

# NIDHI SERVICES LIMITED

Registered Office: 5/19 B, Roop Nagar, Delhi- 110 007

## NOTICE

Notice is hereby given that the Annual General Meeting of the members of the Company will be held on Thursday, the 30<sup>th</sup> day of September, 2010 at 10:00 a.m. at the Registered Office of the Company at 5/19 B, Roop Nagar, Delhi- 110 007, to transact the following business:-

### ORDINARY BUSINESS:

1. To receive, consider, and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and Profit & Loss Account for the year ended on that date together with Reports of the Directors and Auditors thereon.
2. To appoint director, in place of Mr. Udit Agarwal who retires by rotation and being eligible offer himself for re-appointment.
3. To appoint director, in place of Mr. Ram Naresh Agarwal who retires by rotation and being eligible offer himself for re-appointment.
4. To appoint director, in place of Mr. Babulal Agarwal who retires by rotation and being eligible offer himself for re-appointment.
5. To appoint Auditors and to fix their remuneration and, in this connection, to consider and if deemed fit, to pass with or without modifications, the following resolution as an Ordinary Resolution:

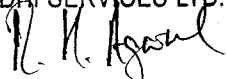
**"RESOLVED THAT** pursuant to the provisions of section 224 and other applicable provisions, if any, of the Companies Act, 1956, M/s. Gupta Jalan & Associates, Chartered Accountants, the retiring Auditors of the company be and are hereby re-appointed as the Auditors of the Company to hold office from the conclusion of this meeting till the conclusion of next Annual General Meeting of the Company on such remuneration as may be fixed in this behalf by the Board of Directors of the Company."

Place: Delhi


Date: September 01, 2010

By Order of the Board of Directors  
For Nidhi Services Limited

For NIDHI SERVICES LTD.



DIRECTOR

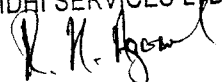


Ram Naresh Agarwal  
Director

**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF, SUCH A PROXY NEED NOT BE MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY, IN ORDER TO BE EFFECTIVE MUST BE LODGED WITH THE REGISTERED OFFICE OF THE COMPANY AT LEAST 48 HOURS BEFORE THE SCHEDULE TIME OF THE MEETING.**
2. The Register of Members and Share Transfer Books will remain closed from Tuesday September 28, 2010 to Thursday September 30, 2010.
3. Only registered Members carrying attendance slips and holders of valid proxies registered with the Company will be permitted to attend the meeting.
4. The Members are requested to :
  - a) Intimate to the Company changes, if any, in their registered address at an early date.
  - b) Quote ledger folio number in all their correspondence.
  - c) Bring their copy of the Annual Report and the attendance slips with them at the Annual General Meeting.
5. Members are requested to intimate their queries, if any, relating to the accounts or any other matters at least seven days in advance of the meeting so that the information can be made readily available and furnished at the meeting.
6. All documents referred to in the accompanying notice are open for inspection at the Registered Office of the company on all working days of the company between 11:00 a.m. to 1:00 p.m. upto the date of the Annual General Meeting.
7. Members are informed that in case of joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
8. With a view to serving the Members better and for administrative convenience, an attempt has been made to consolidate multiple folios. Members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.
9. Members can avail of the nomination facility by filing Form 2- B, as prescribed under the Companies (Central Government) General Rules & Forms, 1956, with the Company. Blank forms will be supplied on request.

For NIDHI SERVICES LTD.



DIRECTOR

#### **10. Re-appointment of Director**

In accordance with the provisions of Articles of Association of the Company, Mr. Ram Naresh Agarwal, Mr. Udit Agarwal and Mr. Babulal Aggarwal will retire by rotation at the Annual General Meeting and, being eligible, offer themselves for re-election.

They have vast experience of Management and operations. With their rich business experience and extensive contacts in business circles, Mr. Ram Naresh Agarwal, Mr. Udit Agarwal and Mr. Babulal Aggarwal have contributed immensely to the growth of the company.

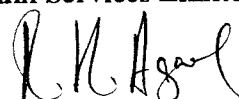
**Place: Delhi**

**Date: September 01, 2010**

**By Order of the Board of Directors  
For Nidhi Services Limited**

For NIDHI SERVICES LTD.

  
DIRECTOR

  
**Ram Naresh Agarwal**  
**Director**

# NIDHI SERVICES LIMITED

Registered Office: 5/19 B, Roop Nagar, Delhi- 110 007

## Directors' Report

Dear Shareowners,

Your Directors have great pleasure in presenting the Annual Report together with Audited Statement of Accounts of the Company for the year ended March 31, 2010.

### FINANCIAL RESULTS

Financial results of the Company for the year under review are summarized as below:  
(in Rupees)

Particulars	Year ended 31.03.2010	Year ended 31.03.2009
Total Income	33,98,843.00	29,87,853.83
Less: Total Expenditure	1,84,064.76	2,17,597.00
<b>Profit / (Loss) before Tax</b>	<b>32,14,778.24</b>	<b>27,70,256.83</b>
Less: Provision for tax	7,06,020.00	6,14,280.00
<b>Profit / (Loss) after Tax</b>	<b>25,08,758.24</b>	<b>21,55,976.83</b>
Add: Balance Brought Forward	18,26,020.53	(3,29,956.30)
<b>Balance carried to Balance Sheet</b>	<b>43,34,778.77</b>	<b>18,26,020.53</b>

### PERFORMANCE REVIEW

During the year under review, the Company has earned a net profit after tax of Rs. 25,08,758.24/- as compared to the net profit after tax of Rs. 21,55,976.83/- in the previous year. Your directors expect that the initiatives undertaken will result in improvement in financial results in the coming years. The details of financial performance of the company are appearing in the Balance Sheet and Profit & Loss account for the year.


### AMOUNT TRANSFERRED TO RESERVES

During the year under review, the company has not transferred any amount to the reserves of the company.

### DIVIDEND

Keeping in view the future requirements of funds by the Company for its proposed growth and expansion, the Board expresses its inability to recommend any dividend.

For NIDHI SERVICES LTD.  
  
DIRECTOR

For NIDHI SERVICES LTD.  
  
DIRECTOR

## **OPERATIONS**

Your Company continues to take effective steps in broad-basing its range of activities. The performance of the Company during the period under review has been satisfactory.

## **FUTURE OUTLOOK**

In the current year, your directors are putting up efforts and it is hoped that the company will do better in the current year.

The outlook for the current year is also very bright and your directors are hopeful of doing a good business during the current year.

## **DIRECTORS**

Mr. Ram Naresh Agarwal, Mr. Udit Agarwal and Mr. Babulal Aggarwal retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment.

They have vast experience of Management and operations. With their rich business experience and extensive contacts in business circles, Mr. Ram Naresh Agarwal, Mr. Udit Agarwal and Mr. Babulal Aggarwal have contributed immensely to the growth of the company. They have served our board with their valuable knowledge.

## **COMPLIANCE OFFICER**

As per the requirement of the Listing Agreement with the Stock Exchange, Mr. Ram Naresh Agarwal, director of the company, acts as the Compliance officer of the Company.

## **DIRECTORS' RESPONSIBILITY STATEMENT**

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

- a) that in the preparation of the annual accounts for the financial year ended March 31, 2010, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) that the directors had selected such accounting policies and applied them consistently and made judgments 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 the financial year and of the profit or loss of the Company for the year under review;
- c) that the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) that the directors had prepared the annual accounts for the financial year ended March 31, 2010 on going concern basis.

For NIDHI SERVICES LTD.

  
DIRECTOR

For NIDHI SERVICES LTD.

  
DIRECTOR

## **AUDITORS**

M/s. Gupta Jalan & Associates, Chartered Accountants, retire as auditors of the company at the conclusion of the ensuing Annual General Meeting and have confirmed their eligibility and willingness to accept the office of the Auditors, if re-appointed.

## **AUDITORS' REPORT**

The observations in the Auditors' Report are dealt with in the notes forming part of accounts at appropriate places and the same being self explanatory, no further comment is considered necessary.

## **ADDITIONAL INFORMATION-BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

Information pursuant to the Department of Company Affairs notification dated May 15, 1995 relating to the Balance Sheet Abstract and Company's general business profile is provided in the Annual Report for your information.

## **DEPOSITS**

Your Company has not accepted any deposits within the meaning of Section 58A of the Companies Act, 1956 and the rules made there under.

As per NBFC Guidelines issued by the Reserve Bank of India, the Board of Directors has passed the required resolution confirming that the Company has neither accepted any public deposits and nor does it intend to do so in the year 2010-2011.

## **PARTICULARS OF EMPLOYEES**

None of the employee drew remuneration of Rs.24,00,000/- or more per annum or Rs.2,00,000 /- per month during the financial year 2009-2010. This information is furnished with respect to Section 217(2A) of the Companies Act, 1956 and the Companies (Particulars of the Employees) Rules, 1975 forming part of the Directors' Report.

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

Particulars with respect to conservation of energy and technology absorption as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are given in **Annexure I** to the directors' report.

## **FOREIGN EXCHANGE EARNINGS AND OUTGO**

The foreign exchange earnings and outgo in the Company are as follows:

For NIDHI SERVICES LTD.

  
DIRECTOR

For NIDHI SERVICES LTD.

  
DIRECTOR

Foreign Exchange Earnings: NIL  
Foreign Exchange Outgo : NIL

### **MATERIAL CHANGES**

There are no material changes and commitments, affecting the financial position of the Company between the end of the financial year of your Company and the date of the Directors' Report.

### **SECRETARIAL COMPLIANCE CERTIFICATE**

According to the proviso to Sub-Section (1) of section 383A of the Companies Act, 1956, every company not required to employ a whole time secretary and having a paid up Capital of Rs. 10,00,000 or more must attach to the board's report a Compliance Certificate from a Secretary in whole time practice as to whether the provision of the Act have been complied or not.

The Board of Directors has obtained a Secretarial Compliance Certificate from a practicing Company Secretary, which is attached as an annexure.

### **LISTING OF SHARES**

The shares of the company are listed on Delhi Stock Exchange Limited. With the initiatives of directors of the company, the shares of the company have been readmitted for dealings at the stock exchange *vide* letter dated June 22, 2009. The said letter states that the stock exchange has revoked the suspension of trading in the shares of the company. Whenever the stock exchange will be operational, the shares of the company will be made available for trading.

### **ACKNOWLEDGEMENT**


The Board acknowledges with gratitude the co-operation and assistance provided by the company's bankers, financiers, government and non-government agencies. The relationship with the employees remained cordial and your director's wish to place on record their appreciation of the contribution made by the employees at all levels. The directors also thank the shareholders for their continued support.

**Place: Delhi**

**Date: September 01, 2010**

**For and on behalf of the Board of Directors  
For Nidhi Services Limited**

  
**Ram Naresh Agarwal**  
**Director**

  
**Udit Agarwal**  
**Director**

**Annexure I**

**CONSERVATION OF ENERGY**

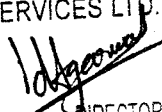
S. No.	Particulars	Description
(a)	Energy Conservation measures taken	The operations of your Company are not energy intensive. Adequate measures have, however, been taken to reduce energy consumption.
(b)	Additional investments and proposals, if any, being implemented for reduction of consumption of energy	No
(c)	Impact of measures at (a) & (b) above for reduction of energy consumption and consequent impact on the cost of production of goods	The impacts of the measures indicated in (a) above are expected to be favourable i.e., reduction in energy consumption.
(d)	Total energy consumption and energy consumption per unit of production as per Form A of the Annexure of Companies (Disclosure of Particulars in the report of Board of Directors) Rules, 1988 in respect of industries specified in the schedule thereto	Not Applicable

**FORM B**

**FORM FOR DISCLOSURE OF PARTICULARS WITH RESPECT TO ABSORPTION OF TECHNOLOGY**

S. No.	Particulars	Description
	<b>Research and Development (R&amp;D)</b>	
1.	Specific areas in which R&D carried out by the company	Nil
2.	Benefits derived as a result of above R&D	Not Applicable
3.	Future plan of action	Nil
4.	Expenditure on R&D	Nil

For NIDHI SERVICES LTD.  
  
DIRECTOR

For NIDHI SERVICES LTD.  
  
DIRECTOR



	(a) Capital	Nil
	(b) Recurring	Nil
	(c) Total	Nil
	(d) Total R&D expenditure as percentage of total turnover	Nil
	<b>Technology, absorption, adaptation and innovation</b>	
1.	Efforts, in brief, made towards technology absorption, adaptation and innovation	<p>Since the Company has no technical collaboration arrangements with any outside partners, the question of absorption is not relevant to the company. Also, there is no case of adaptation and innovation in the company.</p> <p>However, the Company has made full use of information technology in its operations and efforts are being made to adopt latest technology.</p>
2.	Benefits derived as a result of the above efforts, e.g. product improvement, cost reduction, product development, import substitution, etc.	Not Applicable
3.	<p>In case of imported technology (imported during the last 5 years reckoned from the beginning of the financial year), following information may be furnished:</p> <p>(a) Technology imported</p> <p>(b) Year of import</p> <p>(c) Has technology been fully absorbed?</p> <p>(d) If not fully absorbed, areas where this has not taken place, reasons therefore and further plans of action</p>	The company has not imported technology during the last 5 years.

For NIDHI SERVICES LTD.

*K. N. Agarwal*  
DIRECTOR

For NIDHI SERVICES LTD.

*Idagowal*  
DIRECTOR

**DHAVNEESH GUPTA & ASSOCIATES**  
**COMPANY SECRETARIES**

104-C, Block-B, Pocket- U & V,  
Shalimar Bagh, Delhi-110088  
Ph-27479556, M-9811911844

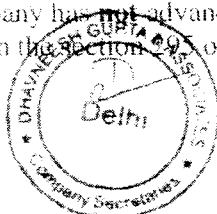
CIN OF THE COMPANY : U65999DL1984PLC018077  
NOMINAL CAPITAL : Rs. 25.00 Lacs

**COMPLIANCE CERTIFICATE**

To,  
The Members  
**Nidhi Services Limited**  
**5/19 B, Roopnagar,**  
**Delhi-110007**

I have examined the registers, records, books and papers of Nidhi Services Limited as required to be maintained under the Companies Act 1956, (the Act) and the rules made there under and also the provisions contained in the Memorandum and Articles of Association of the company for the financial year ended on 31st March, 2010. 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 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 there under 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 Director, Central Government, Company Law Board or other authorities within the time prescribed under the Act and the rules made there under.
3. Since the company is not private limited Company the requisite particulars are not applicable.
4. The Board of Directors duly met 6 times on 13.05.2009, 6.07.2009, 16.07.2009, 12.08.2009, 23.11.2009, 12.01.2010 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed. No circular resolution was passed during the year under scrutiny.
5. The provisions of section 154 of the Companies Act, 1956 are not applicable to the company.
6. The annual general meeting for the financial year ended on 31.3.2009 was held on 15.07.2009 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 meeting (s) was held during the financial year.
8. The company has not advanced loan to its directors and/or persons or firms or companies referred in the Section 295 of the Act after complying with the provisions of the Act.



9. The company has **not** entered into any contracts falling within 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 the section 301 of the Act.

11. As there was no instances falling within the preview of section 314 of the Act, the company has not obtained any necessary approval from the Board of Directors, members and Central Government.

12. The Board of Directors or duly constituted Committee of Directors has not issued any duplicate share certificates.

13. The Company has:

(i) Not done any allotment / transfer / transmission of securities during the financial year.

(ii) Not deposited any amount in a Separate Bank Account as no dividend was declared during the financial year.

(iii) the company was not required to post warrants of dividend to any member of the company as no dividend was declared during the year.

(iv) the company was not required to transfer any amounts in unpaid dividend account, application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remain unclaimed or unpaid for a period of seven years to Investor Education and Protection Fund.

(v) Duly complied with the requirement of section 217 of the Act.

14. The Board of Directors of the company is duly constituted and no appointments of directors, additional directors, alternate directors and directors to fill casual vacancies have been duly made during the year.

15. The appointment of managing Director /Whole-time Director/Manager has been made according to the provisions of the company Act. Hence the compliance with the provisions of section 269 read with Schedule-XIII to the Act has been made by the company.

16. The company has not appointed any of sole-selling agents during the financial year.

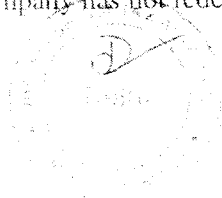
17. As per the information and explanation given by the management, the company was not required to obtain any necessary approvals of the Central Govt. Company Law Board, Regional Director, Registrar or such other authorities as may be prescribed under the various provisions of the Act.

18. The Directors have disclosed their interest in other firms/ companies to the Board of Directors pursuant to the provisions of the Act.

19. The Company has not issued any equity shares or debentures or any other securities during the financial year.

20. The Company has not brought back any shares during the financial year.

21. The company ~~has not~~ redeemed any preference shares/debentures during the year.



22. There was no transaction for the Company to keep in abeyance rights to dividend, right 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 the unsecured loans falling within the provisions of sections 58A & 58AA during the financial year.

24. The company has not made any borrowing during the year and does not attract any provisions of section 293(1)(d) of the company act.

25. The Company has not made loans and investments, or given guarantees or provided securities to other bodies corporate in compliance with the provisions of the Act and has made no 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 the one state to another during the year.

27. The company has not altered the provisions of the Memorandum with respect to the objects of the company during the year.

28. The company has not altered the provisions of the Memorandum with respect to name of the company during the year.

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 year under scrutiny.

31. There was no prosecution initiated against or show cause notices received by the company for alleged offence under the Act and also the fine and penalties or any other punishment imposed on the company in such case is attached.

32. The company has not received any money as security from its employees during the year under certification and the same has been deposited as per provisions of section 417 (1) of the Act.

33. The Company has not deducted any contribution towards Provident fund pursuant to section 418 of the Act.

Date: 07.04.2010  
Place: Delhi

For Dhavneesh Gupta & Associates  
Company Secretaries  
Delhi  
(Proprietor)  
Dhavneesh Gupta  
C.P.No. : 6623

## ANNEXURE-A

### Registers as maintained by the Company

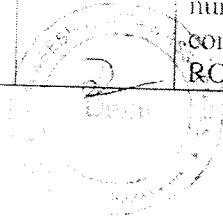
1. Register of Members u/s 150
2. Register of share transfer
3. Register of Director's Shareholding u/s 307
4. Register of Director, Managing Director, Manager and Secretary u/s 303
5. Register of Contracts with Directors / Companies / firms in which Directors etc are interested u/s 301 (1) & (3).
6. Minutes book containing minutes of Board Meetings u/s 193.
7. Minutes book containing minutes of General Meetings u/s 193.
8. Books of Accounts u/s 209.



### ANNEXURE-B

Forms and Returns as filed by the Company with the Registrar of Companies,  
Regional Directors, Central Government or other authorities during the  
financial year ending on 31st March, 2010

S.No	Form No./Return	Filed u/s	For	Date of filing	Whether filed within prescribed time Yes/No	If delay in filing whether requisite additional fees paid Yes/No
1	Annual Accounts	Sec.220	Financial year ended 31.03.2009	25.08.2009	No	Yes
2	Annual Return	Sec.159	Annual General Meeting held on 15.07.2009	24.08.2009	Yes	N.A.
3	Compliance Certificate	Sec.383A	Year 2008-2009	21.08.2009	No	Yes
4	Form 32	Sec.303(2)	Resignation of directors	08.09.2009	No	Yes
5	DIN 3	Sec.266 E	Intimation of director identification number by the company to the ROC	21.08.2009	Yes	N.A.
6	DIN 3	Sec.266 E	Intimation of director identification number by the company to the ROC	07.09.2009	No	Yes



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

ED-58-B, MADHUBAN CHOWK, PITAM PURA, DELHI-110 088

### AUDITOR'S REPORT

To The share Holders of  
NIDHI SERVICES LIMITED

NIDHI-2

1. We have audited the attached Balance Sheet of NIDHI SERVICES LIMITED as at 31<sup>st</sup> March, 2010 and also the Profit & Loss Account for the year ended on that date, annexure thereto. These financial statements are 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 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.
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.
4. Further to our comments in the Annexure referred to above, we report that:
  - i. We have obtained all the information and explanations, which to the best 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 the books.
  - iii. The Balance Sheet and Profit & Loss Account dealt with by this report are in agreement with the books of account.
  - iv. In our opinion, the Profit & Loss Account and Balance Sheet dealt with by this report comply with the accounting standards referred to in sub section (3C) of section 211 of the Companies Act 1956.



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

ED-58-B, MADHUBAN CHOWK, PITAM PURA, DELHI-110 088

- v. On the basis of the written representation received from the directors as on 31.03.2010 and taken on record by the board of directors, we report that none of the directors is disqualified as on 31.03.2010 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 with notes thereon, give the Information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India;
- a) In the case of Balance Sheet, of the state of affairs of the company as at 31<sup>st</sup> March, 2010 and
- b) In the case of Profit & Loss Account, of the profit of the company for the year ended 31<sup>st</sup> March 2010.

Place: Delhi

The 28<sup>th</sup> day of May 2010



for Gupta Jalan & Associates  
Chartered Accountants

*R.N. Jalan*  
(Partner)

R.N. JALAN  
M.No. 082389  
FRN : 003721N



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

ED-58-B, MADHUBAN CHOWK, PITAM PURA, DELHI-110 088  
ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE REPORT OF EVEN  
DATE ON THE ACCOUNTS FOR THE YEAR ENDED 31.03.2010 OF M/S.  
NIDHI SERVICES LIMITED

i. In respect of fixed assets.

- a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets owned by the company.
- b) All the fixed assets have not been physically verified by the management during the year but there is regular program of verification, which in our opinion, is reasonable having regard to the size of the company and the nature of its assets. No serious discrepancies have been noticed on such physical verification.
- c) During the year substantial part of fixed assets has not been sold and hence going concern of the company is not affected..

ii. In respect of Inventories

The company is not doing any business activities which involves inventories.

iii. In respect of loans, secured or unsecured, granted or taken by the Company to or from companies, firms or other parties covered in the register maintained and a Section 301 of the Companies Act, 1956, according to the information and explanations given to us.

- a). The company has not taken any loans from companies, parties listed in the register maintained under section 301 of the companies Act 1956.
- b) The company has not granted loans to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 and /or to companies under the same management as defined under section 370 (1B) of the Companies Act, 1956.

iv. In our opinion and according to the information and explanations give to us, there are generally adequate internal control procedure commensurate with the size of the company and the nature of its business with regard to purchase of stores, raw material, including components, plant, machinery, equipment and other assets and also for sale of goods.



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

ED-58-B, MADHUBAN CHOWK, PITAM PURA, DELHI-110 088

- v In our opinion and to the best of our information, the company had not made any transaction of purchase of goods and materials and sale of goods/ materials and services made in pursuance of contract or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs.5,00,000 or more in respect of each party.
- vi The company has not accepted any deposits from public as defined under section 58A of the Companies Act, 1956.
- vii The company has an adequate internal audit system carried on by its staff which is commensurate with its size and nature of its business.
- viii Maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for its products is not applicable to the company
- ix) In respect of Statutory dues.
  - a) According to the information and explanations given to us, the company has been regular in depositing undisputed statutory dues, including provident fund employee state insurance, income-tax, wealth tax, sales-tax, custom duty and excise duty with appropriate authority during the year which have remained outstanding as at 31<sup>st</sup> March, 2010, for a period of more than six months from the date they became payable.
  - b) According to the information and explanations given to us, there is no disputed statutory liabilities pending as on 31.03.2010.
- x) The company does not have any accumulated losses as at 31.03.2010. The company not incurred any cash losses during the financial year covered by our audit and immediately proceeding financial year.
- xi) In our opinion and according to the information and explanation to us, the company has not defaulted in repayment of dues to financial Institution and banks.
- xii) In our opinion and according to information and explanation given to us, the company has not granted any loans and advances on the basis of securities by way of pledge of shares, debentures and other securities.
- xiii) In our opinion, the company is not chit fund or a nidhi/mutual benefit fund / society. Therefore the provisions of clause 4(xiii) of the Companies (Auditor's Report) order 2003 are not applicable to the company.



# GUPTA JALAN & ASSOCIATES

## CHARTERED ACCOUNTANTS

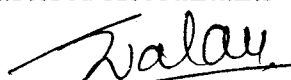
ED-58-B, MADHUBAN CHOWK, PITAM PURA, DELHI-110 088

- xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4 (xiv) of the Companies (Auditor's Report) order 2003 are not applicable to the company.
- xv) In our opinion and according to information and explanation given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- xvi) In our opinion, the terms loans have been applied for the purposes for which they were raised.
- xvii) According to the information and explanation given to us and on an overall examination of the balance sheet of the company, we report that company has not used any amount in long term investment out of short term funds raised.
- xviii) The provisions of clause xviii and xix of the Companies (Auditor's Report) order 2003 are not applicable since the company had not issued any shares/debentures during the year.
- xix) To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the company was noticed or reported during the course of our audit.

Place: Delhi

The 28th day of May 2010

for Gupta Jalan & Associates  
Chartered Accountants



(Partner)

R.N. JALAN

M.No. 082389

FRN : 003721N



**NIDHI SERVICES LIMITED**

**BALANCE SHEET AS AT 31ST MARCH, 2010**

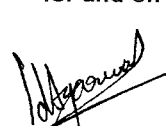
PARTICULARS	SCHEDULE	AS AT 31.03.2010	AS AT 31.03.2009
<b><u>SOURCES OF FUNDS</u></b>			
Shareholders Fund	1	2500000.00	2500000.00
Reserve Fund		3110.00	3110.00
Reserve & Surplus		4334778.77	1826020.53
Security Received		1627020.00	1627020.00
Total Rs.		<u>8464908.77</u>	<u>5956150.53</u>
<b><u>APPLICATION OF FUNDS</u></b>			
<b><u>Fixed Assets</u></b>	2		
Gross Block		2977813.00	2977813.00
Less: Depreciation		196900.00	196900.00
Net Block		<u>2780913.00</u>	<u>2780913.00</u>
Investments	3	5691378.29	3128285.05
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>			
Cash & Bank Balances	4	74719.48	129558.48
Sundry Debtors		293270.00	0.00
Advance Tax		<u>652001.00</u>	<u>614470.00</u>
Total Current Assets		1019990.48	744028.48
<b><u>LESS CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
Expenses Payable		321353.00	82796.00
Provisions for Taxation		706020.00	614280.00
Total Current Liabilities		<u>1027373.00</u>	<u>697076.00</u>
Total Net Current Assets		-7382.52	46952.48
Total Rs.		<u>8464908.77</u>	<u>5956150.53</u>
Notes on Accounts	7		

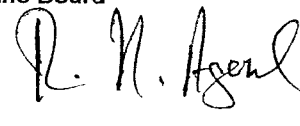
As per our report attached  
for **GUPTA JALAN & ASSOCIATES**  
Chartered Accountants

  
(PARTNER)

Place: Delhi  
The 29th day of may 2010

for and on behalf of the Board

  
DIRECTOR

  
DIRECTOR



NIDHI SERVICES LIMITED

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	SCHEDULE	FOR THE YEAR ENDED 31.03.2010	FOR THE YEAR ENDED 31.03.2009
<u>INCOME</u>			
Gross Receipts	5	3398843.00	2987853.83
Total Rs.		<u>3398843.00</u>	<u>2987853.83</u>
<u>EXPENDITURE</u>			
Purchases		0.00	20000.00
Administrative Expenses	6	162996.76	184801.00
<u>Auditors Remuneration</u>			
Audit Fees		16545.00	
Income Tax Matters		<u>4523.00</u>	12796.00
Total Rs.		<u>184064.76</u>	<u>217597.00</u>
Profit Before Tax		3214778.24	2770256.83
Provision for Taxation		706020.00	614280.00
Profit After Tax		2508758.24	2155976.83
Add: Balance b/f from last year		1826020.53	-329956.30
Balance b/f. to Balance Sheet		<u>4334778.77</u>	<u>1826020.53</u>

Notes on Accounts

7

As per our report attached  
for GUPTA JALAN & ASSOCIATES  
Chartered Accountants

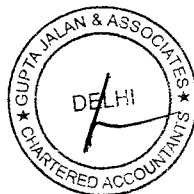
for and on behalf of the Board

  
(PARTNER)

  
DIRECTOR

  
DIRECTOR

Place: Delhi  
The 28<sup>th</sup> day of May 2010



NIDHI SERVICES LIMITED

Schedule 1 to 7 Annexed to and forming part of the accounts

PARTICULARS

AS AT  
31.03.2010

AS AT  
31.03.2009

**Schedule -1**

**SHAPRE CAPITAL**

**Authorised**

250000 Equity Shares of Rs. 10/- each

2500000.00

2500000.00

**Issued, Subscribed & Paid up**

250000 Equity Shares of Rs. 10/- each  
fully paid up in cash

2500000.00

2500000.00

Total Rs.

2500000.00

2500000.00

**Schedule-3**

**INVESTMENTS**

Investment in Mutual Funds

5691378.29

3128285.05

Total Rs.

5691378.29

3128285.05

**Schedule -4**

**CASH & BANK BALANCES**

Cash in hand (As Certified)

47188.50

116228.50

Balance with Scheduled bank in  
Current Account

27530.98

13329.98

Total Rs.

74719.48

129558.48



For NIDHI SERVICES LTD.

*[Signature]*  
DIRECTOR

For NIDHI SERVICES LTD.

*[Signature]*  
DIRECTOR

**NIDHI SERVICES LIMITED**

**Schedule -2**

**FIXED ASSETS**

<u>FIXED ASSETS</u>	GROSS BLOCK		DEPRICIATION			NETBLOCK		
PARTICULARS	AS ON 1.4.2009	ADDITIONS DURING THE YEAR	TOTAL	UP TO 31.3.2009	FOR THE YEAR	UP TO 31.03.2010	AS AT 31.3.2010	AS AT 31.3.2009
-----	-----	-----	-----	-----	-----	-----	-----	-----
Building	2967613.00	0.00	2967613.00	196900.00	0.00	196900.00	2770713.00	2770713.00
Pump	10200.00	0.00	10200.00	0.00	0.00	0.00	10200.00	10200.00
Total Rs.	<u>2967613.00</u>	<u>0.00</u>	<u>2977813.00</u>	<u>196900.00</u>	<u>0.00</u>	<u>196900.00</u>	<u>2780913.00</u>	<u>2780913.00</u>
Previous year figures	2967613.00	10200.00	2977813.00	196900.00	0.00	196900.00	2780913.00	



For NIDHI SERVICES LTD.

DIRECTOR

For NIDHI SERVICES LTD.

DIRECTOR

**NIDHI SERVICES LIMITED**

**Schedule 1 to 7 Annexed to and forming part of the accounts**

PARTICULARS -----	FOR THE YEAR ENDED 31.03.2010 -----	AS AT YEAR ENDED 31.03.2009 -----
<b>Schedule-5</b>		
<b><u>GROSS RECEIPTS</u></b>		
Rent Received	3389630.00	2711700.00
Sales	0.00	24000.00
Misc Income	9213.00	252153.83
Total Rs.	<u>3398843.00</u>	<u>2987853.83</u>

**Schedule -6**

**ADMINISTRATIVE EXPENSES**

Accounting Charges	54000.00	54000.00
Printing & Stationery	2940.00	1910.00
Postage & Telegram	2550.00	3090.00
General Expenses	12381.00	5000.00
Legal & Professional Charges	3000.00	1517.00
Repair & Maintenance	0.00	63664.00
Electrical Expenses	0.00	29916.00
Lising Fees	5515.00	0.00
House Tax	25704.00	25704.00
Loss on Sale/Purchase of Mutal Funds	56906.76	0.00
Total s.	<u>162996.76</u>	<u>184801.00</u>



For NIDHI SERVICES LTD.

*[Signature]*  
DIRECTOR

For NIDHI SERVICES LTD.

*[Signature]*  
DIRECTOR



## NIDHI SERVICES LIMITED

### Schedule -7

#### NOTES TO THE ACCOUNTS

##### A. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES

###### 1. FIXED ASSETS

a) All fixed assets are stated at their original cost including freight, taxes, other incidental expenses related to acquisition/installation.

###### b) DEPRECIATION

Depreciation for the year has been provided as per Schedule XIV to the Company Act 1956 (as amended) on written down value basis.

##### B. NOTES FORMING PARTS OF ACCOUNTS

1. Contingent Liabilities not provided for (Previous year – NIL) NIL
2. Capital Commitments (Previous year – NIL) NIL
3. Additional information pursuant to Provisions of Paragraph 3, 4C & 4D of Part-II, of Schedule-VI to the Companies Act 1956 are not applicable since company is not carried out any industrial activities.
4. Schedule 1 to 7 are forming integral part of the Balance sheet and Profit & Loss Account and have been duly authenticated.

As per our report attached

**For GUPTA JALAN & ASSOCIATES**  
Chartered Accountants

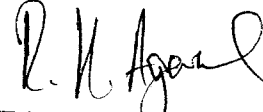
  
(Partner)

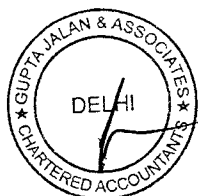
Place: Delhi

The 28th day of May 2010

for and on behalf of the Board

  
(Director)

  
(Director)



# NIDHI SERVICES LIMITED

## BALANCE SHEET ABSTRACT AND COMPANY BUSINESS PROFILE:

### I. **Registration Details:**

Registration No.	: 18077	State Code No.	: 55
Balance Sheet Date	: 31.03.2010		

### II. **Capital raised during the year (Rs. In '000s)**

Public Issue	: 0	Right Issue	: 0
Bonus Issue	: 0	Private Placement	: 0

### III. **Position of Mobilisation and Development of Funds (Rs. In '000s)**

Total Liabilities	: 8465	Total Assets	: 8465
-------------------	--------	--------------	--------

#### **Sources of Funds**

Paid up Capital	: 2500	Reserve & Surplus	: 4335
Reserve Fund	: 3	Unsecured Loans	: 0
Secured Loans	: 0		
Security Received	1627		

#### **Application of Funds**

Net Fixed Assets	: 2781	Investments	: 5691
Net Current Assets	: -7	Misc. Expenses	: 0

### IV. **Performance of Company (Rs. 000s)**

Turnover	: 3399	Total Expenditure	184
Profit Before Tax	: 3215		

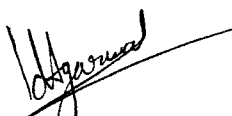
### V. **Generic Names of Three Principal Product/Services of Company**

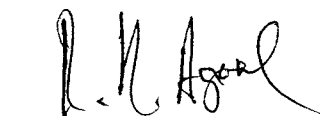
Item Code	:
Product Description	: N.A.

As per our Report attached  
for GUPTA JALAN & ASSOCIATES  
Chartered Accountants

  
(PARTNER)

for and on behalf of Board

  
(DIRECTOR)

  
(DIRECTOR)

Place: Delhi

The 30<sup>th</sup> day of May 2010



**NIDHI SERVICES LIMITED**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2010**

	AMOUNT (RS.) 31.03.2010	AMOUNT (RS.) 31.03.2009
<b>A. CASH FLOW FROM OPERATING ACTIVITIES</b>		
Net Profit/(Loss ) before Tax	3,214,778	2,770,257
<b>Adjustments for:</b>		
Preliminary Expenses Written off	-	-
Loss on Sale Mutual fund	56,907	
Profit on sale mutual fund		13,444
<b>OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES</b>	<b>3,271,685</b>	<b>2,756,813</b>
<b>Adjustments for:</b>		
Other Receivables	293,270	190
Trade Payable & Other Liabilities	238,557	2,195
Income tax Paid	651,811	616,140
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (1)</b>	<b>2,565,161</b>	<b>2,142,678</b>
<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b>		
Increase in Project Capitalisation	(2,620,000)	(3,125,042)
<b>NET CASH FLOW USED IN INVESTING ACTIVITIES (2)</b>	<b>(2,620,000)</b>	<b>(3,125,042)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b>		
Proceeds From Share Application Money/ Share Capital	-	-
Proceeds from Long Term Borrowings (Net)	-	-
Repayment of Unsecured Loans	-	-
Proceeds from Security Received	-	827,020
<b>NET CASH FLOW USED IN FINANCING ACTIVITIES (3)</b>	<b>-</b>	<b>827,020</b>
<b>Net increase/(decrease) in Cash &amp; Cash Equivalents (A+B+C)</b>	<b>(54,839)</b>	<b>(155,343)</b>
Cash & Cash Equivalents as at the Beginning of the year	129,558	284,902
Cash & Cash Equivalents as at the End of the year	74,719	129,558

As Per our report of even date  
For Gupta Jalan & Associates  
Chartered Accountants

For and on behalf of the Board

R.N. JALAN  
(Partner)  
M.No. : 082389

DIRECTOR

DIRECTOR

Place: Delhi

Dated: 28/05/2010



NIDHI SERVICES LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-3-2010

A	<b>Cash Flow from Operating Activities</b>	Amount (Rs)
	Net Profit before tax and prior period & extraordinary items	3214778.24
	Adjustments for	
	Depreciation	0
	Interest Paid	0
	Interest Received	0
	Deferred revenue expenditure written off	0
	Loss on sale of mutual fund	56906.76
	Short term capital gain	0
	Operating Profit before Working Capital Changes	3271685
	Adjustments for	
	Trades and other Receivables	293270
	Inventories	0
	Trade Payables	238557
	Cash generated from operations	3216972
	Direct Taxes Paid FY 09-10	651811
	Profit/loss on sale of Assets	0
	Cash flow before prior period and extraordinary items	2565161
	Prior period and extra ordinary items	0
	<b>Net Cash from Operating Activities</b>	2565161
B	<b>Cash flow from Investing Activities</b>	
	Purchase of Mutual Fund	2720000
	Sale Of Mutual Fund	100000
	Interest Received	0
	<b>Recover from Advances</b>	0
	<b>Net Cash from Investing Activities</b>	-2620000
C	<b>Cash Flow from Financing Activities</b>	
	Proceeds from Long term borrowing	0
	Proceeds from Short term borrowing	0
	Redumption of Investments	0
	Repayment of long term borrowings	0
	Interest Paid	0
	Payment of Dividend and Tax thereon	0
	<b>Net Cash from Financing Activities</b>	0
	Net increase in cash & cash equivalents(A+B+C)	-54839
	Opening Cash & cash equivalents (D)	129558
	Closing cash and cash equivalents(E)	74719
	<b>Net increase in cash &amp; cash equivalents(E-D)</b>	

for GUPTA JALAN & ASSOCIATES  
Chartered Accountants

(PARTNER)

Place: Delhi  
The day of

2010

for and on behalf of the Board

(DIRECTOR) (DIRECTOR)