

**31ST
ANNUAL REPORT
2012-2013**

RAJKOT INVESTMENT TRUST LTD.

CORPORATE INFORMATION

BOARD OF DIRECTORS:

- PARAS K. GHIYA : CHAIRMAN
- SWETABEN P. GHIYA : DIRECTOR
- PARULBEN M. DESAI : DIRECTOR
- VALLABHDAS P. PATEL : DIRECTOR
- SMT. BHARTIBEN K. GHIYA : DIRECTOR

AUDITORS:

DHOLAKIA & COMPANY
CHARTERED ACCOUNTANTS

BANKERS:

CANARA BANK

Citizen co-operative bank

Shree Parswanath co-op. Bank Ltd.

ANNUAL GENERAL MEETING

ON SATURDAY THE 28TH SEPTEMBER, 2013
AT 4.00 P.M. AT 2, DIWANPARA ROAD,
"M.K. GHIYA BUILDING"
RAJKOT-360001

MEMBERS ARE REQUESTED TO BRING THEIR COPIES OF ANNUAL REPORT TO THE ANNUAL GENERAL MEETING.

NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that 31st Annual General meeting of the Company will be made on 28th September, 2013 at 4.00 P.M. at 2, Diwanpara Road, "M.K. Ghiya Building", Rajkot-360001 to transact following business

AGENDA

1. To adopt the Directors Report and the audited profit and loss account for the year ended 31st March 2013 the Balance Sheet as at that date and the report thereon.

Compliance Certificate for the financial year 2012-2013 is attached with the Directors' Report.

2. To appoint a Director in place of Shri Paras K. Ghiya who retire by rotation and is eligible for reappointment
3. To appoint a Director in place of Smt. Swetaben P. Ghiya who retire by rotation and is eligible for reappointment
4. To appoint Auditors to hold office from the conclusion of this meeting until the conclusion of the next General Meeting and to fix their remuneration

NOTES:

1. **A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the Company.**
2. **Proxy form must be deposited with the Company at least 48 hours prior to the time of the Annual General Meeting.**
3. **The Register of members will remain closed from Saturday the 21st September, 2013 to Saturday the 28th September, 2013.**

By Order of the Board

Place : Rajkot
Date : 31/08/2013

PARAS K. GHIYA
CHAIRMAN

DIRECTORS REPORT

To The Members:

Your Directors are pleased to submit 31st Report & audited account of the Company for the year ended: 31st March, 2013.

PERFORMANCE:

The overall market income for capital segment was not encouraging in the current year. The turnover and profitability of the Company was decreased and the Company has net loss of Rs. (-) 11.34 Lacs in hand.

	Current Year (Rs. In Lacs)	Previous Year (Rs. In Lacs)
Turnover	14.42	16.67
Nett Profit/Loss before Tax	(-) 11.34	- 5.23
Nett Profit/Loss after Tax	(-) 11.34	- 5.23

PUBLIC DEPOSITS:

The Company has not accepted any fresh public deposits during the last financial year. In this view, the net position of public deposit as on 31st March, 2012 is **NIL**

STATUTORY STATEMENT:

As required under section 217 (2AA) of the Companies Act, 1956 the Directors' responsibility Statement is enclosed in Annexure to this report.

DIVIDEND:

Your directors are have not recommend Dividend in view of the loss during the current year

DIRECTORS:

Shri PARAS K. GHIYA and Smt. SWETABEN P. GHIYA retire from the Board and eligible offer themselves for appointment.

CORPORATE GOVERNANCE:

The Company is legally advised that the provisions of Corporate Governance are not applicable as the paid up share capital of the Company is less then Rs.3.00 Crores.

AUDITORS:

The members are requested to appoint the statutory auditors.

COMPLIANCE CERTIFICATES:

Compliance Certificate received from practicing Company Secretary is attached.

STATUTORY INFORMATION:

The statutory information relating to the conversion of the Energy, Research and Development, Technology absorption and adoption, Foreign exchange earning and outgo are not relevant to the company as there are no such activities during the year under consideration.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their appreciation for the co-operation of Bankers as well as of the shareholders.

For, **RAJKOT INVESTMENT TRUST LIMITED**

MR. P.K.GHIYA

MRS. S.P.GHIYA

MR. P.M.DESAI

MRS. B.K.GHIYA

Directors

PLACE : Rajkot
DATE : 31.08.2013

ANNEXURE TO DIRECTORS REPORT FOR THE YEAR ENDED ON 31ST MARCH, 2013

Directors Responsibility Statement as required under section 217 (2AA) of the Companies Act, 1956

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

1. that in preparation of annual accounts for the financial year ended: 31st March, 2013, the applicable accounting standards has been followed along with proper explanation relating to material departures;
2. that the Directors had selected such accounting policies and applied them constantly and made judgment and estimates that were reasonable and prudent so as to give true and fair view of the State of Affairs of the Company at the end of the financial year and of the profit of the Company for the year under view;
3. 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 preventing and detecting fraud and other irregularities.
4. That the Directors had prepared the accounts for the financial year ended 31st March, 2013 on a Going Concern Basis.

By Order of the Board.

**Place : Rajkot
Date : 31/08/2013**

**P.K.GHIYA
Director**

COMPLIANCE CERTIFICATE**Registration No. of the Company: L65910GJ1982PLC005301****Nominal Capital : Rs.30000000**

**To,
The member
RAJKOT INVESTMENT TRUST LIMITED**

M K Ghiya Building 2,
Divanpara Road, Rajkot

I have examined the registers, records, books and papers of RAJKOT INVESTMENT TRUST 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 31st March, 2013. The Company is holding Certificate of Registration (bearing No.01.00308 dated 5th August 1999) issued by the Reserve Bank of India under section 45IA of the Reserve Bank of India Act, 1934 to carry on the business of Non-Banking Financial Institution. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the company, its officers and agents, I 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 and the rules made thereunder and all entries therein have been duly recorded.
2. The company has filed the forms and returns as stated in Annexure 'B' to this certificate with the Registrar of Companies, Regional Director, Central Government, Company Law Board of other authorities under the Act and the rules made thereunder.
3. The company being a Public limited company, comments are not required.
4. The Board of Directors met eleven times on 28th April, 2012, 7th July, 2012, 25th August, 2012, 31st August, 2012, 29th September, 2012, 30th September, 2012, 8th October, 2012, 22nd November, 2012, 21st January, 2013, 28th February, 2013 and on 30th March, 2013 in respect of which meetings the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company closed its Register of members from 22nd September, 2012 to 29th September, 2012 and necessary compliance of section 154 of the Act has been made.
6. The annual general meeting for the financial year ended on 31st March, 2012 was held on 29th September, 2012 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. However due to clerical mistake, Form 20B shown date of AGM as 30/09/12. So to correct the same, revised Form 20B was filed
7. No extra ordinary meeting was held during the financial year.
8. The company has not advanced any loans to its Directors or Persons or Firms or Companies refer to under section 295 of the Act.
9. We are informed that the company has duly complied with the provisions of section 297 of the Act in respect of contracts specified in that section.
10. The company has made necessary entries in the register maintained under section 301 of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, the company has not obtained any approvals from Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year
13. The Company
 - i. has delivered all the certificates on lodgment of securities for transfer thereof 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.

- iii. was not required to post warrants to any member of the company as no dividend was declared during the financial year
 - iv. has not transferred the amounts in unpaid dividend account, and the interest accrued thereon which have remain unclaimed or Unpaid for a period of seven years to investor education and protection fund.
 - v. has duly complied with the requirements of section 217 of the Act except details regarding conservation of energy, technology absorption and foreign earning and outgo.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate director and directors to fill casual vacancies during the financial year.
 15. The Company has not appointed any Managing Director \ Whole-time Director Manager during the financial year
 16. The company has not appointed any sole-selling agents during the financial year.
 17. We are informed by the management of the company that the company has applied to Reserve Bank of India for removal of Certificate of Registration. of Non-Banking Financial Institution which was issued on 5th August 1999 by the Reserve Bank of India under section 45IA of the Reserve Bank of India Act, 1934
 18. The directors have disclosed their interest in other firms/companies to the Board of Directors pursuant to the provisions of the Act and the rules made thereunder.
 19. The company has not issued any shares/debentures/other securities during the financial year.
 20. The company has not bought back any shares during the financial year.
 21. There was no redemption of preference shares/debentures during the financial year.
 22. There were no transactions necessitating the company to keep in abeyance rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
 23. The company has not invited/accepted any deposits during the financial year.
 24. The amount borrowed by the company from directors, members, public, financial institutions banks and others during the financial year ending 31st March, 2013 is within the borrowing limits of the company and that necessary resolutions as per section 293(1)(d) of the Act have already been passed in duly convened general meeting.
 25. The company has made investment in other body corporate in compliance with the provisions of the Act and made necessary entries in the register kept for the purpose.
 26. The company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
 27. The company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
 28. The company has not altered the provisions of the memorandum with respect to name of the company during the year under scrutiny.
 29. The company has not altered the provisions of the memorandum with respect to share capital of the company during the year under scrutiny.
 30. The company has not altered its articles of association during the financial year
 31. We are informed by the management that as the Company has applied for removal of status as NBFC to RBI, it has received letter from RBI on 22.08.12 and on 26.09.12 which were replied on 31.08.12 and on 09.10.12 respectively during the financial year.
 32. The company has not received any money as security from its employees during the financial year.
 33. The company has not deducted any contribution towards Provident Fund during the financial year.

Place : Ahmedabad
Date : 31/08/2013

GEETIKA PANDYA
Company Secretary in Practice
ACS NO. 22046
COP NO. 8601

ANNEXURE-A**Registers as maintained by the company:**

1. Register of members u/s 150
2. Register of Directors u/s 303
3. Register of Directors share holding u/s 307
4. Register of charges u/s 143
5. Register of contracts u/s 301
6. Register of Investment
7. Minutes-book of board Meetings
8. Minutes-book of General Meetings

ANNEXURE B

Forms and Returns as filled by the Company with the Registrar of Companies, Regional Director, Government or other authorities during the financial year ending on 31st March, 2013.

1. Form No. 20B revised (for the Annual return up to 29-09-2012 u/s 159) filed on 25-02-2013.
2. Form No. 23AC (for the Balance sheet as on 31-03-2012 u/s 220.) filed on 26-03-2013.
3. Form No. 66 (for the Compliance Certificate dated 25-08-2012 u/s 383A) filed on 30-10-2012.
4. Form No. 20B (for the Annual return up to 30-09-2012 u/s 159) filed on 19-11-2012.
5. Form No. 23B for the year 2012-13 filed on 10-11-2012.
6. Form No. 23B for the year 2011-12 filed on 01-08-2012.
7. Form No. 23AC (for the Balance sheet as on 31-03-2011 u/s 220.) filed on 24-09-2012

INDEPENDENT AUDITOR'S REPORT**TO THE MEMBERS OF RAJKOT INVESTMENT TRUST LIMITED****Report on Financial Statements**

We have audited the accompanying financial statements of **Rajkot Investment Trust Limited** ("the Company") which comprise the Balance Sheet as at 31st March, 2013, the statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") and in accordance with the accounting principal generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

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

Opinion

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

- (a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2013;
- (b) in the case of the Statement of Profit and Loss, of the loss for the year ended on that date and
- (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.

2. As required by section 227(3) of the Act, we report that:

- (a) 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;
- (b) in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- (c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (d) in our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956;
- (e) On the basis of the written representation received from the directors as on 31st March, 2013 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2013 from being appointed as a director in term of Section 274(1)(g) of the Act.

**For Dholakia & Co.
Chartered Accountants
(Registration No.102515w)**

**(G.G.DHOLAKIA)
Proprietor
M. No. 15744**

**Place : Rajkot
Date : 31.08.2013**

ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 1 of our report of even date.

Statement referred to in paragraph 1 of the Auditor's Report of even date to the Members of Rajkot Investment Trust Limited on the accounts for the year ended 31st March, 2013.

The comments herein below are based on the data compiled by the Company in order to comply with the requirements of the new order from the effective date. On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

- I a. The Company has maintained proper records showing full particulars, including quantitative details and situations of fixed assets. The fixed assets of the Company were physically verified by the management
- b. The fixed assets of the Company were physically verified by the management during the current year and no serious discrepancies were noticed between the books and the physical inventory
- c. During the year Company has not disposed off any substantial/major part of fixed assets.
- ii a. Physical verification of Inventories has been conducted at reasonable intervals during the year by the management.
- b. In our opinion and according to the information and explanations given to us , procedures of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
- c. The Company is maintaining proper records of inventory.
- iii The Company has not granted/taken any loans, secured or unsecured, to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
- iv In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the Company and the nature of its business with regard to purchase of inventory and fixed assets and for the sale of goods. We have not observed any continuing failure to correct major weaknesses in internal control.
- v a. According to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that need to be entered into the register maintained under Section 301 of the Companies Act, 1956 have been recorded in the register.
- b. According to information and explanation given to us, the transactions referred to under sub clause (a) above, which exceeds Rs.500000/- in each case have been made at prices which are reasonable having regard to the prevailing market prices at the relevant date.
- vi The Company has not accepted any deposits during the year from the public within the meaning of the provisions of Section 58A and 58AA of the Companies Act, 1956 and rules made thereunder. Hence the Clause (vi) of the order is not applicable.
- vii The Company has an internal audit system, which in our opinion, commensurate with the size and the nature of its business.
- viii Maintenance of cost records has not been prescribed by the Central Government under clause (d) of sub-section (1) of section 209 of the Companies Act, 1956.
- ix a. The Company is regular in depositing undisputed statutory dues including Income Tax and other applicable dues with appropriate authorities. There are no arrears of outstanding dues as at the last day of the financial year for a period of more than six months from the date those became payable.

- x The Company has no accumulated losses at the end of the financial year, however the Company had incurred cash loss of Rs.521460/- in the immediate previous year and has incurred cash loss during the year under audit of Rs.1134486/-.
- xi The Company has not defaulted in repayment of dues to any financial Institution or Bank. The Company has no debentureholders.
- xii The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities and therefore the question of maintenance of documents and records in respect thereof does not arise.
- xiii Clause (xiii) of the Order is not applicable as the Company is not a chit fund company or nidhi/mutual benefit fund/society.
- xiv Subject to Note Nos.6 & 7(Sch.6) proper records have been maintained of the transactions and contracts or dealings of trading in shares, debentures and bonds and were held by the company in its own name except in and subject to the positions as stated in Note Nos. 5 & 6(Sch.6).
- xv According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from Bank or financial institution.
- xvi No Term Loans are obtained by the Company during the year under audit.
- 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 no funds raised on short term basis have been used for long term investment No long term funds have been used to finance short term assets except for permanent working capital.
- xviii The Company has not made any preferential allotment of shares during the year to the parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
- xix The Company has no debentures.
- xx The Company has not raised any money by public issues during the year covered by our report.
- xxi According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the year.

**For Dholakia & Co.
Chartered Accountants
(Registration No.102515w)**

**(G.G.DHOLAKIA)
Proprietor
M. No. 15744**

**Place : Rajkot
Date : 31.08.2013**

BALANCE SHEET AS AT 31-03-2013

PARTICULARS	NOTE NO.	AS AT 31-03-2013	AS AT 31-03-2012
I. EQUITIES & LIABILITIES			
1 Shareholders' Funds			
a) Share Capital	1	2000000	2000000
b) Reserves and Surplus	2	5542493	6677230
Sub Total		7542493	8677230
2 Current Liabilities			
a) Trade Payables	3	51949	57929
b) Other Current Liabilities	4	24805	26590
Sub Total		76754	84519
TOTAL RS.		7619247	8761749
II. ASSETS			
1 Non- Current Assets			
a) Fixed Assets			
(i) Tangible Assets	5	1904	2154
b) Non-Current Investments	6	4239912	4800771
Sub Total		4241816	4802925
2 Current Assets			
b) Inventories	7	1881655	3495857
d) Cash and Cash Equivalentents	8	1483595	450786
e) Short Term Loans and Advances	9	12181	12181
Sub Total		3377431	3958824
TOTAL RS.		7619247	8761749

Significant Accounting Policies

Notes on Financial Statements

1 to 26

As per our report of even date
For Dholakia & Co.,
Firm Registration No.102515w
Chartered Accountants

G.G.Dholakia
Proprietor
M.N.15744

PLACE : Rajkot
 DATE : 31.08.2013

For, **RAJKOT INVESTMENT TRUST LIMITED**

P.K.GHIYA

S.P.GHIYA

P.M.DESAI

B.K.GHIYA

Directors

PLACE : Rajkot
 DATE : 31.08.2013

PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31-03-2013

PARTICULARS	NOTE No.	AS AT 31-03-2013	AS AT 31-03-2012
I. Revenue from Operations (Net)	10	1248852	1407859
II. Other Income	11	193108	238871
III. Total Revenue(I+II)		<u>1441960</u>	<u>1646730</u>
IV. Expenses			
Purchases of Stock-in-Trade	12	320177	1318988
Changes in inventories of finished goods, work-in-progress and Stock-in-Trade	13	1614202	571073
Employee Benefits Expenses	14	125365	102960
Loss on Sale of Investments		300630	0
Investment Shares Written Off		31998	0
Depreciation & Amortisation Expenses	15	250	1483
Other Expenses	16	184074	175169
Total Expenses		<u>2576696</u>	<u>2169673</u>
V Profit/Loss before Tax (III-IV)		-1134736	-522943
VI <i>Short Taxation Provision Written Off</i>		0	0
VII Tax Expense			
(1) Current Tax		0	0
(2) Deferred Tax		0	0
VIII Profit/Loss for the period(XI-XIV)		<u>-1134736</u>	<u>-522943</u>
IX Earnings per equity share			
(1) Basic and Dilited		-5.67	-2.61

Significant Accounting Policies

Notes on Financial Statements

1 to 26

As per our report of even date
For Dholakia & Co.,
Firm Registration No.102515w
Chartered Accountants

G.G.Dholakia
Proprietor
M.N.15744

PLACE : Rajkot
 DATE : 31.08.2013

For, **RAJKOT INVESTMENT TRUST LIMITED**

P.K.GHIYA

S.P.GHIYA

P.M.DESAI

B.K.GHIYA

Directors

PLACE : Rajkot
 DATE : 31.08.2013

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

(Amount in '000)

Particulars	31.03.2013		31.03.2012	
A Cash Flow from Operating activities				
Net profit before taxes		-1135		-523
Less: Add				
Ajustment for profit on sale of investments	-332		0	
Dividend Received	193		216	
Interest Received	0	-139	1	217
Add: Depreciation		1		1
Operating profit/loss before working capital Adjustments		-995		-739
Adjustments for				
Trade and other payables	-8		-20	
Trade and other receivables	0		0	
Loans and Advances	0		-2	
Inventories	-1614	-1606	-571	-553
Net Cash inflow(outflow) from operations		612		-187
B Cash flow from investing operations				
Inflow				
Sale of Investments	228		0	
Sale of Fixed Assets	0		0	
Dividend Income	193		216	
Interest Income	0	421	1	216
Outflow				
Purchase of Fixed Assets	0		0	
Purchase of Investments	0	0	0	0
Net cash inflow(outflow) from investing activities		421		216
C Cash flow from financing activities				
Inflow	0		0	
Outflow				
Dividend paid	0		0	
Dividend Tax paid	0		0	
Income Tax Paid	0	0	0	0
Net Cash inflow(outflow)from financing activities		0		0
Increase(decrease)in cash and cash equivalents A+B+C		1033		30
Cash and cash equivalents at the close of the year		1484		451
Cash and cash equivalents at the beginning of the year		451		420

As per our report of even date
For Dholakia & Co.,
Firm Registration No.102515w
Chartered Accountants

G.G.Dholakia
Proprietor
M.N.15744

PLACE : Rajkot
 DATE : 31.08.2013

For, **RAJKOT INVESTMENT TRUST LIMITED**

P.K.GHIYA

S.P.GHIYA

P.M.DESAI

B.K.GHIYA

Directors

PLACE : Rajkot
 DATE : 31.08.2013

1 ACCOUNTING POLICIES :

The accounts are prepared in accordance with Accounting Policies and principles generally accepted in India. The Company follow accrual method of Accounting as per the Companies Act, 1956 and complies with the Reserve Bank of India guidelines for Non Banking Financial Companies not holding Public Deposits.

The Company has followed all the prudential norms , to the extent applicable, as prescribed by Reserve Bank of India for Non Banking Financial Companies not Holding Public Deposits.

(a) Fixed Assets:

All fixed assets are stated at cost less depreciation.

(b) Depreciation:

Depreciation is provided under the straight line method at rates provided by Schedule - XIV to the Companies Act, 1956

(c) Inventory:

Stock-in-trade (Shares, Debentures and Bonds) are valued as under :

- (1) Quoted Scrips - at lower of market value or cost (FIFO)
- (2) Unquoted Scrips - at cost (FIFO)

(d) Recognition of Income & Expenditure :

- (i) As in the past, on the prudent basis, Dividend and interest on Shares/Debentures are being accounted for as and when received.
- (ii) There are few expenditure (like Insurance, Subscription, which though warranting provision for accounting on accrual basis have not been so provided as the impact of non-provision is not material on the profit/loss of the year.

(e) Investment:

- (i) All Investments are intended to be kept as long term investments as per the guidelines by Reserve Bank of India.
- (ii) Investments are stated at cost. The Market Value of Quoted Investments as at 31-3-2013 is Rs.6366024/- as against Cost of Rs.4098077/-.
- (iii) Cost of those shares which are received by the company consequent upon part/full redemption of debentures/bonds as taken at the nominal amount of the redeemed portion of debentures/bonds and the premium if any charged by the issuing company.
- (iv) Bonus Shares received on Trading Stocks are considered as Capital Receipt and are treated as Investment.

(f) Taxation**Current Tax**

Provision is made for Income-tax on yearly basis, under the tax payable method, based on tax liability, as computed after taking credit for allowances and exemptions.

Deferred Tax

Deferred tax liability or assets is recognised on timing differences being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax assets and liabilities are measured using the tax rates and tax laws that have been enacted or substantively enacted by the balance sheet date.

Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only to the extent that there is virtual certainty that sufficient taxable income will be available to realise these assets. All other deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient taxable income will be available to realise these assets.

NOTES ON FINANCIAL STATEMENTS FOR THE YEAR ENDED 31ST MARCH, 2013.

	31-03-2013	31-03-2012
1 SHARE CAPITAL:		
Authorised:		
30,00,000 Equity Shares of Rs. 10/- each	3,00,00,000	3,00,00,000
Issued, Subscribed & Paid up:		
2,00,000 Equity Shares of Rs.10/- each fully paid up.	2000000	2000000

1.1 The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10/- each.

1.2 The details of shareholders holding more than 5% Shares

Name of the Shareholder	31-03-2013		31-03-2012	
	No of shares	% held	No of shares	% held
Paras K. Ghiya	17,500	8.75%	17,500	8.75%
Parul M. Desai	28,050	14.03%	28,050	14.03%
Dhruti M. Rathi	19,600	9.80%	19,600	9.80%
Sushila D.Mehta	10,450	5.23%	10,450	5.23%
Parul M. Desai & Others	21,900	10.95%	21,900	10.95%
Sushila D. Mehta(KPGT)	10,850	5.43%	10,850	5.43%
Shantaben P. Ghiya	12,000	6.00%	12,000	6.00%

1.3 The reconciliation of the number of shares outstanding is set out below:

	In Nos 31.03.2013	In Nos 31-03-2012
Equity Shares at the beginning of the year	200000	200000
Equity Shares at the end of the year	200000	200000

	31-03-2013	31-03-2012
2 RESERVES AND SURPLUS		
GENERAL RESERVE		
Balance as per last year	1272496	1272496
Add: Transferred from Profit & Loss Account	0	0
Less: Transferred to Profit & Loss Account	0	0
	1272496	1272496
SPECIAL RESERVE		
Balance as per last year	4033437	4033437
Add: Transferred from Profit & Loss Account	0	0
	4033437	4033437
Profit & Loss Account		
Balance as per last year	1371296	1894240
Add/Less Transferred from Profit & Loss Account	-1134736	-522943
	236560	1371297
	5542493	6677230
3 TRADE PAYABLES		
Sundry Creditors	51949	57929
	51949	57929

4 OTHER CURRENT LIABILITIES

	31-03-2013	31-03-2012
Unclaimed Dividend	24805	26590
	24805	26590
	24805	26590

5 Non-Current Assets

Fixed Assets	GROSS BLOCK AT COST				DEPRECIATION				NET BLOCK	
	As on 01.04.2012	Additions	Deduc tions	Total Cost 31.03.2013	As on 01.04.2012	For the Year	Deduc tions	Total upto 31.03.2013	As at 31.03.2013	31-03-2012
Tangible Assets										
Furnitures & Fixtures	166409	0	0	166409	164255	250	0	164505	1904	2154
Vehicles	26290	0	0	26290	26290	0	0	26290	0	0
TOTAL	192699	0	0	192699	190545	250	0	190795	1904	2154
Previous year	192699	0	0	192699	189062	2154	0	190545	2154	3637

6 NON CURRENT INVESTMENTS

NAME OF THE COMPANY	AS ON 31.03.2013			AS ON 31.03.2012	
	FACE VALUE RS.	NO. OF SHARES	RUPEES	NO. OF SHARES	RUPEES
Ahemedabad Mfg. Calico Printing Co. Ltd.	125	0	0	77	11441
Ambuja Petrochemicals Ltd.	10	0	0	2071	25529
Amrut industries Ltd.	20	0	0	2100	25358
Arunoday Mills Ltd.	10	684	1590	684	1590
Asia Pacific finance Ltd.	10	0	0	8300	84378
Astral Poly Ltd.	5	3364	263434	3700	321612
Bar Tronics India Ltd.	10	2250	362962	2250	362962
Bhagwati Autocast Ltd.	10	0	0	175	3175
Bharat Bijlee Ltd.	10	440	484985	440	484985
Bihar Sponge Iron Ltd.	10	0	0	240	3406
Bhoruka Aluminium Ltd.	10	50	0	50	0
Carona Ltd.	10	0	0	350	17350
Citizens Co-op. Bank Ltd.	25	0	0	250	8250
Co-nick Alloys Ltd.	10	10000	100000	10000	100000
Dynavision Ltd.	10	2050	38660	2050	38660
Elecon Engineering Ltd.	2	5000	375000	5000	375000
First Growth Fund of I. Ltd.	10	0	0	400	4442
Gajra Beval Geara Ltd.	10	0	0	50	609
Gujrat Steel Tubes Ltd.	10	0	0	720	14494
Gujrat Synthetics Ltd.	10	0	0	100	1000
Universal Office	10	6550	82211	6550	82211
Hindustan Oxygen Gas Ltd.	10	0	0	40	5935
Jhalani Tools I. Ltd.	10	0	0	1000	30000
Jyoti Ltd.	20	0	0	20	410

6 NON CURRENT INVESTMENTS [Contd...]

NAME OF THE COMPANY	AS ON 31.03.2013			AS ON 31.03.2012	
	FACE VALUE RS.	NO. OF SHARES	RUPEES	NO. OF SHARES	RUPEES
Kulkarni Power Ltd.	5	1000	83375	1000	83375
Kunstofee Ind. I. Ltd.	10	3600	55455	3600	55455
Panasonic Energy I Ltd.	10	35207	754284	35207	754284
Machine Fabrics Poly.I. Ltd.	10	0	0	25	1002
Mafatlal Eng.Ind.Ltd.	10	0	0	180	12372
Meltex Ceramics Ltd.	10	0	0	400	3200
Midwest Leasing Ltd.	10	0	0	10525	81760
NRB Bearings Ltd.	2	3782	0	3782	0
NRB Industrial Bearings Ltd.	2	945	0	0	0
Punjab Anand Batteries Ltd.	10	0	0	421	9893
Ready Foods Ltd.	10	0	0	10700	100825
S.K.F.India Ltd.	10	5205	1572117	5412	1629970
S.T.I. Granites India Ltd.	10	2400	33335	2400	33335
Shree Parswanath Co-op. Bank Ltd.	25	127	3175	127	3175
Steel Tubes of I. Ltd.	10	1550	27028	1550	27028
Wimco Ltd.	1	2301	2301	2301	2301
GRAND TOTAL :			4239912		4800771
Aggregate Value of quoted Investment			4098077		4304350
Aggregate Market Value of quoted Investment			6366024		8400972
			31-03-2013		31-03-2012

7 Inventories(Shares Debenture etc.)

(As taken valued & certified by a Director) 1881655 3495857

8 Cash and Cash Equivalents

Cash on hand	1545		1135	
Balance with Scheduled Bank	23684		25711	
Balances with other Banks	1458365	1483595	423940	450786

9 Short Term Loans and Advances

(Unsecured and Considered Good)

ii) Deposits	0		0	
iii) Tax deducted at source and Advance Tax (Net of Provision)	12181	12181	12181	12181

10 Revenue from Operations

Sales of Shares-Debentures		1248852		1407859
		1248852		1407859

RAJKOT INVESTMENT TRUST LIMITED

	31-03-2013	31-03-2012
11 Other Income		
Dividend Income	193087	215613
Other Interest Income	21	660
Misc Income	0	22598
	<u>193108</u>	<u>238871</u>
12 Purchases of Stock-in-Trade	320177	1318988
Purchases(Shares, Deb. Etc.)		
13 Change in Inventories of Stock-in-trade		
Opening Stock(Shares,Deb. Etc.)	3495857	4066930
Closing Stock(Shares,Deb.etc.)	1881655	3495857
	<u>-1614202</u>	<u>571073</u>
14 Employee Benefit Expenses		
Salaries and Bonus	125365	102960
15 Depreciation & Amortisation Expenses		
Depreciation	250	1483
16 Other Expenses		
Share Transfer Stamps	200	880
Misc. Expenses	35654	47192
Stationery & Printing Charges	3546	2263
Postage, Tele., Telex & Telephone Charges	23224	25865
Subscription & Periodicals	11425	2000
License & Filing Fees	5000	5000
Advertisements	2040	850
Bank Commission	522	500
Audit Fees	15000	15000
Electricity Expenses	7278	6959
Legal & Professional Fees	58000	22000
Vehicle Repairs & Maintenance	8400	21430
Insurance Expenses	0	2250
Listing Fees	11403	11616
Demat Expenses	2382	11364
	<u>184074</u>	<u>175169</u>
17 Earnings per Share		
Profit after tax (Rs. in lacs)	-11.35	-5.23
Weighted no of Equity Shares outstanding	200000	200000
Nominal Value of Equity Shares (Rs.)	10	10
Basic and diluted earnings per Equity Share (Rs.)	-5.67	-2.61

18 Related Party Disclosures:

Transactions with related parties during the year as identified by the company.

Name of the party	Nature of transactions	Volume of transactions during the year Amt.Rs.	Outstanding as on 31.03.2013 Due to/from
Associates and Relatives of Key management personnels			
Dhurutiben K. Ghiya	Purchases	0 (1318988)	0 0

19 Segment Reporting

Based on the guiding principles given in Accounting Standard on 'Segment Reporting issued by The Institute of Chartered Accountants of India the Company's primary business segments are Share Trading & Investment.

Financial information about the primary business segments are presented in the table given below:

(Rs. In Lakhs)

	Share Trading	Investment	Unallocable	Total
Revenue				
External Sales	12.49 (14.08)	0 0.00	0 0.00	12.49 (14.08)
Total External Sales	12.49	0	0	12.49
Other Income	0 0	1.93 (2.38)	0 0.00	1.93 (2.38)
Total Revenue	12.49 (14.08)	1.93 (2.38)	0 0.00	14.42 (16.46)
RESULT				
Segment result/ operating profit	-13.28 (7.62)	0 0.00	0 0	-13.28 (7.62)
Other income	0 0	1.93 (2.38)	0 0	1.93 (2.38)
Total Operating profit	-13.28 (7.62)	1.93 (2.38)	0 0	-11.35 (5.23)
Net profit	-13.28	1.93	0	-11.35
OTHER INFORMATION				
Segment assets	42.40 (48.01)	33.79 (39.61)	0 0	76.19 (87.62)
Segment liabilities	0 0	0.77 (0.85)	0 0	0.77 (0.85)
Share Capital & Reserves	0	0	75.42 (86.77)	75.42 (86.77)
Total liabilities	0	0.77 (0.85)	75.42 (86.77)	76.19 (87.62)
Depreciation & amortisation	0.00 (0.01)	0 0	0 0	0.00 (0.01)

- 20 All purchases of shares , debentures or bonds by the company are with a view of Investment(except those shown as for trading) in accordance with the Main objects of the company.
- (i) Purchases of Investments include those in which the concerned scrips were not invariably transferred in the name of the Company, irrespectively of whether the same were subsequently sold.
- (ii) For verificatin of investments as on 31-3-2013.
- In the case of those scrips for which the concerned certificates duly transferred in the name of the company are not available with the company, purchase bills have been relied upon by the auditors.
- 21 There was no employee of the company who was in receipt of or entitled to receive emoluments in the aggregate at a rate of Rs. 25,000/- or more per month.
- 22 Balance confirmation of sundry debtors, sundry creditors, Advances recoverable are not obtained and are subject to confirmation.
- 23 Investment hedge (Net) in the Profit & Loss Account represent, settlements by way of price difference on purchases and sales (of shares and other scrips) as per brokers/parties bills.
- 24 In the case of market value of listed shares in investment whenever the quotation of any share as on 31st March 2013 has not been available, the earlier quotation available has been taken as market value.
- 25 Unclaimed dividend of Rs.24805/- is held in a separate Banking account(though not opened for the purpose) and no due amount is yet transferred to Government.
- 26 The Company is presently categorised as NBFC (Investment Co.) and not holding Public Deposits.However, during the year under audit, Company has not maintained dual criteria of asset income pattern. The Company has applied for decategorisation as the Company is purely a trading Company and dealing in Shares only without holding any Public Deposits.
- 27 Previous year figures have been regrouped whenever necessary

As per our report of even date
For Dholakia & Co.,
Firm Registration No.102515w
Chartered Accountants

G.G.Dholakia
Proprietor
M.N.15744

PLACE : Rajkot
DATE : 31.08.2013

For, **RAJKOT INVESTMENT TRUST LIMITED**

P.K.GHIYA

S.P.GHIYA

P.M.DESAI

B.K.GHIYA
Directors

PLACE : Rajkot
DATE : 31.08.2013

RAJKOT INVESTMENT TRUST LTD.

PROXY FORM

I/We _____ of RAJKOT INVESTMENT TRUST LTD., hereby appoint _____ of _____ of failing him _____ of _____ of failing him of as my /our proxy to vote for me/ us on my/our behalf at the thirty first Annual General Meeting of the Company to be held on 28th September, 2013 and at any adjournment thereof.

Date: _____ **Signed at** _____

Membership No.

(Reference folio No):

NOTES:

1. A member entitled to attend and vote is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member.
2. Re. 1.00 Revenue Stamp should be affixed to this and it should then be signed the Member.
3. Proxies in order to be effective must be received at Registered Office of the Company not less than forty eight hours before the meeting.

If undelivered
Please return to :

RAJKOT INVESTMENT TRUST LTD.

Regd. Office: at 2, Diwanpara Road, "M.K. Ghiya Building", Rajkot-360001