – Rs.180000/-
 - d. Deepa Mittal-Director Remuneration- Rs.180000/-
3. During the year under review, the Company has issued 70,00,000 Equity shares on preferential basis of Rs.10/- each on premium Rs.10/- each, out of which 17,00,000 Equity shares were issued to Promoters and 53,00,000 Equity shares to Non-Promoters.
 4. Loans & Advances includes Rs.250,40,000/- being advance paid to Sanjeevani Fertilizers & Chemicals Pvt. Ltd. as advance for use of land owned by Sanjeevani Fertilizers & Chemicals Pvt. Ltd.
 5. Advances also includes Rs.13,00,000/- being advance paid to M/s.MGIL Emerald Garden Invt. Pvt. Ltd., as advance for purchase of property.
 6. Previous year's figures has been rearranged and regrouped, wherever required to make comparable with current year's figures.
 7. Balances of sundry debtors, sundry creditors, loans and advances (debit & credit) shown in the Balance Sheet, are subject to confirmation and verification from respective parties.



8. Auditors' Remuneration comprises of:
Statutory Audit fee- Rs.25,000/-
Certification Fee- Rs.51,000/-
9. Directors Remuneration includes payment made to Mr.Manoj Kumar Agarwal Rs.180000/- & Mrs. Deepa Mittal Rs.180000/- Director of the Company.
10. EPS and DEPS for the year 2011-12 is Rs. 0.46 calculated as (Profit after tax for the year is Rs. 14,79,993/- divided by weighted No. of shares $30,47,500 + (70,00,000 * 9/366)$)
11. As per Management's explanation amount due to SSI, MICRO, Small Enterprises is NIL.
12. Cash Balances at the year end is not verified by the Auditors, the same is relied on the certification by the Management.
13. Expenditure in Foreign Currency-NIL
14. Earning in Foreign Currency-NIL

As per our report of even date

For Rakesh Soni & Co.

For Sulabh Engineers and Services Ltd.

Chartered Accountants

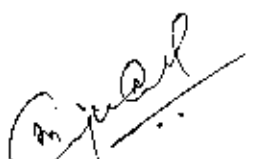

(R.K. Soni)

Proprietor

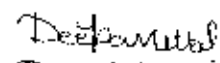
M.N.:047151

FRN.:114625W




(Manoj Kumar Agarwal)

Director


(Deepa Mittal)

Director

Place: Mumbai

Date: 30.05.2012

**NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED 31 MARCH 2012**

Note 2

Related Party Disclosure

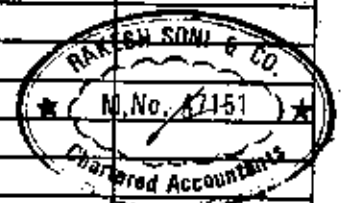
- (i) List of Parties where control exists
(ii) Associate Companies

| Name of the Associate Company | Extent of Holdings | Country of Incorporation |
|-------------------------------|--------------------|--------------------------|
| Sulabh Agro Pvt. Ltd. | 9.9% | India |
| Sulabh Engg. Cons. Pvt. Ltd. | 9.9% | India |

- (iii) Other Related Parties with whom transactions have taken place during the year and balances
Directors / Key Management Personnel

Transactions during the year with related parties

| Sr. No. | Particulars | 2011-12 Amount | 2010-11 Amount |
|---------|--|-------------------|-------------------|
| | Balances as at, | | |
| A) | | | |
| | Fixed Assets / Capital work in Progress / Capital Advances | | |
| | Other Related Parties | | |
| B) | Investments | | |
| | Other Related Parties | | |
| | Balance as at March 31, | | |
| | <u>Associates</u> | | |
| | Balance as at March 31, | | |
| | Sulabh Agro Pvt. Ltd. | 25000 | 0 |
| | Sulabh Engg. Cons. Pvt. Ltd. | 25000 | 0 |
| C) | Sundry Debtors as at March 31, | | |
| | Other Related Parties | | |
| D) | Loans, Advances and Deposits Given as at March 31, | | |
| | Other Related Parties | | |
| E) | Sundry Creditors as at March 31, | | |
| | Other Related Parties | | |
| | Associates | | |
| F) | Loans, Advances and Deposits Received as at March 31, | | |
| | Other Related Parties | | |



| | | | |
|----|--|--------|---|
| | | | |
| G) | Sales and Services Turnover | | |
| | Sales, Services and Recoveries (Net) | | |
| | Other Related Parties | | |
| | | | |
| | Advertisement Income (Net) | | |
| | Other Related Parties | | |
| | | | |
| | Commission Received | | |
| | Other Related Parties | | |
| | | | |
| H) | Other Income | | |
| | Dividend Received | | |
| | Other Related Parties | | |
| | Associates | | |
| | | | |
| | Interest Received | | |
| | Other Related Parties | | |
| | | | |
| | Rent/Miscellaneous Income | | |
| | Other Related Parties | | |
| | | | |
| | Balances Written Back | | |
| | Other Related Parties | | |
| | | | |
| | Sale of Investments | | |
| | Other Related Parties | | |
| | | | |
| I) | Share of Profit/(Loss) In Associates | | |
| | | | |
| J) | Purchase of Programs, Goods and Services | | |
| | Other Related Parties | | |
| | | | |
| K) | Other Expenses | | |
| | Interest Paid | | |
| | Other Related Parties | | |
| | | | |
| | Remuneration and Consultancy fees paid | | |
| | Key Management Personnel | | |
| | Manoj Kumar Agarwal | 180000 | 0 |
| | Deepa Mittal | 180000 | 0 |
| | | | |
| L) | Loans, Advances and Deposits Given | | |
| | Other Related Parties | | |
| | | | |
| M) | Purchase of Fixed Assets/CWIP/Capital Advances | | |
| | Other Related Parties | | |
| | Associates | | |
| | | | |
| N) | Loans and Advances repayment received | | |
| | Other Related Parties | | |
| | | | |
| O) | Corporate Guarantees Given | | |
| | Other Related Parties | | |



SULABH ENGINEERS AND SERVICES LIMITED

REGD. OFFICE : 401 ORIENTAL HOUSE, 229/231, SAMUEL STREET, MUMBAI - 400003.

Cash Flow Statement For The Year Ended 31.03.2012

| Particulars | Year Ended 31.03.2012 | | Year Ended 31.03.2011 | |
|--|--------------------------|-------------------|--------------------------|------------------|
| A Cash Flow from Operating Activities | | | | |
| Profit/(-)Loss for the Year before tax & extraordinary items | | 1479993 | | 67394 |
| <u>Adjustment for:</u> | | | | |
| Depreciation | 284 | | 32 | |
| (Increase)/Decrease in Misc. Expenditure | -267437 | | -463083 | |
| Adjustment for previous Years | -20613 | | 0 | |
| (Profit) & Loss On Sale Of Investment | 0 | | 60813 | |
| Interest & Financial Charges | 0 | -287766 | 0 | -402238 |
| | | 1192227 | | -334844 |
| Operating Profit before Working Capital changes | | | | |
| <u>Adjustments for:</u> | | | | |
| (Increase)/Decrease in Loans and Advances | -128103624 | | -26135029 | |
| (Increase)/Decrease in Inventory | 0 | | 0 | |
| Increase/(Decrease) in current Liabilities | 1006310 | | -931 | |
| Less:-Direct Taxes Paid | 0 | -125097314 | 0 | -26135960 |
| Net Cash from Operating Activities | | -123905087 | | -26470804 |
| B Cash Flow from Investing Activities | | | | |
| Purchase of investment | -2050000 | -2050000 | 0 | 0 |
| Sale Of Investment | 600000 | 600000 | 6435573 | 6435573 |
| Profit/(loss) on sale of investment | 0 | 0 | -60813 | -60813 |
| Net Cash from Investing Activities | | -1450000 | | 6374760 |
| C Cash Flow from Financing Activities | | | | |
| Share Capital Issue | 70000000 | | 28000000 | |
| Share Premium A/c | 70000000 | | 28000000 | |
| Interest and Financial Charges | 0 | | 0 | |
| Dividends paid | 0 | 140000000 | 0 | 56000000 |
| Net Cash from Financing Activities | | 140000000 | | 66000000 |
| NET CASH FLOWS DURING THE YEAR(A+B+C) | | 14644913 | | 35903956 |
| Cash and Cash Equivalents(Opening Balance) | | 36617947 | | 713991 |
| Cash and Cash Equivalents(Closing Balance) | | 51262860 | | 36617947 |

