

# **SITA**

ENTERPRISES LTD.

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Report  
and  
Accounts  
2012

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**SITA ENTERPRISES LIMITED**

**BOARD OF DIRECTORS**

Mr.A.Tulsyan  
Mr.K.K.Agrawal  
Mr.Sandeep S. Rathi  
Smt.S.Tulsyan

**BANKERS**

Syndicate Bank  
HDFC Bank  
Barclays Bank

**AUDITORS**

M/s.Mittal & Mittal  
Chartered Accountants

**REGISTERED OFFICE**

415-416, Arun Chambers,  
Tardeo Road,  
MUMBAI - 400 034.

## **SITA ENTERPRISES LIMITED**

### **NOTICE**

The Twenty-Ninth Annual General Meeting of Sita Enterprises Ltd. will be held on Friday, the 28<sup>th</sup> September 2012 at 9.15 A.M. at 415-416, Arun Chambers, Tardeo Road, Mumbai - 400 034 to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive and adopt the Audited Accounts for the year ended 31-3-2012 and the Report of the Directors and Auditors thereon.
2. To appoint a director in place of Smt. S. Tulsyan, who retires by rotation and is eligible for re-appointment.
3. To appoint Auditors and fix their remuneration.

By order of the Board

Mumbai, 25<sup>th</sup> May 2012

A. Tulsyan  
Director

#### **NOTES:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote in his stead. A proxy need not be a member.
2. Register of Members and Share Transfer Register of the Company will be closed from 25th to 28th September 2012 (both days inclusive).



# SITA ENTERPRISES LIMITED

## DIRECTORS' REPORT

### TO THE MEMBERS:

Your Directors have pleasure in submitting the 29<sup>th</sup> Annual Report of the Company together with the audited Annual Accounts showing the financial position of the Company for the year ended on 31<sup>st</sup> March 2012.

### Management Discussion & Analysis:

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

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

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

iv) Outlook: Baring the unforeseen circumstances and the risks and concerns, the management is hopeful to achieve reasonable performance in the current financial year: 2012-2013.

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

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

### vii) Financial & Operational performance

	Rupees in lacs.
GROSS INCOME	21.82
Gross Operating Profit	10.14
Depreciation	0.12
PROFIT BEFORE TAX	10.02
Provision for Taxation	1.16
PROFIT AFTER TAX	8.86

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

### Dividend:

Your Directors do not recommend any dividend for the year ended on 31<sup>st</sup> March 2012.

### Directors:

Smt. S.Tulsyan retires from the Board by rotation and being eligible offers herself for re-appointment as director.

### Listing:

The Company has paid all dues towards listing fees to The Bombay Stock Exchange Ltd. up to 2012-13. As not a single trade has taken place at Ahmedabad Stock Exchange since the listing of the Company's shares there in 1995, the Company had requested for delisting of its shares and had made payment for listing upto 31-3-2000 with the understanding that the exchange would delist its shares under the provisions of compulsory delisting of shares by the exchange and no further payment would be demanded from the Company. On the failure of the exchange to abide by this arrangement the Company has referred the matter to SEBI whose reply is awaited.

### Directors Responsibilities Statement:

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

- (i) That in the preparation of the accounts for the financial year ended 31 March 2012, the applicable accounting standards have been followed along with proper explanations relating to material departures;
- (ii) That the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give a true and fair view of the state of affairs of the Company at the end of the financial year and of the profit or loss of the Company for the year under review;
- (iii) That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) That the Directors have prepared the accounts for the financial year ended 31<sup>st</sup> March 2012 on a 'going concern' basis.

### Auditors:

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

### Corporate Governance:

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

### Compliance Certificate under Companies Act, 1956.

Compliance Certificate issued in terms of the provisions of Section 333A of the Companies Act 1956 by Company Secretaries to the effect that the Company has complied with the applicable provisions of the said Act attached to this report.

### Other Information:

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

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

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

On behalf of the Board

Mumbai, 25<sup>th</sup> May 2012

A.Tulsyan  
Director

Details of Director seeking re-appointment at the Annual General Meeting

Name of the Director – S. Tulsyan.

Age – 49 years

No. shares held in company – 63,900

Category – Promoter

List of other Public Companies in which Directorship/ Chairmanship held as on 31-3-2012 – Sita Offers & Bourse Expertise Ltd and Goyal House and Finance Ltd. Member of the Committees of other Companies – Nil.



**COMPLIANCE CERTIFICATE**  
[SEE RULE - 3]

To the Members of SITA ENTERPRISES LIMITED,

We have examined the Registers, Records, Books & Papers of SITA ENTERPRISES LIMITED (the Company) [Registration No.11- 026737] having their registered office at 415-416, Arun Chambers, Tardeo Road, Mumbai- 400 034 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 & Articles of Association of the Company for the financial year ended on 31st March, 2012. In our opinion and to the best of our information and according to explanations furnished to us by the Company, its officers and agents, which to the best of our knowledge and belief were necessary for the purpose of this certification and according to the examinations carried out by us, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all Registers as stated in Annexure 'A' to this certificate, as per the provisions and the rules made thereunder and all entries therein have been duly recorded.
2. The Company has duly filed the forms and returns as stated in Annexure 'B' to this certificate, with the Registrar of Companies, Regional Directors, Central Government, Company Law Board or with other authorities within the time prescribed under the Act and the rules made thereunder.
3. The Company is a Public Limited Company, comments are not required.
4. The Board of Directors of the Company duly met 5 (Five) times on 26<sup>th</sup> April 2011, 27<sup>th</sup> May 2011, 29<sup>th</sup> July 2011, 25<sup>th</sup> October 2011 and 27<sup>th</sup> January 2012 in respect of which meetings proper notices were given, and the proceedings were properly recorded and signed. No circular resolution has been passed during the year.
5. The company has closed its Registers of Members during the financial year from 26-09-2011 to 29-09-2011.
6. The Annual General Meeting for the financial year ended on 31st March, 2011 was held on 29-09-2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra Ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its directors or persons or firms or Companies referred to in section 295 of the Companies Act, 1956.
9. The Company has not entered into any contracts falling within the purview of section 297 of the Act.
10. There are no transactions that need to be entered into the register maintained in pursuance of 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 the Board of Directors, members or Central Government.
12. The Company has not issued any duplicate share certificates during the financial year.
13. i) There was 3000 physical shares transferred during the year.  
ii) The Company has not declared any dividend during the year.  
iii) The Company has duly complied with the requirements of Section 217 of the Act.
14. The Board of Directors of the company is duly constituted. There was no appointment of additional directors, alternate directors and directors to fill casual vacancy 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. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act during the financial year.
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 or 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 or 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 in compliance with the provisions of the Act.
23. The Company has not invited/accepted any deposits including any unsecured loans falling within the purview of section 58A during the financial year.
24. The Company has not made any borrowing during the financial year under review.

25. The Company has made Investments in other bodies corporate and the necessary entry in the register maintained for the purpose has been made. The Company has made loans to other bodies corporate and has made entries in the register kept for the purpose.

26. The Company has not altered the provisions of the Memorandum with respect to the 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 the Name of the Company during the year under scrutiny.

29. The Company has not altered the provisions of the Memorandum with respect to the Share Capital of the Company during the year under scrutiny.

30. The Company has not altered its Articles of Association during the financial year under scrutiny.

31. There was/were no prosecution initiated against or show cause notices received by the company and no fines or penalties or any other punishment imposed on the company during the financial year, for offences under the Act..

32. The Company has not received any amount as "Security" from its employees during the financial year.

33. The provision of Provident Fund under Provident Fund Scheme u/s. 418 of the Act is not applicable to the Company. Hence there is no deduction on Provident Fund.

**VKM & Associates**  
**Company Secretaries**

**Place: Mumbai**  
**Date: 25<sup>th</sup> May, 2012**

**VijayKumarMishra**  
**Proprietor**  
**C.P.No.4279**

Annexure - "A"  
[With reference to point No. 1 of compliance certificate]

Registers as maintained by the Company  
Statutory Registers

1. Register of Members U/S 150 of the Act.
  2. Minutes Book u/s 193 of the Act.
  3. Books of Accounts U/S 209 of the Act.
  4. Register of Particulars of Contracts in which Directors are interested U/S 301.
  5. Register of Directors' Managing Director Manager and Secretary u/s 303.
  6. Register of Directors' Shareholding u/s 307.
- Other Registers
1. Register of Directors' Attendance.
  2. Register of Shareholders' Attendance.
  3. Register of Transfers.
  4. Register of Documents Sealed.

Annexure - "B"  
Forms & Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other Authorities during the financial year ending 31<sup>st</sup> March 2012:

1. Annual Return filed under Schedule V to the Act in respect of Annual General Meeting held on 29<sup>th</sup> September 2011 filed on 08-11-2011.
2. Balance Sheet, Profit & Loss Account for the year ended 31<sup>st</sup> March 2011 filed on 14-10-2011.
3. Compliance Certificate for the year ended 31<sup>st</sup> March 2011 filed on 12-10-2011.

**VKM & Associates**  
**Company Secretaries**

**Place: Mumbai**  
**Date: 25<sup>th</sup> May, 2012**

**VijayKumarMishra**  
**Proprietor**  
**C.P.No.4279**



## SITA ENTERPRISES LIMITED

### CORPORATE GOVERNANCE REPORT

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

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

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

During the year ended 31.3.2012 Five board meetings were held on 26/04/11, 27/05/11, 29/07/11, 25/10/11 and 27/01/12.

**AUDIT COMMITTEE:** The Company has constituted an audit committee with Mr. S Rathi as chairman, Mr. K K Agrawal as independent member and Mr. A Tulsyan as non-executive director. During the year 4 committee meetings were held which were attended by committee members. The broad terms of reference of the Audit Committee include, reviewing of annual financial statements, financial policies, adequacy of internal control systems and internal audit functions, overseeing of the Company's financial reporting process, appointment of auditors, etc.

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

**SHARE HOLDERS COMMITTEE:** Mr. S. Rathi- director heads the shareholders Committee. Mr. Vasant Vora – Assistant Manager is the Compliance Officer. During the year the Company received no complaint from shareholders and there were no pending complaint and share transfers as on 31.3.2012.

**GENERAL BODY MEETINGS:** The last three Annual general meeting were held at Company's registered office on 29.09.2011 at 9.15 AM, 30.09.2010 at 9.15 AM and on 29.09.2009 at 9.15 AM. In the previous 3 Annual General Meetings no special resolution was passed. No special resolution through postal ballot was passed in the last year and no such resolution is proposed now.

**DISCLOSURES:** Transaction entered into with related parties as disclosed in notes to the accounts have no potential conflict with the interest of company at large. The Company has complied with the requirements of regulatory authorities on capital markets and no penalties or strictures have been imposed against it. Company is not implementing formal Whistle Blower policy considering the small size of its operations. However, no personnel has been denied access to the Audit Committee of the Company. The Company has implemented mandatory requirements of clause 49 of the listing agreement.

**Code of Conduct :** The Board of Directors have adopted the Code of Business Conduct and Ethics for Directors and Senior Management which had been posted at [www.sebidifar.nic.in](http://www.sebidifar.nic.in)

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

**GENERAL SHAREHOLDER INFORMATION:**

Stock market price data for the year ended 31<sup>st</sup> March 2012:

Month	Sita Enterprises		BSE Sensex	
	High (Rs.)	Low (Rs.)	High	Low
April 11	11.02	9.51	19,811.14	18,976.19
May 11	13.18	10.36	19,253.87	17,786.13
June 11	15.50	12.00	18,873.39	17,314.38
July 11	14.70	12.00	19,131.70	18131.86
Aug 11	14.50	12.00	18,440.07	15,765.53
Sept 11	16.49	14.70	17,211.80	15,801.01
Oct 11*	16.00	16.00	17,908.13	15,745.43
Nov 11*	16.00	16.00	17,702.26	15,478.69
Dec 11	17.70	14.50	17,003.71	15,135.86
Jan 12	18.00	12.75	17,258.97	15,358.02
Feb 12	13.35	10.35	18,523.78	17,061.55
Mar 12	10.92	9.50	18,040.69	16,920.61

\*There has been no trading during this period and hence the previous closing prices have been quoted.

#### SHARE TRANSFERS / DEMATERIALISATION:

Registrar & Share Transfer Agents (Both for Physical & Demat)  
Link Intime India Pvt. Ltd. - C-13, Pannalal Silk Mills Compound, L.B. Marg, Bhandup (W), Mumbai - 400 078.  
All the transfers are received and processed by the Registrar and Transfer Agents. The Company has made dematerialisation arrangement of shares with NSDL and CDSL. The ISIN allotted for its shares is IN579D01019. 89.84% of the total capital is held in Demat mode. The Company has not issued any GDRs/ ADRs/ Warrants or any convertible instruments.

**DISTRIBUTION OF SHAREHOLDING:** as on 31-3-12 - Promoters 22,50,000 shares (75.00%) Private Corporate Bodies - 1,01,422 (3.38%) Indian Public - 6,44,354 shares (21.48%) Others - 4224 shares (0.14 %)

**PLANT LOCATION:** The Company does not have any plant.

#### ADDRESS FOR CORRESPONDENCE:

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

#### DECLARATION

As provided under clause 49 of the listing agreement, the board members and senior management personnel have confirmed compliance with code of conduct and ethics for the year ended 31<sup>st</sup> March, 2012.

For Sita Enterprises Limited

Mumbai, 25<sup>th</sup> May 2012

(A. Tulsyan  
Director)

#### Auditors' Report on Corporate Governance:

We have examined the compliance of conditions of corporate governance by Sita Enterprises Limited, for the year ended on 31<sup>st</sup> March 2012 stipulated in clause 49 of the listing agreement of the said Company with the Stock Exchanges, Mumbai.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to procedures implementation thereof, adopted by the Company for ensuring compliance with the conditions of corporate governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on financial statements of the Company.

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

We state that no investor grievance is pending for a period exceeding one month as on month as on 31<sup>st</sup> March 2012, against the Company as per the records maintained by the Shareholders/Investors Grievance Committee.



## Auditor's Report

### To the Members of Sita Enterprises Limited

### Annexure to the Auditors' Report referred to in paragraph 3 of our report of even date

- 1) We have audited the attached Balance Sheet of Sita Enterprises Limited, as at 31st March 2012, Profit and Loss Statement and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
  - 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amount and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
  - 3) As required by the Companies (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order to the extent applicable, to the company during the year.
  - 4) Further to our comments in the Annexure referred to in Para 3 above, we report as follows:
    - (i) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
    - (ii) In our opinion, proper books of account, as required by law, have been kept by the Company, so far as appears from our examination of those books.
    - (iii) The Balance Sheet, Profit and Loss Statement and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
    - (iv) In our opinion, the Balance Sheet, Profit and Loss Statement and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956.
    - (v) On the basis of written representations received from the directors as on 31st March 2012 and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
    - (vi) In our opinion, and to the best of our information and according to the explanation given to us, the said accounts, read together with the significant accounting policies and notes thereon give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
      - (a) in the case of the Balance Sheet, of the State of Affairs of the Company as at 31st March 2012,
      - (b) in the case of the Profit and Loss Statement, of the Profit for the year ended on that date and
      - (c) In the case of the Cash Flow Statement, of the Cash flows for the year ended on that date.
1. (a) The Company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.  
(b) The fixed assets of the company have been physically verified by the management during the year and no discrepancies between the book records and the physical inventory have been noticed. In our opinion, the frequency of verification is reasonable.  
(c) None of the fixed assets of the company has been disposed off during the year.
  2. (a) The company has not granted any loans, secured or unsecured, to companies, firms or other parties covered in the register maintained under Section 301 of the Act.  
(b) In our opinion, the rate of interest and other terms and conditions of loans given by the company are not prima facie prejudicial to the interest of company. The parties are repaying the principal amounts as stipulated and are also regular in payment of interest, where applicable.  
(c) In respect of the aforesaid loans, there is no overdue amount of more than Rupees one Lakh.  
(d) The company has not taken any loans, secured or unsecured, from companies, firms or other parties covered in the register maintained under Section 301 of the Act.
  3. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the company and the nature of its business for the purchase of securities and fixed assets and for sale of securities. During the course of our audit no major weakness have been observed in the internal controls.
  4. In our opinion and according to the information and explanations given to us, there are no transactions that need to be entered into the register maintained in pursuance of Section 301 of Act.
  5. The company has not accepted any deposits from the public within the meaning of Sections 58A, 58AA or any other relevant provisions of the Act and the rules framed there under.
  6. In our opinion, the company has an internal audit system commensurate with its size and nature of its business.
  7. As per the records verified by us and as explained to us, the Company has been regular in depositing undisputed statutory Income-tax dues with the appropriate authorities and there were no arrears under the above head which were due for more than six months from the date they became payable as at the close of the year. The statutes relating to Employees State Insurance, Provident Fund, Sales tax, Wealth Tax, Custom Duty, Investor Education and Protection Fund, Service tax, Excise Duty, Cess and other statutory dues are not applicable to the Company during the year.
  8. The company has no accumulated losses as at 31-3-2012 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
  9. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
  10. The provisions of any special statute applicable to chit fund / nidhi / mutual benefit fund/societies are not applicable to the company.
  11. In our opinion, the company has maintained proper records of transactions and contracts relating to shares and securities entered into during the year and timely entries have been made therein. Further, such securities have been held by the company in its own name.
  12. In our opinion and according to the information and explanation given to us the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
  13. The company has not obtained any term loans.
  14. On the basis of an overall examination of the balance sheet of the company, in our opinion, and according to the information and explanation given to us, there are no funds raised on a short-term basis, which have been used for long-term investment.
  15. The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act during the year.
  16. The company has not raised any money by public issues during the year.
  17. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the company, noticed or reported during the year, nor have we been informed of such case by the management.
  18. The other clauses of the Companies (Auditor's Report) Order 2003 are not applicable in case of the company for the current year.

For Mittal & Mittal  
Firm Registration No.106457W  
Chartered Accountants

Ajeet Agarwal  
Membership No.077493  
Partner

Ajmer, 25<sup>th</sup> May 2012

Ajmer, 25<sup>th</sup> May 2012

For Mittal & Mittal  
Firm Registration No.106457W  
Chartered Accountants

Ajeet Agarwal  
Membership No.077493  
Partner



# SITA ENTERPRISES LIMITED

BALANCE SHEET AS AT 31st MARCH, 2012

Rupees

PARTICULARS	Note No.	As at 31-3-2012	As at 31-3-2011
<b>I. EQUITY AND LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
(a) Share Capital	1	30,000,000	30,000,000
(b) Reserves and Surplus	2	62,427,477	61,541,210
<b>2 Current Liabilities</b>			
(a) <u>Other current liabilities</u>			
Sundry payables		5,000	5,000
(b) <u>Short-term provisions</u>			
Current income tax		115,900	1,125,095
<b>Total</b>		<u>92,548,377</u>	<u>92,671,305</u>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
(a) Fixed assets			
Tangible assets	3	7,992	19,980
(b) Non-current investments	4	59,444,437	61,127,543
<b>2 Current assets</b>			
(a) Cash and cash equivalents	5	128,559	5,971,777
(b) Short-term loans and advances	6	32,967,389	25,552,005
<b>Total</b>		<u>92,548,377</u>	<u>92,671,305</u>
Significant Accounting Policies	9		
Other Notes	10		

As per our report attached  
For Mittal & Mittal  
Firm Registration No. 106457W  
Chartered Accountants

For and on behalf of the Board

Ajeet Agarwal  
Membership No: 077493  
Partner

A.Tulsyan  
Director

S.Tulsyan  
Director

AJMER, 25<sup>th</sup> May 2012

MUMBAI, 25<sup>th</sup> May 2012



# SITA ENTERPRISES LIMITED

## PROFIT AND LOSS STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

Rupees

PARTICULARS	Note No.	For the year ended 31-3-2012	For the year ended 31-3-2011
<b>I. Revenue from operations</b>			
Interest income		1,510,084	1,406,324
<b>II. Other Income</b>			
Dividend income		405,341	302,093
Net gain/loss on sale of investments		266,739	5,670,161
<b>Total Revenue</b>		2,182,164	7,378,578
<b>III. Expenses</b>			
Employee benefit expense	7	416,126	314,389
Depreciation expense		11,988	29,970
Other expenses	8	751,883	694,667
<b>Total Expenses</b>		1,179,997	1,039,026
<b>IV. Profit before exceptional and extraordinary items and tax</b>		1,002,167	6,339,552
<b>V. Exceptional and Extraordinary Items</b>		-	-
<b>VI. Profit before tax</b>		1,002,167	6,339,552
<b>VII. Tax expense:</b>			
(1) Current tax		115,900	1,125,095
(2) Deferred tax		-	-
		115,900	1,125,095
<b>VIII. Profit for the period</b>		886,267	5,214,457
<b>IX. Earning per equity share:</b>			
(1) Basic		0.30	1.74
(2) Diluted		0.30	1.74
Significant Accounting Policies	9		
Other Notes	10		

As per our report attached  
For **Mittal & Mittal**  
Firm Registration No. 106457W  
Chartered Accountants

For and on behalf of the Board

**Ajeet Agarwal**  
Membership No: 077493  
Partner

**A.Tulsyan**  
Director

**S.Tulsyan**  
Director

AJMER, 25<sup>th</sup> May 2012

MUMBAI, 25<sup>th</sup> May 2012



# SITA ENTERPRISES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012

PARTICULARS	Rupees	
	For the year ended 31-3-2012	For the year ended 31-3-2011
<b>Cash Flow from Operating Activities:</b>		
Net profit before tax and Extraordinary items	1,002,167	6,339,552
Adjustments for:		
Depreciation	11,988	29,970
(Profit)/ Loss on sale of investments	(266,739)	(5,670,161)
Operating Profit Before Working Capital Changes	747,416	699,361
Adjustments for:		
Trade and other receivables	(7,415,384)	(743,939)
Trade Payables and Other Liabilities	(1,009,195)	(255,405)
Cash Generated from Operations	(7,677,163)	(299,983)
Direct Taxes paid	(115,900)	(1,125,095)
<b>Net Cash from Operating Activities.....A</b>	(7,793,063)	(1,425,078)
<b>Cash Flow from investing Activities</b>		
Purchase of Fixed Asset		(38,000)
Purchase in investment	(12,445,011)	(34,345,734)
Sale of investment	14,394,856	40,569,586
<b>Net Cash Used in investing Activities.....B</b>	1,949,845	6,185,852
<b>Cash Flow from Financing Activities:</b>		
<b>Net Cash Flow from Financing Activities...C</b>	-	-
Net increase/(decrease) in Cash and Cash equivalents (A+B+C)	(5,843,218)	4,760,774
Cash and Cash equivalents Opening Balance	5,971,777	1,211,003
Cash and Cash equivalents Closing Balance	128,559	5,971,777

Note: Figures in brackets represent outflows.

As per our report attached

**For MITTAL & MITTAL**  
Firm Registration No. 106457W  
Chartered Accountants

Ajeet Agrawal  
Membership No: 077493  
Partner

For and on behalf of the Board

A. Tulsyan  
Director

S. Tulsyan  
Director

MUMBAI, 25th May 2012



**SITA ENTERPRISES LIMITED**
**NOTES ON ACCOUNTS FOR THE YEAR ENDED 31<sup>st</sup> MARCH 2012**

	Rs.	Rs.		Rs.	Rs.
	31-3-2012	31-3-2011		31-3-2012	31-3-2011
<b>1 SHARE CAPITAL</b>					
Authorised :			- (20)	Indian Hotels 6 NCD Rs.100/-	- 2,000
30,00,000 Equity Shares of Rs.10/- each	30,00,000	30,00,000	- (4000)	Jyoti Structures Ltd. Rs.2/-	- 320,264
Issued Subscribed and Fully Paid :			14969 (17500)	Kalpna Industries Ltd.	1,161,431 1,357,809
30,00,000 Equity Shares of Rs.10/- each			591 (591)	Karur Vysya Bank	
fully paid up in cash	30,00,000	30,00,000		Amt. Paid up Rs. 10 (Rs.8)	88,650 44,325
Refer to Note 10			- (25000)	Man Industries (India) Ltd. RS.5/-	- 1,164,478
<b>2 RESERVES &amp; SURPLUS</b>			- (50)	Royal India Corporation Ltd.	- 500
General Reserve			- (1400)	Karur Vysya Bank	- 285,651
As per last account	52,500,000	50,000,000	14000 (14000)	NHPC Limited.	322,866 322,866
Less: Transfer to Contingent Provision			- (300)	Reliance Industries Ltd.	- 301,990
against Standard Assets	250,000	-	- (400)	Rural Electric. Corp. Ltd.	- 139,155
Add: Transfer from Profit & Loss Statement	500,000	2,500,000	- (2500)	Saregama India Ltd.	- 145,292
	52,750,000	52,500,000	5000 (-)	Saint Gobain Sekurit India Ltd	212,865 -
Contingent provision against Standard Assets			(-) 5000	SJVN Limited	- 101,292
Transfer from General Reserve	250,000	-	- (6010)	SKF India Ltd.	- 3,413,996
	250,000	-	6000 (6000)	Suryachkara Power Corp. Ltd.	68,083 68,083
Surplus in Profit & Loss Statement			- (500)	Tata Chemicals Limited.	- 142,067
As per last account	9,041,210	6,326,753	2500(1300)	Tata Motors Ltd.	
Add: Profit for the period	886,267	5,214,457		Face Value Rs.2 (Rs.10)	386,553 1,005,036
Less: Transfer to General Reserve	500,000	2,500,000			9,391,688 19,187,999
	9,427,477	9,041,210			
	62,427,477	61,541,210			
<b>3 TANGIBLE ASSETS:</b>				<i>Unquoted Shares</i>	
Office Equipment-at cost	682,967	644,967		730000 (730000) Sita Offers & Brse. Exp. Ltd.*	17,290,000 17,290,000
Addition during the year	-	38,000		1205000 (1205000) Bombay Mer & Lsg Co. Ltd *	18,075,000 18,075,000
	682,967	682,967		18700 (18700) Vatsa Corporation Rs.1/-	23,375 23,375
Less: Depreciation				* associate	35,388,375 35,388,375
Up to 31-3-2011	662,987				44,780,063 54,576,374
For year ended 31-3-2012	11,988			(b) Investments in Mutual Funds - unquoted	
Depreciation up to date	674,975	662,987		100 (100) Aditya Birla Real Estate	
Net Block	7,992	19,980		Fund - I - Class A units of Rs. 1,00,000 each -	
				amount Paid up Rs.40,000 (Rs.20,000)	4,000,000 2,000,000
<b>4 NON CURRENT INVESTMENTS</b>				(c) Other non-current investments	
Trade investments at cost				Properties under construction or development	10,664,374 4,551,169
(a) Fully Paid up Equity Shares of Face value				<b>TOTAL INVESTMENTS</b>	<b>59,444,437 61,127,543</b>
of Rs.10/- each or otherwise specified				Refer Note 10	
<i>Quoted Shares</i>				<b>5 CASH &amp; CASH EQUIVALENTS</b>	
Nos	Name			Balance with banks	61,660 5,957,619
1500 (1500)	Aditya Birla Nuvo	1,158,840	1,158,840	Cash in hand	66,899 14,158
500 (-)	Astrazeneca Phar. India Ltd	1,150,804	-		128,559 5,971,777
- (1000)	Aurobindo Pharma Ltd	-	210,755	<b>6 SHORT TERM LOANS &amp; ADVANCES</b>	
- (1200)	Automotive Axles Ltd.	-	474,963	(Unsecured, considered good)	
13000 (-)	Computer Disc Ind	807,339	-	Loans Paid	13,862,000 13,768,190
2107 (5000)	DB Corpo. Ltd.	558,751	1,325,941	Trade Advances recoverable in cash or in	
1144 (1144)	East India Hotel Rs.2/-	46,900	46,900	kind or for value to be received	18,812,000 10,507,175
24952 (30000)	Excel Industries Ltd. Rs.5/-	1,893,111	2,276,103	Advance tax paid for current year	138,000 1,127,577
2000 (-)	Fresenius Kabi Oncology Ltd	321,877	-	Taxes refundable for earlier years	155,389 149,063
- (10000)	Geojit BNP Paribas	-	223,610	Refer Note 10	32,967,389 25,552,005
	Fin.Ser.Ltd.Rs.1/-	-	223,610	<b>7 EMPLOYEES BENEFIT EXPENSE</b>	
40000(40000)	GVK Power & Infra.Ltd. Rs.1/-	998,965	998,965	Salary	404,126 301,389
- (200)	ICICI Bank Ltd.	-	137,549	Bonus	12,000 13,000
- (22500)	IDBI Bank Ltd.	-	3,101,508		416,126 314,389
1000 (2000)	IL &FS Transpo. Networks Ltd	203,409	406,817	<b>8 OTHER EXPENSES</b>	
200(200)	Indian Hotels Co. Ltd Rs.1/-	11,244	11,244	Travelling & Conveyance Expenses	152,263 124,672
				Rent	288,000 288,000
				Miscellaneous Expenses	311,620 281,995
					751,883 694,667



## 9. Significant accounting policies.

i. The Financial Statements are prepared on Accrual Basis under Historic Cost Convention and in accordance with the Revised Schedule VI to The Companies Act, 1956 and the Accounting Standards specified by the Institute of Chartered Accountants of India with proper explanations relating to material departures. The Company being a Non-Banking finance Company follows the guidelines as prescribed by the Reserve Bank of India to the extent applicable to it.

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

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

iv. Loans and advances which are recoverable on demand or stipulation in cash or kind or for value to be received are classified as short term. The interests on Loan amounts given are provided whenever it is receivable.

## 10. Other Notes.

i. Previous period's figures have been regrouped/rearranged wherever necessary. Headings, sub-headings and information as per Schedule VI and Accounting Standards which are not applicable to the company are not stated in Balance Sheet and Profit and Loss Statement. Figures in brackets are for previous year unless otherwise specified.

ii. Tax deducted at source (in Rs) on interest income - Rs. 138,000 (Rs. 127,577/-) and on dividend Nil.

iii. Basic and Diluted earning per share has been calculated by dividing the net profit after tax i.e. Rs.8.86 Lacs for the year by the weighted average number of equity shares outstanding during the year i.e. 30 Lacs shares.

iv. Related Party Disclosures: Associates-Goyal Housing And Finance Ltd., Filmcity Finance Pvt Ltd., Sunshield Finvest Pvt. Ltd., Sita Capital Pvt Ltd. Details of Transactions with associates - (Rs. in Lacs) Balance as on 31.3.12 - Advances paid for allotment of securities -148.95 including 95.75 to private companies in which any director is a director or member.

v. The provision for deferred tax assets/liabilities as on 31-3-12 is Nil. As a measure of prudence deferred tax assets for MAT credit for future tax liabilities has not been taken into account. Provision for bad and doubtful debts and for depreciation in investments - Nil. Gross non-performing assets - Nil. Net non-performing assets - Nil, Assets acquired in satisfaction of debts - Nil. Amount due to Micro, Small & Medium Enterprises as per MSMED Act, 2006 as on 31-03-2012 - Nil. The Company has not accepted any deposits from the public. As per guidelines issued by Reserve Bank of India an amount of Rs. 2.5 lacs has been shown separately as Contingent Provision against Standard Assets in the balance sheet. This contingent and uncertain amount has been earmarked in the heading of reserves and surplus.

vi. The Company is in the business of investment and finance and its all activities revolve around this business. As such, there are no separate reportable Segments. As provided in Accounting Standard 3 the Dividend income has been included in Operating Activities in Cash Flow Statement. In the Profit and Loss Statement Dividend Income has been shown under Other Income as per requirement of Revised Schedule VI.

vii. The Company has only one class of shares referred to as equity shares having a par value of Rs.10 entitling the holder to one vote per share. There was no change in the number of shares outstanding at the beginning and at the end of the reporting period. Share holders holding more than 5% shares in the company and number of shares held: Bombay Mercantile & Leasing Co Ltd-1025398, Abhinandan Textiles & Traders Pvt. Ltd.-375000 and Ashok Tulsyan (HUF) 600000.

viii. Market value of all quoted investments-Rs.8,065,525 (Rs. 20,215,076). Provision for diminution in value of investments - Nil. Investments in Properties under construction or development are partly paid to the extent of amount due and payable as per the terms of purchase and are shown as other non current investments as per requirement of Revised Schedule VI. Such amounts were shown as advances in earlier periods.

ix. Miscellaneous expenses grouped under other expenses include Rs.5,000 (Rs.5,000) for audit fees, Rs. 3,000 (Rs.3,000) for internal audit and Rs.20,755 (Rs.79,971) for Securities Transaction Tax.

x. Contingent liabilities and commitments (to the extent not provided for) - Uncalled liability on commitments for Investments in Properties under construction or development Rs. 320 lacs and for Investment in Mutual Fund Rs. 60 Lacs.

For MITTAL & MITTAL  
Firm Registration No. 106457W  
Chartered Accountants

Ajeet Agrawal  
Membership No: 077493  
Partner

Ajmer, 25<sup>th</sup> May 2012

For and on behalf of the Board

A. Tulsyan  
Director

S. Tulsyan  
Director

Mumbai, 25<sup>th</sup> May 2012

**SITA ENTERPRISES LIMITED**

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

**ATTENDANCE SLIP**

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

\_\_\_\_\_  
Name of Member/Proxy

\_\_\_\_\_  
Reg.Folio No.

\_\_\_\_\_  
No.of Shares held

I certify that I am a registered shareholder/proxy for the registered shareholder of the company. I hereby record my presence at the 29<sup>th</sup> ANNUAL GENERAL MEETING OF THE COMPANY held at 415-416 Arun Chambers, Tardeo Road, Mumbai - 400 034 on Friday the 28<sup>th</sup> September 2012.

\_\_\_\_\_  
Signature of Member/Proxy

**SITA ENTERPRISES LIMITED**

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

**PROXY FORM**

\_\_\_\_\_  
Name of Member

\_\_\_\_\_  
Reg.Folio No.

\_\_\_\_\_  
No.of Shares held

I/We of \_\_\_\_\_ being a member / members of the above mentioned Company hereby appoint \_\_\_\_\_ of \_\_\_\_\_ failing him \_\_\_\_\_ of \_\_\_\_\_ as my/our proxy to attend and vote for me/us on my/our behalf at TWENTY-NINTH ANNUAL GENERAL MEETING of the Company to be held on Friday the 28<sup>th</sup> September 2012 and any adjournment thereof.

Signed this \_\_\_\_ day of \_\_\_\_\_ 2012.

Affix  
Rupee One  
Revenue  
Stamp

Signature

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