

AAR COMMERCIAL COMPANY  
LIMITED

ANNUAL  
REPORT

2010-11

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# AAR COMMERCIAL CO. LTD.

23A, N. S. ROAD, 7TH FLOOR, ROOM NO. 34A, KOLKATA-700 001. MOBILE 98303 29422

## NOTICE

**NOTICE** is hereby given that the Annual General Meeting of AAR Commercial Company Limited will be held at the Registered Office of the Company at 23A, N.S.Road, 7<sup>th</sup> Floor, Room No. 34A, Kolkata - 700 001 on Wednesday the 28<sup>th</sup> day of September, 2011 at 2:30 P.M. to transact the following business :-

- 1) To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March 2011 and Profit & Loss Account for the year ended on that date together with the Reports of the Directors and Auditors thereon.
- 2) Mr. Ravi Agarwal, the director of the Company who retires by rotation and being eligible offers himself for re-appointment as a Director.
- 3) To appoint Auditors of the Company and fix their remuneration.

By order of the Board



*Ravi Agarwal*

Director

**Registered Office:**

23A, N.S.Road,  
7<sup>th</sup> Floor, Room No. 34A  
Kolkata- 700 001

**Dated: 26<sup>th</sup> Day of August 2011**

**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/herself and the proxy need not be a member of the Company. Proxies in order to be effective must be received at the Registered Office of the Company not less than forty-eight hours before the time fixed for the meeting.
2. The Register of Members and the share transfer books of the Company will remain closed from 22<sup>nd</sup> September 2011 to 28<sup>th</sup> September 2011 (both days inclusive).



# AAR COMMERCIAL CO. LTD.

23A, N. S. ROAD, 7TH FLOOR, ROOM NO. 34A, KOLKATA-700 001, MOBILE : 98303 29428

## DIRECTOR'S REPORT

**Dear Shareholders**

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

### 1. FINANCIAL HIGHLIGHTS

The working result of the Company for the year-ended stand as under:

Particulars	(Rs.)	(Rs.)
	Year ended 31.03.2011	Year ended 31.03.2010
Profit/(Loss) before Taxation	(48,674.19)	82222.72
Less: Provision for Taxation	Nil	25407.00
Profit/(Loss) after Taxation	(48,674.19)	56,815.72
Add: Balance brought forward from previous year	337,463.09	280647.37
Balance carried to Balance Sheet	288,788.90	337,463.09

### 2. DIVIDEND

In view of marginal loss incurred by the Company, the Directors have decided not to recommend any dividend for the year.

### 3. DIRECTORS

Mr. Ravi Agarwal retires by rotation and being eligible, offers himself for reappointment.

### 4. DIRECTOR'S RESPONSIBILITY 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 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- ii) That the Directors have selected such accounting policies and applied them consistently and made 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 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 annual accounts for the financial year ended 31<sup>st</sup> March 2011 on a going concern basis.

#### 5. AUDITORS

Agrawal S. Kumar & Associates, Chartered Accountants, hold the office till the conclusion of this Annual General Meeting and being eligible, offer themselves for re-appointment. Your directors recommend their reappointment.

#### 6. LISTING OF EQUITY SHARES

The Equity Shares of the company are listed on The Calcutta Stock Exchange Association Ltd.

#### 7. DEMATERIALIZATION OF SHARES OF YOUR COMPANY

The company has entered into an arrangement with National Securities Depository Limited and Central Depository Services (India) Limited for dematerialization of its equity shares and part of its equity shares have been dematerialized.

#### 8. EMPLOYEES

None of the employees were in the category of the limits specified under section 217(2A) of the Companies Act, 1956.

#### 9. STATUTORY INFORMATION

The Company being basically in the financial sector, requirement regarding the disclosures of particulars of conservation of energy and technology absorption prescribed by the rules is not applicable.



#### 10. AUDIT COMMITTEE

The Company pursuant to Companies Amendment Act 2000 has constituted an Audit Committee u/s 292A of the Companies Act 2000. The Analysis of the Committee has been given elsewhere under the report of Corporate Governance.

#### 11. EMPLOYER EMPLOYEE RELATIONSHIP

The company maintained a cordial relationship with its employees, which resulted in smooth flow of business operations during the period under review.

#### 12. FOREIGN EXCHANGE

The Company had no foreign exchange outflow or inflow during the year under review.

#### 13. ACKNOWLEDGEMENTS

Your Directors acknowledge the support and owe a debt of gratitude to the Shareholders, Investors & Bankers. Your Directors are also thankful to its clients for their continued faith and support reposed in us. Last but not the least, your directors' place on record their sense of appreciation of the valuable contribution made by the employees of the Company.

Dated: 26<sup>th</sup> Day of August, 2011  
Place: Kolkata

On Behalf of the Board



*Suma Banerjee*  
Chairman



# AGRAWAL S. KUMAR & ASSOCIATES

CHARTERED ACCOUNTANTS

## Head Office :

23A, N. S. Road, 1st Floor,  
Room No. 27A, Kolkata - 700 001  
Phone : 3028 8510 - 512  
E-mail : agrsk@vsnl.net

## Branch Office :

21, Hemanta Basu Sarani,  
3rd Floor, Room No. 306,  
'CENTRE POINT', Kolkata - 700 001  
Ph. : 3028 8500 - 506, Fax : 3028 8499

## Auditor's Report

To  
The Members of  
AAR COMMERCIAL COMPANY LIMITED

1. We have audited the attached Balance Sheet of M/s. Aar Commercial Company Limited as at 31<sup>st</sup> March, 2011 and also the Profit & Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of 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 not material misstatements. An audit includes examining on test check basis, evidence supporting the amounts and disclosure of the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order 2003 (as amended), issued by the Central Government in terms of Section 227 (4A) of the Companies Act, 1956, we annex hereto a report as required by paragraphs 4 & 5 of the said order.
4. Further to our comments in the Annexure referred to in paragraph (1) above.
  - 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 accounts as required by Law, have been kept by the Company so far as appears from our examination of those books.
  - c) The Balance Sheet and the Profit & Loss Account dealt with by this report are in agreement with the books of account as submitted to us.
  - d) In our opinion, the Profit & Loss Account and the Balance Sheet comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
  - e) On the basis of written representation received from the directors of the company as at 31<sup>st</sup> March 2011 and taken on records by the board of directors, we report that no director is disqualified from being appointed as director of the company under clause (g) of sub-section (1) of Section 274 of the Companies Act, 1956;



f) In our opinion and to the best of our information and according to the explanations given to us, the said statements of account read with the notes thereon, give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view:

- i. In the case of the Balance Sheet, of the state of affairs of the Company as at 31<sup>st</sup> March, 2011 and
- ii. In the case of the Profit & Loss Account, of the loss for the year ended on that date.
- iii. In case of Cash Flow Statement, of the Cash Flow for the year ended as on that date.

For, Agrawal S. Kumar & Associates

Chartered Accountants

Firm Reg. No. 322324E

  
(S. K. Agrawal)

Partner

M. No. 054232



Place: Kolkata

Dated: 26<sup>th</sup> Day Of August, 2011

Annexure to the Auditor's Report referred to in paragraph 3 of our report of even date

As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government in terms of Sections 227(4A) of the Companies Act, 1956 and on the basis of such checks as was considered appropriate and according to the information and explanations given to us, we report that:

1. The Company does not have any fixed assets.
2. The Company maintains proper record of inventory during the year.
3. The Company has neither taken or nor given any loans or advances in the nature of loans, secured or unsecured, from or to, Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956.
4. In our Opinion and according to explanation 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 fixed assets. No major weakness has been noticed in the internal control.
5. Based on the audit procedures applied by us and according to the information and explanation provided by the management, we are of the opinion that there were no transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956.
6. Based on our scrutiny of the Company's records and according to the information and explanation provided by the management, in our opinion, the Company has not accepted any public deposits so far up to 31<sup>st</sup> March 2009.
7. There is adequate Internal Audit system commensurate with the size and nature of its business.
8. According to the information and explanations provided by the management, the Company is not engaged in production, processing, manufacturing or mining activities. Hence the provision of Section 209(1) (d) does not apply to the Company. Hence in my opinion, no comment is required on maintains of cost record.
9. According to the record of the Company, the Company is regular in depositing with the appropriate authorities undisputed statutory dues including, Income Tax, Wealth-tax, Sales-tax, cess and other statutory dues applicable to the Company.
10. The Company has incurred cash losses during the financial year covered by our audit. However the company does not have any accumulated losses.
11. According to records the Company has not borrowed from financial institutions or banks or issued debentures till 31<sup>st</sup> March 2009. Hence in our opinion the question of reporting on defaults in repayment of dues to financial institutions or banks or debentures doesn't arise.





12. According to the records the Company has not granted any Loans on the basis of security or pledge of shares, debentures or other securities.
13. As the Company is neither a Chit fund nor a nidhi mutual benefit society. Hence the requirement under Para 4(xiii) is not applicable.
14. The Company is dealing in shares securities and debentures and other investments.
15. According to the information and explanations provided by the management, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. According to the records the Company, the Company has not obtained any terms Loans.
17. The Company has not raised any funds during the year.
18. According to the records the Company, 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.
19. According to the records the Company, the Company has not issued any debentures.
20. The Company has not raised any public issues during the period covered by our audit report.
21. Based on the audit procedures applied by us and according to the information and explanation provided by the management. We report that no frauds on or by the Company has been noticed or reported during the course of our audit.

For, Agrawal S. Kumar & Associates  
Chartered Accountants  
Firm Regn. No. 322324E

(S. K. Agrawal)  
Partner  
M. No. 054232



Place: Kolkata  
Dated: 26.08.2011

**AAR COMMERCIAL COMPANY LTD.**  
**BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	As at		As at	
		31st March, 2011		31st March, 2010	
		Rs.	P.	Rs.	P.
<b>SOURCES OF FUNDS</b>					
<b>1 SHAREHOLDERS FUND</b>					
(a) Share Capital	A	100,140,000.00		100,140,000.00	
(b) Reserve & Surplus	B	384,059,521.88		384,108,196.07	
		<u>484,199,521.88</u>		<u>484,248,196.07</u>	
<b>APPLICATION OF FUNDS</b>					
<b>1 INVESTMENT</b>	C	431,134,751.47		493,313,873.88	
<b>2 CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
(a) Inventories		13,015,893.80		954,000.00	
(b) Cash & Bank Balances	D	1,749,314.83		6,231,804.38	
(c) Sundry Debtors		3,615,200.00		7,965,200.00	
(d) Other Current Assets		737,185.00		111,885.00	
(e) Loans & Advances	E	79,997,221.69		26,465,718.69	
		<u>99,114,815.32</u>		<u>41,728,608.07</u>	
<b>3 LESS : CURRENT LIABILITIES &amp; PROVISIONS</b>					
(a) Current Liabilities	F	46,567,165.91		51,311,406.88	
(b) Provisions		41,879.00		41,879.00	
		<u>46,609,044.91</u>		<u>51,353,285.88</u>	
<b>NET CURRENT ASSETS</b>		52,505,770.41		(9,624,677.81)	
<b>4 MISCELLANEOUS EXPENDITURE</b>					
(To the extent not written off or adjusted)					
(a) Capital Registration Fees		559,000.00		559,000.00	
		<u>484,199,521.88</u>		<u>484,248,196.07</u>	

Significant Accounting Policies & Notes on Accounts I  
As per Schedule A to I form an integral part of the accounts

As per our Report of even date  
For Agrawal S.Kumar & Associates  
Chartered Accountants  
Firm Reg. No. 322324E

  
S.K. Agrawal  
Membership No. 054232  
Partner

AAR COMMERCIAL COMPANY LTD

*Kumar Lavimal*

Director

AAR COMMERCIAL COMPANY LTD

*Ravi Agarwal*

Director

DIRECTORS

Place : Howrah

Dated : The 26th Day of August, 2011

**AAR COMMERCIAL COMPANY LTD.**  
**PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2011**

	Schedule	For the year ended	
		31st March, 2011	31st March, 2010
		Rs.	P.
<b>INCOME</b>			
Sales		1,056,963.22	-
Closing Stock		13,015,893.80	-
Other Income	G	7,221,200.47	453,809.69
		21,294,057.49	453,809.69
<b>EXPENDITURE</b>			
Opening Stock		954,000.00	-
Purchase		19,944,756.89	-
Administrative & Other Expenses	H	438,474.79	366,086.97
Auditors Remuneration		5,500.00	5,500.00
		21,342,731.68	371,586.97
Profit before Taxation		(48,674.19)	82,222.72
Less : Provision for Taxation		-	25,407.00
Profit after Taxation		(48,674.19)	56,815.72
Balance Cr./(Dr.) brought forward		337,463.09	280,647.37
Balance Carried to Balance Sheet		288,788.90	337,463.09
Significant Accounting Policies & Notes on Accounts I			
As per Schedule A to I form an integral part of the accounts			

As per our Report of even date  
**For Agrawal S.Kumar & Associates**  
 Chartered Accountants  
 Reg. No. 322324E



*S.K. Agrawal*  
 Membership No. 054232  
 Partner

~~AAR COMMERCIAL COMPANY LTD~~  
*Kumar Animesh*  
 Director

~~AAR COMMERCIAL COMPANY LTD~~  
*Ravi Agrawal*  
 Director

Place : Howrah  
 Dated : The 26th Day of August, 2011

**DIRECTORS**

**AAR COMMERCIAL COMPANY LTD.**

**CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2011**

CASH FLOW FROM OPERATING ACTIVITIES:	31st, March 11	31st, March 11
	(Rupees)	(Rupees)
Profit/(Loss) before Tax & Extra Ordinary items	<u>(48,674.19)</u>	
<b>Adjustment for:</b>		
Dividend Received	-	
Operating Profit before Working Capital changes	<u>(48,674.19)</u>	
<b>WORKING CAPITAL ADJUSTMENT:</b>		
Add: Decrease in Current Assets & Increase in Current Liabilities		
Sundry Debtors	<u>4,350,000.00</u>	
	4,301,325.81	
Less: Increase in Current Assets & Decrease in Current Liabilities		
Inventory	12,061,893.80	
Other Current Assets	625,300.00	
Current Liabilities	<u>4,744,240.97</u>	
Cash Generated from Operations	<u>(13,130,108.96)</u>	
Taxation	-	
<b>NET CASH FROM OPERATING ACTIVITIES</b>		<b>(13,130,108.96)</b>
<b>CASH FLOW FROM INVESTING ACTIVITIES</b>		
Reduction/ (Addition) in Investments	<u>62,179,122.41</u>	
Net Cash Flow from Investing Activities		62,179,122.41
<b>CASH FLOW FROM FINANCING ACTIVITIES</b>		
Increase in Loans & Advances	<u>(53,531,503.00)</u>	
Net Cash Flow from Investing Activities		(53,531,503.00)
<b>NET INCREASE / DECREASE IN CASH AND CASH EQUIVALANTS</b>		<b>(4,482,489.55)</b>
<b>OPENING CASH AND CASH EQUIVALANTS</b>		<b>6,231,804.38</b>
<b>CLOSING CASH &amp; CASH EQUIVALENTS</b>		<b><u>1,749,314.83</u></b>

As per our Report of even date  
For Agrawal S. Kumar & Associates  
Chartered Accountants  
Firm Reg. No. 322324E



(S. K. Agrawal)  
Partner  
Membership No. 054232

**AAR COMMERCIAL COMPANY LTD.**

*Kumar Sanjay*

**Director**

**AAR COMMERCIAL COMPANY LTD.**

*Ravi Agrawal*

**Director**

**DIRECTORS**

Place : Kolkata

Dated : The 26th Day of August, 2011

## AAR COMMERCIAL COMPANY LTD.

Schedules 'A' to 'I' attached to and forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended 31st March, 2011

	As at		As at	
	31st March, 2011		31st March, 2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - A</b>				
<b>SHARE CAPITAL</b>				
<b>AUTHORISED</b>				
10140000(10140000) Equity shares of Rs. 10/- each	101,400,000.00		101,400,000.00	
<b>ISSUED, SUBSCRIBED &amp; PAID UP</b>				
10014000(10014000) Equity Shares of Rs.10/- each fully paid up in cash	100,140,000.00		100,140,000.00	
out of which 9774000 equity shares of Rs 10 each fully paid up being issued for consideration other than cash in scheme of amalgamation	100,140,000.00		100,140,000.00	
<b>SCHEDULE - B</b>				
<b>RESERVE &amp; SURPLUS</b>				
Amalgamation Reserve	383,770,732.98		383,770,732.98	
Profit & Loss Accounts	288,788.90		337,463.09	
	384,059,521.88		384,108,196.07	
<b>SCHEDULE - C</b>				
<b>INVESTMENTS</b>				
In Unquoted Shares	262,775,100.00		470,168,600.00	
In Quoted Shares	168,359,651.47		23,145,273.88	
	431,134,751.47		493,313,873.88	
<b>SCHEDULE - D</b>				
<b>CASH &amp; BANK BALANCES</b>				
1. Cash Balance in Hand (As Certified by the Management)	1,049,299.82		959,403.82	
2. With Schedule Banks: In Current Account	700,015.01		5,272,400.56	
	1,749,314.83		6,231,804.38	
<b>SCHEDULE - E</b>				
<b>OTHER CURRENT ASSETS</b>				
TDS A.Y (05-06)	42,583.00		42,583.00	
TDS A.Y (09-10)	34,842.00		25,990.00	
Income Tax Refundable	-		252.00	
TDS A.Y (10-11)	52,060.00		43,060.00	
TDS A.Y (11-12)	607,700.00		-	
	737,185.00		111,885.00	
<b>SCHEDULE - F</b>				
<b>LOAN &amp; ADVANCES</b>				
<b>( Unsecured considered good)</b>				
Loans	23,397,221.69		3,065,718.69	
Other advances	52,075,000.00		22,800,000.00	
Share Application Money Paid	4,525,000.00		600,000.00	
	79,997,221.69		26,465,718.69	
<b>SCHEDULE - F</b>				
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>				
Sundry Creditors	14,106,665.91		12,145,406.88	
Liabilities for Expenses	5,500.00		11,000.00	
Professional Tax Payable	5,000.00		5,000.00	
Others	32,450,000.00		39,150,000.00	
	46,567,165.91		51,311,406.88	

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**AAR COMMERCIAL COMPANY LTD.**

*Ravi Agarwal*

**AAR COMMERCIAL COMPANY LTD.**

*I. Kumar & Animesh*



## AAR COMMERCIAL COMPANY LTD.

Schedules 'A' to 'I' attached to and forming part of the Balance Sheet as at 31st March, 2011 and Profit & Loss Account for the year ended 31st March, 2011

	As at		As at	
	31st March, 2011		31st March, 2010	
	Rs.	P.	Rs.	P.
<b>SCHEDULE - G</b>				
<b>OTHER INCOME</b>				
Short Term Profit	186,104.66		-	
Speculation Profit	3,639,942.81		-	
Interest Received	3,395,153.00		453,809.69	
	<b>7,221,200.47</b>		<b>453,809.69</b>	
<b>SCHEDULE - H</b>				
<b>ADMINISTRATIVE &amp; OTHER EXPENSES</b>				
Accounting Charges	12,000.00		12,000.00	
Advertisement Charges	2,036.00		2,541.00	
Company Expenses			-	
Bank Charges	19,929.39		6,722.94	
Custodian Fees	62,404.00		88,240.00	
Depository Charges	33,090.00		-	
Demat Charges	17,500.00		483.00	
Filing Fees	1,000.00		2,000.00	
General Charges	38,456.90		28,728.00	
Listing Fees	25,552.50		43,679.03	
Office maintainance	2,415.00		2,657.00	
Postage & telegram	16,978.00		8,794.00	
Printing & Stationery	7,461.00		7,542.00	
IT Refundable written off	252.00		-	
Salaries	196,000.00		160,300.00	
Subscription	1,000.00		-	
Secretarial Fees	2,400.00		2,400.00	
	<b>438,474.79</b>		<b>366,086.97</b>	

**AAR COMMERCIAL COMPANY LTD.**

*Ravi Agarwal*  
Director / Authorised Signatory

**AAR COMMERCIAL COMPANY LTD.**

*Kumar Kamal*  
Director / Authorised Signatory



**AAR COMMERCIAL COMPANY LTD.**  
SCHEDULE - I

Significant Accounting Policies and Notes on Accounts forming part of accounts for the year ended 31st March, 2011

**A. SIGNIFICANT ACCOUNTING POLICIES**

**1. BASIS OF ACCOUNTING :**

Accounts have been prepared under Historical Cost convention and in accordance with generally accepted accounting principals.

**2. INCOME RECOGNITION :**

All revenues/incomes except dividend are recognised on accrual basis of accounting.

**3. INVENTORIES :**

Inventories Valued at Cost.

**4. RETIREMENT BENEFITS:**

Provision for retirement benefits has not been made as no employee has put in the qualifying period of service for entitlement of benefits.

**5. TAXATION:** Current taxation provision is made keeping in view the current tax rates in force.

**B. NOTES ON ACCOUNTS:**

1. Estimated amounts of contracts remaining to be executed on Capital Account and not provided for NIL

2. Earning/Expenditure in foreign Currency NIL

3. Contingent liabilities not provided

5. Figures in bracket represent previous year figures.

6. Pursuant to scheme of amalgamation approved by honourable high court of Kolkata, M/s. Alingan Tie-Up Private Limited, Sonali Tie-Up Pvt. Ltd., M/s. Sulabh Tie-Up Pvt. Ltd., M/s. Nikhil Goods Pvt. Ltd. and Narmada Goods Pvt. Ltd., have been merged with the Company with effect from 01/04/2007. The statutory formalities in this regard are being completed.

**7. Earnings per share**


The company reports basic and diluted earning per equity share in accordance with Accounting Standard-20 'Earning Per Share' issued by the Institute of Chartered Accountants of India :

	<u>2010-2011</u>	<u>2009-2010</u>
Numerator: Profit for the year	(48,674.19)	82,222.72
Denominator: No. of shares	100,141,000.00	10,014,000.00
EPS	(0.00)	0.01

8. Information as required in terms of para 9BB of Non Banking Financial Companies Prudential Norms (Reserve Bank) Directions, 1998 is attached in separate annexure.

9. Schedule A to I annexed herewith are forming part of the Balance Sheet and Profit & Loss Account.

As per our report of even date  
For Agrawal S.Kumar & Associates  
Chartered Accountants  
Firm Reg. No.322324E

  
S.K. Agrawal  
Membership No. 054232  
Partner

**AAR COMMERCIAL COMPANY LTD**

*Cumar Kamal*  
Director

**AAR COMMERCIAL COMPANY LTD**

*Ravi Agarwal*  
Director

**DIRECTORS**

Place : Kolkata

Dated : The 26th Day of August, 2011

# AAR COMMERCIAL COMPANY LTD.

(Additional Information pursuant to Part IV of Schedule VI of the Companies Act, 1956)

**BALANCE SHEET ABSTRACT & COMPANIES BUSINESS PROFILE:**

**1) Registration Details**

Registration No.	35019
State Code	21
Balance Sheet date	31.03.2011

**2) CAPITAL RAISED DURING THE YEAR (AMOUNT IN THOUSAND)**

Allotment pursuant to amalgamation

**3) POSITION OF MOBILISATION & DEPLOYMENT OF FUND (AMOUNT IN THOUSAND)**

Total Assets	484,199.52
Total Liabilities	484,199.52

**Sources of Fund:**

Share Capital	100,140.00
Reserve & Surplus	384,059.52

**Application of Fund**

Investment	431,134.75
Net Current Assets	52,505.77
Capital Registration Fees	559.00

**4) PERFORMANCE OF THE COMPANY (AMOUNT IN THOUSAND)**

Operating & Other Income	21,294.06
Total Expenditures	21,342.73
Profit before tax	(48.67)
Profit after tax	(48.67)
Dividend	NIL

**5) GENERIC NAMES OF THREE PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY (AS PER MONETARY TERMS)**

PRODUCT DESCRIPTION  
N.A

ITEM CODE NO.  
N.A

As per our report of even date  
For Agrawal S.Kumar & Associates



Chartered Accountants  
Firm Reg. No. 322324E

S.K. Agrawal  
Membership No. 054232  
Partner

~~AAR COMMERCIAL COMPANY LTD.~~

Kumar Jainmal  
Director

~~AAR COMMERCIAL COMPANY LTD.~~

Ravi Agrawal  
Director

Place : Kolkata  
Dated : The 26th Day of August, 2011

**DIRECTORS**





**AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE**

The Member  
**AAR COMMERCIAL COMPANY LIMITED**

We have examined the compliance of conditions of Corporate Governance by **AAR Commercial Company Limited**, for the year ended March 31, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statement of the Company.

In our opinion and to the best of our information and according to the explanation given to us and the representations made by the Director and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulate in the above mentioned Listing Agreement.

As required by the Guidance Note Issued by the Institute of Chartered Accountants of India, we have to state that as per the records maintained by the Company, there were no investor's grievances remaining unattended / pending for more than 30 days.

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

For, **AGRAWAL S. KUMAR & ASSOCIATES**  
*Chartered Accountants*

(Sushil Kumar Agrawal)  
Partner  
Membership No.: 054232  
Place: Kolkata  
Dated: The 26<sup>th</sup> Day of August, 2011

## CORPORATE INFORMATION

<b>BOARD OF DIRECTORS</b>	:	Shri Kumar Parimal Shri Ravi Agarwal Smt. Mallika Meharia Smt. Veena Meharia
<b>AUDIT COMMITTEE</b>	:	Shri Ravi Agarwal Smt. Mallika Meharia Shri Kumar Parimal
<b>SHARE TRANSFER &amp; INVESTORS' GRIEVANCE COMMITTEE</b>	:	Shri Ravi Agarwal Smt. Mallika Meharia Shri Kumar Parimal
<b>BANKERS</b>	:	The Bank of Rajasthan Ltd.
<b>AUDITORS</b>	:	Agrawal S. Kumar & Associates Chartered Accountants
<b>REGISTERED OFFICE</b>	:	23A, N.S.Road, 7 <sup>th</sup> Floor, Room No. 34A, Kolkata- 700 001
<b>REGISTRAR &amp; SHARE TRANSFER AGENT</b>	:	M/s. Niche Technologies Pvt. Ltd. D - 115, Bagree Market, 71, B. R. B. Basu Road, Kolkata 700 001
<b>COMPLIANCE OFFICER</b>	:	Kumar Parimal



## CORPORATE GOVERNANCES REPORT

The Securities & Exchange Board of India (SEBI) ushered a formal code of corporate governance through Clause 49 in the Listing Agreement executed by the Company with the stock exchange. The detailed report on corporate governance as per the format prescribed by SEBI and incorporated in Clause 49 of the listing Agreement is set out below:

### A. MANDATORY REQUIREMENTS

#### 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company believes that sound corporate practices based on transparency, accountability and high level of integrity in the functioning of the Company is essential for the long-term enhancement of the shareholders value and interest. The Company believes that action must enhance the shareholders wealth.

#### 2. BOARD OF DIRECTORS

The strength of the Board of Director presently is four.

During the Year 6 Board meetings were held on 30<sup>th</sup> April, 2010; 31<sup>st</sup> July, 2010; 7<sup>th</sup> August, 2010; 3<sup>rd</sup> October 2010; 30<sup>th</sup> October 2010, 28<sup>th</sup> January, 2011.

The Composition of the Board and number of Board Meeting were held during the year and the last Annual General Meeting, number of directorship in other companies and membership in committees across various companies of which the director is member/chairman:



