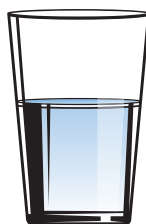


BRESCON

Corporate Advisors Limited

Annual Report
2010-2011



BRESCON[®]
Interpreting it right

Is the glass half full or half empty?

The purpose of this expression is to demonstrate that any situation may be seen in different ways depending on one's point of view.

Optimists see opportunity, pessimists trouble, and realists like us at Brescon, reality.

There is more to business (and may we add, to life) than just profits or losses, assets or liabilities, black or white. How can anyone forget the colour grey? How can anyone ignore the subtleties of situations?

At Brescon, we certainly don't.

We first sift through millions of pieces of data. Take a long, hard, *objective* look at the information that emerges. Analyse all the angles, all the patterns. And accurately *interpret* situations.

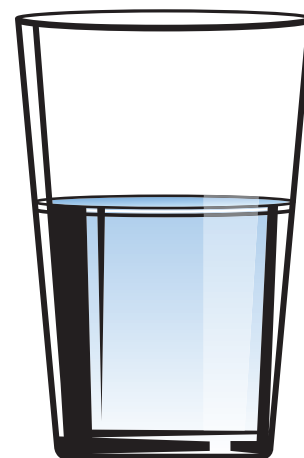
Any situation.

Whether it is our own business strategy, or recommendations to our clients in the areas of Debt Resolution, Debt Syndication or M & A, the principle is the same. The principle of objectivity.

How does our identity reflect all this?

The unique, memorable device in the identity - the half full or half empty glass - represents different points of view. And the brand line 'Interpreting it right' completes the story.

According to the Oxford dictionary, 'to interpret' is 'to explain' or 'to elucidate'. Now isn't that at the heart of what we do and believe in?



BRESCON[®]
Interpreting it right

Content

1

	Page No.
From the MD's Desk	2-3
Details of Directors	4
Corporate Information	5
Notice	6-8
Director's Report	9-13
Management Discussion & Analysis	14-16
Corporate Governance Report	17-24
Auditor's Report	25-27
Balance Sheet	28
Profit & Loss Account	29
Schedules Annexed to Balance Sheet and Profit & Loss Accounts	30-32
Significant Accounting Polices and Notes to Accounts	33-42
Cash Flow Statement	43
Statement pursuant to Section 212 of the Companies Act, 1956	44
Auditors Report on Consolidated Financial Statements	45
Consolidated Balance Sheet	46
Consolidated Profit & Loss Account	47
Consolidated Schedules Annexed to Balance Sheet and Profit & Loss Accounts	48 - 50
Consolidated Significant Accounting Polices and Notes to Accounts	51 - 56
Consolidated Cash Flow Statement	57
Proxy Form and Attendance Slip	

From The Md' Desk



Dear Stakeholders,

The past 12 months have witnessed 'Global Economic Recovery' take deeper roots. The unprecedented liquidity measures that were introduced by Central Banks of various countries seem to have borne fruit in aiding a bruised world economy that was faced with severe market disruptions during the Global Financial Crisis and a major dent in business confidence in the aftermath. The abundant liquidity translated into buoyant financial markets and paved the way for easier access to capital across the globe and by default for Corporate India. Evidence to such increased confidence and access to financing was the record volume and size of global M&A transactions – including a few landmark deals that were consummated.

However, before we can afford ourselves a smile over this return to relative stability, the combination of high inflation, geo-political crisis and natural

calamities has begun to give policy makers sleepless nights. High inflation has been a cause of major worry; driven initially by food price inflation, this has crept in, today, to core inflation. This was the flip-side of 'quantitative' easing - as the flood of liquidity began to percolate into the global financial system, a quick rebound in demand combined with deferred expansion plans and supply-side bottlenecks saw skyrocketing commodity prices. This was further exacerbated by the geo-political turmoil that started in Egypt and quickly spread across North Africa and the Middle East. Crude oil prices shot up to over USD 100 per barrel and are likely to remain so with no immediate end in sight to the internal conflicts in countries, such as, Libya. To add to these mounting woes are the ramifications of the European Sovereign Debt crisis and the global supply chain disruptions triggered by the natural calamities (and nuclear contamination) that has struck Japan.

To the Indian Corporate, this means a sudden shift to a high interest rate regime that is expected to remain so at least in the medium term. It has thrown a spanner in the growth plans of many a Corporate and has called for going back to the drawing board. Such sudden disruptions and persistent inflation demands a proactive approach in managing assets and liabilities. However, such pro-activeness and pragmatism has been lacking in the ethos of most Indian businesses. Time and again, we are seeing a clear pattern as they wait for the proverbial 'Eleventh Hour' till considering restructuring as an option to prevent their liabilities from becoming distressed assets. This gives them little time to effectively address the problem much in advance and recover to strength much earlier. At Brescon, we remain committed in our efforts to increase awareness among Corporate Houses about the benefits of efficient liability management and the tools at their disposal to achieve this.

This year saw the term 'financial intermediation' attract considerable flak in the Indian financial system. We, at Brescon, emerged unscathed and with our image further enhanced by our clear differentiation as a 'financial consulting, business restructuring and advisory services' firm. As in the past, we have derived majority of our revenues in FY 2011 from financial restructuring and retained our tag as a premier advisory firm in this service offering. Overall, we had offered advisory services to clients from over 15 different sectors, from 'Auto Components' to 'Textiles' – with the Top Five sectors being Power, Textiles, Cement, Retail and Hospitality.

We reiterate our belief that moving forward the Indian infrastructure and ancillary sectors will see

major opportunities from various perspectives. Given the massive investments that have gone into the sector in a short span of time, and the estimated outlay of over USD 1 Trillion in the next five years, we see massive opportunities arising out of financial restructuring, project financing, private equity and M&A.

Coming to the 'India Story', various pointers to the fact that India continues to be investment destination of the present and the future remain intact – the consumption story behind a population accounting for 17.5% of the world's population, a favorable demographic profile with a predominantly young working age population – expected to remain so till 2030, consistent real GDP growth of over 8%, the continued rise of private enterprise and the growing stature of Indian companies on the global stage.

In the midst of all this, the microcosm of the Indian financial advisory space is seeing myriad changes. The mushrooming of boutique advisory firms, private wealth management services, accounting professionals and ex-bankers venturing into financial consulting and M&A – competition and evolution continue to pose new challenges.

We are approaching these with confidence and agility – we have further entrenched our sector oriented business strategy, stepped up our efforts to create product cum brand awareness and initiated efforts to unearth service niches. As these combine with our bedrock of in-house talent and strong execution capabilities, we are confident that Brescon would shine as one of the beacons in our segment.

Sincerely,

Nirmal Gangwal

Details of the Directors

Dr. B. Vasanthan, Chairman

Dr. Vasanthan, a distinguished banker with over 42 years of experience in Core banking was former Chairman & Managing Director of Andhra Bank. He was also the Chief executive officer of National Bank of Oman for a brief period. He had started his career with Syndicate bank where he rose to the post of General Manager. He has also received NABARD's Best performance award for financing self help groups in Andhra Pradesh. He is also on the board of M/s. Lanco Infratech Ltd., M/s. GVPR Engineers Ltd and M/s.Udupi Power Corp. Limited .

Mr. Prem Chand Godha, Director

Mr. Godha, a CA by qualification with over 32 years of industry experience is currently the Managing Director at IPCA Laboratories Ltd., a leading pharmaceutical company with consolidated annual sales of Rs. 18.83 billion. He is also on the board of IndusInd Bank Ltd.

Mr. V. K. Gupta, Director

Mr. V. K.Gupta is a certified associate of Indian Institute of Bankers (CAIIB), and has done M.A in English Literature from Punjab University and is Gold Medalist. He has rich and diverse experience of 37 years in the area of domestic, international, Merchant/Investment banking and in treasury Operations. He is also on the board of M/s. Spanco Ltd., M/s. Micromax Informatics Ltd. M/s Best Foods Ltd and M/s Darcl Logistics Ltd.

Mr. Rajashekar Iyer, Director

Mr.Rajashekar Iyer is a chartered accountant by academic qualifications Since 1987, he has been actively engaged in studying the Indian capital markets and is now well known as one of the pioneers of the concept of equity research in the country. He is also Managing Director of the SCIL Ventures Ltd..

Ms. Pooja Gangwal Sheth, Director

Pooja is a MBA graduate from NMIMS and an applied behavioral science specialist. She has been associated with Brescon over a period of 6 years and plays an integral role in the Human Resources, Branding & Communications and Corporate Strategy functions. Apart from which she has had a brief stint in human capital consulting in Deloitte Touche Tohmatsu International.

Mr. Nirmal Gangwal, Managing Director

Mr. Gangwal is the Founder-Promoter and Managing Director of Brescon. Having over 30 years of experience in the field of finance and management, he is the driving force behind the Company's success. A specialist in financial turnaround and restructuring solutions, his ability to build consensus among creditors coupled with his in-depth understanding of the industry has been instrumental in building long standing relationships. FCA, FCS and LLB by qualification, Mr. Gangwal looks after the day-to-day affairs of the Company. His current portfolio includes the directorship of companies like Welspun Corp Ltd., Welspun Projects Ltd., Remi Metals Gujarat Ltd., V.I.P. Industries Ltd. and Windsor Machine Ltd.

Corporate Information

BOARD OF DIRECTORS

Dr. B. Vasanthan

Chairman

Mr. Premchand Godha

Director

Mr. V. K. Gupta

Director

Mr. Rajashekar Iyer

Director

Ms. Pooja Gangwal Sheth

Director

Mr. Nirmal Gangwal

Managing Director

REGISTERED OFFICE

Siddhivinayak Chambers,
7th Floor, Gandhi Nagar,
Opp. M.I.G. Club, Bandra (East)
Mumbai 400 051
Phone No.: 42538888

BANKERS

HDFC Bank Ltd.

ICICI Bank Ltd.

AUDITORS

M/s. Vijay R. Tater & Co.

Chartered Accountants

Mumbai.

REGISTRAR & SHARE /TRANSFER AGENT (RTA)

Link Intime India Private Limited

C-13, Pannalal Silk Mills Compound,

L.B.S Marg, Bhandup (W), Mumbai-400 078.

Tel : (22) 25946970

Fax: (22) 25946969

Website : www.linkintime.co.in

Email: rnt.helpdesk@linkintime.co.in

Notice

Notice is hereby given that the 20th Annual General Meeting of the Company will be held on Wednesday, 21st September, 2011 at 10.30 a.m. at 6th Floor, Siddhivinayak Chambers, Opp. MIG Club, Gandhi Nagar, Bandra (East), Mumbai - 400 051 to transact the following business :

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as on 31st March 2011, the Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To declare dividend on equity shares.
3. a) To appoint a Director in place of Shri. P. C. Godha who retires by rotation and being eligible, offers himself for reappointment.
b) To appoint a Director in place of Ms. Pooja Gangwal Sheth who retires by rotation and being eligible, offers herself for reappointment.
4. To consider & if thought fit to pass with or without modification the following resolution as an ordinary resolution.

“**RESOLVED THAT** M/s Vijay R. Tater & Co., Chartered Accountants Firm Reg. No. 111426W who retire at the conclusion of this annual general meeting be & are hereby appointed as statutory Auditors of the company till the conclusion of the next annual general meeting at a remuneration to be fixed by the Board of Directors.”

SPECIAL BUSINESS :

5. Appointment of Additional Director Mr. V. K. Gupta

To Consider, and if thought fit, to pass with or without modification the following Resolution as an Ordinary Resolution:

“**RESOLVED THAT** Mr. V. K. Gupta, who was appointed as an Additional Director and who in terms of Section 260 of the Companies Act, 1956 (read with article 143 of the Company's articles of association) holds office upto the date of this Annual General Meeting and in respect of whom the company has received notice from a shareholder of the company under section 257 of the Companies Act, 1956 proposing his candidature for the office of the Director, be and is hereby appointed as a Director of the Company, liable to retire by rotation.”

NOTES

- a) **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY OR PROXIES TO ATTEND AND VOTE THEREAT INSTEAD OF HIMSELF/HERSELF. A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES, IN ORDER TO BE EFFECTIVE, MUST BE RECEIVED BY THE COMPANY AT ITS REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE MEETING.**
- b) Members are requested to intimate immediately change of address, bank details if any, to the Registrars and Transfer Agents of the Company, **M/s. Link Intime India Pvt. Ltd.**
- c) The Register of Members and Share Transfer Books of the Company will remain closed from Thursday 15th September, 2011 to Wednesday 21st September, 2011 both days inclusive.
- d) The Ministry of Corporate Affairs (MCA) has taken a “Green Initiative in Corporate Governance” (Circular No. 17/2011 dated 21.04.2011 and Circular No. 18/2011 dated 29.04.2011) allowing

paperless compliances by Companies through electronic mode. Companies are now permitted to send various notices / documents to its shareholders through electronic mode to the registered e-mail address of shareholders. From next year onwards, we propose to send all documents like General Meeting Notices (including AGM), Audited Financial Statements, Directors' Report, Auditors' Report etc., in electronic form to shareholders, to their e-mail address provided by them and made available to us by the Depositories. In case they desire to receive the above mentioned documents in physical form or in case of any change in their e-mail id, they are requested to contact the Company or the Company's Registrar and Transfer Agent mentioning their client ID and latest e-mail address.

- e) Members are requested to bring their own copies of the Annual Report to the meeting.

**By the Order of the Board
For Brescon Corporate Advisors Limited**

Place : Mumbai
Date : 05.08.2011

NIRMAL GANGWAL
Managing Director

EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956 ANNEXED TO NOTICE

ITEM NO. 5

Mr. V. K. Gupta is a certified associate of Indian Institute of Bankers (CAIIB), and has done M.A. in English Literature from Punjab University and is Gold Medalist. He has rich and diverse experience of 37 years in the area of domestic, international, Merchant/Investment banking and in treasury Operations.

Mr. V. K. Gupta was appointed by the Board as an Additional Director with effect from 13th August 2010 pursuant to Section 260 of the Companies Act, 1956. Mr. V.K. Gupta holds office only upto the date of ensuing Annual General Meeting.

The Company has received the notice, along with the necessary deposit, under Section 257 of the Companies Act, 1956, from a member signifying his intention to propose the appointment of Mr. V. K. Gupta as director of the company. The Board considers his appointment as a Director of the Company beneficial and in the interest of the Company, and therefore recommends that Mr. V. K. Gupta be elected as a Director of the Company.

Mr. V. K. Gupta is deemed to be concerned or interested in the resolution regarding his appointment.

None of the other directors of the company are, in any way, concerned or interested in the resolution.

Annexure To The AGM Notice

Information pursuant to Clause 49 of the Listing Agreement, regarding appointment/ reappointment of a Director :

Name of the Director	Shri P. C. Godha
Date of Birth	8 th January 1947
Date of Appointment	8 th February 1992
Qualification	Chartered Accountant
Directorship of other Limited Company as on 31.03.2011	<ul style="list-style-type: none"> - IPCA Laboratories Limited - Vasant Investment Corporation Limited - Indusind Bank Limited
Chairman / Member of Committees of other Limited Company as on 31.03.2011	<ul style="list-style-type: none"> - Member of Customer Service Committee, Compensation Committee, Audit Committee and Special Committee of Indusind Bank Limited - Member of Shareholders / investors Grievance Committee of IPCA Laboratories Limited

Name of the Director	Ms. Pooja Gangwal Sheth
Date of Birth	08 th September 1983
Date of Appointment	29 th May 2010
Qualification	MBA
Directorship of other Limited Company as on 31.03.2011	<ul style="list-style-type: none"> - i Tenable India Ltd.
Chairman / Member of Committees of other Limited Company as on 31.03.2011	-

Name of the Director	Mr. V.K. Gupta
Date of Birth	21st December 1947
Date of Appointment	13th August 2010
Qualification	M.A., CAIIB
Directorship of other Limited Cos. as on 31.03.2011	<ul style="list-style-type: none"> - DARCL Logistics Limited - Micromax Informatics Limited - Best Foods Limited - Spanco Limited
Chairman / Member of Committees of other Limited cos. as on 31.03.2011	<ul style="list-style-type: none"> - Member of Audit Committee of Micromax Informatics Limited - Member of Audit Committee of DARCL Logistics Limited

Directors' Report

To,
The Shareholders,

Your Directors take pleasure in presenting the 20th Annual Report together with the Audited Statement of Accounts for the year ended 31st March, 2011.

1. FINANCIALS

Financial Results of the last 3 years at a glance are as under.

(Rs. in Lacs)

Particulars	Year ended 31.03.2011	Year ended 31.03.2010	Year ended 31.03.2009
Income From Operation	1560.64	1910.49	2119.32
Other Income	105.05	61.74	38.14
Total Income	1665.69	1972.23	2157.46
Profit Before Depreciation	840.92	884.62	970.77
Less : Depreciation	2.88	5.08	8.35
Profit Before Taxation	838.04	879.54	962.42
Less : Taxes	250.89	324.56	413.36
Profit After Tax	587.15	554.98	549.06

2. PERFORMANCE REVIEW

The fee-based revenue of the company for the year under review decreased to Rs.1560.64 Lacs as compared to Rs.1910.49 Lacs in the previous financial year. Although the fee based revenue was down by 18%, the net profit has increased by 6% during the year to Rs. 587.15 Lacs as compared to Rs. 554.98 Lacs of previous year.

Detailed information on the overall performance of the Company is given in the 'Management Discussion and Analysis' section which forms part of this Report.

3. DIVIDEND

The Board of Directors of the Company, for the year ended 31st March 2011, has recommended a dividend @ 25% (Rs. 2.50 per Equity Share of face value of Rs.10/- each) subject to the approval of the shareholders at the Annual General Meeting. The dividend if declared as above would involve an outflow of Rs. 87.54 Lacs towards dividend and Rs. 14.54 Lacs towards dividend tax resulting in a total outflow of Rs. 102.08 Lacs.

4. TRANSFER TO RESERVES

The Company proposes to transfer Rs. 100 Lacs to General Reserve out of the amount available for appropriation.

5. CORPORATE GOVERNANCE

A certificate from the auditors of the Company regarding compliance of conditions of corporate governance as stipulated under clause 49 of the Listing Agreement is attached to this report.

6. DIRECTORS

Shri. P. C. Godha, Director of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers himself for re-appointment.

Ms. Pooja Gangwal Sheth, Director of the Company retires by rotation at the ensuing Annual General Meeting and, being eligible, offers herself for re-appointment

Shri V.K. Gupta was appointed as an additional Director of the Company w.e.f. 13.08.2010, and shall hold office up to the date of the ensuing Annual General Meeting. The Company has received a notice in writing, along with necessary deposit, from a member proposing the candidature of Shri V. K. Gupta for the office of Director, liable to retire by rotation.

In compliance to the terms of Clause 49 of the Listing Agreement with the Stock Exchange, the details of Directors to be appointed / reappointed are contained in the accompanying notice of the Annual General Meeting.

7. DIRECTORS RESPONSIBILITY STATEMENT

The directors confirm that :-

- i) In the preparation of annual accounts, the applicable accounting standards have been followed along with proper explanation relating to material departures.
- ii) Appropriate accounting policies have been selected, applied consistently and judgments and estimates made are reasonable & prudent so as to give a true & fair view of the State of Affairs of the Company as of 31st March 2011 and of the Profit & Loss of the Company for that period.
- iii) Proper and sufficient care has been taken 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 frauds and other irregularities.
- iv) The accounts have been prepared on a going concern basis.

8. SUBSIDIARY COMPANIES AND CONSOLIDATED FINANCIAL RESULTS

The financial data of the subsidiary company has been furnished along with the statement pursuant to Section 212 of the Companies Act, 1956 forming part of the Annual Report. Further, pursuant to Accounting Standard (AS-21) issued by the Institute of Chartered Accountants of India, the Company has presented the consolidated financial statements which include the financial information relating to its subsidiary and forms parts of the Annual Report.

The Company shall not provide a copy of the Annual Report and other related information of its subsidiary company as required under section 212 of the Companies Act, 1956 to the shareholders of the Company and the subsidiaries upon their written request. These documents will also be available for inspection at the registered office of the Company and the registered office of the respective subsidiary company during working hours up to the date of the Annual General Meeting.

The Consolidated Financial Statement has been prepared by the Company in accordance to Accounting Standard AS-21 issued by the Institute of Chartered Accountants of India.

9. FIXED DEPOSIT

The Company has not accepted and/or renewed any Fixed Deposits within the meaning of the provisions of Section 58-A of the Companies Act, 1956.

10. AUDITORS

The Company's Auditors M/s Vijay R. Tater & Co., Chartered Accountants hold office up to the conclusion of the forthcoming Annual General Meeting and, being eligible, are recommended for re-appointment by the Audit Committee of the Board of Directors. They have furnished the requisite certificate to the effect that their re-appointment, if effected, will be in accordance with Section 224(1B) of the Companies Act, 1956.

11. PARTICULARS OF EMPLOYEES

Particulars of the employees of the Company pursuant to the provisions of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) (Amendment) Rules, 2000 is as under :-

Name of Employee	Designation	Qualification	Date of Appointment	Experience	Remuneration / Salary (Rs in lacs.)	Previous Employment
Nirmal Gangwal	Managing Director	FCA, FCS, LLB (G)	01.07.2009	Over 30 years of experience in Finance & Management Consultancy	108.00	Nil
N. S. Rao	Director	MS (Econ) PGDIM (IMI)	02.12.2004	Over 28 years of experience in Commercial Banking & Venture Cap	49.68	Pardeshi. Com Pvt Ltd. (MD)
Sridhar Ramchandran	Director	CA, CWA, CPA	05.10.2009	Over 22 yrs of experience in general, financial & turnaround management	44.82	Integrated textile & Retail Group
Sandeep Desai	Director	MBA (Finance) / Engg.	01.07.2010	Over 21 yrs of experience in investment banking field	29.04	Kotak Mahindra Bank
Dinesh Kunder	Vice President	ACA	28.04.2008	Over 18 years of exposure in Finance in general industry	29.65	Karvy Investor Services Ltd.
Prashant Patil	Asst. Vice President	MBA	14.11.2008	Over 10 yrs of experience in financial industry	24.97	Kotak Mahindra Bank

12. LISTING ARRANGEMENT

The securities of the Company are listed on Mumbai Stock Exchange (Stock Code - 511628). The annual listing fees for the year under review have been paid to The Stock Exchange, Mumbai.

13. CONSERVATION OF ENERGY & TECHNOLOGY ABSORPTION

Not Applicable in view of the nature of the Business of the Company.

14. FOREIGN EXCHANGE EARNINGS & OUTGO

	Year ended 31.03.2011 (Rs. in Lacs)	Year ended 31.03.2010 (Rs. in Lacs)
(i) Earnings	----	12.13
(ii) Outgo	0.46	1.10

15. EMPLOYEE STOCK OPTION SCHEME

The Company had introduced stock option scheme for its employees/directors in the year 2006.

Employees Stock Option Scheme 2006:

Details of options granted under the 2006 scheme are given below:

Description	Details
Total no. of shares reserved under 2006 scheme	5,17,300 with each such option conferring right to apply for 1 Equity share of Rs.10/- each
Variation, if any in terms of Options	Nil
Total no. of options outstanding at the beginning of the year under 2006 scheme	Grant - I Nil Grant - II 12,500 options Grant -III 10,000 options
The pricing formula	Exercise Price equals to Book value per equity Share as on 31.03.2006 (i.e.) Rs. 51/-
Option Vested (as of March 31,2011)	6,667
Options exercised but not allotted during the year	-----
Money raised on exercise of Options	----
No. of shares arising as result of exercise of option	6,667 of Last year
Options forfeited during the year	Nil
Options lapsed during the year	12,500
Total number of options in force at the end of the year	10,000
Grant to senior management	--
Employees/Directors receiving 5% or more of the total number of options granted during the year	Nil
Employees etc. receiving options which is 1% or more of the issued capital of the Co. at the time of grant	Nil
Diluted Earning per share pursuant to Issue of shares on Exercise of option	Rs.17.45

Fair value of the options granted under the ESOP Scheme 2006 is as under. The fair values of the options have been calculated using the Black-Scholes Option pricing formula.

Date of Grant	Fair Value
- 15/07/2006	38.98
- 31/07/2007	46.66
- 01/07/2008	101.48

16. ACKNOWLEDGEMENTS & APPRECIATION

The Board would like to place on record their appreciation of the contributions made by every employee of the Company. The Board would like to thank the shareholders for their continued support to the Company.

For and on behalf of the Board
For **Brescon Corporate Advisors Limited**

Place: Mumbai
Date : 10.05.2011

Dr. B. Vasanthan
Chairman

Management Discussions & Analysis

Economic Overview

Growth V/s Inflation, Fiscal Consolidation V/s Unemployment – across the globe these were the predominant themes that policy makers had to grapple with in the year that went by. In broad terms, economic growth has shunned the looming specter of ‘double-dip’ recession into seeming oblivion. According to the International Monetary Fund (IMF), in its World Economic Outlook released in April 2011, the world economy is poised for 4.5% growth in both 2011 and 2012. However, such growth (as in the recent past) continues to be driven by the emerging economies which are forecasted to grow at 6.5%, while advanced economies are expected to grow at 2.5%. While the ‘Growth V/s Inflation’ dilemma faces emerging economies, the ‘Fiscal Consolidation V/s Unemployment’ quandary looms across advanced economies.

In advanced economies, with private consumption rallying admirably, the worries of ‘stimulus and inventory cycle’ driven growth fizzling out in the face of fiscal consolidation is receding. However, fiscal consolidation at a time of low growth is hampering the efforts to address unemployment. Emerging economies, on the other hand, are grappling with balancing growth and high inflation in the face of higher capital inflows and major increases in commodity prices.

The past 12 months have thrown up unique challenges from unforeseen quarters. The geo-political crisis that has plunged North Africa and the Middle East into turmoil has left the world gasping, given its implications on global crude oil supply and prices. The continued problems of the EU periphery in the form of low growth, fiscal mismanagement, sovereign debt crisis unemployment and social unrest are here to stay at least in the medium term, given that there are systemic issues. Add to these Japan’s natural catastrophes, its nuclear aftermath and the global supply chain disruptions it has caused – it has been a turbulent period.

Looking at it objectively – we have transitioned over the past year from a scenario filled with threats to those with promising opportunities amidst fresh challenges. With India back above the 8% GDP growth threshold – it augurs well for domestic businesses. Moving forward, this growth momentum is expected to sustain over the next two fiscal years. Provided the RBI continues to balance its tightrope walk between growth and inflation, FY12 is expected to be of relative stability compared to the past two fiscal years.

Credit Growth & Monetary Policy Overview

As foreseen by us, with economic growth gathering momentum, there was robust credit growth in FY 2010-11. This was reflected in data released by the RBI that Non-food Credit grew at a pace of 22.8% YoY (26th Feb 2010 to 25th Feb 2011) as compared to last year’s 15.9% (26th Feb 2010 to 25th Feb 2009). Leading the way was stellar growth of credit registered in the ‘Industry’ (26.5%) and ‘Services’ (24.2%) categories.

Besides, the off-take of foreign borrowings in the form of ECBs/FCCBs registered robust growth of over 30% YoY for the period March 2010 to February 2011 as compared to the previous period of March 2009 to February 2010. RBI data points that, in all, Corporate India raised US \$ 24.47 Bn during this period vis-à-vis US \$ 18.46 Bn raised in the previous period.

The RBI continues to hold a hawkish stance towards interest rates given the high inflation environment. Since last March, the RBI has raised key policy rates numerous times –

- The repo rate was increased by 150 basis points from 5.25% to 6.75%
- The reverse repo rate was increased by 200 basis points from 3.75% to 5.75%
- The cash reserve ratio (CRR) of scheduled banks was increased by 25 basis points from 5.75% to 6.0%

However, these changes and the resulting increases in the interest rates, credit off-take was not derailed. This year saw banks transition to the “Base Rate” system with effect from 1st July 2010 and they got off the blocks with Base Rates in the range of 7.25% to 8.75%. Today, the Base Rates are in the range of 8.50% to 9.50% - with banks increasing their base rates in line with the monetary policy direction.

The widely held belief today is that the RBI’s fight against inflation is far from over and that we may well expect further interest rate hikes in this fiscal year. Altogether it will present a challenging time for the Indian Corporate to meet its debt obligations.

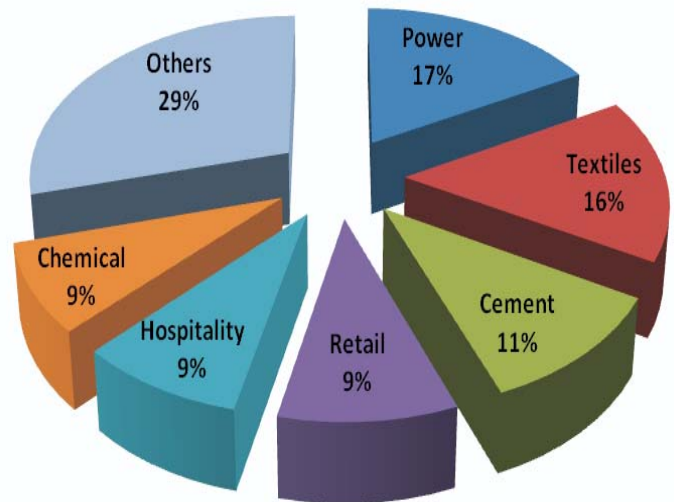
Business Overview:

FY 2011 saw the successful transition of Brescon, with its new brand identity, take deeper roots. Our revenue base continues to broaden further in comparison to previous years and as we strategically tracking down new opportunities in a systematic manner. This year the key revenue generating sector has been Power (17.1%) as it displaced Textile to the second position (16.0%). These were followed by Cement (11.0%), Retail (9.4%), Hospitality (8.8%) and Chemicals (8.5%).

Revenue distribution sector wise for FY 2011

While revenues from the Top Five Sectors mentioned above constituted 70.8% of the total revenues – the rest of the 29.2% came from a variety of sectors, such as, Auto Components, Engineering and Capital Goods, Ceramics, Pharmaceuticals, and Sugar/Disteleries, among others.

Our focus on innovation and rediscovery is very much in place and we as an organization are consciously striving to unlock the immense amount of expertise and goodwill that we have developed over the years. Our focus on vertical concentration continues to drive our efforts and we have further reinforced this



mechanism at the sourcing level too. Over the past year, we have learnt that the sector focus should be dynamic to exploit opportunities that arise with the fluctuating fortunes of each industry. With the feedback mechanism getting more effective throughout the organization, it is greatly helping us to zero in on opportunities with more success.

The “Awareness series” initiated last year is maturing both in terms of audience and in terms of content. We are widening the target audience and aim to reach industry forums, key lenders, and regional business forums, among others. These efforts have already begun to yield results in terms of reach, brand recognition and lead generation.

Opportunities:

Given the sheer amount of investments that have gone into the Power and Infrastructure sectors and frenetic pace of such activity, we see major potential for asset liability mismatches to arise in these sectors in the years to come. Broadly, the following sectors have seen expansion of gross credit at a rate of over 30% in the past 4 to 5 years – Cement (33.6%), Construction / Real Estate (34.7%), Power (33.0%) and Roads and Ports (38.8%). We also see potential in Iron & Steel, Hospitality, Textiles, Pharmaceuticals and Sugar.

With lenders getting more accustomed to the reality that restructuring is an important mechanism to maintain their capital and sustain profitability, they are slowly but surely shedding their resistive reaction to such proposals. Banks are realizing the importance of monitoring and managing their assets, just as corporate entities are increasingly becoming aware of the importance of liability management.

Risk and challenges:

We continue to face challenges in terms of fee recovery and talent grooming cum retention. However, FY 2011 saw new initiatives and more streamlined approach towards tackling these twin challenges.

Employees are being sensitized to the problem of fee recovery and a sense of ownership to client accounts is providing them a first-hand account to understand and appreciate the organization's challenges in this context. Hiring remains robust in the investment banking industry and talent retention in such an environment presents a unique challenge. However, we have seen consolidation on this front and have put in place initiatives to provide more freedom to employees to explore newer product/service horizons.

The Top Management renews its efforts to find innovative solutions to expand the horizon of our services and to actively engage in the creation of a talent pool for the future.

Human Resource & Development:

Our ability to attract and retain talent is driven by the unique and enriching learning experience we provide to employees. This combined with the freedom to experiment and express makes Brescon a fulfilling place for employees.

As part of our ongoing efforts in implement best practices in human resource management, we have introduced a slew of new initiatives to empower our employees –

- Bringing in structural clarity in terms of processes, work flow and delegation
- Imparting distinctive and clear-cut framework for 'KRAs'
- Alignment of rewards on a healthy mix of results and efforts

Besides these, as an organization we are in the process of injecting young professionals – to stimulate the environment, make it more dynamic and introduce fresh ideas.

Our efforts to put in place a system of profit driven compensation design, albeit keeping in mind the long term interests of the organization, are progressing along the right direction. We are very clear that the future lies in aligning employee interests with organizational development.

Cautionary statement

Statements in this management Discussion and analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within meaning of applicable to securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that could make a difference to the company's operations include economic developments in the country and improvement in the state of capital markets, changes in the government regulations, tax laws and other statutes and other incidental factors.

Corporate Governance Disclosure

1. Company's philosophy on code of governance:

Corporate Governance involves a set of relationships between a company's management, its board, its shareholders, its various business associates and the communities in which it operates. The Company relies on strong Corporate Governance systems and policies of business for healthy growth, accountability and transparency. The company has complied with the requirements of Corporate Governance as laid down under clause 49 of the Listing Agreement with the Stock Exchanges. In addition to compliance with regulatory requirements, the Company endeavours to ensure that the highest standards of ethical conduct are maintained throughout the organization.

2. Board of Directors:

The Board of directors is composed of professionals drawn from various fields, who bring in a wide range of skills and experience to provide guidance to the Company's management.

During the year under review, the strength of Brescon's Board is six Directors. As on 31st March 2011, the Board consisted of five Non-Executive/Independent Directors and one Executive Director. The Chairman of the Board is a Non-Executive/Independent Director. On 13th August 2010, Shri V.K. Gupta was appointed as an additional Director. Except the above, during the year under review, there was no change in the Board of the Company.

All the Directors on the Board of the Company have made the necessary declarations/disclosures regarding their other Directorships along with Committee positions held by them in other companies.

The details of the Board of Directors with respect to attendance, directorship in other companies and membership in committees of other companies are given below :

Name	Category	Attendance Particulars		No. of directorship in other Companies *	Membership of Audit & Investor Grievance Committee (excluding -Brescon)
		Board Meeting	Last AGM		
Dr. B. Vasanthan	Chairman NED	2	Yes	3	4
Shri Nirmal Gangwal	Managing Director, ED	4	Yes	6	6
Shri P. C. Godha	NED	2	Yes	3	5
Shri Rajashekar Iyer	NED	4	Yes	1	2
Ms. Pooja Gangwal Sheth	NED	3	Yes	1	--
Shri V.K. Gupta #	NED	3	No	4	2

Appointed as Additional Director w.e.f.13.08.2010

* Excluding Private Company & Foreign Company.

(NED = Non Executive Director & ED = Executive Director)

During the year 2010-2011 the Board met Four (4) times on 29th May 10, 13th August 10, 13th November 10 & 4th February 11.

3. Directors with Material Pecuniary or Business Relationship with the Company

As mandated by Clause 49, the Independent Directors of the Company:

- Apart from receiving Director's remuneration (sitting fee), do not have any material pecuniary relationship or transactions with the Company, its promoters or Directors, its senior management which may affect independence of these Directors.
- Are not related to promoters or persons occupying management positions at the Board level or at one level the Board.
- Have not been an executive of the Company in the immediately preceding three financial years.
- Are not partners or executives or were not partners or executives during the preceding three years of the :
 - a) Statutory audit firm or the internal audit firm that is associated with the Company.
 - b) Legal / consulting firm(s) that have a material association with the Company.
- Are not material suppliers, service providers or customers or lessors or lessees to the Company which may affect independence of the Directors.
- Are not substantial shareholders of the Company i.e. do not own two percent or more of the block of voting shares.

Transactions with related parties are disclosed in Note No. 9 of Schedule 18 'Notes to Accounts' annexed to the financial statements of the year. There have been no material pecuniary transactions or relationships between the Company and its non-executive and/or independent Directors during the year 2010-11.

4. Audit Committee:

During the year under review, the Audit Committee comprised of four independent non-executive Directors namely, Dr. B. Vasanthan, Shri P. C. Godha, Shri Rajashekar Iyer and Shri V. K. Gupta. Dr. B. Vasanthan was the Chairperson of the Audit Committee.

During the year 2010-2011 the committee met Four (4) times - on 29th May 2010, 13th August 2010, 13th November 2010 & 4th February 2011.

Attendance of each member at the Committee Meetings was as follows:

Dr. B. Vasanthan - 2 (Two)

Shri P. C. Godha - 2 (Three)

Shri Rajashekar Iyer - 2 (Two)

Shri V.K. Gupta -2 (Three)

The broad terms of reference of the Committee include :-

- To review the quarterly, half yearly and annual financial results of the Company before submission to the Board.
- To hold periodic discussions with the statutory auditors and internal auditors concerning the accounts, internal audit system, scope of audit and observations of the auditor/internal auditors

- To oversee the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible & to make recommendation to the Board on any matter relating to the financial management of the Company.
- To review compliance with internal control system
- To review periodically statements of transactions with related parties in the ordinary course of business.

5. Shareholders / Investor Grievance Committee:

During the year under review, the Company's Shareholders / Investor's Grievance Committee consisted of two members namely Dr. B. Vasanthan & Shri Nirmal Gangwal. The committee was headed by Dr.B. Vasanthan, an independent non-executive Director.

The Committee, apart from approving share transfers, transmissions, etc., and other related matters, also looks into the redressal of shareholder complaints like non-transfer of shares, non-receipt of annual reports, issue of duplicate shares certificate, transmission of shares, etc.

6. Finance Committee (Non Mandatory Committee) – Constituted on 08.08.2010

During the year, the Company constituted a new Finance Committee, which consists of three members, namely, Shri Rajashekar Iyer, Ms. Pooja Gangwal Sheth and Shri Nirmal Gangwal. The committee was headed by Shri Rajashekar Iyer, an independent non-executive Director.

The Committee reviews the actual performance (Revenue), existing investment portfolio and debtors management etc. on a quarterly basis

7. Remuneration Committee:

During the year under review, the Remuneration Committee consisted of a three member team, comprising of two independent Non Executive Directors (i.e.) Dr. B. Vasanthan and Shri P. C. Godha and one Executive Director (i.e.) Shri Nirmal Gangwal.

Scope & Role of Remuneration Committee:

- To determine the Company's policy on compensation packages of Executive & Non-Executive Directors and of Chief Executive Officer and for considering any revision in their compensation packages.
- Define scope/role and also implementation, administration and superintendence of the ESOP Scheme, and formulating the detailed terms and conditions of the ESOP Scheme.

Particulars of Directors Remuneration:

The aggregate value of salary and perquisite paid for the year ended 31st March, 2011 to Shri Nirmal Gangwal - Managing Director was Rs. 1,08,00,000/-, inclusive of allowances & perquisites.

Besides this, the company has paid sitting fees of Rs. 10000/- for each Board meeting and Rs. 5000/- for each Audit Committee & Finance Committee meeting attended by each Non executive Director.

Total sitting fees paid by the Company for the year ended 31st March, 2011 to the directors works out to Rs. 1,65,000/- .

8. Code of Conduct:

In compliance with clause 49 of the Listing Agreement, the Company had designed a Code of Conduct for the following categories of persons and the same is displayed on the Company's website (i.e.) www.brescon.com

- a) Non Executive Directors and
- b) Executive Directors and Senior Management Officers of the Company

9. General Body Meetings:

Location and time for last three Annual General Meeting were

Year	Location	Time	Date
2007-2008	Siddhivinayak Chambers, 6th Floor, Gandhi Nagar Opp. M. I. G Club, Bandra (E), Mumbai - 400 051.	11.30 A.M.	12/09/2008
2008-2009	Siddhivinayak Chambers, 6th Floor, Gandhi Nagar Opp. M. I. G Club, Bandra (E), Mumbai - 400 051.	11.30 A.M.	30/09/2009
2009-2010	Siddhivinayak Chambers, 7th Floor, Gandhi Nagar Opp. M. I. G Club, Bandra (E), Mumbai - 400 051.	10.30 A.M.	13/08/2010

10. Details of non compliance by the company, penalties imposed on the company by Stock Exchange or SEBI on any matter related to capital markets during the last three years.

No instance of levy of penalty by the stock exchange or SEBI due to non compliance by the Company.

11. Means of Communication:

- The quarterly/half-yearly financial results of the Company, as approved by the Board of Directors of the Company, are communicated to all the Stock Exchanges, where the shares of the Company are listed and published in the Mumbai edition of Economic Times or Business Standard and Maharashtra Times or Sagar Daily within the stipulated time. The same are not sent individually to each shareholder.
- The Company's Annual Financial Results are also displayed on the Company's website www.brescon.com.

The Management Discussion and Analysis section forms part of this Annual Report.

12. General Shareholder information:

- Annual General Meeting -
Venue
Wednesday 21st September 2011 at 10.30 a.m.
6th /7th Floor, Siddhivinayak Chambers,
Gandhi Nagar, Opp. M.I.G. Club,
Bandra (East), Mumbai - 400 051.
- Book Closure date:
Thursday 15th September 2011 to
Wednesday 21st September 2011(both days inclusive)
- Listing on Stock Exchange :
Mumbai Stock Exchange (BSE)
- Stock Code and demat ISIN No. :
The Stock Exchange, Mumbai Code 511628,
Demat ISIN No. - INE 417D01012

- Market Price Data : High / Low during each month in last financial year :

Period	High	Low	Period	High	Low
April 2010	166.50	91.05	May 2010	121.40	91.00
June 2010	110.50	96.00	July 2010	127.60	103.20
Aug 2010	119.90	103.55	Sept.2010	113.00	100.20
Oct. 2010	130.00	101.05	Nov.2010	118.00	88.00
Dec.2010	103.00	77.00	Jan. 2011	100.00	76.10
Feb.2011	84.45	70.00	Mar.2011	83.00	66.30

- Registrar and Transfer Agents :-

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound, L. B. S Marg, Bhandup (W), Mumbai - 400 078.

- Share Transfer System :**

The Compliance Officer and the Managing Director of the Company are authorised to approve the transfer of shares and the same are generally registered/confirmed within 15 days of receipt, provided the documents are clear in all aspects.

- Dematerialisation of Shares: 59.62% (i.e. 20,87,676 equity shares) of the total shareholding has been dematerialised as on 31st March 2011.

13. The Investor Education and Protection Fund (IEPF)

Following table gives information relating to outstanding dividend accounts and the dates when due for transfer to IEPF. Once the unpaid amounts are transferred to IEPF, no claims shall lie against the Company or the IEPF in respect of any amounts which were unclaimed or unpaid.

Financial Year ended	Amt. of Dividend remaining unpaid / unclaimed as on 31.03.2011	Date of Payment of Dividend	Last date for claiming unpaid dividend after which it shall be transferred to IEP Fund
2003-2004	Rs. 1,05,100/-	30.08.2004	29.08.2011
2004-2005	Rs. 1,28,830/-	30.08.2005	29.08.2012
2005-2006	Rs. 1,60,672/-	19.07.2006	18.07.2013
2006-2007	Rs. 1,66,138/-	25.08.2007	24.08.2014
2007-2008	Rs. 2,62,875/-	30.07.2008	29.07.2015
2008-2009	Rs. 1,71,143/-	03.10.2009	02.10.2016
2009-2010	Rs. 1,23,245/-	19.08.2010	18.08.2017

The company is required to transfer dividends which have remained unpaid / unclaimed for a period of seven years to the Investor Education and Protection Fund established by the government. The Company has, in August 2010 transferred dividends of Rs. 73,960/- for the year ended March 31,2003 which have remained unclaimed / unpaid.

14. Shareholding

Distribution of shareholding as on 31st March, 2011 is as under:

No. of shares	No. of Shareholders	% of Shareholders	Total No. Shares in the Category	% of Total
Upto 500	1648	90.1040	210643	6.0160
501 - 1000	79	4.3190	64523	1.8430
1001 - 2000	33	1.8040	49022	1.4000
2001 - 3000	16	0.8750	38757	1.1070
3001 - 4000	8	0.4370	29622	0.8460
4001 - 5000	4	0.2190	18434	0.5260
5001 - 10000	16	0.8750	106417	3.0390
10001 and above	25	1.3670	2984179	85.2230
TOTAL	1829	100.0000	3501597	100.0000

*Categories of shareholders as on 31st March 2011.

Category	No. of Shares of Rs. 10/- each.	Percentage %
Indian Promoters	1,68,900	4.82
Foreign Promoters	Nil	Nil
Persons Acting in Concert	18,,73,154	53.49
Mutual funds & UTI	Nil	Nil
Banks / Financial Institutions / Insurance Companies	Nil	Nil
Private Corporate Bodies	7,66,762	21.90
Indian Public	6,78,164	19.37
Clearing Member	13,213	0.38
NRI / OCB	1,404	0.04
Total	35,01,597	100.00

- Address for correspondence :**

For Transfer / Dematerialisation

Mrs. Sangita Lotankar

Senior Executive

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,
L. B. S Marg, Bhandup (W),
Mumbai - 400 078.

Phone No. 25963838

E-mail Id : sangeeta.lotankar@linkintime.co.in

For other query on Annual Report

Mr. Pankaj Jain

Sr. Manager Accounts & Finance

Brescon Corporate Advisors Ltd.

Siddhivinayak Chambers,6th Floor,
Gandhi Nagar, Opp. MIG Club,
Bandra (East), Mumbai - 400 051.

Phone No. 42538888

E-mail Id : pankaj@brescon.com

To,

The Members of Brescon Corporate Advisors Ltd.

I, Nirmal Gangwal, Managing Director, hereby declare that to the best of my knowledge and belief, all members of the Board of Directors and Senior Management Personnel have confirmed compliance with Company's Code of Conduct for the year ended 31st March 2011.

Shri Nirmal Gangwal
Managing Director

Place : Mumbai

Dated : 10.05.2011

Managing Director's & Sr. Manager Accounts & Finance Certification

We have reviewed the financial statements, read with the cash flow statement of Brescon Corporate Advisors Limited for the year ended March 31st 2011, and to the best of our knowledge and belief, we state that;

- a) (i) These statements do not contain any materially untrue statement nor do they omit any material fact or contain statements that may be misleading.
- (ii) These statements present the true and fair view of the company's affairs and are in compliance with current Accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluated the effectiveness of internal control systems of the Company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the auditors and audit committee:
 - (i) Significant changes in accounting policies made during the year and that the same have been disclosed suitably in the notes to the financial statements; and
 - (ii) There are no instances of fraud involving the management or an employee.

Shri Nirmal Gangwal
Managing Director

Pankaj Jain
Sr. Manager Accounts & Finance

Place : Mumbai

Dated: 10.05.2011

Auditor's Certificate on Compliance of conditions of Corporate Governance as per Clause 49 of the Listing Agreement with the Stock Exchange.

To

The Members of Brescon Corporate Advisors Ltd.

We have examined the compliance of conditions of Corporate Governance by Brescon Corporate Advisors Limited for the year ended 31st March 2011, as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of Management. Our examination has been limited to a review of the procedure, and implementation thereof, adopted by the Company to ensure compliance with the conditions of 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 based on 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 such compliance is neither an assurance to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For Vijay R. Tater & Co.

Chartered Accountants

Firm no.111426W

(CA Suresh G. Kothari)

Partner

Mem. No.: 47625

Place : Mumbai

Date : 10.05.2011

Auditor's Report

To,
The Members,

BRESCON CORPORATE ADVISORS LTD.

Siddhivinayak Chambers, 7th floor, Gandhi Nagar,
Opp. M.I.G. Club, Bandra (E), Mumbai- 400 051.

- 1) We have audited the attached Balance Sheet of **BRESCON CORPORATE ADVISORS LIMITED** as at 31st March, 2011, the Profit & Loss Account and also the Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) As required by the Companies (Auditor's Report) Order, 2003 as amended by the Companies (Auditors Report) (Amendment) Order, 2004 issued by the Company Law Board in terms of Section 227 (4A) of the Companies Act, 1956 and in terms of the information and explanations given to us and also on the basis of such checks, as we considered appropriate set out in the Annexure, a statement on the matters specified in paragraph 4 & 5 of the said order.
- 4) Further to our comments in Annexure referred to in paragraph 3 above we report that :-
 - a) We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books.
 - c) The Balance Sheet, Profit & Loss account and Cash flow statement dealt with by this report are in agreement with the books of accounts.
 - d) In our opinion, the Balance sheet, Profit & Loss account and Cash Flow Statement have been prepared, in all material respects in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
 - e) On the basis of the written representations received from the Directors as on 31st March, 2011, and taken on the record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of clause (g) of the 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 explanation given to us, the said accounts read together with the Significant Accounting Policies and other Notes generally give the information required by the Companies Act, 1956, in the manner so required and also give a true and fair view :-
 - (i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2011.
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date.

And

 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For **VIJAY R. TATER & CO.**

Chartered Accountants
Firm Registration No.111426W

(CA Suresh G. Kothari)

Place : Mumbai

Partner

Date : 10.05.2011

M. No 47625

Annexure to the Auditor's Report

(Referred to in paragraph 3 of our report of even date to the members of **Brescon Corporate Advisors Ltd.** For the year ended 31st March, 2011.)

- (i) a) The company has maintained proper records to show full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, during the year the fixed assets have been physically verified by the management at reasonable intervals and no material discrepancies have been noticed on such verification.
- c) The fixed assets disposed of during the year, in our opinion do not constitute a substantial part of fixed assets of the company and such disposal has, in our opinion, not affected the going concern status of the company.
- (ii) According to the information and explanation given to us, during the year the company does not have any trading activity and hence does not have any inventory. Therefore the question of physical verification, adequacy of procedures of physical verification and maintenance of proper records of inventory does not arise.
- (iii) a) According to information and explanations given to us, the company has granted unsecured loan to a subsidiary company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 248 lacs and the year end balance of such loan granted was Rs. NIL in respect of such company.
- b) In our opinion, the rate of interest and other terms and conditions of such unsecured granted by the Company are prima facie not prejudicial to the interest of the Company.
- c) The aforesaid unsecured loan is repayable on demand. According to the information and explanation given to us, loan granted by the company are at call and no stipulation have been made regarding payment of principal and interest thereon.
- d) According to the information and explanation given to us, the company has taken unsecured loan from a subsidiary company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs 546.48 and the year end balance of such loan taken was Rs 546.48.
- e) In our opinion, the rate of interest and other terms and conditions of such unsecured loan taken by the Company are prima facie not prejudicial to the interest of the Company.
- f) The aforesaid unsecured loan is repayable on demand. According to the information and explanation given to us, loan taken by the company are at call and no stipulation have been made regarding payment of principal and interest thereon.
- (iv) In our opinion and according to the information and explanations given to us, it appears that there is an adequate internal control system commensurate with the size of the company and the nature of its business with regard to purchase of shares and securities and other assets, and for the sale of shares and securities and services. Further, on the basis of our examination of the books of accounts of the company, and according to the information and explanation given to us, we have neither come across nor have been informed of any instance of major weaknesses in the aforesaid internal control system.
- (v) In respect of contracts of arrangements entered in the Register maintained in pursuance of Section 301 of the Companies Act 1956, to the best of our Knowledge and belief and according to the information and explanation given to us :
 - a) The particulars of contracts or arrangements referred to in Section 301 that needed to be entered in the Register maintained under the said Section have been so entered.
 - b) Where each of such transactions (excluding loans reported under paragraph (iii) above) is in excess of Rs. 5 lakhs in respect of any party, the transaction have been made at prices which are prima facie reasonable, having regard to the prevailing market prices at the relevant time.

- (vi) In our opinion and according to the information and explanations given to us, the company has not accepted any deposit from public during the year, within the meaning of Section 58A and 58AA and other relevant provisions of the Companies Act, 1956 and rules framed there under.
- (vii) In our opinion, internal audit function, carried out during the year by a firm of chartered accountants appointed by the management, have been commensurate with its size and nature of its business.
- (viii) According to the information and explanations given to us, the maintenance of Cost records has not been prescribed by the Central Government under Section 209 (1) (d) of the Companies Act, 1956.
- (ix) a) According to the records of the company and information and explanations given to us, the company has been regular in depositing undisputed statutory dues including provident fund, employees state insurance, income tax, sales-tax, wealth tax, custom duty, investor education and protection fund, excise duty, cess, service tax or any other statutory dues to the extent applicable with the appropriate authorities and there were no arrears under the above heads which were due for more than six months from the date they became payable as at the close of the year.
- b) According to the information and explanations given to us and records of the company examined by us, there are no dues of income tax, sales-tax, wealth tax, service tax, custom duty, excise duty, cess and any other statutory dues which have not been deposited on account of any dispute.
- (x) The company does not have any accumulated losses as at the end of the financial year and has not incurred any cash losses in the current financial year or in the immediately preceding financial year.
- (xi) Based on our examination of record and information and explanations given to us the company has not taken loan from the financial institution, banks or debenture holders during the year.
- (xii) Based on our examination of record and information and explanations given to us the company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to chit fund, nidhi or mutual benefit fund/ societies are not applicable to the company.
- (xiv) The company has maintained proper records of transactions and contracts in respect of investments in shares, debentures and other securities and those timely entries have been made therein. The shares, debentures and other securities have been held by the company in its own name except to the extent of the exemption granted under section 49 (4) of the Companies Act, 1956.
- (xv) According to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks and financial institutions.
- (xvi) The company has not taken any term loan during the year.
- (xvii) In our opinion and according to the information and explanation given to us, and on an overall examination of the balance sheet and cash flow of the company, funds raised on short term basis have, prima facie, not been used for long term investment.
- (xviii) According to the information and explanations given to us, during the year, the company has not made 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 explanations given to us, during the year the company has not issued any debentures and hence no securities or charges are required to be created in respect thereof.
- (xx) The company has not raised any money by way of public issues during the period covered under the audit report.
- (xxi) On the basis of our examination and according to the information and explanation given to us, no fraud, on or by the company, has been noticed or reported during the year.

For **VIJAY R. TATER & CO.**
Chartered Accountants
Firm Registration No.111426W

(CA Suresh G. Kothari)

Place : Mumbai
Date : 10.05.2011

Partner
M. No 47625

Balance Sheet As At 31st March, 2011

	Schedule	Rupees	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SOURCES OF FUNDS:				
1 Shareholders' Funds				
a) Share Capital	1	35,015,970		34,949,300
b) Share Application Money		-		340,017
c) Reserves & Surplus	2	395,269,613		346,671,481
			430,285,583	381,960,798
2 Loan Funds				
a) Unsecured Loan	3		54,647,494	-
Total			484,933,077	381,960,798
APPLICATION OF FUNDS :				
1 Fixed Assets				
a) Gross Block	4	12,779,467		13,032,167
b) Less: Depreciation		11,563,764		11,613,950
c) Net Block			1,215,703	1,418,217
d) Capital work in progress			12,901,403	-
2 Investments	5		393,934,424	321,565,902
3 Current Assets, Loans & Advances				
a) Current Assets	6			
i) Sundry Debtors		88,229,604		62,699,671
ii) Cash & Bank Balances		5,809,470		14,443,992
b) Loans & Advances	7	109,527,914		83,775,715
		203,566,988		160,919,378
4 Less: Current Liabilities & Provisions				
a) Current Liabilities	8	19,442,533		19,773,998
b) Provisions	9	107,273,889		82,208,201
		126,716,422		101,982,199
Net Current Assets			76,850,566	58,937,179
5 Deffered Tax Assets			30,981	39,500
Total			484,933,077	381,960,798
Significant Accounting Policies & Notes on Accounts	14			

As per our report of even date attached
For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

CA Suresh G. Kothari
Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

For and on behalf of the Board
Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Profit And Loss Account For The Year Ended 31st March, 2011

29

	Schedule	Year ended on 31.03.2011 Rupees	Year ended on 31.03.2010 Rupees
INCOME			
Fee Based Financial Services	10	156,064,306	191,048,799
Other Income	11	10,504,927	6,173,980
Total		166,569,233	197,222,779
EXPENDITURE			
Employees Cost	12	50,896,185	48,508,194
Administrative Expenses	13	28,994,114	37,294,908
Interest Paid		1,419,886	-
Bad Debts		1,136,564	14,185,352
Depreciation		287,855	508,064
Loss on sale of Investments		-	8,192,155
Loss on sale of Fixed Assets		30,459	580,204
		82,765,063	109,268,877
PROFIT / (LOSS) BEFORE TAX		83,804,170	87,953,902
Less : Short Provision for Taxation of earlier years		-	1,638,152
Less : Provision for Taxation		25,080,000	30,955,469
(Add) : Provision for Shortfall in Gratuity		-	(363,679)
(Add) : Provision for Diminishing Value of Investments		-	(33,765)
Provision for Deffered Tax			
Less : Timing difference on account of difference of current year depreciation		8,519	259,588
PROFIT / (LOSS) AFTER TAX		58,715,651	55,498,136
Add : Balance brought forward		246,533,782	216,257,878
AVAILABLE FOR APPROPRIATION		305,249,433	271,756,015
Proposed Dividend		8,753,993	8,737,325
Tax on Distributed Fund		1,453,929	1,484,908
Transferred to General Reserve		10,000,000	15,000,000
Balance carried to Balance Sheet		285,041,511	246,533,782
Basic Earnings per Shares (Refer note no.2 (10) in schedule 14)		16.77	15.88
Diluted Earnings per Shares (Refer note no.2 (10) in schedule 14)		16.77	15.88
Significant Accounting Policies & Notes on Accounts		14	

As per our report of even date attached
For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

For and on behalf of the Board
Dr. B. Vasanthan
Chairman

CA Suresh G. Kothari
Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

Nirmal Gangwal
Managing Director

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Schedules Annexed To And Forming Part Of Balance Sheet As At 31st March, 2011

	Rupees	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SCHEDULE -1 "SHARE CAPITAL"			
Authorised			
1000000 Equity Shares of Rs. 10/- each		100,000,000	100,000,000
200000 Preference Shares of Rs. 100/- each		20,000,000	20,000,000
		120,000,000	120,000,000
Issued, Subscribed and paid up			
3501597(3494930) Equity Shares of Rs. 10/- each fully paid up.		35,015,970	34,949,300
		35,015,970	34,949,300
SCHEDULE -2 " RESERVES & SURPLUS"			
General Reserve			
Add : Transferred from Profit & Loss account	70,037,016		55,037,016
	10,000,000		15,000,000
		80,037,016	70,037,016
Share Premium A/c.		29,742,377	29,469,030
Profit & Loss Account		285,041,511	246,533,782
Employee Stock Option			
Empolyee Stock Option Reserve	489,500		
Less : Deffered Employee Compensation Expenses	40,791		
		448,709	631,653
		395,269,613	346,671,481
SCHEDULE - 3 "LOAN FUNDS"			
Unsecured Loan			
Loan from Subsidiary Company		54,647,494	-
		54,647,494	-

SCHEDULE - 4 "FIXED ASSETS"

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2010	Additons during the year	Deductions during the year	As at 31.03.2011	As at 01.04.2010	for the year	Deductions for the year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
A) Owned Assets										
Furniture, Fixtures & Fittings	2,708,563	-	-	2,708,563	2,146,609	56,195	-	2,202,804	505,759	561,954
Office Equipment / Air-conditioners	2,394,709	75,000	138,800	2,330,909	1,707,893	101,201	89,157	1,719,937	610,972	686,816
Computer	7,928,895	70,800	259,700	7,739,995	7,759,448	130,459	248,884	7,641,023	98,972	169,447
TOTAL (A)	13,032,167	145,800	398,500	12,779,467	11,613,950	287,855	338,041	11,563,764	1,215,703	1,418,217
B) Capital work in progress										
Residential Flat	-	12,901,403	-	12,901,403	-	-	-	-	12,901,403	-
TOTAL (B)	-	12,901,403	-	12,901,403	-	-	-	-	12,901,403	-
TOTAL (A+B)	13,032,167	13,047,203	398,500	25,680,870	11,613,950	287,855	338,041	11,563,764	14,117,106	1,418,217
Previous Year	14,156,629	160,400	1,284,862	13,032,167	11,502,585	508,064	396,699	11,613,950	1,418,217	-

Schedules Annexed To And Forming Part Of Balance Sheet As At 31st March, 2011

31

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SCHEDULE - 5 " INVESTMENTS"		
(Valued, verified & Certified by the Management)		
Investment in Shares		
A) Long Term - Non Trade :-		
i) Unquoted		
In subsidiary company:-		
5000000 (Previous Year 5000000) Equity Shares of Cognizant Finance P.Ltd. (Face Value Rs.10/- each)	50,000,000	50,000,000
Others :-		
Nil (previous year 477334) fully convertible warrants @ Rs.53/- each of Multi Flex Lami Print Ltd .(face value Rs.10/- each at premium of Rs.43/- each) (5 % i.e.Rs.2.65 per Share warrant paid)	-	1,264,936
Investment in Indian Real Opp.Venurer Capital Fund (now known as Milestone Real Estate Fund)	4,047,000	5,000,000
6660 Equity shares of Global Wind Power Ltd @ Rs.50/- per share	333,000	333,000
ii) Quoted		
Investment In Shares & Securities -> In Equity Shares / Diversified Mutual Fund Scheme (Mkt.Value - Rs.419.23 Lacs) (P.Y. Mkt. Value - Rs.530.09 Lacs)	70,468,888	56,858,161
B) Current Investment		
-> In Mutual Fund / Bonds (Floater & Liquid / FMP) (Mkt.value - Rs.2728.83 Lacs) (P.Y. Mkt.Value - 2085.14 Lacs)	269,085,536	208,109,806
	393,934,424	321,565,902
SCHEDULE -6 "CURRENT ASSETS"		
Debtors (Unsecured, considered good)		
More than six months	28,219,777	11,353,029
Less than six months	60,009,827	51,346,642
	88,229,604	62,699,671
Cash and Bank Balances		
-> Cash on Hand	159,186	313,775
-> Bank Balance In Current Account	5,650,284	14,130,217
	5,809,470	14,443,992
	94,039,074	77,143,663
SCHEDULE - 7 " LOANS & ADVANCES"		
(Unsecured considered good)		
Deposit for Office Premises	9,240,000	9,738,600
Advances Recoverable in cash in kind or for value to be received	4,129,304	3,990,287
Advance Tax,Self Asst.Tax & TDS	96,158,610	70,046,828
	109,527,914	83,775,715
SCHEDULE - 8 " CURRENT LIABILITIES"		
Creditors - For Expenses & others	7,274,416	7,590,008
Others Liabilities	12,168,117	12,183,990
	19,442,533	19,773,998
SCHEDULE - 9 " PROVISIONS"		
Provision for Proposed Dividend	8,753,993	8,737,325
Provision for tax on distributed profit	1,453,929	1,484,908
Provision for Fringe Benefits Tax	1,069,253	1,069,253
Provision for Taxation	95,996,715	70,916,715
	107,273,889	82,208,201

Schedules Annexed To And Forming Part Of Profit & Loss Account For The Year Ended 31st March, 2011

	For the year ended 31.03.11 Rupees	For the year ended 31.03.2010 Rupees
SCHEDULE - 10 "FEE BASED FINANCIAL SERVICES"		
Financial Restructuring / Recapitalisation	113,831,431	136,744,828
Syndication of Debt	38,232,875	54,303,971
M&A Advisory	4,000,000	-
	156,064,306	191,048,799
SCHEDULE - 11 "OTHER INCOME"		
Dividend	2,865,050	5,445,983
Interest Received	926,987	727,997
Profit / (Loss) on sale of Investment	6,712,889	-
	10,504,927	6,173,980
SCHEDULE - 12 " EMPLOYEES COST"		
Salaries, Incentive & Allowances	47,655,002	48,433,013
Employee Compensation Expenses	(182,944)	(2,086,459)
Contribution In Gratuity Fund / Key Men Insurance	2,021,033	509,163
Staff Welfare	1,403,093	1,652,476
	50,896,185	48,508,194
SCHEDULE - 13 "ADMINISTRATIVE EXPENSES"		
Advertising Expenses & Public Relation Expenses	543,900	594,185
Auditors Remuneration		
- Audit Fees including statutory certification	75,000	75,000
- For Tax Audit	15,000	15,000
Bank Charges	35,782	42,937
Books & Periodicals	458,304	512,984
Business Promotion Expenses	3,084,912	3,457,824
Computer / Software expenses	591,320	733,456
Conveyance	536,580	198,380
Directors sitting fees	165,000	235,000
Donation	23,000	125,000
Electricity & Water charges	825,942	1,175,740
Insurance charges	19,705	3,213
Internet & e-mail expenses	464,556	559,828
Miscellaneous Office Expenses	187,617	217,899
Motor car expenses	535,471	1,384,788
Office Utilities	10,204,650	15,599,441
Postage & Couriers	93,040	87,825
Printing & Stationery	844,168	824,449
Rates & Taxes & Other filling Fees	31,930	120,400
Professional Fees & Recruitment Charges	5,782,261	5,638,536
Repairs & Maintenance	137,863	344,682
ROC Expenses	7,000	7,650
Seminar & Conference Expenses	387,330	212,887
Shares & Securities Expenses	50,603	115,911
Share Transfer Agent Fees	56,000	55,000
Society Maintenance charges	347,030	558,690
Subscription & Membership Fees	664,776	1,870,427
Telephone Expenses	878,859	703,146
Travelling Expenses	1,946,515	1,824,628
	28,994,114	37,294,908

Schedule Forming Part Of The Accounts For The Year Ended 31st Match, 2011

SCHEDULE- 14

A. SIGNIFICANT ACCOUNTING POLICIES:

1. Accounting Convention :

The Financial Statements have been prepared under the historical cost convention, on accrual basis to comply in all material respects with all applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

2. Use of Estimates:

The preparation of the financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying financial statements are based upon management's evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

3. Fixed Assets :

The fixed assets are stated at acquisition cost less accumulated depreciation.

4. Depreciation / Amortisation :

Depreciation on Fixed Assets has been provided in accordance with the rates specified under Income Tax Rules, 1962 or under Schedule XIV of the Companies Act, 1956 on straight line method for single shift, whichever is higher.

In respect of additions / deductions during the period for the purpose of charging the Depreciation the period is reckoned as per the provisions of the Income Tax Rules, 1962.

5. Investments :

The Investments are classified as Quoted & Unquoted Investments.

- A) Long term Investments are stated at cost less provision for permanent diminution in value of such Investments.
- B) Current Investments are stated at lower of cost and fair market value, determined by category of Investments.
- C) Investments in Subsidiaries are accounted on the cost method, whereby the company recognizes only dividends received from the subsidiary as income. In case of losses made by the subsidiary, other than temporary, adequate provision is made to recognize any decline in the value of investment.

Quantitative Statement of Opening & Closing Stock of Quoted Investment is given in Annexure 1.

6. Foreign Currency Transactions :

Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. Gains / losses arising out of fluctuation in exchange rates on settlement are recognised in the profit and loss account.

Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the period end and the overall net gain / loss is adjusted to the profit and loss account.

7. Retirement Benefits :**a) Post - employment benefit plan :**

Liability for gratuity as at the year end is provided on the basis of actuarial valuation and funded with Life Insurance Corporation of India.

b) Short term employment benefits:

The amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognised during the period when the employee renders the services. These benefits include performance incentives.

c) Key Man Insurance Policy:

The Company has taken a Key Man Insurance Policy of the Managing Director with Life Insurance Corporation of India.

d) Employee Stock Option Plan :

Stock Option grants to the employees who accept the grant under the Company's Stock Option Plan are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Guidance Note on Accounting for Employee Share-based payments issued by Institute of Chartered Accountants of India. The Company follows the fair value method for option pricing and accordingly the fair value of the option as of the date of the grant of the option over the exercise price of the option is recognized as employee compensation cost and amortised on straight line basis over the vesting period

8. Revenue Recognition :**a) Income From Operations**

Revenue from Debt Resolution / Debt syndication and Financial Restructuring Advisory Services are recognised on the basis of achievement of prescribed milestones as relevant to each mandate or proportionate completion method, as applicable.

Revenue from Private Equity placement, Merger & Acquisition advisory and Due diligence advisory is recognised on completion basis of the assignment.

b) Other Income

Interest Income is recognised on accrual basis, while dividend on shares & securities is recognised when right to receive the dividend is established.

9. Borrowing Costs :

Interest and other costs incurred in connection with borrowing of the funds are charged to revenue on accrual basis except those borrowing cost which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use. Such costs are capitalised with the fixed assets.

10. Earnings per Share (EPS) :

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax (after providing the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of equity shares outstanding during the year.

11. Taxation :**a) Current Tax :**

A provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.

b) Deferred Tax :

Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognized using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognized unless there is a virtual certainty with respect to the reversal of the same in future.

12. Impairment of Assets :

Assets are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognized for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is higher of the asset's fair value less costs to sell vis-à-vis value in use. For the purpose of impairment, assets are grouped at the lowest levels for which there are separately identifiable cash flows.

13. Provisions and Contingencies :

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation cannot be made.

B. NOTES TO ACCOUNTS**1. Consolidated Financial Results :-**

Consolidated financial statements forming part of the accounts with the auditor's report thereon are attached herewith.

2. Contingent Liabilities not provided for :-

	(Rs. in Lacs)	
	31.03.2011	31.03.2010
1) Estimated amount of contracts remaining to be executed on capital account (Net of Advances)	239.60	Nil
2) Uncalled liabilities of partly paid-up convertible warrants		
a) 4.77 Lacs fully convertible warrants of Multi-Flex Lami Print Ltd. of payable @ Rs.50.35 each	Nil	240.34

3. Managerial Remuneration :-

Salary and other benefits include remuneration paid to Managing Director, as under :-

Salary Rs.1,08,00,000/- (For 12 Months) (Previous Year Rs. 81,00,000/- for 9 Months.)

Calculation of Remuneration in accordance with Section 309(5) of the Companies Act,1956 for the year ended 31st March, 2011

	31.03.2011 (Rupees)	31.03.2010 (Rupees)
Profit Before tax	8,38,04,170	8,79,53,902
Add : Remuneration paid to Whole time Director	1,08,00,000	81,00,000
Total	9,46,04,170	9,60,53,902
Add / (Less) : Loss / (Profit) on sale of Investments	(67,12,889)	81,92,155
Net Profit U/s 349 of the companies Act,1956	8,78,91,281	10,42,46,057
(Amount which can be paid under companies Act to Whole time Director (@ 5% of Net Profit)	43,94,564	52,12,302

Central Government has approved remuneration to the tune of Rs.9.00 Lacs per month vide letter no.A-68187376-CL.VII dated 18th May 2010. Hence the same is provided in the books

4. Deferred tax:-

Break up of Deferred Tax Asset and Deferred Tax Liability arising out of timing differences

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
Deferred Tax Assets:- (Opening)	39,500	299,088
Add: Deferred Tax Assets / (Deferred Tax Liability) for timing difference on Depreciation	(8,519)	(259,588)
Net deferred Tax Assets / (Deferred Tax Liability)	30,981	39,500

The Company has unadjusted Capital Loss under the Income Tax Act, 1961. However as a matter of prudence and in the absence of virtual certainty of sufficient future taxable Capital Gains, deferred tax asset on the same has not been recognised in accounts.

5. Expenditure, Earnings, and remittance in foreign currency (Rs. in Lacs)

1. Expenditure (Travelling) - Rs.0.46 (Previous year Rs. 1.10)
2. Earnings (Advisory Fees) - Rs.Nil (Previous year Rs. 12.13)

6. Details of Employee Stock Option Scheme,2006 is as under :-

Particulars	Grant - II		Grant - III	
	No. of Options	Amount (Rs.)	No. of Options	Amount (Rs.)
Date of Grant	31.07.2007		01.07.2008	
Total no. of Options Granted	92,500		110,500	
Exercise Price	Rs.51/-		Rs.51/-	
Options outstanding at the beginning of the year	12,500	3,89,375	10,000	4,89,500
Granted during the year	Nil	Nil	Nil	Nil
Expired/Lapsed during the year	12,500	3,89,375	Nil	Nil
Exercised but not allotted during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	Nil	Nil	10,000	4,89,500
Amount written off	Nil	(3,46,111)	-	1,63,167

7. The disclosure under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 is not applicable to our company as we are neither a trading nor a manufacturing company and accordingly do not have any such suppliers.
8. The Company is engaged in the intermediation and advisory services of Debt Resolution & Recapitalisation, Debt Syndication and Other Corporate Financial Services. These in context of Accounting Standard 17 (AS 17) on Segment Reporting issued by Institute of Chartered Accountants of India are considered to constitute one single primary segment.
9. Disclosure requirements as per Accounting Standard 18 (AS-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India

I. List of Related Parties :

- a) Parties Where Control Exists:
- (i) Subsidiary Companies
Cognizant Finance Pvt. Ltd.
- b) Associate companies where managing directors or relatives of managing director are Directors.
- (i) Brescon Research Pvt. Ltd.
(ii) Ind Finance & securities Trust Pvt. Ltd.
(iii) Brescon Marketing Service Pvt. Ltd.
(iv) Deep Investrade (Bombay) Pvt. Ltd.
(v) I Tenable India Ltd.
- c) Key Management Personnel
- (i) Nirmal Gangwal - Managing Director

II. Particulars of transactions during the year with Related Parties :

(Rs. in Lacs)

Name of the Party	Nature of transaction	2010-11	2009-10
Cognizant Finance Pvt. Ltd.	Investment in Shares of Subsidiary Company Interest received / (paid) (net) Short Term Loan taken (net)	----- (8.08) 551.70	1.00 --- ---
Brescon Research Private Limited	Business Centre fees paid	25.20	37.80
Ind Finance & Securities Trust Private Limited	Business Centre fees paid	50.40	75.41
Brescon Marketing Services Private Limited	Business Centre fees paid	25.20	37.80
Deep Investrade (Bombay) Private Limited	Business Centre fees paid	1.25	4.98
I Tenable India Ltd.	Data Processing Charges Received	2.65	---
Nirmal Gangwal	Remuneration as a a) Chief Executive Officer b) Managing Director	--- 108.00	36.00 81.00

III. Particulars of Outstanding Balance at the end of the year with Related Parties

(Rs. in Lacs)

Name of the Party	Nature of transaction	2010-11 Receivable / (Payable)	2009-10 Receivable / (Payable)
Cognizant Finance Private Limited.	Investment in Shares of Subsidiary Company	500.00	500.00
	Interest Payable (net)	(7.27)	---
	Short Term Loan taken (net)	(539.20)	
Brescon Research Private Limited	Office Premises deposit given	23.10	23.10
Ind Finance & Securities Trust Private Limited	Office Premises deposit given	46.20	46.20
Brescon Marketing Services Private Limited	Office Premises deposit given	23.10	23.10
Deep Investrade (Bombay) Private. Limited	Office Premises deposit given	----	4.98
Nirmal Gangwal	Remuneration as a Managing Director	(13.13)	----

- 10 As per Accounting Standard 20 "Earning Per Share" issued by Institute of Chartered Accountant of India the Company gives following disclosure for the year.

Basic & Diluted Earning Per Share

Basic Earning Per Share		2010-11	2009-10
Profit / Loss after tax (Rs. in lacs)	(A)	587.16	554.98
Weighted Avg. No. of Shares (No. in lacs)	(B)	35.02	34.95
Earning Per Share (Rs.)	(A/B)	16.77	15.88
Diluted Earning Per Share			
Profit / Loss after tax (Rs. in lacs)	(A)	587.16	554.98
Weighted Avg. No. of Shares (No. in lacs)	(B)	35.01	34.95
Earning Per Share (Rs.)	(A/B)	16.77	15.88

11. Diminution in Value of Long Term Investment

The diminution of Rs 285.46 Lacs (Previous Year Rs 38.49 Lacs) in the value of long term investments in quoted equity shares and diversified Mutual Fund Schemes has not been provided as in the view of the management such diminution is temporary in nature and as such there is no requirement of making any provision.

12. During the financial year 2006-07 the Company had subscribed fully convertible 4,77,334 Warrants of Multi Flex Lami Print Ltd @ Rs. 53 per warrants. By making a payment of 5% i.e. Rs 2.65 per Warrant. The Company was entitled to apply for and be allotted 4,77,334 equity shares at a price of Rs 53/- per share on payment of the balance amount. The last date for such payment was 07.09.2010. Due to subuded and delay in IPO by the Multi Flex Lami Print Ltd , the Company has decided not to exercise its option by not paying the balance amount due against the Warrants. In terms of the provisions of Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, Multi Flex Lami Print Ltd forfeited the said Warrants. The loss amounting to Rs.12,64,936/- due to forfeiture of Warrants has been shown under the head loss on sale of investment.

13. The figures of the previous year have been regrouped and recast wherever necessary to confirm to the groupings of the current year.

As per our report of even date attached

For **Vijay R. Tater & Co.**

Chartered Accountants

Firm Registration No.111426W

CA Suresh G. Kothari

Partner

(M.No.47625)

Mumbai

Date: 10.05.2011

For and on behalf of the Board

Dr. B. Vasanthan

Chairman

Nirmal Gangwal

Managing Director

Premchand Godha

Director

Mumbai

Date: 10.05.2011

Schedule 14 (contd.)

14 Balance Sheet Abstract and Company's General Business Profile

I. Registration Details

Registration No.	11-63709	State Code	11
Balance Sheet Date	3 1 0 3 1 1		
	Date Month Year		

II. Capital Raised during the year (Amount in Rs. Thousands)

Public Issue	Nil	Right Issue	Nil
Bonus Issue	Nil	Private Placement (ESOP)	66.67

III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

Sources of Funds	Total Liabilities	Total Assets
Paid-Up Capital	484,933	Reserves and Surplus
Share Appl.Moeny	35,016	Secured Loans
Unsecured Loan	Nil	Deffered Tax Liability
	54,647	Investments
Application of Funds	Net Fixed Assets (including WIP)	Misc. Expenditure
	14,117	Deffered Tax Assets
	Net Current Assets	Total Expenditure
	76,851	Profit /Loss after Tax
	Accumulated losses	Dividend rate %
	Nil	

IV. Performance of the Company (Amount in Rs. Thousands)

Turnover	166,569	Total Expenditure	82,765
Profit/Loss before Tax	83,804	Profit /Loss after Tax	58,716
Earning per share in Rs.	16.77	Dividend rate %	25%

V. Generic Names of three Principal products / services of the company (as per monetary terms)

Products Description	Item Code No.
Financial Restructuring, Syndication of Debt & Equity Related Services / Advisory	Not Applicable

As per our report of even date attached
 For **Vijay R. Tater & Co.**
 Chartered Accountants
 Firm Registration No.111426W

For and on behalf of the Board
Dr. B. Vasanthan
 Chairman

CA Suresh G. Kothari
 Partner
 (M.No.47625)
 Mumbai
 Date: 10.05.2011

Nirmal Gangwal
 Managing Director

Premchand Godha
 Director
 Mumbai
 Date: 10.05.2011

Annexure -1A

A) Statement of Quoted Investment in Shares & Securities as on 31.03.2011

Sr. No.	Scrip Name	Face Value	Quantity		Quantity as at		Value considered (at cost value)	
			Acquired	Sold	31.03.2011	31.03.2010	31.03.2011	31.03.2010
			During the period		No. of Shares / Units	No. of Shares / Units	Rupees	Rupees
1	Alok Industries Ltd.	10	50,000	-	50,000	-	1,182,000	-
2	Asian Hotel (East) Ltd.	10	-	-	4,072	4,072	2,965,082	2,965,082
3	Asian Hotel (North) Ltd. - Bonus	10	-	2,000	2,072	4,072	-	-
4	Asian Hotel (West) Ltd.	10	-	-	4,072	4,072	2,965,082	2,965,082
5	Banswara Syntex Ltd.	10	-	11,983	-	11,983	-	686,588
6	Bellary Steel & Alloys Ltd.	1	-	-	90,000	90,000	450,698	450,698
7	Coal India Ltd.	10	4,499	4,499	-	-	-	-
8	D B Realty Ltd.	10	10,000	10,000	-	-	-	-
9	Dhanuka Agritech Ltd.	2	29,911	-	29,911	-	2,392,107	-
10	Edelweiss Capital Ltd.	1	25,000	-	25,000	-	1,098,734	-
11	Ganesh Polytek Ltd.	10	5,000	-	5,000	-	294,200	-
12	Garnet Construction Ltd.	10	-	7,087	-	7,087	-	472,102
13	Govind Rubber Ltd.	10	72,329	-	72,329	-	1,064,245	-
14	Grabal Alok Ind.	10	-	-	5,400	5,400	722,886	722,886
15	Himatsingka Seide Ltd.	5	10,000	6,105	3,895	-	239,884	-
16	IFB Industries Ltd.	10	17,486	10,000	7,486	-	798,099	-
17	India Bulls Finance Ltd.	2	-	2,000	-	2,000	-	1,205,942
18	Infrastructure Development Finance Co. Ltd.	10	20,000	-	20,000	-	3,619,289	-
19	JBF Industries Ltd.	10	5,000	-	5,000	-	790,087	-
20	Kotak Indoworld Infrastructure	10	-	100,000	-	100,000	-	1,000,000
21	Nahar Industrial Enterprises Ltd.	10	-	7,024	-	7,024	-	1,175,432
22	Nicco Corporation Ltd.	2	-	-	616,070	616,070	12,184,831	12,184,831
23	Oberoi Realty Ltd.	10	11,388	-	11,388	-	2,960,880	-
24	Patel Airtemp (India) Ltd.	10	5,000	-	5,000	-	425,615	-
25	Pioneer Investcorp Ltd.	10	20,000	-	20,000	-	1,376,971	-
26	Power Grid Corporation of India Ltd.	10	19,383	-	19,383	-	1,744,470	-
27	Rainbow Denim Ltd.	10	-	-	20,268	20,268	123,702	123,702
28	Rama Petrochemical Ltd.	10	-	-	10,000	10,000	146,820	146,820
29	Remi Metals Gujarat Ltd.	6	-	177,053	1,240,175	1,417,228	7,441,050	8,503,368
30	Sangam (India) Ltd.	10	-	9,049	-	9,049	-	510,472
31	Saurashtra Cement Ltd.	10	-	-	499,500	499,500	17,482,500	17,482,500
32	Shilpa Medicare Ltd.	2	7,311	-	7,311	-	1,933,028	-
33	Solar Industries India Ltd.	10	-	95	-	95	-	46,293
34	Stone India Ltd.	10	-	5,000	33,606	38,606	5,197,228	5,970,487
35	Tecpro Systems Ltd.	10	2,355	-	2,355	-	869,399	-
36	Vybra Automet Ltd.	10	-	5,952	-	5,952	-	245,877
	Total (A)	-	314,662	357,847	2,809,293	2,852,478	70,468,888	56,858,161

B) Floater/FMP Mutual Fund / Bonds /CD

Sr. No.	Scrip Name	Face Value	Quantity		Quantity as at		Value considered (at cost value)	
			Acquired	Sold	31.03.2011	31.03.2010	31.03.2011	31.03.2010
			During the period		No. of Shares / Units	No. of Shares / Units	Rupees	Rupees
i	Mutual Funds -Floater / FMP							
1	Birla Sunlife Dynamic Fund	10	141	16,706	-	16,565	-	170,331
2	DSP Black Rock FMP-12M Series 18- G	10	2,500,000	-	2,500,000	-	25,000,000	-
3	DSP Black Rock FMP-3M Series 23	10	2,400,000	2,400,000	-	-	-	-
4	DSP Black Rock FMP-3M Series 29-Div.	10	2,446,584	-	2,446,584	-	24,465,840	-
5	DSP Black Rock FMP-3M Series 30	10	3,000,000	-	3,000,000	-	30,000,000	-
6	ICICI Prudential Flexible Plan- W D	100	107	14,964	-	14,857	-	1,566,601
7	ICICI Pru. Interval Fund IV Q-Plan-B Growth	10	2,381,928	2,381,928	-	-	-	-
8	ICICI Pru. Series 56 1 Yr. - Plan - B Growth	10	2,552,545	-	2,552,545	-	25,525,450	-
9	ICICI Pru.Interval Fund II Q-Plan-F Growth	10	2,068,389	2,068,389	-	-	-	-
10	ICICI Pru.Interval Fund V Monthly-A Growth	10	903,057	903,057	-	-	-	-
11	ICICI Prudential Flexible Income Plan-DD	100	236,623	236,623	-	-	-	-
12	IDFC Money Mnaager Fund-Inve-DD	10	1,241,540	7,236,079	-	5,994,539	-	60,035,305
13	IDFC SSIF Medium Term - Plan A - DD	10	148,658	148,658	-	-	-	-
14	IDFC SSIF Medium Term - Plan B (Ins) - D	10	3,107,826	2,633,935	473,891	-	5,384,447	-
15	Kotak Credit Opportunities Fund - Growth	10	6,000,000	-	6,000,000	-	60,000,000	-
16	Kotak FMP Series 41- Growth	10	3,000,000	-	3,000,000	-	30,000,000	-
17	Kotak Liquid Fund	10	28,528,119	28,528,119	-	-	-	-
18	Reliance Liquid Fund - Cash Plan	10	444,055	-	444,055	-	7,000,000	-
19	Reliance Medium Term Fund	10	4,934,762	8,229,191	-	3,294,429	-	56,337,570
20	Reliance Qterly Interval Fund Series I -Div	10	1,538,807	-	1,538,807	-	15,401,838	-
21	Reliance RSF Debt- Institut.Growth Plan	10	-	2,367,163	-	2,367,163	-	30,000,000
22	Reliance RSF Debt-Growth Plan	10	-	2,396,511	-	2,396,511	-	30,000,000
23	Tata Fixed income Portfolio-Fund B3	10	38,755	3,038,335	-	2,999,580	-	30,000,000
	Total (i)		67,471,895	62,599,657	21,955,882	17,083,644	222,777,575	208,109,806
ii	Bonds / CD							
1	8.86% IDFC Bonds		44	44	-	-	-	-
2	8.48% IDFC Bonds		12	12	-	-	-	-
3	9.70% IFCI Bonds		8	8	-	-	-	-
4	9.70% GE Shipping Bonds		28	28	-	-	-	-
5	10.20% SREI Bonds		2	-	2	-	2,013,959	-
6	IFCI Deep Discount Bonds		12,670	-	12,670	-	33,056,030	-
7	OBC CD		239	239	-	-	-	-
8	United Bank of India -CD		100	100	-	-	-	-
9	7.80 % Nabard Bonds		11	11	-	-	-	-
10	12.50% Magma Fincorp Ltd- Bonds		5	-	5	-	5,130,137	-
11	7.5 % WSPF Bonds		10	-	10	-	1,040,479	-
12	11.35% Tata Motors FinLtd Per.Bond		106	96	10	-	5,067,356	-
13	8.84% PGC Bonds		24	24	-	-	-	-
	Total (ii)		13,259	562	12,697	-	46,307,961	-
	Total (B = i+ii)		67,485,154	62,600,219	21,968,579	17,083,644	269,085,536	208,109,806
	Grand Total A+B		67,799,816	62,958,066	24,777,872	19,936,122	339,554,424	264,967,967
	Market Value (A + B)						3148.06 Lacs	2615.23 Lacs

Cash Flow Statement For the Year Ended 31st March, 2011

	YEAR ENDED ON 31.03.2011		YEAR ENDED ON 31.03.2010	
	RUPEES	RUPEES	RUPEES	RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after tax		58,715,650		55,498,136
Adjustments for :				
- Deprecation	287,855		508,064	
- Employee Stock Option amortisation	(182,944)		(2,086,459)	
- Interest received	(926,987)		(727,997)	
- Interest paid	1,419,886		-	
- Dividend received	(2,865,050)		(5,445,983)	
- (Profit) / loss on sale of fixed assets/ Investment	(6,682,430)		8,772,358	
- Provision for taxation	25,088,520	16,138,849	32,455,766	33,475,750
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		74,854,499		88,973,886
(Increase)/Decrease in current assets				
- Inventories	-		-	
- Sundry Debtors	(25,529,933)		34,306,986	
- Loans & Advances	359,583		(2,296,501)	
	(25,170,350)		32,010,485	
Increase/(Decrease) in current liabilities				
- Liabilities	54,316,029		(4,053,222)	
		29,145,678		27,957,263
CASH GENERATED FROM OPERATIONS		104,000,178		116,931,149
Direct Taxes Paid	(27,596,690)	(27,596,690)	(40,443,572)	(40,443,572)
NET CASH FROM OPERATING ACTIVITIES		76,403,487		76,487,577
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(13,047,203)		(160,400)	
Sale of Fixed Assets	30,000		307,960	
(Purchase) / Sale of Investments	(65,655,633)		(77,550,282)	
Dividend Received	2,865,050		5,445,983	
Interest Received	926,987		727,997	
NET CASH USED IN INVESTING ACTIVITIES		(74,880,798)		(71,228,742)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Equity Shares (inculding Share Premiume)	340,017		-	
Share Application Money received	(340,017)		340,017	
Interest Paid	(1,419,886)		-	
Dividend Paid	(8,737,325)		(8,737,325)	
NET CASH USED IN FINANCING ACTIVITIES		(10,157,211)		(8,397,308)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(8,634,522)		(3,138,473)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)		14,443,993		17,582,466
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)		5,809,471		14,443,993

Notes:

- 1) The above Cash Flow statement has been prepared under Indirect Method set out in AS-3 issued by the Institute of Chartered Accountants of India.
- 2) The balance with the bank for unpaid dividend is not available for use by the company and the money remaining unpaid will be deposited in Investors Protection and Education Fund after the expiry of seven years from the date of declaration of dividend.
- 3) Figures in brackets indicates out go.
- 4) Previous year figures have been regrouped and recast wherever necessary.

As per our report of even date attached

For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

CA Suresh G. Kothari
Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

For and on behalf of the Board

Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Statement Pursuant To Section 212 Of The Companies Act, 1956 To Be Included

Statement Pursuant to Section 212 of the Companies Act, 1956 to be included

1. Name of the Subsidiary Company	Cognizant Finance Pvt. Ltd.
2. Financial Year of the Subsidiary ended on	31.03.2011
3. Date from which the company became a subsidiary	23.11.2006
4. Extent if the interest of the Company in the subsidiary at the end of the financial year	
a) No.of Shares held by Holding Co.	5,000,000
b) % of Shareholding	100.00
5 a) Net aggregate amount of profit less lossess so far as they concern members of the company and not dealt with,in the company's account	
i) for the Financial year ended 31.03.2011 (Rs.in lacs)	86.60
ii) for the previous Financial year since it became a subsidiary (Rs. In lacs)	27.06
b) Net aggregate amount of profit less lossess so far as they concern members of the company and dealt with,in the company's account	
i) for the Financial year ended 31.03.2011	-
ii) for the previous Financial year since it became a subsidiary	

As per our report of even date attached

For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

CA Suresh G. Kothari

Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

For and on behalf of the Board

Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Auditor Report To The Members On The Consolidated Financial Statement Of Brescon Corporate Advisors Ltd. And Its Subsidiaries

45

- 1) We have audited the attached Consolidated Balance Sheet of **BRESCON CORPORATE ADVISORS LIMITED** and its subsidiary as at 31st March, 2011, the Consolidated Profit & Loss Account and also the Consolidated Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Brescon Corporate Advisors Ltd.'s management. Our responsibility is to express an opinion on these financial statements based on our audit.
- 2) We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
- 3) We did not audit the financial statements of subsidiary company, Cognizant Finance Pvt. Ltd. The financial statement of this subsidiary reflect total assets Rs. 663.15 Lacs as at 31st March, 2011 and profit after tax of Rs. 86.60 Lacs for the year ended on that date. These financial statements have been audited by another auditor whose reports have been furnished to us, and our opinion in so far as it relates to the amounts included in respect of the subsidiary is based solely on the report of the other auditor.
- 4) We report that the consolidated financial statement have been prepared by the Brescon Corporate Advisors Ltd. in accordance with the requirements of Accounting Standard (AS) 21, Consolidated Financial Statements, issued by the Institute of Chartered Accountants of India and on the basis of the separate audited financial statements of the Brescon Corporate Advisors Ltd. and its subsidiary included in the consolidated financial statements.
- 5) On the basis of the information and explanation given to us and on the consideration of the separate audit reports on individual audited financial statements of the Brescon Corporate Advisors Ltd., and its subsidiary, we are of the opinion that the said consolidated financial statements give a true and fair view in conformity with the accounting principles generally accepted in India :-
- (i) in the case of the Consolidated Balance Sheet, of the consolidated state of affairs of the Brescon Corporate Advisors Ltd. and its subsidiary as at 31st March 2011.
- (ii) in the case of the Consolidated Profit and Loss account, of the consolidated results of operation of the Brescon Corporate Advisors Ltd. and its subsidiary for the year ended on that date
- and
- (iii) in the case of the consolidated cash flow statement, of the consolidated Cash Flow Statement of the Brescon Corporate Advisors Ltd and its subsidiary for the year ended on that date.

For **VIJAY R. TATER & CO.**
Chartered Accountants
Firm Registration No.111426W

(CA Suresh G. Kothari)

Place : Mumbai
Date : 10.05.2011

Partner
M. No 47625

Consolidated Balance Sheet As At 31st March, 2011

	Schedule	Rupees	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SOURCES OF FUNDS:				
1 Shareholders' Funds				
a) Share Capital	1	35,015,970		34,949,300
b) Share Application Money		-		340,017
c) Reserves & Surplus	2	411,584,615		354,326,915
			446,600,585	389,616,232
2 Loan Funds				
			-	-
			<u>446,600,585</u>	<u>389,616,232</u>
Total				
			<u>446,600,585</u>	<u>389,616,232</u>
APPLICATION OF FUNDS :				
1 Fixed Assets				
a) Gross Block	3	12,779,467		13,032,167
b) Less: Depreciation		11,563,764		11,613,950
c) Net Block			1,215,703	1,418,217
d) Capital work in progress			12,901,403	-
2 Investments				
	4		354,958,850	293,208,489
3 Current Assets, Loans & Advances				
a) Current Assets				
i) Sundry Debtors	5	88,229,604		62,699,671
ii) Cash & Bank Balances		5,862,386		15,277,505
b) Loans & Advances				
	6	113,821,139		120,349,232
		207,913,129		198,326,407
4 Less: Current Liabilities & Provisions				
a) Current Liabilities	7	19,509,204		19,776,204
b) Provisions	8	111,034,477		83,749,218
		130,543,680		103,525,422
Net Current Assets			77,369,449	94,800,985
5 Miscellaneous Expenditure				
			124,200	149,040
6 Deffered Tax Assets				
			30,981	39,500
			<u>446,600,585</u>	<u>389,616,232</u>
Total				
			<u>446,600,585</u>	<u>389,616,232</u>
Significant Accounting Policies & Notes on Accounts	13			

As per our report of even date attached
For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

CA Suresh G. Kothari
Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

For and on behalf of the Board
Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Consolidated Profit And Loss Account For For Year Ended 31st March, 2011

47

	Schedule	Year ended on 31.03.2011 Rupees	Year ended on 31.03.2010 Rupees
INCOME			
Fee Based Financial Services	9	156,064,306	191,048,799
Other Income	10	27,433,606	8,943,886
Total		183,497,912	199,992,685
EXPENDITURE			
Employees Cost	11	50,896,185	48,508,194
Administrative Expenses	12	29,092,793	37,351,797
Interest Paid		2,031,445	-
Bad Debts		5,561,807	14,185,352
Depreciation		287,855	508,064
Loss on sale of Investments		-	7,611,131
Preliminary Expenses written off		24,840	24,840
Provision for Contigent against Standard Assets		136,619	-
Loss on sale of Fixed Assets		30,459	580,204
		88,062,003	108,769,582
PROFIT / (LOSS) BEFORE TAX		95,435,909	91,223,103
Add/ (Less) : Excess / (Short) Provision for Taxation of earlier years		88,929	(1,638,152)
Less : Provision for Taxation		28,141,100	31,518,338
(Add) : Provision for Shortfall in Gratuity		-	(363,679)
(Add) : Provision for Diminishing Value of Investments		-	(33,765)
Provision for Deferred Tax			
Less: Timing difference on account of difference of current year depreciation		8,519	259,588
PROFIT / (LOSS) AFTER TAX BUT BEFORE MINORITY INTEREST		67,375,219	58,204,469
Add: Minority Interest in net profit of the Subsidiary Company		-	11,093
PROFIT / (LOSS) AFTER MINORITY INTEREST		67,375,219	58,215,562
Add : Balance brought forward		254,189,216	221,195,887
AVAILABLE FOR APPROPRIATION		321,564,435	279,411,449
Proposed Dividend		8,753,993	8,737,325
Tax on Distributed Fund		1,453,929	1,484,908
Transferred to General Reserve		10,000,000	15,000,000
Balance carried to Balance Sheet		301,356,513	254,189,216
Basic Earnings per Shares (Refer note no.2(09) in schedule 13)		19.25	16.66
Diluted Earnings per Shares (Refer note no.2(09) in schedule 13)		19.25	16.66

Significant Accounting Policies & Notes on Accounts 13

As per our report of even date attached
For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

For and on behalf of the Board
Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

CA Suresh G. Kothari

Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Consolidated Schedules Annexed To And Forming Part Of Balance Sheet As At 31st March, 2011

	Rupees	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SCHEDULE -1 "SHARE CAPITAL"			
Authorised			
10000000 Equity Shares of Rs. 10/- each		100,000,000	100,000,000
200000 Preference Shares of Rs. 100/- each		20,000,000	20,000,000
		120,000,000	120,000,000
Issued, Subscribed and paid up			
3501597(3494930) Equity Shares of Rs. 10/- each fully paid up.		35,015,970	34,949,300
		35,015,970	34,949,300
SCHEDULE -2 " RESERVES & SURPLUS"			
General Reserve	70,037,016		55,037,016
Add : Transferred from Profit & Loss account	10,000,000		15,000,000
		80,037,016	70,037,016
Share Premium A/c.		29,742,377	29,469,030
Profit & Loss Account		301,356,513	254,189,216
EMPLOYEE STOCK OPTION			
Empolyee Stock Option Reserve	489,500		
Less : Deferred Employee Compensation Expenses	40,791		
		448,709	631,653
		411,584,615	354,326,915

SCHEDULE - 3 "FIXED ASSETS"

Particulars	Gross Block				Depreciation				Net Block	
	As at 01.04.2010	Additons during the year	Deductions during the year	As at 31.03.2011	As at 01.04.2010	for the year	Deductions for the year	As at 31.03.2011	As at 31.03.2011	As at 31.03.2010
A) Owned Assets										
Furniture, Fixtures & Fittings	2,708,563	-	-	2,708,563	2,146,609	56,195	-	2,202,804	505,759	561,954
Office Equipment / Air-conditioners	2,394,709	75,000	138,800	2,330,909	1,707,893	101,201	89,157	1,719,937	610,972	686,816
Computer	7,928,895	70,800	259,700	7,739,995	7,759,448	130,459	248,884	7,641,023	98,972	169,447
TOTAL (A)	13,032,167	145,800	398,500	12,779,467	11,613,950	287,855	338,041	11,563,764	1,215,703	1,418,217
B) Work in Progress										
Residential Flat	-	12,901,403	-	12,901,403	-	-	-	-	12,901,403	-
TOTAL (B)	-	12,901,403	-	12,901,403	-	-	-	-	12,901,403	-
TOTAL (A+B)	13,032,167	13,047,203	398,500	25,680,870	11,613,950	287,855	338,041	11,563,764	14,117,106	1,418,217
Previous Year	14,156,629	160,400	1,284,862	13,032,167	11,502,585	508,064	396,699	11,613,950	1,418,217	-

Consolidated Schedules Annexed To And Forming Part Of Balance Sheet As At 31st March, 2011

49

	As at 31.03.2011 Rupees	As at 31.03.2010 Rupees
SCHEDULE - 4 " INVESTMENTS"		
(Valued, verified & Certified by the Management)		
Investment in Shares		
A) Long Term - Non Trade;-		
i) Unquoted		
Others :-		
Nil (previous year 477334) fully convertible warrants @ Rs.53/- each of Multi Flex Lami Print Ltd.(face value Rs.10/- each at premium of Rs.43/- each) (5 % i.e.Rs. 2.65 per Share warrant paid)	-	1,264,936
Investment in Indian Real Opp.Venurer Capital Fund (now known as Milestone Real Estate Fund)	4,047,000	5,000,000
6660 Equity shares of Global Wind Power Ltd @ Rs.50/- per share	333,000	333,000
ii) Quoted		
Investment In Shares & Securities		
-> In Equity Shares / Diversified Mutual Fund Scheme (Mkt.Value - Rs.439.34 Lacs) (P.Y. Mkt. Value - Rs.621.12 Lacs)	74,303,713	66,209,006
B) Current Investment		
-> In Mutual Fund / Bonds (Floater & Liquid / FMP) (Mkt.value - Rs.2800.88Lacs) (P.Y. Mkt.Value - 2208.47 Lacs)	276,275,137	220,401,548
	354,958,850	293,208,489
SCHEDULE -5 "CURRENT ASSETS"		
Debtors (Unsecured, considered good)		
More than six months	28,219,777	11,353,029
Less than six months	60,009,827	51,346,642
	88,229,604	62,699,671
Cash and Bank Balances		
-> Cash on Hand	174,246	314,485
-> Bank Balance In Current Account	5,688,140	14,963,020
	5,862,386	15,277,505
	94,091,990	77,977,176
SCHEDULE - 6 "LOANS & ADVANCES"		
(Unsecured considered good)		
Deposit for Office Premises	9,240,000	9,738,600
Advances Recoverable in cash in kind or for value to be received	4,129,304	38,680,391
Advance Tax,Self Asst.Tax & TDS	100,451,835	71,930,241
	113,821,139	120,349,232
SCHEDULE - 7 "CURRENT LIABILITIES"		
Creditors - For Expenses & others	7,279,931	7,592,214
Others Liabilites	12,229,273	12,183,990
	19,509,204	19,776,204
SCHEDULE - 8 "PROVISIONS"		
Provision for Contigent against Standard Assets	136,619	-
Provision for Proposed Dividend	8,753,993	8,737,325
Provision for tax on distributed profit	1,453,929	1,484,908
Provision for Fringe Benefits Tax	1,069,253	1,069,253
Provision for Taxation	99,620,684	72,457,732
	111,034,477	83,749,218

Consolidated Schedules Annexed To And Forming Part Of Profit & Loss Account For The Year Ended 31st March, 2011

	For the year ended 31.03.11 Rupees	For the year ended 31.03.2010 Rupees
SCHEDULE - 9 "FEE BASED FINANCIAL SERVICES"		
Financial Restructuring / Recapitalisation	113,831,431	136,744,828
Syndication of Debt	38,232,875	54,303,971
M&A Advisory	4,000,000	-
	156,064,306	191,048,799
SCHEDULE - 10 "OTHER INCOME"		
Dividend	3,122,166	6,497,512
Interest Received	12,417,338	2,546,078
Profit / (Loss) on sale of Investment	11,474,010	-
Other Income	-	3,500
Profit / (loss) on dealing in F&O Shares	420,092	(103,203)
	27,433,606	8,943,886
SCHEDULE - 11 "EMPLOYEES COST"		
Salaries, Incentive & Allowances	47,655,002	48,433,013
Employee Compensation Expenses	(182,944)	(2,086,459)
Contribution In Gratuity Fund / Key Men Insurance	2,021,033	509,163
Staff Welfare	1,403,093	1,652,476
	50,896,185	48,508,194
SCHEDULE - 12 "ADMINISTRATIVE EXPENSES"		
Advertising Expenses & Public Relation Expenses	543,900	594,185
Auditors Remuneration	-	-
- Audit Fees including statutory certification	75,000	75,000
- For Tax Audit	15,000	15,000
- Audit fees for subsidiary company auditors	6,618	2,206
Bank Charges	47,854	63,590
Books & Periodicals	458,304	512,984
Business Promotion Expenses	3,084,912	3,457,824
Computer / Software expenses	591,320	733,456
Conveyance	536,580	198,380
Directors sitting fees	165,000	235,000
Donation	23,000	125,000
Electricity & Water charges	825,942	1,175,740
Insurance charges	19,705	3,213
Internet & e-mail expenses	464,556	559,828
Miscellaneous Office Expenses	188,267	217,923
Motor car expenses	535,471	1,384,788
Office Utilities	10,204,650	15,599,441
Postage & Couriers	93,040	87,825
Printing & Stationery	844,168	824,449
Rates & Taxes & Other filling Fees	31,930	120,400
Professional Fees & Recruitment Charges	5,791,483	5,641,294
Repairs & Maintenance	137,863	344,682
ROC Expenses	12,125	20,200
Seminar & Conference Expenses	387,330	212,887
Shares & Securities Expenses	115,595	134,609
Share Transfer Agent Fees	56,000	55,000
Society Maintenance charges	347,030	558,690
Subscription & Membership Fees	664,776	1,870,427
Telephone Expenses	878,859	703,146
Travelling Expenses	1,946,515	1,824,628
	29,092,793	37,351,797

Consolidated Schedules Forming Part Of The Accounts For The Year Ended 31st Match, 2011

SCHEDULE- 13

A. SIGNIFICANT ACCOUNTING POLICIES:

1. PRINCIPLES OF CONSOLIDATION

1. The consolidated financial statement relates to Brescon Corporate Advisors Ltd. and its Subsidiary Company. The consolidated financial statement have been prepared in accordance with Accounting Standard – 21 “Consolidated Financial Statement” issued by the Institute of Chartered Accountants of India. The Consolidated financial statements have been prepared on the following basis.
 - The Financial statement of the company & its subsidiary company have been combined on a line-by line basis by adding together the book value of like items of Assets, Liabilities, income and expenses, after eliminating intra-group balances, transactions and the resulting unrealized profit or losses.
 - The financial statements of the Subsidiary Company used in the consolidation are drawn upto March 31, 2011, the same reporting date as that of the Holding Company.
 - The Consolidated Financial Statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances except where stated otherwise, in the same manner as the Company’s separate financial statements.
2. The Subsidiary companies considered in the Consolidated Financial Statements are:

Name of the Company	Country of Incorporation	Percentage of Holding	
		March 31,2011	March 31, 2010
Cognizant Finance Pvt. Ltd.	India	100.00	100.00

3. Minority Interest in the net assets of the subsidiary consist of the amount of equity attributable to the minority shareholders at the date on which investments are made by the company in the subsidiary companies and further movements in their share in the equity, subsequent to the date on investments, profit or loss attributable to the equity

2. Accounting Convention:

The consolidated Financial Statements have been prepared under the historical cost convention, on accrual basis to comply in all material respects with all applicable accounting principles in India, the applicable Accounting Standards notified under Section 211(3C) of the Companies Act, 1956 and the relevant provisions of the Companies Act, 1956.

3. Use of Estimates:

The preparation of the consolidated financial statements in conformity with the generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported amount of assets, liabilities, revenues and expenses and disclosure of contingent assets and liabilities. The estimates and assumptions used in the accompanying consolidated financial statements are based upon management’s evaluation of the relevant facts and circumstances as of the date of the financial statements. Actual results may differ from the estimates and assumptions used in preparing the accompanying consolidated financial statements. Any differences of actual results to such estimates are recognized in the period in which the results are known / materialized.

4. Fixed Assets :

The fixed assets are stated at acquisition cost less accumulated depreciation.

5. Depreciation / Amortisation:

Depreciation on Fixed Assets has been provided in accordance with the rates specified under Income Tax Rules, 1962 or under Schedule XIV of the Companies Act, 1956 on straight line method for single shift, whichever is higher.

In respect of additions / deductions during the period for the purpose of charging the Depreciation the period is reckoned as per the provisions of the Income Tax Rules, 1962.

Preliminary Expenses have been amortised equally over a period of 10 years

6. Investments:

The Investments are classified as Quoted & Unquoted Investments

A) Long term Investments are stated at cost less provision for permanent diminution in value of such investments.

B) Current Investments are stated at lower of cost and fair market value, determined by category of Investments.

7. Foreign Currency Transactions :

Transactions in foreign currency are recorded at the exchange rates prevailing at the dates of the transactions. Gains / losses arising out of fluctuation in exchange rates on settlement are recognised in the profit and loss account.

Foreign currency monetary assets and liabilities are restated at the exchange rate prevailing at the period end and the overall net gain / loss is adjusted to the profit and loss account.

8. Retirement Benefits :**a) Post - employment benefit plan:**

The BCAL (The Holding Company) Liability for gratuity as at the year end is provided on the basis of actuarial valuation and funded with Life Insurance Corporation of India.

b) Short term employment benefits:

The BCAL (The Holding Company) amount of short term employee benefits expected to be paid in exchange for services rendered by employees is recognised during the period when the employee renders the services. These benefits include performance incentives.

c) Key Man Insurance Policy:

The BCAL (Holding Company) has taken a Key Man Insurance Policy of the Managing Director with Life Insurance Corporation of India.

d) Employee Stock Option Plan:

Stock Option grants to the employees who accept the grant under the Company's Stock Option Plan are accounted in accordance with Securities and Exchange Board of India (Employees Stock Option Scheme and Employees Stock Purchase Scheme) Guidelines, 1999 and Guidance Note on Accounting for Employee Share-based payments issued by Institute of Chartered Accountants of India. The Company follows the fair value method for option pricing and accordingly the fair value of the option as of the date of the grant of the option over the exercise price of the option is recognized as employee compensation cost and amortised on straight line basis over the vesting period.

9. Revenue Recognition :**a) Income from Operations**

Revenue from Debt Resolution / Debt syndication and Financial Restructuring Advisory Services are recognised on the basis of achievement of prescribed milestones as relevant to each mandate or proportionate completion method, as applicable.

Revenue from Private Equity placement, Merger & Acquisition advisory and Due diligence advisory is recognised on completion basis of the assignment.

b) Other Income

Interest Income is recognised on accrual basis, while dividend on shares & securities is recognised when right to receive the dividend is established.

10. Borrowing Costs :

Interest and other costs incurred in connection with borrowing of the funds are charged to revenue on accrual basis except those borrowing cost which are directly attributable to the acquisition or construction of those fixed assets, which necessarily take a substantial period of time to get ready for their intended use, such costs are capitalised with the fixed assets.

11. Earning per Share (EPS):

The earnings considered in ascertaining the Company's EPS comprises the net profit after tax (after providing the post tax effect of any extra ordinary items). The number of shares used in computing Basic EPS is the weighted average number of equity shares outstanding during the year.

12. Taxation

- a) **Current Tax:** A provision for current income tax is made on the taxable income using the applicable tax rates and tax laws.
- b) **Deferred Tax:** Deferred tax arising on account of timing differences and which are capable of reversal in one or more subsequent periods is recognised using the tax rates and tax laws that have been enacted or substantively enacted. Deferred tax assets are not recognised unless there is a virtual certainty with respect to the reversal of the same in future.

13. Provisions and Contingencies:

The company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that probably will not require an outflow of resources or where a reliable estimate of the obligation can not be made.

B. NOTES TO ACCOUNTS :**1. Contingent Liabilities not provided for:-****(Rs in Lacs)**

	31.03.11	31.03.10
1) Estimated amount of contracts remaining to be executed on capital account. (Net of Advances)	239.60	Nil
2) Uncalled liabilities of partly paid-up convertible warrants		
a) 4.77 Lacs fully convertible warrants of Multi-Flex Lami Print Ltd. of payable @ Rs.50.35 each	Nil	240.34

2. Managerial Remuneration :-

Salary and other benefits include remuneration paid to Managing Director, as under :-

Salary Rs.1,08,00,000/- (For 12 Months) (Previous Year Rs. 81,00,000/- for 9 Months)

Calculation of Remuneration in accordance with Section 309(5) of the Companies Act,1956 for the year ended 31st March,2011

	31.03.2011 (Rupees)	31.03.2010 (Rupees)
Profit Before tax	9,54,35,909	9,12,23,104
Add : Remuneration paid to Whole time Director	1,08,00,000	81,00,000
Total	10,62,35,909	9,93,23,104
Add / (Less) : Loss / (Profit) on sale of Investments	(1,14,74,010)	76,11,131
Net Profit U/s 349 of the companies Act,1956	9,47,61,899	10,69,34,235
(Amount which can be paid under companies Act to Whole time Director (@ 5% of Net Profit)	47,38,095	53,46,712

Central Government has approved remuneration to the tune of Rs.9.00 Lacs per month vide letter no.A-68187376-CL.VII dated 18th May 2010. Hence the same is provided in the books

3. Deferred tax:-**Break up of Deferred Tax Asset and Deferred Tax Liability arising out of timing differences**

	As at 31.03.2011 (Rupees)	As at 31.03.2010 (Rupees)
Deferred Tax Assets:- (Opening)	39,500	299,088
Add: Deferred Tax Assets / (Deferred Tax Liability) for timing difference on Depreciation	(8,519)	(259,588)
Net deferred Tax Assets / (Deferred Tax Liability)	30,981	39,500

The Company has unadjusted Capital Loss under the Income Tax Act, 1961. However, as a matter of prudence and in the absence of virtual certainty of sufficient future taxable Capital Gains, deferred tax asset on the same has not been recognised in accounts.

4. Expenditure, Earnings, and remittance in foreign currency (Rs. in Lacs)

1. Expenditure (Travelling) - Rs. 0.46 (Previous year Rs. 1.10)

2. Earnings (Advisory Fees) - Rs.Nil (Previous year Rs.12.13)

5. The disclosure under Section 22 of Micro, Small and Medium Enterprises Development Act, 2006 is not applicable to our company as we are not a trading company and accordingly do not have any such suppliers.

6. The Company is engaged in the intermediation and advisory services of Debt Resolution & Recapitalisation, Debt Syndication and Other Corporate Financial Services. These in context of Accounting Standard 17 (AS 17) on Segment Reporting issued by Institute of Chartered Accountants of India are considered to constitute one single primary segment

7. Details of Employee Stock Option Scheme, 2006 of BCAL (The Holding Company) is as under

Particulars	Grant - II		Grant - III	
	No. of Options	Amount (Rs.)	No. of Options	Amount (Rs.)
Date of Grant	31.07.2007		01.07.2008	
Total no. of Options Granted	92,500		110,500	
Exercise Price	Rs. 51/-		Rs. 51/-	
Options outstanding at the beginning of the year	12,500	3,89,375	10,000	4,89,500
Granted during the year	Nil	Nil	Nil	Nil
Expired/Lapsed during the year	12,500	3,89,375	Nil	Nil
Exercised but not allotted during the year	Nil	Nil	Nil	Nil
Outstanding at the end of the year	Nil	Nil	10,000	4,89,500
Amount written off	Nil	(3,46,111)	-	1,63,167

8. Disclosure requirements as per Accounting Standard 18 (As-18) "Related Party Disclosure" issued by the Institute of Chartered Accountants of India :

I. List of Related Parties :

- a. Associate companies where Managing director or relatives of Managing director are Directors.
 - i. Brescon Research Pvt. Ltd.
 - ii. Ind Finance & securities Trust Pvt. Ltd.
 - iii. Brescon Marketing Service Pvt. Ltd.
 - iv. Deep Investrade (Bombay) Pvt. Ltd.
 - v. I Tenable India Ltd.
- b. Key Management Personnel
 - i. Nirmal Gangwal – Managing Director

II. Particulars of transactions during the year with Related Parties :

(Rs. in Lacs)

Name of the Party	Nature of transaction	2010-11	2009-10
Brescon Research Private Limited	Business Centre fees paid	25.20	37.80
Ind Finance & Securities Trust Private Limited	Business Centre fees paid	50.40	75.41
Brescon Marketing Services Private Limited	Business Centre fees paid	25.20	37.80
Deep Investrade (Bombay) Private Limited	Business Centre fees paid	1.25	4.98
I Tenable India Ltd.	Data Processing Charges Received	2.65	---
Nirmal Gangwal	Remuneration as a		
	a) Chief Executive Officer	---	36.00
	b) Managing Director	108.00	81.00

III. Particulars of Outstanding Balance at the end of the year with Related Parties

(Rs. in Lacs)

Name of the Party	Nature of transaction	2010-11 Receivable / (Payable)	2009-10 Receivable / (Payable)
Brescon Research Private Limited	Office Premises deposit given	23.10	23.10
Ind Finance & Securities Trust Private Limited	Office Premises deposit given	46.20	46.20
Brescon Marketing Services Private Limited	Office Premises deposit given	23.10	23.10
Deep Investrade (Bombay) Private Limited.	Office Premises deposit given	----	4.98
Nirmal Gangwal	Remuneration as a Managing Director	(13.13)	----

9. During the financial year 2006-07 the Company had subscribed fully convertible 4,77,334 Warrants of Multi Flex Lami Print Ltd @ Rs. 53 per warrants. By making a payment of 5% i.e. Rs 2.65 per Warrant. The Company was entitled to apply for and be allotted 4,77,334 equity share at a price of Rs.53/- per share on payment of the balance amount. The last date for such payment was 07.09.2010. Due to subdud and delay in IPO by the Multi Flex Lami Print Ltd, the Company has decided not to exercise its option by not paying the balance amount due against the Warrants. In terms of the provisions of Chapter XIII of the Securities and Exchange Board of India (Disclosure and Investor Protection) Guidelines, 2000, Multi Flex Lami Print Ltd forfeited the said Warrants. The loss amounting to Rs.12,64,936/- of forfeiture of Warrants has been shown under the head loss on sale of investment.
10. As per Accounting Standard 20 "Earning Per Share" issued by the Institute of Chartered Accountants of India the Company gives the following disclosure for the year

Basic & Diluted Earning Per Share

Basic Earning Per Share		2010-11	2009-10
Profit / Loss after tax (Rs.in lacs)	(A)	673.75	582.16
Weighted Avg. No. of Shares (No.in lacs)	(B)	35.02	34.95
Earning Per Share (Rs.)	(A/B)	19.25	16.66
Diluted Earning Per Share			
Profit / Loss after tax (Rs.in lacs)	(A)	673.75	582.16
Weighted Avg. No. of Shares (No.in lacs)	(B)	35.01	34.95
Earning Per Share (Rs.)	(A/B)	19.25	16.66

11. The figures of the previous year have been regrouped and recast wherever necessary to confirm to the groupings of the current year.

As per our report of even date attached
For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

For and on behalf of the Board
Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

CA Suresh G. Kothari
Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

Premchand Godha
Director
Mumbai
Date: 10.05.2011

Consolidated Cash Flow Statement For the Year Ended 31st March, 2011

57

	YEAR ENDED ON 31.03.2011		YEAR ENDED ON 31.03.2010	
	RUPEES	RUPEES	RUPEES	RUPEES
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit after tax		67,375,219		58,204,469
Adjustments for :				
- Deprecation	287,855		508,064	
- Preliminary expenses W/off	24,840		24,840	
- Employee Stock Option amortisation	(182,944)		(2,086,459)	
- Interest received	(12,417,338)		(2,546,078)	
- Interest Paid	2,031,445		-	
- Dividend received	(3,122,166)		(6,497,512)	
- (Profit) / loss on sale of fixed assets/ Investment	(11,443,550)		8,191,334	
- Provision for Contigent against Standard Assets	136,619		-	
- Provision for taxation	28,060,690	3,375,451	33,018,635	30,612,825
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		70,750,670		88,817,294
(Increase)/Decrease in current assets				
- Inventories	-		-	
- Sundry Debtors	(25,529,933)		34,306,986	
- Loans & Advances	35,049,687		(36,986,605)	
	9,519,754		(2,679,619)	
Increase/(Decrease) in current liabilities				
- Liabilities	(267,000)		(4,053,222)	
		9,252,754		(6,732,841)
CASH GENERATED FROM OPERATIONS		80,003,424		82,084,453
Minority Share of Interest in profit	-		11,093	
Direct Taxes Paid	(30,895,721)	(30,895,721)	(41,025,382)	(41,014,289)
NET CASH FROM OPERATING ACTIVITIES		49,107,703		41,070,164
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of Fixed Assets	(13,047,203)		(160,400)	
Sale of Fixed Assets	30,000		307,960	
(Purchase) / Sale of Investments	(50,276,351)		(51,058,535)	
Dividend Received	3,122,166		6,497,512	
Interest Received	12,417,338		2,546,078	
NET CASH USED IN INVESTING ACTIVITIES		(47,754,050)		(41,867,386)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Issue of Equity Shares (inculding Share Premiume)	340,017		-	
Change in Minority Interest	-		(111,094)	
Share Application Money received	(340,017)		340,017	
Interest Paid	(2,031,445)		-	
Dividend Paid	(8,737,325)		(8,737,325)	
NET CASH USED IN FINANCING ACTIVITIES		(10,768,770)		(8,508,402)
NET INCREASE/ (DECREASE) IN CASH AND CASH EQUIVALENTS		(9,415,117)		(9,305,624)
CASH AND CASH EQUIVALENTS (OPENING BALANCE)		15,277,504		24,583,128
CASH AND CASH EQUIVALENTS (CLOSING BALANCE)		5,862,386		15,277,504

Notes :

- 1) The above Cash Flow statement has been prepared under Indirect Method set out in AS-3 issued by the Institute of Chartered Accountants of India.
- 2) The balance with the bank for unpaid dividend is not available for use by the company and the money remaining unpaid will be deposited in Investors Protection and Education Fund after the expiry of seven years from the date of declaration of dividend.
- 3) Figures in brackets indicates out go.
- 4) Previous year figures have been regrouped and recast wherever necessary.

As per our report of even date attached

For **Vijay R. Tater & Co.**
Chartered Accountants
Firm Registration No.111426W

For and on behalf of the Board

Dr. B. Vasanthan
Chairman

Nirmal Gangwal
Managing Director

CA Suresh G. Kothari
Partner
(M.No.47625)
Mumbai
Date: 10.05.2011

Premchand Godha
Director
Mumbai
Date: 10.05.2011

BRESCON CORPORATE ADVISORS LIMITED

Regd. Office : Siddhivinayak Chambers, 7th Floor, Gandhi Nagar,
Opp. M.I. G. Club, Bandra (East), Mumbai - 400 051.

ATTENDANCE SLIP

Shareholders attending the meeting in person or by proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting hall.

I hereby record my presence at the **20th ANNUAL GENERAL MEETING** of the Company at 6th Floor, Siddhivinayak Chambers, Gandhi Nagar, Opp. M.I.G. Club, Bandra (East), Mumbai - 400 051. **at 10.30 a.m. on Wednesday 21st September, 2011.**

Full Name of the Shareholder
(In Block Capitals) _____
Signature

Folio No. _____ / DP ID No. * _____ & Client ID No. _____
* Applicable for members holding Shares in electronic form.

Full Name of the Shareholder _____
Signature

BRESCON CORPORATE ADVISORS LIMITED

Regd. Office : Siddhivinayak Chambers, 7th Floor, Gandhi Nagar,
Opp. M.I. G. Club, Bandra (East), Mumbai - 400 051.

PROXY

I / We _____
of _____ in the district of _____ being a
Member / Members of the above named Company, hereby appoint _____
of _____ in the district of _____ of failing him
_____ of _____ in the district
of _____ as my / our Proxy to attend and vote for me / us and my / our behalf at the 20th ANNUAL
GENERAL MEETING of the Company to be held on Wednesday 21st, 2011 at 10.30 a.m. and at any adjournment thereof.

Signed this _____ day of _____ 2011.
Folio No. _____ / DP ID No. * _____ & Client ID NO. _____

* Applicable for members holding Shares in electronic form.

Affix Re. 1
Revenue
Stamp

Signature

No. of Shares Held : _____

Notes :

- (i) The proxy must be deposited so as to reach the Registered Office of the Company at 6th Floor, Siddhivinayak Chambers, Gandhi Nagar, Opp. M.I.G. Club, Bandra (East), Mumbai - 400 051, not less than FORTY - EIGHT HOURS before the time for holding the Meeting.
- (ii) Those Members who have multiple folios with different jointholders may use copies of this Attendance Slip / Proxy.

