
GOYAL ASSOCIATES LTD.

603 SAKAR III
INCOME TAX CIRCLE
Ahmedabad-380014

ANNUAL REPORT FOR THE YEAR ENDED
31/03/2012

AUDITORS :

MUKESH I GUPTA & CO

CHARTERED ACCOUNTANTS

7A, Bentick Street,
Old Wing, 2nd Floor,
Kolkata-700001

NOTICE IS HEREBY GIVEN THAT THE EIGHTEENTH ANNUAL GENERAL MEETING OF THE MEMBERS OF M/S GOYAL ASSOCIATES LIMITED WILL BE HELD ON FRIDAY, 28TH OF SEPTEMBER, 2012, AT 10.00 A.M. AT 603, SAKAR III, INCOME TAX CIRCLE, AHMEDABAD- 380014 TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet and Profit and Loss of the Company for the Year as at 31.03.2012 together with Director's Report and Auditor's Report thereon.
2. To appoint a Director in place of Mr. Rahul Sharma, Director, who retires by rotation at the AGM and being eligible offers himself for re-appointment.
3. To appoint M/s. Mukesh I Gupta & Co., Chartered Accountants, Auditors of the Company to hold office from the conclusion of the Annual General Meeting until the conclusion of the next AGM and to authorize the Board to fix its remuneration.

Date: 30.05.2012

Place: Ahmedabad

BY THE ORDER OF THE BOARD OF THE DIRECTORS

GOYAL ASSOCIATES LIMITED

VINAY AGRAWAL

(Director & Compliance Officer)

NOTES:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT ONE OR MORE PROXIES TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF. 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 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING. A PROXY FORM IS APPENDED WITH THE ATTENDANCE SLIP.**
2. The Annual Reports will also be available on the website of the Company www.goyalassociatesltd.com in the investor relations sections.
3. The Register of Members and Share Transfer books of the Company will remain closed from Tuesday, 25th September to Friday, 28th September, 2012 (both days inclusive), in terms of the Companies Act, 1956 and the listing agreement of the Stock Exchange where the shares of the Company are listed for the purpose of Annual General Meeting and determining the names of the shareholders eligible for dividend on equity shares, if declared at the meeting.
4. Corporate members are requested to send a duly certified copy of Board Resolution/ power of attorney authorizing their representative to attend and vote at the Annual General Meeting.
5. Members are requested to intimate changes, if any, immediately to the Company's Registrar's and transfer Agents, in case of Shares held in physical form and to the respective Depository participants in case of shares held in electronic mode.
6. All documents referred to in the notice are open for inspection at the registered office of the Company during office hours.
7. Members desirous of obtaining any information concerning the accounts and operations of the Company are requested to send their queries at least seven days before the date of Meeting of the Company, so that the information required may be made available at the Meeting.

8. Shareholders are requested to update preferred E-mail Ids with the Company/ depository Participants which will be used for the purpose of sending of official documents through E- mail.
9. Members are requested to bring their attendance slip annexed herewith duly filled alongwith their identity proof for attending the meeting.
10. Pursuant to Clause 49 of the Listing Agreement, the particulars of Director seeking re-appointment at the meeting are annexed.

Information of the Directors seeking re-appointment at the forthcoming Annual General Meeting (Pursuant to Clause 49 of the Listing Agreement as on the date of the Notice:

Name of Director	Date of Birth	Qualifications	Experience and expertise in specific functional area	Shareholding in Goyal Associates Limited	Directorships held in other Public Limited Companies	Membership / Chairmanship of Committees in Public Limited Companies
Rahul Sharma	09/11/1988	Graduate	Finance & Business Management	NIL	NIL	NIL

Date: 30.05.2012
Place: Ahmedabad

BY THE ORDER OF THE BOARD OF THE DIRECTORS

GOYAL ASSOCIATES LIMITED

VINAY AGRAWAL

(Director & Compliance Officer)

DIRECTOR'S REPORT

Dear Members,

Your Directors have pleasure in presenting the Eighteenth Annual Report together with the Audited Accounts of the Company for the year ended 31st March, 2012.

FINANCIAL RESULTS:

The Company has made a Loss of Rs. 61,05,621/- after providing for Deferred Tax of Rs. 42,072/- which when adjusted with the previous year's loss of Rs. 69,69,417/- makes a total debit balance of Rs. 13,075,038/-, which is carried forward.

PERFORMANCE:

During the year, the company has mainly concentrated on recovering of loans and advances given to the parties.

DIVIDEND:

The directors do not recommend any dividend for the year.

DIRECTOR'S RESPONSIBILITY STATEMENT:

As required under section 217(2AA) of the Companies Act, 1956, the Directors confirm that:

- (i) in the preparation of the Annual Accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures;
- (ii) the directors have selected such accounting policies and applied them consistently and made judgements 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 ending 31st March, 2012 and of the profit of the company for that period;
- (iii) 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 to the best of their ability;
- (iv) the directors have prepared the Annual Accounts on a going concern basis.

AUDITORS

M/s Mukesh I Gupta & Co., Chartered Accountants, Auditors of the Company has offered themselves for reappointment. Company has received a Certificate from the aforesaid firm of Auditors under Section 224(1B) of the Companies Act 1956, certifying their eligibility for the position, if appointed and willingness to work as such.

The observations made by the auditors are self-explanatory and require no further explanation.

DISCLOSURE OF PARTICULARS

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

COMPLIANCE CERTIFICATE

Compliance Certificate in accordance with Section 383A of the Companies Act, 1956, from practicing Company Secretary, is enclosed.

DIRECTORS

There have been changes in Directorship during the year under review.

LISTING

The equity shares of the company are listed at the Ahmedabad Stock Exchange Limited and Bombay Stock Exchange Limited. The company has paid the annual listing fees of the Stock Exchange.

CORPORATE GOVERNANCE

As per Clause 49 of the Listing Agreement executed with the Stock Exchanges, A Management Discussion & Analysis Report and a report on the Corporate Governance together with the Auditor's Certificate thereon forms part of the Annual Report & is annexed herewith.

EMPLOYEES

There are no employees drawing salary of Rs.2,00,000/-p.m. and/or Rs.24,00,000/-p.a. and therefore particulars u/s/217 (2A) of the companies Act,1956 read with companies (particulars of employees) amendment rules 1988 is not required.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING

The Company being basically in the financial sector, requirements regarding the disclosure of particulars of conservation of energy and technology absorption prescribed by the rules are not applicable. The Company has no foreign exchange inflow or outflow during the year under review.

ACKNOWLEDGEMENTS

Your Directors would like to express their appreciation of the co-operation and assistance received from the shareholders, bankers and other business constituents during the year under review.

For and on behalf of the Board of Directors

Place: Ahmedabad
Date: 30/05/2012

VINAY AGRAWAL

(DIRECTOR)

RAHUL SHARMA

(DIRECTOR)

COMPLIANCE CERTIFICATE

Company Registration No.: **L74999GJ1994PLC023281**

Authorized Share Capital: Rs. **3,40,00,000/-**

Paid Up Share Capital: Rs. **3,06,00,000/-**

To

The Members,

GOYAL ASSOCIATES LIMITED

Ahmedabad: 380014

I have examined the registers, records, books and papers of **GOYAL ASSOCIATES 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, 2012. In my opinion and to the best of my information and according to the examinations carried out by me and explanations furnished to me by the Company, its officers and agents, I certify that in respect of the aforesaid financial year:

- 1 The Company has kept and maintained all registers as stated in Annexure "A" to this certificate.
- 2 The Company has filed the forms and returns with the Registrar of Companies, Gujarat, Dadra & Nagar Havelli, during the year as stated in Annexure "B" to this certificate.
- 3 The Company is a listed Public limited Company & therefore the comments under this clause are not required.
- 4 The Board of Directors duly met fourteen times on 1st April, 2011, 09th May, 2011, 05th August, 2011, 10th August, 2011, 18th August, 2011, 06th September, 2011, 30th September, 2011, 03rd October, 2011, 04th October, 2011, 05th October, 2011, 11th October, 2011, 14th November, 2011, 14th February, 2012 and 30th March, 2012 in respect of which meetings proper notices were given and the proceedings were properly recorded and signed.

- 5 The Company has closed its Register of Members from 27th September, 2011 to 29th September, 2011 (both days inclusive) and necessary compliance of section 154 has been made.
- 6 The Annual General Meeting for the financial year ended on 31st March 2011 was held on 30th September, 2011 after giving due notice to the members of the Company and the resolutions passed thereat were duly recorded in Minutes Book maintained for the purpose.
- 7 An Extra-ordinary General Meeting was held on 8th August, 2011 after giving due notice to the members and the proceedings were properly recorded and signed..
- 8 The Company has not made any Loans & Advances within the purview of Section 295 of the Act during the year.
- 9 The Company has not entered into any contracts within the purview of Section 297 of the Act during the year.
- 10 The Company was not required to make entries in the register maintained under Section 301 of the Act.
- 11 As informed, there was no instances falling within the purview of Section 314 of the Act, the Company was not required to obtain any approvals from the Board of Directors, Members or the Central Government.
- 12 The Company has not issued any duplicate share certificates during the financial year.
- 13 The Company :
 - i) was not required to deliver certificates on allotment/transfer/transmission since there were no such instances during the year;
 - ii) has not deposited any amount in a separate bank account as no dividend was declared;
 - iii) in view of point (i) *supra*, the Company was not required to post dividend warrants to members;
 - iv) was not required to transfer any amount to Investor Education & Protection Fund;
 - v) has duly complied with the requirements of Section 217 of the Act.

- 14 The Board of Directors of the Company is duly constituted and during the year. The Company has appointed two additional directors during the year.
- 15 The Company has appointed a Managing Director on dated 01.10.2011 and no other Whole-time Director/Manager has appointed during the financial year.
- 16 No Sole Selling Agents have been appointed by the Company.
- 17 There were no instances during the year for which approval of the Central Government, Company Law Board, or Regional Director, was required.
- 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 there under
- 19 The Company has not issued any equity shares during the financial year.
- 20 The Company has not bought back any shares during the financial year.
- 21 The Company has not issued any preference shares/debentures & hence the question of redemption during the year does not arise.
- 22 There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
- 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 complied with the provisions stipulated in Section 293(1) (d) of the Companies Act in respect of borrowings.
- 25 The Company has complied with the provisions stipulated in Section 372 A of the Companies Act in respect of its Inter Corporate loans and investments.
- 26 The Company has not altered the provisions of the Memorandum with respect to situation of the Company's registered office from one state to another during the year under scrutiny.

- 27 The Company has not altered the provisions of the Memorandum with respect to the objects of the Company during the year under scrutiny.
- 28 The Company has not altered the provisions of the Memorandum with respect to name of the Company during the year under scrutiny.
- 29 The Company has not altered the provisions of the Memorandum with respect to share capital of the Company during the year under scrutiny.
- 30 The Company has not altered its Articles of Association.
- 31 As informed, no prosecution initiated against or show cause notices received by the Company for alleged offences under the Act.
- 32 As informed, the Company has not received any money as security from its employees during the year under certification.
- 33 As informed, the Company has not deducted any contribution towards provident fund during the financial year.

FOR POOJA MAHESHWARI & ASSOCIATES
Company Secretaries

CAMP: AHMEDABAD

DATE: 30/05/2012

POOJA SODHANI

Proprietor
C.P. No.8326

Annexure A

1. Register of Members U/s 150.
2. Registers & Returns U/s 163.
3. Minutes Books of Meetings.
4. Books of Accounts U/s 209.
5. Register of Directors Managing Directors Manager & Secretary U/s 303.
6. Registers of Directors Shareholding U/s 307.

Other Registers:

1. Register of Directors' Attendance.
2. Register of Share Holder's Attendance.
3. Register of Proxies.
4. Register of Transfer.

Annexure B

Forms and Returns as filed by the Company with the Registrar of Companies, Regional Director, Central Government or other authorities during the financial year ending on 31st March, 2012.

Sr. No.	Form No./ Return	Filed Under Section	For	Date Of Filing	Whether Filed Within Prescribed Time Yes/No	If Delay In Filing Whether Requisite Additional Fee Paid Yes/No
1	Annual Return	159	Annual General Meeting	30/11/2011	NO	YES
2	Balance Sheet	220	Annual General Meeting	02/12/2011	YES	NO
3	Compliance Certificate	383A (1)	Secretarial Compliance	31/10/2011	YES	NO
4.	Form 32	303(2), 264(2)	Appointment & resignation of director	01/11/2011	NO	YES
5	Form 23	192	Registration of agreement	31/10/2011	YES	NO
6	Form 25C	269 (2) and schedule XIII of companies Act,1956	Appointment of Managing Director	31/10/2011	YES	NO
7	Form 32	303(2)	Appointment of Director	08/11/2011	YES	NO
8	Form 18	146	Notice to change of situation of registered office	12/09/2011	YES	NO

Management Discussion & Analysis Report

The after effects of the global financial crisis of 2008 have continued to cast their shadow on the economies around the world even now. The crisis brought to fore the vulnerabilities of the systems of regulation and operation of the financial and fiscal processes. The unprecedented scale of fiscal stimulus that was required to manage this crisis has meant that bringing the fiscal deficit back to acceptable levels is an equally daunting challenge. For India, the weak external demand conditions have been exacerbated by the high crude oil prices. The area in which there has been relief is the decline in inflation rate from the near double digit rates seen in the past two years.

Unstable market conditions forced us to tread with caution. In the year under reference, the revenues of your Company showed a decline. The bottom line has also receded significantly. Weak stock markets had a major impact since your Company's exposure in shares increased substantially during the period. The coming years will be very crucial for all NBFCs and only those who will be able to face the challenge and prove themselves by standing the test of time will survive in the long run.

To conclude, despite the gloomy outlook globally, we are sanguine to keep on growing intelligently and performing. The management will continuously strive to evolve synergies so as to optimize revenues from all areas. Your Company will do its best in mitigating those risks which are within its control. Your support and confidence continues to provide us the strength and conviction.

Corporate Governance Report

A. Our Governance Philosophy:

Good corporate governance structures encourage companies to create value, through an entrepreneurial spirit, innovation, development and exploration and provide accountability and control systems commensurate with the risks involved.

Effective corporate governance results from the efficient interaction between a company's board of directors and its senior (executive) managers. A company's board of directors oversees and directs the company and its business, while senior managers execute board policy and decisions and manage day-to-day business operations. The board and senior management share responsibility for protecting and enhancing shareholder value in the long term. Corporate governance, therefore, is the system whereby companies are directed and managed. A company's approach to corporate governance influences how the objectives of the company are set and achieved; how risk is monitored and assessed and how performance is optimized.

An effective corporate governance process is established when an open and transparent relationship exists between (and among) the board of directors, the shareholders and the executive management of the company. When each is engaged

with and responsive to the others, a strong foundation for good corporate governance can be set.

Corporate governance is not just about committee structures. It implies and requires a comprehensive and consistent corporate commitment to integrity, which is embedded into the fabric of the organization and the way people conduct business. It is evidenced by the organization's leadership, culture, core values and business ethics.

B. Board of Directors:

I. Composition of the Board

The composition of Board is in compliance with the requirements of Clause 49 (IA) i.e. combination of executive and non-executive directors with not less than fifty percent of the board of directors comprising of non-executive directors.

Mr. Vinay Agrawal was appointed as the Managing Director of the Company w.e.f 1-10-2011. The composition of the Board and other relevant details relating to Directors during the financial year 2011-12 is as under:

SL. No.	Name of the Director	Category of Directorship	No.of other Directorship	No.of other Committee Members/ Chairman
1.	Mr. Krishnakant Goyal	Executive	3	2
2.	Mr. Kishan Choudhary	Non-Executive	1	4
3.	Mr. Vinay Kumar Agrawal	Managing Director - Executive	1	3
4.	Mr. Rahul Sharma	Non-Executive	Nil	3
5.	Mr. Omprakash Choudhary	Executive	Nil	Nil
6.	Mr. Jaipal Singh Parmar	Non-Executive	Nil	3

* None of the Directors on the Board are related to each other

**Excluding directorship in, private companies, foreign companies and companies incorporated under Section 25 of the Companies Act, 1956

- 1) Mr. Rahul Sharma was appointed as independent Director of the company w.e.f. August 8, 2011
- 2) Mr. Kishan Choudhary resigned as director on September 30, 2011
- 3) Mr. Krishnakant Goyal resigned as director on August 30, 2011.
- 4) Mr. Jaipal Singh Parmar & Mr. Omprakash Choudhary were appointed as additional directors w.e.f August 18, 2011 and their appointment was regularized in the previous AGM held on September 30, 2011.
- 5) None of directors on the Board are members in more than ten committee and they do not act as chairman of more than five committees across all companies in which they are directors.
- 6) None of directors on the Board have shares and convertible instruments.

The Company did not have any pecuniary relationship and transaction with any of the Non- Executive Directors during the year under review.

The Board of Directors met fourteen times during the Financial Year 2011-12. Board Meetings were held on 1st April, 2011, 09th May, 2011, 05th August, 2011, 10th August, 2011, 18th August, 2011, 06th September, 2011, 30th September, 2011, 03rd October, 2011, 04th October, 2011, 05th October, 2011, 11th October, 2011, 14th November, 2011, 14th February, 2012 and 30th March, 2012.

The information as required under Annexure 1A of Clause 49 of the listing agreement is being regularly placed before the Board. The Board also reviews the declaration made by the Executives of the Company regarding compliance with all laws applicable to the Company on a quarterly basis.

Attendance of each Director at the Board of Directors meetings during the year and at the last Annual General Meeting is as indicated below:

Sr. No.	Name of Director	Board Meeting Attended out of 14 meetings of the Board of Directors	Whether Attended the Previous AGM
1.	Mr. Krishnakant Goyal	5	Yes
2.	Mr. Omprakash Choudhary	5	Yes
3.	Mr. Kishan Choudhary	5	No
4.	Mr. Vinay Kumar Agrawal	13	Yes
5.	Mr. Rahul Sharma	9	Yes
6.	Mr. Jaipal Singh Parmar	6	Yes

C. Board Committees:**Our Company has three major Board level Committees:**

- i. Audit Committee**
- ii. Shareholders/ Investor Grievance Committee**
- iii. Remuneration Committee**

All the decisions pertaining to the constitution of the Committees, appointment of members and fixing of terms of reference for the Committee is taken by the Board of Directors. Recommendations of the committees are submitted to the entire Board for approval. Details on the role and composition of these Committees, including the number of meetings held during the financial year and the attendance of the members at these meetings, are provided below:

i. Audit Committee

The Audit Committee of the Board was reconstituted on September 30, 2011. The composition of the committee is—

Mr. JaipalSingh Parmar -Chairman
Mr. Rahul Sharma -Member
Mr. Vinay Agrawal -Member

Terms of Reference

The terms of reference of this Committee are very wide. It is empowered to review Financial Statements, management analysis, material individual transactions with related parties not in normal course of business or which are not on an arm's length basis. Generally all items listed in Clause 49II D of the Listing Agreement are covered in the terms of reference. The Audit Committee has been granted powers as prescribed under Clause 49 II C.

Audit Committee attendance during fiscal 2012.

The Committee had 6 meetings during the year under reference, i.e. 1st April, 2011; 9th May, 2011; 5th August 2011; 11th October, 2011; 14th November, 2011 and 14th February, 2012.

The names of the Directors who are/were members of the Audit Committee during the year under review and their attendance at Audit Committee Meetings are given below:

Name of the Director	No. of Meetings	
	Held	Attended
Mr. Kishan Choudhary *	6	3
Mr. Krishankant Goyal*	6	3
Mr. Vinay Kumar Agrawal	6	6
Mr. Rahul Sharma*	6	3
Mr. Jaipal Singh Parmar*	6	3

* Mr. Krishnakant Goyal resigned as director on August 30, 2011

* Mr. Kishan Choudhary resigned as director on September 30, 2011

* Mr. Rahul Sharma was appointed w.e.f. August 8, 2011

* Mr. Jaipal Singh Parmar was appointed w.e.f August 18, 2011

ii. Shareholders/Investor Grievance Committee

The Shareholders/Investor Grievance Committee of the Board was reconstituted on September 30, 2011. The present composition of the committee is—

Mr. Rahul Sharma	-Chairman
Mr. Jaipal Singh Parmar	-Member
Mr. Vinay Kumar Agrawal	-Member

Terms of Reference

The committee looks into the redressal of complaints of investor such as transfer or credit of shares, non- receipt of dividend/notices/annual reports, etc. The committee oversees the performance of the Registrars and Transfer Agents of the Company and recommends measures for overall improvement in the quality of investor services.

Shareholders/Investor Grievance Committee Attendance during the year

The committee met six times during the year under review i.e. on 9th May, 2011; 5th August 2011; 11th October, 2011; 14th November, 2011; 14th February, 2012 and 30th March, 2012.

The names of the Directors who are/were members of the Shareholders/Investor Grievance Committee during the year under review and their attendance at Shareholders/Investor Grievance Committee Meetings are given below:

Name of the Directors	No of Meetings	
	Held	Attended
Mr. Kishan Choudhary *	6	2
Mr. Krishankant Goyal*	6	2
Mr. Vinay Kumar Agrawal	6	6
Mr. Rahul Sharma*	6	4
Mr. Jaipal Singh Parmar*	6	4

* Mr. Krishnakant Goyal resigned as director on August 30, 2011

* Mr. Kishan Choudhary resigned as director on September 30, 2011

* Mr. Rahul Sharma was appointed w.e.f. August 8,2011

* Mr. Jaipal Singh Parmar was appointed w.e.f August 18,2011

Name and designation of Compliance Officer:

Mr. Vinay Agrawal

Phone : 079-27541687

Email id : info@goyalassociatesltd.com

Status Report of Investor Complaints for the year ended March 31, 2012

No of Complaints Received – 5

No of Complaints Resolved – 5

No of Complaints Pending - Nil

iii. Remuneration Committee

The Remuneration Committee of the Board was reconstituted on September 30, 2011. The composition of the committee is—

Mr. Rahul Sharma -Chairman

Mr. Jaipal Singh Parmar -Member

Mr. Vinay Kumar Agrawal -Member

Terms of Reference

The Remuneration Committee determines and recommends to the Board the remuneration payable to the directors and to the senior management personnel.

Remuneration Committee Attendance during the year

The committee met two times during the year under review i.e. on 10th August 2011 and 30th March, 2012.

The names of the Directors who are/were members of the Remuneration Committee during the year under reference and their attendance at such meetings are as under:

Name of the Directors	No of Meetings	
	Held	Attended
Mr. Kishan Choudhary *	2	1
Mr. Vinay Kumar Agrawal	2	1
Mr. Rahul Sharma*	2	2
Mr. Jaipal Singh Parmar*	2	1

* Mr. Kishan Choudhary resigned as director on September 30, 2011

* Mr. Rahul Sharma was appointed w.e.f. August 8, 2011

* Mr. Jaipal Singh Parmar was appointed w.e.f. August 18, 2011

Remuneration Policy

Though there is no written Remuneration Policy, the Committee recommends to the Board, remuneration package of the Non-Executive Director/s, on the Board of the Company, keeping in view the relevant provisions of the Companies Act, 1956, performance, experience and market conditions, employment scenario, and remuneration packages of managerial talents of comparable industries. It is ensured that the remuneration package is appropriate with the responsibilities involved which helps retain the talent.

D. General Body Meetings:

The details of the General Meetings held in the past three years and the special resolutions passed thereat are as follows:

Year	Date	Venue	Time	No.of Special Resolution Passed
2008-09	Sept 23, 2009	604, 6th Floor, Sakar-III, Income Tax, Off: Ashram Road, Navjivan Post, Ahmedabad: 380 014	10.00 A.M.	NIL
2009-10	August 10, 2010	604, 6th Floor, Sakar-III, Income Tax, Off: Ashram Road, Navjivan Post, Ahmedabad: 380 014	10.00 A.M.	NIL
2010-11	Sept 30, 2011	604, 6th Floor, Sakar-III, Income Tax, Off: Ashram Road, Navjivan Post, Ahmedabad: 380 014	10.00 A.M.	ONE

No Postal Ballot was conducted during the financial year 2011-12. None of the resolutions proposed for the ensuing Annual General Meeting is required to be passed by Postal Ballot.

E. Disclosures

(i) Code of Conduct: The Company has adopted the code of conduct and for directors and senior management. The code has been circulated to all the members of the Board and senior management. The Board members and senior management has affirmed their compliance with the code of conduct. The Code of Conduct is also displayed on the Company's website. The Annual Report of the Company contains a Certificate duly signed by the Director (CEO) in this regard.

(ii) Related Party Transactions: During the year under review, no transactions of material nature had been entered into by the Company with the Promoters or Directors or Management, their Subsidiaries or their relatives that may have a potential conflict with interest of the Company except for those disclosed in the financial statements for the year ended March 31, 2012.

(iii) **Accounting Standards:** The Company follows the mandatory Accounting Standards prescribed by the Institute of Chartered Accountants of India and to the best of its knowledge there are no deviations in the accounting treatments that require specific disclosure.

(iv) **Risk Management:** The Company has a well-defined risk management framework in place. The risk Management framework adopted by the Company is discussed in the Management Discussion and Analysis chapter of this Annual Report. The Board assesses the risk and the procedures being followed by the Company and steps taken by it to mitigate these risks.

(v) **CEO / CFO Certification:** The CEO/CFO certificate for the financial year ended March 31, 2012 is annexed hereto.

(vi) **Details of Compliances**

a) The company was suspended from the Bombay Stock Exchange in the past due to non-compliance of listing agreement. Thereafter, the company started the process to comply with all the pending compliance and got the suspension revoked. There have been no instances of non-compliance on any matter as regards the rules and regulations prescribed by the Securities and Exchange Board of India or any other statutory authority relating to capital markets during the last three years except the mentioned above. No penalties or strictures have been imposed by them on the Company.

b) The Company has implemented the mandatory requirements of Corporate Governance as set out in the Listing Agreement during the year under review. A certificate from Auditor certifying the compliance by the Company with the provisions of Corporate Governance of the Listing Agreement is annexed hereto.

(vii) **Secretarial Audit:** Pursuant to Clause 47(c) of the Listing Agreement with the Stock Exchanges, certificates on half-yearly basis, have been issued by a Company Secretary- in-Practice for due compliance of share transfer formalities by the Company. Pursuant to SEBI (Depositories and Participants) Regulations, 1996, certificates have also been received from a Company Secretary-in-Practice for timely dematerialization of the shares of the Company and for conducting a secretarial audit on a quarterly basis for reconciliation of the share capital of the Company.

F. Means of Communication

(i) The quarterly un-audited financial results are put up on Company's website. The half yearly report is not sent separately to the Shareholders. Annual Reports are sent to the shareholders at their registered address with the company and also put up on Company's website www.goyalassociatesltd.com.

(ii) The Management Discussion and Analysis Report, in compliance with the requirements of Clause 49 of the Listing Agreement is annexed to the Directors' Report and forms part of this Annual Report being sent to all the members of the Company. All matters pertaining to industry structure and developments, opportunities and threats, segment/product wise performance, outlook, risks and concerns, internal control and systems, etc. are discussed in the said report.

(iii) The Company's website is a comprehensive reference on its management, corporate governance, investor relations, updates and news. The section on 'Investor Relations' serves to inform the shareholders, by giving complete financial details, shareholding patterns, corporate benefits, information relating to Compliance officer, registrars and share transfer agents.

G. General Shareholder Information

Date, time and venue of AGM	Friday, 28th September, 2012, 10.00 a.m. at the registered office of the Company at 604, Sakar III, 6th Floor, Off-Ashram Road, Income Tax, Navjivan Post Office, Ahmedabad 380014.
Financial Year	1 st April 2011 to 31 st March 2012
Dates of Book Closure	Tuesday 25th September, 2012 to Friday 28th September, 2012 (Both the days inclusive)
Dividend Payment Date	N. A.
Financial Calendar Period (tentative)	Board Meeting to approve quarterly financial results
- Quarter ending 30th Jun 2012	- End July 2012
- Quarter ending 30th Sep 2012	- End October 2012
- Quarter ending 31st Dec 2012	- End January 2013
- Quarter ending 31st Mar 2013	- April / May 2013
Listing on Stock Exchanges	The Bombay Stock Exchange Limited, Mumbai and Ahmedabad Stock Exchange Limited, Ahmedabad.
Listing Fees	Listing fees as prescribed have been paid to all these stock exchanges up to 31st March 2013.
Stock Code	Bombay Stock Exchange Limited – 530663 Ahmedabad Stock Exchange Limited- 19629
Demat Arrangement	With NSDL and CDSL
ISIN NO.	INE 912B01024
Registered Office	604, Sakar III, 6th Floor, Off-Ashram Road, Income Tax, Navjivan Post Office, Ahmedabad-380014.
Compliance officer & Contact Address	Mr. Vinay Agrawal 604, Sakar III, 6th Floor, Off-Ashram Road, Income Tax, Navjivan Post Office, Ahmedabad-380014. Phone: 079-27541687 Email id: info@goyalassociatesltd.com
Registrar and Share Transfer Agent	Sharepro Services (India) Pvt. Ltd. 13 AB Samhita Warehousing Complex, 2nd Floor, Sakinaka Telephone Exchange Lane, Off Andheri-Kurla Road, Sakinaka, Andheri (E), Mumbai - 400 072 Email id: sharepro@shareproservices.com Tel No.: 91-22-6772 0300/400 Fax No.: 91-22-2859 1568

*The RTA office control has been shifted from the Ahmedabad branch to Mumbai Head office due to expansion of the area of working of the RTA in the Depository connectivity for NSDL/ CDSL.

Share Transfer System

Shareholders / Investors are requested to send share transfer related documents directly to our Registrar and Transfer Agent whose address is given elsewhere in this report. The Board has delegated powers to the executives of the Company and RTA to approve transfers/transmission / dematerialization / dematerialization. If the transfer documents are in order, the transfer of shares is registered within 7 days of receipt of transfer documents by our RTA.

Investor Services

Number of complaints from shareholders during the year ended March 31, 2012

Complaints outstanding as on 1st April 2011	1
Complaints received during the year ended 31st	5
Complaints resolved during the year ended 31st	6
Complaints pending as on 31st March 2012	Nil

Market Price Data:

As the trading of Company's securities was suspended and the suspension was revoked only on Wednesday, April 11, 2012, there is no monthly High, Low price of the Company's shares in the last financial year.

The equity shares were last traded in the period from 11-4-2012 to 29-5-2012 in the price band of Re. 0.56-0.73 per share.

Distribution of Shareholding as on March 31, 2012

No. of shares	No. of shareholders	% of holders	No. of shares	%of shares
Up to 500	870	15.45%	332980	1.08%
501 – 1000	1400	24.85%	1380948	4.51%
1001 – 2000	955	16.95%	1799397	5.88%
2001 – 3000	436	7.74%	1207992	3.95%
3001 – 4000	193	3.43%	742853	2.43%
4001 – 5000	684	12.14%	3399020	11.11%
5001 – 10000	634	11.26%	5424261	17.73%
10001 and above	461	8.18%	16312549	53.31%
TOTAL	5633	100%	30600000	100%

Categories of Shareholders as at March 31, 2012

Sr. No	Description	No. of Shares	% to Capital
A.	Promoters & Promoters Group	---	---
B.	Public Shareholding		
	-Institutions Financial Institutions/Banks	1,50,000	0.49%
	- Non-institutions Bodies Corporate Individuals NRI/OCBs Clearing Member	16,90,114 2,82,13,072 2,76,722 2,70,092	5.53% 92.20% 0.90% 0.88%
	Total	3,06,00,000	100%

Dematerialization of Shares and Liquidity

As on 31st March 2012, all the Company's shares were held in dematerialized form.

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments: None

Stock option scheme: None

Plant Location:

The Company is in the business of providing financial services, it does not have any manufacturing plants.

Address of Correspondence

Shareholders may correspond with the Registrar and Transfer Agent, at the address mentioned here in above on all matters relating to transfer of shares and credit of shares in Demat Account.

Members may contact Mr. Vinay Agrawal, Compliance Officer for all investor related matters at the registered office of the company at the following address:

Goyal Associates Limited

604, Sakar III, 6th Floor, Off-Ashram Road, Income Tax, Navjivan Post Office,
Ahmedabad-380014

Telefax: 079-27541687

Email id: info@goyalassociatesltd.com

On behalf of the Board of Directors

Ahmedabad,
May 30, 2012

Vinay Agrawal
Director

Certificate on Compliance with the conditions of Corporate Governance under Clause 49 of the Listing Agreement

To,
The Members of Goyal Associates Limited

We have examined the compliance of conditions of Corporate Governance by Goyal Associates Limited for the year ended 31 March 2012, as stipulated in clause 49 of the listing agreement of the said company with the stock exchanges in India.

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 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 with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We further state that further compliance is neither an assurance 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 Mukesh I Gupta & Co
Chartered Accountants
F.R.No.326918E

CA Mukesh Gupta
Proprietor
Membership No.64413
May 30, 2012

Certification by the Chief Executive Officer on Code of Conduct

To,
The Members of Goyal Associates Limited

I, Vinay Agrawal, Director & CEO of the Company declare that all Board Members and Senior Management of the Company have affirmed compliance with the code of conduct.

For Goyal Associates Limited
Vinay Agrawal
Chief Executive Officer
May 30, 2012

Chief Executive Officer's Certification

I, Vinay Agrawal, Managing Director & Chief Executive Officer, responsible for the finance function certify that:

- (a) I have reviewed financial statements and the cash flow statement for the year ended March 31, 2012 and that to the best of my knowledge and belief:
- (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (ii) These statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of my knowledge and belief, no transactions entered into by the company during the year ended March 31, 2012 which are fraudulent, illegal or in violation of the company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and I have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which I am aware and the steps they have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
- i. Significant changes in internal control over financial reporting during the year;
 - ii. Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. Instances of significant fraud of which I might be aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

Thanking You
Yours faithfully,

Vinay Agrawal
Chief Executive Officer
Ahmedabad, May 30, 2012

MUKESH I GUPTA & CO
CHARTERED ACCOUNTANTS

7A, Bentick Street,
Old Wing, 2nd Floor, Kolkata-700001
Phone No. : (O) 22622052

AUDITOR'S REPORT

TO,
THE MEMBERS OF,
GOYAL ASSOCIATES LTD.

- 1) We have audited the Balance Sheet of Goyal Associates Ltd as at 31/03/2012 and also the Profit and Loss Account of the Company 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 have 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 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, issued by the Central Govt. of India in terms of Section 227(4A) of the Companies Act, 1956, we have enclosed in the Annexure a statement on the matters specified in the paragraph 4 & 5 of the said order.
- 4) Further to our comments in the Annexure (A) referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper Books of 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 Profit & Loss Account dealt with by this report are in

agreement with the books of account.

- d) In our opinion, the balance sheet, profit & loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Act,1956;
- e) On the basis of written representation 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 the section 274 of the Act, 1956;
- f) In our opinion and to the best of our information and according to explanations given to us, the said accounts 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 th Company, as at 31st March,2012
- (b) in the case of the profit and loss account, Loss for the year ended on that date.
- (c) in case of the cash flow statement, of the cash flows for the year ended on that date.

FOR, MUKESH I GUPTA & CO

Chartered Accountants,

FRN-326918E

Place : Ahmedabad

Date : 30/05/2012

(CA Mukesh Gupta)

Proprietor

M.N.64413

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF THE AUDITOR'S REPORT OF
EVEN DATE**

- (i) (a) According to information and explanation given to us the company is maintaining proper records showing full particulars, including quantitative details and situation of Fixed Assets.
(b) The physical verification of Fixed Assets is carried out at reasonable intervals by the management.
(c) There is no disposal of assets during the year under review.
- (ii) (a) Stock of Shares physically lying with the Company has been verified by the management at reasonable intervals. Further the Company has received confirmations of shares lying with depository participants at regular intervals.
(b) In our opinion, the procedures of physical verification of stocks followed by the Management are reasonable and adequate in relation to the size of the Company and nature of its business.
(c) The company is maintaining proper records of inventories. No discrepancies have been noticed on such verification.
- (iii) (a) The company has not granted any unsecured loan to any company or any other party covered in the register maintained under section 301 of the Companies Act, 1956.
- (b) In our opinion the rate of interest and other terms and conditions of such loans, if any, are not, prima facie, prejudicial to the interest of the company. *However, internal control system for interest free loans and outstanding need to be strengthened.*
- (c) The parties have repaid the principal amount as stipulated and have also been regular in the payment of interest to the company.
- (d) There is no overdue amount in excess of Rs.1 lakh in respect of loans granted/taken to/from companies, firms or other parties listed in the register maintained under section 301 of the companies act, 1956.
- (e) The company has taken loan from 8 Companies. The maximum amount involved during the year was Rs. 20,700,000/- and the year-end balance was Rs. 20,700,000.
- (f) The loan taken were interest free and in our opinion other terms and conditions of loan taken from companies are not, prima facie, prejudicial to the

interest of the company.

(g) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.

(iv) In our opinion, and according to the information and explanation given to us, there are adequate internal control system commensurate with size of the company and the nature of its business through personal supervision of management of the company with regard to purchase of inventories, fixed assets and for the sale of goods. During the course of audit, we have not observed any continuing failure to correct major weaknesses in internal control system of the company.

(v) (a) According to the information and explanation given to us, we are of the opinion that the particulars of all contracts or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so entered. There were no contracts to be recorded U/s 301 of the Companies Act, 1956

(b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the companies Act, 1956 and exceeding the value of Rs. 500000/- in respect of any party during the year have been made at price which are reasonable having regard to the prevailing market price at the relevant time.

However, in absence of intrinsic value and market quotation of unlisted companies we can not comment on whether the price of such transactions are at arm length prices or not.

(vi) The company has not accepted any deposit from public and hence the question of applicability of directives issued by the Reserve Bank of India and the provisions of section 58A, 58AA or any other relevant provisions of the companies Act, 1956 and the rules framed there under, does not arise.

(vii) In our opinion, based on the information and explanation given to us, the company has no internal audit system commensurate with its size and the nature of its business operation.

(viii) Based on the information and explanations given to us maintenance of cost records have not been prescribed by the central government under clause (d) of subsection (1) of section 209 of the Act.

(ix) (a) According to the information and explanation given to us, the company is generally regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education protection fund,

employees state insurance, income tax, sales tax, wealth tax, service tax, custom duty, excise duty, income tax, cess and other material statutory dues, applicable to it.

Further, since the central government has till date not prescribed the amount of cess payable under section 44IA of the Companies Act, 1956, we are not in a position to comment upon the regularity or otherwise of the company in depositing the same.

(b)

According to the information and explanation given to us no undisputed amounts payable in respect of income tax, wealth tax, sales tax, custom duty, service tax, excise duty and cess were in arrears as at 31st March, 2012 for a period of more than 6 months from the date they became payable to it.

(c)

According to the information and explanation given to us, there are no dues outstanding of income tax, wealth tax, sales tax, service tax, custom duty, excise duty and cess on account of dispute.

(x)

There are accumulated losses of Rs 13,075,038.49 of the company at the end of the year which exceed fifty percent of its net worth. Further, the company has incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.

(xi)

In our opinion and according to the information and explanation given to us, the company has not defaulted in repayment of dues to financial institutions, bank or debenture holders.

(xii)

According to the information and explanation given to us and based on the document and records produced to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debenture and other securities.

(xiii)

In our opinion, the company is not a chit fund of Nidhi/Mutual benefit fund/Society. Hence, provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the company.

(xiv)

The company has maintained proper records of the transactions and contracts and timely entries have been made therein regarding dealing in shares, securities and other investments. Shares, securities, debentures and other investments have been held by the company in its own name except to the extent of the exemptions, if any granted under section 49 of the Act.

- (xv) According to the information and explanation given to us, the company has not given, during the year, any guarantee for loans taken by others from Banks or financial Institutions. As a result, the question of our commenting whether the term and conditions are prejudicial to the interest of the company does not arise.
- (xvi) In our opinion and according to the information, given to us, company has not taken term loan during the year.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that no funds raised on short-term basis have been used for long-term investments.
- (xviii) According to the information and explanation given to us, the company has not made, during the year any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the companies Act, 1956.
- (xix) According to the information and explanation given to us, the company has not issued any debenture during the year.
- (xx) The company has not raised money from the public during the year.
- (xxi) On the basis of our examination of the book of account and other relevant records and information made available to us, prima-facie we have not noticed any fraud on or by the company during the year. Further, the management has represented to us that no fraud on or by the company has been reported during the year However, we are unable to determine /verify as to whether any such reporting has been made, during the year.

FOR, MUKESH I GUPTA & CO

Chartered Accountants,

FRN-326918E

Place: Ahmedabad

Date : 30/05/2012

(CA Mukesh Gupta)

Proprietor

M.N.64413

BALANCE SHEET AS AT 31ST MARCH, 2012

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. EQUITY AND LIABILITIES			
(1) Shareholder's Funds			
(a) Share Capital	1	30,600,000.00	30,600,000.00
(b) Reserves and surplus	2	(13,001,264.49)	(6,895,643.26)
			-
(2) Current Liabilities			
(a) Short Term Borrowings	3	20,700,000.00	-
(b) Trade Payables	4	38,965.00	19,302.00
Total		38,337,700.51	23,723,658.74
II. ASSETS			
(1) Non-Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	5	1,952,870.00	-
(b) Deferred Tax Assets (Net)	6	42,072.00	-
(2) Current assets			
(a) Inventories	7	6,875,311.84	-
(b) Trade Receivables	8	1,655,165.27	1,655,150.00
(c) Cash and Cash Equivalents	9	1,500,097.40	2,134,539.74
(d) Short-Term Loans and Advances	10	26,312,184.00	19,933,969.00
Total		38,337,700.51	23,723,658.74

Significant Accounting Policies & Notes to Accounts

17

The schedule referred to above form an integral part of the Balance Sheet

This is the Balance Sheet referred to in our report of even date

For Mukesh I Gupta & Co
Chartered Accountants
Firm Registration No - 326918E

On and behalf of the Board of Directors
For GOYAL ASSOCIATES LTD.

(CA Mukesh Gupta)
Proprietor
M.Mo- 64413
Place : Ahmedabad
Dated : 30/05/2012

V. AGRAWAL
Director

R. SHARMA
Director

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2012

Particulars	Note No	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
I. Revenue from operations	11	2,357,577.11	7,633,750.00
II. Other Income	12	1,591,547.00	1,508,114.00
Increase/ (Decrease) in Stock	13	6,875,311.84	(6,125,950.00)
III.Total Revenue(I+II)		10,824,435.95	3,015,914.00
<u>IV. Expenses:</u>			
Purchase		16,078,472.28	2,230,000.00
Financial costs	14	330.90	47,274.00
Depriciation and Amortization Expenses	15	11,145.00	-
Administrative & Other Expenses	16	882,181.00	826,703.00
Total Expenses		16,972,129.18	3,103,977.00
V. Profit before tax (III-IV)		(6,147,693.23)	(88,063.00)
VI. Tax expense:			
(1) Current tax		-	-
(2) Deferred tax		(42,072.00)	-
VII. Profit/(Loss) for the period (V-VI)		(6,105,621.23)	(88,063.00)
VIII. Earning per equity share:			
(1) Basic		(0.20)	(0.00)
(2) Diluted		(0.20)	(0.00)

Significant Accounting Policies & Notes to Accounts

17

This is the Profit & Loss Account referred to in our report of even date

For Mukesh I Gupta & Co
Chartered Accountants
Firm Registration No - 326918E

On and behalf of the Board of Directors
For GOYAL ASSOCIATES LTD.

(CA Mukesh Gupta)
Proprietor
M.Mo- 64413
Place : Ahmedabad
Dated : 30/05/2012

V. AGRAWAL
Director

R. SHARMA
Director

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
NOTE NO - 1		
<u>SHARE CAPITAL</u>		
<u>AUTHORISED CAPITAL</u>		
34,000,000 Equity Shares of Rs 1/- Each (Previous Year 34,000,000 Equity Shares of Rs, 1 Each)	34,000,000.00	34,000,000.00
<u>ISSUED, SUBSCRIBED & PAID UP CAPITAL</u>		
30,600,000 Equity Shares of Rs 1/- each fully paid up (Previous Year 30,600,000 Equity Shares of Rs.1/- Each, Fully Paid Up)	30,600,000.00	30,600,000.00
	30,600,000.00	30,600,000.00
NOTE NO - 2		
<u>RESERVE & SURPLUS</u>		
Profit & Loss Account		
As per last Balance Sheet	(6,969,417.26)	(6,881,354.26)
Additions/(deduction) during the year	(6,105,621.23)	(88,063.00)
	(13,075,038.49)	(6,969,417.26)
<u>Reserve U/s 45(1A) of RBI Act</u>		
As per last Balance Sheet	73,774.00	73,774.00
Additions/(deduction) during the year	-	-
	73,774.00	73,774.00
NOTE NO - 3		
<u>SHORT TERM BORROWINGS</u>		
<u>Unsecured</u>		
From Corporate Bodies	20,700,000.00	-
	20,700,000.00	-
NOTE NO - 4		
<u>TRADE PAYABLES</u>		
<u>Other Liability</u>		
Audit Fees payable	38,965.00	19,302.00
	38,965.00	19,302.00

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
NOTE NO - 6 <u>DEFERRED TAX ASSETS (NET)</u> - Related to Fixed Asset	42,072.00	-
	42,072.00	-
NOTE NO - 7 <u>INVENTORIES</u> Stock In Trade of Equity Shares	6,875,311.84	-
	6,875,311.84	-
NOTE NO - 8 <u>TRADE RECEIVABLES</u> (Unsecured and Considered goods) Over Six Months Others	1,655,150.00 15.27	- 1,655,150.00
	1,655,165.27	1,655,150.00
NOTE NO - 9 <u>CASH & CASH EQUIVALENTS</u> <u>Balance with Banks</u> <u>Cash in Hand</u> (As Certified by the Management)	1,384,442.90 115,654.50	2,063,146.24 71,393.50
	1,500,097.40	2,134,539.74
NOTE NO - 10 <u>SHORT-TERM LOANS & ADVANCES</u> (Unsecured Considered Good) Loans & Advances to Others <u>Advances to Income Tax Authority</u> TDS-2008 TDS-2009 TDS-2010 TDS-2011 TDS-2012	25,996,725.00 507.00 70,139.00 - 86,244.00 158,569.00	19,562,271.00 507.00 70,139.00 214,808.00 86,244.00 -
	26,312,184.00	19,933,969.00

	Figures as at the end of current reporting period	Figures as at the end of previous reporting period
NOTE NO - 11		
<u>REVENUE FROM OPERATIONS</u>		
Sale of Shares	2,357,577.11	7,633,750.00
	2,357,577.11	7,633,750.00
NOTE NO - 12		
<u>OTHER INCOME</u>		
Interest Received	1,591,547.00	1,508,114.00
	1,591,547.00	1,508,114.00
NOTE NO- 13		
<u>INCREASE/ DECREASE IN STOCK</u>		
Closing Stock	6,875,311.84	-
Less: Opening Stock	-	6,125,950.00
	6,875,311.84	(6,125,950.00)
NOTE NO - 14		
<u>FINANCIAL COSTS</u>		
Bank Charges	330.90	47,274.00
	330.90	47,274.00
NOTE NO - 15		
<u>DEPRECIATION & AMMORTIZATION EXPENSES</u>		
Depreciation	11,145.00	-
	11,145.00	-
NOTE NO - 16		
<u>ADMINISTRATIVE & OTHER EXPENSES</u>		
Audit Fees	19,663.00	19,302.00
Demat Charges	25,321.00	72,423.00
Exchange Fluctuation	-	152,406.00
Office Expenses	128,364.00	121,663.00
Bad Debt Written Off	-	212,034.00
Stock Exchange Fees	34,035.00	28,175.00
NSDL & CDSL Charges	49,423.00	-
Filing Fees	8,000.00	8,000.00
Salary	617,375.00	212,700.00
	882,181.00	826,703.00

NOTE : 17

1) SIGNIFICANT ACCOUNTING POLICIES

A SYSTEM OF ACCOUNTING

(i) Company maintain its accounts on accrual basis following the historical cost convention in compliance with the Accounting Standards Specified to be mandatory by the Institute of Chartered Accountants of India and relevant provision of the Companies Act, 1956.

(ii) Accounting policies not specifically referred to otherwise are in consonance with generally accepted accounting principles.

B REVENUE RECOGNISE

1) Sales

Sale of securities is accounted on the basis of Contract notes issued by Stock Brokers.

2) Interest,commission, Duty Drawback and other Income are accounted on accrual basis.

3) Dividend is accounted on receipt basis.

C EXPENSES

It is company's policy to account of expenses on accrual basis except expenses of traditional nature which are accounted on cash basis.

D INVENTORY

Closing Stock of Shares and Securities has been valued at cost or market price whichever is lower.

E INVESTMENT

There are no investments held by the Company.

F RETIREMENT BENEFITS

We have been informed that payment of Gratuity and provident fund are not applicable to company.

G PROVISION AND CONTINGENT LIABILITY

Provisions are recognised for present obligation, of uncertain timing or amount, arising as a result of past events where a reliable estimate can be made and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation. Where it is not probable that an outflow of resources embodying economic benefits will be required or the amount cannot be estimated reliably, the obligation is disclosed as a contingent liability unless the probability of outflow of resources embodying economics benefit is remote. Possible obligations, whose existence will only be confirmed by the occurrence or non-occurrence of one or more uncertain future events, are also disclosed as contingent liabilities unless the probability of outflow of resources embodying economic benefit is remote.

GOYAL ASSOCIATES LIMITED

H TAXATION

(a)

The Company has incurred losses in the year, so no tax has been charged.

(b) Deferred tax is provided in accordance with the Accounting Standards - 22, Accounting for taxes on Income, issued by the Institute of Chartered Accountants of India on timing differences between tax and accounting treatments that originate in one period and are expected to be reversed or settled in subsequent periods. Deferred tax assets or liabilities are measured using the enacted tax rates for the current year. Adjustment of deferred tax assets or liability attributable to change in tax rates is shown in the profit and loss account as a part of deferred tax adjustment for the year.

I EARNING PER SHARE

Basic earning per share is calculated by dividing the net profit for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

J SEGMENT REPORTING

The company has organised its operation into Financial Activities.

2) NOTES ON ACCOUNTS

- 1) Company is a Non Banking Financial Company.
- 2) Contingent liabilities NIL(Previous Year Nil)
- 3) Contracts remaining to be executed on capital account not provide for Rs. Nil (Previous year Rs. Nil)
- 4) Contingent liability that may arise due to suspension of trading of shares of the company on stock exchange has not been ascertained and provided for

- 5) Amount paid by way of Remeneration to Auditor(In Rs.)

	<u>2011-2012</u>	<u>2010-2011</u>
I) Audit Fees	19663	19302
	<u>19663</u>	<u>19302</u>

- 6) There were no related party transactions during the year.

7) Segment Reporting

Company has organised its operation into

- Trading of Shares & Securities

Particulars	Shares(Rs)	Total(Rs)
Sales & Direct Income	3,949,124.11	3,949,124.11
Change in Inventory	6,875,311.84	6,875,311.84
Purchase & Direct Expenses	16,078,472.28	16,078,472.28
Net Result	(5,254,036.33)	(5,254,036.33)
Less- Unallocate Expenses	-	893,656.90
Add- Unallocate Income		0
Net Profit Before Tax		(6,147,693.23)

GOYAL ASSOCIATES LIMITED**8) Earning Per Share**

Particulars	2011-12	2010-11
Profit After Tax	(6105621)	(88063)
The weighted average number of ordinary shares of Rs.1 each	30600000 shares	30600000 shares
Total Number of Shares		
Earning Per Share(Basic)/(Diluted)	(0.20)	(0.00)

- 9) The Company has initiated the process of indentifying the suppliers who qualify under the definition of micro and small enterprises, as defined under the Micro, Small and Medium Enterprises Development Act, 2006. Since no intimation has been received from the suppliers regarding their status under the said Act as at 31st March, 2012 disclosures relating to amounts unpaid as at the year end, if any, have not been furnished. In the opinion of the management, the impact of interest, if any, that may be payable in accordance with the provisions of the Act is not expected to be material.
- 10) All debit and credit balances appearing under the head loans and advances, unsecured loans, sundry debtors and current liabilities are subject to confirmation by the parties concerned, and subsequent reconciliation, if any.
- 11) In the opinion of the Management, the value on realization of current assets, loans and advances in the ordinary course of business would not be less than the amount at which they are stated in the balance sheet and provision of all known liabilities has been made.
- 12) Previous year figures in Balance sheet has been regrouped and rearranged wherever necessary.
- 13) The statement of significant Accounting policies and the Notes numbered 1 to 17. Above form an integral part of the accounts for the accounts for the year ended on 31st March, 2012.

For, MUKESH I GUPTA & CO
Chartered Accountants
FRN-326918E

(CA Mukesh Gupta)
Proprietor
FRN-326918E

On behalf of the Board
For Goyal Associates Ltd

V. AGRAWAL R. SHARMA
DIRECTOR DIRECTOR

Place: Ahmedabad
Date : 30/05/2012

CASH FLOW STATEMENT ANNEXURE TO BALANCE SHEET FOR THE YEAR ENDED ON 31.03.2012

	31st March, 2012	31st March, 2011
A. CASH FLOW FROM OPERATION ACTIVITIES		
Net Profit/ (Loss) after tax	(6105621)	(88063)
<u>Adjustment for :</u>		
(a) Depreciation	11145	0
(b) Interest Received	(1591547)	(1508114)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	(7686023)	(1596177)
<u>Adjustment for :</u>		
(a) Trade and Other Receivables	(15)	5576073
(b) Inventories	(6875312)	6125950
(c) Trade Payable	19663	(12664569)
(d) Other Current Assets	(6378215)	12952169
CASH GENERATED FROM OPERATION	(20919902)	10393446
CASH FLOW BEFORE EXTRAORDINARY ITEMS	(20919902)	10393446
Extraordinary Items Prior Period		
(a) Priorperiod Expenses/Income	0	0
(b) Income Tax/Deferred Tax	(42072)	0
NET CASH FLOW FROM OPERATING ACTIVITIES	(20961974)	10393446
B. CASH FLOW FROM INVESTING ACTIVITIES		
(a) Purchase of Fixed Assets	(1964015)	0
(b) Sale of Investments	0	455150
NET CASH FLOW IN INVESTING ACTIVITIES	(1964015)	455150
C. CASH FLOW FROM FINANCIAL ACTIVITIES		
(a) (Decrease)/Increase in Borrowing	20700000	(12945570)
(b) Interest (Paid)/Received	1591547	1508114
	22291547	(11437456)
Net Increase (Decrease) in Cash (A + B + C)	(634442)	(588860)
Opening Balance of Cash & Cash Equivalents	2134540	2723400
Closing Balance of Cash & Cash Equivalents	1500098	2134540

On behalf of the Board
For **Goyal Associates Ltd.**

Place: Ahmedabad
Date : 30/05/2012

V. AGRAWAL
Director

R. SHARMA
Director

AUDITOR'S REPORT

We have checked the Cash flow statement of **GOYAL ASSOCIATES LIMITED** for the year ended 31st March, 2012 from the books and records maintained by the company in the ordinary course of business and have subject to comparative figures for the year ended 31st March,2012

Date : 30/05/2012
Place : Ahmedabad.

FOR, MUKESH I GUPTA & CO
Chartered Accountants,
FRN-326918E

(CA Mukesh Gupta)
Proprietor
M.N.64413